



**Total School Solutions**

3310 Hillridge Court  
Fairfield, CA 94534

November 15, 2003

Mr. Vince Kilmartin  
Associate Superintendent-Operations  
West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, CA 94804

Dear Mr. Kilmartin:

In April 2003, West Contra Costa Unified School District engaged Total School Solutions to conduct a performance audit of Measure D, a Proposition 39 bond measure. Article XIII of the California State Constitution requires school districts that pass a Proposition 39 bond measure to obtain an annual independent performance audit. The enclosed audit meets that constitutional requirement.

This performance audit includes an examination of the facilities programs funded through Measure M and Measure D. While Measure M passed as a two-thirds majority vote general obligation bond in November 2000 and was not subject to the requirements of Proposition 39, the District and its Independent Citizens' Oversight Committee chose to include Measure M in this examination as well. This document, therefore, reports on Measure M as well as Measure D.

During the last seven months, Total School Solutions researched, analyzed and evaluated data pertaining to the use of funds generated through the sale of bonds authorized by Measure D and Measure M. We have applied due care and diligence in ensuring that this audit, within the scope of contracted services, meets its objectives and provides an objective analytical tool for your District's Board of Education and Independent Citizens' Bond Oversight Committee.

West Contra Costa Unified School District  
Vince Kilmartin  
Associate Superintendent-Operations  
Page 2

Enclosed please find thirty (30) bound copies of the Performance Audit Report for Measure D and Measure M, as well as one loose-leaf copy for your records. Although the state has yet to adopt any oversight guidelines, we are filing the report with the State Controller's Office. We have requested clarification on the scope and filing requirements from the Office of Public School Construction. Upon receipt of this information, Total School Solutions may make additional filings with appropriate agencies. At your discretion, you may deem it appropriate to file copies of this report with other state or local agencies as well.

We would like to thank the District staff for its cooperation and willingness to provide information and data for our examination.

Sincerely,

A handwritten signature in black ink, appearing to read "Tahir Ahad", written over a horizontal line.

Tahir Ahad  
President  
Total School Solutions

# **WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**

**MEASURE D AND MEASURE M**

**PERFORMANCE AUDIT**

**JUNE 30, 2003**



**TOTAL SCHOOL SOLUTIONS  
3310 HILLRIDGE COURT  
FAIRFIELD, CA 94534**

# **West Contra Costa Unified School District**

## **BOARD OF EDUCATION**

**June 30, 2003**

<b>Patricia Player</b>	<b>President</b>
<b>Charles Ramsey</b>	<b>Clerk</b>
<b>Karen Fenton</b>	<b>Member</b>
<b>Glen Price</b>	<b>Member</b>
<b>George Harris III</b>	<b>Member</b>

## **ADMINISTRATION**

**Dr. Gloria Johnston, Superintendent**

**Vince Kilmartin, Associate Superintendent-Operations**

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## INTRODUCTION

On March 5, 2002, the West Contra Costa Unified School District submitted for voter approval Measure D, a measure to authorize the sale of \$300 million in bonds to improve school facilities. The measure was approved by 71.6 percent of the voters. Since the bond measure was placed on the ballot in accordance with Proposition 39, it required 55 percent of the vote for passage.

Article XIII of the California State Constitution requires an annual independent performance audit of Proposition 39 bond funds. Accordingly, the District engaged the firm Total School Solutions to conduct this independent performance audit and to report its findings to the Board of Education and the Independent Citizens' Bond Oversight Committee.

The District also decided to include Measure M funded projects in the scope of the examination even though Measure M is not subject to the Proposition 39 performance audit requirements. Voters previously approved Measure M, a \$150 million two-thirds majority general obligation bond, on November 7, 2000.

Total School Solutions has conducted the performance audit in accordance with applicable laws, rules and regulations. Besides ensuring that the District uses bond funds in conformance with the provisions listed in the Measure D ballot, the scope of the examination includes a review of design and construction schedules and cost budgets; change orders and claim procedures; compliance with state law, funding formulas and District policies and guidelines regarding facilities and procurement; and the effectiveness of communication channels among stakeholders.

This report covers the Measure D and Measure M funded facilities program and related activities for the period ending June 30, 2003. Beginning with the 2003-04 fiscal year, the District intends to complete a performance audit and develop a report annually until all Measure D and Measure M funds have been expended. These reports are designed to meet the requirements of Article XIII of the California Constitution and to inform the community of the appropriate use of funds generated through the sale of bonds authorized by Measure D.

In addition to the annual report, the District has authorized Total School Solutions to prepare a midyear report for each year of this engagement. These midyear reports will reflect the performance of the bond program for the six-month period from July 1 to December 31 of each year. The first of these reports will be prepared and published on or about March 15, 2004, for the time period of July 1, 2003, through December 31, 2003.

## District Facilities Program – A Historical Perspective

While the scope of this performance audit is limited to Measure M and Measure D, it is useful to review some of the District's prior actions regarding its facilities program to help put the current program into context.

Some of the major facilities projects completed in the District over the past ten (10) years include Hanna Ranch Elementary School (new, 1994), Chavez Elementary School (reconstruction, 1996), Hercules Middle/High School (new, 2000) and Lovonya DeJean Middle School (new, 2003). To fund these projects, the District has used a combination of state and local funds. For example, the District received \$56.9 million from the state for the construction of Hercules Middle/High School. Local funds were provided from developer fees, certificates of participation and local bond measures.

