



COVE Meeting

CITIZENS' CONSTRUCTION OVERSIGHT AND VALUE ENGINEERING

March 20, 2014

COVE Meeting Agenda

Thursday, March 20, 2014 @ 8:00 a.m.
Facilities Services - Building 200
6501 Magic Way, Orlando, Florida 32809

- I. Call to Order and Approval of February 2014 COVE Meeting Minutes** - Egerton van den Berg - Chairman

- II. Departmental Reports**
 - a. **Project Status** - Jeff Hart
 - b. **Change Order Reports** - Roberto Pacheco
 - c. **Advanced Planning** - Sandy Simpson

- III. Presentations**
 - a. **Capital Renewal Program Update** - Mike Winter

- IV. Discussion and Adjournment**

- V. Workshop**
 - a. **Elementary School Prototype Design and 2013 Design Guidelines Update** - Faz Ali

COVE Meeting Minutes – Revised 03/19/2014

The Construction Oversight and Value Engineering Committee (COVE) monthly meeting convened on Thursday February 20, 2014 at 8:07 a.m., at Facilities Services, 6501 Magic Way, Bldg. 200, Orlando, Florida 32809.

COVE Members in Attendance: Ksenia Merck, Ernesto Gonzalez-Chavez, James Knapp, Pat Knipe, Stuart Kramer and Derryl Benton.

OCPS Staff in Attendance: John Morris, Faz Ali, Eileen Fernandez, Regina Frazier-Thomas, Jeff Hart, Roberto Pacheco, Judith Padres, Basem Ghneim, Linda Lindsey and Mayra Monge as scribe.

Call to Order

Pat Knipe, COVE member called the meeting to order at 8:07 a.m.

Approval of Minutes

The minutes from January 16, 2014 were presented and approved unanimously by the Committee.

Project Status

Regina Frazier-Thomas and Jeff Hart provided a monthly status update for new/replacement and comprehensive projects.

Regina explained to the Committee that an update was made to the University High School budget figures to include additional funding provided in FY2009 and FY2010. She provided the Committee with a copy of the reconciliation for this school. Ernesto Gonzalez-Chavez suggested that a comparison be provided of the original GMP value vs. the close-out GMP value, which would determine any savings within the GMP. Regina explained that this item can be provided at project closeout as a separate report.

Jeff Hart informed the Committee that there are thirteen projects currently under construction. Additionally, he provided a list of the three projects in close-out: University HS, Oak Ridge HS and Eccleston ES.

Change Order Reports

Roberto Pacheco reported that during the month of January 2014 there were no significant Change Orders or amendments equal to, or exceeding \$200,000.

Furthermore, he outlined a list of RFQ's currently soliciting different services and provided a timeline for each RFQ. The list included: A/E services for Prototype MS and Liberty MS; CM services for Apopka ES, Lake Whitney ES, Lake Weston ES, Clay Springs ES and Liberty MS Capital Renewal project. CM service recommendations for both Apopka ES and Lake Whitney ES will be presented at the February OCPS Board meeting.

James Knapp asked if hard bid contract providers can be asked to enumerate every package, i.e. HVAC labor and materials, so that we could possibly separate the material subject to sales tax so that we could buy for the contractor without paying sales tax? He explained that this would allow a complete comparison of real contractual costs prior to the signing of contracts. Roberto Pacheco will report back.

Roberto informed COVE members that the selection of local preference applies to CM projects, not hard bid projects.

Sales Tax and Capital Renewal Audit Report

Pat Knipe provided the Committee with a detailed overview of the Sales Tax and Capital Renewal Audit, referring to the report included in the COVE packet. He reported that "the financial statements referred to present fairly, in all material respects, the respective financial position of the Sales Tax and Capital Renewal Capital Projects Funds of the District as of June 30, 2013, and the respective changes in financial position thereof for the year then ended in conformity with U.S. generally accepted accounting principles."

