Chula Vista Elementary School District

PROPOSITION E
INDEPENDENT CITIZENS OVERSIGHT COMMITTEE

Meeting Minutes
December 13, 2017 – 6 P.M.
Dr. Lowell J. Billings Board Room
Education Service and Support Center

1. Call to Order

Mr. Hurtado-Prater called the meeting to order at 6:01 P.M.

2. Introductions

Introductions were made for Independent Citizens Oversight Committee (ICOC) members, District staff, and David Kuhle of Balfour Beatty Construction.

3. Roll Call

Members Present:

Jolyn DePriest
Sean Dunbar
Dr. Diane Gerken
Mary I. Helvie
Jason Hurtado-Prater
Martha Juarez
Ben Lien
Valerie Gerken Rios
James L. Smyth
Floyd Strayer

Members Absent:
Karyn Koenig

Others Present:
Oscar Esquivel, Asst. Supt. for Business Services and Support
David Kuhle, Balfour Beatty Construction
Carolyn Scholl, Facilities Planning Manager
Rudy Valdez-Romero, Director of Maintenance and Operations
Theresa Villanueva, Director of Fiscal Services
Ann-Marie Pering, Manager, Purchasing, Publications, and Warehouse
John Heredia, Facilities Safety and Security Manager
Lisa Brannen, Business Services and Support Specialist (Meeting Recorder)

4. Welcome and Opening Comments: Jason Hurtado-Prater

Mr. Hurtado-Prater welcomed members to the ICOC and thanked everyone for donating their time.

5. Approve Minutes of the April 26 and September 13, 2017 Meetings of the ICOC

MSC Gerken/Helvie that the Minutes of the April 26 and September 13 Minutes be approved as presented. Messrs. Lien and Smyth abstained from voting as they were not present at those meetings.

6. Presentation/Discussion: Status of 2018 Summer Modernization Schools

Mr. Esquivel introduced Mr. Kuhle, the Construction Manager for Balfour Beatty Construction (BBC). Mr. Kuhle reviewed a powerpoint presentation with the ICOC which addressed the following items: (Powerpoint presentation is attached as Exhibit "A" and made a part of these Minutes.)

a. Design Phase

Mr. Kuhle reviewed each step of the design phase. He explained that much of the scope of work was already done in previous phases of the earlier modernization projects. BBC, architects Ruhnau Clarke, and District staff have been reviewing the design work and modifying it before submitting it to the Division of the State Architect (DSA) for approval. All three Summer 2018 modernization schools have received DSA approval.

b. Bid Phase

Bids were advertised December 1 and December 8, 2017. Mr. Kuhle explained that BBC oversees the construction. It does not actually perform any of the work. All work is broken down into bid packages. Local companies then bid on the packages. The lowest responsive, responsible bidder is awarded the contract. Bid openings are scheduled for January 9, 2018, with award of bids tentatively scheduled for the February 14, 2018, Board Meeting. This will allow time for rebids if there are insufficient bids or bids are in excess of ten percent of the engineer's estimate.

c. Construction Phase

Mr. Kuhle reviewed the construction schedule, and explained the various major bid packages and current engineer's estimate per school site. Dr. Gerken asked why John J. Montgomery Elementary (Montgomery) is so much higher for concrete, grading, etc. than the other sites. It was explained that Montgomery is receiving a new administration building. Mr. Smyth requested examples of

Hazmat Abatement. An example would be removal of asbestos. Mr. Valdez-Romero and Mr. Kuhle further explained that Harborside is significantly larger than the other sites, which is why demolition and HVAC, plumbing and underground utilities is so much more than other sites. Windows have already been replaced at Montgomery, so that cost will be lower. Ms. Juarez requested a summary of the scope of work for each major bid package. Mr. Valdez offered to prepare one. Mr. Kuhle reviewed the total estimated costs for each site. Ms. Pering reviewed furniture and equipment, which is comprised of items such as 70" TV's, desks, chairs, whiteboards, and activity tables.

Mr. Kuhle reviewed the soft costs, which include construction management, architect fees, and testing and inspection. Dr. Gerken asked how soft costs are calculated. Mr. Esquivel replied soft costs are estimated at 30% of the total estimated construction costs. Ms. Gerken-Rios asked if adjustments are made during remodel for student safety. Mr. Valdez-Romero replied that all sites are having intruder locks installed which can be locked from the inside. Mr. Esquivel also explained that perimeter fencing is also being reviewed and heights adjusted. Dr. Gerken asked if Harborside is larger or just spread out more. Mr. Valdez explained that there are 43 classrooms at Harborside, versus 24 at Montgomery, and 26 at Kellogg. All cost estimates are based on current costs.

