

**MINUTES OF THE MEASURE BB OVERSIGHT COMMITTEE
MANHATTAN BEACH UNIFIED SCHOOL DISTRICT
325 S. Peck Ave., Manhattan Beach, CA 90266
January 11, 2010
7:00 p.m.**

The Members of the Measure BB Bond Oversight Committee held its regularly scheduled meeting on Monday, January 11, 2010, 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, Kimberly Robinson (absent), Noel Palm, Rod Spackman, Tim Flake, Tony Gonzales (absent), Gary Osterhout, Robert Daviduk, & Rachel Vandenberg .

District Personnel Steve Romines

Board of Trustees Bill Fournell

Call to Order The meeting was called to order by Mr. Lear at 7:04 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

Mr. Fournell updated the Committee on the activities undertaken for the Bond Program since the last meeting. A Request For Proposals (RFP) was issued for Construction Management services on December 7, 2009, with several proposals received by the District on December 21, 2009. Initial screening has been completed and interviews with shortlisted firms are now being scheduled. Mr. Fournell noted that there are some issues that need to be resolved between the scopes of the Architect and the Construction Manager.

A summary status of Bond Program budget and schedule was not available as requested by the Committee at its last meeting. Mr. Osterhout, Mr. Reppucci, and Mr. Flake reiterated the importance of regular District reporting to the Committee on Program budget and schedule. Mr. Romines will provide these reports at the next Committee meeting.

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.

Committee Business 1. Input from Bond Oversight Committee to Board Subcommittee on Architect's Contract

Mr. Lear noted that the Committee members had received the draft agreement for Architect services. Ms. Vandenberg and Mr. Reppucci provided written comments, which they reviewed with the Committee. Copies of these written comments were provided to the Committee for discussion [see attachments].

In addition to the written comments, Mr. Flake noted that the contract mentions CEQA coordination and soils investigation but does not clearly establish Architect roles, including Phase I environmental site assessments that are used to identify potential hazardous materials. Mr. Spackman noted, given the current economic condition and competitive environment, that the rate structure for potential Extra Work should reflect 2010 rates that are not escalated over rates proposed by the Architect for 2009. A maximum escalation of rate ranges for years beyond 2010 should also be established. Additionally, the proposed 5% mark up should be clarified or eliminated. LEED® objectives have not been established.

The primary comments and concerns regarding the Architect agreement as drafted included:

- Lack of clear delineation between roles and responsibilities of Architect vis-à-vis the Construction Manager. The proposed fixed price compensation for the Architect includes the complete range of services from Schematic Design through Close Out. Separation of fee for construction phase services is recommended, particularly in light of the need for clarity of the Architect's role during construction.
- Exclusion of certain services from Architect scope: CEQA review, Phase I environmental assessment, asbestos/hazmat analysis, soils investigation, field surveys. These are important services that will be required by the Program to complete design. Who will provide these investigations and analysis?
- Contingency management. While the contract includes design-to-cost terms that have been recommended by the Committee, greater clarity is needed in the definition of both the target construction price and the design contingency. The Committee recommended that a higher design contingency be specified at the Schematic Design, Design Development and 50% Construction Documents phases for a budgetary approach that is more consistent with industry standard and more conservative than currently proposed.
- Scope clarification. The scope of work should establish the current master plan as the point of departure for the Architect services, including definition of planned phasing of construction.

The Committee discussed the appropriate method of communicating its comments to the Board and what final review of the Architect agreement should be performed. Ms. Vandenberg's and Mr. Reppucci's written comments have been provided to Board members. It was agreed that Ms. Vandenberg and Mr. Reppucci would also attend the 6:30pm January 13, 2010 Board meeting to be available to respond to Board member questions.

Mr. Romines will provide the Committee members with a redline copy of agreement revisions for review. Ms. Paralusz noted that as the Committee's role is advisory, it is the responsibility of the Board, not the Committee, to direct District staff on what changes should be incorporated into the final agreement.

Mr. Lear and Mr. Romines reminded Committee members that all communications should be made through Mr. Romines, who will distribute to Committee members as appropriate and in compliance with Brown Act requirements.

2. Approval of November 9, 2009 Bond Oversight Committee Minutes

Mr. Spackman moved to approve the minutes of the November 9, 2009 meeting of the Bond Oversight Committee. The motion was seconded by Ms. Paralusz. During discussion, Mr. Reppucci noted the required correction of a typographical error in the last sentence of the second paragraph of the Board of Trustees Update on the Bond Project, correcting "not" to "no." With this amendment to the motion, the minutes were unanimously approved by the Bond Oversight Committee with the proposed correction.

Public Comments

None

Items for Future Meetings

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

1. Mr. Flake and Ms. Vandenberg will prepare a draft Quarterly Report for Committee action at the next meeting.

2. The content and format of Bond Project budget and schedule reporting will be included in the agenda of the next Committee meeting.

The next regularly scheduled Committee meeting will be held on February 8, 2010.

Adjournment

Ms. Paralusz moved to adjourn the meeting at 8:59 pm, seconded by Mr. Daviduk and unanimously approved by the Bond Oversight Committee.