

LA CANADA UNIFIED SCHOOL DISTRICT
MEETING OF THE BOND OVERSIGHT COMMITTEE

January 13, 2006

**4490 Cornishon Drive, Round Building Conference Room
La Canada, California 91011**

The meeting was called to order at 8:37 am by Committee Chair, Craig Steele.

ROLL CALL

Those in attendance were:

Craig Steele	Julie Markowitz	William Choi
Mike Leininger	Barry Franzen	Robert Louk
Celina Lew	Jim Stratton	

Melissa Schiller arrived shortly after the meeting started.

Not in attendance:

Susan Boyd
Terry Walker

Dr. Leininger introduced Tim Ballard, Tib DeMartino and David Charles.

APPROVAL OF AGENDA

It was moved and seconded (Franzen/Markowitz) to approve the agenda. The motion to approve the agenda was adopted unanimously.

APPROVAL OF MINUTES

Mr. Steele reported the minutes of the October 13, 2005 meeting of the Bond Oversight Committee were distributed to the committee members in advance for review. It was moved and seconded (Choi/Franzen) to adopt the minutes of the October 13, 2005 meeting. The motion to approve the minutes of the October 13, 2005 meeting of the Bond Oversight Committee was adopted unanimously.

AGENDA

Communication process and information dissemination

Mr. Steele stated he called this meeting due to some statements made at the October board meeting. Mr. Steele reported he recently met with Mr. Stratton and Dr. Leininger to talk about the committee's frustration on the lack of communication with the committee.

Mr. Stratton announced the aim of the governing board and district in construction issues is to communicate as much as possible. Mr. Stratton's personal goal is to strengthen communication with the committee. Mr. Stratton has not sat on this committee very long. However, based on his conversation with Mr. Steele, staff, the governing board and the community Mr. Stratton proposed: 1 - each time a Summary Budget Status Report goes to the board, it will be sent to the Bond Oversight Committee. This report provides very important information about various stages of construction projects. 2 - bring the committee together whenever the 50% drawings increase 15% above the OPC. 3 - if the bid is 15% more than the 100% estimate the committee will meet prior to taking the bids to the board for approval. Mr. Charles reported bids are good for approximately 60 days. Projects 1 – 8 on the Summary Budget Status Report are based on the letters from the site committees. The current million total cost figure should be valid through April 06. 4 – include the BOC chair on monthly construction meetings with Board and district reps. 5 – include BOC members on Governing Board agenda and minutes email lists.

Mr. Louk would like to add more detail on the overall picture of construction to the report, including the percentage of completion of each project.

Dr. Leininger stated he is working on an executive summary, which will be a construction update in narrative form.

Mr. Stratton reported that Dr. Leininger meets weekly with PCM3 and Osborn to review the status of the projects. Once a month, two board members and the BOC chair will attend the construction meetings. The Chair will then bring that information back to the committee.

Mr. Stratton announced he has asked Mr. Louk to be on a committee that will recommend what to do with the district office property. This will be another line of communication for the Bond Oversight Committee.

There are also additional documents that can be sent if the committee thinks they will be valuable. Dr. Leininger went through the packet distributed to the committee. Included in the packet is the LCUSD Bid Pack Log, Each project is broken out showing the project budget and the actual bid amount.

Dr. Leininger reported that not all funds for the projects are coming from the original \$15 million bond. There is some state money and developer fees that are being used as construction dollars. Mr. Louk asked if the district could use other funds on projects that were originally designated from bond dollars.

Dr. Leininger reviewed the Construction Soft Costs Summary and the Budget Estimates. Mrs. Markowitz would like a simplified way of understanding where the revenue is coming from. She also wants a clear understating of where we stand in completing the projects, what will be dropped and what can completed because this is what the community wants to know.

Mr. Franzen requested information on any changes made to the Palm Crest and Paradise Canyon projects. With the increase in construction cost for the projects, the community needs to have a discussion on whether the district continues to do these projects. Mr. Steele said it is important that

the committee and the board communicate with the community and see whether or not they want to maintain these priorities. There is time not to make the same mistakes we made last year. Mr. Steele wants as much information as possible brought to the committee.

Dr. Leininger reviewed the LCUSD Construction Projects. Mr. Franzen asked if we had damage clauses in the contracts for the projects. Mr. Charles stated there are liquidated damages in the construction contracts. Mr. Franzen asked about downtime of contractors. Mr. Charles responded.

Report on monthly architect meeting

Mr. Steele reported on his attendance at the recent construction meeting. Mr. Steele stated that the actual construction drawings will be available for public review in hard copy form at the construction trailer starting on Monday. The drawings will be available to the community for one week. The district is planning on releasing an addendum to the bid packets. The public will be notified through the site committees. The site committee members are the targeted public for the review. This will give them a week to review the plans. It was requested the district follow up to make sure this information is communicated to the site committees.

Mr. Steele reported preparations are continuing for going out to bid on LCHS Building B and Band Room, PCR and PCY projects. Bidders are not as busy right now. Hopefully, the district will get good bidders and a good number of them. The notices were sent out on Tuesday of last week and will go out again Tuesday next week. Plans are available for contractor review as of Monday. The end of the bid process is February 16th. The committee will meet prior to that time. If the bids come back significantly high the board and the committee will have the time for further discussion.

Mr. Franzen asked if there was a change of scope on the district office project from what was given to the committee 8 months ago. Mr. Charles reported this is the same scope as reported to the committee in the schematics.

PCR, PCY and LCHS Band Room bids

Mrs. Markowitz asked if the district has the funds for the PCR, PCY and LCHS Band Room projects. Mr. Steele reported that Dr. Loose will bring a breakdown of the funds and what is available at this time to the 26th meeting.

Mr. Stratton asked PCM3 and Osborn to discuss the increases in the Palm Crest and Paradise Canyon projects.

Mr. Charles reported that the original schematic design figures were based on the figures given at the allocation meeting. There was approximately \$1.7 million for the Palm Crest project and \$1.8 million for the Paradise Canyon project. The schematic design figures included 15% contingencies.

There was a lack of communication from PCM3 to the estimator on the square footage for the PCR and PCY projects. The lunch shelters were not included in the 50% estimate. Those figures should have been \$2.4 million and \$2.5 million. The difference now between those figures and the two

figures carried forward are due in large part to increase in construction costs: concrete and steel, labor and fuel costs.

There was concern regarding the cost of the projects at this time. The PCR project has increased to \$3.3 million and the PCY project has increased to \$2.9 million. Several members of the committee expressed concern about the increase in the costs of these projects. Mr. Franzen made a comment about the budgeted cost of construction from the architect.

Mr. Ballard reported on the increase. There has been discussion on scaling back the project at PCR. At the weekly meetings there has been discussion on what can be eliminated. Mr. Stratton stated that the district is requesting what all of the options are and what are the funding implications. Osborn will bring this back to the board and the committee. A recommendation will be sought from the committee to the board. Mr. Steele requested information on how much has been spent on the project so far.

OPPORTUNITY FOR PUBLIC COMMENT

None

COMMUNICATIONS

It was requested the meetings begin at 7:30 a.m. from now on.

DISTRICT OFFICE TOUR

The committee took a brief tour of the district office facilities.

ADJOURNMENT

There being no further business to discuss the meeting was adjourned at 10:20 am.

The next meeting of the Bond Oversight Committee is scheduled for January 26, 2006 at 7:30 a.m. at 4490 Cornishon Drive, Round Building Conference Room in La Canada, California 91011