

**2004 Community Bond Oversight Committee
Report to the AISD Board of Trustees
June 9, 2008**

Report Overview

Pursuant to its charge, this is the CBOC's June report to the Board of Trustees. The most recent report provided was on March 25, 2008. Because of the relative short period of time between these two reports and few significant changes in the project status, the CBOC has elected to communicate through a written report rather than a formal presentation. Like previous reports, this report focuses primarily on the delivery and budget of Phase II and III projects, with the addition of Phase IV projects. These projects began during the summer of 2006 and the spring of 2007 and 2008 respectively. Information is being provided on the following topics:

- Overall Bond Program Economics and Status
- Prevailing Wage
- Communications Update
- HUB Update
- Transition Plan for 2008 Bond Program

This report is also available online at www.austinisd.org, click link for "Apple at Work – AISD Bond Program", then click link for "Community Bond Oversight Committee".

Project Status

On October 25, 2004, the Board of Trustees approved an implementation schedule of five phases for the 2004 Bond Program: Phase I projects began in 2005; Phase II projects began in 2006; Phase III projects began in 2007; Phase IV projects began in 2008; and Phase V projects will begin in 2009.

Phase I

Phase I includes 92 projects, totaling \$197,039,835. Ninety-one of these projects are substantially complete. One safety and security enhancement project is ongoing, the card-reader and door access at Andrews and St. Elmo elementary schools and Burnet, Lamar and Murchison middle schools. All Phase I project budgets have been managed within project and program contingency. The management of this phase is on track and consistent with the needs of a program this size.

Phase II

Phase II includes 69 projects, totaling \$66,860,037. Fifty projects of the 69 projects are substantially complete.

Project Challenges

Three projects in Phase II have posed challenges. Permit and weather delays have impacted the completion of the classroom addition at Baranoff Elementary School. The completion date for this project has moved from August 2007 to July 2008. The delay was recognized early enough to accommodate the school's need to maintain the use of existing portable classroom buildings for the duration of the project. Initial cost negotiations and weather delayed the completion of the classroom addition at Graham Elementary School from August '07 to June '08. Cost negotiations were necessary to bring the cost more in line with the budget. The completion of the classroom addition at Jordan Elementary School was also delayed due to weather but was completed in March 2008.

Phase III

There are 65 projects in Phase III, totaling \$89,070,145. The major projects in Phase III are:

- New Southwest Middle School budgeted at \$33,881,537. The groundbreaking ceremony took place May 29, 2008.
- Additions/renovations at Bedichek and Webb middle schools and Lanier High School budgeted at \$15,668,988.
- Renovations/expansions at the Nelson Field Bus Terminal budgeted at \$1,181,259.
- Additions and renovations at House Park budgeted at \$2,201,982.

There are 59 renovation projects budgeted at \$36,136,379, which include improvements to:

- Roofs
- HVAC Systems
- Site Drainage
- Plumbing Systems
- Window and Door Systems
- Classroom Cabinetry and Casework
- Floor Coverings
- Playslab Covers
- Fire Alarm
- Safety and Security Systems.

Phase IV

In Phase IV, there are currently 21 projects, totaling \$50,724,823. The major projects in Phase IV are:

- New North Central Elementary budgeted at \$15,743,446.
- New Southwest Elementary budgeted at \$15,743,446.
- Addition/renovation at Wooldridge Elementary School budgeted at \$2,939,360.

