

CAPITAL CONSTRUCTION GOALS AND ACCOUNTABILITY COMMITTEE
February 17, 2016
SCHOOL BOARD ADMINISTRATION BUILDING

Committee Members in Attendance:

Mr. Steve Elswick	Mr. Allan Carmody
Ms. Leslie Haley	Mr. John Hilliard
Ms. Carrie Coyner	Ms. Barbara Mait
Mr. Rob Thompson	Ms. Nita Mensia-Joseph
Dr. Edgar Wallin	Mr. Andy Scherzer
	Mr. Chris Sorensen

Others in Attendance:

Dr. Marcus Newsome
Mr. James Stegmaier

Ms. Coyner called the meeting to order at 12:33 p.m.

A. OPENING REMARKS

There were no opening remarks.

B. APPROVAL OF AGENDA

On motion of Dr. Wallin, seconded by Mr. Carmody, the agenda was approved.

C. APPROVAL OF COMMITTEE MEETING MINUTES/ACTION ITEMS

On motion of Mr. Carmody, seconded by Mr. Thompson, the minutes and action items were approved.

D. BUSINESS ITEMS

1. REPORT ON COMMUNICATIONS – WEB PRESENCE

Mr. Carl Schlaudt provided an update on improvements to web communications for community revitalization projects, including the schools. He stated the main page includes updated project/event graphics; school revitalization overview; upcoming events; contact information; community revitalization links; and school project links. He showed the links to various pages and details of the information that will be provided on those pages. He stated the county has taken the lead on the project and placed the information on the county's web site, which is scheduled to go live after final review, as early as March.

In response to Mr. Elswick's question relative to estimated cost of projects and estimated investment on revitalization, Mr. Schlaudt stated this information would be included in the narrative under School Revitalization Plans and will be updated regularly.

Dr. Wallin inquired whether there was an advantage to breaking down school projects and companion revitalization projects, indicating he thought the projects in their entirety were considered to be revitalization.

Ms. Mait stated she thinks the website is very user friendly.

Mr. Schlaudt stated the information would be hosted on the county's site with a single point of contact.

Mr. Thompson suggested that the website be updated following meetings of the Capital Construction Committee.

Dr. Wallin stated combining the school and revitalization projects would create a more cohesive positive image for the county.

Mr. Carmody stated the home page does that, using the banner of Community Revitalization and links to school and county projects. He further stated the site was designed intentionally to get users to the information they are seeking with the various links and also includes features that speak to a joint effort.

Ms. Haley stated she agrees with Mr. Carmody that the site appears to be tied together from a community revitalization perspective.

Mr. Thompson suggested, and other committee member concurred, that the school projects be listed on the web site in alphabetical order.

In response to Mr. Scherzer's question, Mr. Schlaudt stated the maps are currently static.

Mr. Carmody stated the maps could include nearby adjacent projects that had some benefit to a revitalization initiative. In regards to the monthly reporting, Mr. Carmody stated depending upon what phase projects are in, monthly reporting may not always be applicable and expressed concerns relative to committing to monthly reporting of activities. He noted the committee's meeting minutes, agendas and other materials would be posted on the site monthly.

Mr. Thompson clarified that he wanted to ensure that the committee had been provided information prior to it being updated on the web site.

Ms. Coyner stated an item will be added to the action list for the committee to receive an update when the site goes live, including additional details of how the updating will take place and how often it will be updated based upon need.

2. PROJECT UPDATES

Ms. Joseph provided an update on School CIP Projects. She stated the bid solicitation for Providence Middle School has been delayed from early February to March, due to the reconciliation of bid documents between the school division and the county. She stated the bid results for the Providence Middle School renovation project should be presented to the committee at its April meeting.

In response to Mr. Elswick's question relative to making up the lost time on the Providence project, Ms. Joseph stated dates will remain firm. She further stated an omission was discovered in the bid documents and an addendum will be issued. She stated it is better for this to be corrected now with an addendum, rather than having a change order at a later time.

