

Meeting Minutes | October 16, 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, Steve March, Tom Peterson & John Mohlis
Board members present: Greg Belisle, Ruth Adkins
PPS staff present: Jim Owens, Neil Sullivan, Ken Fisher, Darwin Dittmar, CJ Sylvester, Sharie Lewis, Randy Miller, Michelle Chariton, Carole Smith, Cheryl Anselone, David Mayne, Kimm Fox-Middleton, Jan Osborn

Public Present: Mike Tisch: Local Bricklayers #1; Scott Bailey: Our Portland Our Schools; Patrick Burk, PSU

Next meeting: Wednesday, January 15th at Franklin High School
2:00-3:00PM Tour
3:00-5:00PM Meeting

I. Welcome & Introductions

Kevin Spellman opened meeting. Introductions of committee members, PPS Staff and public. BAC Members not present were Louis Fontenot and Willy Paul.

II. Public Comment

- Scott Bailey of Our Portland Our Schools (OPOS) raised several concerns.
 1. Performance Audit Contract
 - a) Wished PPS had let OPOS know ahead of time about the contract so that they could help give support to public opinion.
 - b) Concern in the public about it being a large contract that did not having a bidding process.
 2. High School Size
 - a) OPOS is in support of larger high schools, especially looking at population projections and looking at what was envisioned with the Long Range Facilities Visioning Committee.
 - b) Would like to have more information. Items that were posted on Board webpage have been removed.

III. Program Update

- Summer 2013 work – Improvement Project (IP13)
 - Many things have happened since last BAC meeting in July. Completed work at six schools all on time, on budget and visible to the public. Staff made a great effort to show the public about the work accomplished through frequent communications using email, social media, website and community briefings.
 - Lessons learned from this project are being taken and applied to the IP14 work already in progress that will include twelve schools.
 - IP13 closeout punch list items should be completed by mid-November.
- Franklin and Roosevelt High School Projects

- Since BAC last met, design teams were selected and placed under contract
- Master Plan phase on schedule. Presenting to the School Board in early December.
- Staff is working on optimal size of GHS, RHS & FHS. Staff expects to recommend size change for larger student capacity. We paused to make sure full program will fit on sites before presenting to the Board on Nov 12th. Expect a timely decision to align with schedule so that the schools are ready for student's fall 2017.
- Both high schools have DAG's (Design Advisory Groups) in place that are meeting regularly. Staff is getting valuable feedback from communities.
- Faubion Project
 - The design team, Boora Architects, has been selected
 - The master planning is under way and staff is looking to complete in January 2014.
 - DAG is in place and meeting regularly. First Public Design Workshop will take place on Saturday, October 19th.
 - Working closely with Concordia to establish what will be paid for from the bond and Concordia fundraising. Once master planning is complete, Concordia will start their fundraising phase of the schedule. Concordia is projecting that they will contribute between 7.5-15 million to the project.
 - Once fundraising is complete and PPS staff can establish budget, schematic design will begin.
 - Portables were placed during summer 2013 to support school in placing 100 students in these buildings and alleviate over-crowding. Facilities are relocatable to be used elsewhere when Faubion is replaced.
- Educational Specifications (EdSpecs)
 - Facilities Visioning document was presented by staff to the Board of Education and approved in September.
 - Currently in Phase II looking at each school configuration: high school, Pk-8, middle and K-5 programs. Staff will present Phase II to the Board in December or January.
- Construction Guidelines
 - This document will accompany EdSpecs and give guidance to design teams about what is important to the District.
 - Staff created working groups to help guide the creation of the guidelines (i.e. IT, Transportation, Security Services, Nutritional Services, FAM and Maintenance-Operations)
 - Opsis Architecture was brought on as Consultant to assist in the effort
 - Staff work on these guidelines will be completed by the end of the calendar year.
- Solar Feasibility
 - Solarc Engineering recently completed the solar feasibility study on the ten roofs of the schools that are in IP13 and IP14. The results are that there is adequate capacity for crystalline panels at each site. There is also adequate structural support and adequate electrical load.
 - Staff is reaching out to partners including PGE for the project and continues to evaluate and move ahead.

