

CAPITAL PROGRAM SERVICES Capital Improvements Program

SEPTEMBER - NOVEMBER 2010 MONTHLY REPORT

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PROJECT MANAGEMENT AND QUALITY MANAGEMENT

Capital Program Services staff continued closing out the remaining construction contract paperwork for Rocky River and William A. Hough high schools and managing the warranty related work on previously completed projects. The high school closeout has progressed smoothly and will be completed by the first of the New Year. The previously reported heating problems at Ridge Road and Whitewater middle schools have been carefully studied by the designers and CMS engineers and the cause of the problem determined. The solution will be addressed in two work phases. Phase one, consisting of control and sequence of operation changes, is complete and will help reduce most of the discomfort experienced last year. Phase two work includes physical system modifications, some new piping and equipment changes and must be done when the school is unoccupied. The extent of the phase two work mandates it be performed over the summer of 2011. The engineers have accepted responsibility for the problem and are paying for the modifications.

The foundation repair/stabilization work at Providence Spring Elementary was complete before school opened this year but the anticipated work at Sterling was delayed due to the need for additional forensic testing. The final test reports have been received and no additional settlement has occurred. The cosmetic repair scope for Sterling has been defined and the cost estimated. We plan to do the work over the summer of 2011. The parties involved in the claim are still discussing who pays and what foundation underpinning work, if any, will be done considering the settlement has stopped. Old Pinewood Elementary School demolition has been completed and the long awaited play field is now sprouting new grass.

CPS has prepared procurement schedules for the construction projects they plan on starting next year assuming the County will sell Qualified School Construction Bonds (QSCBs). A final commitment has not been made by them to date. The current cash flow from the previously approved County funding commitment can support starting and completing the First Ward Buildings D&E renovations, demo and parking package, and the last phase of either Cochrane or A.G. middle schools. This work can be accomplished within the current funding framework.

Presently CPS is assisting with the construction phase planning associated with the BOE approved school changes planned for next year and relocations of the remaining staff in the Ed Center. These moves are complex and require considerable people resources to be completed as currently planned. Designers for the K-8 and other school moves/changes have been selected and contracts are being prepared. This work must be fast tracked.

The CPS ISO9001 design and construction process internal validation was completed and the internal audit will be scheduled after the first of the New Year. When all other Auxiliary Services groups reach the same point the external certification audit will be scheduled.

CPS staff also continued work on three quality initiatives. These include: 1) placing CMS design standards in electronic Master Spec format to improve consistency in design review. Documents are now being moved to the ISO9000 Share Point site; 2) seeking a "best practice" design and maintenance process for the County mandated "water quality" features that must be incorporated into all major school projects be they renovations, additions, or new buildings. These are expensive features and costly to maintain. We are seeking a better, less costly solution and a meeting will be scheduled with County representatives after the New Year; and 3) rewriting the door hardware specifications to provide simplification and consistency in application. This work has been completed.

Due to the reduction in bond funding there will be limited bond funded construction activity to report on in the coming months.

CONTROLS

Expenditures for the three months September, October and November 2010 were \$4.1 million. For the fiscal year to date, the total expenditures are \$8.6 million against our FY 2010-11 Budget of \$14.4 million. The Controls team finalized the close out of the 1997 Bond Program and is continuing the process of closing out the 2000 and 2002 Bond programs. Remaining 2000 and 2002 bond projects unexpended funds are being accumulated for use on current capital projects. Additionally, we are also continuing close monitoring and accurate reporting on the actual cost to date to meet our cost and cash flow projections. Captured construction cost data is used to prepare financial reports such as detailed cost reports, budget summaries, reconciliation to CMS books, revisions to and updated cash flows, special financial requests by CMS, and the monthly report for this period.

No Bond/COPs related consent items were submitted for Board of Education approval this month.

In addition to closing out the older bond programs, the Controls team continues the daily processing of invoices, notices of potential change, change orders, pay applications, and check requests for current construction projects. The Controls team continues to submit notices of potential change at school sites so that senior staff can adequately evaluate the issues. This process allows senior staff to provide the proper guidance/direction to the project teams.

MWSBE

As of November 2010, the overall M/W/SBE utilization percentage is 23.60%, which includes 7.61% of participation by minority contractors, and 13.95% of women contractors, and 2.04% participation of small business contractors. For the total active projects administered, the utilization of Minority, Women, and Small Business Contractors on Capital Program Services projects accounts for over 376,550,751 spent.

