

**Date:** March 3, 2021

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

**Location:** Zoom Meeting

**Committee Members Attendees:**

Ted Barber (Chair), Carlton Dallas, Ron Groteluschen, Ray Warco, Kim Fleming, Mike McNally (Vice-chair), David Ames, Richard Tritschler, Derrick Coaxum

**Beaufort County School District (BCSD) Representatives Present:**

Robert Oetting, Alexander Marshall, Louis Ackerman, Reggie Murphy, Jennifer Hamblin, Tim Summers, Mark Chauhan, Richard Geier, Tricia Fidrych, Ingrid Boatright, Cathy Robine

**CBRE | Heery Attendees:**

Robert Corbin, David Waggoner, Kevin Kelly, Marc Brewster, Mark Koll, Todd Hill (AJT)

**Community:** Mark Pritchard

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**Meeting Minutes**

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1. Prior to the meeting, a meeting agenda and draft minutes from the February 3, 2021 meeting were distributed to the committee members via email. Also distributed were the following documents: Meeting 15 Presentation; Referendum Capital Projects 2019 Financial Summary; BCHS (Battery Creek High School) Renovation Financial Details; MRHS (May River High School) Addition Financial Details; RRA (River Ridge Academy) Additions Financial Details; RSIA (Robert Smalls International Academy) Replacement Financial Details; HHIMS (Hilton Head Island Middle School) Renovation Financial Details; Referendum Project Contingency Log; Referendum Cash Flow Projection vs Actual Expenditures (Rev 2.1); Operations Committee Meeting Presentation February 23, 2021
2. Mr. Barber opened the meeting with the Pledge of Allegiance.
3. Mr. Barber asked if there were any changes or corrections to the minutes for the last meeting. No changes or corrections were requested. Mr. McNally made a motion to approve the meeting minutes. The motion was seconded by Mr. Dallas and approved by all.
4. Mr. Corbin presented the RFQ (Request for Qualification) and RFP (Request for Proposal) Updates.

Hilton Head Island Middle School – Referendum Total Project Budget is \$27,470,776,

Request for Qualifications (RFQ 21-022) for Professional Design Services - The AIA Agreement with LS3P Associates, Ltd. (LS3P) has been signed by LS3P and is being routed internally for reviews and approvals.

Request for Proposals (RFP 21-025) for Construction Management at Risk Services (CM@R) – Proposals were received on February 23, 2021 and are in the process of being reviewed. The Recommendation to Award CM@R Services is tentatively scheduled to occur at the March 16, 2021 Board meeting.

## 5. Design updates:

**Battery Creek High School (BCHS) - Jumper Carter Sease Architects (JCS) and MB Kahn Construction Company, Inc. (MBK)**

Mr. Marshall gave the report for BCHS, which is under budget and on schedule. The Design phase is progressing. 50% Construction Documents (CDs) have been received and are being reviewed internally. MBK is working on updating the cost estimate. An on-site meeting with Burton Fire Department took place today. All site permits are scheduled to be in place by the end of May 2021. Construction is scheduled to begin at the end of Quarter 2, 2021.

Mr. Corbin added that initial MBK cost estimates have come in and the construction budget will be tight.

**Robert Smalls International Academy (RSIA) – LS3P Associates, Ltd. and JE Dunn Construction Company**

Mr. Marshall gave the report for RSIA, which is under budget and on schedule. 50% CDs are expected by the end of March. JE Dunn is continuing to work on the cost estimate and the budget will be tight. Construction is scheduled to begin at the beginning of Quarter 3, 2021.

Mr. McNally asked if the tightness of the budget is due to multiple factors or are there specific line items that are creating this concern. Mr. Marshall responded that overall the budget is tight for these two projects. Mr. Corbin advised that the team has held several reviews to explore various items to help align the deliverables with the available budget.

**Beaufort High School (BHS) – LS3P Associates, Ltd. and Thompson Turner Construction (TTC)**

Mr. Koll gave the report for the BHS Athletics Phase 2 Renovations and Addition, which is on schedule. The scope includes an addition for wrestling, weight room, locker rooms and office, an addition for practice field restrooms and storage, renovations to existing weight room to create athletic director office, conference room and storage and replacement of the main gym bleachers. The design for the wrestling and weight room addition is virtually complete. The practice field restroom addition is in schematic design and the final selection of the gym bleachers is nearing completion. Construction is expected to begin at the end of Quarter 1, 2021.