The financial status of the District's facilities program, as documented in the audit and financial reports of the past three (3) years, is presented in the table below.

Facilities Program Financial Status	Fiscal Year Ending June 30, 2001	Fiscal Year Ending June 30, 2002	Fiscal Year Ending June 30, 2003
Bonds Outstanding <sup>1</sup>	\$54,340,000	\$122,450,000	\$216,455,000
Certificates of Participation Outstanding <sup>2</sup>	11,875,000	11,325,000	9,960,000
Developer Fees Revenues <sup>3</sup>	6,069,815	2,749,539	9,094,400
Developer Fees Ending Balance	3,526,019	1,293,877	8,928,225
State School Facilities Program New Construction Revenues	Unknown	Unknown	12,841,930
State School Facilities Program Modernization Revenues	Unknown	Unknown	3,863,449

<sup>1</sup>Bonds outstanding as of June 30 of each year are from the following bond measures:

Measure E (June 2, 1998)	\$ 40 million authorized
Measure M (November 7, 2000)	150 million authorized
<u>Measure D (March 5, 2002)</u>	<u>300 million authorized</u>
Total	\$490 million authorized

As of June 30, 2002, the District's general obligation bond debt limit was \$382.4 million; however, the District was granted approval from the state to exceed that limit.

<sup>2</sup>Certificates of Participation (COP) are a loan, not a source of funds. COPs are repaid over time from collected developer fees.

<sup>3</sup>Developer fees are imposed on residential additions and commercial projects (Level 1) and new residential construction (Level 2).

## EXECUTIVE SUMMARY

The performance audit, conducted between May 2003 and November 2003, includes an examination of the following components:

- Bond Management Plan
- Master Architect/Engineer Plan
- Standard Construction Documents
- Design and Construction Schedules
- Design and Construction Cost Budgets
- Current Programmatic Goals to Ensure Compliance with the Following:
  - State Laws and Guidelines
  - State Funding Formulas
  - District Policies and Guidelines for Facilities Program
- Bidding and Procurement Procedures
- Change Orders and Claims Procedures
- Procedures for Claim Avoidance
- Payment Procedures
- Best Practices for Procurement of Materials and Services
- Quality Control Program
- Scope, Process and Monitoring of Participation by Local Firms
- Effectiveness of Communication Channels
- Overall Bond Program

Total School Solutions reviewed a sample of twenty-seven (27) projects in the course of its examination. Nine (9) of the projects were funded through Measure D, and eighteen (18) were funded through Measure M.

Through the examination of numerous documents, interviews with personnel involved in the facilities program and the evaluation of related facilities documentation, assessments were made and conclusions were reached. These assessments and conclusions are summarized in this report. Most data used in this examination were generated by the bond management team, which consists of the Seville Group, Inc. (SGI) and WLC Architects.

All work performed was in accordance with existing laws and regulations. Data produced by District staff and representations made by the District administration were used, where appropriate, to perform this audit and to formalize conclusions. Each component in this examination was evaluated separately and collectively, based on the materiality of each activity and its impact on the total bond program.

The scope of this performance audit has been defined by the management of the District. Total School Solutions has performed this audit of Measure D funded projects within the District's defined scope and in accordance with Article XIII of the State Constitution. At the request of the Board of Education and the Independent Citizens' Bond Oversight Committee, the same processes have been applied to projects funded through Measure M. Any known significant weaknesses and substantial non-compliance items have been reported to the management of the District. This examination was not intended to be a fraud audit, which would be much wider in scope and more significant in nature, and should not be relied upon as such.

The readers of this report are encouraged to review the report of the independent financial auditors in conjunction with this report before forming opinions and drawing conclusions about the overall operations of the bond program.

## INDEPENDENT AUDITOR'S REPORT

**Board of Education  
West Contra Costa Unified School District  
Richmond, CA 94804**

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We have conducted a performance audit of the Measure D and Measure M funded bond program of the West Contra Costa Unified School District (the "District") as of and for the year ended June 30, 2003. The information provided herein is the responsibility of the District management. Our responsibility is to express an opinion on the pertinent issues included in the scope of our work.

Except as discussed in the following paragraphs, we conducted our examination in accordance with performance auditing standards generally accepted in the United States of America and the State Controller's Standards and Procedures for Audits of California K-12 Local Educational Agencies. Those standards require that we plan and perform our work to obtain reasonable assurances about the matters included in the scope of our work. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures. An audit also includes assessing the management principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Measure D funds are being expensed in accordance with Resolution No. 42-0102 passed by the Board of Education on November 28, 2001. It is also our opinion, for the period ending June 30, 2003, the expenditures of the funds generated through Measure D bonds were for projects only included in Resolution No. 42-0102 establishing the scope of work to be completed with Measure D funds.

In regard to the spending of Measure M funds, it is our determination that all expenditures as of June 30, 2003, were for projects within the scope of Measure M in accordance with Resolution 33-0001, approved by the Board of Education in August 2000.

