

**Agenda
Citizens Oversight Committee
August 20, 2018
District Office Board Room
6:00 p.m.**

*Michelle L. Johnstone
Superintendent*

*Debbie MacLean
Director of Fiscal
Services*

*Kevin Montague
Facilities Director*

*Tim Larson
Athletic Director*

Committee Members

*Jerry Boudreaux
Chair*

Bill Blair

Matt Forsberg

Vonnie Good

Sheila Myers

Gary Suderman

Andrea Wilcoxon

Glen Miller

Jonathon Schrock

**Secretary
Kate Hall**

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- 1.0 Welcome**
- 2.0 Approval of Minutes – July 16, 2018**
- 3.0 Project Updates**
 - 3.1 Financial**
 - 3.2 Lyle**
 - 3.3 Whitworth Seismic**
 - 3.3.1 Whitworth Floors
- 4.0 CET Discussion**
- 5.0 Public Input**
- 6.0 Next Meeting – September, week of the 24th or skip?**
- 7.0 Adjourn**

Minutes
Citizens Oversight Committee
July 16, 2018
Dallas School District Board Room
6:00 pm

Present: Jerry Boudreaux, Kevin Montague, Michelle Johnstone, Matt Forsberg, Bill Blair, Gary Suderman, Glen Miller, Jon Schrock, Vonnie Good

Guests: Henry Fitzgibbon, Tommy White, Gordon Gentry, Seth Arnesen

1.0 Welcome

2.0 Approval of Minutes – A motion was made by Glen Miller to approve the June 18, 2018 minutes with the clarification of the discussion regarding the CTE building orientation. The preferred orientation for option 4 would be parallel to the south fence. The date in Section 6.0 should have been July 16, 2018. The motion received a second by Bill Blair and passed unanimously.

3.0 Long Range Facilities Plan – Discussion with Architect

3.1 Soderstrom Architects – Henry Fitzgibbon and Tommy White have been working with the school district on several projects including; stadium upgrades, privacy-for-all, wrestling room renovations at LaCreole, FAR grant work and the LRFPP grant work. They are very familiar with our district, our concerns and unique challenges.

Henry's presentation included information regarding State requirements for the Long Range Facilities Plan, the district's philosophy, and the Oregon Department of Education Long Range check list. A copy of the full power point presentation is available upon request.

Jerry asked if the school district is compliant with the priorities mentioned in the presentation, such as ADA and building codes. The district is not fully compliant but is actively working towards compliance as funding becomes available. In addition, 25% of the funding for each project needs to be allocated to meeting the ADA requirements in the project area until all ADA requirements are met.

Other discussion from the power point included; natural security, daylighting, air quality, seismic grant potential and assessment findings.

Natural security includes having staff and students using a single entrance to each building, with all other access points locked and used for exit only. Additionally, offices would be designed to allow visibility to the hallways/corridors at the single entrance.

Studies have shown daylighting (the use of natural light in classrooms via high windows and/or skylights) improves test scores 20-25% in math and science. Air quality also improves learning by flushing out the CO2 by bringing in fresh outdoor air.

Review of the Facility Assessment is still in progress to determine our potential to receive additional seismic grants. The grant amounts have increased as have the guidelines between life/safety and immediate occupancy. Since Dallas High School and LaCreole Middle School are both designated Red Cross Shelters but do not meet the immediate occupancy standard during seismic events, we may have a good chance to receive grants for upgrades in those locations. ZCS is looking to determine if applying at this time is beneficial. The grant, should we receive it, would pay for the seismic study.

The Facility Assessment indicates we should keep all of our buildings. While all of our facilities are in need of repairs and upgrades, a building would need to receive a score of 60% necessary repairs or higher to be replaced. None of our buildings meet the 60% threshold which means we are able to upgrade and repair as needed.

If the district passes a bond in the next bond cycle we can also apply for the OSCIM Grant. This grant will match bond dollars up to just over \$7million for our district. To qualify for the grant, we will have to complete a Facilities Assessment and Long Range Facility Plan. We will need to apply for the grant approximately 9 months prior to the bond date. We are currently working with Soderstrom to complete both the Facility Assessment and Long Range Facilities Plan so we can apply for the OSCIM Grant. Since we will not be going out for a new bond until 2020 or 2021 we have time to work through all the details of the FAR and LRFP processes. As the time gets closer Henry will need a bond date (when we want the new one) and the payoff date for the current bond. This information can wait until this time next year.

The committee members have all worked hard to keep a high level of transparency and commitment to spending the current bond dollars as the voters approved. The committee is hopeful the community will keep that in mind when it comes time to vote on another bond.

4.0 Project Updates

- 4.1 **Financial** – There have been no substantial changes to the financial report.
- 4.2 **Lyle** – Kevin has provided the report he gives the board for 4.2, 4.3 and 4.4. Lyle is nearing completion with just punch list items and finishing up the new classroom (old kitchen) and MDF room.

- 4.3 **Whitworth Gym Seismic** – The project is moving forward. So far there have been no surprises and things are going well.
- 4.4 **Overall Projects Complete** – Floors are being redone at Whitworth. The sub agrees the polishers are not doing well so he is replacing them with a different floor polishing company. Other punch list items are being completed at all three elementary schools.

