

2004 COMMUNITY BOND OVERSIGHT COMMITTEE
Meeting Summary
February 27, 2007

Committee Members in Attendance

Margarito Aranda
Mark Boyden
Donetta Goodall
Morris Hoover
Bobby Jenkins
Steve Kraal
Cindy Lara
Carolyn Merritt
Mary Ann Neely
Leroy Nellis
Jim Recek
Steve Rogers
Gerard Washington
Horace Willis
Peck Young

Staff Members in Attendance

Mario Alaniz
Randy Baldwin
Norman Barker
Andrew Clements
Craig Estes
Deborah James
Mark Harris
Flo Rice
Pat Rossett
Scott Rouse
Curt Shaw
Tony Silva
Velupillai Sivalingam
Toni Thomasson
Paul Turner
Terry Wadsworth
Idella Wilson

Others in Attendance

Cloteal Haynes

Agenda

- I. Call to Order and Approval of Minutes
- II. Program Contingency Update
- III. Subcommittee Meetings
- IV. Subcommittee Reports
- V. HUB Committee Report
- VI. Survey Committee Report
- VII. Review of EL-16 Report_10(a), 11
- VIII. Review of Draft CBOC Report to Board of Trustees
- IX. Prevailing Wage Update
- X. Agenda Items for Next Meeting

I. Call to Order and Approval of Minutes

Donetta Goodall called the meeting to order and invited questions and modifications of the agenda from other CBOC members. The January minutes were approved as written.

II. Program Contingency Update

Curt Shaw provided an update on the status of the program contingency.

- An update of the Broaddus report will not be available until the next CBOC meeting.
- Bid overages are now averaging less than the 40% average seen recently.
- If this pattern continues, there will be an estimated \$500,000 of contingency available to carry over to the next phase.

III. Project Managers Reports

The Committee met in geographical subcommittees (north, central and south) to review the status of the projects in their assigned areas. Members received updated information from AISD senior project managers and individual project managers in the following areas:

- Project schedule
- Project budget
- General project information
- Project environmental components

IV. Subcommittee Reports

At the conclusion of the subcommittee meetings, the Committee reconvened for a large group project discussion. Highlights of the individual subcommittee reports include:

Central

Projects are basically on budget and on schedule.

Maplewood Elementary School

- Completion of this project has been delayed due to limited work access and time at the request of the campus.
- Work is being done on weekends and after hours to accommodate the needs of the school and the neighborhood.

House Park

- The need for a variance from the City of Austin for construction in a flood plain has impacted the work on the restrooms.

Webb Middle School

- Approximately seven million dollars has been budgeted for additions and renovations at Webb.
- There were questions regarding the feasibility of investing that amount of money into a facility that may be repurposed, particularly if there are concerns regarding the contingency fund.
- This project was originally scheduled to be in the design phase; but because Webb Middle School's future is still undetermined, no work has begun.

A member asked what was the price associated with the Performing Arts Center.

- Curt Shaw responded that \$8 million had been budgeted; approximately one-half of the anticipated project cost at the time the “Blue Book” was published. Another \$1.1 million was budgeted for the purchase of the site.
- When the bond election was presented to the public, it was thought that a single donor would donate the other half of the money needed for the project.
- Curt Shaw stated it would now probably cost closer to \$20 million to buy the land and build the facility.
- There is still potential for a single donor but it is not as promising as originally thought.

North

Approximately eight projects are in closeout or warranty, and a number of third phase projects are in design.

LBJ and McCallum High Schools

- Both school theaters should be available for occupancy after spring break.

Garcia Middle School

- Construction is on schedule.

Overton Elementary School

- Construction is behind schedule.
- About of a month of construction time was lost due to bad weather.
- The City of Austin will not have the gym completed for the first semester of school.
- Because the city housing development at Colony Loop has not progressed as quickly as anticipated, Overton will open with approximately 500 students, well under its capacity of 800.
- The principal has been actively involved with the project.
- The kitchen will not be completed in time for the start of school.
- Food service will be provided from another location. In the past, food has been transported from a nearby campus and has been distributed through the use of a mobile serving unit.
- Parents will be notified before school starts.

Graham Elementary School

- The project has been bid.
- The bid was \$1.2 million over budget.
- The project manager is working with the architect/engineer to begin value engineering to lower construction costs.
- A new retention pond may be required for this project.

Murchison Middle School

- The bid for this project is now \$1.5 million over budget.
- The district is talking to a second bidder in hopes of reducing costs.

South

Blazier Elementary School

- The roadway should be completed by the start of school.

