

MEMORANDUM

Date: April 29, 2013

To: Members of the Board of Education

From: Bond Accountability Committee (BAC)

Subject: 1st BAC Report to the Board

Background

In the November 2012 election, voters approved a \$482M capital improvement bond for Portland Public Schools. The PPS Board appointed a Citizen Bond Accountability Committee to monitor the planning and progress of the bond program relative to voter-approved work scope, schedule and budget objectives.

Activities to Date

The BAC has met three times since passage of the bond measure. All meetings are publicly noticed and open to the public.

From the outset, the BAC has worked to gain a complete understanding of the bond program, and to agree with staff on the methodologies for reporting against key metrics going forward. PPS staff has been very helpful and supportive of the process, and has demonstrated a consistent commitment to transparency and clarity in all dealings with the BAC.

The BAC has reviewed the program's organizational chart and plan, conceptual and baseline schedules, the overall budget and breakdown, estimating methodologies, plans to meet equity goals, and reporting processes including the Balanced Scorecard. The Committee is also addressing the challenge of incorporating subsidiary metrics into the BAC reporting process. BAC members have been given access to the internal calendar of key events in the bond program, and staff has been very responsive to questions and concerns.

In terms of budget and schedule, the immediate focus is on the EdSpecs process, the summer 2013 projects at Alameda, Laurelhurst, Wilson, Bridlemile, and Lewis, and preparatory work for the major projects at Roosevelt, Faubion, and Franklin.

Current Issues

The BAC wishes to address three areas in this report; however, we also want to make it clear that the BAC is not being critical at this point, but instead wishes to offer some suggestions for improvement.

Budget. While it is premature at this very early stage to report any budgetary concerns of substance, the BAC believes that the current reporting format, especially regarding "Program Costs" and "Bond 2012", needs some improvement in order to adequately communicate budget status. Staff is open to suggestions in this area, and we will work together to develop a more understandable and transparent format for reporting these budgets/costs.

Schedule. The BAC has reviewed the conceptual/baseline program schedule, and has generally found it to be reasonable as far it goes, given that the scope of design and construction is at a very preliminary stage. It is encouraging that, less than 6 months after Bond passage, an organization is in place, construction at 5 schools is only weeks away, the EdSpecs process is moving along, and there will shortly be design teams on board for two of the High School projects.

The BAC has heard some suggestion that the Roosevelt HS schedule, in particular, is not aggressive enough. A sub-group of the BAC will shortly meet with staff schedulers to review the baseline design/construction plan in more detail.

Equity. The BAC discussed the District's equity goals, particularly its MWESB subcontracting targets, during our first and second meetings. The consensus was that the 18% aspirational goal will be a stretch, at least in terms of the design/bid/build summer improvement projects, which require only a "Good Faith Effort" from prime contractors. While there will likely be far more opportunities on the four larger projects, the BAC feels that the Board should expect to see results fall short at the early stages of the program.

Opportunities for student participation have been very limited to date, but contractors are required to participate in PPS Career Learning programs so we expect to see more activity during the summer work. The BAC looks forward to a report from staff on progress in this area at its July meeting.

Summary

The BAC thanks the Board for this opportunity to serve and play a part in what we all expect will be a very successful bond program. The pace of activity across the board will increase significantly between now and our next report, and we look forward to continued engagement and, where possible, to being supportive and helpful.