

Bond Oversight Committee Quarterly Report Q4 – 2018
TaxWatch Recommendations & Staff Responses

SMART Program Quarterly Report Review for the Quarter Ended June 30, 2018

SECTION 1 --- TECHNOLOGY SBBC SCHOOLS

RECOMMENDATION 1

TaxWatch recommends that, beginning with the Q1 2018-19 Bond Oversight Committee Report, the Chief Information Officer begin reporting the status of these 6 new technology projects.

RESPONSE:

Information & Technology will provide project status updates for all technology projects including the 6 new projects started in 1st Quarter ending 9/30/18.

SECTION 2 --- TECHNOLOGY CHARTER SCHOOLS

N/A

SECTION 3 --- MUSIC & ART EQUIPMENT

RECOMMENDATION 2

TaxWatch recommends that the Chief Academic Officer explain to the Bond Oversight Committee the reason for the apparent delays in completing the theater equipment orders at 28 schools. Further, the Committee should make clear its expectation that, beginning with the Q1 2018-19 Report, the Chief Academic Officer include written explanations for any music, art, or theater equipment project that is delayed.

RESPONSE:

A two-fold delay occurred that interrupted the completion of SMART theater lighting equipment orders during the quarter ending June 30, 2018. Quotes were obtained and received on schedule. However, upon review it was determined that vendors supplying the equipment were not authorized to perform installations. A separate vendor under a separate bid contract would have been responsible for all District installations. This resulted in the necessity to request new quotes for certain items that required installation so that the total cost to purchase and install those items remained within budget.

The second factor in the delay was due to insufficient spending authority remaining on the bid contract to fulfill orders that were ready to be processed. All quotes that needed revision have since been completed and additional spending authority has approved for orders to be placed during the second calendar quarter of 2018.

As requested, written explanations will be provided for any music, art, or theater equipment project delays in future reports.

SECTION 4 --- ATHLETICS

N/A

SECTION 5 --- FACILITIES

RECOMMENDATION 3

TaxWatch recommends that the Chief Facilities Officer explain to the Bond Oversight Committee the reason for the apparent delays in starting the remaining 60 projects. Further, the Committee should make clear its expectation that, beginning with the Q1 2018-19 Report, the Chief Facilities Officer include a schedule for starting these projects.

RESPONSE:

All 60 projects referenced above are Year 5 School Choice Enhancement Projects that were originally scheduled to commence in Q1 2019.

- We anticipate that 58 of these projects will begin ahead of schedule in Q4 2018.
- One is the Year 5 School Choice Enhancement Project originally designated for Hallandale Elementary School which has been recommended to be cancelled. This recommendation was a result of combining Hallandale Elementary with Hallandale Adult and Community Center that created the new Gulfstream Academy of Hallandale Beach K-8. Gulfstream Academy of Hallandale Beach K-8 used the Year 2 School Choice Enhancement funds from Hallandale Adult and Community Center.
- The last one is the Year 2 School Choice Enhancement Project originally designated for Gulfstream Middle School. Gulfstream Middle School was vacated and then reopened as the new Gulfstream Early Learning Center of Excellence. This School Choice Enhancement Project was paused for re-evaluation due to closure of Gulfstream Middle School and the transition of the school to an early learning center. A decision to move forward with the School Choice Enhancement Project is anticipated in October 2018.

RECOMMENDATION 4

TaxWatch recommends that the Chief Facilities Officer explain to the Bond Oversight Committee the reason for pushing back the Forecast completion dates for these 79 Primary Renovations and Single Point of Entry projects. Of particular concern is the additional delays in completing the 15 Single Point of Entry projects.

RESPONSE:

The forecast completion dates are reflective of where a project's schedule is heading based on actual progress to date as well as actual experiences with other similar projects. All of the 79 projects referenced by TaxWatch are listed along with comments related to the associated Schedule (S) flag.

Based on the August 17, 2018 conference call, CBRE | Heery will furnish additional details going forward for flagged projects that better communicate the need for any modification that pushes back a forecast completion date.

Many of the 79 projects reflected a forecast completion date that was roughly a quarter later than the previous Bond Oversight Committee report. The main reason for these changes were that the designers are requiring additional time to respond to Building Department plan review comments. Included in this list are projects that are pending submittal to the Building Department where the forecast change is based on actual experience with other similar projects and the time that was necessary to obtain the Letter of Recommendation from the Building Department to issue the permit.

The 15 Single Point of Entry projects that had changes to the forecast completion date were a result of 8 projects where the contractor needed to correct punch list items to reach final completion and the other 7 projects experienced forecast changes due to the scope complexity and/or scope revisions, time necessary to create separate bid packages and the need to address Building Department permit review comments.

RECOMMENDATION 5

TaxWatch recommends that, beginning with the Q1 2018-19 Report, the Chief Facilities Officer include written explanations for any facilities renovation project whose forecast completion date has been pushed back since the previous report.

RESPONSE:

As requested, written explanations will be provided for any facilities renovation project whose forecast completion date has been pushed back since the previous report.

RECOMMENDATION 6

TaxWatch recommends that the Chief Facilities Officer explain to the Bond Oversight Committee why additional funding was required for these projects. Further, the Committee should make clear its expectations that, beginning with the Q1 2018-19 Report, the Chief Facilities Officer include written explanations as to why additional funding was necessary for any project for which funding was increased.