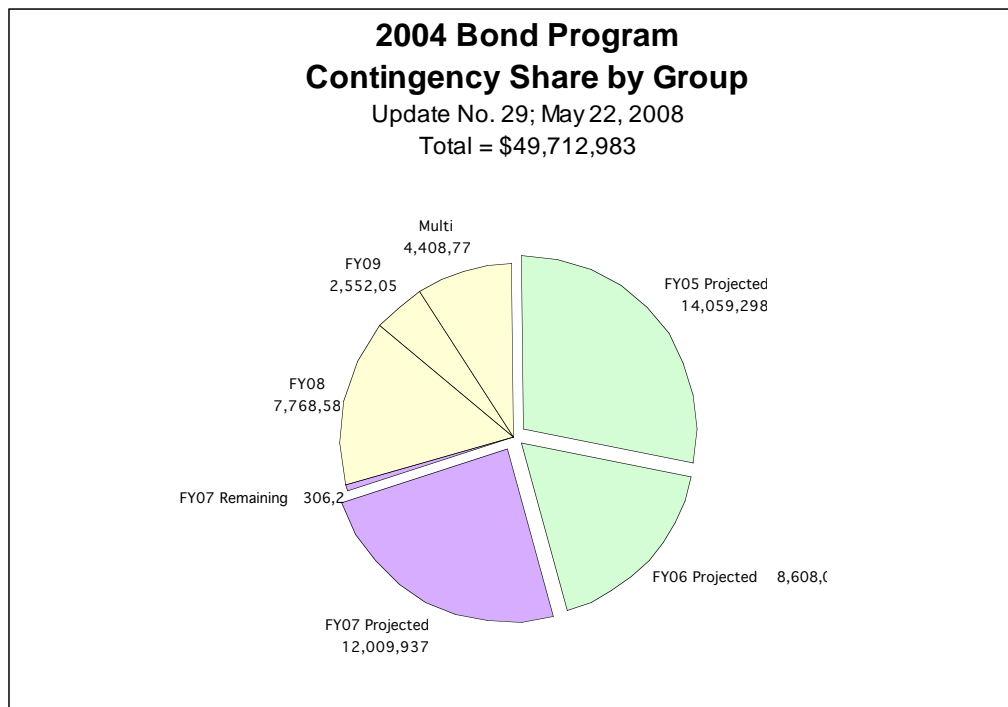
In Phase IV, there are currently 14 renovation projects budgeted at \$16,712,775, which include improvements to:

- HVAC Systems

- Window and Door Systems
- Roofing
- Floor Coverings
- Playslab covers
- Site Drainage
- Parking
- Safety and Security Systems

Program Contingency

Below is a graphic representation of the amount of program contingency the AISD Construction Management staff has allocated to meet budget challenges.



Broaddus Report

In 2006, Mr. Royce Faulkner generously underwrote a project that allowed Broaddus & Associates to complete a study and create a forecasting instrument for the District on future construction costs and possible implications for the 2004 Bond Program and future bond programs. On March 24, 2008, the CBOC received the latest contingency projection from Broaddus and Associates. Below is the forecast from the report:

- Phase 1 (Actual Expended in 2005) \$14,059,298 M
- Phase 2 (Actual Expended in 2006) \$ 8,608,074 M
- Phase 3 (Actual Expended in 2007) \$12,416,345 M
- Phase 4 (Projected Use in 2008) \$ 7,809,319 M

- Phase 5 (Projected Use in 2009) \$ 1,647,220 M
- Projected Remaining Program Contingency \$ 5,172,726 M

Prevailing Wage Update

As reported previously, six wage rate compliance inquiries have been received. There are no additional inquiries since the last report.

- Four inquiries were determined to be in compliance. These included one asbestos worker and three HVAC sheet metal workers.
- Two inquiries were determined to be out of compliance. These included one electrical worker and one drywall system installer.

As an additional measure, project managers are conducting random worker surveys. To date, 12 surveys have been completed. The results of the survey indicate that wages appear to be in compliance. Some of the workers surveyed include ceiling installers, general laborers, and plumbing apprentices.

HUB Update

The following is an update of the HUB/Small/Local Business Participation Report for the 2004 Bond Program. This report reflects data collected through April 30, 2008. The previous update on March 25, 2008, reflected data collected through December 31, 2007.

Overall, about one-fourth, 23.25% (\$66,162,919) of the \$284,517,330 in contracts awarded for the 2004 Bond Program have been awarded to Historically Underutilized Businesses (HUBs). (See Table I below.)

