

Meeting Minutes | February 11, 2013



Portland Public Schools Bond Accountability Committee (BAC)

PORTLAND PUBLIC SCHOOLS
Office of School Modernization
501 North Dixon Street • Portland, OR 97227

Members present: Kevin Spellman (Chair), Anita Decker (via phone), Louis Fontenot, Steve March, Willy Paul, Tom Peterson

Board liaison present: Bobbie Regan (Board), Pam Knowles (Board), Alexia Garcia (Board student rep), Greg Belisle (Board)

PPS staff present: Carole Smith, Dan Jung, CJ Sylvester, Neil Sullivan, Sharie Lewis, Jim Owens, David Wynde, Christine Grenfell, Jen Wishart, Jon Issacs, Cameron Vaughan-Tyler, Randy Miller, Paul Cathcart, Jen Sohm, Ken Fisher (Heery International), Scott Perala (Heery International)

Next meeting: TBD

- I. **Welcome & Introductions.** Kevin Spellman welcomed the Committee and community members. All members were present except John Mohlis. Committee Members then self-introduced as did staff members who were present.
- II. **Review of December 13, 2012 Meeting.** Kevin Spellman briefly reviewed the minutes. No adds or deletions.
- III. **Public Comment.**
 - No public comment
- IV. **Program Update.**
 - **Organization**
 - Organizational chart shown. Jim Owens discussed the blended-team approach where bond funded positions will be located throughout several departments within the District.
 - Ken Fisher and Scott Perala from Heery International were introduced. It was explained that they will be providing program level support and construction management support to OSM.
 - **Balanced Scorecard**
 - An adaptation of the balanced scorecard was introduced as staff's primary tool to provide status updates to the BAC and Board concerning Bond implementation progress in the areas of Budget, Schedule, Stakeholders and Equity.
 - **Overall perspective:**
 - Jim Owens explained the purpose of the reporting tool and walked the group through the concepts. All of the High School "full modernizations", Faubion replacement and summer improvement projects are shown. Currently only status of summer 2013 is

depicted since it's active. Other data will be added as work progresses. Staff intends to use this tool during all future BAC meetings and Board update reports.

- Color coding corresponds to good, concerns or trouble and reflect algebraic calculations for the stated strategic objectives. Performance targets are aligned to the strategic objectives.
 - See narrative comments
- **Budget perspective:**
 - See narrative comments
 - 15% project level contingency planned for all projects except Faubion
 - Need to revise Faubion's contingency to 10% using footnote
- **Schedule perspective:**
 - See narrative comments
 - Q: In terms of schedule, we are currently planning to go out for another bond in November of 2016. According to the current schedule there are no remodel/renovations scheduled to be completed by the 2016 Bond. The Committee is strongly encouraged to consider the schedule. Can the schedule be adjusted to allow for one completed project in order to move kids in September into a completed building? Kevin Spellman responded with a question to the District staff: Is there a way to ensure Roosevelt is complete and occupied (at least a portion) before the next bond? We should be looking for a finished product of some kind, but if not complete, then how close could we be?
 - A: The schedule will continue to be reviewed to see where it can be accelerated. Heery International will be providing professional scheduling input soon. Schedule acceleration options will be reviewed.
- **Stakeholder perspective:**
 - See narrative comments
 - An example of the survey was shown for educational adequacy
 - Q: How often are surveys sent out?
 - A: Surveys are sent out at the completion of each phase.
 - Q: Who will the Design Advisory Group (DAG) consist of?
 - A: DAGs will be formed for each of the three high schools and Faubion. Over the next several months, staff will look at who will be a part of these groups. A charter mechanism may be established. Each DAG will be engaged in master planning and design thru design development. It should consist of parents, teachers, students, the community and wrap around constituents.
 - Q: Regarding the summer work, has developing partnerships been considered for cost savings, energy savings and sustainability? More specifically, is the District seeking partners for solar panels?

- A: No partnerships are planned for the summer 2013 improvements. However, staff will explore partnerships for future summer improvements. The partnership with Concordia is progressing for the Faubion replacement.
- **Equity perspective:**
 - An “aspirational” threshold has been set regarding MWESB business participation at 18% of progress payments on a contract-to-contract basis.
 - The second objective in equity in public purchasing and contracting is participation by people of color and women in apprenticable trades. Applies to Division 49 procurements only.
 - The third objective is engaging students in the work.
 - Q: If the aspirational goal for MWESB businesses is 18%, why does the scorecard have a green score at 10%?
 - A: Currently the District is under 5% for contracting with MWESB businesses. The District is looking at incremental improvement; 10% or greater would represent real progress. Staff will re-look at the scorecard regarding how this is reported.
 - Q: How do multiple contracts roll up into the scoring?
 - A: The scorecards are an average of the data; the contracts are equally weighted. The scorecard measurement is based on dollars paid out in pay applications.
 - Q: How will the Committee judge the MWESB performance measure? Is 18% representative of this market?
 - A: 18% is an aspirational goal developed based on experience other large local public agencies have established. Every contract will strive to meet the 18% objective, however, it will take time to ultimately achieve this. For now, staff is looking for continuous incremental improvement on the goal.
 - Q: Should the Committee also measure the committed contracts in addition to the dollars paid out in pay applications?
 - The Committee mentioned that they will need a forecast capability for the MWESB measurement. It was noted that since the MWESB measurement is an average, than it can accumulate over time. The Equity Tool was designed to track (after the fact) MWESB aggregate spending.
 - Q: How much outreach to MWESB businesses is going on?
 - A: Outreach is a part of this program. There are a series of presentations coming up to target specific audiences such as the consultant and contractor communities. Purchasing and Contracting along with OSM will be working on this outreach.
 - Q: Will the Committee receive monthly updates regarding these scorecards?
 - Yes. Also monthly Board reporting will begin in April.
 - Q: Regarding summer work and solar capability, how were the projects originally scoped? How do we address sustainability issues with budget scope and contingency?