This performance audit was conducted in accordance with the existing standards for performance audits of school facilities programs. The District, however, is required to request and obtain an independent financial audit of Measure D bond funds. The financial auditor is responsible for evaluating conformance with generally accepted auditing principles and auditing standards pertinent to financial statements. The financial auditor also evaluates and expresses an opinion on such matters as the District's internal controls, controls over financial reporting and its compliance with laws and regulations. Our opinion and accompanying report should be read in conjunction with the Independent Financial Auditor's report when considering the results of our performance audit and forming opinions about the District's bond program.

This report is intended solely for the use of the management, the Board of Education and the Independent Citizens' Bond Oversight Committee of West Contra Costa Unified School District, which have taken responsibility for the sufficiency of the scope of work deemed appropriate for this audit.

Total School Solutions

November 15, 2003

## AUDIT SAMPLE

### Measure D

To ensure a comprehensive performance audit, Total School Solutions selected nine (9) Measure D projects for examination, including seven (7) school projects and two (2) additional projects with expenses charged to the Measure D bond program. These nine (9) projects represent 59 percent of the total Measure D bond program expenditures as of June 30, 2003, as presented below.

### June 30, 2003

Total bond authorization	\$300,000,000
Total bond issues to date (Series A)	\$30,000,000
Expenditures through June 30, 2003	\$14,156,903
	(5 percent of total authorization)

Expenditures for nine (9) projects included in the audit sample (through June 30, 2003)	\$8,295,437
	(59 percent of total expenditures)

### Measure D Expenditures Report

Projects	2001-2002	2002-2003	Total
Total projects (25)	\$1,557,412	\$12,599,491	\$14,156,903
<i>Projects in the Audit Sample</i>			
Hercules Middle		\$620,973	\$620,973
De Anza High		686,260	686,260
El Cerrito High		656,699	656,699
Pinole Valley High		563,775	563,775
Richmond High		658,883	658,883
Hercules High	\$9,690	1,063,560	1,073,250
Hercules High Portables	7,600	1,431,441	1,439,041
Deferred Maintenance Transfer	1,277,500		1,277,500
Overall Facilities Program	262,142	1,056,914	1,319,056
<b>Total</b>	<b>\$1,556,932</b>	<b>\$6,738,505</b>	<b>\$8,295,437</b>

Percent of total expenditures:

59 percent

Measure M

To ensure a comprehensive performance audit, Total School Solutions selected eighteen (18) Measure M projects for examination, including fifteen (15) school projects and three (3) additional projects with expenses charged to the Measure M bond program. These eighteen (18) projects represent 71 percent of the total Measure M bond program expenditures as of June 30, 2003, as presented below.

**June 30, 2003**

Total bond authorization	\$150,000,000
Total bond issues to date (Series A, B, C)	\$150,000,000
Expenditures through June 30, 2003	\$31,497,775
	(21 percent of total authorization)
Expenditures for eighteen (18) projects included in the audit sample (through June 30, 2003)	\$22,432,998
	(71 percent of total expenditures)

**Measure M Expenditures Report**

<b>Projects</b>	<b>2000-2001</b>	<b>2001-2002</b>	<b>2002-2003</b>	<b>Total</b>
Total projects (44)	\$426,390	\$10,986,449	\$20,084,936	\$31,497,775
<i>Projects in the Audit Sample</i>				
Castro Elementary		\$88,836	\$280,872	\$369,708
Fairmont Elementary (Q) <sup>1</sup>	\$11,076	89,406	506,461	606,943
Grant Elementary (Q)		153,701	405,478	559,179
Hercules Elementary (1A) <sup>2</sup>		343,395	697,939	1,041,334
Lake Elementary (Q)		136,151	350,699	486,850
Lincoln Elementary (1A)		224,573	961,351	1,185,924
Madera Elementary (1A)		165,816	593,822	759,638
Montalvin Elementary (1A)	109,215	225,613	532,197	867,025
Olinda Elementary	68,021	88,403	269,010	425,434
Peres Elementary (1A)		261,370	1,036,846	1,298,216
Riverside Elementary (1A)		170,519	579,487	750,006
Stege Elementary		147,055	348,101	495,156
Stewart Elementary (1A)	29,791	280,366	541,981	852,138
Stewart Portables (1A)		2,896,438	131,251	3,027,689
Valley View Elementary (Q)		148,074	282,063	430,137
Overall Facilities Program	202,735	407,177	3,935,645	4,545,557
Reimbursable		853,949	1,437,622	2,291,571
Deferred Maintenance Transfer		1,222,467	1,218,026	2,440,493
<b>Total</b>	<b>\$420,838</b>	<b>\$7,903,309</b>	<b>\$14,108,851</b>	<b>\$22,432,998</b>

Percent of total expenditures:

71 percent

<sup>1</sup> "Q" indicates that the project was one of the District's "Quick-Start" projects, which are discussed in the report below.

<sup>2</sup> "1A" indicates that the project was included in Phase 1A of the Measure M facilities program.

## COMPLIANCE WITH BALLOT LANGUAGE

### Measure M

In August 2000, the Board of Education of the West Contra Costa Unified School District approved placing a \$150 million bond measure (Measure M) on the ballot with the adoption of Resolution No. 33-0001.

