

Comments from BAC Members
on the Draft Cost Management and Control Plan
Staff Responses in Red

Section 2, Program Scope Definition

A more detailed scope of individual projects should be defined and shared with Stakeholders as early as possible.

Agreed. Scopes are well developed for all major projects except for:

- ACMA Replacement,
- Five Oaks Middle School Renovation and Expansion
- Maintenance Facility Improvements
- Raleigh Hills K-8 Improvements

Work is underway to fully define these as described in Section 6 of the Plan. Current status: proposals from architectural firms for all four projects are being evaluated. Staff expects to request authority to award the contracts after School Board approval at the May business meeting.

Section 5 – (now Section 6) Additional Sources of Funding

A strategy for prioritizing the use of additional funding should be developed and shared with Stakeholders as early as possible.

Added. Staff believe that our direction from the School Board is to execute projects and work items promised to the voters as the first priority. Additional funding will be first applied to these projects as necessary to accomplish this goal; that information was added to the Plan. A comment has also been added about determining the wisest investments for any surplus funding that may become available in 2021 or 2022.

Section 7 - (now Section 8) Reporting

A comprehensive report of the changes to the scope of the High School should be created, maintained and shared with Stakeholders as an evolving document until construction is complete.

A report to Stakeholders about the high school costs could be useful, but it seems more about documenting history which is different from the purpose of this Plan. This recommendation can be addressed separately. The details about the high school budget changes have been provided during BAC meetings, but could be reviewed again if requested by the Committee. A document for public sharing would need to be less complex and synthesized from the details previously provided to the Committee.

1. For readers not familiar with some of the terminology, write out a term before using the acronym for it.
Acronyms in Plan spelled out.
2. One of the answers to the first question in the Q&A provided to the BAC dated 2/4/2016, regarding lessons learned, was "Bid projects earlier". The answer went on to note that "... it is best to bid our summer projects around January. This helps to increase the number of available bidders, and ensures we get the best pricing." This should be noted in the cost control plan.
Added. See new Section 5 in the draft Plan.
3. The next answer listed under the first question in the Q&A said to maintain leverage in negotiating contracts under a CM/GC process the negotiation should start early, so other options (second proposer, hard bid the project) could be pursued if necessary. Again, this should be noted in the cost control plan.
Added to the Plan. See new Section 5 in the draft Plan. This approach has been used for the Kaiser Rd K-5 in North Bethany. The GMP (guaranteed maximum price) was negotiated at the 100% Design Development milestone before any site work commenced.
4. In response to the second question in the Q&A, "What are other cost reduction methods?", one of the answers noted that "For Vose, we have opted to contract for the GC through a hard-bid process instead of the CM/GC". It would be good to add a section to the cost control plan discussing the pros and cons of the two processes and when it might be better to use one versus the other.
Added. See new Section 5 in the draft Plan. Comparing the results between Vose and the Kaiser Rd K-5 in North Bethany projects when completed will be very instructive.
5. As I mentioned at last week's meeting, the importance of initiating the land use process with early pre-apps should also be noted as a way of avoiding costly delays in that process.
Added. See new Section 5 in the draft Plan.
6. It would be good to add something about the process for selecting design consultants and how, under state law, cost cannot be negotiated until after the initial selection decision is made.
Added. See new Section 5 in the draft Plan.

The following are more specific comments:

1. The last sentence of the first paragraph in the section addressing technical standards (page 5) refers to the "current CSI Format, 2010 edition". What is that? What does CSI stand for?
CSI = Construction Specifications Institute. Spelled out in the draft Plan.
2. It would be helpful to have some background on how the security standards (page 5) were prepared.
These standards were developed by BSD staff and adopted by the District Safety Committee utilizing input from a security consultant who performed a broad review of general safety and security matters. The purpose of the Bond line-item, which is more narrowly focused than the consultant's study, is to address the threat posed by an attacker in a Sandy Hook type of scenario. Information in the consultant's report was distilled into the Security Standard that is being used to guide designs of the seven new school buildings and to prioritize improvements

that are feasible and affordable at existing schools. The District's Safety Committee is prioritizing the features in the Standard.

3. It would be good to add information in the section on the deviations from standards process (page 6) explaining who has final authority to approve a deviation and how that approval is recorded, including the reasoning behind the approval.

Explanation added.

4. I question the need for Section 5 (*now Section 6*), Additional Sources of Funding. I don't think this information belongs in a cost control plan.

Recommend leaving it in. Another Committee member's comment requested that this Section actually be expanded. Also, staff think it is relevant from the perspective of providing a strategy for delivering the whole program given the fact that costs are above the original budget. To the extent that there is public review of this Plan, it is important for them to read that there is a strategy, without impacting the General Fund or tax rates, to deliver the whole program. Staff think that a central purpose of a cost control plan is to ensure there is enough funding to accomplish this goal. Because of the budget status of this program, management of additional funding is essential to success.

5. I think Section 6 (*now Section 7*), on project cost estimates, could be improved by adding an explanation of who prepares cost estimates and when (e.g., at the concept level, the design level, and the final documents level).

Added.

6. The last sentence of the first paragraph in Section 6 (*now Section 7*) mentions "... a zero-based evaluation of the forecasted costs of the total program matched up with the total amount of the funding available." I'm not clear on what "a zero-based evaluation" is.

Changed.

7. On page 9 (*now page 11*), in the last paragraph in Section 6 (*now Section 7*), it is noted that the costs of William Walker and Hazeldale buildings can be forecasted with fairly high confidence. I'd suggest adding a sentence noting that site prep and off-site costs are less certain, particularly for William Walker.

Added.