Mr. Knipe went over the balance sheet, statement of revenues, expenditures and changes in the fund balance, notes to financial statements, accounts where the funds are invested, expenditures on Sales Tax and Capital Renewal and qualified schools construction bonds (QSCBs or COPS). He also explained that the inter-fund activities report was re-worded, pointing out that it only applied to school building systems and major components that will be needed to preserve the efficient operation of school facilities.

Under the statement of revenues, expenditures and changes in the fund balance, Stuart Kramer suggested that a note be added explaining why net investment earnings for the Sales Tax Fund is a negative amount. Mr. Knipe explained that this is because of a "mark to market" adjustment made at year end. The loss is not a realized loss. COVE members would like a breakdown of the investment earnings for both the Sales Tax and Capital Renewal funds showing earned income, trading gains and losses and unrealized gains and losses from adjustments to market at year end. Ms. Lindsey was asked to obtain this information from the Finance Department and have it sent to COVE members.

Eileen Fernandez reminded the Committee, that for a speaker from the audience to participate during the meeting, he/she needs to be called by a COVE member and he/she should participate from the presenter's table. Linda Lindsey was introduced to answer questions; she suggested that if COVE members were seeking detailed information about OCPS investment strategies, Rick Collins and Steve Compton would be the appropriate contacts.

Page 10 of the Audit: *Concentration of Credit Risk*, was reported. Mr. Benton requested a further understanding of what the language "A+f" in the first paragraph meant. Pat Knipe reported that it might be a typo, but will communicate the question to the appropriate individuals and report back.

Ksenia Merck made the following comments: "it is understood that the investment timeline for the Sales Tax Fund is different for the Sales Tax Fund vs. the Capital Renewal Fund in that the Sales Tax Fund is intended to be spent for on-going construction commitments. The Sales Tax fund shows a loss of \$765,620 and the Capital Renewal Fund shows a revenue gain of \$1,755,544 (source page 4 of E&Y report year ended June 30, 2013). It is also understood that the OCPS investment policies are conservative. However, is there something that can be done within the OCPS investment policies that would yield a gain to the Sales Tax Fund category? A reply is requested."

Discussion

Pat Knipe requested an update on the Sales Tax Renewal. John Morris reported that the District is still finalizing details; Chairman Sublette and Dick Batchelor are managing the initiative. Mr. Morris also reported that the "OCPS Change 4 Kids" fundraising had a successful turn out.

The COVE Committee was reminded that they would have a workshop during the March COVE meeting covering Design Guidelines and prototype designs.

Adjournment

There being no further business the meeting was adjourned at 9:15 a.m.

The next meeting will be on Thursday, March 20, 2014, at 8 a.m., at Facilities Services, 6501 Magic Way, Bldg. 200, Orlando Florida 32809.

Minutes Authenticated by:

Egerton van den Berg
Chairman COVE Committee

Date of approval

Woody Rodriguez
General Counsel
School Board of Orange County, Florida

Date of approval

Project Status Report

The project status report will not be updated for this month because Regina Frazier-Thomas is out on medical leave.

Change Orders Report

Facilities & Construction Contracting
February 2014

There are no significant change orders or amendments to report for the month of February 2014.

OCPS FACILITIES & CONSTRUCTION CONTRACTING

RFQs / RFEs/HARD BIDS in Progress: March 2014

No.	Contract Description	Pre Submittal Meeting	Open Date	Shortlist Meeting	Interview Meeting	Board / CFO Date	Status
1401PS	A/E Services for New Prototype Middle Schools	1/29/2014	2/11/2014	2/21/2014	3/18/2014	4/8/2014	Open
1402PS	A/E Services for Liberty Middle Schools	1/30/2014	2/13/2014	2/25/2014	3/21/2014	4/8/2014	Open
RFQ 14CM03	CM Services for Liberty Middle School Capital Renewal Project	2/6/2014	2/26/2014	3/7/2014	4/1/2014	4/22/2014	Open
RFQ 14CM04	CM Services for Wedgefield area K-8 Site 2 K8-E-1 Relief	3/11/2014	4/1/2014	4/11/2014	5/6/2014	5/27/2014	Open

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