- A: Chief Operating Officer, CJ Sylvester, explained that solar panel installation was not part of the 2012 capital construction bond for the summer improvement projects. They are however part of the high school full modernizations and Faubion K8 replacement. The economic environment has changed as well as the BETC program since the 2009 solar roof installations. Not putting solar on the roofs in 2013 does not preclude the District from putting solar on the roofs at a later time if the economic environment changes or if active partnerships can be developed.
 - Q: Will some solar work be a part of the High School improvements and Faubion due to the 1.5% requirement?
 - A: Yes.
- **Other Metrics - Charter**
 - Kevin Spellman discussed how the BAC might provide advice to BOE on:
 - Revenues are expended as approved
 - Alignment with LRFPP
 - Alignment with Business Equity Policy
 - Lower maintenance costs; increase efficiency
 - Historic preservation
 - Partnerships and shared use of facilities
 - Seismic implementation
 - ADA compliance
 - Communication
 - Q: The Committee is charged with advising on these other metrics; at a minimum the Committee needs reports on these items. How can OSM report to the committee in a realistic way without an essay each quarter?
 - Board member, Bobbie Regan, recommended that we track current costs for energy usage, water and custodial overtime charges to provide a baseline to compare future costs to.
 - Chairman, Spellman, suggested turning each Other Metric into a goal
 - CJ Sylvester suggested pulling goals from the Long Range Facilities Plan for measuring and observing progress.
 - Q: How does the District find other ways to pay for things? Is there a group paying attention to grants?
 - CJ Sylvester introduced Cameron Vaughan-Tyler, the Senior Manager of Partnership Development. CJ explained that Cameron holds the hands of capital partners. At each school there are wrap around partners. The District is looking for opportunities to share space with partners, we are partnering with PDC, and there are partnerships with public and private agencies.
 - Q: In regards to Historic preservation, is there benchmarking against a state or national code?

- A: Yes. The design team looks at the entire scope of each project. Historic Building Assessments were performed on all of the District’s buildings and are embedded in the design work. The Historic Assessments are available on the District’s website.
- **Financial Update:**
 - Bond Sales:
 - Jim Owens introduced Dan Jung, Operations Manager for OSM. Dan introduced David Wynde, Budget Director, to discuss the upcoming issuance of bonds.
 - David explained that the District has been meeting with their financial advisor, Seattle Northwest, to discuss the timeline and strategy for issuing bonds
 - The first bond issuance is tentatively planned for this upcoming spring.
 - Project Summary:
 - Dan Jung pointed out the graphic that was used to communicate the bond to the public. He recommended that we continue to report under the categories defined in the graphic. He explained that the five categories depicted in the graphic can be thought of as funding sources.
 - Cost Summary:
 - A detailed spreadsheet was provided to the Committee outlining the project budgets, budget changes, encumbrances, expenditures and the forecasted amount to complete each project.
 - Q: There is a big change in the “Bond 2012” project, what happened?
 - A: The roofing and seismic projects were over budget, funding was moved from an available contingency funding source to cover the costs.
 - Q: Where is contingency represented in the spreadsheet?
 - A: A 15% contingency budget is imbedded in each project. Additionally there are three contingency budgets imbedded within the 2012 Bond Program.
 - Kevin Spellman recommends we treat the 2012 Bond Program component as a project and forecast costs like any other project.
 - Q: Will each of the projects have a scorecard?
 - A: Each of the projects will have a project summary which is completed monthly.
- **Schedule:**
 - Dan Jung presented and explained the overall schedule of the bond program
 - Q: Is there a way, to accelerate the Roosevelt schedule to enable the school to be completed by fall 2016? And if the entire school cannot be completed by then, could a portion of it be completed and occupied?
 - A: Heery International has been looking specifically at the details of the schedule, completing a refined analysis. Schedule details will be provided and reviewed at the next BAC.
 - Q: How will the Committee see changes to the schedule?
 - A: Changes to the schedule will be highlighted for the Committee.
 - Q: How much time is built into the schedule for community outreach on the high schools and Faubion?