IV. Balanced Scorecard

- Budget Perspective
 - Currently 11 months into the 8 year program.
 - Overall budget has increased due to accounting for Bond Premium
 - Bond Premium will not be placed into projects. Keeping for future bond sales.
 - There are 3 increments of bond sales during the 8 year bond project
 - First bond sale in May 2013 raised a significant premium, but this premium needs to be held for second and third sales due to unforeseen market variables.
 - Escalation has been transferred to IP14. Escalation is applied to projects as they move into design phase based on established methodology.
 - \$1.3 million moved from COO contingency into Franklin budget for field improvements (artificial turf)

- IP13 currently has a projected remaining budget of \$671,000. Invoices approved is currently about \$7 million. This number will grow as September invoices are processed. Expecting all expenses to be submitted by the end of next month.
- Q: “How long is it taking to process invoices?” A: Sharie Lewis, Director of PPS Accounting, state that it is taking approximately 20 days to process an invoice. This is a very timely process; invoices are spending less than 10 days in District accounting.
- Q: “How were schools selected for the IP’s over the summers?” A: Staff went through a lengthy process to decide which schools would be in IP13 & IP14. Primary criteria were seismic & roof condition, partnership opportunity (e.g., SRGP grant for Alameda), completion of science labs by 2016 and combined underserved student percentages. Staff has conceptually picked projects out through IP18. But, each year a separate evaluation will take place prior to establishing project sites. Staff looked at the projects for all 63 schools in the IP’s and placed them notionally into the projects, but staff is expecting movement between IP’s and project placement. Elevator work scopes may not complete in a single summer. Have placed the basic science lab upgrades in the IP schedules to be completed by summer 2016.
- Marshall (Swing Space)
 - Marshall currently has 2.5 million allocated to its budgets (part of the 10 million allocated for swing space). Staff met earlier in the week and assessed items that need to be completed at Marshall and started to look at schedule and overall budget.
 - Work at Marshall is primarily being driven by having Marshall ready to accommodate Franklin staff & students by Sep 2015.
- Q: “At what point will you feel confident in allocating bond premium to projects, and when is the second sale scheduled for?” A: Staff will have a better sense after second bond sale and what market conditions are like at that time.
- The Contingency BOE Reserve component is intended to be used for scope changes. Regarding high school size changes; this would be a source of funding if these changes take place.
- Schedule Perspective
 - All baseline milestones remain on schedule. Consideration of high school size has not impacted their schedules.
 - 43% of master planning phase for FHS & RHS has elapsed. Staff expects to complete master planning in December for these schools and move immediately into the schematic design phase. Staff will present master plan recommendations in December.
 - Q: “Are design teams concerned about doing more planning due to possible size change?” A: Design teams were contracted for three options in the master planning phase and they are aware of the possible size change in their options. Their fee was based on bond scope and conceptual budget.
 - Q: “When will CM/GC contractors be on board for the FHS & RHS projects and when is the Request for Proposal (RFP) expected?” A: Staff expects to issue two RFPs in late November and make contractor selections/awards by late January 2014. Awarded contractors will work with the respective design teams for pre-construction phase services and will influence the schematic designs due in March 2014.
 - BAC committee requests a way to see schedule changes similar to the way that staff presents budget changes.
 - CM/GC approach for RFP:
 - Staff is currently updating the contract template to update general conditions
 - Two separate solicitations will be put forward since Roosevelt and Franklin sites differ greatly (Roosevelt’s student body will remain on site)
 - Expect to award two contracts with two separate firms
 - All IP projects are traditional: Design, bid, build projects.
- Stakeholder Perspective

- Stakeholder surveys were sent out to building level leadership and maintenance staff. Green reflects current feedback from schools thru design phase.
- IP14 building level leadership is being engaged to let them know about work scopes at their schools and what to expect.
- Staff currently finalizing survey instrument for DAG members to gain their feedback on the process.
- Equity Perspective
 - The Equity in Public Purchasing & Contracting (EPPC) School Board policy is being implemented in three components: MWESB aspirational goals, workforce participation goals and student participation goals. These are brought forward through instructions from the Superintendent aka AD's (Administrative Directives).
 - Staff continues to emphasize having consultants working with our students in externships, job shadowing and out into classrooms to share with students. OSM staff is working with Office of Schools staff to connect with high school career counselors and to get more high school students involved.
 - Q:" What is the biggest challenge with the student engagement piece?" A: The biggest challenge is getting students connected with our Contractors and Consultants. There are many more opportunities for students in the longer contracts than the shorter summer contracts.

