

Portland Public School District's Hearing Minutes

**Tuesday September 22, 2020 5:00 pm
Virtual Hearing
Via Google Meet**

Portland Public School District's \$1.2 Billion Bond Measure to Improve Health, Safety,
Learning by Modernizing and Repairing Schools

Measure 26-215

November 3, 2020 General Election

Present:

TSCC:

Chair David Barringer, Vice Chair James Ofsink, Commissioner Margo Norton,
Commissioner Mark Wubbold, Commissioner Harmony Quiroz, Executive Director
Craig Gibons, and Budget Analyst Tunie Betschart

Absent:

None

Portland Public School District

Board:

Board Chair Eilidh Lowery; Directors Amy Kohnstamm, Andrew Scott, Michelle
DePass, Scott bailey, and Rita Moore; Student Representative Nathaniel Shue

Staff:

Chief Operating Officer Dan Jung, Senior Director of Office of School Modernization
Marina Cresswell, Deputy Superintendent of Business and Operations Claire Hertz,
Chief Engagement Officer Jonathan Garcia,

Vice Chair Ofsink opened the Public Hearing for Portland Public School District's \$1.2 Billion Bond measure to improve and modernize facilities by stating the commission is a neutral body in this matter and is holding this hearing for the public's benefit. The Commission will take no formal action today. The "action" will be taken by the voters in November. The purpose of this hearing is to discuss and take public testimony on Measure 26-215 which PPS has put on the November ballot. Those from the public who wish to testify can sign up to speak following the formal questions. He asked the TSCC Commissioners and staff to introduce themselves, followed by introductions of PPS board and staff.

Following introductions, Chair Barringer joined the meeting and asked the PPS to give a brief overview of the purpose for the bond measure.

Mr. Dan Jung, Chief Operating Officer gave a brief overview explaining that the district adopted a long-range plan in 2012 that identifies a multi-billion dollar, five-decade effort to update all district facilities. It targets going out for a series of bonds during that period of time. The district passed the first bond in 2012, passed another one in 2017. So this is really a third step in a long term process.

Preparations for this bond measure began over a year ago. The district started holding some public meetings late last fall, looking at different materials and information to help inform the current bond package. So, the total that is in the bond for November is a little over \$1.2 billion.

The district classifies the bond measures scope of work into different categories. One is modernizations. There's over \$600 million in modernization work in this bond package. That includes:

- two active projects, designs of the Benson Poly-technical high school and the Multiple Pathways to Graduation building;
- modernization of the Jefferson High School with a \$60 million earmarked for the Center for Black Student Excellence and
- funds for planning and design of Cleveland High School and Wilson High School.

With Jefferson, Cleveland and Wilson completed, that will round out all nine comprehensive high schools within PPS. This bundle also includes almost \$200 million in educational improvements which include technology improvements, curriculum purchases and improvements to the special education classrooms and facilities.

He went on to say that the district will continue with health and safety work with about \$217 million that is primarily targeted towards roof replacement, mechanical system upgrades, security improvement throughout the district, seismic improvements, and ADA upgrades. This bond allocates about \$12 million for future capacity improvements. PPS anticipates that with some of the initiatives going on in the district right now, there will be a need for additional capacity within their buildings or relocating capacity within the sites. Funds have been dedicated for that. Additionally, about \$150 million is assigned for administration costs and program contingency that will ultimately be allocated and spent in one of those other categories of work. So again, that totals a little over \$1.2 billion.

Chair Barringer thanked Mr. Jung on for the overview of the measure and said with that the commissioners will start the prepared questions and public comment will follow.

TSCC Questions:

Chair Barringer asked the following questions:

The board originally considered three options for the size of this bond measure and the project list. The board ended up with a fourth option that was larger and contained

more projects. What factors went into this decision and what public input did this choice reflect? How did this choice reflect public input?