Mr. John Brooks stated the omission involved the acid-resistant piping and dilution in the science labs, as well as reconciling with the needs of instruction.

Ms. Joseph stated there has been no progression in the schedule for Manchester Middle School. She expressed appreciation to Mr. Roger Richardson and his team for collaborating with the schools relative to value engineering. She stated the initial cost estimation was about \$11 million over budget, and Mr. Richardson's team went through the consultants' numbers and was able to pull about approximately \$10 million as a result of assumptions and some errors in calculations of the estimate. She further stated the additional \$1 million was pulled out with collaboration with instruction, so the project is now well under budget. She stated the project will go out for bid by April 30, and it is anticipated that the committee would receive the bid results in July.

In response to Mr. Carmody's questions, Mr. Brooks stated the total budget for the Manchester Middle project is \$38 million, and Ms. Joseph stated the \$10 million identified by Mr. Richardson did not affect the scope of the work.

Mr. Richardson stated the assessments and assumptions made by the consultant were reviewed and 'holding places' for things the consultant did not quite understand were found. He further stated there was no change in the scope of the work, but rather a clarification of what the documents required and what the scope of the work was. He noted that happens many times when the documents reviewed by a consultant are not the final bid documents. He stated the differentiation is probably industry-typical at that stage.

Mr. Scherzer expressed concerns that the community did not hear what changes were made with the Providence project until later in the process and inquired about the possibility of the community seeing the change in scope of the Manchester project before it goes out to bid.

Mr. Brooks stated there will be a third community meeting for the Manchester project, and it will be scheduled prior to bid so that staff can walk through some of the value engineering items and their impact on the project.

Ms. Joseph stated the site selection for both Beulah and Enon elementary schools will be discussed in closed session. She further stated the School Board selected one site for Enon, and the county is evaluating a different alternate site. She stated staff will provide an update on the strategy for the Matoaca Elementary replacement project at the March 16 committee meeting.

She further stated the area identified by the School Board for the new Midlothian elementary school will also be discussed in closed session, and the schedule for that project will be approved during the budget season. She stated since there is major HVAC work that needs to be done with the Administration Building project, the \$2 million CIP funds will be combined with the ESCO project to try and gain some efficiencies. She provided the proposed move-in dates for Reams, Harrowgate, Crestwood and Ettrick elementary school renovation projects.

Mr. Brooks provided an update on the construction at Monacan High School. He also provided a financial update on the project totaling \$17,281,800. He stated the total spent to date is \$7,623,933, noting that a 5 percent retainage is being withheld, which is reflected in the total amount paid of \$5,957,578. He further stated the construction change order value remains at \$2,250 and architect/engineer change orders to date are approximately \$199,000, some dating back to early 2014, including fees for design changes from prototype design and adding a geotechnical engineer fee.

E. PERIPHERAL ACTIVITY UPDATES/DISCUSSION

1. ELEMENTARY SCHOOL PROTOTYPES

2. REPORT ON ONE- VERSUS TWO-STORY ELEMENTARY SCHOOLS

Ms. Joseph stated the School Board agreed on January 23 to go with the one-story prototype for all elementary schools, with customization of the exterior to fit the neighborhood through the citizen engagement process. She further stated the time schedule for a successful architectural engineering firm to deliver the drawings for the bids and provide construction administration for four similar projects is a key factor in determining the schedules. She provided copies of full schedules for all of the projects to the committee members, noting that staff anticipates adjustments to the schedules once the architectural contract has been awarded. She stated two schools at a time will be delivered, with Beulah and Enon first and then Matoaca and the new Midlothian.

Mr. Elswick stressed that customization of building exteriors must be done within cost parameters.