Baranoff Elementary School

- The civil consultant missed the site development permit deadline.
- As a result, the start of construction has been delayed.
- The full site development permit should be issued by March 15th.

Oak Hill Elementary School

- This project is approximately \$300,000 over budget.
- The roof repair, which had been pulled out of this project, has now been added back into the project.
- An eight-inch fire line extension must be completed for the certification of occupancy.

Southwest Middle School

- Preliminary plans have been developed.
- Budget will be a challenge because current educational specifications for middle schools require 1000 square feet more than were required when the budget was originally established.

Parking Lot Issues

A member noted that he is deeply concerned about the contingency and believes the Broaddus report update is important in order for the committee to have a better sense of the state of the contingency. Other members echoed this concern. Members requested that projects, yet to be bid, with potential cost overruns be identified. These projects are identified in the contingency report that reflected the estimated project overage.

V. HUB Committee Report

- Steve Rogers presented the HUB Committee report.
- Patti Summerville of TateAustin continues to facilitate the meetings and Cloteal Haynes, the HUB consultant, also attends.
- Patti Summerville and Cloteal Haynes conducted a focus group for HUB firms.
- Invitations were sent to HUB associations requesting that they encourage their membership to attend.

- The turnout was small (only 11 people attended), but the feedback obtained from the focus group has provided a good starting point on ways to try to improve HUB participation.
- The following are the main issues that came from the participants of the focus group and the plan that has been developed to address each one:
 - Prevailing wage issue:
 - Curt Shaw and Randy Baldwin will direct project managers to conduct a statistical random sample of certified payroll.
 - Delayed payment issue:
 - Curt Shaw and Randy Baldwin will audit timing and timeliness of payments to determine if the District or general contractors are at fault.
 - If the District is at fault, this issue will be addressed immediately.
 - Project management consistency:
 - There are guidelines that all project managers are required to follow.
 - There is frequent communication and oversight by administrative staff to ensure consistency among staff.
 - Encourage direct communication between project managers and the Director and Assistant Director of Construction Management.
 - Lack of relationships between General Contractors and HUBs:
 - The Mentor-Protégé Initiative will be instituted soon to begin to address this problem.
 - Staff is working with Ms. Haynes on implementing the initiative. The project is scheduled to begin in April 2007.
 - Staff will schedule periodic non-project mixers between HUB firms and General Contractors to encourage relationships as well as mixers for large-scale projects.
 - Ambiguous specifications: Some of the focus group members felt that when the specifications in the bid proposals were ambiguous, some firms would low-ball the bids and then regain the profits by implementing numerous change orders.
 - There are some mechanisms in place to monitor this.
 - Curt Shaw is aware that there are some contractors that try to do this.
 - In the evaluation process for selection of contractors, contractors who have a reputation for requesting unnecessary change orders receive low scores.
 - Curt Shaw also calls other districts and gets recommendations and information on contractors from his counterparts.

- Some architects are better than others in detailing the specifications, so this could account for difficulty in interpretation of specifications.
 - The District's process requires the architect to sign-off on any change orders. This adds another layer of oversight over change order requests.
 - Change orders occur for many legitimate reasons: City of Austin permitting requirements, discovery of previously unknown conditions.
 - Lack of buy-in by Project Managers and General Contractors to HUB program:
 - The importance and commitment of this issue to the District is brought to the attention of the PMs at the weekly construction management meeting.
 - If a selected contractor has weak HUB representation, the project manager brings this to the contractor's attention and communicates the importance of HUB participation to AISD.
- A letter outlining the District's response to the issues presented by the HUB focus group participants will be sent to all the members of Ms. Haynes' database to ensure that the HUB firms understand the District takes their concerns seriously and is working hard to improve HUB participation.
- A member commented that small contractors often do not have the expertise to comply with all the requisite paperwork and that it may help if a training session were provided for them.
- Another member noted that often the delay in payment to small contractors is because the general contractor is not prompt in making those payments.

