1. Jim Quadra presided over the meeting.

2. Roll call. A quorum is present for this meeting.
   Craig Issod* verbally presented his resignation from the committee and left. Mr. Issod will be pursuing interests that present a future potential conflict of interest with his role on the CBOC.

3. Approval of Minutes of January 23, 2014 meeting.
   The minutes were unanimously approved by the CBOC members present in the meeting subject to the changes.

4. Public Comment – None.

5. Discussion of Project Sequencing and Budgets.

6. Program Status Reports from:
   - Chair, Vice Chair Comments – None.
   - Greening Programs status: Green schoolyard report by Nan McGuire. – None.
   - David Goldin – Project review current work progress.
     David reported that the Board of Education had passed the resolution to accept the Bond Program audit with kudos to Nancy Mayeda for her gracious presence in presenting the resolution to the Board members. In addition, he informed of the B&G committee on the status of two projects; Lowell HS, which is funded by Development Impact fees and Willie Brown MS. The Lowell project will replace modular buildings with permanent buildings. Willie Brown has completed a massive earth work foundation and is on track to open by August 2015. Jim asked the square footage. David replied it is about 50K, about 35K bigger than the old Willie Brown. The additional space is mostly in the gym, science wing, music, art, wellness center and other extra spaces. David mentioned that there is a website which links to the progress of the construction 24/7. He added that he will be bringing and will share in more pictures of current projects that are going up, like Peabody, Sunnyside and Monroe.
Mike inquired about an agreement with the City of SF regarding notification of work orders. He recently got 4 or 5 notices which were for school district work. David replied that the school district does not do work for the City, but is currently in discussion with the SFPUC regarding work for Prop 39 energy conservation. That will be for solar work for the District which will be paid for and maintained by SFPUC. The District will maintain below market power rates.

- **Leonard Tom – 2003, 2006 and 2011 Bond financial report update.**

Leonard reported that three projects and the greening program remain to be funded by the 2006 Bond.

Commodore Stockton EES will have modifications made to the lower level in conjunction with the modernization project at Gordon Lau EES. The long term result of this improvement will enable Commodore Stockton to accommodate additional kindergarten students.

The second project is Leadership HS located at 300 Seneca Ave. ($17M). Modernization at the existing building has been underway since November, 2013. The kitchen and multi-purpose room upgrades have gone out to bid (estimated cost around $900K). The third phase is a new classroom building to accommodate 4-6 classrooms, estimated at about $2.6M. Leadership HS is a charter school and eligible for $6.5M in State grants. Leonard added that $1.8M of that grant was received in January. Assuming the State sells more bonds, the remainder of the grant should arrive by the end of this calendar year. The construction of the existing portion of the building will be complete by the end of this calendar year so occupancy is scheduled in January, 2015.

The third project is SOTA at the former McAteer HS campus. Currently, $13.5M of the 2006 Bond is budgeted to add to $26M of the 2011 Bond funds budgeted for the main campus improvements. This project is the largest project in the 2011 Bond program at $39M, but that will probably not be enough to do everything we want to do. Leonard added that the project is currently in design, with construction scheduled to start in early 2015. A small construction contract of about $1M will be worked on this coming summer. Jim asked how long it will take to complete the project. Leonard replied that it will be done in phases over a couple of years due to the existence of 2 schools at the site, School of the Arts (SOTA) and the Academy of Arts and Sciences.

The 2006 Green Schoolyard program also needs to be finished. Construction is complete at 26 EES sites (costing about $4.2M). 10 EES sites ($165K budgeted) will make greening purchases such as plants, sustainable items, and ecological teaching programs. $1M is budgeted for the middle and high schools to build green schoolyards.

Leonard put out a general question to the committee, with the three projects, greening program and other finishing costs associated with closure of the Bond 2006, some portion of the remaining $15M in bond issuing authority might have to be sold. Previous discussions were that no further 2006 Bonds would be sold. Monica asked if Leonard had a sense of how much will need to be sold. Leonard replied that depends how some bids come out and that may not be known until the end of this calendar year. Leonard indicated that the bonds could be sold on a piggy back with the District as it sells other types of bonds on an annual basis. The District did a piggy back on the last bond sold for the 2011 Bond.

