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# Bond Oversight Committee Quarterly Report

6<sup>th</sup> Report November 2020 – March 2021

## INTRODUCTION

On May 21st, 2019, the officially formed, voter approved, Bond Oversight Committee (BOC) adopted governing bylaws which covers the purpose, authorization, function, and responsibilities of the BOC for the duration of the Bond. Bylaws can be found on the District Website on the Bond Oversight Committee’s webpage. The current BOC consists of the following individuals, each with long career experiences in construction management, project management, government finance & budgeting:

- Riley Cornelsen, co-chair
- Mark Harting
- Sandi McMillan
- Dan Cornelsen
- Anya Milton, co-chair
- Brian Lynch
- Joe Lupo
- Open Alternate Position (2)

## OVERVIEW

The BOC has met five times since the last report. The Committee elevated one alternate member, Joe Lupo to a voting member, and lost one member due to personal circumstances. The committee currently has two open, alternate, positions that we would like to fill with members of the public that have a vested interest in the bond projects.

The past few months were spent focused on our designated tasks & responsibilities including, but not limited to: Communication with stakeholders, Review of contracts, Construction Design Review, Review of Construction Funds, Financing, and Evaluate Cost Saving Measures. Additional time was also spent reviewing ‘bond adjacent’ items related to long term maintenance and capital planning.

## KEY FUNCTIONS UPDATES

### A. Communication with Stakeholders

The BOC designed dashboards, on the District webpage, continue to visually track bond progress in the following areas: High School, Critical Needs Projects and Security Upgrades. They continue to be updated monthly, or as critical dates are met.

As the high school project continues to be refined and bid out, the BOC recommends improving and developing additional ‘dashboard’ functions to communicate further details with the public in a clear and direct way. The discussion and recommendations for additional visuals could be but are not limited to, cash flow projection models, detailed schedules, visual phasing & traffic flow plans, as well as schematic renderings of the future school.

The BOC also continues to receive questions from the public, answers those directly, and then puts those Q&As onto the website. We have not received any direct questions over the past four months at our meetings but continue to discuss topics of conversation that we are aware of in the community.

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## B. Review of Contracts

The BOC participates in review of all contracts and issued PO's. Over the course of the past four months a number of contracts and PO's have been issued and reviewed.

- Dykman Architects: PO's for the PAC revisions & bid alternates.
  - BOC members were concerned with value relative to scope cost
- GeoTest – Special Inspection Services for the FHS project.
- GeoTest – PAC structural evaluation
- KCDA – Custer & Central Roofing (2021)
- Allplay (KCDA) – FHS grandstand

The BOC also reviews budget shifts and adjustments month to month.

## C. Construction Plans / Design Review

**85% Construction Drawings:** 85% Construction drawings were released on 11/17 for BOC review as well as continued review by the executive steering committee, CSG, and Cornerstone. The updated drawings package of drawings was, again, far more comprehensive than the previous DD version and provided additional details and interface of systems to review and understand. The BOC continues to recommend that the district try to focus more on getting a best value out of our bond dollars.

A constructability review was part of this latest package where multiple parties looked for ways to improve the current design as well as address potentially issues that may arise with the current design. The BOC, while not involved in the process, did review the plans and the final report. Major items of note include:

- Ground water, dewatering, and phasing considerations.
- Building egress plans & detailing in conjunction with phased operations.
- Structural consistency and design overlap
- MEP coordination

Again, the BOC recommended the district continue to emphasize “best value” through the duration of this project and continue to look for ways to stay within budget but provide the students, staff, & community the most efficient and economical product possible.

Discussions and proposals were made to the district with regards to “Heritage Presentation” and way in which the district can maintain some of the historical items of the existing school. Items include, existing plaques, signage, class gifts, photos of the existing school, recreation of the signage and slogans, old main artifacts, etc.

