



**Bond Oversight Committee
Meeting Minutes
Friday, January 29, 2021 12:00-1:00 PM
Zoom Teleconference**

Present: Samantha Steele, Todd Bennett, Spencer Davenport, Amy Shipley, Steve Ennis, Jeremy Wright, Bret Moore, Will Clelland, Jenny Foster, Erin Linthorst, CJ Shipley, June Brock, Rob Hernandez, Tina Ely

Absent: Cathy Salmon, Kay Harrison

Attachments: CPSD Bond Program Dashboard, CPSD Soft Cost Analysis

PURPOSE OF MEETING

Review status of Bond Budget and answer the question “Where are we at?” Committee Members should leave the meeting today with a clear understanding of where we are with the Bond Budget.

- Excludes seismic grants at Crater High School and Hanby Middle School
- Excludes Student Investment Act (SIA) grant at Jewett Elementary School

CPSD BOND PROGRAM DASHBOARD (see attached)

- The following “Abbreviations Key” will be added to dashboard

CHS	Crater High School	BLR	Boiler Replacement
CPE	Central Point Elementary School	DH	Door Hardware
CPSD	District-wide project	MEP	Mechanical, Electrical, Plumbing
ELC	Early Learning Center	NB	New Building
JES	Jewett Elementary School	PL	Parking Lot
HMS	Hanby Middle School		
MRE	Mae Richardson Elementary School		
PES	Patrick Elementary School		
SMS	Scenic Middle School		
SVE	Sams Valley Elementary School		
- Original Bond Program Budget: **\$80,630,463**
- Current Bond Program Budget: **\$92,882,449**
 - \$80,630,463 Original Bond Program Budget
 - + \$9,601,986 Bond Premium
 - + \$1,839,000 Estimated Interest to Date
 - + \$811,000 Projected Future Interest Earnings
- Progress Towards 85% Awarded/Encumbered
 - District is obligated to have 85% of original bond funds (\$80.6M) awarded by June 27, 2022
 - Currently at 19% awarded
- Quarterly Bond Spending (see attached)
- Cumulative Bond Spending to Date (see attached)
- Bond Projects by Date
 - Five of 19 projects shown are in construction at this time
- Project Budget includes conservative allowances for each project until each project is designed, and the construction estimate is vetted by both the Contractor and a professional estimator
- Bond Project Budget Forecast Summary

- Current Budget/Scope gap of \$4.8M
- Current Major (>\$1M) Scope Busts:
 - Scenic Middle-New Building: \$1.5M
 - Crater High School MEP: \$8.5M
 - Early Learning Center: \$2.6M
- These projects are all still in pre-Design or Design, so we have time to revamp the scope
- If adjusting the scope will not allow us to fulfill our Bond promise, we may have an opportunity to tap into unspent Soft (aka “Indirect”) Costs

CPSD SOFT COST ANALYSIS (see attached)

- Soft (Indirect) Costs may be re-allocated to construction budgets as individual projects firm up
- Although it appears we may have up to \$4.5M available, we should only consider \$2.1M possible, and not even that amount until more projects are under construction contract

SUMMARY

- District faces some headwinds with the Bond Budget. Although the current \$4.8M scope gap is of concern, it is still a bit early in the bond program and there is time to refine our project scope and narrow in on the true costs of the projects. As noted with many projects in the pre-design and design phases we still have much to learn/discover. The Bond Team is cautiously optimistic that we can bridge the current \$4.8M scope gap by refining scope, continuously seeking value within the work, and through a refinement of soft (indirect costs). The Bond Team projects approximately \$2.1M and up to \$4.5M of the gap may be covered through the refinement of soft (indirect costs), however it is too early in the program to confirm the accuracy of this projection.

Q&A

- Is the district obligated to pay back the Bond Premium during the same timeline as the base \$80M bond amount?
 - Yes
- Please discuss the public’s expectations regarding an \$82M vs \$89M bond.
 - Via surveys conducted during the pre-bond work the public was clear that they supported extending the current levy, but there was diminishing and/or a lack of support for a higher levy. Therefore the District structured the \$82M bond on a “level levy” basis. The expectation from the public was to “not pay more than they were paying at the time of the election” and this is what the School District accomplished. Bond Premium is the result of market forces and although it is not “free money” it worked to the District’s favor in that we were able to garner \$89M rather than \$82M while still meeting the public’s expectation to not pay more than current levels (i.e. level levy).
- Please discuss the forthcoming Jewett Elementary School New Building change order/s.
 - The new building had to be raised 1’ in order to adequately slope the sewer line.

