

BOARD OF EDUCATION  
SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON

INDEX TO THE MINUTES

February 28, 2017

Purchases, Bids, Contracts

The Interim Superintendent RECOMMENDED adoption of the following items:

Numbers 5392 and 5393

Director Anthony moved and Director Rosen seconded the motion to adopt the above numbered items. The motion was put to a voice vote and passed by a vote of 6-0-1 (6-yes, 0-no, 1-abstain [Esparza Brown]), with Student Representative Bradley absent.

February 28, 2017

**RESOLUTION No. 5392**

Revenue Contracts that Exceed \$150,000 Limit for Delegation of Authority

**RECITAL**

Portland Public Schools ("District") Public Contracting Rules PPS-45-0200 ("Authority to Approve District Contracts; Delegation of Authority to Superintendent") requires the Board of Education ("Board") to enter into and approve all contracts, except as otherwise expressly authorized. Contracts exceeding \$150,000 per contractor are listed below.

**RESOLUTION**

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes t



February 28, 2017

Other Matters Requiring Board Approval

The Interim Superintendent RECOMMENDS adoption of the following items:

February 28, 2017

**RESOLUTION NO. 5394**

A Resolution of Portland Public Schools, Multnomah County School District No. 1J, Multnomah County, Oregon, Calling a Measure Election to Submit to the Electors of the District the Question of Authorizing \$790,000,000 of General Obligation Bonds and Providing for Related Matters



February 28, 2017

## RESOLUTION

NOW, THEREFORE, the Board of Directors of Portland Public Schools, Multnomah County, Oregon, resolves as follows:

1. A measure election is hereby called for the purpose of submitting to the electors of PPS the question of issuing general obligations bonds not exceeding \$790 million to repair, construct and modernize schools (the "Bonds"). Bond proceeds will be used to finance capital costs as described in the attached Exhibit A (the "Bond Projects"). The measure election hereby called shall be held in the District on the 16<sup>th</sup> day of May, 2017. As authorized by the County Clerk of Multnomah County, Oregon, and the Oregon Secretary of State, the election shall be conducted by mail pursuant to ORS 254.465 and 254.470.
2. PPS authorizes the Board Chair, Superintendent, or his designee (the "Authorized Representative") to take any actions necessary to place the measure that is attached as Exhibit A on the May 16, 2017 election ballot, and to place the explanatory statement that is attached as Exhibit B in the voter's pamphlet for that election. The Authorized Representative shall file the measure and explanatory statement with the elections officer of Multnomah County not later than March 16, 2017.
3. PPS hereby declares its official intent pursuant to Treasury Regulation Section 1.150-2 to reimburse itself with proceeds of the Bonds for capital costs of the Bond Projects that are paid prior to the issues of the Bonds and that are eligible to be financed with proceeds of the Bonds.



February 28, 2017

**EXHIBIT A TO RESOLUTION 5394**

**BONDS TO IMPROVE HEALTH, SAFETY, LEARNING BY MODERNIZING, REPAIRING SCHOOLS**

**QUESTION:** Shall Portland Public Schools improve health and safety, modernize and repair schools, build education facilities, by issuing \$790,000,000 in 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.

**175 WORD SUMMARY:** If approved this measure would finance or refinance capital costs, including projects that:

- Reduce or eliminate exposure to hazardous materials districtwide, including lead, asbestos, and radon;

- Upgrade fire alarm and/or sprinkler systems;

- Improve accessibility for people with disabilities;

- Repair or replace leaking or deteriorating school roofs;

- Upgrade school safety and security;

- Strengthen schools against earthquakes;

- Renovate or replace schools, including Benson, Lincoln, Madison, and Kellogg, to improve health and safety and provide up-to-date classrooms and facilities, and increase access to technology and modern learning environments; and

Citizen accountability and oversight, including audits of bond projects and expenditures will be required.

Bonds may be issued in one or more series, with each series maturing in 30 years or less.

The average levy rate for this bond issue is estimated to be \$0.68 per \$1,000 of assessed value over 30 years. The levy rate is estimated to be \$1.40 per \$1,000 for the first four years, declining thereafter. Rates may differ based on interest rates and changes in assessed value.

## **EXHIBIT B TO RESOLUTION 5394**

### **500 WORD EXPLANATORY STATEMENT**

Portland Public Schools (PPS) is the largest school district in Oregon, with over 90 school sites and 48,500 students. PPS' buildings average 77 years old—many are over 100 years old.

Aging schools need repair and upgrades to provide students with modern learning environments and to address unsafe conditions. Lead testing in 2016 showed most schools had cold water fixtures testing above the EPA action level. Many roofs are beyond their useful life and some leak frequently. Fire alarm and sprinkler systems at most schools are inadequate.

PPS has adopted a Long-Range Facilities Plan to modernize and improve schools districtwide through a series of capital construction bonds. In 2012, voters approved a \$482 million bond, funding:

- Modernization of Franklin, Grant, and Roosevelt High Schools, and Faubion PreK-8;
- Projects at 52 additional schools—upgraded science classrooms, new roofs, improved accessibility and seismic improvements; and
- Planning for upgrade of all high schools.

