School Board Agenda
Oregon City School District, July 16, 2018

The Board of Education will meet in Work Session beginning at 6:00 p.m., in Room 115 at the Jackson Building, 1306 12th Street, Oregon City.

Work Session Agenda:

- School Board Google Doc Workflow

Following the Work Session the Board will meet in Executive Session, in Room 115 at the Jackson Building, 1306 12th Street, Oregon City, to discuss bargaining and property matters pursuant to ORS 192.660(2)(d) and (e).

NOTICE TO MEDIA: In accordance with ORS 192.660(4) regarding Executive Sessions, news media representatives may not be allowed to attend portions dealing with collective bargaining strategy or consideration of student expulsion. All other matters discussed in Executive Session must remain undisclosed.

Executive Session Agenda:

- Property Updates
- Collective Bargaining

The Board of Education will meet in Regular Session beginning at 7:00 p.m. in the District Board Room at the Jackson Building, 1306 12th Street, Oregon City.

Please silence all electronic devices before the meeting begins.

Regular Meeting Agenda:

1. CALL TO ORDER

ELECTION OF BOARD CHAIR AND VICE CHAIR FOR 2018-19
1819-401 Elect Chair for 2018-19
1819-402 Elect Vice Chair for 2018-19

2. FOCUS ON LEARNING
Summer Programs:
  - Summer Day Camp at Eastham Community Center
  - Summer Food Service Program

3. RECOGNITION AND GOOD NEWS ABOUT OREGON CITY SCHOOLS
Oregon City Schools Foundation Grant
21st Century Community Learning Center Grant

4. PATRON INPUT
Visitors who have not previously arranged with the Superintendent to appear before the Board may be heard by signing in on the form found beside the agenda packets near the door.

5. REPORTS
Bond Renewal Planning - Larry Didway
Pioneer Stadium Improvements - Wes Rogers
6. BOARD COMMUNICATION
   Ex Officio Members: OCHS, OCEA and OSEA representatives

7. DISCUSSION
   First Reading of Policies J
   First Reading of Bond Resolution

8. ACTION ITEMS

   A. CONSENT AGENDA
      1. Approve minutes: June 4, 2018 Budget Committee Session
         June 11, 2018 Regular Session
         June 18, 2018 Public Budget Hearing
      2. 1819-01 Approve Licensed Appointments

   B. 1819-201 through 1819-221 Approve Annual Operating Resolutions
   C. 1819-403 Establish 2018-19 School Board Meeting Schedule
   D. 1819-404 Adopt Oregon City School Board Policy Section I & J
   IGBBB, IGBC, IGDA, IGDF, IGDJ, IK, IKB, IKH, IL, INI, JFCEB, JFCH, JFCJ, JGAB,
   JHCA/JHCBD, JHCC, JHCD & JHCD
   E. 1819-222 Support of the Use of Construction Manager/General Contractor Methodology
      For the 2018-19 General Obligation Construction Bonds

9. Other items requiring action by the Board (addendum)

10. ADJOURNMENT

NEXT MEETING:

   August 13, 2018, Regular Board Meeting
   September 10, 2018, Regular Board Meeting
RESOLUTION NO. _____

A RESOLUTION OF OREGON CITY SCHOOL DISTRICT NO. 62, CLACKAMAS COUNTY, OREGON, CALLING A MEASURE ELECTION TO SUBMIT TO THE ELECTORS OF THE DISTRICT THE QUESTION OF CONTRACTING GENERAL OBLIGATION BONDED INDEBTEDNESS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $158,000,000 TO FINANCE CAPITAL COSTS; AND RELATED MATTERS.

