

Alea School Board Meeting
Tuesday, September 6, 2022 6:30 PM Pacific

Alea School Library
301 South 3rd Street
Alea, OR 97324

1. Call to Order

Risteen Follett called the meeting to order at 7:00pm

2. Flag Salute

3. Approval of the Agenda

4. Review processes and procedures of public school building construction projects.

Consultants in Attendance:

Jason Hayes - ESD Superintendent

Frank Bricker - Vice Chair for ESD

Dave McKay -HMK Chair

The agenda was approved by Risteen Follett

Review Process and Procedures

Going over any changes and specifications on the bond project. Make this as successful as possible. The consultants have a vested interest in making this project run smoothly. Frustrations and questions from Board Chair and Vice Chair: Report Monthly - HVAC/Cafeteria - Hearing movement on the VOC project, but not hearing much else

Priority List:

Electric

HVAC

VOC Center

Kitchen/Cafeteria

The consultants care about the kids and want to see this project succeed. The first two priorities aren't visible, but are important. Some things don't get talked about because they (boards) want to cut meetings short to save everyone time, but that doesn't mean that they aren't getting done, Board reports are important to have to communicate the things that don't necessarily get discussed. These are important to help see what was discussed, what is up next, and to keep challenges in focus. Description, budget, ect. The reports keep up with transparency for the community. Help keep everyone in the know and up to date on everything going on in the project. Schools don't always do a good job at telling their stories and provide a service that makes it easier for the school. Communication is key. Helps keep trust with the community members through open communication through newsletters and email updates. Helps to prepare for the next bond that comes up in the community because it's inevitable that growth and expansion happens. Have to set a legacy with the community's memory.

The communication helps to show the successes and challenges that the school faces during the bond project.

Makes it easier to make changes as they arise during the bond process. Deb Lindberg said the original plan was this large project, but is now a constant let down because of what has happened. It feels like the community is very let down.

Something to consider: Sometimes it's good to name the frustration so people know that we (board) commiserate with them. Our (board) frustrations are their frustrations as well. Not a linear set of properties anymore.

David McKay stated that this is the most difficult time of his career right now, unprecedented inflation. Everyone is feeling it right now. There are issues on every front with labor, supplies, materials...it goes on and on.

Ryan Van Leuven. We need a time when we will see the budget for the project, Risteen stated we need to see a timeline as well. We don't have any of these things.

You need a project manager who is your sole person, your owners manager/just represents you.. One: you should have had all these things from the beginning. Daily/Weekly/Monthly meetings should be happening. You need to have someone who has the big picture in mind and keeps everyone on plan. That way you can find and fix the issues when you know your budget. GET A PROJECT MANAGER. There are costs associated with this, but it's a must to get the best outcome. Project manager takes the beating for the school and makes sure that the architect stays on plan for what's best for kids. Someone who is on your side.

Budget documents with hard costs and soft costs are a must. You have to have these and will never see it from our accounting department. Need someone to translate the documents. Makes it easier to ask the tough questions for the board. Gives them the most up to date and accurate information.

Deb Lindberg stated: Our bond is small, making it rough to fork out more money for a project manager. You need someone to get hard nosed or someone in place already to do that. Sean knows they cost money. However, they always save their salary plus more in his experience. Risteen Follett said she has had the question asked multiple times as to who our project manager is, Scott Marshal is our project manager. Ryan Van Leuven asked what we could do to get going in the right direction, since we started out going the wrong direction. Dave McKay said 6 weeks is the typical turn around time. Ryan Van Leuven asked what's the market average? Dave McKay said it's agreed upon amount usually 2 - 3.25 percent for the entire bond. They develop a fee on how much is going into the project. Risteen Follett asked how much time it would take to restart these projects. Dave McKay said we need someone who will come in and take the hard knocks and work with everyone, someone who can hit the ground running to move forward. Humility is a big piece of someone who you need, someone who won't burn the bridges already established. All depends on the lead time right now and what the cost might entail.