Mr. Andrew Scott said PPS's Long Range Facilities Plan outlines the district's goal to improve all facilities over a series of bonds spanning several decades, with an intention of referring bonds to voters at each presidential election. The board began holding public meetings regarding a potential November 2020 bond in October 2019. During the course of these public meetings (totaling 15 meetings in 9 months) the board reviewed and discussed a number of bond impacts and variables including the overall district facility and educational needs, guiding capital planning documents, previous bond projects and approval criteria, proposed cost estimate data, and input from community and stakeholders. The information highlights that PPS has a large capital improvement deficit that exceeds the amount that can be addressed in any individual bond measure. The data reviewed by the board, along with staff, student, and community input identified the district's highest priorities and a community desire to address as many needs as possible as soon as possible. Polling and public outreach efforts re-enforced strong support to move forward with a larger bond proposal, focusing on the district's highest priorities.

Mr. Scott said that with those 2012 and 2017 bonds, the district was beginning to make progress on this long-range facility plan. For each bond measure, the district reconsidered and reaffirmed the original decision to focus on high schools first. Then in 2017 the district added a focus on safety and lead and seismic upgrades.

So, for this bond, about a year ago the board laid out a process and created a committee that met routinely. There were about 15 meetings over the last nine months to review all the different options. The committee brainstormed a lot of different options in terms of what this bond should look like. They realized finishing all three high schools was very expensive and it would be challenging, and would also have crowded out some of the other things that needed to be accomplished. The last year was spent trying to find that balance. Overall capital needs far exceed what can be done in one bond. The district already has a plan in place that goes out decades to fix all the capital projects. This bond measure is one more step in that. So very specifically to your question about these options, the committee began holding these public meetings last fall and held a number of meetings throughout the year to discuss the different bond impacts of the variables in the context of the district's overall facility and educational needs.

We received input from community and stakeholders that resulted in the three options we took back out to the community. When the committee went out to the community they heard back loud and clear the desire for PPS to be aggressive. That was apparent in the public listening sessions, and also some polling. There was really widespread community support for a sizeable bond. The result was the committee ended up

focusing in on Jefferson and the Center for Black Student Excellence along with some of the educational accessibility improvements that were talked about, and also some of the health and safety improvements. With this approach, the district could begin to reduce those backlogs and continue the high school plan. So, combining that with COVID, which highlighted the need for technology, that was something that was clearly there; and then the cries for social justice and Black lives matter, which highlighted and really brought that to the forefront, and following a board conversation on the same issues, the board decided this was the moment to really take a step forward on all of those things. So that's how PPS ended up with a \$1.2 billion package.

So you would say that the public would see their input on this final result then?

Mr. Scott said yes, he was surprised at the strength in what they heard from the voters and what they found when polling. He went on to say the calls and emails specifically around Jefferson and Center for Black Student Excellence that he got were very passionate about the need and that now is the time to move forward on that. He concluded by stating they probably should have done that in 2012.

Commissioner Ofsink asked this follow-up question:

Is this the largest bond in the region's history?

Mr. Scott said yes he believe it was the largest in the region. He added that one of the principles the board has had going into this process was keep the tax rate the same \$2.50 per thousand. And so one of the variables that they spent a lot of time with was should the district go out for a bond now and then wait eight years or two years or four years? All of those options had various bond sizes and different projects. One of the goals maintained by the board throughout was is keeping that tax rate the same. So it is the largest bond in the region's history, but also one that won't raise taxes above what voters have already approved.

Commissioner Quiroz asked the following questions:

Building off the 2012 and 2017 bonds measures, what lessons has the board and the district learned and how have those lessons impacted this bond measure?

Mr. Scott answered saying one of the reasons that he became a school board member last year was around the bonds. He explained that he has been working with public infrastructure for a long time in his career. As an outsider, watching the district, PPS is one of the few governments that has a long range facility plan and a financing mechanism that they put in place to accomplish it. A lot of governments have those plans in place and have aspirations, but very few that have done what PBS has done, which is passed these bonds in 2012 and 2017 to increase the tax rate; and then have

a continuing plan. It took a long time to dig this infrastructure hole and it is going to take a long to dig out. He explained that there were also issues that came up in the 2017 bonds in particular and that he wanted to be on the board to ensure that some of those safeguards and internal controls were put in place to help protect PPS from those pit falls going forward.