WHEREAS, the Board of Directors (the "Board") of Oregon City School District No. 62, located in Clackamas County, Oregon, (the "District") has determined that a need exists for the District to finance capital costs, as more fully described in the ballot title attached hereto as Exhibit A (the "Project") and pay bond issuance costs; and

WHEREAS, in connection with the Project, the District has evaluated the need for safety improvements, including the joint funding of safety improvements with other public and private entities and the funding of safety improvements in accordance with ORS 332.176; and

WHEREAS, the District applied for the Oregon School Capital Improvement Match (the "Match Program") under Senate Bill 447 and has received an allocation of $3.7 million and is first on the waiting list to receive another $4.3 million grant assuming voters approve the Bonds; and

WHEREAS, the costs of the Project and issuance costs are estimated to be not more than $158,000,000 from bond funds; and

WHEREAS, the District anticipates incurring expenditures (the "Expenditures") to finance the costs of the Project and wishes to declare its official intent to reimburse itself for any Expenditures it may make from its general funds on the Project from the proceeds of voter-approved general obligation bonds which may be issued as tax-exempt obligations; and

WHEREAS, ORS 328.205, as amended, subject to voter approval, authorizes the District to contract bonded indebtedness to provide funds to finance the costs of the Project and to pay bond issuance costs;

NOW, THEREFORE, the Board of Directors of Oregon City School District No. 62, located in Clackamas County, Oregon, resolves as follows:

1. The measure election is hereby called for the purpose of submitting to the electors of the District the question of contracting general obligation bonded indebtedness in the name of the District in an amount not to exceed $158,000,000 (the "Bonds"). Bond proceeds will be used to finance the Project and pay all Bond issuance costs. The Bonds shall mature over a period of not more than thirty-one (31) years from the date of issue and may be issued in one or more series.

2. The measure election hereby called shall be held in the District on the 6th day of November, 2018. As authorized by the County Clerk of Clackamas County, Oregon, and the
Oregon Secretary of State, the election shall be conducted by mail pursuant to ORS 254.465 and 254.470.

3. The District authorizes the Chair, Superintendent, Chief Financial Officer (each an “Authorized Representative”) or his/her designee to submit the final ballot title and explanatory statement and to take such further action as is necessary to carry out the intent and purposes herein in compliance with the applicable provisions of law.

4. The Authorized Representative shall cause to be delivered to the Election Officer of Clackamas County, Oregon (the “Election Officer”) a ballot title in substantially the form attached hereto as Exhibit A (the “Ballot Title”), which shall be approved and filed by the Authorized Representative of the District on Form SEL 805, not later than August 17, 2018 (not later than eighty (80) days prior to the election date). The Authorized Representative shall also cause to be delivered to the Election Officer Form SEL 803, not later than September 6, 2018 (sixty-one (61) days prior to the election date).

5. The District hereby declares its official intent pursuant to Treasury Regulation Section 1.150-2 to reimburse itself with the proceeds of the Bonds for any of the Expenditures incurred by it prior to the issuance of the Bonds.

6. The Authorized Representative is hereby authorized to execute all documents necessary in conjunction with the Match Program.

7. The law firm of Hawkins Delafield & Wood LLP is hereby appointed to serve as Bond Counsel and Piper Jaffray & Co is hereby appointed to serve as Underwriter/Placement Agent with respect to the issuance of the Bonds. The District will pay the fees and expenses of Bond Counsel and Underwriter/Placement Agent from Bond proceeds.

ADOPTED by the Board of Directors of Oregon City School District No. 62, located in Clackamas County, Oregon this ___ day of __________, 2018.

OREGON CITY SCHOOL DISTRICT NO. 62,
CLACKAMAS COUNTY, OREGON

By: ___________________________________________________________________
Chair, Board of Directors

ATTEST:

By: ___________________________________________________________________
Superintendent/District Clerk
EXHIBIT A

BALLOT TITLE

CAPTION: (10 WORD LIMIT)

Bonds for safety, security, repairs, overcrowding; renovation, efficiencies, and construction

QUESTION: (20 WORD LIMIT)

Shall Oregon City School District address safety, security, overcrowding, repairs, construct/improve classrooms; issue $158 million in general obligation bonds? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

SUMMARY: (175 WORD LIMIT)

If approved, bond and grant funds are expected to:

- Improve safety and security at every school and facility:
  - Build secure entries at all schools
  - Install and upgrade emergency, security and camera systems

- Address current and future school overcrowding:
  - Replace Gardiner Middle School
  - Renovate Ogden Middle School
  - Reduce portable classrooms
  - Expand classrooms and CTE facilities

- Update schools built 1938 to 1975 including energy efficiencies, heating, ventilation, air conditioning, roofing and plumbing

- Fund site improvements, furnishings and equipment

- Fund capitalized interest, land acquisition, and bond issuance costs, and refinance borrowings for capital costs

District will receive $3,700,000 to $8,000,000 in state grants if these bonds are approved.

