

The Bond Oversight Committee met October 19, 2021 at 6:00 p.m. at the Vista Middle School Library. The meeting was also made available to panelists and attendees via Zoom video conference.

## **1. CONVENE**

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### 1.01 Call to Order by Chair

Riley Cornelsen called the meeting to order at 6:07 p.m.

### 1.02 Roll Call of Committee Members

Committee members present in-person included Riley Cornelsen, Dan Cornelsen, Mark Harting, Brian Lynch, Sandi McMillan, Tristen Byers and alternate member Michael Contezac. Committee member Joe Lupo was not present.

Also present in-person were Ferndale School District Interim Superintendent Mark Deebach, Maintenance and Facilities Director Jamie Plenkovich, Ferndale School Board President Andrew McLaurin, Construction Services Group Representatives Tex Ladish and Ken Kuiken, and Administrative Assistant Tammy Longstaff.

Panelists present via zoom included Construction Services Group Representative Heidi Hansen and Sam Comer with Cornerstone Construction. Panelist not present was Ferndale Athletic Director Eric Tripp.

### 1.03 Adopted the Agenda

Mark Harting moved to adopt the October 19, 2021 agenda as written. The motion carried.

### 1.04 Approval of Minutes

Sandi McMillan moved to approve the September 21, 2021 minutes as written. The motion carried.

## **2. PUBLIC COMMENT**

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### 2.01 Receive Public Comment

No public comment received

### 2.02 Shared Public Comment Received During the Past Month

No public comment received

## **3. UNFINISHED BUSINESS**

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### 3.01 How do we communicate with the public?

The FHS Dashboard and the Critical Projects Dashboard have been updated on the district's website. Cashflow information has also been uploaded to the district's website.

The BOC is interested in how much traffic is accessing the bond page on the district's website. Mark Deebach will see if this information is available and report back to the committee. A discussion took place about how the District is using Parent Square as a way of communicating with families and if it is an appropriate option for delivering bond and levy related information.

### 3.02 Action Item Follow-up from September 21, 2021 meeting

#### a. Budget Cost Management Report – Sam Comer, Cornerstone General Contractors

Sam shared a high-level overview of the budget process for projects managed in a GCCM delivery method. A 14-page PowerPoint presentation was shared and discussed.

#### Budget vs Cost

Components of GMP has 5 major categories: Control Estimate, Negotiated Support Services, Risk Contingency, Specified GC's (General Conditions), and Fee.

### Changes Internal to the Budget (Budget Transfers)

Costs that are not part of original contract (extra costs). Below is a list of reasons for extra costs that are more commonly found in a large GCCM project.

1. Subcontractor Scope Gap
2. Scope Gap
3. Ambiguity
4. Interdisciplinary Coordination
5. Subcontractor Failure
6. Escalation
7. Estimating Errors
8. Expediting Cost
9. Coordination Claim

### Changes External to the Budget

There can also be costs that are not a part of the GMP budget.

1. Scope Change
2. Concealed or Unknown Conditions
3. Regulatory Agency Change
4. Significant Design Error or Omission
5. Changes required by Jurisdiction
6. Allowance Adjustment

As an example of costs that cannot always be foreseen at bid time, Sam reported there has been a 35% increase in construction material costs over the past three quarters.

The method for change procedures was shared along with flow charts that identify what process is followed based on the occurring event. A Construction Change Directive (CCD) provides direction and authorization to proceed for Owner Funded changes related to other change sources.

### Schedule

The Critical Path Method (CPM) schedule will be baselined and a draft available for review and shared with the sub-contractors, design team, and CSG in the

next three to four weeks. The milestone schedule has been updated to include current progress and should be ready to share out to BOC within the next week.

b. Maintenance/Improvement Schedule Presentation – Capital Funds

Ken Kuiken with CSG is planning for an October presentation.

Kirk with CSG put together a proposal for supporting the District with developing a long-term plan to develop a capital project renewal plan. This will include items like facility roof replacement, HVAC equipment replacement, etc. It is a planning tool that allows for budget development in order to maintain the facilities. The plan will focus on replacement cycles and costs associated with those replacements. The plan CSG is developing will be used by other districts in the state.

Ken will be able to provide an update on the Critical Needs and Safety Projects status and budget during November's Bond Oversight Committee meeting.

The State has allocated SCAP funds be allocated for costs associated with the new high school only. Recommendations made by the Bond Task Force to the Ferndale School Board in 2018 on how they would like to see state match funds spent are not in alignment with the state rules.

