



COMMUNITY BOND OVERSIGHT COMMITTEE
February 11, 2020, 6:30 P.M.-8:30 P.M.
Govalle Elementary School Community Room
3601 Govalle Avenue
Austin, TX 78702

MEETING MINUTES

Note: *An optional tour of the Modernized Govalle ES was conducted prior to the meeting. The tour was led by Joshua Cheung, AECOM, Assistant Project Manager.*

ATTENDANCE

Members:

Cheryl Bradley (Tri-Chair), Julian Rivera (Tri-Chair), Leisha Johnson, Larry Huang, Anna Valdez, Jennifer Carson, Dr. T. Jamie Chahin and Andrei Lubomudrov.

Staff and Consultants:

Nicole Conley, Chief of Business and Operations; Matias Segura, Operations Officer; Bob Cervi, Executive Director of CMD & Facilities; Zack Pearce, Director of Project Management; Dinita Caldwell, HUB Director; Carlos Mederes, AECOM Program Director; Carlos Canedo, McKissack Program Director; Sarah O'Brien, Buie & Co. Communications; Deanna Mercer, CMD; Ronald Thoma, Budget; Scott Morrison, CMD; Jerry Hopkins, Auditor; Juan Jasso, AECOM Asst. PM; George Gogonas, Executive Budget of Finance; Christian Clark Casarez, Adm. Supervisor; and Joshua Cheung, AECOM Asst. PM.

Board Members: Kristin Ashy, District 4 Trustee

Visitor: David Misco

- 1. CALL TO ORDER** – The CBOC meeting was called at 6:30 p.m.
- 2. PUBLIC COMMENT** – None.
- 3. APPROVAL OF MINUTES**

The January 21, 2020 CBOC meeting minutes were approved with a change to correct the spellings of Anna Valdez's and Andrei Lubomudrov's names.

- 4. ROUTINE ITEMS**

- A. 2013 & 2017 Bond Programs - Issues and Risk/Substantial Changes - Bob Cervi**

- Program Wide Market Escalation**

Austin is experiencing inflation in construction costs at a rate up to six percent yearly. This includes increases in the cost of steel and concrete as well as other essential materials. Also, Austin's continuous growth and influx of large construction projects, including 24 mid to high-rise projects in the downtown area, have increased the demand for labor and labor costs. Market escalation along with project specific

enhancements has directly impacted the projects included in this bond program and may continue to do so.

- ✓ **LBJ Medical – Community Questions and Concern**

AISD recently began receiving questions and concerns regarding the LBJ ECHS Medical project. Interim Principal Shelia Henry assisted in advancing the design and is anticipated to stay on until the project is complete. The project is on schedule and nearing the end of design development.

- ✓ **Murchison MS – Construction Disruption and Potential Change in Schedule**

CMD received a few reports of disruptive odor, dust, and noise from construction. CMD inspected the site, conducted air quality testing, and has been meeting with staff on site regularly to address changes. Air scrubbers have been installed and construction activities have been rescheduled to limit the disruptions. There will be a delay to the completion of the 6th grade addition primarily due delays in permitting. Work will continue on the the library and renovation of the new administration areas. Both areas are expected to be completed this summer. The remaining elements of the project are scheduled to be completed in December 2020.

- ✓ **New Blazier Relief - Access Issues and Schedule Impact**

Access to the school is pending construction of adjacent Baythorne Dr. by neighborhood developer Austin Goodnight Ranch (AGR). AGR anticipates receiving a COA permit in the next few weeks. Also, AISD will fund a sidewalk at a cost not-to-exceed of \$25,000 because the sidewalk will be primarily used by the school.

- ✓ **Eastside Memorial ECHS - Budget Issues**

Previously, CMD informed the CBOC of an unfavorable bid, which came in 10% above the project construction budget. Reductions agreed to by the architect, general contractor and AISD staff, which resulted in 5% cost reduction from the initial bid, included items such as decreasing the number of operable classroom partitions, replacing concrete for alternate engineered block at some retaining walls, and changing the screening material around mechanical systems.

- ✓ **18-0021-REAGN (Northeast Early College HS)**

Technology costs are higher than expected. The district is re-evaluating the project scope to ensure that the project is within budget. The district received recent information that pricing will be adjusted. The schedule could be impacted by two to three months. Changes will not affect the function of the school or existing academic programs.

- ✓ **17-6014- AKINS**

Completion has been delayed due to the need to move a water line easement, as well leaks in a water line. Also, waterproofing issues were discovered during construction.

The district does not anticipate further delays. Final completion was moved from December 1, 2019 to February 29, 2020.

✓ **20-0029-BEDCK**

While investigating the crawlspace, it was discovered that there were structural problems were due to lack of proper ventilation, causing problems to piping that supplied the HVAC systems. The ventilation problem must be corrected before making repairs to other systems. The district estimates that the cost of the repairs will be \$600,000. Contingency funds will be used for additional costs. The project goes out to bid in mid-February. No schedule impact is anticipated at this time.