Citizen oversight committee will ensure proceeds are used for purposes indicated.

Bonds would mature in 31 years or less from issuance and may be issued in series. The estimated tax rate is $1.24 per $1,000 of assessed property value, an increase of $0.10 over the current rate. Actual levy rate may differ due to changes in interest rates and/or assessed value.
Oregon City School District
School Board Meeting

1819-201 through 221 Approve Annual Operating Resolutions

Contact: Susan Dodd, Chief Financial Officer

Discussion:
These are the annual organizational resolutions approved in July of each year.

Recommendation:
Approve.

1819-201 APPOINT CHIEF ADMINISTRATIVE OFFICER AND SUPERINTENDENT-CLERK
BE IT RESOLVED that Larry G. Didway, Jr. be named as Chief Administrative Officer and Superintendent-Clerk for the 2018-19 fiscal year.

1819-202 APPOINT BUSINESS MANAGER-DEPUTY CLERK
BE IT RESOLVED that Susan Dodd be appointed Chief Financial Officer/Business Manager-Deputy Clerk for the 2018-19 fiscal year.

1819-203 APPOINT CUSTODIAN OF FUNDS
BE IT RESOLVED that Susan Dodd be appointed custodian of funds for the 2018-19 fiscal year and the use of her facsimile signature is authorized for checks and for purchase orders.

1819-204 AUTHORIZE SUPERINTENDENT-CLERK, DIRECTOR OF OPERATIONS AND CHIEF FINANCIAL/BUSINESS MANAGER-DEPUTY CLERK BOND FOR 2018-19
BE IT RESOLVED that the Superintendent-Clerk’s bond, the Director of Operations and the Chief Financial Officer/Business Manager-Deputy Clerk’s bonds be authorized for the fiscal year of 2018-19.

1819-205 AUTHORIZE APPLICATION FOR STATE, FEDERAL FUNDS AND SPECIAL GRANTS
BE IT RESOLVED that the Superintendent-Clerk and/or the Director of Operations and/or the Chief Financial Officer/Business Manager-Deputy Clerk be authorized to make application for any state or federal funds or other special grants that may become available to School District No. 62 during the 2018-19 fiscal year or ensuing fiscal year 2019-20, consistent with Board Policy.

1819-206 AUTHORIZE PAYMENT OF BILLS
BE IT RESOLVED that the Superintendent-Clerk, the Director of Operations and Chief Financial Officer/Business Manager-Deputy Clerk be authorized to pay bills and obligations of the District including those that would require early payment in order to take advantage of discount rates, athletic officials, payroll deductions, tuition reimbursement, travel expenses and expenditures that were authorized in the general budget, contracted work that was previously bid and construction work which is under supervision of architects or qualified consultants, and any other legal obligations of the district.

1819-207 AUTHORIZE SIGNATURES FOR SCHOOL DISTRICT TRANSACTIONS
BE IT RESOLVED that no signatures will be valid for school transactions including but not limited to authority to sign checks and transfer and invest district funds for Clackamas County School District No. 62, other than the signature of Larry G. Didway, Jr. Superintendent-Clerk and/or Susan Dodd, Chief Financial Officer/Business Manager-Deputy Clerk, and/or Wes Rogers, Director of Operations. The Superintendent, Chief Operations Officer, or Chief Financial Officer will review and sign all contracts on behalf of the District.

1819-208 DESIGNATE BANKS AS DEPOSITORIES
BE IT RESOLVED that the Wells Fargo Bank, U.S. Bank, Bank of the West, Citizens Bank, the State of Oregon Local Government Investment Pool, and any other banks designated by the Superintendent or Business Manager as being banks deemed safe and proper are declared depositories for school district funds for the 2018-19 fiscal year.
1819-209 APPOINT DISTRICT AUDITORS
BE IT RESOLVED that the firm of Pauly Rogers & Co., be appointed auditors for the audit of 2018-19 fiscal year financial records.