He went on to say PPS is really thankful to the voters for having passed those previous measures. From a public trust perspective, the district owes the citizens distinguishing that when they (the district) do hit those bumps in the road, the district must take corrective action. All different governments face challenges in terms of overall scope, cost, and scheduling of projects. What the district has done since the first two bond measures has been to put different structures in place to assist in understanding the health of the bond program and understanding problem causes and impacts. The Board created a bond subcommittee this last year and had board member participation in early project planning efforts around the design advisory committees that meet with the different communities to design these projects.

All major plans are approved by the board Significant deviations to scope, schedule, or budget come back to the Board for approval. The subcommittee then engages in this robust and continual community feedback loop. Other things the Board has done is to bring in outside cost estimators to help verify that the project cost estimates are as sound. But, the Board recognizes that they are always estimates. One of the things identified coming out of 2017 was cost inflation. Knowing that cost inflation, too, is an estimate, requires robust contingencies. So this bond includes those significant contingencies.

Bond spending is audited by an outside auditor. The district also has a bond accountability committee, which meets regularly to review existing bond spending and they weighed in on this package as well.

He concluded his comments by stating he is confident they have put both internal controls and external safeguards in place to make sure that they will be informed. They are aware that things will change. But the district will be really transparent about those changes and, as cost estimates change, make sure that they are clear to the public about the "value engineering" being done on projects and when they are using contingency. The outside groups will hold PPS accountable for this.

Ms. Kohnstamm said she would like to add to that answer. With the external performance auditing mentioned, even when there express concerns, those audits have been really quite clean. The district has a pretty impressive record of addressing all the concerns that have been raised in the past. She encouraged the commissioners to look at the most recent audit, which the district just received within the last month.

It goes through how the district has responded to the issues that arose in that last cycle. It is evidence of this continuous improvement cycle.

You answered my planned follow-up question in terms of how you're addressing voters about the cost overrun, but I'll give you a chance if there's anything else you want to say and put on the record to say to voters about the cost overruns that have happened in the last measure and how you are addressing them.

Mr. Scott answered saying that the Board wants to make sure that the district has the best construction inflation estimates available today; that they have the outside cost estimator is making sure that the estimates are realistic; and that they build sufficient contingencies into the overall system. He said he is confident that the district has done that. The board recognizes these are multi-year plans that will most likely have adjustments. The district now has in place everything it can to monitor projects and changes in the construction environment, and will monitor them on an ongoing basis.

Commissioner Wubbold asked the following questions:

We'd now like to ask a question about a specific project, one of your modernization projects, Benson High School. Can you please update us on the status of a high school modernization work and what work is yet to be completed and how will the work be impacted if for some reason, this bond measure did not pass?

Ms. Cresswell answered saying when talking about the Benson High School project, the district uses it as an umbrella for four different smaller projects. She said she would talk about each of those parts of the project. The main building, the Multiple Pathways to Graduation (MPG) building on the Central Campus, and then the two swing sites that are be used during construction, the Marshall Campus and Kenton.

The Benson High School main building has recently completed the design development part of the design phase, and the project has received land use approval from the Historic Landmarks Commission. An extensive assessment of existing building conditions is almost complete and some minor abatement work has already been completed. The Master Plan for the MPG building on the Benson campus has been approved by the Board of Education, and schematic design started at the end of August. For the swing sites, 50-60% of the building modifications needed for Benson students to utilize the primary swing site, Marshall High School, were completed this Summer. Draft construction documents have been completed for the additional outbuilding at Marshall that will be needed to accommodate Benson's Auto and Construction programs. The Marshall swing site will house Benson High School, Pioneer, and Virtual Scholars. Draft construction documents are also in process for the secondary swing site at Kenton. The Kenton swing site will house DART/Clinton, Alliance at Benson, and Reconnection Services.