Ryan Van Leuven said we (Board) put a stop to the project as of right now because we didn't have what was voted on. No budget has been given as of yet. Need a GMP. Should have seen it by now, however it could have been given, just not filtered to a place where it can be seen. Risteen Follett stated the community does see HVAC as a "big thing". We don't have a way to keep our kids appropriately warm or cool, and no plan in place to fix this as of now.

Do you know where we are with ESSER funds? \$300,000 to be used for HVAC and can we use them for that.? Dave McKay has learned that you don't want to pay someone to come fix it constantly, you need something that is easier to fix or can be done locally. School closures are not something that is acceptable.

Jason Hay asked if Scott Marshall has already designed the HVAC System? The answer is Yes. Has it been put out to bid yet? No, struggling getting that done. You should have someone (whoever you get to manage your project) have someone local look at the design to make it work for the "local flavor", might get more people interested in getting it to work. It's possible that the Architect has made something that is undesirable to local contractors to work with. Have to build the relationship with local subcontractors to make the project work. Ask CB the hard questions about what they have done to build the relationships to make it work.

Risteen Follett HVAC system, how do we ask (without a project manager) to make sure we are getting the contractors getting the local people interested? You can ABSOLUTELY direct the contractor to reach out to locals and where they should be looking. The contractor works for you, they should be doing as they are directed. You can tell the contractor whatever will work best for your school. Risteen Follett asked what are the Metrics for hiring?

Deb Lindberg asked what is the exact design that you are trying to build for Alsea? Ask why there are no local bids.

Jason Hay tell us about the outreach you have done with local contractors?

CMGC process is highly selective for each package for the scope of work to be done by the subcontractors. You can then tell the CMGC that they need to find more bids to make things more competitive. This process makes it more ethical for finding the best price. Best value is determined by RFP. GMP needs to be itemized and have complete lists of all bids with rationale as for the why. Make a demand that they do this and you see it.

Dave McKay said create a GMP: drawings are 100% complete, all aspects are finished and complete, contractor takes that and breaks it down by trade bids, that is then put out for electronic bids, hard close dates and time, General contractor then goes through that and determines the best value for all the individual packages, makes sure there are no holes, then they come to the board and present a total bid for the project.

To pause the project which has been done, and you state you would not move forward without the GMP. There is too much risk for all those involved.

Sean please address the financing piece. LBLES D had to go out for a mortgage, 4-5 months, secured 7 million to secure the project. Justification was that it was work that had to be done, do it now/right and can spend less over time to make up the cost. It wasn't hiccup free, but it got done the best that could be done.

Challenges from a board perspective: most boards don't deal in million dollar projects, it was something they had to wrap their brains around. They had to come back multiple times to make it fit into their budget. Inflation was rough, but had to just say tough and do it to get what was needed done.

Part of the process is to talk through the spending process and know that you have to spend the money now to save money later. To do what's right now instead of fixing the problems later for more money. Future proof things.

Ryan Van Leuven stated we have till 2024 to get this done without losing funds. ESSER and OSCIM will be gone at the beginning of '24.

A reasonable expectation as to spending the money (85% of the funds) you can put a rationale in the contract that explains why you couldn't spend it.

Risteen Follett stated that the board gets in loops where we can't move forward with projects without the information that is requested.

Jason Hay says communication is key, but you have to be transparent and communicate what you're doing at every turn.

Ryan Van Leuven, if we hire a project manager now, should we be OK with our timeline?

Dave McKay: You should be ok with all the plans that are ready to go now.

Sean Gallagher said; they have been going out for bids for some time, but they haven't seen them. They just need to be shared.

Dave McKay said to be empowered to ask tough questions. There are no dumb questions. People need to get comfortable in asking and answering tough questions. Ask repeatedly and frequently until you get the answers.

**Risteen Follett stated we need to build relationships with local contractors
Need a budget**

Sean Gallagher can be a "Jason", but he can't be a "Dave". He doesn't know the construction side of things. Need someone who speaks "Contractor".

Dave McKay: if it's less than \$100,000 then it's an appointment and doesn't need to be bid on. You can go out and hire someone directly.

**5. Adjourn
Adjourned 8:20pm**

Risteen Follett Board Chair Date Sean Gallagher Superintendent Date