



Proposition O Citizens' Bond Oversight Committee

Wednesday September 10, 2014

AGENDA

- 1. Call to Order / Roll Call**
- 2. Pledge of Allegiance**



3. Approval of Meeting Minutes

a. 7/9/14

b. 8/13/14 (deferred)



4. Public Comment

Members of the public may speak for up to 3 minutes on items not on the agenda.



For items on the agenda, the public may also comment on each individual agenda item for up to 3 minutes when that item is discussed.

5. Tour of Bonita Vista High School



6. Board Items Report

- The August 21st Board Meeting was held in the Jack Tygett Performing Arts Center at Chula Vista High School.
- All items passed.



6. Board Items Report

- The September 4th Board Meeting was held in the Montgomery High Project 2 Gymnasium after the Ribbon Cutting Ceremony.
- All items passed. Prop O items were:
- Item E-6: Approve a \$5,000 budget for the CBOC (general fund expense)



6. Board Items Report

- Item E-19: The CFFP Update included the following:
 - No change to total Prop O budget.
 - Increase the Hilltop High Project 1 budget by \$2 for closeout costs.
 - Increase the Planning and Operations Budget by \$1,730,000 for additional current and projected legal defense costs, projected increased audit costs, and increased personnel and other costs.
 - Decrease contingency by \$1,730,002. Contingency is now at about 4.7% of remaining expenses.



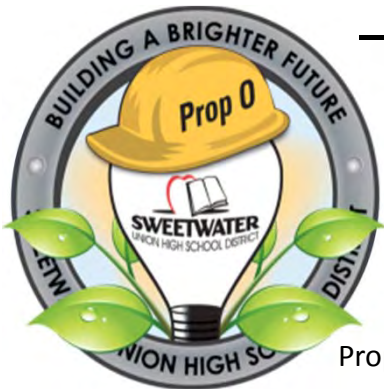
6. Board Items Report

- Item E-20: Out of 5 consultant items 3 amendments pertain to Prop O.
 - Amend the Southern California Soil & Testing, Inc. contract for geotechnical testing and inspection on the Solar (PPA) project.
 - Amend the RNT Architects contract for architectural services on the Southwest Middle Project 1B, Increment 2 project.
 - Amend the Hill International contract for legal support services related to the HAR lawsuit on Southwest Middle Project 1 and Southwest High Project 1.



6. Board Items Report

- Item E-21: Out of 5 change orders 4 pertain to Prop O.
 - Tech Infrastructure – CO#1 for Standard Electronics. CO rate is 1.40%
 - Tech Infrastructure – CO#1 for Nexus. CO rate is 0.12%
 - National City Middle Project 2 – CO#5 for McCarthy Building Companies, Inc. CO rate is 5.69%
 - National City Middle Project 2 – CO#6 for McCarthy Building Companies, Inc. CO rate is 6.97%



6. Board Items Report

- Item E-23: Ratify bid for the installation of paddle fans at Hilltop Middle.



7. Report from the CBOC Chair



8. Status of Vacant Positions on the CBOC



9. Bond Project Updates

a. Project Status Reports

b. Project Financial Summary

c. Program Management Update

–Long Range Facilities Master Plan



Highlights of Prop O Project Updates

Bonita Vista High Track & Field Design	A/E: NTD Architects	Design: DSA Approved
Contractor: tbd	Construction: 0 %	Change Order Rate: 0%

- Project design is complete. The project includes
 - Artificial Track & Field
 - Infrastructure for stadium lights
 - Bleachers and restrooms
- Investment at BVH
 - Gym Bleacher Replacement - \$309,122
 - HVAC Upgrades – \$1.27 million
 - Track & Field Design - \$400k
 - 3-yr Deferred Maintenance - \$409k
 - Solar Power
 - City funded parking lot and sidewalk improvements on Otay Lakes Road
 - **Total \$2.388 million**



Highlights of Prop O Project Updates

Bonita Vista Middle Modernization 2	A/E: IBI Group	Design: DSA Approved
Contractor: Fordyce Construction	Construction: 100%	Change Order Rate: 0.9%