Leonard discussed the 2011 Bond. We have bid out 25 contracts with value of about $160M. Collectively that is about 4.4% over budget, which translates to about $6-8M over budget. We are not happy, but also not surprised, given the construction cost escalation and the larger scopes of work being done at 2011 sites. The addition of State prequalification of contractors, implementation of the District Local Hire Policy and challenging logistics at some sites have also contributed to increased costs. Those factors move us closer to the point where some schools on the original 2011 Bond list will not be done, or even started. Of the 25 school sites where work has been initiated, 11 are currently in design and will be bid out over the course of the next year.

During project assessment, architects are finding significant increases in the project scope. Difficult site logistics exist at many locations. The “soft costs” associated with construction have gone up. For the 11 sites still in design, project budgets have gone up $39M, which was an increase of about 28%. David added that 3 or 4 sites will have new buildings rather than leave the modulars. He also indicated that the projects over $10M are
way over budget, like Burton HS ($2.5M over budget with only 4 bidders). Gordon Lau also had 4 bidders. The logistics of that site scared off a lot of contractors. We need to do a better job getting more contractors who are competitive to bid our work. David and Leonard expressed their concerns on the recent high bids. Leonard commented that there are 17 projects that still have not started design. Jim asked if there is a perceived downside on not being able to service the whole list in terms of future bonds. Leonard replied that there may be some political risk if enough schools get dropped. That could be negative to the credibility of the program. David added that a lot of the schools on the list such as Alvarado, Moscone and Jean Parker may be eligible for State funding in a few years as these will be moving into the 20-25 year State eligibility cycle. Jim agreed with getting as much work done and doing it right the first time. His question was not meant to challenge the strategy, but to ask about the outcome of the strategy, which would be negative for everybody.

David expressed his concerns about schools modernized from the past bonds, like AP Giannini where teachers signed a petition and at Denman where a full remodel was not done and that is now showing. Leonard added that we would not have been able to finish all 30 sites in Bond 2003 if we tried to fulfill a greater good at those schools. Under the mandate of the Lopez case that was not acceptable. Walter asked if the 2003 Bond was passed before the Lopez case. David replied the Bond was passed before the settlement was arrived at (June 2004). Some of former CBOC members made the argument that the District essentially co-opted the bond to pay for Lopez...that the bond was never intended for Lopez even though it said it was going to do ADA work. Jim commented that the City Attorney representing the school district came in and gave in a discussion to explain what was going on. It was a valid point that the voters had not voted to settle Lopez, they voted for a program. David indicated that there were several factors why the schools did not get the modernization, first not enough money, secondly we were learning how to do it, and lastly we had to do 30 schools in 3 years. Leonard added that these were major schools, big high schools and that the construction climate was like it is now. Jim commented that to be fair, even though they were arguing that this was given to the voters, the priority was ADA and it was consistent with Lopez because we were in violation of the law. Modernization was a choice. The list of schools approved in the Bond 2003 were consistent with the Lopez settlement. Monica commented that on a good note, it was kind of the springboard to everything else and she would like to see those schools get to the point where the other schools are getting. David agreed. Jim remarked that the scope assessment of the 200 Bond was different.

Leonard pointed out that there hasn’t been any major change in the status of State grant funding for the Bond 2011. There has been no concerted effort to get a bond measure on the ballot for this November, and for us that could involve up to $60M. Paul Cardoni is continuing to send applications to Sacramento for the Bond 2011 sites even though there’s no money to go after. We may receive an unfunded approval on one or two 2011 sites soon.

Lastly on the Bond 2011, we have our Local Hire Coordinator on board. She came on board last week and her name is Benita Benavides. She has a background in this and knows more about the details of how union works. Mike commented that he worked with Benita on the local hire program on the Chinatown campus of City College. She was in the employment of Chinese Affirmative Action at that time. Leonard added that Benita is getting immersed in all data portions, outreach, understanding where the contractors are coming from and figuring out how to approach subcontractors. She is analyzing the elations database. That is the monthly labor compliance information for each construction contract. We have already collected checks for the intern stipend program that the District is sponsoring for this summer. Leonard indicated that data will be gathered and sent out to the committee to keep you informed of the performance levels, problems encountered and ways to get it resolved. Jim asked if the group supporting this have become less vocal. Leonard replied that nothing has been heard, but then we haven’t sent out anything yet.

7. Proposed Schedule and Agenda for Next Meeting.
   In May?

8. Adjournment.
   Meeting was adjourned.