Ms. Joseph stated there will be several exploratory meetings with various architectural and engineering (A&E) firms to discuss the three possible prototype options: 1) an RFP for one A&E firm to design the prototype; 2) an RFP for an A&E firm to use an existing prototype; or 3) an RFP to use an existing county school design. She noted there would be an estimated 25 to 30 percent savings for each subsequent design after the initial design. She stated the A&E RFP process would take approximately 120-180 days, and the design time will take approximately eight months to a year, plus the RFP process. She further stated the stretch goal is bid solicitation and award in January 2017, versus January 2018, for Beulah and Enon, with an estimated September 2018 move-in. She stated questions for the committee to consider are whether land acquisition can occur by January 2017 and the level of stakeholder engagement in design the school division and county are willing to sacrifice to accelerate the schedule.

Mr. Elswick expressed concerns relative to acceleration at the expense of public engagement, indicating that he would rather accelerate on the county and schools' end than with the public input.

Mr. Hilliard concurred with Mr. Elswick, stating that staff should look at internal ways to mitigate the process, rather than at the expense of the public.

Ms. Joseph stated schools are 75-year buildings, which will impact three to four generations, so how we accelerate the process is very important, and community engagement is a critical component.

Mr. Scherzer inquired whether the RFP could be shortened. He noted that the county already fast-tracks projects, where the review side could be guaranteed to be accelerated. He stated there may be some costs associated with that, but it may result in savings on subsequent schools.

In response to Mr. Thompson's question relative to erring closer to 120 days versus 180 days for the RFP process, Mr. Stegmaier stated architects will be preparing complicated responses, which staff will need to evaluate. He further stated if everything goes perfectly, 120 days could be the target.

Ms. Coyner stated the time would automatically be shortened if only one design is used since all of the communities could be invited to attend one meeting, and then additional meetings be held at each of the schools relative to the aesthetics of the exteriors.

Discussion ensued relative to prototype selection and ownership of A&E plans.

Ms. Joseph stated Mr. Brooks investigated and determined that the county does not own the designs for Elizabeth Scott and Winterpock elementary schools.

Mr. Scherzer stated it is important that whatever design is used is keeping up with current instructional needs. He further stated although using a current design may be less expensive, it should not be used if it does not conform to those needs.

Ms. Joseph stated Purchasing has indicated that there are some state procurement issues associated with an RFP process for design services, which is purchasing a service, but if we are purchasing an existing design, it is considered a product, rather than a service.

Mr. Brooks stated designers have historically always owned their intellectual property and granted a license for the client to use it. He stated Elizabeth Scott was the third or fourth school to use that design, so there was cost savings associated with it.

Discussion ensued relative to professional liabilities associated with bids for design services.

Ms. Joseph stated staff needs to discuss with Purchasing how to procure a prototype that is used over and over again to ensure that we are working within the requirements of the Virginia Procurement Law. She stated staff should be able to provide to the committee at its March meeting the best way to move forward legally to secure prototype and then repeat that prototype.

3. REPORT ON COUNTY PROJECTS

Mr. Schlaudt provided an update on the status of county projects in the area of Providence Middle School. He stated the neighborhood enhancement is nearly complete; one of the waterline replacements is under construction, and the other three projects are planned for construction in 2023-2024; the Eastern Midlothian Enterprise Zone was replaced with a Technology Zone; various parks and recreation improvements were made at Providence Middle School and A.M. Davis Elementary School; and the sidewalk project on the east side of Providence Road is scheduled for completion in the summer of 2016. He then provided an update on the status of county projects in the area of Manchester Middle School. He stated proactive property maintenance inspections in five neighborhoods will begin in Spring 2016; \$816,000 in Parks and Recreation improvements to the fields, walkways, etc. have been identified in the draft 2017-2021 CIP; and the county will also pursue use of CDBG funds for those improvements.

In response to Mr. Elswick's request, Mr. Schlaudt stated staff would look into the availability of high speed internet for neighborhoods in the revitalization area.

In response to Mr. Scherzer's question, Mr. Dupler stated the county's Transportation Department routinely coordinates with VDOT regarding upcoming projects.