Permit documents are scheduled to be completed by December 2020 for the Benson High School main building. The GMP Amendment to the CM/GC construction contract will be negotiated in early 2021, with permit issuance and the start of construction scheduled for summer 2021. Construction will take roughly three years, with school opening scheduled for fall 2024. At schematic design, the MPG building on the Benson campus is earlier in the design process than the main building but will not require as long to construct. After completing design development, construction documents, permitting, and construction procurement, the construction will start closer to 2023 and be complete for the Fall 2024 opening. Additional renovations for occupancy remain to be completed by fall 2021 for the Marshall and Kenton swing sites, as well as the new outbuilding at Marshall.

Lots of work going on, lots of progress being made. But if the bond measure does not pass, what's the plan to finish the work?

Ms. Cresswell said the board passed Resolution Number 5780 for a Full Faith and Credit Loan to be used to fund the completion of the Benson Modernization project.

Commissioner Norton asked the following questions:

I also have a specific project question, but it is not a project we have talked about before in the previous bonds. And that is a project that was added after option three to the final measure, the Center for Black Student Excellence. Director Scott talked a little bit about that, but could you give us a fuller picture of that project? What are the origins? Was the public involved in the planning? Then we'll go from there as I do have some additional questions.

Mr. Jonathan Garcia fielded this question saying for as long as communities have been fighting for civil rights, equitable access to public education has been a key rallying cry in the fight for racial justice. Building on the legacy of advocacy for Black children in Portland, and catalyzed by the social movement for Black Lives this summer, during public input sessions Black Portland community leaders put forth the concept of the Center for Black Student Excellence, a vision that endeavors to center the experience, promote opportunities, accelerate outcomes, and celebrate the achievements of Portland's Black children, and which was reinforced by many in the community who participated in the community sessions and focus groups.

This new collective impact effort channels the decades of visionary leadership and culturally responsive and pedagogically sustaining approaches of community-based nonprofits like Self Enhancement, Inc., and KairosPDX, among other Black-led, culturally specific organizations here in Portland. This emerging community-led concept seeks to unify and elevate the educational experience of Portland's Black

children and their families, connecting a constellation of community schools, such as Boise Eliot/ Humboldt Elementary, Dr. Martin Luther King Jr. Elementary, Harriet Tubman Middle School, and Jefferson High School, and Black-led community-based organizations in the Albina neighborhood.

Together, the Center for Black Student Excellence and the Jefferson High School rebuild will rally students, families, and community stakeholders to develop a coherent set of strategies that will positively impact student achievement and outcomes while affirming Black student identity, and will include promoting and supporting culturally responsive/sustaining teaching and learning, from cradle to career.

The district believes that this investment supports the schools in the heart of what was once the Black Albina community, and will serve as a concrete--literally and figuratively--investment in the Black communities. It will reinforce and anchor schools as centers of the communities and help create the conditions for moving the needs on the stubborn inequities that the Black students continue to experience under their watch.

The materials that we looked at, suggest that the \$60 million was for, planning, design and phased construction. So how much construction will be done under this bond? And do you have an estimate of the full build out costs for this particular project?

Mr. Garcia said they really are turning to the community to help shape what that looks like. The voters have an opportunity to see the district believes in the Black children and the Blacks in the schools that serve the Black kids. The district wants to bring the community alongside to help design and create what those possibilities look like. So it might look like rebuilding aspects of those buildings. It might look like rebuilding a stand-alone building.

Mr. Jung added that it is different than some of the other scopes of work that are in this and past bonds in that the scope is yet to be defined in many ways. It's not a specific site, it's not a specific building. So the emphasis is on the community engagement and on the planning, and that effort will deliver the capital improvements that support this undertaking. It's easy to quantify a roof project, for example. But on something like this, that will emerge from engagement and involvement, it is just too early for the district to identify exactly what that department will look like and cost.

Since you have spent some of your time this evening talking about transparency and keeping faith with the voters, I think Director Scott knows Metro's "Promises made promises, kept" motto. When is your community expecting to see this center? What can the voters expect?

Mr. Garcia stated that it's important to connect the Center for Black Student Excellence to the rebuild of Jefferson. It is necessary to think about this as a constellation of schools that the district is supporting, and that's really the endeavor. So when the voters look at what's being built, the first stage of that, is a Jefferson rebuild. That's connected to this broader constellation of support. It might be a standalone building; or it may be that the district needs to rebuild a facility. Jefferson will be the first expression of the investment in the Center for Black Student Excellence, and really continuing with the rest, as PPS explores that with the broader community.

