

**MINUTES OF THE MEASURE BB OVERSIGHT COMMITTEE
MANHATTAN BEACH UNIFIED SCHOOL DISTRICT
325 S. Peck Ave., Manhattan Beach, CA 90266
November 9, 2009
7:00 p.m.**

The Members of the Measure BB Bond Oversight Committee held its regularly scheduled meeting on Monday, November 9, 2009, at 325 S. Peck Avenue, Manhattan Beach, California. The following were present:

Members of the Committee Ed Lear, George Reppucci, Michael Kling, Tim Lilligren, Kathleen Paralusz (absent), Kimberly Robinson, Noel Palm, Rod Spackman (absent), Tim Flake (absent), Tony Gonzales, Gary Osterhout, Robert Daviduk (absent), & Rachel Vandenberg .

District Personnel Steve Romines, Linda Huber

Board of Trustees Ida VanderPoorte, Bill Fournell

Call to Order The meeting was called to order by Mr. Lear at 7:03 p.m.

Pledge of Allegiance The Pledge of Allegiance was led by Mr. Lear.

Announcements and Communications No public comments were made.

Presentation 1. Board of Trustees Update on Bond Project

The final Master Plan Framework report was distributed and presented by Mr. Fournell and Ms. VanderPoorte. This report represents the deliverables and results of the first phase of architectural services. Award of contract for architectural design has not yet been made. No submissions have been made to the Department of the State Architect (DSA). Key elements of the Master Plan were highlighted and discussed.

Community input indicated that the best location for new parking lot shown along Meadows Avenue in the Master Plan is at the location of current tennis courts adjacent to Artesia Boulevard. Measure BB funding does not provide for relocation of sports facilities, so separate funding through Manhattan Beach Athletic Foundation (MBAF) may be sought to accomplish this objective. MBAF is currently preparing a master athletic plan, which would be melded with the Measure BB plan. Timing and interrelationships between these plans are critical to ensure that plans are integrated. District is obtaining cost estimate for tennis court relocation, which work would need to be accomplished in first phase of Measure BB program. Financial commitment from MBAF and District approval are required to ensure no schedule impact to start of Science building design and construction.

The Master Plan incorporates program clusters to collocate academic departments within the campus. The square footage commitment made by Measure BB is met. The program includes phased construction to minimize

impacts to campus during construction.

Mr. Romines reported that upcoming milestones will include (1) November 18, 2009 - direction from Board on Master Plan and (2) January 2010 – Board approval of architectural contract, which is currently under negotiation. Value of the contract is anticipated to be eight to ten percent of construction cost, per industry standards. The contract award follows competitive selection of the architect using a formal request-for-proposal process prior to the master planning phase.

Mr. Lear suggested that the BOC would like to provide advisory review and opinion on the architectural contract, since it will exceed the \$500,000 limit defined for such review at earlier BOC meetings. The District will provide BOC members with the draft contract with sufficient time for the Committee to review and comment prior to award. BOC will present its opinions at the January Board meeting in advance of contract action.

Mr. Gonzales suggested that scope, schedule and cost will be key elements of contract of interest to the Committee. Mr. Reppucci expressed concern that architect be held responsible for designing within budget. The Committee recommended that the contract require the definition of probable construction costs at each phase of design. Inclusion of a design-to-cost clause would also require the architect to redesign the work at no cost or reduced cost if bids exceed the defined budget.

Some concern was expressed over representation and control of contingency. The architect's "opinion" estimates in the Master Plan have included contingency within each building cost; no contingency has been applied to construction support costs. The total contingency presented in the Master Plan, therefore, is only about 14% -- not 20% -- of the budgeted costs. Mr. Reppucci noted that contingency should be managed by MBUSD staff and the School Board, not by the architect. The Committee requested that the Master Plan estimate be adjusted to segregate contingency as a separate line item. Ms. Vandenberg suggested that future estimates should include two levels of contingency: design contingency, which reflects the completion-level of the design over time and is reduced as the design progresses; and project-level contingency, which accounts for uncertainties that cannot be reasonably estimated. Mr. Fournell noted that an independent cost estimate and constructability review will also be performed, as recommended by the previous bond oversight committee.

Ms. Vandenberg noted that terms of half of the BOC will expire in December. Mr. Lear requested that Mr. Romines contact members whose terms will expire to solicit their interest in continuing their service to the Committee so that the Board can reappoint those members to a new two-year term at the December meeting. This is required to ensure that a quorum can be achieved in January.

2. Subcommittees

Mr. Reppucci presented four potential subcommittees to be identified within

the BOC. These included: contracts; architecture/engineering; financial/business; and project management. Mr. Lear expressed concern that it may be premature to define subcommittee structure. Mr. Gonzales proposed that the BOC identify ad hoc committees to address needs as they arise. Mr. Osterhout concurred that he valued the broader discussion with full BOC. Mr. Lear proposed, and the Committee concurred, to move forward with an ad hoc committee approach at this time. Definition of formal subcommittees may be a future action by the BOC.

Mr. Osterhout expressed that the Committee needed to remember its oversight role and avoid micromanaging the Measure BB program. Management of the program is the responsibility of the District, to whom the Committee must look for information. Mr. Palm was concerned that the Committee may be focusing too much on the design, which he did not believe was the Committee's role. Ms. Vandenberg and Mr. Reppucci suggested that review of design objectives is an important responsibility of the BOC to ensure that the Measure BB program meets commitments made to voters.

Committee Business

Mr. Lilligren moved to approve the minutes of the May 11, 2009 meeting of the Bond Oversight Committee. The motion was seconded by Ms. Vandenberg and the minutes were unanimously approved by the Bond Oversight Committee without amendment.

Mr. Reppucci submitted a written one-page addendum to be attached to the minutes of the October 5, 2009 meeting of the Bond Oversight Committee. Mr. Osterhout moved to approve the minutes, with addendum. The motion was seconded by Mr. Palm. The October 5, 2009 minutes, as amended, were unanimously approved by the Committee.

Public Comments

None

Items for Future Meetings

Mr. Lear requested input from Committee members on items for future meetings.

Mr. Osterhout asked whether list of projects defined in the Master Plan was consistent with July 2008 Board action. Mr. Romines reported that the list had been reviewed against requirements by qualified legal staff.

The Committee requested that District staff provide reports on program timeline, budget status, and progress at future meetings. Mr. Osterhout underscored the importance of written reports, even though they are subject to change and refinements. Mr. Reppucci requested a format for future budget reporting.

Ms. Vandenberg requested that the upcoming meeting include discussion of the format and contents of the BOC quarterly reports to assure that the Committee is meeting its obligation to the Board.

The next regularly scheduled meeting will be held in December, to be timed

to match review of draft architectural contract when it is available.

Adjournment

Mr. Reppucci moved to adjourn the meeting at 8:25 pm, seconded by Mr. Kling and unanimously approved by the Bond Oversight Committee.