Mr. Koll and Mr. Corbin addressed the yellow lights for this project. CBRE-Heery made a recommendation to the Operations Committee to utilize \$1,930,000 of Referendum Project Contingency funds for Technology/Infrastructure and \$2,300,000 for Athletics Phase 2. The BCSD Board was briefed on this use of contingency at the March 2, 2021 meeting. Mr. Corbin added that more detail will be provided on the use of contingency for this and other projects later in the meeting.

**Bluffton High School (BLHS) and Hilton Head Island School for the Creative Arts (HHISCA) – Jumper Carter Sease Architects (JCS) and MB Kahn Construction (MBK)**

Mr. Corbin reported for BLHS, which is on schedule and under budget. The Schematic Design (SD) documents were received last month and are in the process of being reviewed. Construction is scheduled to commence at the end of Quarter 2, 2021.

Mr. Corbin reported for HHISCA., which is on schedule and under budget. The proposal from Churchich Recreation & Design is being reviewed. Construction is scheduled to commence in Quarter 2, 2021.

**Bluffton Elementary School (BLES), Bluffton Early Childhood Center (BLECC) and HE McCracken (HEMMS) – JCS and MBK**

Mr. Corbin gave updates for BLES, BLECC and HEMMS, which are on schedule. Final Technology/Infrastructure GMP proposals are being prepared. CBRE-Heery made a recommendation to the Operations Committee to utilize \$1,930,000 of Referendum Project Contingency funds for BLES and BLECC and \$415,000 of Referendum Project Contingency funds for HEMMS. The BCSD Board was briefed on the use of contingency at the March 2, 2021 meeting.

Construction is scheduled to commence for both schools at the end of Quarter 1, 2021.

**Hilton Head Island Elementary School (HHIES) and Hilton Head Island School for the Creative Arts (HHISCA) – JCS and MBK**

Mr. Corbin gave updates on HHIES and HHISCA, which are on schedule. Final Technology/Infrastructure GMP proposals are being prepared. CBRE-Heery made a recommendation to the Operations Committee to utilize \$865,000 of Referendum Project Contingency funds for HHIES and \$185,000 of Referendum Project Contingency funds for HHSCA. The BCSD Board was briefed on the use of Contingency at the March 2, 2021 meeting. Construction for both schools is scheduled to commence at the end of Quarter 1, 2021.

**Hilton Head Island High School (HHIHS) – McMillan Pazdan Smith Architecture (MPS) and H. G. Reynolds Co., Inc. (HGR)**

Mr. Corbin reported on HHIHS, which is on schedule and under budget. He said that the Phase 1 scope was to furnish new stadium lights that are approximately 75% complete. The Phase 2 scope includes a new turf field, new field house addition with football locker rooms, renovations to the existing locker rooms and press box. Preliminary Phase 2 cost estimates that were received in February 2021 indicated the need to reduce cost. The architect is making plan revisions to change the size of the field house from roughly 20,000 SF to between 16,000 and 17,000 SF. This change should allow us to remain within budget and still meet the needs of the school. Revised SD documents should be received by March 5,

2021. The CM@R will then perform an updated cost estimate to ensure we are within budget. Construction is scheduled to begin at the end of Quarter 2, 2021.

### **Beaufort Elementary School (BES), Beaufort Middle School (BMS) – MPS and HGR**

Mr. Marshall reported on BES, which is on schedule and under budget. GMP Amendment No. 3 for Technology/Infrastructure and General Conditions went before the BCSD Board for approval on March 2, 2021. Construction for Technology/Infrastructure is scheduled to begin at the end of Quarter 1, 2021. The kitchen equipment replacement cost proposal came in under the \$400,000 Allowance contained in the GMP Amendment. Construction for this will begin at the end of Quarter 2, 2021. Mr. Corbin added that no additional funds were requested for this project and the Amendment was approved at the BCSD Board meeting last night.