- Project is complete. The work included:
 - HVAC for science room IA3.
 - Replacement of HVAC for the music building
 - Restroom renovation at the Cafeteria
 - Kitchen and cafeteria upgrades
 - Office renovations
 - Accessibility upgrades
 - Security fencing
 - Wireless upgrade in Cafeteria
- Investment at BVM
 - Modernization 1 - \$400k
 - \$182k in Deferred Maint.
 - Modernization 2 - \$1.35M
 - 3-yr Deferred Maint. - \$384k
 - Solar Power
 - **Total \$2.114 million**



Highlights of Prop O Project Updates

Mar Vista High Project 2	A/E: Platt Whitelaw (PWA)	Design: 95% in DSA
Contractor: tbd	Construction: 0%	Change Order Rate: 0%

- The project includes modernization of special education facilities and is out to bid.

Montgomery High Project 2	A/E: ZTA	Design: DSA approved
Contractor: Soltek Pacific	Construction: 100 %	Change Order Rate: 0.3%

- The project is complete.
- The Ribbon Cutting Ceremony was September 4th.
- Board meeting held at the Gym afterwards.
- The financial report has been updated to breakout the SDCOE construction management costs which are budgeted at about 7% of the project cost but we have been told to expect a \$300,000 refund which will lower the CM costs to 5.6% which should cover most of the Testing and Inspection costs that were underestimated by SDCOE.
- The district will also receive the \$76,000 budget for warranty management and will take over the management warranty issues.

Highlights of Prop O Project Updates

- View north from Project 1 balcony over new the Project 1 Quad with the gym in the background









Highlights of Prop O Project Updates

National City Middle Project 2	A/E: LPA	Design: DSA approved
Contractor: McCarthy	Construction: 93%	Change Order Rate: 6.97%

- Work is on schedule for completion this fall. Move in over winter break.



Highlights of Prop O Project Updates



Highlights of Prop O Project Updates





Highlights of Prop O Project Updates

Southwest High Title IX	A/E: Burkett & Wong	Design: DSA Approved
Contractor: various	Construction: 100%	Change Order Rate: 0%

- Scoreboard installation was completed on August 29th.



Highlights of Prop O Project Updates

Sweetwater High Welding Building 2b	A/E: Hector Reyes	Design: 100%
Contractor: Farnum Elec.	Construction: 100%	Change Order Rate: 0%

- Ribbon torching was earlier this afternoon.



Highlights of Prop O Project Updates





Highlights of Prop O Project Updates

- DSA Certified Projects
 - Fire Alarm Group 1
 - CVM on 6/27
 - HTH on 8/28
 - MOH on 8/28
 - PPA 2 (Solar)
 - CPM on 7/10
 - MVH on 8/18
 - SUH on 8/18
 - SYH on 8/18
 - CPH Title IX Gym Door on 8/5/14

9. Bond Project Updates

a. Project Status Reports

b. Project Financial Summary

c. Program Management Update

–Long Range Facilities Master Plan



9. Bond Project Updates

- a. Project Status Reports
- b. Project Financial Summary
- c. Program Management Update**
 - Long Range Facilities Master Plan**



10. Change Order Analysis

- National City MS Roof
- Staff Presentation on CBOC Chair concerns.



NCM P2 Change Orders

The CBOC Chair has raised a number of issues regarding the change orders for National City Middle School Project 2 and alleges that there was insufficient program and design review prior to soliciting lease-leaseback proposals. The project was designed in 2008 and 2009 and received DSA approval in 2011. The LLB contract was awarded in May 2013.

Items highlighted by the Chair:

- 1. Install handrail at Project 1 Plinth (stage). \$14,574
 - Students were jumping off the stage and staff recommended a handrail be added that was not part of the Project 2 scope.