The ballot language contained in Measure M is presented in detail in Appendix A. The essence of the language follows in the excerpt below:

To improve the learning climate for children and relieve overcrowding by improving elementary schools through building classrooms, repairing and renovating bathrooms, electrical, plumbing, heating and ventilation systems, leaking roofs and fire safety systems, improving technology, making seismic upgrades, and replacing deteriorating portable classrooms and buildings, shall the West Contra Costa Unified School District issue \$150,000,000 in bonds at authorized rates, to renovate, acquire, construct and modernize school facilities, and appoint a citizen's oversight committee to guarantee funds are spent accordingly?

Measure M was a general obligation bond measure requiring a two-thirds vote approval and passed on November 7, 2000, with a 77.3 percent affirmative vote. The bond language restricted the use of Measure M funds to elementary schools and required, although not mandated by law, the appointment of a citizens' bond oversight committee.

As of June 30, 2003, a total of \$31.5 million of the \$150 million Measure M bonds had been expended. All of these expenditures were for projects within the scope of Measure M. The performance audit finds that the West Contra Costa Unified School District is in compliance with the language contained in the Measure M ballot.

### Measure D

On November 28, 2001, the Board of Education of the West Contra Costa Unified School District approved placing a \$300 million bond measure (Measure D) on the ballot with the adoption of Resolution No. 42-0102. Measure D, a Proposition 39 bond measure requiring a 55 percent affirmative vote, passed with 71.6 percent affirmative vote on March 5, 2002.

Passed in November 2000, Proposition 39 mandates the appointment of a citizens' oversight committee for any local bond passed under its provisions. Proposition 39 also amends Article XIII of the California State Constitution and states that "every district that passes a 'Proposition 39' bond measure must obtain an annual independent performance audit."

The ballot language contained in Measure D is presented in full in Appendix B. The essence of the language follows in the excerpt below:

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the West Contra Costa Unified School District shall be authorized to issue and sell bonds of up to \$300,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List attached hereto as Exhibit A, and in order to qualify to receive State matching grant funds, subject to all of the accountability safeguards specified....

While the Measure D ballot detail focuses on secondary school projects, the bond language is broad, covering the following three categories of projects to be funded:

I. All School Sites

- Security and Health/Safety Improvements
- Major Facilities Improvements
- Site Work

II. Elementary School Projects

- Complete any remaining Measure M projects as specified in the Request for Qualifications (RFQ) of January 4, 2001, including projects specified in the Long Range Master Plan of October 2, 2000.
- Harbor Way Community Day Academy

III. Secondary School Projects

- Adams Middle School
- Juan Crespi Junior High School
- Helms Middle School
- Hercules Middle/High School
- Pinole Middle School
- Portola Middle School
- Richmond Middle School
- El Cerrito High School
- Kennedy High School and Kappa High School
- Richmond High School and Omega High School
- Pinole Valley High School and Sigma High School
- De Anza High School and Delta High School
- Gompers High School
- North Campus High School
- Vista Alternative High School
- Middle College High School

As required by Proposition 39, a citizens' bond oversight committee was established. On April 19, 2003, the Board of Education merged the two separate oversight committees for Measure M and Measure D into one body, with the caveat that the new committee would function in accordance with the more stringent Proposition 39 requirements.

As of June 30, 2003, a total of \$14.2 million of the \$300 million Measure D bonds had been expended. All of these expenditures were for projects within the scope of Measure D. Therefore, the performance audit finds that the West Contra Costa Unified School District is in compliance with the language contained in Resolution 42-0102.

### **Commendations**

- The District is to be commended for appointing a citizens' bond oversight committee "to guarantee funds are spent accordingly."
- The District is to be commended for including representatives of all major stakeholders on the citizens' bond oversight committee.

## STATE NEW CONSTRUCTION ELIGIBILITY

Based on CBEDS enrollment in the 2002-03 school year and augmenting projections by including new dwelling units to be built, new construction eligibility has been established as outlined in the table below.

High School Attendance Area	Eligibility				
	K-6	7-8	9-12	Non-Severe	Severe
De Anza	(1,252)	(342)	(423)	0	0
El Cerrito	(853)	(642)	(455)	0	0
Hercules	856	52	1,570	60	19
Kennedy	(1,411)	(238)	(661)	0	0
Pinole Valley	(831)	(70)	201	23	53
Richmond	(105)	(264)	(156)	0	0
Hercules/Pinole Valley (Combined)	19	(83)	2,146	78	23

Based on the data above, new construction eligibility exists within the Hercules and Pinole Valley high school attendance areas. The individual and the combined eligibilities of the Hercules/Pinole Valley attendance areas are presented in the table below.

Attendance Area	Eligibility				
	K-6	7-8	9-12	Non-Severe	Severe
Hercules	856	52	1,570	60	19
Pinole Valley	(831)	(70)	201	23	53
Total	25	(18)	1,771	83	72
Hercules/Pinole Valley (Combined)	19	(83)	2,146	78	23

Based on these eligibility numbers, the total K-12 eligibility in the Hercules attendance area is calculated at 2,557, and the total K-12 eligibility in the Hercules/Pinole Valley combined attendance area is calculated at 2,266. While 9-12 eligibility is enhanced under the combined attendance area approach, this same approach severely erodes the K-6 eligibility. However, eligibility for one grade group can be used for a project in another grade group. The state grant amount assigned to the eligibility for the original grade group determines the actual state grant.