1819-210 APPOINT INSURANCE AGENT OF RECORD
BE IT RESOLVED that the Board hereby appoints Brown & Brown as the District’s insurance Agent of Record for the 2018-19 fiscal year.

1819-211 APPOINT BUDGET OFFICER
BE IT RESOLVED that Susan Dodd be designated as Budget Officer for the 2018-19 fiscal year.

1819-212 APPOINT ELECTION AUTHORITY
BE IT RESOLVED that the Chief Financial Officer/Business Manager-Deputy Clerk be the appointed election authority for 2018-19 fiscal year to file all notices of election and receive election abstracts through the Clackamas County Elections Department.

1819-213 DESIGNATE OFFICIAL NEWSPAPER FOR PUBLIC NOTICES
WHEREAS, the Oregon City School District is required by law to make public notice of certain meetings, hearings, sales, bids, and related information,

BE IT RESOLVED that the Oregonian and/or Oregon City News (Pamplin Media Group) be designated as the official newspaper(s) for public notices for Oregon City School District No. 62.

1819-214 AUTHORIZE VOLUNTARY STUDENT ACCIDENT INSURANCE
BE IT RESOLVED that the Ace American Insurance Company plan through Myers-Stevens & Toohy & Co. be the authorized carrier for self-paid voluntary student accident insurance for 2018-19.

1819-215 APPOINT LEGAL COUNSEL
BE IT RESOLVED that the firms of The Hungerford Law Firm, LLP; Schwabe Williamson & Wyatt PC, Tarlow Naito & Summers LLP, Ball Janik LLP, Garrett Hemann Robertson P.C., Hawkins Delafield & Wood LLP and any other legal counsel deemed by the Superintendent or designee as appropriate and qualified be appointed legal counsel(s) for the District for the 2018-19 year.

1819-216 ACKNOWLEDGE ANNUAL REVIEW OF INVESTMENT POLICY DFA
WHEREAS, Board Policy DFA Investment of Funds requires annual review of the district’s investment policy and regulations,

BE IT RESOLVED that the Board of Education acknowledges that administration has reviewed Investment Policy DFA and that the Board of Education accepts that no changes are needed at this time.

1819-217 ACKNOWLEDGE ANNUAL REVIEW OF EXPENSE REIMBURSEMENTS DLC
WHEREAS, Board Policy DLC Expense Reimbursements is reviewed and updated annually,

BE IT RESOLVED that the Board of Education acknowledges that administration has reviewed Expense Reimbursements Policy DLC and that updated per diem and travel amounts have been updated and reviewed by staff and are based on yearly Internal Revenue Service Continental United States (CONUS) per diems which the Board of Education accepts.

1819-218 APPOINT BOARD OF EDUCATION AS LOCAL CONTRACT REVIEW BOARD
BE IT RESOLVED that Board of Education of Oregon City School District No. 62 reaffirms the status as the Local Contract Review Board (ORS 279.A060).

1819-219 ESTABLISH THE 2018-19 SUBSTITUTE TEACHER RATES
According to ORS 342.610, teachers employed as substitute teachers shall not be paid less per day than 85 percent of the daily salary of a beginning teacher who holds a bachelor’s degree. The Department of Education is charged with computing the statewide average daily salary for beginning teachers who hold a bachelor’s degree. The daily salary is defined as the average annual salary of
beginning teachers who hold a bachelor’s degree divided by 190 days using the most recent data available, but not earlier than the preceding school year [ORS 342.610 (1)]. Based on data for 2017-18, the average salary of beginning teachers with a bachelor's degree is $40,255 for class schedules based on a 5 day week. For 2018-19, therefore, the minimum pay rate for the first 10 consecutive days of substitute teaching is $180.09 per day ($40,255 divided by 190 times 85%). In cases where a substitute teacher teaches for more than 10 consecutive days in the same assignment, the minimum rate for the days taught beyond 10 is computed as follows: For districts with a salary scale, the minimum rate is the higher of: 1/190th of the district’s annual salary scale for beginning teachers with a bachelor’s degree, $226.24 [ORS 342.610 (3)(a)(A)]; or $180.09 per day [ORS 342.610 (3)(a)(B)]. For districts without a salary scale, the minimum rate is $211.87 per day (100 percent, rather than 85 percent of 1/190th, of the statewide average salary for beginning teachers with a bachelor's degree) [ORS 342.610 (3)(a)].

