

Minutes for the Bond Oversight Committee Meeting North

November 1, 2004

Aptos High School Career Center
100 Mariner Way
Aptos, CA 95003

5:00 PM – 7:00 PM

Attending Members:

Michael Barsi - Nancy Bensen - Tere Carrubba - Doug Maher – Bruce Mathias
T. James Miller - Barbara Palmer - Christine Quinn - Mary Reed - Michael Theriot

Absentee Members:

Fred Fischer - Marc Kirby - Vic Marani

South/Central Bond Committee Liaison:

Non-committee members attending:

Terry McHenry - Rhea DeHart - Sharon Gray - Diane Burbank - Kent Munro
Darlene Insley

Chair Member Barbara Palmer welcomed the committee members, acknowledging the new members, Christine Quinn and Doug Maher. Barbara then asked the committee to introduce themselves. A question was posed regarding construction management at Aptos High School. Terry McHenry assured the committee that there is always BMR staff available for on site construction management.

There was some discussion regarding the South and Central Sub-Committee. It was noted that there was a consensus the two committees need not be joined. The committee was informed that they would be notified by Darlene Insley regarding the information on the next South/Central Committee meeting via e-mail and or U.S. Mail.

Barbara then asked that the minutes from October 4, 2004 meeting be approved. There were several amendments and discussion regarding the concern about estimates and escalation costs, plus the 5% contingency. Therefore, it was decided before they could be approved, the minutes will be re-submitted with amendments at the next meeting.

The subject on the items that have had to be cut from the project came up and Kent Munro reassured the committee that these are not the items that were specifically noted in the Bond. It was then brought up, that what was being cut, were items such as *all* the furniture in all offices plus, there will be no built-ins, no counters and little or no landscaping.

Terry began the next item on the agenda by informing the committee about the architects. He explained that the Board had approved an adjusted contract with LPA for phase I. Since the school wants the tennis courts up by next spring and LPA already had a preliminary design the District and Board so those plans were used to go out to bid. The low bid came in at \$458,000. We still feel we can drop it below the original estimate of \$450,000. The Board awarded the bid.

Concern was raised regarding reimbursement of any kind for LPA. Terry stated that the attorneys didn't feel there were sufficient grounds to make any recovery. The concern on whether LPA was paid more than what they have completed came up and Terry explained that LPA has been paid for work to date, including the initial design of Phase II. Terry was then asked, how much has been paid for Phase I and II and would he get the information for the next meeting? Terry said he would have this information.

The clarification of Phase I and Phase II and how one project is being designed while the other is being worked on simultaneously was explained at this time. Terry explained that based on Phase I and II being worked on concurrently, the contract with LPA was terminated based on the termination terms of that contract, which states that you pay for work to date. The only thing they had been paid for after that date is the completing the contract of the tennis courts in Phase I. He also stated he would be glad to sit down and go over the contract with Mike Barsi. Mike again asked Terry for the information on how much has been paid for Phase I and II.

A few questions on the Warrants issued for the Bond construction were reviewed. The Committee asked to find out if Item 59: State Water Resource, was an on going or a one time cost of \$593.00? This led to a brief discussion on the budget and the concern the Committee had regarding it?

Continuing on with the agenda, Terry explained that in terms of the contractual requirements, LPA is finishing up Phase I, which includes the tennis courts and nothing else and that BCA was hired to do Phase II. He went on regarding BCA's schedule explaining they are now picking up Phase II going through the preliminary design. In terms of cost, we want to make sure that when they do finish their designs, they come within our budget, allowing the contingencies which we want included in the estimate which we discussed in the last meeting. So after they have completed the design, they will go back for the next set of estimates. They use an outside firm in San Francisco, Hanscomb F & G to do their estimates.

This means BCA will do one estimate BMR will also verify their numbers from what the committee stated at the last meeting, a third party was to be hired with Bond money to do another full estimate. At this time, we need to discuss who and how we pick someone to do this. Terry then asked if anyone has any suggestions as to who can do this estimate that would know all of the variables of this project.

The discussion began regarding information on Estimating Consultants and a checks and balance system. Doug Maher had researched some possible estimators. He came up with Waszink, Leland Saylor & Associates and Cromb Associates. Kent Munro also suggested that Construction Cost Management Services might be added to the list.

There was some discussion on how the Consultants were to be selected and the time limit. Barbara asked Doug if he would gather information on the Estimating Consultants and find out who he thought would be the best for the project's purpose. Doug accepted. The Committee then decided that when the information was gathered, they would have another meeting to study the Consultants together. The Committee then talked about getting a priority or a cut list. Diane indicated that the priority list was the responsibility of the site staff and the district as long as they stayed with the items listed in the bond.

A discussion began on how long it would take to select an Estimator and what it would take to select an Estimator. Theoretically the Committee could hire one by the first of next week if the Committee found one they felt met the needs of the project. Barbara asked everyone if a short meeting of one hour on Monday, November 8, 2004 at 5:30 pm would fit everyone's schedule. This meeting would be to go over the revised minutes and the resumés of the Estimating Consultants. All seemed in agreement.

Terry went to the next item on the agenda regarding the Financial Audit, where he briefly explained how our Financial Audit was compiled and that the same Auditors did our Performance Audit, but that we want someone else to do our Performance Audit this year. This audit would look at what we spent the bond money on that it is what you should be spending on this project. The suggestion is to get someone from the outside to come in to do the Performance Audit.

Terry went on to say, regarding the Performance Audit, he would also try and have some resumés ready for the Committee to look at for the next meeting.

Barbara extended the meeting for next week by one half hour. The next Committee meeting will now be from 5:30 pm until 7:00 pm on November 8, 2004.

Barbara thanked everyone for coming.

The meeting was adjourned at 6:35 pm.