

The Bond Oversight Committee met August 24, 2021 at 6:00 p.m. at the Vista Middle School Library. The meeting was also made available to panelists and attendees via Zoom video conference.

1. CONVENE

1.01 Call to Order by Chair

Riley Cornelsen called the meeting to order at 6:09 p.m.

1.02 Roll Call of Committee Members

Committee members present in-person included Riley Cornelsen, Dan Cornelsen, Mark Harting, Brian Lynch and alternate member Michael Contezac. Committee members present via zoom were Sandi McMillan and alternate member Tristen Byers. Committee member not present was Joe Lupo.

Also present in-person were Ferndale School District Assistant Superintendent Mark Deebach, FHS Athletic Director Eric Tripp, and Administrative Assistant Tammy Longstaff. Panelists present via zoom included Maintenance and Facilities Director Jamie Plenkovich, and Construction Services Group Representatives Ken Kuiken and Tex Ladish. Panelists not present were Ferndale School Board President Andrew McLaurin and Heidi Hansen with Construction Services Group.

Ryan Kimball attended as an audience member.

1.03 Adopted the Agenda

Sandi McMillan moved to approve the August 24, 2021 agenda as written; Brian Lynch seconded the motion. The motion carried.

1.04 Approval of Minutes

Mark Harting moved to approve the July 20, 2021 minutes as written; Brian Lynch seconded the motion. The motion carried.

2. PUBLIC COMMENT

2.01 Receive Public Comment

Audience member Ryan Kimball congratulated the construction and district team on the progress that has been made thus far and commented that the first slab pour occurred this week.

The following recommendations were made:

- Project dashboard and schedule need to be updated. Meeting minutes and documents have not been updated since April on the We Are Ferndale website.
- Preliminary drawings and schedules do not reflect the current project status.
- It would be helpful if Dr. Quinn could provide links to most current information in her Bond Updates.

Michael Contezac had a neighbor inquire about the costs associated with the proposed school color change. Eric Tripp confirmed there will be a color change revealed this fall and associated costs will be part of the standard replacement budget. Funds from fund raisers will also be put toward costs. The band uniforms will be included in the planned uniform color change.

The district is working on a public unveiling and date.

2.02 Shared Public Comment Received During the Past Month

No public comment to share. Public was invited to communicate via chat feature in Zoom or directly with Riley or the district if they would like to comment.

3. UNFINISHED BUSINESS

3.01 How do we communicate with the public?

FHS Dashboard and the Critical Projects Dashboard have been updated on the district's website. Masonry repairs and roofing repairs should be completed in the next month. Roofing repairs at Central are now complete.

Cash flow chart will be placed on the agenda monthly and be updated on the district's website.

3.02 Action Item Follow-up from July 20, 2021 meeting

a. July Bond Sale Update – Mark Deebach

A pre-rating call took place today with the district's financial team to review the documentation that is required for the district's presentation to Moodys. Tomorrow is the Moodys rating call. The district will be presenting the district's finances. Moody's will determine if our bond rating goes up or down. Moody's has a new criterion for rating schools which has resulted in a number of schools receiving a lower credit rating. One of the major changes is they are wanting schools to have a 17% fund balance which is not typical for Washington state schools. Unlike other states, Washington state schools are backed by the State Guarantee. BOC members can look at OE-5 for more information on fund balance.

The 7th of September is when the district will receive their Moody's rating. On the 15th of September, the district's pre-pricing call and meeting with their financial team will take place. The sale will take place on the 16th of September. Funds will be received and deposited within 5-7 days of the sale. This will be the final bond sale; it is valued at \$32,000,000.

The district is estimating that the cost per thousand may go as low as \$1.33.

b. Co-Chair Position and Committee Membership Roles – BOC Members

In September, the Committee will focus on adding student members. No plans have been made to add additional BOC members at this time as the project is so far along and the group has a stable membership.

c. Maintenance/Improvement Schedule Presentation – Capital Funds - CSG

Ken Kuiken was not ready to present the Maintenance/Improvement Schedule. Likely, he will be able to present in October.

d. Furniture, Fixtures, and Equipment (FF&E) Schedule

The FF&E schedule was included in the meeting packet. It identifies the different phases of the furniture and fixture process including issuance of purchase orders and product delivery schedule.

Furniture deliveries can be challenging, so early planning is crucial. Anything that is not attached to the building is typically classified as FF&E.

A furniture fair will take place in November located in the foyer of the performing arts center. This is an opportunity for stake holders to test out the furniture and provide feedback.

The CTE equipment schedule is near development completion. Ferndale School District CTE staff had substantial input on what equipment was needed.

Lummi Nation Artwork integration into the new high school.

The district will be engaging Lummi Nation to include their artwork in the new high school plan.

4. NEW BUSINESS

4.01 District Comments/Input

a. Review Bond Related Spending for June 2021

Current expenditures on the new FHS as of July 31, 2021 is \$12,657,462.

A correction had to be made with regard to sales tax on Cornerstone's invoices; these amounts will show up in future expenditure reports.