WHEREAS, substitute teacher salaries have been reviewed and the state minimum rates are established for the 2018-19 school year,

BE IT RESOLVED that Oregon City School District pay substitute teachers $180.09 per day for the first ten (10) days and $226.24 per day beginning on the eleventh (11th) consecutive day in any one assignment.

1819-220 ESTABLISH THE 2018-19 TUITION RATES
WHEREAS, rates for non-resident tuition paying students who wish to attend Oregon City Schools for 2018-19 are calculated and recommended as displayed below.

BE IT RESOLVED that the following rate of $12,950 be established for the 2018-19 school year.
## 1819-221 DESIGNATE DEPOSITORY ACCOUNT SIGNATURES FOR ASSOCIATED STUDENT BODY ACCOUNTS

WHEREAS the following bank accounts have been established for student body accounts at each of the district’s schools, with the following listed as depository signers:

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>BANK</th>
<th>AUTHORIZED SIGNERS</th>
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<tbody>
<tr>
<td>Oregon City High School</td>
<td>Wells Fargo</td>
<td>Thomas Lovell, Kathy Johnson, Lori Kitts, Janet Dickson, Gregory Cimmiyotti, Andrew Jones, Joan Ferguson, Toby Futch, Susan Dodd</td>
</tr>
<tr>
<td>Oregon City High School</td>
<td>Bank of the West</td>
<td>Thomas Lovell, Janet Dickson, Lori J. Kitts, Susan Dodd</td>
</tr>
<tr>
<td>Gardiner Middle</td>
<td>US Bank</td>
<td>Michael Sweeten, Rachel Engstrom, Jill Bedortha, Susan Dodd</td>
</tr>
<tr>
<td>Ogden Middle</td>
<td>Wells Fargo</td>
<td>Lisa Normand, Ben Kates, Karrie Austin, Susan Dodd</td>
</tr>
<tr>
<td>Beavercreek Elementary</td>
<td>US Bank</td>
<td>Cori Waufle, Debra Robertson, Susan Dodd</td>
</tr>
<tr>
<td>Candy Lane Elementary</td>
<td>Wells Fargo</td>
<td>April Albers, Cathy Browning, Susan Dodd</td>
</tr>
<tr>
<td>Gaffney Lane Elementary</td>
<td>Citizens Bank</td>
<td>Cyndi Borgmeier, Traci Sether, Susan Dodd</td>
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<tr>
<td>Holcomb Elementary</td>
<td>Bank of the West</td>
<td>Kelli Rhea, Jenny Bradshaw, Susan Dodd</td>
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<tr>
<td>Jennings Lodge Elementary</td>
<td>US Bank</td>
<td>April Albers, Lori Thompson, Susan Dodd</td>
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<tr>
<td>John McLoughlin Elementary</td>
<td>US Bank</td>
<td>Candice Henkin, Diane Webb, Rose Chapin, Susan Dodd</td>
</tr>
<tr>
<td>Redland Elementary</td>
<td>Bank of the West</td>
<td>Rebekah Beck, Frankie Minor, Susan Milner, Susan Dodd</td>
</tr>
<tr>
<td>Clackamas Academy of Industrial Sciences (CAIS)</td>
<td>Citizens Bank</td>
<td>Scott Curtis, Arvira Matagarza, Susan Dodd</td>
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BE IT RESOLVED that the listed designations be approved.
Oregon City School District  
School Board Meeting  

1819-403 Establish 2018-19 School Board Meeting Schedule  

Contact: Larry Didway  

Discussion:  
Board Policy BC/BOCA provides that each year the Board of Education must establish the dates, time and place of its monthly meetings. It is recommended that the Board continue to meet in regular session on the second Monday of each month, beginning at 7:00 p.m. in the District Board Room.  

Recommendation:  
Approve.  

