

COMMUNITY BOND OVERSIGHT COMMITTEE
Meeting Summary
March 24, 2009

Committee Members in Attendance

Willis Adams
Margarito Aranda
Mary Ann Auster
Mark Boyden
Cari Clark
Nan Clayton
Ashton Cumberbatch
Staley Gray
Jackie Hawkins
Morris Hoover
Lawrence Huang
Bobby Jenkins
Cindy Lara
Rashaanne Lewis
Beverly Mendez
Carolyn Merritt
Mary Ann Neely
Jim Recek
Steve Rogers
Jeff Walker
Peck Young

Staff Members in Attendance

Mario Alaniz
Randy Baldwin
Norman Barker
Andrew Clements
Bruce Davis
Craig Estes
Maria Guerra
Mark Harris
Deborah James
Bill McClure
Florence Rice
Pat Rossett
Scott Rouse
Curt Shaw
Tony Silva
Velupillai Sivalingam
Paul Turner
Terry Wadsworth
Idella Wilson

Others in Attendance

Carolyn Hanschen-AISD Technology
Services
Laura Kunz-TateAustinHahn
Larry Larson-AISD Technology Services
Ed Lee-Broaddus and Associates
Russ Rhea-TateAustinHahn
Gray Salada-AISD Technology Services
Patti Summerville-TateAustinHahn

Agenda

- I. Call to Order and Approval of Minutes
- II. Broaddus Report
- III. Technology Update
- IV. Subcommittee Meetings
- V. Subcommittee Reports
- VI. Survey Subcommittee Report
- VII. Prevailing Wage Update
- VIII. Discussion of CBOC Report to Board of Trustees
- IX. Agenda Items for Next Meeting

I. Call to Order and Approval of Minutes

Ashton Cumberbatch called the meeting to order and invited questions and modifications of the agenda from other CBOC members. The February 24, 2009, minutes were approved as written.

II. Broaddus Report

Curt Shaw introduced Ed Lee of Broaddus & Associates, which provides the CBOC with bond program contingency projections, and gave some background information on the projections. The first contingency projection report was conducted after Hurricanes Katrina and Rita, when there were concerns on the effects the hurricanes might have on construction supplies and labor. This is the third report from Broaddus & Associates to the CBOC.

- Mr. Lee said that there had not been much change since the last report.
- The first part of his report was focused on the state of the 2004 Bond Program contingency:
 - Approximately 88% of the 2004 Bond Program is complete or under contract.
 - 2008 projections are holding close to actual.

2009 Contingency Summary Update

2009 UPDATE by B&A	PHASE/Year
\$14,059,298	Phase 1 2005
\$8,608,074	Phase 2 2006
\$12,416,345	Phase 3 2007
\$7,809,319	Phase 4 2008
\$1,647,220	Phase 5 2009
\$5,172,726	Remainder

- With the current construction market conditions, the remaining contingency should be sufficient to complete the projects.
- \$5,172,726 is the contingency amount estimated to remain when all 2004 Bond Program projects are completed.
- The 2004 Bond Program contingency strategy helped the program weather several storms during a volatile period in construction material and fuel prices without any losses in project scope.
- The second part of the report focused on the 2008 Bond Program contingency:
 - There is no consensus regarding the effect of the current economic meltdown and market correction on building construction costs.
 - Broaddus & Associates researched its usual resources, but no one is offering projections.
 - There is some concern regarding availability of construction supplies when current inventories are depleted. Construction supplies are down 18% from a year ago. Suppliers are hesitant to hold a large inventory due to a decrease in demand.

- Broaddus & Associates conducted an informal poll of estimators working for larger established local contractors, which yielded the following projections:
 - Flat or slightly downward trends for next 3 to 6 months
 - 3% - 5% possible annual escalation for the following year
 - 5% -7% annual escalation for the following 2 years
- AISD is well positioned because:
 - Phase I, which is underway, includes 75% of the total 2008 Bond Program cost.
 - The 9% (not compound) annual construction escalation is adequate for now.
- AISD should be cautious of potentially desperate or failing contractors and should stay flexible with specifications and anticipate possible material shortages.
- At the conclusion of the report:
 - Curt Shaw explained that the bid mechanisms employed by the District allow it to weed out contractors with problems or potential problems.
 - A member asked if the impact of inflation had been considered. Mr. Lee responded that inflation was not a major element in the foreseeable future of this program.

III. Technology Update

Gray Salada, Executive Director of Technology, provided an update on the status of the technology projects.

- A purchase order to refresh teacher laptops and classroom computers had been issued.
- The trial use of the TELPAS (mobile personal computer labs) for testing purposes was successful.
- The goal is for all campuses to receive new mobile labs for the start of the new school year.