NCM P2 Change Orders

- 2. Install five external ballast boxes. \$1,144
 - Project 1 is beyond the warranty period and it was expeditious and cost effective to have McCarthy replace the ballasts that had failed.
- 3. Add PVC liner to 48-inch manhole as required by City of National City. \$10,432
 - Work in the street related to the project resulted in additional requirements from the City of National City that was not originally part of the Project 2 scope. Additional requirements from external agencies are not uncommon during construction projects.
- 4. Add drag connections at wide-flange beams. \$3,493
 - An error by the structural engineer that is within the standard of care for the industry in terms of drawing perfection.

NCM P2 Change Orders

- 5. Install additional skateboard deterrents at Buildings 200 and 300. \$6,526
 - Staff disagreed with the designed quantity of deterrents. This is a small detail in the plan that arguably should have been caught in the pre-LLB review.
- 6. Reroute unidentified storm drain and gas line and repair/replace 60-year old sewer. \$27,346
 - These were unforeseen conditions that cannot be caught in a pre-LLB review.
- 7. Several items related to “shoddy or substandard” work on Project 1.
 - Project 1 is out of warranty and it was both expeditious and cost effective to have McCarthy perform work such as replacing the 5 failed ballasts.

NCM P2 Change Orders

- 8. Survey and adjust grade elevations at the north courtyard. \$22,229
 - Projects 1 and 2 were designed together and were intended to be constructed together.
 - Project 2 was delayed until funding was arranged.
 - The delay necessitated temporary elevation adjustments. These did not match the Project 2 elevations that relied on Project 1 drawings.
 - Even if this work was caught during the pre-LLB review, the district would have paid a similar amount for the additional work done by McCarthy.
 - Past practice by the former program managers was to have the architect provide the survey. The best practice is for the owner to provide the survey and that is how we have been and will be operating in the future.

NCM P2 Change Orders

- 9. Replacement of out-of-date hardware. \$9,473
 - The project was designed in 2008 and 2009 and approved by DSA in 2011.
 - The district standards for classroom door locks changed after DSA approval.
 - This item should have been caught in the pre-LLB review.

10. Change Orders - Conclusions

- a. Except for small simple projects, all projects have change orders.**
- b. New construction – expect 5%**
- c. Modernization – expect 8 to 12%**
- d. State Law Limit – 10% or \$15K whichever is greater (some exceptions).**
- e. Standard-of-care for design errors - 2%**



11. CBOC Sub-Committee Updates

- a. 2013-14 Annual Report
- b. Best Practices
- c. Finance
- d. Audit
- e. Asset Management
- f. Sub-Committee Formation/Membership



12. Outside Employment of Committee Members/700 Forms

- Discussion of Marinovich Consulting**
- Discussion of Conflicts of Interest**
- Discussion of 700 Form Requirements**



13. Update in Deferred Maintenance



	2012-13	2013-14	2014-15
	Actuals	Unaudited Actuals	Adopted Budget
BEGINNING BALANCE	\$ 8,192,153	\$ 7,889,175	\$ 8,818,790
REVENUE			
State Revenue	\$ -	\$ -	\$ -
Local Revenue	20,319	23,995	10,000
Transfers In	1,620,480	3,603,800	1,603,800
Total Revenue	\$ 1,640,799	\$ 3,627,795	\$ 1,613,800
EXPENDITURES			
Services/Administrative Expense	\$ 75,844	\$ 74,046	\$ 75,000
Facility Repair/Maintenance	1,795,747	780,046	4,761,656
Site/Facility Construction Expense	-	1,771,941	591,670
Lease/Purchase	72,146	72,147	-
Transfers Out	40	-	-
Total Expenditures	\$ 1,943,777	\$ 2,698,181	\$ 5,428,326
Net Surplus/Deficit	\$ (302,978)	\$ 929,615	\$ (3,814,526)
ENDING BALANCE	\$ 7,889,175	\$ 8,818,790	\$ 5,004,264