1819-403 ESTABLISH 2018-19 SCHOOL BOARD MEETING SCHEDULE  
WHEREAS, the Board of Directors of Oregon City School District No. 62 holds regularly scheduled monthly meetings,  

BE IT RESOLVED that the following meeting dates, generally on the second Monday of each month be established for the 2018-19 school year.  

BE IT FURTHER RESOLVED, that the meetings be held in the board room at the Jackson Building, 1306 12th Street, beginning at 7:00 p.m.  

<table>
<thead>
<tr>
<th>Date</th>
<th>Date</th>
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<tbody>
<tr>
<td>August 13, 2018</td>
<td>September 10, 2018</td>
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<tr>
<td>October 8, 2018</td>
<td>November 5, 2018</td>
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<tr>
<td>December 10, 2018</td>
<td>January 14, 2019</td>
</tr>
<tr>
<td>February 11, 2019</td>
<td>March 11, 2019</td>
</tr>
<tr>
<td>April 8, 2019</td>
<td>May 13, 2019</td>
</tr>
<tr>
<td>June 10, 2019</td>
<td>July 15, 2019</td>
</tr>
</tbody>
</table>
Oregon City School District
School Board Meeting

1819-404 Adopt Oregon City School Board Policy Section I & J

Contact: Wes Rogers

Discussion:
Policies IGBBB, IGBC, IGDA, IGDF, IGDJ, IK, IKB, IKH, IL, INI, JFCEB, JFCH, JFCJ, JGAB,
JHCA/JHCB, JHCC, JHCD and JHCDA were presented at the June 11, 2018 regular
meeting for first reading and are recommended for adoption.

Recommendation:
Approve

1718-404 ADOPT OREGON CITY SCHOOL BOARD POLICY SECTION I & J
BE IT RESOLVED THAT Policies IGBBB, IGBC, IGDA, IGDF, IGDJ, IK, IKB, IKH, IL, INI,
JFCEB, JFCH, JFCJ, JGAB, JHCA/JHCB, JHCC, JHCD & JHCDA be approved.
1819-222 Support of the Use of Construction Manager/General Contractor Methodology
For the 2018-19 General Obligation Construction Bonds

Contacts: Susan Dodd and Wes Rogers

Discussion:

The School Board has approved BRIC Architecture to begin work on the projects of the proposed 2018-19 General Obligation Construction Bonds which is scheduled to start in the summer of 2019. As part of the initial programming and planning phase, the Bond Development Task Force Team (BDTF), which includes the Superintendent, the Chief Operations Officer, district staff, community members has identified the need to consider alternative contracting methodologies to address specific types of work.

The BDTF has reviewed various contracting methods best suited to address the most complex, technically and logistically challenging projects within the proposed bond program. The BDTF received input from BRIC Architecture. After careful consideration, the BDTF recommends using a Construction Manager/General Contractor (CM/GC) construction contracting methodology for the most complex, technically and logistically challenging projects.

Historically, public construction projects are competitively bid and awarded to the responsible low bidder using the Design-Bid-Build (DBB) methodology. ORS 279C.335 permits the Oregon City School District Board of Directors, acting in its capacity as the Local Contract Review Board, to exempt certain projects from the requirements of DBB, competitive low bid contracting. In doing so, the statute specifically says that the Local Contract Review Board shall

- If appropriate, direct the use of alternative contracting methods that take into account market realities and modern practices and are consistent with the public policy of encouraging competition; and
- Require and approve or disapprove written findings by the contracting agency that support awarding a particular public improvement contract or a class of public improvement contracts, without the competitive bidding requirement.

Additionally, ORS 279C.335 requires the District to hold a public hearing of the Local Contract Review Board to allow comments on the District’s draft findings prior to approval. Notice of the public hearing must be advertised in at least one trade newspaper of general statewide circulation not less than 14 days prior to the hearing to allow any interested party to appear and comment.