Sandi shared her thoughts on the importance of long-term capital planning and addressing the concerns of the voters about fiscal responsibility. Tristen added that funding continues to be a challenge for educational institutions and funding source concepts are changing. Western Washington University is considering private funding. She referred to Public Private Partnership (P3) funding and how investors are looking at these types of investments.

c. Corporate Sponsorship Plan – School Board to commission a Committee

The board has commissioned a committee to gain broader perspective of what to pursue when it comes to private and corporate sponsorship. This committee will be made up of district members, BOC members, and community members and their main function will be to guide this process. District staff will be taking the plan to the board on October 26<sup>th</sup> and will ask for approval to move forward and develop the action plan.

d. Status of Lummi Nation Engagement in New High School Art/Fixture Planning

Dr. Quinn met with Jessie Deardorff and Bernie Thomas about engaging local Lummi Nation artists in work at the new Ferndale High School. Dykeman researched the process for getting artists approved through the State's art commission. They have an application coming up so we are in the process of working with Lummi Nation to identify artists to submit.

LIBC has been consulted about representation on the Corporate Sponsorship Committee.

#### **4. NEW BUSINESS**

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##### 4.01 District Comments/Input

##### a. Critical Maintenance and Security

##### **Critical Projects – Ken Kuiken**

- Custer Elementary roofing and masonry repairs are complete.
- Custer Elementary Gutter and Soffit repairs are underway. Hytech Roofing is providing the gutters and downspouts; Swinburnson Enterprises is proving the soffit repair and painting. These are small items and will not be added to the dashboard.
- The District HVAC Controls Standardization project will require a public bid process for the work scheduled for Central, Cascadia, Horizon, and the District Office as most will be in excess of \$100,000. The best value as opposed to low bid will be used to award the DDC Controls Upgrade Project. The Eagleridge project was performed by UEE but it appears that costs for all of the other project site upgrades will not be under \$100,000 and therefore this would trigger a bid process.
- A budget update will be provided at next month's BOC meeting. The district's in-house staff has performed some of the Critical Needs project work and has saved money.

##### b. Review Bond Related Spending for September 2021

Current expenditures on the new FHS as of September 30, 2021 is \$17,220,767. The updated Expenditure Summary report provided shows the

secured funding in each category. Last month expenditures were at \$12.8 million. Heidi Hansen's breakdown of the categories information shared with the committee last month was appreciated.

The FHS Dashboard is updated showing the state match amount of \$20,868,238.

c. Review Cash Flow Plan

The cashflow plan has been included and is close to the original estimate.

d. Receive an Update on Items Related to the Bond from Ferndale School District and Construction Services Group.

**CSG Monthly Report – Ken Kuiken**

- Below building electrical and plumbing work is nearly complete.
- Auxiliary gym and mechanical/electrical rooms are ready to pour.
- Foundation construction continues and is now complete on the main building.
- Foundation damp-proofing and drainage is substantially complete.
- The OAC team reviewed the polished concrete floor finishes and opted for a medium grind rather than the salt and pepper finish originally budgeted for.
- Steel erection will begin on Sector Two during the week of October 18, 2021.
- The pre-engineered building in the Athletics Wing is scheduled to be erected on October 25, 2021.
- Foundation excavation work has begun in the football field/grandstand area. Once the City of Ferndale issues a permit, for the structure, foundation construction will begin.
- School Board and Bond Oversight members attended a project site tour led by Cornerstone Superintendent Kurt Balenger.
- The Furniture Fair will be held from November 8<sup>th</sup> through November 19<sup>th</sup>. A survey will be made available to those who attended.
- Subcontractors on site at this time are:
  - Pellco Construction, Inc.
  - Pacific Steel Group
  - Cowden Gravel and Ready Mix
  - Ralph's Concrete Pumping

- LaRusso Concrete
- Milne Electric
- Ramset Mechanical
- GK Knutson
- Piper Caluori Steel Erectors

#### 4.02 Upcoming Meetings/Important Happenings

##### a. Site tour

Nothing scheduled at this time

*The next meeting will be November 23, 2021 at 6:00 p.m.*

It was decided that there will not be a December 2021 Bond Oversight Committee meeting however, Tammy will gather the monthly information and email a packet to committee members.

#### Items for Follow-up/Action:

- 1 Traffic statistics for BOND 2019 page on District website

## **5. ADJOURNMENT**

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The meeting adjourned at 7:53 p.m.