Figure 1 - Financial Statement Summary

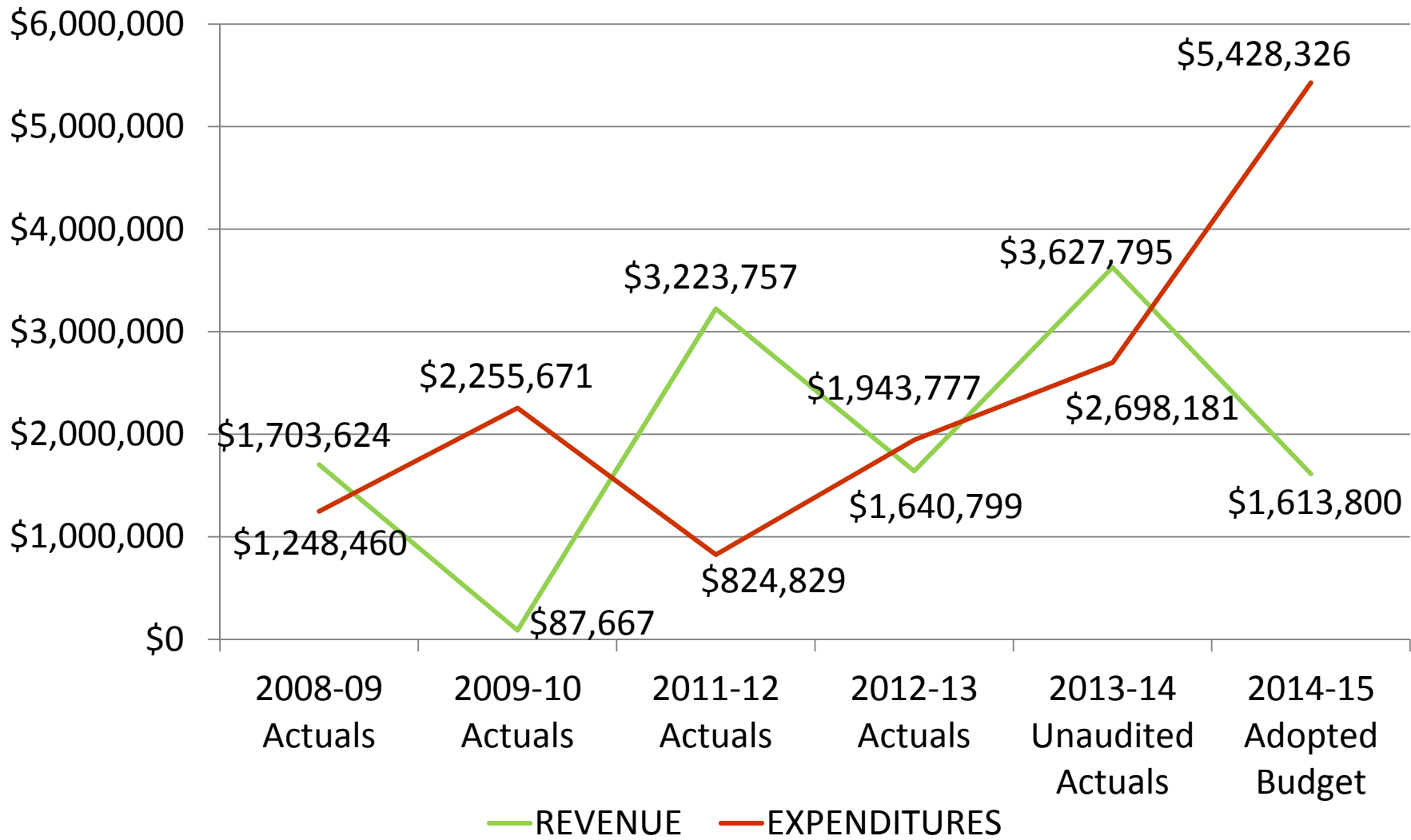


Figure 2 - Fund Balance Summary

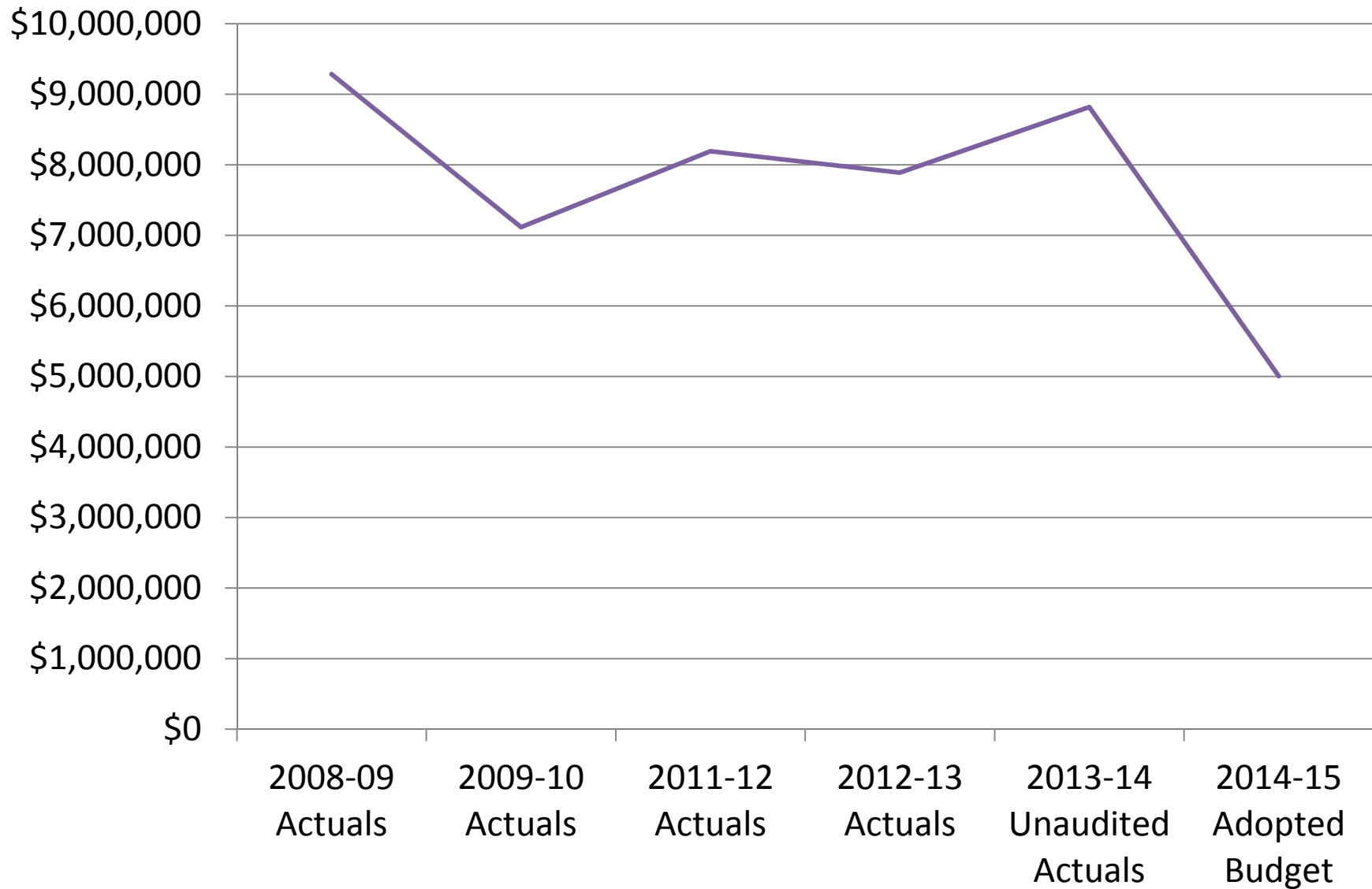
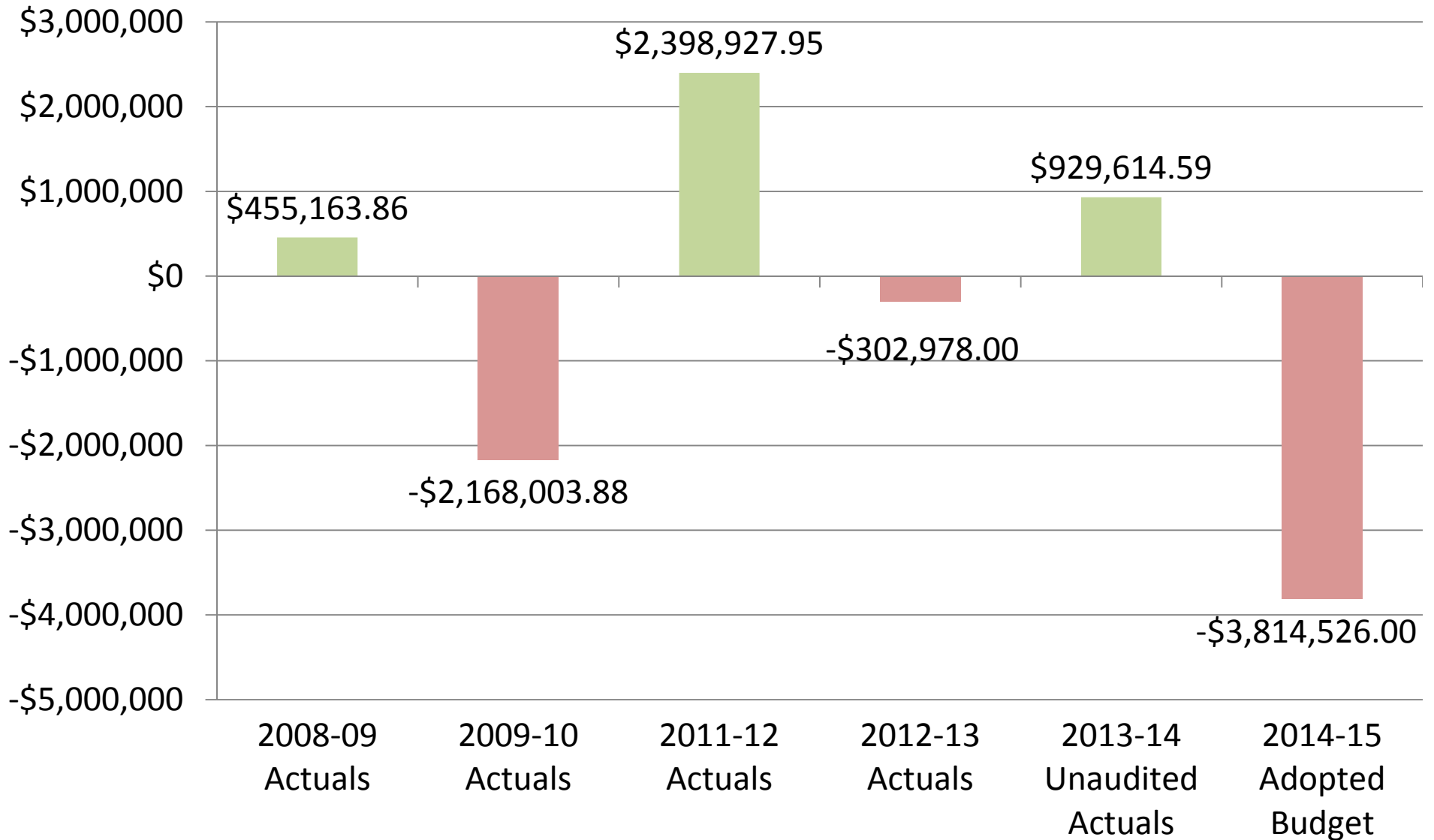


Figure 3 - Change in Fund Balance



14. CBOC Information Request Log



15. Committee Member Reports

Individual members of the CBOC may make announcements or raise issues to be addressed in the future.



16. Meeting Schedule/Format

a. Calendar Additional Site Tours



17. Staff Announcements:

a. **Next CBOC Meeting Wed Oct 8, 2014**

18. Adjourn