### Commendation

- The District is to be commended for filing new construction eligibility documents (SAB 50-01/02/03) by high school attendance area in order to maximize eligibility for state funding. By utilizing this approach in the past, the District received \$12,841,930 from the state as its match for the new Lovonya DeJean Middle School (Richmond High School attendance area).

### **Recommendation**

- It is unclear at this time whether state funds would be maximized under the individual or combined attendance area approach. It is recommended that updated SAB 50-01/02/03 eligibility documents be prepared after the 2003-2004 CBEDS enrollments are available. It is further recommended that the District use the appropriate filing method to maximize state funding.

## STATE MODERNIZATION STATUS

The table below summarizes the current status of the sixty-four (64) existing campuses in the District.

Eligibility for a modernization project is established when form SAB 50-03 is filed with the state and the State Allocation Board (SAB) approves the application.

The District designs and submits a project to the Division of State Architect (DSA) and the California Department of Education (CDE). The District waits for both agencies' approval before filing SAB 50-04, the form which establishes funding for a project. If necessary, a revised SAB 50-03 must also be filed to reflect the most recent enrollment data.

After a project has been bid, the District files form SAB 50-05 to request a release in state funds for the project.

The only elementary school projects that have completed the SAB 50-03, SAB 50-04 and SAB 50-05 processes to date are the nine (9) Quick-Start projects, for which partial state funding of \$3,863,449 has been received by the District. Two (2) Phase 1A projects (Madera and Verde) obtained form SAB 50-04 SAB approval on July 23, 2003 (after the ending date of June 30, 2003, for this performance audit report).

Secondary schools to be funded under Measure D are still in architectural design, and none of those projects have reached the SAB 50-04 filing stage.

**SIXTY-FOUR (64) EXISTING CAMPUSES**

NO.	CAMPUS	SAB# <sup>2</sup>	SAB ELIGIBILITY APPROVAL (50-03)	ENROLLMENT	SAB PROJECT APPROVAL (50-04)	SAB GRANT AMOUNT (%) <sup>3</sup>	SAB FUND RELEASE DATE	FUNDING AMOUNT <sup>4</sup>
104	Bayview (1952)	000	7/26/00	585				
108	Cameron (Spec. Ed)							
109	Castro <sup>1</sup> (1950)	000	7/26/00	372				
105	Chavez (1996)	N/A	Not eligible					
110	Collins (1949)	000	7/26/00	498				
112	Coronado (1952)	004	3/22/00	125	4/23/03	\$401,400 (60%)	5/27/03	\$401,400
115	Dover (1958)	006	7/26/00	121	4/23/03	\$366,330 (60%)	5/27/03	\$366,330
116	Downer (1955)	000	3/22/00	943				
120	El Sobrante (1950)	002	2/23/00	101	3/26/03	\$369,339 (60%)	4/28/03	\$369,339
117	Ellerhorst (1959)	000	3/22/00	430				
123	Fairmont <sup>1</sup> (1957)	009	3/22/00	178	4/23/03	\$571,594 (60%)	5/27/03	\$571,594
124	Ford (1949)	000	3/22/00	500				
125	Grant <sup>1</sup> (1945)	008	2/23/00	115	5/28/03	\$369,288 (60%)	7/16/03	\$369,288
128	Hanna Ranch (1994)	N/A	Not eligible					
191	Harbor Way (1998)	N/A	Not eligible					

NO.	CAMPUS	SAB# <sup>2</sup>	SAB ELIGIBILITY APPROVAL (50-03)	ENROLLMENT	SAB PROJECT APPROVAL (50-04)	SAB GRANT AMOUNT (%) <sup>3</sup>	SAB FUND RELEASE DATE	FUNDING AMOUNT <sup>4</sup>
127	Harding (1943)	019	3/22/00	353	Pending			
126	Hercules <sup>1</sup> (1966)	017	3/22/00	350	Pending			
122	Highland (1958)	N/A	Not eligible					
130	Kensington (1949)	000	3/22/00	275				
132	King (1943)	000	7/26/00	555				
134	Lake <sup>1</sup> (1956)	007	3/22/00	110	4/23/03	\$309,937 (60%)	5/27/03	\$309,937
135	Lincoln <sup>1</sup> (1948)	015	7/26/00	61	Pending			
137	Madera <sup>1</sup> (1955)	014	7/26/00	350	7/23/03	\$1,180,092 (60%)		
139	Mira Vista (1949)	000	7/26/00	385				
140	Montalvin <sup>1</sup> (1965)	013	2/23/00	75	Pending			
142	Murphy (1952)	000	3/22/00	436				
144	Nystrom (1942)	003	3/22/00	205	4/23/03	\$861,390 (60%)	5/27/03	\$861,390
146	Ohlone (1970)	000	7/26/00	350				
145	Olinda <sup>1</sup> (1957)	000	3/22/00	325				
147	Peres <sup>1</sup> (1948)	011	7/26/00	422	Pending			

