Commitment, Excellence, Community

SCHOOL BOARD WORK SESSION

MINUTES

Monday, June 16, 2014, 7:00 p.m.

1.0 CALL TO ORDER
The work session of the Pleasant Hill School Board was called to order by Chair John Oldham at 7:00 p.m., as stated in the public notice of the meeting. Other board members in attendance were Vice Chair Kevin Parrish, Wylda Cafferata, Curt Offenbacher and Barbara Orrc. Others in attendance were Tony Scurto, Superintendent; Caroline Passerotti, Business Manager; Randy Fisher, High School Principal; Thad Holub, High School Assistant Principal; Devery Stoneberg, Elementary Principal; and Connor Baker, Student Representative.

Wylda Cafferata read the Mission Statement aloud.

2.0 INTRODUCTION OF AUDIENCE
Tanner Perrine, Project Manager with Lease Crutcher Lewis; Bruce Patterson, Maintenance Lead; and Darlene Baker, community member, introduced themselves.

3.0 ADDITIONS OR DELETIONS TO THE AGENDA
There were no additions or deletions to the agenda.

4.0 NEXT STEPS IN BOND PROCESS
Superintendent Scurto distributed a paper entitled Notes on Bond Process and summarized information shared with him by superintendents from Mt. Angel School District, Fern Ridge School District, Cascade School District, Banks School District and Philomath School District as well as Jim Howard, former Superintendent from Pleasant Hill School District. References for both the DLR Group and Scott Rose were favorable. (Please see handout for details.) The Fern Ridge Board recently voted to continue with DLR Group to implement their capital program. He indicated the Board’s challenge was to figure out the next step for Pleasant Hill School District.

Kevin Parish suggested that that the next step could be affected by contract delivery method chosen, either Design/Bid/Build (a.k.a., “Hard Bid”) or Construction Manager/General Contractor (CMGC), and said he thought either method would work. He observed the CMGC model is becoming more common and believed it would work
well for Pleasant Hill. Mr. Parrish reviewed steps involved in the design process or scheduling and stated that he thought CMGC provides the owner with a greater level of involvement and more flexibility for addressing design problems.

Curt Offenbacher believed the first decision was whether to continue with DLR Group or issue requests for proposal (RFP) for project manager and architect. He was very concerned with the effects of a delay if the District issued RFPs, expecting a two-month minimum process to advertise, receive and review proposals, conduct interviews and make selections. He was also concerned about the District’s ability to identify the best candidates among proposers, with price excluded from consideration for professional services contracts and selections based on qualifications. While he was inclined to continue with DLR Group, he noted that they do not use local contractors. Mr. Offenbacher suggested that if we did stay with the DLR Group, we might ask whether they could use local firms.

Superintendent Scurto distributed a tentative project schedule proposed by the DLR Group. He noted that there are steps outlined for June through August and that time diverted for an RFP process would delay these steps. He said it was important to know whether delaying these steps would negatively impact our process.

Mr. Offenbacher said it would be important to get committees involved in the design process soon and determine who was looking out for the District’s interests. He noted the benefits of early contractor involvement under the CMGM model. He also stated his interest in identifying a good construction manager who knows the industry.

Mr. Scurto shared that Banks School District’s capital program came in $400,000 under budget. In response, Mr. Parrish and Mr. Offenbacher discussed ways to incent contractors to come in substantially under budget using the different models.

Mr. Offenbacher reported on a recent conversation he had with Jon Lauch, Facilities Director for Eugene School District. Eugene uses the Hard Bid process for all their capital projects, and they maintain their own project management staff. Mr. Lauch is not aware of big savings from using the CMGC model. He recommended hiring a construction manager and then deciding on the contract delivery method.

Mr. Scurto indicated he will be meeting with Bill Hirsh, former Facilities Director at Eugene School District and former Project Manager for Pleasant Hill, on Wednesday, June 18. He expects Mr. Hirsh to speak highly of the CMGC process given his role in advancing that method around the state.