Mr. Koll reported on BMS, which is on schedule and under budget. The SDs were received last month. The final CDs are due in Quarter 2, 2021. They are on track to start construction on IT rooms, cable trays, Bi-Directional Antenna (BDA), dugouts and athletic field improvements at the end of Quarter 2, 2021.

### **Lady's Island Elementary (LIES) and St. Helena Elementary School (SHES) – MPS and HGR)**

Mr. Corbin advised that PM Marc Brewster is retiring and this will be his last meeting. The interim PM will be Kevin Kelly. The new PM will begin with CBRE–Heery on March 15, 2021.

Mr. Brewster reported on LIES and SHES projects, which are on schedule and under budget. The design packages will be finished for the IT rooms, cable tray and BDA by the end of Quarter 1, 2021. Design for the remaining bid packages will be completed in Quarter 2, 2021. The Purchase Order (PO) for Playworld has been canceled and the Playworld proposals have been sent to HGR to obtain a GMP Proposal that will include the playgrounds and required site work. Construction is scheduled to commence at both sites in Quarter 2, 2021.

### **Broad River Elementary School (BRES) - LS3P and TTC**

BRES – Mr. Brewster reported on BRES, which is on schedule and under budget. The final bid packages for IT rooms, cable tray and BDA are expected by the end of Quarter 1, 2021. The remaining final bid packages will be completed in Quarter 2, 2021. The PO has been issued to Playworld for the playground and the materials have been ordered. Construction is scheduled to begin in Quarter 2, 2021.

### **Coosa Elementary School (CES) – LS3P and TTC**

Mr. Koll reported on CES, which is on schedule and under budget. The final bid packages for the IT rooms, cable tray and BDA will be received by the end of Q1, 2021. The

remaining final bid packages will be provided in Quarter 2, 2021. A purchase order has been issued to Playworld for the playground. Construction is scheduled to commence in Quarter 2, 2021.

### **Lady's Island Middle School (LIMS) and Right Choices (RC) – LS3P and TTC**

Mr. Corbin reported that LIMS previously had a yellow status light for Technology/Infrastructure, however it has returned to green and no use of Contingency Funds is necessary. Construction is scheduled to commence at the end of Quarter 1, 2021.

Mr. Corbin reported that there is a yellow light for Technology/Infrastructure at RC. CBRE-Heery made the recommendation to the Operations Committee on February 23, 2021 to utilize \$185,000 of Referendum Project Contingency funds. The BCSD Board was briefed on the use of Contingency at the March 2, 2021 meeting. The final Technology/Infrastructure GMP Proposal is being prepared and the associated GMP Amendment should be executed in March 2021. Construction is scheduled to begin at the end of Quarter 1, 2021.

### **MC Riley Elementary School (MCRES)– Rosenblum Coe Architects, Inc. (RCA) and Contract Construction (CC)**

Mr. Corbin reported on MCRES, which is on schedule and under budget. The SD documents were received in February, 2021. These are currently being estimated and reviewed. Playground design layouts were approved in February, 2021. Proposals have been requested from Churchich Recreation & Design and should be received in early March 2021. Construction is scheduled to commence at the end of Quarter 2, 2021.

### **Davis Early Childhood Center (DECC) and Joseph S. Shanklin Elementary School (JSES) – RCA and CC**

Mr. Brewster and Mr. Corbin reported on DECC and JSES. Design is at 50% CDs for the IT rooms, cable tray and BDA. The final bid packages are due at the end of Quarter 1, 2021. The remaining final bid packages will be completed in Quarter 2, 2021. The purchase order for the playground has been issued to Playworld and materials have been ordered. Construction is scheduled to commence for both projects in Quarter 2, 2021.

### **Whale Branch Elementary School (WBES) and Whale Branch Middle School (WBMS) – RCA and CC**

Mr. Brewster and Mr. Corbin reported on WBES and WBMS, which are on schedule. CBRE-Heery made the recommendation to the Operations Committee on February 23, 2021 to utilize \$1,160,000 for WBES and \$1,080,000 for WBMS of Referendum Project Contingency funds. The BCSD Board was briefed on the use of Contingency funds at the March 2, 2021 meeting. The associated GMP Amendments will be presented to the BCSD Board for approval this month. The Technology/Infrastructure construction is scheduled to commence at the end of Q1, 2021. The purchase order for the WBES playground has been

issued to Playworld and materials have been ordered. Construction will start at the beginning of Quarter 2, 2021.

