

**MINUTES OF THE MEASURE BB OVERSIGHT COMMITTEE
MANHATTAN BEACH UNIFIED SCHOOL DISTRICT
325 S. Peck Ave., Manhattan Beach, CA 90266
October 5, 2009
7:00 p.m.**

The Members of the Measure BB Oversight Committee held its regularly scheduled meeting on Monday, October 5, 2009, at 325 S. Peck Avenue, Manhattan Beach, California. The following were present:

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| Members of the Committee | Ed Lear, George Reppucci, Michael Kling, Tim Lilligren, Kathleen Paralusz (absent), Kimberly Robinson (absent), Noel Palm, Rod Spackman (absent), Tony Gonzales, Tim Flake, Gary Osterhout, Robert Daviduk, & Rachel Vandenberg (absent) . |
| District Personnel | Dr. Steve Romines and Linda Huber |
| Board of Trustees | Ida VanderPoorte |
| 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 | Mr. Romines introduced Mr. Tim Flake. Mr. Flake is replacing Mr. Menkes, who resigned due to moving out of state. |
| Committee Business | None |
| Public Comments | None |
| Presentation | <p>1. Lessons Learned from Previous Bond Oversight Committee</p> <p>Mr. Repucci gave a presentation on “Lessons Learned” with Excerpts from MBUSD Measure M BOC Report August 18, 2004. Mr. Lear asked for clarification on whether the editorials were from the 2004 report or from Mr. Repucci. Mr. Repucci sated that the findings were from the report and some of the suggestions and editorials were from Mr. Repucci. (Mr. Reppuci requested that attached document be included as an addendum to the minutes)</p> <p>Mr. Romines was asked to give a brief update on the bond. Mr. Romines updated the committee on the bond sale that took place this summer Mr. Romines stated that the Board wants to keep the committee apprised of the Mira Costa Master Plan Community Workshops. Mr. Romines asked Mr. Gonzalez to update the committee on the Community Workshops as he attended the meetings and himself is an architect. Mr. Gonzalez updated the committee on the Community Workshops. Mr. Gonzalez stated that he feels the architects are good listeners and have developed good ideas. We are still at the Master Plan phase and are not yet at the design phase. Parking displacement is an issue that needs to be addressed. They are looking at a multi-purpose building/arts/band classroom. Mr. Gonzalez felt this type of building would be highly used and needed. The Community Meetings were</p> |

well attended. Mr. Gonzalez stated that the Master Plan is about 85% complete at this time. Mr. Daviduk asked if there was any stimulus money available for green buildings. Mr. Osterhout expressed concern about tracking each project into the bond. The first draft of the Master Plan will be presented to the Board in November. The Bond Oversight Committee should plan on attending the meeting.

Items for Future Meetings

Items for future meetings were discussed. Items for the next meeting will include bond update and subcommittees.

The next regularly scheduled meeting was proposed for November 9. Further information to follow.

Adjournment

Mr. Repucci moved to adjourn the meeting at 9:12 p.m., seconded by Mr. Daviduk and unanimously approved by the Bond Oversight Committee.

The October 5, 2009 Meeting Minutes fail to include comments and discussion during my Lessons Learned Briefing that need to be captured for the BOC record as follows:

1) The Lessons Learned Briefing needs to be made a part of the public meeting record and available to the MBUSD Board

2) With expenditures now underway, Measure BB Project financial/accounting spreadsheets are required with monthly updates for review by the BOC. The spreadsheet format should include, but not be limited to, data on revenue sources related to expenditures, budgeted funds, actual costs, forecast cost, cost to complete estimates, change activity/cost, and budget contingency status.

The August 2004 Measure M Committee Report Exhibits A through C are good examples of such spreadsheets. Note that the Measure BB spreadsheets will be much simpler as the Measure BB MCHS Project is less complex than that undertaken by Measures A/M.

3) Constructibility reviews and value engineering are necessary for project success and should be conducted when architectural design drawings and cost estimates are available prior to initiating the construction bid process.

4) A construction manager should be appointed now to review the project and ensure expansive design and work scope is controlled in accordance with available funding.

5) The MBUSD Board should only approve site facility committee requests if revenue/funding sources are identified to accommodate the requested design features/changes.

6) Building cost per square foot estimates need to allow for construction support and contingency. The architect and contractor estimates need to be transparent and show construction cost estimates, construction support and contingency as separate items in their estimates.

7) Contingency was not applied to the construction support costs (\$ 9.5M) in the 10/16/2008 General Obligation Preliminary Budget (also shown in the November 2009 Master Plan). Such costs are not fixed and need contingency applied similar to the total Bond Project value of \$37.7M which *has* \$7.6M contingency (20%). Otherwise the claimed Measure BB contingency of 20% is in reality just 16% (i.e. $\$37.7\text{M} + \$9.5\text{M} = \$47.2\text{M}$; $\$7.6\text{M} / \$47.2\text{M} = 16\%$). Based on Measures A & M experience, more than 16% needs to be allocated for contingency.

8) The Measure BB Preliminary Budget (10/16/2008) needs to be updated to be consistent with the Master Plan for reference by the BOC Committee and the MBUSD School Board.