NEXT MEETING

- Look for invitations for an April meeting where we will review scope and budget

END OF MINUTES

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Central Point School District Bond Program



Bond Goals

Improve Safety and Security

Improve Mechanical Systems for Efficiency & Health

Address Overcrowding

Create Flexible Learning Spaces

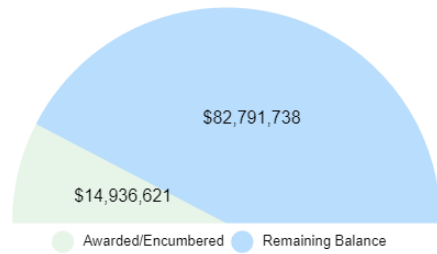
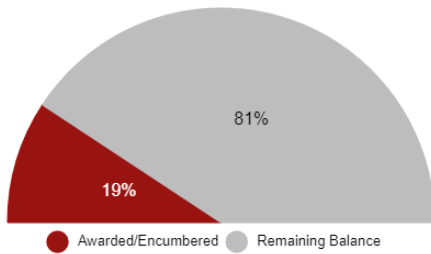


Original Bond Program Budget Forecast
\$80,630,463

Current Bond Program Budget
\$92,882,449

Progress Towards 85% Encumbered

Current Bond Program Forecast



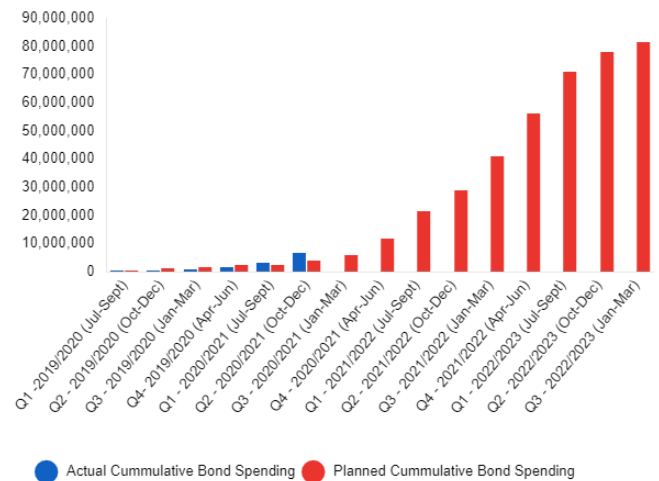
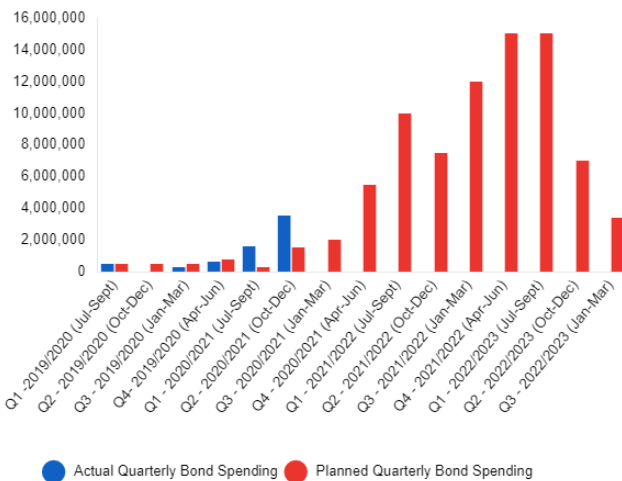
85% Requirement: \$68,535,894

Current Forecast: \$97,728,359

Bond Program must be at least 85% Encumbered by June 27, 2022.