Jerry thanked Kevin for the board report and for holding the subcontractors accountable for their work. Kevin also provided the original bond list of the top priority items. Of the 326 items on that part of the list we have completed 141. That number does not include any of the seismic work, privacy-for-all, lead-in-the-water testing and other projects completed which were only recently added. With the additional work added to facilities, the department has remained focused and has also done a great job leveraging the received funding.

5.0 **CTE / Privacy-for-All / Security**

- 5.1 **Follow up discussion / recommendation / prioritization** – Kevin provided a Bond Project worksheet with costs of each project listed for the second bond issuance which included funding for a new CTE building. After the discussion from the meeting last month, Henry has provided a fifth option for the CTE building showing the orientation parallel to the south fence.

There was no quorum at the meeting last month. Kevin did contact Vonnie after the meeting and discussed the options for the CTE building. Vonnie agreed with the rest of the group regarding option 4. There was a quorum at this meeting so Kevin asked the committee for a recommendation to the board.

The cost for option 5, (which is option 4 with the modification of orientation that the committee previously preferred) is right at \$3million, just as Kevin estimated. There would be no real modifications to the existing building. The new building would be constructed in phases as mentioned in previous meetings. Equipment would be included in the first phase expense of \$3million.

Following the intent of the bond with the expense of the CTE building and program, other bond items will have to be deferred until another bond is passed. Items which will be deferred include; drainage at the high school track/stadium complex, access control/security cameras, and the locker room portion of the Privacy-for-All project. We will move forward with estimates for electrical network designs for future upgrades (access control/safety & security, etc.). We will also complete, in phases, restroom upgrades for privacy (new restroom partitions) along with some tech upgrades.

HVAC upgrades will also remain on the list. We are many years over the life span on most of our units. Air handling units at the Whitworth gym, DHS theater

and Lyle kindergarten wing are on year 22 of a 15-year life span. Roof top units are on our SB1149 implementation list which means they qualify for ETO incentives as well as SB1149 funds as long as they are replaced before they fail completely. Kevin left these items on the current list because they directly affect the ability of the district to hold classes.

While we have had no roof leaks on the buildings where we have been able to restore existing or install new roofs, we have begun experiencing leaks at the high school. Our team has done a great job at patching, the patches will not last for the long term. The high school needs a new roof on much of the building.

Exterior painting is also needed. While it may seem it only cosmetic, it is also a safety and structural concern. There isn't enough funding at this time to complete all the painting needs so it will be deferred and completed as we are able, possibly as part of other repairs.

The committee continued to review and discuss the Bond Project worksheet. Michelle said she feels it is a do-able plan and she appreciates Kevin's work in putting it together.

Michelle clarified that Fund102 is not bond dollars. Fund102 (which was originally funded by the sale of the Rickreall School) is now funded through the monies received from SB1149. SB1149 funds are those the district receives through energy incentives due to energy upgrades; such as lighting upgrades, approved windows, building insulation, etc.

The committee has, in the past, recommend that bond dollars go into Fund102 for monies spent on projects which were actually bond projects. The board has previously directed the balance of Fund102 be set aside for track upgrades after the boosters complete their installation of the artificial turf field. If the cost of the track upgrades exceeds the amount available in Fund102, the remainder of the cost will come out of the general fund. We cannot finalize the cost of the track upgrades until the turf project is complete.

Vonnie made a motion to recommend the board accept CTE option A5, without the renovation of the existing shop building, and to support the Bond Project worksheet which Kevin provided. The motion received a second from Gary and passed unanimously.

- 6.0 Public Input** – Vonnie shared a Salem-Keizer CTEC student had been hired by a welding contractor she knows. The contractor stated the student was “the best kid ever”.
- 7.0 Next meeting** – The next meeting will be Monday, August 20, 2018

8.0 Adjourn – The meeting was adjourned at 8:00 p.m.

Jerry Boudreaux / Committee Chair

Date

Kate Hall / Committee Secretary

Date

DRAFT



Issue: Indexing of School Construction Tax Limits

Statute Reference: ORS 320.170

Last Updated: June 30, 2016

Background:

Passed in 2007, SB 1036 allowed school districts to impose a tax on new construction measured by the square footage of improvements (affordable housing, public buildings, agricultural buildings, hospitals, private schools, and religious facilities are exempt). SB 1036 defined and required revenues to be used for capital improvements. Construction taxes imposed by a school district must be collected by a local government, local service district, special government body, state agency or state official that issues a permit for structural improvements regulated by the state building code. An intergovernmental agreement with local governments collecting the tax is required and collection expenses are limited to 4% of tax revenue. DCBS is allowed to establish an administration fee of .25% of tax revenue. School districts with construction tax revenue are required to develop long-term facility plans. Construction taxes may be used for repayment of capital improvement debt.

Tax Limit Calculations:

SB 1036 set tax rate limits of \$1 per square foot for residential use and \$0.50 for nonresidential use, along with a \$25,000 tax limit on nonresidential properties. Beginning in 2009, tax rates were indexed to inflation using the Engineering News-Record Construction Cost Index. As prescribed in statute, DOR is responsible for updating tax rate limits and notifying affected districts. To notify affected districts DOR has partnered with Department of Education who receives updated limit calculations from DOR and notifies the affected districts.

Tax rate limits by fiscal year:

Fiscal Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Residential*	1.07	1.11	1.14	1.17	1.20	1.23	1.26
Non-Residential*	0.54	0.55	0.57	0.58	0.60	0.61	0.63
Non-Residential Max	26,800	27,700	28,400	29,200	29,900	30,700	31,400

* Dollars per square foot