

**Riverside Unified School District
Operations Division**

Board Operations Subcommittee Meeting
District Office Conference Room 3 A/B
December 16, 2011 – 8:00 a.m.

MINUTES

CALL TO ORDER: 8:01 a.m.

PRESENT: Dr. Charles L. Beaty, Mr. Tom Hunt, and Dr. Kirk Lewis

Also present were Mr. Mike Fine, Mrs. Janet Dixon, Mr. Kevin Hauser, Marco Eacrett, HMC Architects, Ronald A. Kuehl, Neff Construction, Dayna Straehley, *The Press Enterprise*, and Ms. Lizette Delgado (Recorder)

Dr. Beaty stated that Mr. Hunt has been named the subcommittee's Chair and that he was going to conduct the meeting as the Vice Chair until Mr. Hunt's arrival.

Discussion Items

1. Organizational Meeting of the Riverside Unified School District (RUSD) Financing Authority

The Board of Education at the regularly scheduled meeting on November 1, 2011, adopted Resolution No. 2011/12-29, approving and authorizing the execution of a Joint Exercise of Powers Agreement between the District and Western Municipal Water District of Riverside County creating the Riverside Unified School District Financing Authority in order to do a pooled refunding of outstanding CFD bonds. The Board of Directors of Western Municipal Water District approved the Joint Exercise of Powers Agreement between the District and the Water District creating the RUSD Financing Authority on November 16, 2011. The formation of the Authority has been completed and it is necessary for the Board of Directors of the Authority to hold an organizational meeting to approve bylaws, to determine the dates, time and place of the regular meetings of the Board of Directors, and to appoint the officers and legal advisor of the Authority. Staff recommended that a special Board of Education meeting be scheduled during the first week of January 2012, to hold the organizational meeting of the RUSD Financing Authority.

Mr. Hunt arrived at the meeting at 8:10 a.m. and from this time on he conducted the meeting as the subcommittee's Chair.

Dr. Lewis briefly reviewed the executive summary for the item, the bylaws of the Authority, and the draft of Authority's resolution approving the bylaws, determining dates, time, and place of regular meetings, and appointing officers and legal advisors for the Authority. He stated that there is a sense of urgency concerning this item due to timelines and the number of CFDs and parcels involved. Dr. Lewis mentioned that there are 8 CFD's that qualify for the pool refunding with an annual savings greater than 6% and that if CFD No. 2 is included, the savings will be less than 6% but more tax payers will benefit from the refund.

Mr. Fine stated that he does not feel comfortable with the data received from the underwriter and that the District Superintendent has asked him to review the cost of the refinancing before the District moves forward with the organizational meeting.

Action Items

2. Approval of Minutes

Mr. Hunt moved and Dr. Beaty seconded to approve the minutes of the November 9, 2011, meeting.

3. High School Athletic Facilities Master Plan Projects Bids for Ramona, Arlington, and Riverside Polytechnic High Schools

Subcommittee members reviewed and discussed the bid summary for each one of the projects. Dr. Lewis said that each project has unique characteristics. He added that all the bids received are over budget and stated that staff is recommending that the subcommittee review the information to come up with a plan to be presented for Board approval at the January 17, 2012 meeting.

Dr. Lewis also informed the subcommittee that \$2,604,842 is available in the Measure B contingency fund and approximately \$1,100,000 additional revenue from the Redevelopment Agency. Mr. Fine said that the RDA funds may be identified for other uses and may not be considered as available to cover the budget shortfall for the projects. Dr. Lewis mentioned that there will be project savings from other Measure B projects that are undesignated and will be available for the Board to appropriate as desired. There are appropriated projects (middle school athletic field renovations, restroom renovation phase II, Victoria parking lot, and Elementary School #34 land purchase funds) that have not been executed which may also be considered a source of funds to address the project shortfalls. Dr. Lewis stated that value engineering items only relate to the athletic facilities master plan projects and that the subcommittee may need to consider, if desired, what elements of the design can be reduced without harming the projects or creating inequities among schools.

Mr. Fine said that it is important to be very careful about what is fine tuned and that if funds are added to these projects, it may be necessary to do the same for the North High School project. He mentioned that the Board of Education had made a decision to approve a budget amount for the each project which had a lot of constraints, more specifically that projects needed to stay within the approved budgets based on Dr. Miller's recommendation in February.

Mr. Kuehl commented about the situation in the bid market and stated that the District is getting a good value in the bids and he does not recommend rebidding the projects because construction materials are on the rise. He added that one of the factors influencing the market is that contractors are not able to get bonded because bonding companies are being very careful issuing bonds.

Ramona High School Athletic Facilities Master Plan Completion Project

Subcommittee members discussed and reviewed the project budget. The budget approved by the Board of Education, including soft costs, for this project is \$3,942,946. The pre-bid

estimate for the project was \$4,329,257, and the actual bid results totaled \$5,149,616, bringing the project over budget in the amount of \$1,202,670, after all bids were received. Additive alternates and additional value engineering items were also presented and discussed.