Mr. Scott added that the district is changing things a little bit, and he thinks they are changing along with some of the expectations in society. One thing learned over the years is the need for co-creation with the community. Governments have made mistakes in the past by asking citizens to approve bond measures for projects that have been developed by behind the scenes staff people. PPS is really trying to flip that around a little bit with the Center for Black Student Excellence by saying, "Look, this is an important investment. The district has some concepts about what they want to do." They're the district concepts and they're also community concepts, but PPS really needs to take this to the community again and say, "Let's continue to build this and let's continue to develop it." That's not the way government has traditionally worked. He went on to say that he thinks this is something government needs to do a lot more of. This is an opportunity for PPS to show that they can co-create with the community as well and be transparent in that process and deliver something.

Mr. Garcia said the only thing he would add to what Director Scott said is for the Black community participation is as important-or even more important-than the brick and mortar. So, that community is participating in the design of what a public education should look like for every one of the students, but particularly the Black students.

Chair Barringer asked this follow-up question:

I'm just having trouble visualizing this. Is this a building for the students or is this a building for the support of the students?

Mr. Garcia explained the easiest way to describe the Center for Black Excellence, is when you think about "center," think about it as a little "c" and a big "C". He said the little "c" is in the center. The big "C" is the constellation of schools: Harriet Tubman, Boise, Elliot, Dr. Martin Luther King, and Jefferson. But it is also going to potentially be a center, living expression of a continuum for students. Of course, this is meant to educate the young people. This is going to be a school experience that is in the heart of the community.

Commissioner Quiroz asked this follow-up question:

I understand how the bond is for the capital expenditures to support the building of this connected network, whether that's at Jefferson or all these other schools in our historically Black neighborhood. But that is one piece of that really programmatic ideas. Is there any thought or planning being done around paying for the operating costs associated with the expansion of that kind of PR program? If this is a conceptual idea, I understand that the bond is going to pay for the physical aspects of that. The new roof for a playground or whatever that looks like to support our Black students, but there are programmatic aspects and operating costs that go along with that. I'm interested in lean budget years, like what we're experiencing at the moment and likely to see for the next several years. I am curious. What are the district's thoughts around operating costs?

Mr. Garcia answered saying this moment in time is the opportunity as a public agency to come alongside the community, particularly the communities of color, namely the Black communities, to think about what those operational things are. It is going to be important that the communities, students, and families are brought together to really outline those operational strategies and those curricular strategies. Once the district has determined what the community really desires for the future of the schools and the programmatic nature, that's when they are going to have a lot more of those conversations the costs. The district's partners and government agencies in the region are all committed to really living up to this live expression of supporting the Black families and the Black students.

Ms. Claire Hertz added that the dollars follow the students.

Mr. Garcia added that Dani Ledezma, the district's senior advisor on racial equity, can speak to the broader investment areas around supporting Black student achievement across the district through the racial equity and social justice portfolio. The district's budget had a 65% increase in contracts to racial equity and social justice organizations. The district is living into that commitment in a number of ways.

Commissioner Quiroz asked the following questions:

Would you please elaborate on the purpose and location of the Multiple Pathways to Graduation Program and what construction is funded by this bond measure?

Ms. Cresswell replied saying the Multiple Pathways to Graduation Program will be in a new, separate building on the Benson High School campus. The purpose of the MPG building is to accommodate the existing MPG programs that operate within Benson High School, including Alliance, Reconnection Services, and DART/Clinton. It will also include the relocation of the Alliance program from Meek to the MPG building. The modernization of the existing Benson High School main building does not include bringing these programs back into the main building, because it has been

recognized that the students need a facility designed more specifically for their learning needs. The MPG building will also house some shared services with Benson High School, such as the Teen Parent Center. The available 2017 Bond funding for the Benson Modernization project including the MPG building, is being utilized for the design phase. Funds from the new bond measure will be necessary to start the construction of the MPG building, whether it is from the bond measure or the Full Faith and Credit loan discussed earlier.