VI. Survey Committee Report

- Gerard Washington presented the Survey Committee report.
- The survey information was included in the EL-16 report that everyone received in the materials mailed out for this meeting and will be discussed in greater detail at that time.
- Twenty-two schools were sent surveys in October.
- Surveys were:
 - Sent by e-mail to all faculty and staff.
 - TateAustin sent e-mails to CACs and PTAs from their database.
 - Hard copies were placed in boxes in all school offices.
- An attempt was made to conduct a pilot program at Davis ES. The committee requested that a hard copy of the survey be sent home in the students' folders. Unfortunately, the principal denied the request.
- TateAustin has resent e-mails from their database encouraging survey participation.
- TateAustin has been attending PTA meetings to encourage parents to take the surveys. They will go to all 22 schools being surveyed:

- In general, PTA meetings are not well attended and there has not been much success in getting surveys completed.
- Currently, there have been 214 responses to the renovation surveys:
 - 53 parents
 - Davis ES with 16 parents
 - Kiker with 9 parents
- Ninety-six responses to new school survey.
- Because boxes with surveys were placed in all school offices, there is no way to determine how many were taken.
- Only 12 hard copies of the surveys were completed and submitted. The rest were completed electronically.
- All averages are satisfactory or above.
- One survey committee member stated that the survey results were not statistically significant because of the low participation.
- The committee believes a better rate of response would occur if there were more support from school administration for completion of the survey by staff and community members.
- The survey committee members requested that the tri-chairs ask the Board of Trustees to direct school administration to support the CBOC survey process.
- The survey committee members wanted to emphasize that staff and TateAustin had worked very hard and done an outstanding job on the distribution and coordination of the surveys.

VII. Review of EL-16 Report 10(a), 11

- EL-16--10(a) states that the Superintendent may not fail to “adequately manage the cost and schedule of school construction work, including the authorization of construction change orders for: (a) School Bond Program projects that exceed the available project and program contingencies established for such change order work...”
- By consensus, the committee agreed there was compliance with EL-16--10(a).
- The committee requested that the language reporting compliance with EL-16—11 be modified to include a request for a directive from the Board to the Superintendent and principals to support survey efforts.

VIII. Prevailing Wage Update

- Curt Shaw gave the update presentation.
- He reviewed the information that had been provided.
- To date, six wage rate compliance inquiries have been received.
- Only two of the six were determined to be out of compliance and appropriate steps have been taken to rectify the situation.
- He also provided the committee with a copy of the procedures for responding to a claim.
- By consensus, the committee agreed to include the prevailing wage information in the CBOC Report to the Board.

IX. Review of Draft CBOC Report to Board of Trustees

- The CBOC Report to the Board has been rescheduled for March 26th.
- Members were able to view the actual PowerPoint presentation.
- Revisions need to be sent to Pat Rossett by Friday, March 1st, via email.
- A summary of the changes will be sent to everyone via email for their review.
- A majority of the committee voted to include the Broaddus report update in the CBOC Report to the Board if it is available in time for inclusion.
- Some corrections suggested by members were:
 - Add information regarding the HUB focus groups to the report.
 - Delete some of the previously provided information in order to shorten the report.
 - Add information regarding the request from the Survey Committee for more support for the surveys.

X. Agenda Items for Next Meeting

- Next meeting March 27th
- Broaddus Report Update
- Subcommittee meetings
- Subcommittee reports
- Update of CBOC Report to Board of Trustees

A tri-chair requested that a review of lessons learned be placed on some future agenda.

Lessons Learned: (Recent additions are in bold and italics.)

Please find below a cumulative record of “lessons learned”:

- Identify new schools using the description of schools to be relieved, rather than geographic designations.
- For larger, more complex projects, enlist paid services of architects and engineers to determine the scope and budget for the project.
- Appoint CBOC members immediately after the bond initiative is passed.
- An additional 15% of square footage should be added to the educational specifications to allow for circulation. (Barton Hills)
- Schedule a retreat immediately after the CBOC is appointed and complete the self-evaluation tool at least twice annually.
- The Survey Committee should develop its own list of “lessons learned”.
 - There should NOT be surveys for each campus due to the need to compile data. Therefore, one survey will be created with all campuses listed and the first question will ask them to select their campus. Note: There will still be personalized emails, with individual project descriptions, sent to each campus.
 - One person should have central responsibility for collection and distribution of surveys.
- A thorough discussion of committee processes, procedures and charge is needed when the CBOC is first appointed.

- A simple English statement of what the charge is would help future committees.
- Front load the implementation of the bond construction program. Spending funds earlier helps reduce the impact of inflation on available bond funds.
- Responsible stewardship involves providing adequate resources to maintain and operate new schools and new construction properly.
- *Differentiate between the dates for the completion of construction and when a building can be occupied. The general public believes the “completion of construction” date is the same as the date a building can be occupied.*
- *Establish a process with well-delineated criteria for determining the use of contingency funds.*
- *Since contingency funds are more readily available in earlier projects and less available for projects scheduled in later phases, committee needs to be mindful of maintaining equity for all projects.*
- *Because principals are key participants in the success of a construction project, a training workshop by construction management staff should be provided to new principals who have no experience with construction projects.*