TABLE I
2004 BOND PROGRAM
CONTRACT AWARDS TO HUBS THROUGH APRIL 30, 2008

AISD 2004 BOND PROGRAM	AMOUNT OF TOTAL CONTRACTS	AMOUNT & PERCENT AWARDED TO HUBs	AMOUNT & PERCENT AWARDED TO AFRICAN AMERICANS	AMOUNT & PERCENT TO HISPANICS	AMOUNT & PERCENT TO ASIAN/NATIVE AMERICANS	AMOUNT & PERCENT TO NON-MINORITY FEMALES
	\$284,517,330 976 FIRMS	\$66,162,919 (23.25%) 226 FIRMS	\$3,319, 249 (1.17%) 18 FIRMS	\$19,997,732 (7.03%) 91 FIRMS	\$5,064,008 (1.78%) 22 FIRMS	\$37,781,930 (13.28%) 95 FIRMS

HUB Participation:

Among HUB firms, non-minority female-owned businesses have been awarded the greatest dollar value and percentage of contracts, \$37,781,930 (13.28%);

followed by Hispanic owned companies with 7.03% of the contracts (\$19,997,732). Asian/Native American-owned companies have received \$5,064,008 or (1.78%) of contract awards and African American-owned companies have been awarded 1.17% of all contract awards (\$3,319, 249). The greatest percentage increase in contract awards among HUB firms since the last report has been realized by African American-owned firms with total awards increasing by 21.44% from \$2,733,185 to \$3,319,249. (See Table II below).

TABLE II
2004 BOND PROGRAM
PERCENTAGE CHANGE IN CONTRACT AWARDS TO HUBS
DECEMBER 31, 2007 TO APRIL 30, 2008

	TOTAL CONTRACTS	AWARDS TO HUBs	AWARDS TO AFRICAN AMERICANS	AWARDS TO HISPANICS	AWARDS TO ASIAN/NATIVE AMERICANS	AWARDS TO NON-MINORITY FEMALES
DECEMBER 31, 2007	\$266,101,374	\$60,781,612	\$2,733,185	\$18,534,627	\$5,259,611	\$34,254,189
APRIL 30, 2008	\$284,517,330	\$66,162,919	\$3,319, 249	\$19,997,732	\$5,064,008	\$37,781,930
PERCENT CHANGE	6.92%	8.85%	21.44%	7.89%	-3.72	10.30%

A slight decrease in the aggregate percentage change was realized by Asian/Native American-owned companies as the result of the District re-classifying the source of some contract awards that were previously reported as 2004 Bond projects and are now shown as funded by the 2002 Health and Safety Bond Program.

Professional Services

Among HUB firms, providing professional services, Hispanic-owned have been awarded the greatest dollar value and percentage of contracts, \$4,575,965 (13.5%); followed by non-minority female-owned firms with 12.11% of the contract (\$4,080,652); Asian/Native American-owned firms have been awarded 7.02% of professional contracts (\$2,366,023), while African American-owned firms received 3.55% or \$1,196,200 (see Tables III on following page). As indicated in Table IV below, the greatest percentage increase was among the Asian Native American-owned professional services firms.

TABLE III
2004 BOND PROGRAM
PROFESSIONAL SERVICE CONTRACT AWARDS TO HUBS
THROUGH APRIL 30, 2008

AISD 2004 BOND PROGRAM	AMOUNT OF TOTAL CONTRACTS	AMOUNT & PERCENT AWARDED TO HUBs	AMOUNT & PERCENT AWARDED TO AFRICAN AMERICANS	AMOUNT & PERCENT TO HISPANICS	AMOUNT & PERCENT TO ASIAN/NATIVE AMERICANS	AMOUNT & PERCENT TO NON-MINORITY FEMALES
	\$33,683,903 287 FIRMS	\$12,218,840 (36.28%) 102 FIRMS	\$1,196,200 (3.55%) 8 FIRMS	\$4,575,965 (13.59%) 34 FIRMS	\$2,366,023 (7.02%) 13 FIRMS	\$4,080,652 (12.11%) 47 FIRMS