The CM/GC method has been successfully implemented by the following public agencies:

- City of Oregon City
- Department of Administrative Services
- Department of Corrections
- Forest Grove School District
- Gresham-Barlow School District
- Hillsboro School District
- Multnomah County
- Oregon Health Sciences University
- Parkrose School District
- Pendleton School District
- Philomath School District
- Port of Portland
- Portland Development Commission
- Salem-Keizer School District
- Scappoose School District
- Sherwood School District
- Washington County

Selection of the CM/GC firms will include a Request for Proposal (RFP) process. The RFP will identify specific criteria that will be used for the selection of CM/GC firms. The proposals from the CM/GC firms will include a competitive bid for their fee based on the known general conditions for the project. The CM/GC will provide the District with a Guaranteed Maximum Price (GMP) and a full performance/payment bond for the work following a detailed review of the design documents. Successful CM/GC firms will become part of the overall program delivery team for the proposed 2018-19 General Obligation Construction Bonds.

Fact Findings:

1. Project Description and Criteria for Use

The Oregon City School District is currently in the pre-design phase for the construction of the capital construction projects included in the proposed 2018-19 General Obligation Construction Bonds. These projects are complex in terms of the types of work involved and the logistics of integrating an active construction site with teaching and learning activities during the school year. The types of work include major additions and/or expansions, demolition, seismic strengthening, non-routine maintenance, safety and security upgrades as well as technology and ADA enhancements, all of which require an integrated and comprehensive design and a construction approach such as CM/GC. The projects will require detailed planning and coordination that identify and accommodate academic program requirements that will be disrupted during construction to minimize the associated impacts to the teaching and learning environment while ensuring the safety of staff and students. The ability to involve construction expertise
during the design process to develop the unique schedules, processes, and methods necessary for successful project delivery is a critical component of the overall bond program. The BDTF recommends the use of CM/GC contracting methodology for projects that meet the following criteria:

- Exceed $10 million in estimated construction costs.
- Require multiple additions, expansions, and/or renovations.
- Require unique logistical planning and coordination during design and construction to address the complexities of an active construction site with an active school campus for one academic year or longer.
- Consist of complex site considerations such as partial demolition; seismic strengthening in an existing structure; replacing/renovating multiple systems such as plumbing, electrical, and HVAC; safety and security enhancements; and technology and/or ADA upgrades.

2. Responsibilities of the CM/GC Firms

   A. Design Phase

      The CM/GC firms will provide assistance for construction scheduling, competitive bid packaging, cost estimating, and the review of design documents from the standpoint of value, long-lead procurements, design feasibility, constructability/maintainability/sustainability, and establishing a negotiated GMP for the work prior to completion of the construction documents.

   B. Bid Process

      The CM/GC firms will coordinate the bid and material procurement process for all work with full oversight and participation by district staff.

   C. Construction Phase

      The CM/GC firms will be responsible for the construction of the capital construction projects, including scheduling of material procurement and delivery, and all subcontractor work. The CM/GC will be responsible to complete the projects on schedule, within budget, and in full compliance with the contract documents and specifications.

3. Rationale for the Use of the CM/GC Methodology

   A. Competition

      The District’s past experience indicates that the use of the CM/GC methodology will not result in favoritism in the awarding of public contracts or substantially diminish completion for public contracts. The CM/GC firms will be selected through an open, competitive process among experienced and qualified contractors. The District will receive written proposals from contractors with the experience and staff required to complete the project. The process will utilize an RFP process that will be publicly
advertised. The District will evaluate proposals, interview selected firms, and make DM/GC firm selection based on the advertised criteria in the RFP.

B. Procurement of Long-Lead Items

The DM/GC method will allow the early procurement of long-lead materials and equipment. Examples include mechanical and electrical equipment, windows and doors, and seismic strengthening materials. Early procurement is estimated to result in cost savings.

C. Schedule Complexity

The construction schedules will be complex and technically and logistically challenging due to the types of the work included at each site during an active school year. The CM/GC method enable the completion of construction documents to facilitate timely subcontractor bids and awards and will allow for schedule efficiencies during the construction of the project.

D. Schedule Acceleration

The use of CM/GC allows for greater collaboration during the design process, which can create opportunities to accelerate the construction schedule without the additional expense that is typically experienced using more traditional delivery methods. Reduction or elimination of the cost to accelerate construction to complete the projects on time is estimated to result in cost savings.