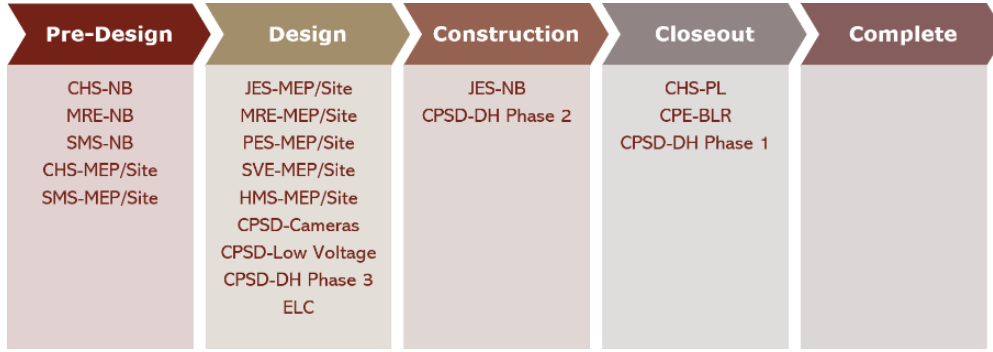
Quarterly Bond Spending

Cumulative Bond Spending to Date



Quarters are based on the District Fiscal Calendar of June - July

Bond Projects By Phase



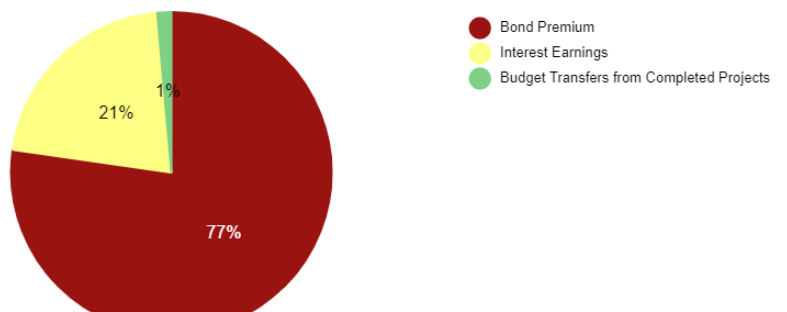
Bond Project Budget Forecast Summary

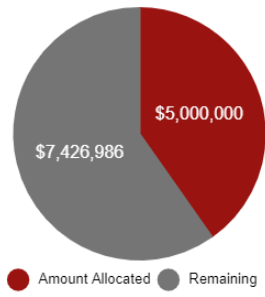
Description	Original Budget	Current Budget	Awarded / Encumbered	Remaining Balance	Forecast	Budget Variance
New Building Projects	\$14,024,000	\$13,103,471	\$5,550,203	\$8,875,939	\$14,426,142	-\$1,322,670
CHS-NB	\$2,508,000	\$2,353,946	\$0	\$2,372,442	\$2,372,442	-\$18,496
JES-NB	\$6,500,000	\$6,063,029	\$5,550,203	\$445,224	\$5,995,427	\$67,602
MRE-NB	\$2,508,000	\$2,345,388	\$0	\$2,192,930	\$2,192,930	\$152,457
SMS-NB	\$2,508,000	\$2,341,108	\$0	\$3,865,342	\$3,865,342	-\$1,524,233
Remodel Projects	\$48,023,867	\$44,901,148	\$1,643,228	\$51,643,363	\$53,286,591	-\$8,385,443
CHS-MEP/Site	\$14,576,842	\$13,631,716	\$0	\$21,987,535	\$21,987,535	-\$8,355,819
HMS-MEP/Site	\$3,506,880	\$3,285,486	\$3,000	\$3,793,559	\$3,796,559	-\$511,073
JES-MEP/Site	\$6,200,925	\$5,788,292	\$435,728	\$4,847,235	\$5,282,963	\$505,329
MRE-MEP/Site	\$5,133,639	\$4,792,027	\$435,710	\$3,835,059	\$4,270,769	\$521,259
PES-MEP/Site	\$3,688,488	\$3,441,783	\$380,477	\$2,986,719	\$3,367,196	\$74,588
SMS-MEP/Site	\$11,316,469	\$10,602,046	\$0	\$11,205,766	\$11,205,766	-\$603,719
SVE-MEP/Site	\$3,600,624	\$3,359,796	\$388,313	\$2,987,492	\$3,375,804	-\$16,008
Non-CMGC Projects	\$8,582,596	\$7,822,186	\$3,123,433	\$5,418,525	\$8,541,958	-\$719,772
CHS-PL	\$1,988,014	\$1,677,332	\$1,671,411	\$0	\$1,671,411	\$5,921
CPE-BLR	\$271,044	\$252,545	\$514,513	\$11,655	\$526,168	-\$273,623
CPSD-Cameras	\$258,048	\$240,788	\$0	\$201,025	\$201,025	\$39,763
CPSD-DH Phase 1	\$671,466	\$625,638	\$691,397	\$17,012	\$708,409	-\$82,771
CPSD-DH Phase 2	\$0	\$0	\$12,000	\$632,165	\$644,165	-\$644,165
CPSD-DH Phase 3	\$0	\$0	\$6,000	\$265,000	\$271,000	-\$271,000
CPSD-Low Voltage (L-com_Clocks_Alarms)	\$5,394,024	\$5,025,882	\$228,112	\$4,291,667	\$4,519,779	\$506,103
ELC	\$10,000,000	\$14,391,893	\$1,265,041	\$15,735,043	\$17,000,084	-\$2,608,191
ELC	\$10,000,000	\$14,391,893	\$1,265,041	\$15,735,043	\$17,000,084	-\$2,608,191
District/Program Level Costs		\$5,236,766	\$3,354,717	\$1,118,867	\$4,473,584	\$763,182
Bond Overhead Budget		\$5,236,766	\$3,354,717	\$1,118,867	\$4,473,584	\$763,182
Unallocated Budget (Bond Premium/Interest/Project Budget Variance)		\$7,426,986	\$0	\$0	\$0	\$7,426,986
Total Bond Program	\$80,630,463	\$92,882,449	\$14,936,621	\$82,791,738	\$97,728,359	-\$4,845,909