6. Construction Updates:

**Beaufort Elementary School (BES) – MPS and HGR**

Mr. Marshall gave the update on BES, which is on schedule and under budget. The connector steel is up and the decking is being installed. The brick wall is about 65% complete. The recent rain has caused delays. Cooling tower #2 was planned to be set in February, however there was a structural issue. The engineer has provided a fix for the issue, which the CM@R is pricing. The tower will be installed after the compression strength test has been approved. Phase 5, the first floor Hall “A” renovations, has commenced. A CLOC site visit occurred on February 25<sup>th</sup>. Mr. Barber advised that Mr. McNally and Mr. Dallas would speak about the tours during the sub-committee reports.

**May River High School (MRHS) – LS3P and MBK**

Mr. Marshall presented the update for the MRHS addition, which completed on schedule and under budget. The Ribbon Cutting ceremony was held last month and was successful. Closeout documents have been approved by the designer and will be reviewed internally when they are uploaded to Dropbox. Final closeout should be completed in Quarter 2, 2021.

**Right Choices (RC) – LS3P and TTC**

Mr. Koll gave the update for RC, which is on schedule and under budget. The closeout on this project has commenced.

**Bluffton Elementary, H.E. McCracken Middle and Hilton Head Island High School – JCS and MBK**

Mr. Corbin reported that BLES and HEMMS are waiting for GMP proposals for Technology/Infrastructure. HHIHS Phase 1 Stadium Lights were delayed due to rain, however the installation is now 75% complete. Completion of the lights should occur this month.

**Whale Branch Elementary School (WBES) and Whale Branch Middle School (WBMS) – JCS and CC**

Mr. Brewster gave the updates for WBES and WBMS. The window film, new IT rooms and BDA installation have been completed. The cable tray installation is 66% complete. The demolition of the WBMS locker room has been completed and new lockers should be installed shortly. The ductwork, wood floor and bleachers have been ordered. Construction for the new security vestibule is scheduled to start in Quarter 2, 2021.

7. Mr. Corbin presented the slide for the Project Closeout updates. Updated comments have been listed for each of the projects. The Target Closeout dates have remained consistent with the information that has previously been shared with the CLOC. Many designers have received and approved closeout documents. Those documents now have to reviewed and approved internally, at which time the projects can be closed out.
8. Mr. Corbin presented the Financial Updates. The reports were distributed prior to the meeting. The Project Contingency Log has remained the same since September, 2020.
9. Mr. Corbin presented the Cash Flow vs Actual Expenditures slide. The cash flow was projected to be \$52,370,000 at the end of February 2021 and the Actual spent to date is \$50,409,352.
10. Mr. Corbin presented the Community Outreach report.
  - o The MRHS Ribbon Cutting ceremony took place February 12, 2021.
  - o JE Dunn Construction Company MWBE Partner Meet & Greet (associated with RSIA project) took place on March 2, 2021. Mr. Corbin will provide additional details at the next CLOC meeting.
11. Referendum Update on Project Funding.

Mr. Corbin reported that the complete Operations Committee Meeting presentation materials from February 23, 2021 were provided prior to the meeting as an attachment. A special called Operations Committee Meeting was held on February 23, 2021. This information was also presented at the March 2, 2021 BCSD Board Meeting. The Board did approve the Amendment associated with Technology/Infrastructure for BES and the \$9,590,000 Not To Exceed amount of recommended Contingency use. To date, a total of \$2,778,503 of Project Contingency has been used out of the total available \$17,781,187 leaving a remaining balance of \$15,002,683. Also, funds projected to be returned to Contingency from completed and near completed projects and an Amendment to the CRBE–Heery Contract is \$5,878,627.

Mr. Kelly outlined examples of changes that have been made to design standards to reduce the costs of Technology/Infrastructure and the savings associated with each change. He also addressed the partnership between the BCSD Operations and Technology Departments to optimize the impact of various funding sources. The changes did not change the scope or the intent of Technology/Infrastructure improvements.