So multiple pathways to graduation, are there similar programmatic components at the other high schools as well beyond Benson?

Ms. Cresswell said no, that is a focused set of students that are pursuing alternatives to the traditional graduation process where the bulk of them are currently housed.

Commissioner Ofsink asked the following questions:

In the 2017 bond measure, the district included \$150 million for health and safety improvements to mitigate lead, asbestos, and radon hazards and upgrade alarm and sprinkler systems. What is the status of that work? Did that \$150 million cover all the work needed? If not, how much more has been identified and what will it cost? If additional funds are needed, have you identified a source for this?

Mr. Jung said in consideration of time he would try to answer this one quickly, but was happy to answer any follow-up questions as well. The district has made a lot of progress on the health and safety components of the 2017 bond. The bond language specifies the district spend \$150 million on eight different health and safety scopes of work. In addition to the bond, they received a grant for \$8 million that also went towards health and safety improvements. To date, the district is well on their way to spending \$158 million and also reaching all the goals that they had for the number of projects that they would accomplish. The district doesn't have any concerns that they are going to be able to meet the goals of the 2017 bond.

As part of the planning for this 2020 bond, the district completed a facilities condition assessment. That assessment helped estimate the total need of health and safety upgrades. That need is well in excess of \$2 billion. That is why PPS sees in this bond and future bond measures, continued health and safety improvements as part of the scope of work. It is significant, because it is important. There's a large scope of work to pursue.

The health and safety concerns that were addressed with \$150 million definitely seemed like, the districts had been playing catch up to a lot of deferred maintenance or deferred care of facilities. Do you feel like with the most recent bond and this upcoming bond that the district has turned a corner and is being a lot more proactive

about handling those things so that they don't end up in a health and safety deficit in the future?

Mr. Jung replied that the district has a long range facilities plan. They are in the process of updating that long range facilities plan and anticipate its completion in 2021. Additionally, the district is working on a five-year capital plan that will target specific improvements over a five year period that looks to drive down these deficiency costs either with bond funds or other resources. He concluded by stating he thinks the district has done a great job over the last number of years, that really being intentional about understanding what the deficiencies are and putting plans in place to address them for the long-term because it will take a long time to address all of them.

Commissioner Norton asked the following questions:

In the ballot explanatory material submitted to the elections department. we noticed the mention of flexible, adaptive, special education learning spaces and technology tools. This made us wonder. We had been assuming that the base requirements, the ADA requirements were being met in all of the new construction all along from the initial bond. Can you confirm that it has been addressed in Grant High School and the buildings that have been completed, including the elementary school? Then secondly, what is planned specifically in this measure for those adaptive learning spaces?

Mr. Jung replied saying all of the new construction projects, and the modernizations do meet current code. Grant High School, Franklin, and Roosevelt all meet current, ADA requirements. Very few of the other district buildings do because of their age and the fact that requirements have changed over time. So, in this November bond, there are a couple of different components. One, is an ADA component, the goal of which is to continue to bring the district closer into conformance by removing barriers of accessibility. It is roughly \$30 or \$45 million. It will continue the trajectory towards full accessibility district-wide.

There is also a component that looks at the special education spaces. In the facilities condition assessment there is an educational evaluation of some of the Special Ed classrooms. So PPS has a preliminary scope of work and an idea of how to address those spaces. But as the district gets further into design and has further conversation, especially with the users of the space, they will further develop that scope of work to ensure that the improvements put in the Special Ed classrooms meet what the needs.

Commissioner Wubbold had the next question but deferred saying in the interest of time he would forego asking this question. However, the question and the written answer provided by PPS staff is included here for informational purposes.

This bond measure includes funding for curriculum materials and computers for students. Please tell us what those components are and how does this expenditure balance with the need for new facilities?