TABLE IV
2004 BOND PROGRAM
PERCENTAGE CHANGE IN PROFESSIONAL SERVICE AWARDS TO HUBS
DECEMBER 31, 2007 TO APRIL 30, 2008

	TOTAL CONTRACTS	AWARDS TO HUBs	AWARDS TO AFRICAN AMERICANS	AWARDS TO HISPANICS	AWARDS TO ASIAN/NATIVE AMERICANS	AWARDS TO NON-MINORITY FEMALES
DECEMBER 31, 2007	36,467,259	\$ 9,469,725	\$ 866,720	\$4,171,276	\$1,607,622	\$2,824,107
APRIL 30, 2008	\$33,683,903	\$12,218,840	\$1,196,200	\$4,575,965	\$2,366,023	\$4,080,652
PERCENT CHANGE	-7.63%	29.03%	38.01%	9.70%	47.18%	44.49%

NOTE: The decrease in percentage change for total Professional Service awards is the result of amendments which decreased the original award for various contracts.

Construction Services

Among HUB firms, providing construction services, non-minority female-owned firms have been awarded the greatest dollar value and percentage of contracts \$33,701,278 (13.44%); followed by Hispanic-owned firms with 6.15% of the contracts (\$15,421,767); Asian/Native American-owned firms have been awarded 1.08% of construction contracts (2,697,985), while African American-owned firms received 0.85% or \$2,123,049 (see Table V on following page). As indicated in Table VI below, the greatest percentage increase was among the African American-owned construction firms.

TABLE V
2004 BOND PROGRAM
CONSTRUCTION CONTRACT AWARDS TO HUBS
THROUGH APRIL 30, 2008

AISD 2004 BOND PROGRAM	AMOUNT OF TOTAL CONTRACTS	AMOUNT & PERCENT AWARDED TO HUBs	AMOUNT & PERCENT AWARDED TO AFRICAN AMERICANS	AMOUNT & PERCENT TO HISPANICS	AMOUNT & PERCENT TO ASIAN/ NATIVE AMERICANS	AMOUNT & PERCENT TO NON-MINORITY FEMALES
	\$250,833,427 689 FIRMS	\$53,944,079 (21.51%) 124 FIRMS	\$2,123,049 (0.85%) 10 FIRMS	\$15,421,767 (6.15%) 57 FIRMS	\$2,697,985 (1.08%) 9 FIRMS	\$33,701,278 (13.44%) 48 FIRMS

TABLE VI
2004 BOND PROGRAM
PERCENTAGE CHANGE IN CONSTRUCTION AWARDS TO HUBS
DECEMBER 31, 2007 TO APRIL 30, 2008

	TOTAL CONTRACTS	AWARDS TO HUBs	AWARDS TO AFRICAN AMERICANS	AWARDS TO HISPANICS	AWARDS TO ASIAN/ NATIVE AMERICANS	AWARDS TO NON-MINORITY FEMALES
DECEMBER 31, 2007	\$229,634,115	\$51,311,887	\$1,866,465	\$14,363,351	\$3,651,989	\$31,430,082
APRIL 30, 2008	\$250,833,427	\$53,944,079	\$2,123,049	\$15,421,767	\$2,697,985	\$33,701,278
PERCENT CHANGE	9.23%	5.13%	13.75%	7.37%	-26.12%	7.23%

Small and Local Business Participation

The majority of contracts for the 2004 Bond Program has been awarded to Small and/or Local Businesses. More than half (57.09 %,) or \$162,423,977 of the \$284,517,330 in contracts have been awarded to small firms and \$241,477,174 (84.87%) have been awarded to local businesses. (See Table VII on the following page.)