At the completion of the update, members asked the following:

- A member asked why some schools had MAC computers. Mr. Salada explained that elementary schools had a choice between an Apple or Windows platform because many of the elementary schools already had Apple computers. All secondary schools will have Windows to standardize the curriculum.
- Another member asked how the mobile labs were tested. Mr. Salada said state law required that the English Language Learners Test be conducted online. Twenty-seven campuses did not have this capacity, so TELPAS was used. It worked well.
- A member asked if there were funds to expand the maintenance department to work with all the new computers. Mr. Salada noted that he had asked for 20 more technicians in his most recent budget request.
- A member questioned the use of bond money for items with a shorter life span (3-5 years). Some of the former 2008 CBAC (Citizens' Bond Advisory Committee) members responded that this had been a question they had raised

in their meetings. The Chief Financial Officer (CFO) had explained to them that bond monies were the only source of funding available for the much needed technology upgrades. Funds were not available from Maintenance & Operations (M&O). One of the tri-chairs suggested that the CFO be asked to address the CBOC regarding this issue at a future meeting.

- Another member asked if this new technology will be obsolete before its shelf life. Mr. Salada replied it would not.
- A member asked if there were funds in the M&O to replace the batteries in these computers. Mr. Salada stated that the batteries have been lasting for about two years and the cost of replacement batteries for one year had been included in the bond program.
- A member asked if any consideration had been given to placing textbooks online. Mr. Salada responded that placing textbooks online was under discussion by the curriculum staff.
- Another member asked when all campuses would be wireless. Mr. Salada that all District academic fixed facilities should be wireless by the end of this summer.

At this time, Carolyn Hanschen then gave a demonstration of Gradespeed/*ParentConnection*. This is a new web-based program available at every one of our campuses, which enables parents, with students in Pre-Kindergarten through Grade 2, to view their child's attendance and report cards from any computer that has Internet access. Parents, with students in Grades 3-12, are able to use this system to view their child's assignments, current grades, and attendance. In addition, *ParentConnection* will provide parents, with students in Grades 3-12, the opportunity to be notified by email regarding attendance issues and when there are significant changes in their child's grades.

At the conclusion of this demonstration, members asked the following:

- One member asked why parents are receiving attendance email alerts stating that their child is “Unexcused” for a period in which the student has a U.I.L. activity?
- *After the meeting, Ms. Hanschen sent the following answer: Absences posted by teachers will result in attendance triggers of “Unexcused” or “Unx Tardy”. Changes to attendance codes, based on notes or U.I.L. activities, will be shown in the system after updates are made by the campus attendance specialist. If the administrative attendance code (such as Documented Illness or U.I.L.) is posted before the teacher takes attendance, no trigger will be generated. Typically, administrative attendance codes are not entered until after the event. A student may be scheduled to attend a U.I.L. event, but may not attend because of illness or some other reason. An explanation was added to the Triggers page in ParentConnection and is also included in the online FAQ.*
- Another member asked how this program could be used by parents who had limited or no English capability. Ms. Hanschen explained that information about *ParentConnection* and how to use it is available in Spanish on the *ParentConnection* website. The Parent Support Specialists at the schools are also available to help parents. In addition, information

on the program was provided at the *Feria para Aprender* held this past February 7th.

IV. Project Managers' Reports

The Committee met in geographical subcommittees (north, central and south) to review the status of the projects in their assigned areas. Members received updated information from AISD senior project managers and individual project managers in the following areas:

- Project schedule
- Project budget
- General project information
- Project environmental components

V. Subcommittee Reports

At the conclusion of the subcommittee meetings, the Committee reconvened for a large group project discussion. Highlights of the individual subcommittee reports include:

North

- There are 53 projects.
- Twenty-five are in close out or substantially completed.
- The process of commissioning is creating a bottleneck because there is only one contracted company provides commissioning services.

Lanier High School

- The cabinetry for science classrooms is made by only a few companies.
- Because there are so many science classrooms being renovated or constructed, there is a concern that demand may exceed the supply.

Power Factor and Harmonic Distortion Corrections

- These projects are still on hold.

Central

- Commissioning is also an issue in the central projects.
- Commissioning can take three to six months, at the best, but it's possible that it could take up to two years.
- The District should consider expanding the commissioning staff.
- Much work was completed during Spring Break.

House Park

- Although the playing field is ready and useable, the Field House will not be ready by next season.
- There are flood plain issues along with variances and code issues that need to be resolved.
- Currently, the project is 50% over budget.

Webb Middle School

- The steel has been erected for the Fine Arts addition.

Austin High School

- Five science classrooms are being added.
- Two locations are being considered.

Linder Early Childhood Center

- Two sites are being considered:
 - One is adjacent to Linder; and
 - The other is about five blocks away and would be in conjunction with the City of Austin.

Bus Terminal

- Site selection is in the final stages.

South

- Projects are doing well
- Currently looking for a site for the Southeast Middle School.

Parking Lot Issues

Furniture, Fixtures and Equipment

- How is FF&E determined and is the process fair. *Tri-chairs asked that staff prepare materials to address this issue at a future meeting.*

Science Cabinetry

- A member asked why the science cabinets could not be built locally. (Curt Shaw explained that science cabinet construction requires special materials such as resin that are fire and acid resistant. In addition, these cabinets require special configurations, such as allowance for utility connections. Some cabinets are stationary and others are movable. It is not cost effective for a builder to change manufacturing tools, materials and procedures to build the science cabinets, thus this has become a specialized market.)

VI. Survey Subcommittee Report

Mary Ann Neely, acting chair of the subcommittee, gave the report.