Mark Chauhan, BCSD Technology Director shared technical details on how some of the changes could be made without sacrificing the scope or intent of the original Technology/Infrastructure projects, and at the same time serve the whole District's needs well into the future.

Mr. Corbin talked about the lessons learned from this exercise, which included defining Technology/Infrastructure standards earlier, defining requirements prior to setting budgets, beginning designs earlier, applying aforementioned cost reduction measures and taking into

consideration any supply/demand issues that might be encountered. Mr. Corbin noted that no recommendations were made that referenced “good, better and best” choices.

Mr. Corbin reported the need for BHS Athletics Phase 2 additional funding, which is separate from the Technology/Infrastructure additional funding needs.

Mr. Corbin detailed each school’s need for additional funding, totaling \$7,290,000 for Technology/Infrastructure and Safety/Security purposes and \$2,300,000 for Athletic purposes, for a grand total of \$9,590,000 additional funding requested and approved by the BCSD Board as a Not To Exceed amount.

Mr. Corbin advised that the forecast Quarter 4, 2021 Contingency Balance is \$11,291,310 and he explained the calculations. He also said that at the end of Quarter 4, 2021, the Contingency used will be at 36.5% and the Paid to Date plus Encumbered Funds will be at greater than 50%.

Mr. Warco asked what the total amount is of all contingency dollars that were included in the original budgeted Bond Referendum, and how much of those dollars have been allocated to specific items at this time. Mr. Corbin responded the Program Contingency listed on the Referendum Financial Summary Report in the 01 District Level was originally \$17,781,187. Also, inside each GMP proposal, the CM@R vendor includes 5% for Construction Contingency use. These funds are managed and monitored by the team, which includes the Designer, the CM, the PM. There has been very little use of these funds. Mr. Corbin added that the projects, such as RSIA and BCHS, that have larger detailed project level budgets, include a figure referred to as Owner’s Contingency. He explained that once a project is under GMP, and additional funds are needed to help out a tight budget, those funds would be used first. When it becomes clear that those funds will not be necessary for the projects, they will be returned to the overall Program Contingency.

Mr. Barber asked that if the contingency carried at project level is not utilized, would it be returned to overall Program Contingency. Mr. Corbin replied that the contingency funds and any unused budget would be returned to the Program Contingency. Mr. Corbin added that if Mr. Warco has additional questions regarding this issue, he would be happy to have a phone conversation with him about it.

Mr. Warco asked about project issues that come up versus previously unplanned additions to projects. Mr. Corbin replied there is a difference. Construction Contingency is used for unforeseen issues with a project. Required unplanned additions that cannot be absorbed by the available project level funds necessitate the use of Program Contingency. Mr. Oetting said that we always want the 5% contingency on a project so that even if the Construction Contingency would be enough, we would request additional funds. Mr. Warco asked if this is the point when BCSD would go back to the Board for the additional funds. Mr. Oetting responded that prior to using Project Contingency funds for any amount over \$400,000, the BCSD Board has to approve it. If it is a smaller amount that does not have to be approved by the Board, then it is tracked on the Contingency Log and is reported to the CLOC. It is also reported to the Operations Committee, who then reports it to the BCSD Board.



Mr. Warco asked if there is the ability to supplement the Referendum funds. Mr. Oetting replied that the District cannot add to the Referendum funds and all of the Contingency funds are part of original Referendum budget. The 8% Capital funds have to be approved by the Board as a line item project. Some projects interact, but do not mix funding. For example, the SHES gym is being renovated using 8% Capital funding. There is some Technology work in the gym that is being funded through the Referendum, however the two funds remain separate from one another.

Mr. Dallas voiced his concern about having used 32% of Contingency funds at this point through the 48-month timeline and having 33 months and multiple projects remaining that might need Contingency usage. He wants to be assured that we are on target with the Contingency spent rate versus the time used rate, so that we do not have a big issue later in the timeline and do not have the Contingency funds to cover it. Mr. Oetting replied that we are behind schedule in percent expended of Contingency funds and ahead of schedule in percent spent in construction, when comparing it to the timeline. He added that 2021 was mapped as being biggest year for number of projects.