Answer: A high-quality curriculum is the foundation of a comprehensive and coherent Instructional program. This bond measure will support strategic investments in print and digital curriculum for K-12 mathematics, science, language arts, social-emotional learning, social sciences, climate justice, world languages, English as a second language, and the visual and performing arts. In addition, it will directly support innovative pedagogical shifts towards project-based and personalized learning through the redesign of middle schools, PK-3 Initiative, and High School Strategic Plan. This investment will ensure the educators and students have access to resources and learning environments that will deepen engagement, develop 21st-century skills, and cultivate creativity.

Answer B: The technology portions of this bond program include devices for students and staff as part of the modernization project, and there are many other components to this work that goes beyond devices. One of the larger projects is a classroom modernization project that will provide foundational technology equipment that would normally happen in conjunction with a full-scale school modernization effort. This project will bring wireless networking (WiFi), mounted projectors with wireless display capabilities, voice amplification, and dedicated computing capabilities to every classroom in the district. Additionally, there is a significant amount of core infrastructure that has been neglected for many years and functional life-cycles, which needs to be replaced and upgraded. This includes the District's phone system, the network switching infrastructure, older WiFi access points, network interconnects, and data center hardware from which many of the District's critical functions rely upon for their functionality. All of these improvements will help with the overall modernization efforts of the district and move PPS to a place from which the district can develop regular and sustainable upgrades and maintenance postures to keep the district operational and flexible enough to grow into a modern high-functioning school district.

Chair Barringer asked the following questions:

Have the bonds issued from the previous ballot measures generated a premium and, if so, how has that money been used? Is the district anticipating a premium on these bonds? How will it be used?

Ms. Cresswell responded saying the bonds issued from previous ballot measures have generated varying premiums depending on market conditions. The District does not, as a rule, forecast future premiums, due to the variable nature of the financial markets. Premiums, similar to interest earnings and other revenue sources, are used to support existing bond projects that need additional financial support or to fund new

bond-related scopes of work. For future premiums the district doesn't typically forecast those because the financial markets can really vary widely so they try not to anticipate too much.

Were the previous premiums significant or were they just modest?

Ms. Cresswell replied that there were several million dollars in premiums. They were put towards existing bond projects or new bond related work.

Ms. Kohnstamm said she thought the 2012 was \$55 million in bond premium. And in addition to contingency was also used to absorb costs on some increased scopes of work.

Mr. Yung confirmed this answer.

Commissioner Ofsink asked these final questions:

How has the board been reaching out to the public about this bond measure and, with the current economic uncertainties, the pandemic, and the aftermath of the fires, how confident is the board that this bond measure will pass?

Ms. DePass fielded these questions saying PPS Board members have participated in many of the early bond planning public engagement opportunities, including participating in the public Conceptual Design Advisory Groups for Jefferson High School, Cleveland High School, and Wilson High School. The board has held over a dozen public meetings and invited public comment. Board members have been involved in community survey efforts, virtual town halls, and public events. The board regularly engages with the community members and solicits feedback on bond planning efforts.

After the impacts of the COVID pandemic, including school closures and economic impacts, initial assumptions were that the PPS community would favor a smaller bond proposal or even to delay from the District's plan of proceeding with general obligation bond votes at each presidential election. However, feedback from the community has strongly supported not only proceeding with a bond in November 2020 but encouraging a larger bond package. The community recognizes the significant capital needs of the District and understands the only way to improve the physical teaching and learning environment is to continue with the PPS's long term capital improvement plan. Community conversation and polling data have supported the proposed bond package as presented.

Commissioner Wubbold asked this follow-up question:

So this is the third in a series of bonds. How does the polling compared to previous two measures?

Ms. Kohnstamm fielded this question saying the threshold for go or no go is generally around 55%. The polling done did for this bond was just a little bit higher than it was the last time, a little bit more comfortable feeling. PPS knows that that sentiment only was compounded as they started to talk to the community more about the investments in a Center for Black Student Excellence.

Chair Barringer asked if anyone had expressed a wish to speak at this hearing. No one had. He thanked the Portland Public School Districts Board of Directors and staff for their thoughtful answering of the questions. He said with that our hearing will close since the commission will take no action on the measure but rather leave that to the voters.

Minutes Approved by Commission on November 5, 2020

C.Gibons