V. Project Updates

- Franklin HS full modernization
 - Master planning continues with DAGs and community workshops. Workshop #2 scheduled for Saturday, 10/26
- Marshall "swing site" improvements
 - Q:"Who will be the designer for Marshall?" A: Staff has met and discussed a plan to construct improvements. Budget, scope and schedule components are currently in development.
 - Fire Marshall inspected site and determined that the fire alarm system must be upgraded at a cost of approximately \$1.35 million. Funding for this and other improvements at Marshall will be provided from the bond program category – "swing site improvements"
 - Staff would like Marshall to be ready as if it was Franklin High School in January 2015 for community tours and have this as a milestone as they set the schedule.
- Roosevelt HS full modernization
 - Master planning continues with DAGs and community workshops. Workshop #2 scheduled for Saturday, 10/19
- Faubion K8 replacement
 - Master planning continues with DAGs and community workshops. Workshop #1 scheduled for Saturday, 10/19
- IP13
 - Kevin Spellman, chair, wanted to acknowledge the IP13 project team to complete this work in this amount of time was a great example and started the bond program such a fine manner.
 - Over 8 acres of roofs (five schools) were replaced in IP13
 - Final punch lists are expected to complete by mid-November
 - Project team is creating a formal process for developing lessons learned during the project to apply to IP14 and beyond. Creating a series of conversations with stakeholders to discuss the lessons learned objectives.
- IP14
 - The three design teams are currently engaged in due diligence (planning & programming) activities. Each is assigned certain schools and their construction documents will align with three general contractors. Once awarded, these three contractors will execute construction phase work at the 12 schools over summer 2014.
 - Heery expects to provide 2 construction managers for the IP14 work. These will be in addition to the Project Manager and Project Coordinator.

- Committee requests that the three packages be broken down and sent to committee members and presented at next meeting. Note: Information is attached to these minutes.
- Ed Specs
 - Final delivery to the board in December and approval in January.

VI. BAC Discussion

- Q: “What is staff doing to deal with historic pieces of modernizations?” A: Staff has met with senior level SHPO management. Reps have looked at the high schools and are already part of the process and are consulting with staff and design teams. PPS affirms commitment to retain historic character of its schools.
- Audits
 - Financial audit requirement started this cycle under the direction of the Chief Financial Officer. The bond program will be evaluated as part of the overall District audit.
 - Performance audit will look at systems and how we are managing the program
 - Will look at contract protocols and how bond team is managing work
 - Staff chose firm that has expertise in performance auditing in public contracting. One team member is the District’s auditor for the Board and the other has extensive experience in school districts. Staff said they would obtain a Performance Auditor and have done so.
 - Performance audit scope is specific to bond program operations only.
 - Both Financial and Performance audits will be on a fiscal year basis
 - Committee requests vitae of Bill Hirsch and Performance Audit Schedule. This was provided separately to the BAC on 10/16/13.
- Bond Website
 - Committee commends improvement of the website since the last BAC meeting in July.
 - Blended bond team has added David Mayne and Kimm Fox-Middleton as Bond Communications Managers. David updates website and designs public information and Kimm is the public face of the bond connecting with project cluster groups and public in promoting the bond work.
- Partnerships
 - The Long Range Facilities Plan asks to seek partnerships. What is happening in this area?
 - Cameron Vaughan-Tyler, Bond Partnership Development, is focused on partnership development. She has many opportunities she is working on and is currently targeting for bond projects including Concordia, Multnomah County Health. Partnerships have many different shapes and sizes.
 - Staff is working to develop strong working partnerships with the City of Portland
 - The Faubion project partnership with Concordia is extensive and now looking at supplying support from before the child is born, well before even Pre-K and this will determine our scope of work.
- BAC Sub-committees
 - Staff is encouraging project leads to send more information out to those committee members
- Board Meeting for BAC presentation will be on November 12, 2013.

VII. Wrap-Up & Adjourn

- Next BAC Meeting:
 - Wednesday, January 15th
 - Franklin High School
 - Tour 2-3pm
 - Meeting from 3-5pm

Meeting adjourned: 5:00pm