



2014 BOND COST MANAGEMENT AND CONTROL PLAN

POLICY ISSUE/SITUATION

The School Board approved a recommendation from the Bond Citizen Accountability Committee (BAC) to require that staff prepare a Bond cost control plan for Board approval. This plan has been drafted and is being submitted to the School Board for approval.

BACKGROUND INFORMATION

The Bond Citizen Accountability Committee has reviewed the Plan and discussed the content with staff at two BAC meetings. The Committee has unanimously endorsed the *2014 Bond Cost Management and Control Plan* and recommends approval by the School Board. The key elements of the plan are summarized on the attached Executive Summary; the complete *2014 Bond Cost Management and Control Plan* is included as the second attachment.

RECOMMENDATION

(XX-XXX) The Beaverton School District Board of Directors hereby approves the *2014 Bond Cost Management and Control Plan* dated April 28, 2016.

District Goal: WE empower all students to achieve post-high school success.

The Beaverton School District recognizes the diversity and worth of all individuals and groups. It is the policy of the Beaverton School District that there will be no discrimination or harassment of individuals or groups based on race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, marital status, age, veterans' status, genetic information or disability in any educational programs, activities or employment.

2014 BOND COST MANAGEMENT AND CONTROL PLAN

Executive Summary

This Plan documents the strategy and procedures used by Beaverton School District to manage and control costs associated with the implementation of the 2014 Bond Program. The District's goal is to execute all projects promised to the voters. Additional funding that becomes available to the Bond program will be first applied to these projects, as necessary, to accomplish this goal.

Key elements of the Plan are:

- Managing and controlling project scope-creep beyond what was included in the original Bond program and budgets is critically important. Project documentation developed as the program was being compiled defined the projects' purpose, and scope. These are provided to staff and serve as the boundaries for their work.
- Design standards are used to ensure appropriate, but not excessive, levels of quality are included in project designs.
- Project-level budget management requirements for Bond project manager staff have been defined in a standard operating procedure work process document. Bond staff are required to become familiar with this work process and are trained to adhere to the techniques and strategies it prescribes.
- Project cost estimates are required from design teams and/or contractors as the designs are being developed. A separate cost estimating firm is under contract directly to the District to provide an independent check. These cost estimates together with value engineering are used to modify designs as needed to align with budgets. Where the Construction Manager/General Contractor method is used, the Guaranteed Maximum Price will normally be set at completion of the 100% design development stage.
- Program-wide cost forecasting is updated monthly. About one-third of the total program can be rigidly cost-controlled to budget while still meeting obligations promised to voters. For the remainder of the program, with the exception of four projects, all major projects now have updated, reliable cost estimates. For the remaining four, architects have been selected to perform pre-design programming to refine scope details and develop updated cost estimates to be reflected in the monthly program forecasting. This work should be completed by fall 2016.