Mr. McNally asked if we are considering awarding specialty work to specialty contractors rather than going through the CM@R and paying their markup, such as we are doing with some of the playgrounds. Mr. Corbin responded that most scopes lend themselves to CM@R model. The playground is outside and stands on its own. These have been evaluated on a case by case basis. If there are site issues that are outside of the vendor's expertise, then we run it through the CM@R. If it is determined that the playground vendor can successfully order, install, inspect and closeout the project, then we take advantage of that.

Mr. Ames asked at what point does the BCSD Board evaluate the impacts of cost reduction or contingency needs on educational quality and if there is a policy for this. Mr. Oetting responded that there is not a written policy, however the Board makes this decision when they approve the requested Contingency usage or any contracts/amendments. Mr. Barber added that the evaluation of construction impact on educational quality seems to begin with the principals and administration and then it rolls up to the BCSD Board. Tricia Fidrych, BCSD Board Member, gave a recent example of how the Board weighed the student/educational impact against a decision on a project.

Mr. Dallas asked if any trends have been identified in terms of which contractors have utilized Contingency. Mr. Corbin advised that he has not identified any trends and the amount of Contingency that has been used has been fair and reasonable.

Mr. Barber asked Mr. Oetting and Mr. Corbin, as well as the Board members who were present, if they are comfortable with the amount of Contingency spent compared with where the Referendum work is currently. All responded that they are comfortable with this.

12. Mr. Warco reported that the Financial Sub-Committee met in February and they did not have any issues upon reviewing the previous month's reports. He said that January and December's questions were satisfactorily answered by staff.

13. Mr. Dallas and Mr. McNally reported on the site visit to BES made by the Project Sub-Committee in February. Mr. Dallas said that as a non-engineer he was impressed with the examples demonstrated by the site's project teams of actions they have taken to limit additional incremental cost and improve the quality of the finished product.

Mr. McNally reported it was a very good review. They walked the entire campus and saw construction underway that was very orderly. Modular classrooms are being used that are interlocking. They have "plug in" utility systems. The units can be reconfigured and transported to different sites. He added that it was impressive that construction is happening while school is in progress and this has been coordinated well to keep students out of the direct line of heavy construction. Mr. McNally reported that the team had a good examination inside of the school and all phases of construction. The finished classrooms are impressive, with good lighting, nice equipment and furniture. Mr. McNally said that the only negative comment was that HGR should clean up the construction walkways a little better and dispose of junk/pallets.

Mr. Oetting responded they had a conversation with HGR regarding the site cleanliness issue.

14. Mr. Barber asked the Communications Sub-Committee to lead a discussion regarding the proposed Annual Report. Ms. Fleming advised that the updated Annual Report was sent out to committee members. Also sent out was the trifold document that BCSD used as its Report Card. Ms. Fleming's recommendation was to use a trifold format next year when there is more than one year to compare. Mr. Ames advised that his opinion is still to have a simplified Annual Report. He suggested that the Operations Committee make a more robust contribution on the website that contains more information for those people who want it. Mr. McNally asked about the link to the CLOC home page, which is very long. Mr. Chauhan advised that the link can be simplified and a QR code can be added.

Mr. Barber recapped the committee's recommendations that the summary Annual Report be posted on the website and that a shortened URL and QR code be added. Mr. Ames advised that the Annual Report should be advertised and referenced in the newspaper. Ms. Fleming advised that the Quarterly Reports that Mr. Barber provides and are posted on the web page serve as a more detailed report of the CLOC's activities and accomplishments. Mr. Barber requested that the Communications Sub-Committee work with Ms. Bruder to publish the report and post it on the website with the shortened URL.

15. Mr. Barber discussed Forward Looking Items and Events for the next month:
- Quarterly update on March 16<sup>th</sup> at 6pm – presentation format similar to what is used at CLOC meetings. Will send to CLOC members to review. Mr. Barber asked that the PowerPoint presentations of tonight's meeting and the last Operations Committee meeting be sent to him.

16. Mr. Barber addressed the Next Meeting Agenda Items. The current fixed agenda items will stand. A Project Funding Update item will be added and the Annual Report item will be removed.

17. Mr. Barber adjourned the meeting.