

BOARD OF EDUCATION OF THE CITY OF LOS ANGELES
Governing Board of the Los Angeles Unified School District

FACILITIES COMMITTEE MEETING NOTES

333 S. Beaudry Avenue, Board Room

10:00 a.m., Thursday, October 2, 2008

Board Members Present:

Yolie Flores Aguilar, Chairperson

Mónica García

District Staff Present:

Guy Mehula, Chief Facilities Executive

External Representative Present:

Robert Kladifko, Associated Administration of Los Angeles

Mary Najera, Parent Representative

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The meeting convened at 10:11 a.m.

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OPENING REMARKS

Mr. Mehula announced that Governor Arnold Schwarzenegger approved Senate Bill 658 on September 24, 2008. This bill would allow the District to retain its New Construction eligibility while accessing operational grant funding from the California Department of Education.

EXISTING FACILITIES - MONTHLY STATUS REPORT

Mr. Bruce Kendall, Deputy Chief Executive, Existing Facilities, presented the monthly update for the Repair and Modernization Program. Mr. Kendall stated that the program consists of 20,772 projects, of which 18,821 were completed or under construction. He indicated that the program includes 262 fire alarm projects valued at \$212 million, and 30 small learning communities valued at \$49 million.

Mr. Kendall provided an overview of the three additional buildings added to the Maxine Waters Employment Prep Center. He reported that these additional buildings would offer training in welding, general construction, automotive and culinary arts.

Chairperson Flores Aguilar requested that Mr. Kendall provide a full presentation on the small learning community projects planned.

NEW CONSTRUCTION - MONTHLY STATUS REPORT

Mr. Fred Smith, Acting Deputy Chief Facilities Executive, New Construction, presented the Monthly Status Report for the New Construction Program. Mr. Smith stated that the program consists of 132 new school projects, of which 74 have been completed, 33 are under construction, and 25 are pending preferred site designation, CEQA approval or contract award. He stated that the program also consists of 65 addition projects, of which 59 have been completed and 6 are pending completion.

Mr. Smith stated that Central Region High School No. 16 would be housed in the Helen Bernstein Continuation High School campus until June 2009. In addition, East Los Angeles High School No. 1 and Byrd High School reconfiguration will open in 2009 instead of 2010. Mr. Smith concluded by stating that

the South Region High School No. 8 preferred site contained significant contamination issues which would be too costly and time consuming to mitigate; therefore the preferred site process has commenced again and a new site will be brought forward to the Board in the second quarter of 2009.

PLANNING AND DEVELOPMENT - MONTHLY STATUS REPORT

Mr. John Creer, Director of Planning and Development, presented the Planning and Development monthly status update. Mr. Creer stated that Joint-Use funds consist of \$120 million, of which \$52 million has been spent on approximately 105 campuses, and \$68 million has been programmed into healthcare, aquatics, youth centers, fields and open space. He indicated that Charter School funds also consist of \$120 million, of which \$70 million has been spent to date, \$10 million would be allocated to Prop 39 co-locations, and \$40 million would go towards charter partnerships and reopening closed schools. Mr. Creer concluded by stating that the department was pursuing a partnership with the YMCA of Metro Los Angeles and teacher workforce housing projects at Gardena High, Selma Elementary and Glassell Park Elementary.

CALIFORNIA ENVIRONMENTAL QUALITY ACT AND PROJECT APPROVAL - VALLEY REGION BELLINGHAM ELEMENTARY SCHOOL ADDITION

Mr. Tom Calhoun, Regional Development Manager, discussed the Valley Region Bellingham Elementary School addition. He indicated that the addition would provide 550 additional seats and 22 classrooms, which would bring the school total to 950 seats and 38 classrooms. The addition would relieve overcrowding at Bellingham Primary Center, and Fair and Sendak Elementary Schools. Ms. Randi Cooper, Office of Environmental Health and Safety presented the Environmental Impact Report (EIR), which determined that construction noise and traffic would pose significant and unavoidable impacts, and would therefore require a Statement of Overriding Considerations.

Chairperson Flores Aguilar stated that this item would be discussed at the October 14, 2008, Board Meeting.

AIR POLLUTION REDUCTION RESOLUTION UPDATE

Ms. Yi Hwa Kim, Interim Director of Environmental Health and Safety, provided an update on the air pollution reduction resolution. Ms. Kim identified recommendations proposed by the Interagency, Filtration, Outdoor Exposure, and Transportation and Bussing working groups.