E. Improved Cost Management and Control

By utilizing a “construction manager” to provide cost analysis, construction feasibility review, and long-lead procurement techniques, the final number of changes throughout the construction process is expected to be reduced. Reduction of the number of anticipated changes is estimated to result in cost savings. The CM/GC methodology has a proven track record of improved cost management and control in Oregon. The Hillsboro, Salem-Keizer, McMinnville, and Forest Grove School Districts have used the DM/GC method to deliver several construction projects with significant cost savings, considering timeliness of project completion, minimal changes, and adherence to strict budget limitations. Examples include major repair, renovation, and seismic strengthening projects. These projects were all competed on time and under budget, allowing additional work to be accomplished throughout the Districts.

F. Subcontractor Bidding and Selection

The CM/GC firms will have adequate time to prepare early bid packages and review and analyze bids received from subcontractors. The subcontracted work will be awarded to the lowest responsive bidder. This bid process will not result in favoritism, but rather identify a cadre of qualified and experienced subcontractors that is estimated to result in better quality and additional cost savings.

G. Market Conditions
Many general contractors and subcontractors are being impacted by the quantity of work to be bid in the next three to five years. Currently the cost of materials and labor is adjusting to the market demand. Ordering material and equipment may take longer now as manufactures and distributors are fully engaged with bond work throughout the region. The CM/GC firms will order materials and equipment in a timely manner from manufactures and distributors that can deliver the material and equipment on time to avoid delays caused by late shipments. The use of CM/GC will better enable the District to control the impact that market conditions may have on the cost and time necessary to complete the projects. Securing qualified subcontractors earlier in the bid and award cycle is estimated to reduce costs.

H. Qualified Management

The BDTF and facilities department will help to manage the complexities of a CM/GC process. The District has access to knowledgeable, experienced, and qualified internal staff that will help to generate a successful CM/GC experience.

4. Public Benefits

The CM/GC methodology offers many public benefits such as the cost containment derived from a GMP and an integrated delivery schedule. The CM/GC process allows for increased collaboration and integration of constructability, maintainability, and sustainability aspects in the project while reducing construction time and expensive rework.

5. Value Engineering

A construction manager working with the design team during the design phase will assist the project team in identifying and implementing potential cost savings. The Value Engineering process allows the project team to continually evaluate the quality of materials, life cycle costs, and the constructability, maintainability, and sustainability of the components of the project. This inherent collaboration is expected to result in reduced construction and operating costs with no impact on project functionality.

6. Specialized Expertise Required

Completing a complex school project on time, within budget, and in full compliance with construction documents and specifications requires the CM/GC firm to dedicate a qualified team with the experience and expertise to work collaboratively with the District, architects, engineers, and the project management team. The collaborative process is expected to reduce or eliminate rework and minimize disruptions to the school and surrounding communities. The request for proposals process used to select the CM/GC firms will enable the District to select the best contractor for each project.

7. Public Safety

The CM/GC firms will be required to prepare a project safety plan for each of the projects. The project safety plan will help to ensure that the project is conducted safely and help to minimize school and neighborhood impacts.

8. Technical Complexity
Completing a complicated, technically and logistically challenging construction project on an occupied campus is no small undertaking. The CM/GC firms will develop a construction plan for district approval that will minimize disruption to the site’s educational process and master schedule.

9. Funding Sources

CM/GC projects will be funded as part of the Oregon City School District’s General Obligation Construction Bond measure on the November 2018 ballot. Establishment of a preliminary and final guaranteed maximum price will better enable the District to budget its bond resources among these projects.

Recommendation:
Approve.

1819-222 SUPPORT OF THE USE OF CONSTRUCTION MANAGER/GENERAL CONTRACTOR METHODOLOGY FOR THE 2018-19 GENERAL OBLIGATION CONSTRUCTION BONDS

Staff recommend that the School Board, acting in its role as the Local Contracting Review Board as defined by ORS 279C.335, approve the Fact Findings in Support of the Use of Construction Manager/General Contractor Methodology for the 2018-19 General Obligation Construction Bonds and grant an exemption from the competitive bidding requirements for a public improvement contract or class of public improvement contracts as stated in said Findings of fact document.