The M/W/SBE team of Charlotte-Mecklenburg Schools conducted several individual orientations with new M/W/SBE contractors interested in doing business with Charlotte-Mecklenburg Schools. The team spent a great deal of time working with M/W/SBE contractors bidding on the Education Center renovation/relocation, Garringer High School and Morehead Elementary informal painting projects, Old Barringer and First Ward demolition, and various lighting retrofits projects for thirteen schools resulting in an increase of bidding participation among M/W/SBE contractors.

As a reminder, each bidder or respondent must submit at bid time a Minority, Women, and Small Business Enterprise Identification Form with the corresponding dollar value of the bid and Affidavit A (Good Faith Efforts) or Affidavit B (Self-performing) as required by General Statute 143-128.2(c) and G.S. 143-128.2 (f). If a vendor/contractor is self-performing, all work shall be performed with own workforce and supplies/materials manufactured by the vendor/contractor. Upon being named the apparent low bidder, the bidder shall provide either Affidavit C or D within 72 hours of being notified as the apparent low.

In addition, team members provided an overview of Charlotte-Mecklenburg Schools M/W/SBE Program for Guilford County Schools Historically Underutilized Business (HUB) Advisory Board, Miami-Dade Public Schools Minority Supplier Development Office and Florence Public District One Schools. Team members attended the 2010 National Minority Supplier Development Council Business Opportunity Conference, and the 24th Annual North Carolina MWBE Coordinators Professional Development Conference. Speakers from around the country provided timely and insightful information regarding: Purchasing Trends and Issues, Aligning Minority Supplier Development with the Strategic Planning Process, Strategic Sourcing, Second Tier Purchasing, Analysis of Corporate Spend to Find Opportunities, The Green Identity, Green Leadership, and

Disparity Studies, and an overview of the current state of MWSBE programs. Team members had the opportunity to network with over 1,500 public/private entities and shared best practices.

Over the next quarter, members will continue to work with various departments regarding 2011-2012 school consolidation and the related procurement opportunities. Contractors are encouraged to review bid advertisements in Charlotte Observer, Greater Diversity News, Que Pasa, and register as a vendor on the North Carolina Interactive Purchasing System for notification of the various opportunities.

BOND PROGRESS SUMMARY

September – November 2010

<u>Bond Dollars</u>		Amount Committed/ Pending	Amount Paid to Date	Amount Expended This Period
'96 Bond	\$119.8 M	\$119,830,058	\$119,830,058	\$0
'97 Bond	\$415.0 M	\$415,000,000	\$415,000,000	\$1,080,417
'99 COPs	\$50.0 M	\$50,000,000	\$50,000,000	\$0
'00 Bond	\$275.5 M	\$274,255,833	\$273,734,501	(\$9,703)
'02 Bond	\$224.0 M	\$220,442,066	\$219,507,160	\$117,565
'04 COPs	\$98.5 M	\$98,500,000	\$98,500,000	\$0
'05 COPs	\$73.9 M	\$73,794,881	\$73,794,880	(\$37)
'06 COPs	\$154.7 M	\$145,528,829	\$143,785,753	\$117,870
'07 COPs	\$16.5 M	\$15,457,042	\$15,268,145	\$1
'07 Bond	\$516.0 M	\$253,450,406	\$227,478,363	\$2,236,555
'08 COPs	\$58.0 M	\$52,590,460	\$51,174,901	\$593,399
Grand Total	\$2,001.9 M	\$1,718,849,575	\$1,688,073,761	\$4,136,067

PROJECT BID DATES - NEXT 90 DAYS (THROUGH FEBRUARY 2011)

School Name

Bid Dates*

First Ward Building D&E Renovation

February 2011

** NOTE: Work In Progress...Dates Subject to Change.*

SWING SPACE UTILIZATION

Creating a temporary space for students and staff to occupy during construction on a school's campus has proven to be beneficial to the project's schedule and cost and overall safety and efficiency of school operations. When the renovation or expansion of a facility is performed, and the facility must remain functionally operational, there are benefits to the owner in using swing space. At the conception of this program, several swing space options were identified.

We have successfully utilized both onsite and offsite swings. The most desirable swings are "offsite" ones. Onsite swing using mobiles or modulars likewise has been successfully used. The following is a summary of current swing options in use.

ONSITE SWINGS

<u>School</u>	<u>No. of Mobiles</u>	<u>Status (From – To)</u>
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None at this time