Mr. Parrish noted that the Pleasant Hill Community Center was built using a CMGC process. He believes the owner has more control under CMGC and has the ability to limit the number of change orders with a greater amount of time put into design on the front end.
Mr. Scurto said initially he had been inclined to open up the selection to competition with an RFP but is willing to reconsider continuing with the DLR Group in the absence of any negative references or problems reported by other districts.

Ms. Cafferata shared that a colleague on the Banks school board said they were very satisfied with the DLR Group and were pleased with the smooth process. She noted the benefits of continuing with a firm that knows our district from having worked with us the past year and a half.

Mr. Parrish said his original thinking was to go with a competitive process but that he was willing to consider continuing with the DLR Group.

Board members discussed the range of activities required if they decided to issue an RFP for architect. It was clarified that the district owns the current plan, which includes square footage and costs, and can share that information as needed with other parties. It was also considered that a number of the processes performed to date might need to be repeated if a new architectural firm were hired.

Mr. Offenbacher and Mr. Parrish raised a concern about the DLR Group’s capacity for managing capital programs at Fern Ridge and Pleasant Hill simultaneously. Mr. Scurto reported that Banks School District had been satisfied that they had received the firm’s full attention. He agreed to clarify with Mr. Rose who the team members dedicated to the two school districts would be and whether capacity might be an issue.

Mr. Oldham stated that the District did not owe the DLR Group anything moving forward and that ideally the District would go out with an RFP for architect. He noted that the DLR Group had scored highly in the District’s earlier solicitation and would likely score highly again given our recent experience. Going through a lengthy RFP process might result in the selection of the same firm, two months later. He observed that we might be able to make that time up but preferred to spend time on a careful design process for a project that would serve our students for the next 50 years. He also expressed his interest in having more references from clients of the DLR Group.

Mr. Scurto agreed to request more references and also identify what other districts had liked about their architects.

Points were made in response to concerns about adequate checks and balances. It was understood that a careful design process would be required in order to achieve a quality outcome, and that this would take time. Mindfulness of the effects of cost inflation was also urged. Ms. Cafferata observed that we don’t want to rush, but we don’t want to waste time either.

Ms. Orre stated that an advantage to working with the DLR Group was that they have a team experienced with working together. She asked whether we might request that the DLR Group use local contractors.
It was noted that this could be part of contract negotiations with them but urged that public contracting rules be observed.

Ms. Orre stated she thought it was important to make an effort to address interests of our community and ask for a local preference to the extent possible.

Mr. Scurto said he could check in with initial committee members who selected the DLR Group to see what stood out for them about this firm. He had heard positive comments about Mr. Rose and Tim Ganey, the design lead proposed for our district, from other schools districts.

Mr. Scurto asked what the Board would like to know about project manager selection, in reference to his meeting with Bill Hirsh later in the week.

Several board members expressed interest in hiring an independent project manager who would represent the District’s interests throughout the bond program. It was observed that the DLR Group proposal identified Mr. Rose as project manager. Mr. Scurto agreed to clarify with Mr. Rose whether his firm had worked with independent district project managers and how that worked. It was observed that the DLR Group proposal estimated project management costs at $72,000 if Mr. Rose plays that role. Mr. Parrish estimated it could cost approximately $218,000 if an independent project manager were hired.

It was concluded that the Board would decide whether to hire an independent project manager to represent the District’s interests at the next Board meeting. Mr. Scurto expressed his interest in hiring support staff to oversee the details of the construction program so he could retain his focus on the instructional program. He will follow up on how other school districts have performed the project manager role.

5.0 FUTURE BOARD MEETINGS
Budget Hearing and Board Meeting. PHCC – June 23, 2014, 7:00 p.m.

6.0 ANNOUNCEMENTS/OTHER
There were no announcements.

7.0 ADJOURNMENT
The meeting was adjourned at 8:30 p.m.

Signed: John Oldham, Board Chair

this 15 day of July, 2014