TABLE VII
2004 BOND PROGRAM
CONTRACT AWARDS TO SMALL AND LOCAL FIRMS THROUGH
APRIL 30, 2008

AMOUNT OF TOTAL CONTRACTS	AMOUNT & PERCENT AWARDED TO SMALL FIRMS	AMOUNT & PERCENT AWARDED TO LOCAL FIRMS
\$284,517,330	\$162,423,977 (57.09%) 684 FIRMS	\$241,477,174 (84.87%) 748 FIRMS

TABLE VIII
 2004 BOND PROGRAM
 PERCENTAGE CHANGE IN CONTRACT AWARDS TO SMALL AND LOCAL FIRMS
 DECEMBER 31, 2007 TO APRIL 30, 2008

	AMOUNT & PERCENT AWARDED TO SMALL FIRMS	AMOUNT & PERCENT AWARDED TO LOCAL FIRMS
DECEMBER 31, 2007	\$152,229,915	\$219,389,826
APRIL 30, 2008	\$162,423,977	\$241,979,304
PERCENT CHANGE	6.70%	10.07%

Communications Update

The following summary is intended to provide an overview of communications and outreach activities performed by TateAustinHahn, the communications consultants. These activities are from March 25, 2008 to the present.

Survey Report:

A survey of 31 schools was conducted from December 2007 through February 2008. Five new schools and 26 renovation projects were surveyed. The new schools are Blazier, Clayton, Overton and Perez elementary schools and Garcia Middle School. The renovated campuses surveyed were: Baranoff ES, Barton Hills ES, Becker ES, Blanton ES, Brentwood ES, Cunningham ES, Crockett HS, Dobie MS, Jordan ES, Kealing MS, Kiker ES, Lee ES, Maplewood ES, Martin MS, Murchison MS, Norman ES, Oak Springs ES, Pecan Springs ES, Reagan HS, Ridgetop ES, Sanchez ES, Travis HS, Widen ES, Williams ES, Winn ES, and Zilker ES. Seven hundred and seventy-three responses were received. Over 50% of the respondents were parents or community members. Overall the findings were positive, and the surveys further engaged the public in a review of the work that has been accomplished under the 2004 Bond Program. In addition, project managers have been provided copies of the survey comments for their projects and are following up on any issues identified by campus administrators.

Renovated Campuses:

Some of the key findings from the responses for renovated campuses were:

- 72% are satisfied or above with community involvement.
- 70% are satisfied or above with the process in place to solicit community involvement.
- 71% are satisfied or above with their interaction with the AISD Bond Personnel.
- 66% are satisfied or above with the level of AISD communications about the renovations.

- 76% are satisfied or above with the safety measures put in place to protect the campus community.
- 61% are satisfied or above with the efficiency of the work.
- 76% are satisfied or above with the quality of the work.
- 69% are satisfied or above with the efforts to decrease disruption during the renovations.
- 90% believe the renovation projects will improve the quality of education.
- 85% believe the renovation projects will meet the needs of the campus community.

Clayton and Perez Elementary Schools:

Some of the key findings from the responses for Clayton and Perez elementary schools in their second year of operation were:

- 88% are satisfied or above with community involvement.
- 89% are satisfied or above with the process in place to solicit community involvement.
- 85% are satisfied or above with their interaction with the AISD Bond Personnel.
- 88% are satisfied or above with the level of AISD communications about the renovations.
- 94% are satisfied or above with the safety measures put in place to protect the campus community.
- 93% are satisfied or above with the efficiency of the work.
- 90% are satisfied or above with the quality of the work.
- 96% are satisfied or above with the efforts to decrease disruption.
- 96% believe the new campus will improve the quality of education.
- 83% believe the new campus will meet the needs of the faculty, staff, students, and community.

Blazier and Overton Elementary Schools and Garcia Middle School:

Some of the key findings from the responses for these new campuses during their first year of operation were:

- 82% are satisfied or above with community involvement.
- 79% are satisfied or above with the process in place to solicit community involvement.
- 86% are satisfied or above with their interaction with the AISD Bond Personnel.
- 84% are satisfied or above with the level of AISD communications about the renovations.
- 86% are satisfied or above with the safety measures put in place to protect the campus community.
- 88% are satisfied or above with the efficiency of the work.
- 94% are satisfied or above with the quality of the work.
- 90% are satisfied or above with the efforts to decrease disruption.