B. Monthly Bond Financial Report-Nicole Conley

Program Contingency Allocation Explanations/Variance Report & Budget Overages

✓ **Definitions from January 2020 CBOC Meeting for Reference**

Project Contingency - Project contingency is a budget of money, held at the project level, that exists to mitigate against risk and uncertainty, and is used to ensure the delivery of each individual project. It is either planned and funded at inception, or built through contribution from within that individual project budget.

Program Contingency - Program contingency is an account of money, held at the program level, that exists to mitigate against risk and uncertainty for the entire bond program, and is used to ensure the delivery of all projects within the program as scoped. It is either planned and funded at inception, or built through contributions from individual projects.

Bond Authorization Surplus - Bond authorization surplus is an account of money or unused bonding authority, which begins at a zero balance at the start of the program, and receives contributions of surplus bond authorization as projects are completed under budget. Represents uncommitted funds, which can be used to fund new projects and/or scopes of work.

✓ **Discussion of Definition of “Substantial Scope Change”**

Substantial Scope Change Requiring CBOC Recommendation and Board Approval - Working Draft:

A substantial scope change, where CBOC recommendation and Board action is required, is defined as a change in project scope, resulting in one or multiple of the following:

- ✓ A change in location that is different from stated purpose when the bond was ratified by voters.
- ✓ A change in project type that is different from stated purpose that was presented when the bond was ratified by voters, i.e., from “build new

school” to “build a performing arts center”; or “buy land” to “replace or turfs.”

These definitions will be maintained in the back of future PowerPoint presentations as reference.

C. HUB Report and Update - Dinita Caldwell

HUB is planning to establish outreach efforts that will include reviewing with HUBs requirements for submitting RFPs to receive bid for projects to increase the participation rates for all companies submitting bids for projects or as subcontractors. Members asked for data related to the number of HUBs granted contracts along with the percentage receiving contracts be reported. Also, that HUB program improvements be reported.

5. New Discussion Items

A. Review of report to Board of Trustees - Nicole Conley

A review and exploration of the 200 page and Mark Grayson’s recommendations were influential in shaping this report base on his review of the data over time. Nicole requested that CBOC members submit input/suggestions to her by February 21, 2020. Additionally, the Tri-Chairs will meet in February and will bring that input and make suggestions to influence the report that is being compiled to submit to the Board.

B. Update on Standard Operating Procedures for Construction Management, Historically Underutilized Businesses, Construction Procurement, Planning and Asset Management - Matias Segura

Information was reviewed on the status of the SOPs for Construction Management, HUB, ProCon and Planning and Assessment. For CMD the Contractor Badging Process was discussed citing that it has become a stricter process. The HUB SOPs have content in progress and is being worked on. CBOC members asked for ongoing reports on status.

C. Update on Brentwood Swing Space - Matias Segura

Eight or nine swing space alternatives have been reviewed for potential use for the Brentwood population. Most had too many risks. Dobie has an additional 200 students and the Annex cannot be used. These alternatives were reviewed with the staff and the Brentwood community and a decision was made to work with the Webb ES administrator to establish what is to be done in preparation for use as a swing space. Additionally, it was stated that this move to Webb as a swing space will cost an additional \$600,000. Andrei asked if additional funds would be allocated from program contingency to support the projects and it was affirmed by staff.

D. Update on School Closures and Related Bond Allocations - Matias Segura

A committee member requested the creation of a chart on the proposed closures. Matias shared that such a chart was presented to the Board on February 10, 2020. The item was tabled for the upcoming meeting.

E. Potential Future Items for Discussion

CBOC members shared appreciation for the staff's response to their requests to add more details to different reports.

Action Items Requested by the Committee

- Modify the HUB report to include numbers for the total contractors getting work under the Bond Program in each category, and add opportunities and strategic action to help vendors complete the bid proposal for contracts
- The chart of proposed school closures presented to the Board of Trustees by Matias in February. The committee may want to address this issue at the March meeting.
- Ongoing status to CBOC of changes to the SOPs for the different divisions including: CMD, HUB, ProCon and Asset & Planning.
- Develop history of bond program schedule changes.
- Send the dates and times for grand opening or other milestone ceremonies for the bond program.
- Keep running history of issue/risks.
- Add statement to semi-annual report that indicated that the report is the culmination of work to date and work is continuous improvement.
- Add an Academics presentation to Annual Calendar for April and September
- Review the Annual Calendar quarterly.
- Keep definitions of scope change and contingency in PowerPoint Deck as appendix/history
- Check spelling of members names on membership

Action Items Requested by Nicole

Nicole asked that committee members provide to her comments on the Draft Annual Calendar and the Draft Semi-Annual Board Report by February 21, 2020.

6. MEETING ADJOURNED – 8:34 p.m.