The estimate on state match funds has been increased. CSG is finalizing the D-9 Document. Once approved by OSPI, they will send out the D-10 indicating what the confirmed amount of state match funds will be.

Questions were asked by BOC members about how the expenditures are categorized in CSG's Expenditure Summary and how to match up the district report with CSG's report. Effort will be made to see if the district accounting program has the ability to add a field identifying the category each applicable monthly cost is as shown on CSG's report.

b. Review Cash Flow Plan

The cash flow plan/schedule integration document was included in the meeting packet. The BOC would like to see this document merged with the dashboard schedule and thanks Cornerstone for their efforts in producing this information.

With steel prices on the rise, steel purchases occurred earlier than planned. Originally, bonding and insurance costs were dispersed over the life of the construction schedule. However, these costs were paid up front and therefore expenditures are higher than estimated at the beginning of the project in this area as well.

c. Receive an Update on Items Related to the Bond from Ferndale School District and Construction Services Group.

CSG Monthly Report – Ken Kuiken

- Fire alarm system reroutes are complete and are online for the new school year.
- The geopier installation contractor wrapped up and have demobilized offsite. They will return later in the project when construction is taking place on the CTE wing.
- Storm water detention system north of the gym is progressing. Sub grades were prepped, storage chambers were installed and are now covered with gravel. Construction crews are in the process of making the final connections to the outfall.
- The first slab pour is scheduled to happen on Thursday. A portion of the slab will be used to perform a mockup as test for the grinding and polishing finish.
- Foundation construction is ongoing in most areas of the new building.
- Installation of water and sewer mains have been completed.
- New data, communication, and gas services have now been extended to the new building.
- Asphalt patching for the utilities that was scheduled to occur last week, happened today.
- Structural steel is currently in fabrication and will arrive onsite this fall.
- Primary subcontractors on site currently are Pellco performing underground utilities and earthwork, Cowden Gravel and Redi-mix

- o providing gravel trucks and concrete, Milne Electric performing electrical, and Ramset Mechanical doing underground plumbing.
- o The underground oil tank that was discovered during the earlier construction phase has been removed.

The district is still considering options for improving the condition of the junior/staff parking lot.

The Change Order Log should be ready for discussion next month. The RFI process has been fast and furious; the design team has been keeping up with the contractor's inquiries. There are currently 184 RFI's. About 75% of the RFI's are steel fabrication questions. There are currently 12 CCD's which are largely driven by City requirements that were not known at the beginning.

The Ferndale School District continues to have weekly meetings with the contractor and design team to discuss these items.

The district asked the BOC for their input on the scheduled installation of the planned video scoreboard. The district's concern was about public perception and whether it would be considered too fancy. Installation of a traditional scoreboard would save \$75,000. The budget includes the cost of a video scoreboard so it would not be an extra cost.

The video scoreboard allows the district to use it for any activity including graduation and many different sports. It comes in panels and ships with extra panels. The lighted panels are good for 100,000 hours.

The BOC felt that the video scoreboard is the right choice. A traditional scoreboard is only good for football. The video score board provides advertising opportunities which can help generate revenue. In today's video culture, students in video production classes could benefit from learning to help operate it.

Critical Projects – Ken Kuiken

- o All hot water tanks have been replaced at most buildings with the exception of the Admin building. This will be finished near the end of summer.
- o Roofing at Custer Elementary is finished; masonry repairs are wrapped up as well.

- Security fencing at North Bellingham Learning Center is complete.
- Safety and Security upgrades at Beach elementary are expected to be complete at the end of December.
- Exterior lighting upgrades district wide will be wrapped up by the end of October.
- Direct Digital Controls (DDC) are complete at North Bellingham and Mountain View. Commissioning will begin in September/October. Custer and Skyline Elementary are scheduled for the DDC upgrade next summer.
- The HVAC control standardization project at Eagleridge, Central, Cascadia, Horizon, and the District Office is scheduled to be complete by the end of summer 2022.

CSG is tracking costs versus budget and reports the project is trending ahead of the budget.

4.02 Bond Oversight Committee Comments/Input (30 Minutes)

a. BOC Quarterly Report – September School Board Presentation

The structure of the report as it has been for the past two years is not applicable to the work that the BOC is doing now. The group will consider changing the headers to reflect the current events more accurately after this quarterly report. Members will provide Riley with their input by the Friday before Labor Day.

4.03 Upcoming Meetings/Important Happenings

a. Site Tour planned for August 24, 2021 at 12:00pm and 1:00pm – Drainage and Concrete

Due to health issues at Cornerstone, it was decided that the tour would be canceled. A new site tour will be rescheduled later.

The district is currently reviewing the interpretation in the Covid proclamation set forth by the Governor to ensure measures are taken onsite to meet compliance.

The next meeting will be September 21, 2021 at 6:00 p.m.

Items for Follow-up/Action:

- 1 Change Order Log
- 2 Engage Lummi Nation in New High School Art/Fixture Planning

5. ADJOURNMENT

The meeting adjourned at 8:12 p.m.