

Bond Oversight Committee

Friday, October 4, 2013 – Slavens K-8 School

Oversight Attendees: Mark Ajluni, Kendra Black, Mary Brice, Luchia Brown, Patricia Frederico, Stacie Gilmore, Jeannie Kaplan, Roger Kilgore, Kelly Leid, Monique Lovato, Luis Torres

DPS Staff: Happy Haynes, David Suppes, David Hart, Will Lee-Ashley, Trena Deane, JT Allen, DeVita Bruce, Charles Garcia, Brian Eschbacher, Benita Duran, Jeff Barratt (Emily Griffith)

Agenda:

- Diversity Program Update
- Bond Financial Update
- Emily Griffith Relocation & DPS Facility Consolidation
- Major Projects Update
- Future Agenda Items

Meeting Notes:

Bond Diversity Update – Happy Haynes & Trena Deane

- Happy Haynes, at-large DPS Board of Education Director, provided an update of the resolution the Board passed in June 2013. This called for DPS to perform a deeper analysis of the 2008 bond program relating to minority and women-owned business enterprises as well as formulate a new policy to ensure equity and inclusion in the awarding of contracts.
- DPS completed and presented an updated analysis to the Board in August. That analysis was included in the presentation (slide 4), and was also emailed to the oversight committee in September.
- Trena Deane, Executive Director of Facility Management, provided more details on how the revised analysis was conducted.
- DPS will continue to monitor the progress of the city's disparity study and work with legal to determine the ability and extent of which it can be adopted

Financial Update – David Suppes

- David Hart, Chief Financial Officer for DPS, as well as Charles Garcia, Senior Financial Analyst, provided the update.
- The ballot language was reviewed along with the actual financial transaction results that show DPS is meeting all covenants of the ballot language.
- Due to the favorable interest rate environment of the markets, DPS issued nearly all of the \$466M of authorized general obligation bonds in December. Roughly \$21.4M are still available to be issued in the future.
- The all-in interest rate of the bonds is approximately 2.7%, which by historic standards is extremely low.
- DPS will be in compliance with the ballot language requirements regarding total repayment cost and the annual cost.

- DPS provided an update of the expenditures and commitments as of August 31, 2013 (page 7 of the presentation)
- DPS also walked through the Financial Transparency website (<http://financialservices.dpsk12.org/welcome/financial-transparency/>) for members to view the investment details of the bond program.

Emily Griffith Relocation and DPS Facility Consolidation

- David Suppes, Chief Operating Officer for DPS and Jeff Barratt, Executive Director of Emily Griffith High School presented.
- David reviewed the context of why the relocation was pursued (slide 10) and the project objectives:
 - Provide new facilities to better support Emily Griffith
 - Provide a home for the Downtown Denver Expeditionary School
 - Leverage a current facility to meet the need for a new elementary school location
 - Support a community need for a domestic violence support center
 - Consolidate most DPS support staff into a single location to create a more effective work environment
 - Create financial benefits for the district and taxpayers through facility consolidation
- DPS reviewed the project sources and uses of funds, including the bond funds used for the project (slide 15)
- DPS will provide an update to the Board and the Oversight Committee in 2014 as to the progress of the sale of the remaining properties (900 Grant, CLA, Emily Griffith)

Major Project Updates / Summer Project Reports

- DPS completed projects at 81 schools around the city
- 2 new schools were constructed as well as 5 building additions
- 900 new students have seats in over 112,000 square feet of new space
- MDF cooling solutions were installed into 30 schools
- Heat mitigation solutions were implemented in 16 schools
- Code issues were addressed at 19 schools

Upcoming Meetings:

- The bond oversight committee co-chairs will present to the DPS Board of Education on Monday, October 14 in the boardroom at 900 Grant St on the progress of the oversight committee.
- DPS will work with the co-chairs to schedule another tour of facilities in November.
- The next oversight meeting will be scheduled for November 1, 2013, location TBD

Future Agendas:

- Major project status update
- Sustainability programs
- Technology investments