RESPONSE:

In addition to the requested information below for the listed projects, we will provide a written explanation for projects that receives any additional funding within the quarter in all future reports.

- Stranahan High School - At the April 24, 2018 Regular School Board Meeting (agenda item JJ-7) the Board approved additional funding in the amount of \$13,710,000. This additional funding was necessary to award the Second GMP Amendment to Gilbane Building Company in the amount of \$24,280,108 and to maintain a 5% construction contingency for the project. The additional funding is reflective of cost pressures related to the roof and loggia replacements (roughly \$7 million over budget), fire alarm and electrical improvements (roughly \$2 million over budget), HVAC improvements (roughly \$1 million over budget) and fire sprinklers (roughly \$1 million over budget).
- Cypress Bay High School – At the April 10, 2018 School Board Operational Meeting (agenda item JJ-5) the Board approved additional funding in the amount of \$116,336. This additional funding was necessary to award a Construction Services Minor Project for the Single Point of Entry improvements to Grace & Naeem Uddin, Inc. in the amount of \$304,750 and to maintain a 10% construction contingency for the project. The additional funding is reflective of cost pressures related to the Single Point of Entry improvements.
- Tequesta Trace Middle School – A financial review of this project has been conducted and no additional funding has been requested or received to date. Please note that at the October 17, 2017 Regular School Board Meeting (agenda item JJ-5) the Board approved the Single Point of Entry Construction Bid Recommendation for ACA Contractors, Inc. in the amount of \$137,400 and at the April 24, 2018 Regular School Board Meeting (agenda item JJ-4) the Board approved Change Order #1 in the amount of \$1,006. The cost of these items was covered from previously appropriated funds and required no additional funding.
- Olsen Middle School – A financial review of this project has been conducted and no additional funding has been requested or received to date. Please note that at the April 10, 2018 School Board Operational

Meeting (agenda item JJ-4) the Board approved Change Order #1 for LEGO Construction Co. in the amount of \$11,588. The cost of this change order was covered from previously appropriated funds and required no additional funding.

- Bayview Elementary School - At the June 26, 2018 Regular School Board Meeting (agenda item JJ-6) the Board approved additional funding in the amount of \$946,739. This additional funding was necessary to award a Construction Services Minor Project to Thornton Construction Company in the amount of \$1,915,303 and to maintain a 10% construction contingency for the project. The additional funding is reflective of cost pressures related to the building envelope improvements (roof replacements) and the HVAC improvements.
- Forest Hills Elementary School – At the June 26, 2018 Regular School Board Meeting (agenda item JJ-5) the Board approved additional funding in the amount of \$1,083,601. This additional funding was necessary to award a Construction Services Minor Project to FHP Tectonics Corp. in the amount of \$1,911,992 and to maintain a 10% construction contingency for the project. The additional funding is reflective of cost pressures related to the building envelope improvements (roof replacements).

RECOMMENDATION 7

TaxWatch recommends that the Chief Facilities Officer explain to the Bond Oversight Committee the reason for the pushing back the forecast completion dates for Primary Renovations and Single Point of Entry projects at the “Big 3” schools. Of particular concern are the additional 12-15 month delay in completing the Primary Renovations project at Blanche Ely High School, the additional 12-month delay in completing the Primary Renovations project at Stranahan High School, and any additional delays in completing Single Point of Entry projects.

RESPONSE:

- The Single Point of Entry completion date for Blanche Ely received a schedule flag due to the need for drawing revisions which impacted the delivery schedule for some materials as well as the need for the contractor to correct punch list items.
- The Single Point of Entry for Northeast received a schedule flag due to the longer than anticipated lead time for materials associated with the new canopy.
- Stranahan received a schedule flag due to the extended time that the contractor was taking to reach final completion (substantial completion took place on January 9, 2018).

For the Primary Projects at these campuses, these projects received schedule flags and changes to the forecast dates due to the designers requiring additional time to respond to Building Department plan review comments. Changes were also a result of the complexity of the scope that is requiring coordination of multiple construction phases.

RECOMMENDATION 8

Given the importance placed on renovations at the Big 3 schools by the Committee, TaxWatch recommends that, beginning with the Q1 2018-19 Report, the Chief Facilities Officer include written explanations for any facility renovation project at Big 3 schools whose forecast completion date has changed since the previous Report.

RESPONSE:

As requested, written explanations will be provided for any facilities renovation project whose forecast completion date has been pushed back since the previous Report.

SECTION 6 --- BUDGET ACTIVITY

N/A

SECTION 7 --- SUPPLIER DIVERSITY OUTREACH

RECOMMENDATION 9

TaxWatch recommends the District, as part of its ongoing outreach efforts, continue to step up its efforts to recruit and retain qualified E/S/M/WBEs for all SMART Program categories.

RESPONSE:

Procurement and Warehousing Services / Supplier Diversity Outreach Program is in the process of implementing and rolling out a robust outreach marketing plan for all SMART Program categories and commodities to include Technology, Music and Arts

SECTION 8 --- COMMUNICATIONS

N/A