

**Date:** April 1, 2020

**Purpose:** Citizen-Led Oversight Committee (CLOC) Meeting

**Location:** Zoom Meeting

**Committee Members Attendees:**

Ted Barber (Chair), Mike McNally (Vice Chair), David Ames, Carlton Dallas, Ron Groteluschen, Ray Warco

**Beaufort County School District Representatives Present:**

Dr. Frank Rodriguez, Robert Oetting, Tonya Crosby, Reggie Murphy, Jim Foster, Alexander Marshall, Timothy Summers,

**CBRE | Heery Attendees:**

Robert Corbin, David Waggoner

**Meeting Minutes**

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1. Prior to the meeting, a meeting agenda and draft minutes from the March 4 meeting were distributed to the committee members via email. Also distributed were the following documents: Meeting 4 Presentation; MRHS and RRA Construction Schedule Updates; Sample Schedule Format; Referendum Cash Flow Projections vs. Actuals; Referendum Capital Projects; BCSD General Ledger Account Code Structure.
2. Mr. Barber opened the meeting with the Pledge of Allegiance.
3. A motion was made by Mr. McNally to approve the March Meeting Minutes. The motion was seconded by Mr. Warco and approved by all.
4. Mr. Oetting and Mr. Corbin presented the Glossary of Acronyms for all members to reference as needed. This slide will be included in all future presentations. Mr. Barber suggested that the slide be converted to a Word document and distributed to all members.
5. Project Manager Alexander Marshall presented a video tour of the MRHS project. Video was taken Tuesday morning. Steel erection will be progressing very quickly. Large student parking lot was paved. Contractor is doing everything they can inside the building while it is empty. Construction updates two milestones: slab on grade poured and student parking lot completed. Currently on schedule and under budget. Long lead items are ordered. Contingency log items are radio repeaters.
6. Mr. Warco asked how COVID-19 has been impacting construction. Mr. Marshall advised that trucking availability has slowed somewhat. No problems with product availability has been noted as of yet. Mr. Corbin said that he sent a memo to all current designers and construction managers asking them to advise us how they will continue to operate their businesses and if they have contingency plans. Also, if they have concerns currently and going forward, they are to notify us immediately. Responses from contractors have been that they are continuing to operate businesses as usual. Mr. Corbin advised that we have started to see communication from construction managers associated with long lead times.
7. Project Manager Tim Summers presented update of RRA project and pictures of construction site. The roof is dried-in on 400 and 600 wings. Running duct work currently.

- Next week will pour mezzanine floors for 400 and 600 wings. 800 wing structural steel is up and decking has been started. Project is currently under budget and on schedule.
8. Mr. Corbin presented update on summer work. Architects have submitted design development (DD) on all summer projects. Projects heavily laden with IT packages will require significant amounts of further DD. Next set of drawings will be submitted in mid-April. DDs have also been submitted to Office of School Facilities (OSF) and local Authorities Having Jurisdiction (AHJ). CMs are pre-ordering long lead items.
  9. Mr. Warco asked if there is anything else that can be advanced while schools are down. Mr. Corbin advised that PMs are continuously looking into those opportunities.
  10. Mr. Corbin presented proposed schedule format that followed that of the financial information. Mr. McNally asked if column could be added on document that indicates if item is proceeding as scheduled. Mr. Corbin advised that an indicator light could be added. Green indicates all is going as planned; yellow indicates a possible problem; red indicates a definite problem. Yellow and red lights would elaborate on what actions are being taken to correct problem. He will proceed with this system and tweak as necessary.
  11. Ms. Crosby presented Referendum update. BCSD maintained credit rating Aa1 rating which is 2<sup>nd</sup> highest possible. Strengths cited were sound financial operation with ongoing population growth and strong economic factors. We were advised to monitor general fund balance reserves and grow if possible. Recent \$75 million Bond sale created concerns due to volatility in stock market, however BCSD was pleased with 2.73% rate. The sale covers 12 months of cash flows. Bank of America bought bonds and closing is scheduled for April 15.
  12. Financial schedule shows at end of March \$3 million had been spent. Mr. Warco advised that schedule was good document and asked if BCSD had that information through the four years' worth of scheduled spending and if committee could view that information. Ms. Crosby advised that BCSD does have that information and it will be included in the next update.
  13. Mr. Dallas inquired if Ms. Crosby had any idea on what rates might be 12 months from now. Ms. Crosby advised that there is no way to know for sure, however the projected rate of 3.2% for next bond sale is conservative on high end to cover fluctuations in market. Mr. McNally asked how soon second bond package would go out. Ms. Crosby advised that spending will be monitored closely and she anticipated going out Dec/Jan timeframe. Process takes two to three months if finance team hasn't changed.
  14. Mr. Barber asked for subcommittee updates. He said that the financial subcommittee prepared a document that included an overview of committee's roles and responsibilities. Mr. Barber suggested that Mr. Warco email this document to other CLOC members and that each subcommittee prepare a similar document.
  15. Mr. Warco provided an update on finance subcommittee. He advised that the subcommittee used CLOC's mission statement to initiate their process. At the next meeting they will determine what needs to happen to go forward.
  16. Mr. Ames provided an update on communications subcommittee. He advised that all three members have been busy with emergency duties as they are all emergency responders and therefore have not been able to meet yet. He asked BCSD communications how many hits