Mr. Smyth asked how BBC was hired. Mr. Esquivel explained that proposals were taken in 2013 at the beginning of the project. Mr. Smyth then asked if soft costs are pretty set. Mr. Kuhle replied that soft cost fees are based on hard costs, so if the hard costs go up, the fees will go up too. Mr. Smyth asked who does the inspection. Mr. Valdez-Romero replied the DSA does the inspections. Ms. Juarez wanted to know if the bid information is public. Dr. Gerken answered yes.

d. Bond Issuance

Mr. Esquivel reviewed Proposition 39 and the General Obligation Bonds. Funding for the upcoming modernizations will be from Bond funds and Capital Facilities funds. Mr. Esquivel reviewed the selection process for the eleven schools to be modernized under Proposition 39. The selected schools did not receive more than cosmetic fixes under Proposition JJ. The goal is to bring these eleven schools up to the same standard as other schools. Dr. Gerken asked if there would be enough funds to complete Feaster Charter school, which is very large. Mr. Esquivel explained that Feaster is eligible for additional Proposition 51 funding which is available to Charter Schools. Dr. Gerken asked what if funds fall short before completion of the five remaining schools? Mr. Esquivel said the scope of work would be reviewed, with priority given to infrastructure. Classroom work may have to be postponed until funds are available.

Ms. Depriest asked about the Bond funds and whether those funds are earning interest which can supplement the modernization funds. Mr. Esquivel explained that the money is deposited and overseen by the County Treasurer, and the

County of San Diego manages those investments. Interest amounts to approximately 1%, so not much.

e. Move Out Schedule

Ms. Pering reviewed the move-out schedule and all that is involved with the process. Mr. Esquivel commented that teachers are given additional days to pack up and/or unpack and set up their classrooms. Ms. Pering explained that the old classroom equipment that is no longer usable is auctioned. Much of this is purchased by organizations for charitable organizations and sometimes it is shipped overseas. Ms. Juarez wanted to know if the money from this auction goes back into the project. Ms. Depriest commented that since the District made the initial purchase of the furniture and equipment, it makes sense that the money could not be taken for this project. Ms. Pering replied that Ms. Depriest is correct. Ms. Pering went on to explain that the school calendar for the three 2018 modernization schools would be adjusted to a traditional calendar (September to June) for one year so that modernization could be completed over the summer.

f. Questions

Ms. Depriest asked what is the PLA. Mr. Esquivel explained the background of the Project Labor Agreement (PLA). Dr. Gerken explained her concerns about the PLA and how it impacts projects. Discussion ensued about the PLA and restrictions regarding union labor and how it impacts the scope of work. Mr. Esquivel explained that the construction of Saburo Muraoka Elementary School was the first District project under the PLA. There were 18 bid packages, 2-3 were non-union. The goal of the PLA was to have more local labor (Chula Vista), County residents, and apprenticeships. The District goal was 80% and the actual number was 82%.

Regarding bidding, Mr. Hurtado-Prater asked how bid awards are determined. Mr. Kuhle explained that the lowest qualified bidder gets the job. Non-collusion agreements are included. Mr. Heredia added that the District estimates are realistic so we actually do not want low-ball bids. Bids that come in too low are questioned to be sure the bidder understands the scope of work involved. He also pointed out that projects like this cost more because they have to be completed in such a short amount of time, requiring a lot of manpower. The consensus was that over 300 laborers were used for the last three schools modernized in the summer of 2015.

Dr. Gerken commended the District, saying the personnel do an incredible job selecting the people it chooses to do the work. Mrs. Helvie concurred. As a former employee, she noted that the quality is good because of the caliber of people at the District make sure it is. Dr. Gerken also commented that she is very pleased that the District questions bidders to be sure they aren't missing something in the process.

A question arose about maintenance and Mr. Esquivel explained that maintenance is considered in the design phase.

Mr. Valdez-Romero reiterated the bid process. Bidders have until January 9, 2018, at 10:00 a.m. to submit bids. Sealed bids are submitted. Bids are opened and publicly read. Once the bids are considered, a decision is made.

Ms. Juarez asked if the engineer is separate. Mr. Kuhle replied yes, the architects select the engineer. Ms. Juarez asked if the past bidding process was with the same engineer and if bids were within the 10% differential or close to the engineer's estimate. Mr. Kuhle replied that the bids were over, but not by more than 10%.

Mr. Hurtado-Prater asked, what happens if costs are more than anticipated, and the District has to dip into the money estimated for the last two schools? Ms. Juarez added, would the District still develop a scope of work and commit to completing the work at the last two sites? Mr. Esquivel replied yes, the District is committed to bringing the schools up to the standards of the other schools.

8. Remaining Tentative Meeting Dates for 2017-18

February 21, 2018
May 2, 2018

ICOC members agreed to hold the next Committee meeting on February 21, 2018. Mr. Esquivel proposed a May meeting date of May 2, 2018. He offered to have this date also be the date of site walkthroughs. The ICOC agreed, and the Committee will meet at the Board Room at 9:00 a.m. on May 2, 2018, and then proceed to the schools sites, with a follow up meeting back in the Board Room after the walk throughs.

9. Other Items/Open Discussion

Mr. Esquivel informed the Committee that the District is looking into another possible general obligation bond issuance. The architect is reviewing all sites to determine facilities needs. The Board of Education will make a determination about whether to proceed in March or April.

Mr. Hurtado-Prater thanked the District staff for their hard work.

10. Adjournment

Mr. Hurtado-Prater adjourned the meeting at 7:20 p.m.

OE:lb