NO.	CAMPUS	SAB# <sup>2</sup>	SAB ELIGIBILITY APPROVAL (50-03)	ENROLLMENT	SAB PROJECT APPROVAL (50-04)	SAB GRANT AMOUNT (%)	SAB FUND RELEASE DATE	FUNDING AMOUNT <sup>4</sup>
150	Riverside <sup>1</sup> (1940)	016	3/22/00	283	Pending			
152	Seaview (1972)	000	3/22/00	340				
154	Shannon (1967)	000	3/22/00	303				
155	Sheldon (1951)	000	7/26/00	103				
157	Stege <sup>1</sup> (1943)	N/A	Not eligible					
158	Stewart <sup>1</sup> (1963)	012	3/22/00	408	Pending			
159	Tara Hills (1958)	000	7/26/00	455				
131	Transition LC	N/A	Not eligible					
160	Valley View <sup>1</sup> (1962)	001	7/26/00	103	3/26/03	\$290,214 (60%)	4/28/03	\$290,214
162	Verde (1950)	010	2/23/00	320	7/23/03	\$1,111,332 (60%)		
164	Washington (1940)	000	3/22/00	379				
165	Wilson (1953)	005	7/26/00	111	4/23/03	\$323,957 (60%)	5/27/03	\$323,957
	<b>Total 42 Elementary Schools</b>					<b>\$6,154,873</b>		<b>\$3,863,449</b>

NO.	CAMPUS	SAB# <sup>2</sup>	SAB ELIGIBILITY APPROVAL (50-03)	ENROLLMENT	SAB PROJECT APPROVAL (50-04)	SAB GRANT AMOUNT (%) <sup>3</sup>	SAB FUND RELEASE DATE	FUNDING AMOUNT <sup>4</sup>
202	Adams (1957)	000	3/22/00	1,059				
206	Juan Crespi (1964)	000	3/22/00	1,053				
208	Lovonya DeJean <sup>1</sup> (2003)	N/A	New school Not eligible					
210	Helms (1953)	000	7/26/00	634				
211	Hercules Middle <sup>1</sup> (2000)	N/A	Not eligible					
212	Pinole (1966)	000	7/26/00	934				
214	Portola Middle (1950)	000	7/26/00	440				
	<b>Total 7 Middle Schools</b>							
352	De Anza <sup>1</sup> (1955)	000	7/26/00	1,495				
391	Delta Continuation							
354	El Cerrito <sup>1</sup> (1938)	000	3/22/00	1,381				
376	Hercules High <sup>1</sup> (2000)	N/A	Not eligible					
360	Kennedy (1965)	000	3/22/00	1,158				
393	Kappa Continuation							

NO.	CAMPUS	SAB# <sup>2</sup>	SAB ELIGIBILITY APPROVAL (50-03)	ENROLLMENT	SAB PROJECT APPROVAL (50-04)	SAB GRANT AMOUNT (%) <sup>3</sup>	SAB FUND RELEASE DATE	FUNDING AMOUNT <sup>4</sup>
362	Pinole Valley <sup>1</sup> (1968)	000	7/26/00	2,087				
396	Sigma Continuation							
364	Richmond <sup>1</sup> (1946)	000	3/22/00	1,742				
395	Omega Continuation							
	<b>Total 10 High Schools</b>							

NO.	CAMPUS	SAB# <sup>2</sup>	SAB ELIGIBILITY APPROVAL (50-03)	ENROLLMENT	SAB PROJECT APPROVAL (50-04)	SAB GRANT AMOUNT (%) <sup>3</sup>	SAB FUND RELEASE DATE	FUNDING AMOUNT <sup>4</sup>
358	Gompers (1934)	000	7/26/00	165				
369	Middle School							
373	Vista Alternative							
374	North Campus Continuation	000	3/22/00	123				
408	Adult Education							
	<b>Total 5 Alternative Schools</b>							
	<b>Total Schools (64)</b>					<b>\$6,154,873</b>		<b>\$3,863,449</b>

<sup>1</sup>Out of forty-two (42) existing elementary schools, fourteen (14) were selected for audit, of which thirteen (13) have state modernization eligibility approved; five (5) have been approved for funding and four (4) have been funded. Out of seven (7) existing middle schools, two (2) were selected for audit. Out of ten (10) existing high schools, five (5) were selected for audit.

<sup>2</sup>A "000" indicates that form SAB 50-03 has been filed to establish eligibility. A project number is not assigned until form SAB 50-04 is filed, which requires DSA stamped plans and CDE approval. A blank indicates that the status is unknown or that eligibility has not been established.

<sup>3</sup>The state grant amount is 60 percent of the total state modernization budget for project applications (SAB 50-04) filed after April 29, 2002. (Applications filed earlier than April 29, 2002, receive 80 percent in state match.) The District must provide its matching share of the project budget.

<sup>4</sup>State funding is released to the District after the project has gone to bid, a construction contract has been awarded, and form SAB 50-05 has been filed.

## BOND MANAGEMENT PLAN

The governance and management of the bond management plan have evolved over time to address the changing needs, functions and funding of District facilities. This section details the historical and the present structures of the citizens' bond oversight committee and the bond management team.

### Bond Oversight Committee

After Measure M, the \$150 million bond measure, passed on November 7, 2000, the District recognized the need to establish two components to execute the intent of Measure M: (1) an independent citizens' bond oversight committee and (2) a bond management team.