- A: The conceptual schedule includes 4 months of master planning. In addition, the Design Advisory Group will participate during early design phase thru 100% design development.
- Board member, Bobbie Regan commented that she doesn't feel that opening a school in 5 years is aggressive. She urged the Committee to rethink the schedule.
- Committee member Tom Peterson commented that it is premature to set the schedule until the CMGC is on board. Staff is considering use of CMGC delivery for the high school full modernizations.
- When the schedule is ready to be presented, it will be distributed to the committee members; it will not be held until the next Committee meeting.
- Q: Could there be criteria in the RFP for the designer for the timeframe of design?
 - A: Yes, but in the RFP process it is important to not only consider time, but quality and other factors. Objective is to select and award to the most qualified firm.

V. Project Reports:

- **Education Specifications:**
 - Project Manager, Paul Cathcart was introduced as the project manager for the Educational Specifications (edspec) project. Although the edspec project is not a bond project it's outcome will heavily influence the bond work.
 - Paul pointed out that recommendations came out of the Long Range Facilities Plan for Educational Specifications.
 - Educational Specifications inform the master planning process for the full modernizations and replacements.
 - Consideration will be given to how current and future curriculum is delivered.
 - Educational Specifications are typically done at a school level; the District will be the only one in the state (to his knowledge) to have Educational Specifications at a District level.
 - Phase 1 begins in March and will focus on engaging school and communities while school is in session.
 - Q: What will be the makeup of the Advisory Committee for Educational Specification?
 - A: Teaching and learning staff, Communities of Color, neighborhood associations and business associations
 - Kevin Spellman asked Paul to report monthly on the progress in order to avoid potential problems with an already compressed schedule.
- **Improvement Project 2013:**
 - Project Manager, Jen Sohm was introduced as the project manager for the Improvement Project 2013
 - Jen provided an overview of improvements taking place the summer of 2013 at Alameda, Bridlemile, Laurelhurst, Lewis and Wilson.
 - The project is currently in the construction documents phase.
 - Bidding and permitting will start in March 2013.
 - In regards to the roofing improvements, energy audits were performed. All roofs will be brought to code minimum.
 - Committee Chair, Spellman had a concern regarding the dates of the bid period. CJ Sylvester asked of the Committee would like the bid period be added to the milestones reported to the Committee.
 - Q: What is the change management process?

- A: Projects are tracked in e-Builder. There are change protocols included in the processes set up in e-Builder. These processes are captured and documented.
 - Q: Does the Committee want visibility into the details regarding change orders when scope changes occur?
 - A: Yes, for high level and larger scope changes.
 - Board member, Bobbie Regan explained that in the draft for the Jefferson Cluster Reorganization that Carol Smith was presenting to the board, Smith requested that an attempt be made to prioritize upgrades for the Jefferson Cluster. Regan asked how upgrades will be prioritized for the Jefferson Cluster.
 - CJ Sylvester explained that the earliest upgrades for the Jefferson Cluster will be in the summer of 2014 with science lab upgrades.
 - Jim Owens also explained that the District is in the process of creating a methodology for selecting the order of schools receiving summer improvement upgrades.
- **Faubion Replacement:**
 - Dan Jung provided an update regarding the temporary portables being installed on the Faubion site this summer.
 - Placement of the portables are a pre-cursor activity at Faubion. The main project scope won't begin until later.
 - These portables are a potential swing space for future use.

VI. Wrap Up

- **Upcoming Presentations:**
 - Jim Owens explained that there will be a series of communications to the School Board
 - The regular monthly bond reporting to the School Board will begin in April
 - The Committee to join the reporting to the School Board in May
 - There are several upcoming outreach events
 - As a routine, the Committee will be made aware of these events
 - Details of outreach events will eventually be on the website
- **Next Meeting:**
 - It was suggested that the meeting be moved to the Board Room.
 - The Board Room is unavailable on Mondays, so the Bond Advisory Committee will need to change the day of the week that they meet.
 - Jim Owens and Kevin Spellman will decide on a date and time for the next several meetings and communicate back to the Committee.
- **Comment:**
 - Board member, Bobbie Regan suggested that the Committee look at Lessons Learned from previous projects such as the Rosa Parks project.
 - CJ Sylvester noted that there is a document of Lessons Learned from the Rosa Parks project that can be provided to the Committee.
- **Follow Up Items:**
 - Staff to generate draft goals to address the "other metrics". Draft goals will be reviewed at next BAC.
 - Staff to forward copies of School Board update materials to BAC members, beginning in April.
 - Staff to send copies of the Faubion, Franklin, Grant and Roosevelt historic assessments to BAC members.
 - Staff to send copies of the Improvement Project 2013 (Group 1) project update form, separated by site, to BAC members.
 - Staff to send copy of the Rosa Parks lessons learned document to BAC members.