**Timeline and Schedule:** BOC continues to be updated on GCCM coordination and timeline; schedule is to break ground in May of 2021. More detailed phasing plans have been developed and the BOC recommends these plans be reproduced and made available to the public so they can be aware of the timing, sequencing, and accessibility to the high school during the construction process over the next three years.

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**School Construction Aid Program (SCAP):** The BOC receives regular updates on the District’s progress to gain matching funds (reimbursement after the project). We review a quarterly budget to actual one-page report that includes SCAP anticipated match funding.

**D. Construction Funding review**

All our meetings included a review of bond related spending on a “master budget” report which Construction Services Group created to track budget and anticipated state match against expenditures. That master budget is then reconciled to a detailed general ledger transaction report which shows all the invoices paid by the school district. So, at each meeting we see a high level budget for the bond and can drill all the way down to the detail of the invoice and corresponding purchase order authorizations. There has been a high level of accounting transparency.

Cornerstone Construction is drafting a cash flow plan that is modeled with large input from the BOC. We have seen an initial draft with minimal data and are hoping to see the final soon.

During the November presentation on the historical capital planning for the District it centered around bond initiatives and there was conversation that future capital planning could explore capital levies as possible funding mechanisms. Engaging a small group of citizens to discuss long term financing of capital could be productive to inform the District for future initiatives.

**E. Evaluate Cost Saving Measures**

- Corporate/Business/Community sponsorship was reviewed by the BOC and the District adopted. The BOC continues to implore the district to attempt to solicit support, as time allows, for corporate sponsorship. The BOC will have a direct role in this endeavor to provide a plan and strategy to procure support and funding outside of the bond dollars.
- The BOC continues to advocate for additional Value Engineering efforts to provide continued cost savings as well as maximizing the value of the dollars being spent.
- Cornerstone reconciled the estimate of the 85% CD and are still within 2% of the original budget set forth. Additional adjustments will be made as bid packages are returned.
- The District continues to manage and perform some of the Critical Projects itself. We feel this was a good choice and not only allows for cost savings but adds additional familiarity to the systems within the internal maintenance staff.
- The BOC has implored the District to try to manage as much of the procurement of equipment for CTE, Athletics, etc. as well as the other FF&E items already planned for. This will allow the district to save money on Cornerstone’s fee on expensive items while only absorbing minimal risk.

**F. “Bond Adjacent” items – Letter from BOC to School Board**

**MAINTENACE PLANNING:**

In October 2020, Jaime Plenkovich, the district’s director of facilities and maintenance provided the BOC with a presentation of the history of the district’s maintenance plan and

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the ongoing work of improving that plan developing and long-term plan and schedule moving forward. With critical maintenance projects being part of the 2018 bond project, and the high school being fully replaced, the expectation is that the maintenance department can get to a place where maintenance works is better scheduled and followed up on. CSG is helping the district develop this plan and will integrate the new projects and FHS systems into the master package. The BOC highly recommends the board continue to follow up and monitor this issue during and post bond work completion.

**LONG TERM CAPITAL PLANNING:**

In November of 2020, the BOC reviewed the districts history of long-term capital planning, and specifically the work of the Facilities Advisory Committee (FAC) which ran from roughly 2010 through 2014. Time was spent discussing what the FAC did, what recommendations were provided, and what the district did with those recommendations. In short, the BOC, recommends reinstating this committee or a similar group to assist the district ongoing long term capital planning. We understand that a 30-year plan in on the boards 'to-do list' but the current environment has not allowed it to be a priority. Improved long term capital planning will be critical for the district moving forward through and past the current bond project.

**CONCLUSION**

In summary, we are beginning to see the fruits of our labor as a committee, a school district, and as taxpayers. There have been several large successes so far (completion of safety and security projects, bond sales, CMGC selection) and we are encouraged with the plans and path forward towards more success. We have just passed the 2-year mark since the bond was passed and are very excited to break ground on the new FHS in the coming months. The BOC would like to both acknowledge the positives that have come through this partnership, as well as the struggles as we continue to develop our relationship and working practices. We will continue to improve our process and provide value to the process and projects.

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