A citizens' bond oversight committee had formerly existed as a result of the earlier passage of the \$40 million Measure E (June 2, 1998). On December 5, 2000, the Board of Education approved the creation of a new Measure M citizens' bond oversight committee consisting of twenty (20) to twenty-two (22) members. While it included a few of the members from the Measure E oversight committee, the new citizens' bond oversight committee for Measure M replaced the previous committee. The Measure M committee had an expanded scope and charge in comparison to those of the Measure E committee.

With the passage of Measure D, the \$300 million Proposition 39 bond measure, the Board of Education established a new oversight committee in addition to the Measure M oversight committee. The board established this new Independent Citizens' Oversight Committee in accordance with the legal requirements under Proposition 39. On April 9, 2003, the Board of Education approved the consolidation of the two committees into one Measure M and Measure D committee, with the caveat that the committee would function in accordance with the more stringent Proposition 39 requirements.<sup>1</sup>

To execute its duties, the citizens' bond oversight committee has established the following three (3) subcommittees:

- Audit Subcommittee
- Facilities Subcommittee
- Public Outreach Subcommittee

The committee and these subcommittees currently provide the oversight and feedback to the Board of Education to help ensure that the facilities program is implemented as approved by the voters.

<sup>1</sup>Board Policy 7214.2. Administrative Regulations 7214.2.

## **Bond Management Team**

When the District began its current formalized facilities program with Measure M, it considered two basic approaches to provide management with the necessary tools and personnel in implementing a facilities program:

- i. Hire the staff necessary to develop District capability
- ii. Contract with outside firms to carry out essential functions.

At the time of the passage of Measure M, District staff was limited. The Board of Education authorized the solicitation of Request for Qualifications (RFQ) to provide services from a master architect/bond program management team. In response to the RFQ, twelve (12) proposals were received. On April 25, 2001, staff recommended that the Board of Education approve a joint proposal from the firms of DRL/Vitiello, subject to a negotiated fee and agreement. When agreement could not be reached with the DRL/Vitiello team, the District, on August 15, 2001, entered into a contract with the WLC/SGI team. This renegotiation caused a delay in implementing the facilities program authorized and funded by Measure M.

After Measure D passed on March 5, 2002, the Board of Education considered options for bond management services for the expanded scope of the facilities program and approved an additional contract with the WLC/SGI team based on certain advantages of time and cost savings, quality and accountability.

Compensation under the original contract for Measure M, Phase 1 (thirteen elementary schools) was estimated at \$10,126,353, plus additional services, as illustrated in Table 1 below.

Table 1: Measure M – Phase 1 (August 15, 2001)	
Compensation*	\$8,875,353
Reimbursable Expenses (Estimate)	1,251,000
Total	\$10,126,353

\*Does not include any "Additional Services" provided under Article XII.

The original contract was amended in June 2002 to include the nine (9) Phase 1A and nine (9) Phase 1B projects, with a new estimate of \$17,683,498, plus any additional services, as shown in Table 2.

Table 2: Amendment No. 1 to Contract of August 15, 2001 (June 2002)	
Compensation (Estimate based on sample)	\$14,492,638
Reimbursable Expenses (Estimate)	3,190,860
Total (Revised)	\$17,683,498

A separate WLC/SGI contract was entered into in June 2002 for Measure D, Phase 1 projects for a total estimate of \$16,952,808, plus any additional services, as illustrated in Table 3.

Table 3: Measure D – Phase 1 (June 2002)	
Compensation (Estimate based on sample)	\$13,820,448
Reimbursable Expenses (Estimate)	3,132,360
Total	\$16,952,808
Total (Measures M & D)	\$34,636,306

The new estimated WLC/SGI contract for Measure M, Phase 1A and 1B and Measure D, Phase 1 is \$34,636,306, plus any additional services. (This new total is the sum of the amended contract for Measure M and the contract for Measure D.) As additional WLC/SGI services are needed for future phases, amendments will be needed to cover the costs of these services.

As the facilities program progressed over time with the design and construction of Measure M and Measure D projects, the District recognized the importance of having key District staff to implement essential functions of the facilities program that the WLC/SGI team could not perform. For the 2003-04 fiscal year, District staff and the funding allocations are listed in the table below.

District Staff Position	Annual Salary and Benefits	General Fund %	Bond Fund %	Annual Expense Charged to Bond
Bond Fiscal Fund Supervisor	\$68,702	0	100	\$68,702
Bond Network Planner	91,186	10	90	82,067
Bond Regional Facility Project Manager	97,060	10	90	87,354
Bond Regional Facility Project Manager	94,754	10	90	85,279
Director of Bond Facilities	111,483	10	90	100,335
Director of Restricted Programs	63,766	50	50	31,883
District Engineering Officer	117,000	10	90	105,300
Senior Director of Bond Finance	104,124	25	75	78,093
<b>Total</b>	<b>\$748,075</b>			<b>\$639,013</b>

The above staff positions and their funding allocations were approved by the Board of Education at its meetings of February 5, 2003, and March 5, 2003. To verify that bond proceeds could be appropriately used for staff positions, the District “validated” its decision by seeking and obtaining clearance from the Contra Costa County Superior Court.

During the early stages of the Measure M facilities program, architectural services were provided mostly by WLC/SGI team, including services for the nine (9) Quick-Start projects. After preliminary design documents were completed by WLC/SGI, Architects of Record (AORs) were hired to develop detailed plans, specifications and bid documents. The AORs for the Phase 1A and 1B projects are listed in the table below.