Owner Controlled - Unallocated Budget

Description	Budget
Unallocated Budget	\$12,426,986
Bond Premium	\$9,601,986
Interest Earned to Date	\$1,839,000
Projected Future Earnings	\$811,000
Budget Transfers to/from Completed Projects	\$175,000
Assigned Budget Allocations	\$5,000,000
Transfer to ELC Project	\$5,000,000
Remaining Unallocated Budget	\$7,426,986

CPSD Bond Unallocated Budget by Source





**Link to Original
\$80.6M Budget**



CPSD Budget 2019-02-02

CPSD Soft Cost Analysis

Primary Column	RPB2	Current Indirect Budget Costs	Current Percent	Current Forecast	Indirect Budget Variance	Comments	Recommended Reduction \$	Left in Project
CHS-PL	\$1,988,014	-\$387,663	19.5%	\$161,689	\$225,974	Reduce \$ (done)	\$0	\$0
JES-NB	\$6,402,500	-\$1,248,488	19.5%	\$900,177	\$348,311	Hold	\$0	\$348,311
JES-MEP	\$6,045,902	-\$1,178,951	19.5%	\$566,008	\$612,943	Reduce \$	\$300,000	\$312,943
MRE-MEP	\$5,005,298	-\$976,033	19.5%	\$557,580	\$418,453	Reduce \$	\$200,000	\$218,453
PES-MEP	\$3,614,718	-\$704,870	19.5%	\$488,477	\$216,393	Reduce \$	\$100,000	\$116,393
SVE-MEP	\$3,528,612	-\$688,079	19.5%	\$496,143	\$191,937	Reduce \$	\$100,000	\$91,937
<i>ELC</i>	<i>\$14,478,750</i>	<i>-\$2,823,356</i>	<i>19.5%</i>	<i>\$1,474,241</i>	<i>\$1,349,115</i>	<i>Transfer to FFE</i>	<i>\$0</i>	<i>\$1,349,115</i>
CPSD-DH1	\$671,466	-\$67,147	10.0%	\$25,655	\$41,492	Spread over PH2 and PH3	\$18,000	\$23,492
CPSD-DH2	\$0	\$0	0.0%	\$12,000	-\$12,000	Underfunded	-\$12,000	\$0
CPSD-DH3	\$0	\$0	0.0%	\$6,000	-\$6,000	Underfunded	-\$6,000	\$0
CPE-BLR	\$271,044	-\$27,104	10.0%	\$109,815	-\$82,711	Underfunded	\$0	
			<i>AVG</i>					
Totals	\$42,006,304	-\$8,101,691	17%	\$4,797,784	\$3,303,907		\$700,000	\$2,460,644
					<i>ELC FF&E SHIFT</i>			<i>-\$1,000,000</i>
					\$2,303,907			\$1,460,644
CHS-MEP	\$13,848,000	-\$2,700,360	19.5%	\$2,306,350	\$394,010	Reduce \$	\$200,000	\$194,010
CHS-NB	\$2,257,200	-\$440,154	19.5%	\$258,650	\$181,504	Reduce \$	\$100,000	\$81,504
CPSD-CAMS	\$252,887	-\$25,289	10.0%	\$8,600	\$16,689	Hold	\$0	\$16,689
CPSD-LV	\$5,394,024	-\$539,402	10.0%	\$33,300	\$506,102	Scope TBD	\$400,000	\$106,102
HMS-MEP	\$3,243,864	-\$632,553	19.5%	\$557,850	\$74,703	Hold	\$0	\$74,703
MRE-NB	\$2,382,600	-\$464,607	19.5%	\$251,300	\$213,307	Reduce \$	\$150,000	\$63,307
SMS-MEP	\$10,467,734	-\$2,041,208	19.5%	\$1,248,500	\$792,708	Reduce \$	\$600,000	\$192,708
SMS-NB	\$2,445,300	-\$476,834	19.5%	\$428,800	\$48,034	Hold	\$0	\$48,034
			<i>AVG</i>					
Totals	\$40,291,609	-\$7,320,407	17%	\$5,093,350	\$2,227,057		\$1,450,000	\$777,057
					\$4,530,964		\$2,150,000	\$2,237,701

January 27, 2021