The Interagency group recommended that a smaller more focused group be convened for technical recommendations, that support be gathered from the community and other school districts, and that potential legislation be drafted to address air pollution at schools. The Filtration group recommended that with regards to particulates, Heating, Ventilation and Air Conditioning (HVAC) filters be upgraded, HVAC schedules be adapted to reduce pollutant loading during the morning, and buildings be sealed. The Filtration group found that carbon filters for some gases are less effective and more expensive. Ms. Kim stated that the Outdoor Exposure group would be discussing reduction of outdoor physical activity during rush hours for schools near high-traffic roadways, the Air Quality Management District air quality flag program, buffer zones, and pollutant-reducing vegetation. The Transportation and Bussing group recommended that older vehicles be replaced with new vehicles with cleaner technology and that methods to reduce vehicle miles traveled for District fleet be identified.

Ms. Kim indicated that the next steps would be to support emission reduction legislation, draft legislation to provide funding for tighter emission controls, and implement recommendations by the Filtration workgroup.

Chairperson Flores Aguilar requested that Ms. Kim provide a plan to address the needs of all schools on the priority list.

CHANGE ORDER PROCESS

Mr. Smith provided an overview of the Facilities Services Division change order process. He stated that change orders are needed to address (1) owner initiated scope changes, which account for 3% of change orders, (2) design deficiencies, which account for 38% of change orders, (3) unforeseen conditions, which account for 16% of change orders, (4) changes required by 3rd party agencies, which account for 6% of change orders, and (5) other causes, which account for 37% of change orders.

Mr. Smith stated that the change orders are managed through a systematic review and approval process. The process consists of the Project Manager reviewing the change order request for merit, obtaining independent cost estimates, and negotiating a fair and reasonable price. Project management staff would then draft a written change order and obtain authorization from appropriate management.

Mr. Smith stated that to ensure timely approval and accountability, change orders are reviewed and authorized by multiple parties depending on the dollar amount. The Senior Project Manager approves change orders up to \$30,000, Regional Director up to \$50,000, Director of Construction up to \$100,000 and all that exceed 5% of the contract value, and the Deputy Chief Facilities Executive approves change orders of \$500,000 or higher. Mr. Smith added that the Office of the Inspector General is requested to audit all change orders valued at \$500,000 or greater, in addition to auditing randomly selected change orders with a value less than \$500,000.

Mr. Smith reported that the change order rate for the Phase 1 projects is 11.3% for 146 completed projects. He stated that five projects have dramatically impacted the change order rate; the five projects are Miguel Contreras Learning Center, Manual Arts New Elementary School, Romer Middle School, and Bernstein and Panorama High Schools. He stated that if those five projects would be excluded, the change order rate would be 7.9% for 141 completed projects, which would be closer to the industry benchmark of 5%.

Mr. Smith stated that change order rates are driven by a rush to complete design, program changes, and cost escalation. He stated that to reduce the change order rate, New Construction initiated a design management group to reduce design deficiencies and have started working closely with school administrators during the design process. In addition, allowances are included where appropriate, permits are secured prior to bidding, addenda are reduced, owner scope changes are minimized and designer on-site presence has increased.

Mr. Smith concluded his presentation by stating that there is a detailed process for reviewing, approving, tracking and reporting change orders, and that change orders for later phases should decrease as a result of lessons learned.

Chairperson Flores Aguilar requested that Mr. Smith provide additional examples of "Other Causes" for change orders and that he identify the percentage of change orders that are under \$500,000, and those \$500,000 and greater.

FACILITIES ORGANIZATIONAL STAFFING

Mr. Erik Blum, Director of Facilities Support Services, discussed staffing within the Facilities Services Division (FSD). He indicated that under the 2002 reorganization, a staffing approach was implemented to establish a core District employee team and the augmentation of contract professionals. The reorganization also provided budget limitations and management control.

Mr. Blum highlighted that Education Code Section 45103.1 focuses on personal services contracts, and that statutory exceptions exist for professional services, which FSD staffing focuses on. He stated that the FSD has a total of 5,023 employees, of which 4,150 are District staff and 873 are contract professionals.

Mr. Blum provided an overview of the staffing and stated that to date, 19 displaced District employees were accommodated within the department, and while there was an increase of 189 District appointments, there was a decrease of 66 contracts.

Mr. Blum concluded by stating that the FSD is reviewing the organization and staffing model to include new approaches. He stated that the goal is to hire and retain senior management District employees and to contract labor for key skill sets that are unique to construction management and real estate.

SPEAKERS:

The following speakers expressed their views on this item:

Ms. Connie Oser, Teamsters Local 572, Unit S

Ms. Adriana Salazar, Teamsters Local 572, Unit S

PUBLIC COMMENT:

Ms. Yvonne Schueller, San Pedro Resident, expressed disappointment with the EIR for the South Region High School No. 15.

Ms. Pam Meisel, San Pedro Resident, stated the EIR for the South Region High School No. 15 was inadequate, and requested that it be redrafted and circulated.

The meeting adjourned at 12:40 p.m.

Notes by: Janet Saavedra
Office of the Board Secretariat