- Members of the subcommittee were thanked for their service.
- The response to this survey surpassed the number of respondents in prior surveys, both in raw numbers, average participants per school, and average parental participants per school.
- The subcommittee felt the increase in participation was due to the direct involvement of the CBOC members, who contacted principals.
- Two schools in particular, Bowie and Overton, had an excellent response rate.

- In an earlier meeting, the subcommittee reviewed the comments from the surveys with Curt Shaw. This was particularly helpful, as Mr. Shaw was familiar with many of the items identified and reported that many had already been resolved.
- Project managers were also provided with copies and are following up on the construction issues reported.
- Campus communication was a reoccurring issue. The subcommittee will continue to work to improve this area.
- One member suggested that secondary students participate in the survey process.

Peck Young, a member of the Survey Subcommittee, with expertise in surveying the public, explained what can be extracted from the survey responses:

- He reminded the committee that surveys are not polls.
- There was significant improvement in the number of responses over the last survey conducted.
- The surveys indicate an overwhelming feeling that projects are doing well and improve student education.
- If people were upset, they would be responding.
- A survey can never be statistically accurate.

Reponses to Issues Identified in Surveys:

In addition to the individual project manager follow-up, staff will work with the communication consultant, TateAustinHahn, to develop a mechanism that will be presented to the entire committee for its review and approval.

VII. Prevailing Wage Update

Randy Baldwin gave an update on wage rate compliance:

- To date, seven wage rate compliance inquiries have been received.
 - Four were determined to be in compliance.
 - Three were determined to be out of compliance.
 - There have been no new inquiries since the last report.
- To date, 19 random worker surveys have been performed by AISD project managers.
 - Eighteen surveys appear to be in compliance.
 - One survey is currently being reviewed.
 - Two surveys have been conducted since the last report.

VII. Discussion of CBOC Report to the Board

Pat Rossett reviewed the draft report to the Board with the committee. Modifications were suggested. Ms. Rossett will email members the revised report on Thursday. Members were encouraged to attend the presentation, which is scheduled for Monday, March 30, 2009, at 8:00 p.m. in the Board Auditorium.

VIII. Agenda Items for Next Meeting

- Next meeting is April 26, 2009-Location-Board Auditorium
- Subcommittee Meetings
- Subcommittee Reports
- Follow-Up of CBOC Report to Board of Trustees

Member Requests for Future Meetings:

- The committee submitted a request to meet the new superintendent, Dr. Meria Carstarphen.

Lessons Learned

- A. Pre-Election Activities/Bond Program Planning:
1. Identify new schools using the description of schools to be relieved, rather than geographic designations.
 2. For larger, more complex projects, enlist paid services of architects, engineers, and appropriate construction professionals to conduct extensive and comprehensive site analysis to determine the scope and budget for the project.
 3. As the AISD gears up for the next bond program, it should utilize the oversight model established in the 2004 Bond Program.
- B. CBOC— Establishment and Procedures:
1. Appoint CBOC members immediately after the bond initiative is passed.
 2. A thorough discussion of committee processes, procedures and charge is needed when the CBOC is first appointed.
 3. A simple English statement of what the charge is would help future committees.
 4. Responsible stewardship involves providing adequate resources to maintain and operate new schools and new construction properly.
 5. The process used by the CBOC to establish its structure and working committees was very successful.
 6. Schedule a retreat immediately after the CBOC is appointed and completes the self-evaluation tool at least twice annually.
 7. The Survey Committee should develop its own list of “lessons learned”.
 - a. There should NOT be different surveys for each campus due to the need to compile data. Therefore, one survey will be created with all campuses listed and the first question will ask them to select their campus. Note: There will still be personalized emails, with individual project descriptions, sent to each campus.
 - b. One person should have central responsibility for collection and distribution of surveys.
- C. Program Management:
1. An additional 15% of square footage should be added to the educational specifications to allow for circulation. (Barton Hills)
 2. Front load the implementation of the bond construction program. Spending funds earlier helps reduce the impact of inflation on available bond funds.

3. Differentiate between the dates for the completion of construction and when a building can be occupied. The general public believes the “completion of construction” date is the same as the date a building can be occupied.
4. Establish a process with well-delineated criteria for determining the use of contingency funds.
5. Since contingency funds are more readily available in earlier projects and less available for projects scheduled in later phases, committee and staff need to be mindful of maintaining equity for all projects.
6. Because principals are key participants in the success of a construction project, a training workshop by construction management staff should be provided to new principals who have no experience with construction projects.
7. Projects should be broken down into smaller packages to allow smaller contractors to bid these projects. The benefits of this approach are that bids would be at or below the project budget, and the District would be less dependent on the large contractors.
8. In order to better deal with problems related to obtaining permits from the City of Austin, which have caused numerous delays and have increased the number of change orders, CBOC members recommended that staff:
 - Research the city requirements before establishing a budget for renovations.
 - Have the Construction Management staff and City Health Department conduct a survey of the kitchens to determine in advance what an architect should include in the design.
 - Have a debriefing session with city officials at the director level and strategize on how to improve the permitting process.