In 2017, PPS convened a Bond Stakeholder Advisory Group (BSAG) to evaluate needs for the next bond. The BSAG recommended, and community feedback affirmed, a bond that would fund modernization of Benson, Lincoln, and Madison High Schools and Kellogg Middle School, and at least \$150 million in health and safety projects at schools across the district.

#### **What would the bond do?**

The \$790,000,000 bond would fund renovations and additions at Benson and Madison High Schools, and full rebuilds of Lincoln High School and Kellogg Middle School. Approximately 30% of the budgets for these projects comprehensively address health and safety issues, including reducing exposure to hazardous materials, improving accessibility, and addressing fire safety. It would also begin planning for upgrade of Cleveland, Jefferson, and Wilson High Schools.

Additionally, at least \$150 million would fund district-wide health and safety projects, including:

- Replacing old pipes and fixtures to reduce lead, improve water quality, and reduce the need to use bottled water;
- Removing or encapsulating exposed lead paint and asbestos;
- Upgrading fire alarm and/or sprinkler systems;
- Repairing or replacing leaking or deteriorating school roofs;
- Improving accessibility for people with disabilities;
- Improving building foundations and ventilation to decrease radon exposure; and
- Strengthening school safety and security.

In addition, PPS will receive \$8 million in state capital matching funds if this measure is approved, for additional health and safety investments. If the bonds are not approved, funds will be awarded to another district.

#### **What would the bond cost?**

The average levy rate for this bond issue is estimated to be \$0.68 per \$1,000 of assessed value over 30 years. The levy rate is estimated to be \$1.40 per \$1,000 for the first four years, declining thereafter. For a house assessed at \$200,000 the initial annual cost would be about \$280. Overall average cost is \$136 annually. The total principal amount of bonds authorized by this measure cannot exceed \$790 million.

#### **Accountability**

An independent group of citizens from the community will review quarterly reports and audits of how the bond dollars are being spent to provide accountability to the public until construction is complete.

February 28, 2017

**RESOLUTION No. 5395**

February 28, 2017

**RESOLUTION No. 5396**

Annual Multnomah Education Service District Resolution Process

**RECITALS**

- A. The 2017-18 Multnomah Education Service District ("MESD") Local Service Plan ("LSP") is essentially an annual menu of options offered to the MESD Superintendents' Council for the Council's review, modification(s), and approval.
- B. The services offered in the LSP require approval of the component districts' boards by March 1, annually. The Services offered in the LSP must be adopted by two thirds of component districts' boards.
- C. A separate list of the specific services for Portland Public Schools, or the District Service Plan, will be included in the 2017-18 budget development process.
- D. The actual selection and use of resolution funds to pay for selected services remains at the discretion of each individual district. This Resolution does not commit Portland Public Schools to each of the specific services offered by MESD; it affirms the overall services offered to all of the local component districts and contains the terms of the LSP offered by the MESD.

February 28, 2017

**RESOLUTION No. 5398**

Accepting the Recommendations of the Bond Stakeholder Advisory Group  
and Commit Staff and the Board to Full Implementation of the Recommendations

**RECITALS**

- A. In 2017, PPS surveyed the community and convened a Bond Stakeholder Advisory Group (BSAG) to evaluate needs for the next capital improvement bond.
- B. The BSAG recommended, and community feedback affirmed, a bond that would fund modernization of Benson, Lincoln, and Madison High Schools and Kellogg Middle School and at least an additional \$150 million in health and safety projects at schools across the district. Approximately 30 percent of the budgets for the modernization projects comprehensively address health and safety issues, including reducing exposure to hazardous materials, improving accessibility, and addressing fire safety.
- C. The \$150 million in districtwide health and safety projects would address all or some of the needs in the following areas: replacing old pipes and fixtures to reduce lead, improve water quality, and reduce the need to use bottled water in Portland's schools; removing or encapsulating exposed lead paint and asbestos; upgrade fire alarm and/or sprinkler systems; repairing or replacing leaking or deteriorating school roofs; improving accessibility for people with disabilities; improving building foundations and ventilation to decrease radon exposure; and strengthening school safety and security.
- D. In addition to this bond proposal, the BSAG recommended:
  - a. That the Board and Superintendent by December 2017 be able to clearly articulate a short and long-term strategy that addresses all currently identified health, safety, and

February 28, 2017

- f. That the bond package and public message associated with the bond measure should focus first on addressing critical safety and health issues, backed up by the message that modernizing our high schools comprehensively addresses health and safety issues in those buildings while also providing modern learning environments; and
- g. That the Board acknowledges with gratitude the support of Portland voters for school bonds in 1995 and 2012 and commits to the continued modernization of schools to provide the health, safety, full inclusion, and learning opportunities that every child in Portland deserves.