CLOC is receiving on the website. Jim Foster said that he will find out and let Mr. Ames know. Mr. Ames said that this information will help with communication strategy going forward. He also asked Mr. Foster if the BCSD communications staff could assist in drafting statements from meetings and have CLOC review them before they are utilized. Mr. Foster advised that he could fashion a statement if he were to receive all of the relative information and material from CLOC. Mr. Barber reported he will send information that is going to be used for Board updates to use for press releases. Mr. Foster will submit draft releases for CLOC review and approval before transmitting to news media after CLOC's quarterly BCSD board presentations. The releases will go to all local news media, local governments and social media platforms. Mr. Ames advised that communications has two objectives. The first is for the public-at-large to feel confident that they will have a quality product at the end and the second is for public to trust that committee is asking correct questions and receiving correct answers. Mr. Ames requested the red-yellow-green lights be posted on the website for each project and also that videos of current construction work be posted on website and/or social media.

17. Mr. Barber advised that project committee will prepare the purpose document and share with committee. He also said he feels very comfortable with where projects are from a DD and construction standpoint.
18. Mr. Oetting gave update on CBRE | Heery agreement and amendment Status. He is finalizing agreement to present to Board next Tuesday. He will then share this with CLOC and at next meeting and go into in detail as needed. Mr. Dallas asked if CLOC will have opportunity to provide feedback regarding agreement. Mr. Oetting responded only as it relates to Broward county incident from last meeting. Mr. Barber advised that he will report to the Board that CLOC's recommendation is that it not be contract in perpetuity and that CBRE | Heery do work on early projects, performance agreements attached to them, and then renewal based on those results. Dr. Rodriguez advised that ultimately school board has decisions on contracts but recommendations from CLOC would be appropriate. Mr. Dallas asked if a rudimentary analysis can be completed showing that outsourcing rather than doing everything in-house is financially favorable long-term.
19. Mr. Barber reported that his virtual update to Board next week will be what was created for last scheduled update that did not take place, with appropriate additional information. He will update committee after meeting.
20. Mr. Barber advised that the next meeting agenda should include:
  - a. Project Updates
  - b. Updated Sample Schedule (spotlighting red-yellow-green indicators)
  - c. Bond Referendum Review (where we will end up later this year and cash flows)
  - d. Committee Updates
  - e. CBRE | Heery Agreement (final status)
21. Dr. Rodrigues thanked everyone for the work they are doing. Mr. Oetting said that anyone who needs to set up a meeting utilizing Zoom format, should contact him. The free version is 45 minutes or less. If meeting will be longer, Robert can send link. A committee member needs to be named as co-host.
22. Motion to adjourn moved and seconded.