Discussion ensued relative to code enforcement and providing incentives in revitalization areas for homeowners' reinvesting in their homes to increase their property values.

Mr. Schlaudt stated the county has a rehabilitation tax exemption program, which provides a tax break on an added value of at least 10 percent to the base value, and it is good for a period of eight years. He further stated staff is looking at ways to strengthen that program, noting that the major weakness is that it is a back-end incentive and does not provide capital for residents who want to make improvements.

Mr. Stegmaier stated currently the requirement is that residents notify the county that they are going to make the improvements before starting the process. He further stated staff is trying to inform residents of this requirement and also looking at ways to enhance the process as currently outlined in the ordinance to get more participation.

Mr. Elswick stated we might want to change the ordinance or process to allow the credit after the improvements have been made without residents first notifying the county of their intentions to make the improvements.

Mr. Schlaudt stated the process is on the county's website, noting that it is a product brought forward by the Sustain Our Communities Committee (SOCC). He further stated the SOCC will hold their annual neighborhood forum on April 23 at the Chesterfield Tech Center at Hull Street.

Mr. Dupler clarified that the provisions do allow for landlords to qualify for the benefits, and there are some who do qualify for the incentives. He stated the most active use of the program is one particular landlord who takes advantage of the incentive, purchases properties, fixes them up and rents them.

Ms. Coyner requested that copies of the ordinance, the link to the design manual and details of how the county is encouraging homeowners to reinvest in their properties be sent to committee members.

F. NEXT MEETING AGENDA TOPICS

Mr. Carmody provided copies of the proposed March agenda.

Ms. Joseph confirmed that the Providence Middle School bid would be discussed at the April meeting, and an update on the strategy for the Matoaca Elementary replacement project would be discussed at the March meeting. She stated the project updates will still be included on the March agenda, and a prototype strategy should also be provided at the March meeting.

Ms. Coyner stated it would be helpful to understand the purchasing process. She requested that staff circulate detailed steps, rather than provide a presentation.

Dr. Bailey stated an established grid of the steps with the RFP process will be emailed to committee members with the agenda, minutes and other items.

Discussion ensued relative to recent actions of the General Assembly relative to cash proffers and whether the Capital Construction projects would be impacted as a result of these actions.

Mr. Carmody stated he will distribute to the committee with the other documents a synopsis of dollars on hand and near term revenues expected with cash proffers associated with the Capital Construction projects. He noted the cash proffers are approximately \$2 to \$3 million per year, which is an important element of the plan.

G. CLOSED SESSION

Ms. Coyner stated the committee will now be moving into closed session.

On motion of Mr. Hilliard, seconded by Ms. Haley, the committee unanimously voted to go into closed session in accordance with Section 2.2-3711(A) of the Code of Virginia, the Virginia Freedom of Information Act, and specifically under subsection 3, for discussion or consideration of acquisition of real property for a public purpose where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

Reconvening:

On motion of Mr. Elswick, seconded by Mr. Thompson, the following resolution was adopted by the committee:

Now, therefore, be it resolved that the Capital Construction Goals and Accountability Committee hereby certifies that, to the best of each member's knowledge (i) only public business matters lawfully exempted from opening meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business

matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the committee.

Mr. Elswick:	Yes.
Ms. Haley:	Yes.
Ms. Coyner:	Yes.
Mr. Thompson:	Yes.
Dr. Wallin:	Yes.
Mr. Carmody:	Yes.
Mr. Hilliard:	Yes.
Mr. Holmes:	
Ms. Mait:	Yes.
Mr. Scherzer:	Yes.
Mr. Sorensen:	Yes.
Ms. Joseph:	Yes.

H. ADJOURNMENT

On motion of Mr. Thompson, seconded by Ms. Coyner, the committee adjourned at 2:08 p.m. until March 16, 2016, at 12:30 p.m.