- 90% believe the new campus will improve the quality of education.
- 95% believe the new campus will meet the needs of the faculty, staff, students, and community.

Database and Public Inquiries

- The database now contains 2,022 contacts within the Austin community.
- *The Apple At Work* hotline received a total of 97 inquiries. Thirty-two percent were about boundary issues; 46% related to new schools; 14% were about renovation projects; and 8% were related to other topics.
- *The Apple At Work* website received a total of 171 inquiries. Twenty-two percent were about boundary issues; 35% related to new schools; 21% were about renovation projects; and 22% were related to other topics.

Theappleatwork.com Web Site

The status of all projects at all campuses and facilities was updated using the April project manager reports. There were a total of 442,152 hits on the web site. Of these, 427,762 were direct hits to *The Apple At Work* web site.

Publications and Materials

- Annual Report:
 - The third *Annual Report*, highlighting the progress to date of the 2004 *Apple at Work* Bond Program was distributed in approximately 140,000 editions of the *Austin American Statesman* on May 21, 2008. These were distributed to both residential and business subscribers and newspaper racks within the boundaries of the AISD. Approximately 35,000 copies of the Spanish version of the *Annual Report* appeared in the May 22, 2008 edition of *¡Ahora Sí!*
 - A guest editorial in the *Austin American Statesman* by the CBOC tri-chairs was coordinated with the publication of the *Annual Report*; however it was not published.
- E-blasts
 - Regular email communications distributed information on topics related to renovations, construction, and new schools. The emails are sent to individuals, contained in a database, that have expressed interest in receiving these updates.
- Austin InSiDer
 - Bond Program content was included in the District's regular newsletter.
- Video Documentaries
 - TateAustinHahn began shooting footage for individual vertical team videos. Once completed, these videos will be available for viewing on the AISD web site.

New Schools

- New Southwest Middle School Groundbreaking Ceremony
 - A groundbreaking ceremony was held May 29, 2008, at the site of the new southwest middle school located at the intersection of Slaughter Lane and FM 1826.
- Overton Elementary School Dedication Ceremony
 - TateAustinHahn is working with AISD staff to prepare the Overton Elementary School and the Turner/Roberts Recreation Center Dedication Ceremony, which will take place in the early fall of 2008.

Additional Outreach

- TateAustinHahn worked with AISD staff in preparing a 2004 Bond Program Sustainability Update for members of the Austin environmental community. Board of Trustees members received a copy of the report in May.

Oversight of the 2008 Bond Program

With the successful passage of the 2008 Bond Program on May 10, 2008, staff has requested that both the Board of Trustees and members of the 2004 Community Bond Oversight Committee consider a proposal that would capitalize on the expertise that we have developed during our tenure and that would provide a seamless transition between the 2004 and 2008 Bond Programs oversight process.

This proposal suggests that the current CBOC remain intact and that the membership be augmented with new appointments to replace current and future vacancies. Currently, there are 19 members and four existing vacancies. The CBOC charge permits up to 25 members. If all current members were to remain until the end of their tenure in 2010, four new members would have to be appointed to create this joint committee.

The proposal was discussed at the May 24, 2008, CBOC meeting, and members were in favor of the proposal, but requested that the Board of Trustees consider the following when making its determination.

- All new members be appointed at the same time and no later than September 2008.
- All new and current members participate in a retreat that would provide an opportunity to train and to review the processes and procedures under which the CBOC operates.
- Current CBOC members be given the opportunity to remain or to resign from the committee.

Conclusion

In July the CBOC will be conducting a site tour of recently completed projects and extend an invitation to Board members to join them. Staff will provide the Board with the details after they are finalized.