Dr. Lewis stated that the construction estimate prepared by Tilden-Coil was in error resulting in the project bids being about 30% greater than the approved budget. This was confirmed in a meeting with Brian Jaramillo.

Mr. Eacrett, in response to questions from subcommittee members, said that the redesign of the storm drain, a possible reduction of \$100,000, as a value engineering item, was a very significant part of the project. Mr. Fine suggested taking the problem to the City to see if they will help address part of the problem.

Arlington High School Athletic Facilities Master Plan Project

Subcommittee members discussed and reviewed the project budget. The budget approved by the Board of Education, including soft costs, for this project is \$11,582,656. The pre-bid estimate was \$11,701,585, and the actual bid results totaled \$12,360,083, bringing the project over budget in the amount of \$777,427, after all bids were received. Additional value engineering items were also presented and discussed.

Mr. Kuehl, in response to questions from subcommittee members, explained that in comparison, Poly's track and field required retaining walls. He also explained how the design contingency was determined. Mr. Kuehl added that the value engineering items, totaling \$275,970, will not detrimentally affect the project if not included. The subcommittee agreed to add \$36,000 to increase the landscape maintenance period to one year.

Riverside Polytechnic High School Athletic Facilities Master Plan Project

Subcommittee members discussed and reviewed the project budget. The budget approved by the Board of Education, including soft costs, for this project is \$12,990,089. The pre-bid estimate for the project was \$13,436,533, and the actual bid results totaled \$13,870,633, bringing the project over budget in the amount of \$880,544, after all bids were received. Value engineering items were also presented and discussed.

Subcommittee members requested that more information be provided concerning the Doors and Hardware considerable costs increase item after bids were received. Mr. Kuehl, in response to questions from subcommittee members, stated that the capacity of the grandstand is 750 people and that if the bids are not awarded, the item could be canceled if the Board so desires and off-the-shelf five-tier bleachers could be substituted. In reference to the deferment of the bulkhead equipment purchase, Mr. Hunt asked that information be provided regarding new swimming requirements.

The subcommittee recommended that a Study Session be scheduled for the January 17, 2012, Board meeting, prior to the Board's action, to provide information to the Board about the bids and to remind the Board about the February 2011 Board decision concerning the "freezing" of the project budgets. It was further recommended that after information is received, the Board takes action on an implementation plan; that bids for Ramona and Arlington projects be presented for action at the January 17th meeting; and that the Poly

project bids may be presented at a Board meeting in February and that Board's action be consistent with the January action.

4. Potential Attendance Area Adjustment Between Liberty and Monroe Elementary Schools

The Subcommittee received information at the November 9, 2011, meeting concerning the need for a potential attendance area adjustment between Liberty and Monroe Elementary Schools. Staff had recommended the formation of a committee of staff and parents to develop a recommendation to be presented to the Subcommittee prior to consideration by the Board of Education. On Friday, December 2, 2011, the Liberty and Monroe Elementary Schools Attendance Area Adjustment Committee met and discussed a staff suggestion for an attendance area adjustment scenario. The committee agreed with the staff recommendation and suggested that it be presented to the Operations/Board Subcommittee for consideration.

Dr. Lewis provided the subcommittee with an update and stated that the Liberty and Monroe Elementary Schools Attendance Area Adjustment Committee agreed with the proposed attendance area adjustment, and that a public meeting will be scheduled in early January to review the proposal and to receive input from the public. He added that if the reaction from the public is positive, the item will be presented for the Board of Education's approval at the January 17, 2012, meeting.

Dr. Beaty moved and Mr. Hunt seconded to approve the staff's recommendation to schedule a public meeting to review and to receive input from the public concerning the proposed attendance area adjustment and, if public's input is positive, to present the item for approval at the January 17, 2012, Board of Education meeting.

5. Construction Manager for the Liberty Classroom Wing Addition Project

Dr. Lewis said that proposals the project have been reviewed by the staff and that they were being presented for the subcommittee's discussion and approval.

Mrs. Dixon stated that proposals for the Liberty Classroom Wing Addition project were compared with the Frank Augustus Miller Middle School's project because of the projects' similarities. Neff Construction's and Tilden-Coil's general conditions estimates were discussed by the subcommittee. Dr. Beaty asked Dr. Lewis to meet with Tilden-Coil to obtain more information regarding their proposal and to bring it back to the subcommittee before the item is approved and forwarded to the Board of Education for final approval.

Public Relations

6. Unscheduled Communications

There were no requests to speak to the subcommittee.

Members Comments:

There were no members' comments

Adjournment

The meeting was adjourned at 10:58 a.m.