<b>Architect</b>	<b>Phase 1A</b>	<b>Phase 1B</b>
Hamilton & Aitken	Madera	Ellerhorst
Arthur Tam	Lincoln Peres	Kensington Murphy
Powell and Partners	Verde	Tara Hills Sheldon
BFGC	Hercules	
DES		Mira Vista Bayview
HTI	Riverside	
Charles Bryant	Harding	
Baker Vailar	Montalvin	
Interactive Resources	Stewart	Washington
Bunton Clifford		Downer

The functions of the bond management team, District staff, master architect (WLC) and program manager (SGI) are documented in two comprehensive manuals:

- Program Management Plan. Revised May 12, 2003.
- Procedures Manual. Fiscal Year 2003-2004. Section 4: Operations.

The Program Management Plan provides descriptions of every aspect of managing a facilities program from strategic planning to detailed office administration procedures. This document is intended primarily to serve the bond management team in performing its duties at each step of the facilities program.

The Procedures Manual, Fiscal Year 2003-2004, was prepared by the District's senior management to guide District administrators in performing their assigned duties. The section on operations includes information on the bond management team, facilities planning, construction and the functions of the various bond management team members. This document also includes organizational charts, facilities planning and construction personnel, responsibilities, projects, and a division of duties performed by WLC and SGI.

### **Commendations**

- The WLC/SGI team is to be commended for developing a well structured and comprehensive management plan.
- The senior management of the West Contra Costa Unified School District should be commended for developing the annual procedures manual.
- The District is to be commended for structuring a facilities team to execute the bond program.

### **Finding**

- The scope of services provided by the bond program manager (The Seville Group, Inc.), the master architect (WLC) and the project architects overlap to some extent, contributing to a duplication of effort and confusion regarding areas of responsibility and accountability.

### **Recommendation**

- The District should review the contract with the bond management team and identify overlapping areas in order to eliminate any duplication of efforts.

### **District Response**

- The Master Architect contract with WCCUSD, by design, has overlap with the Architects of Record (AOR) in several key areas such as Schematic Design and oversight of the construction documents. The intent of this arrangement is to allow the AOR the fee to get up to speed during Schematic Design and for the Master Architect to be involved to oversee the AOR. The Master Architect is providing a more detailed Schematic Design turnover package and conducting bi-weekly meetings with the AOR's to further define responsibility and hold the AOR's accountable to their contract. In addition, the District, SGI and WLC are currently engaging in a "Realignment Process" to evaluate their performance to date and to consider changes to streamline and improve the Bond Team process during the coming year. The working relationship between Seville and WLC and the Master Architect/project architect relationship are two key areas that the District is focusing on in this process.

## **MASTER ARCHITECT/ENGINEER PLAN**

### **Process Utilized**

The Board of Education of the West Contra Costa Unified School District has entered into an unusual arrangement to manage its facilities program, including the parts that fall under Measure M and Measure D. To assess and report on this delivery method, the audit team has read the contract documents and reviewed other pertinent written material. The audit team has also conducted interviews with members of the Board of Education, the Citizens' Bond Oversight Committee, site principals, representatives from the District's labor organizations, District administrators and members of the bond management team. During these interviews, a number of topics were discussed. While not every interview had identical subject matter, the master architect concept was one focus in most interviews. The background discussion, commendations, findings and recommendations in this section are a result of the information gathered in this process.

### **Background**

The West Contra Costa Unified School District's contracts for bond management services through one comprehensive joint contract with Wolf Lang Christopher Architects (WLC) and the Seville Group, Inc. (SGI). The services range from overall conceptual development to construction contract management services.

In a typical California school construction project, various participants fulfill a number of different roles. Key functions or roles generally include the following:

- Owner
- Architect
- Contractor
- Construction Manager

School districts usually contract with individuals, firms or agents for services associated with the four general functions above. This separation of responsibilities allows for a set of checks and balances based on the nature of the relationships of those performing these four functions.

The master architect contract for the District combines all of the above elements, except for the contractor. Program management, design services and construction management services are, to various degrees, provided under this one contract. This mechanism has the potential of delivering the advantages of continuity. However, this arrangement also has an inherent weakness as it violates the concept of checks and balances typically present in a more traditional division of roles and responsibilities. Although this management arrangement is creative and has the potential for productivity, it also has the potential for future difficulty without appropriate checks and balances.

## **Commendations**

- The bond management team is to be commended for the development of facilities evaluation reports for both Measure M and Measure D projects. The reports provide sufficient data to establish current conditions, preliminary schedules, preliminary budgets and campus needs based on criteria from the Master Architect Standards. This work, in conjunction with the Long Range Master Plan developed in July 2000, establishes a basis for future decisions.
- The bond management team is to be commended for its ability to develop multiple projects concurrently. The initial Quick-Start projects required significant coordination of efforts by site staff, engineering consultants, the District's administration and project architects.

## **Finding**

- The master architect arrangement can create the impression that the bond management team functions in a District staff role. This potential for confusion of roles places the master architect in the difficult position of providing services beyond the scope of the contract without payment, declining to provide services, or providing additional services for additional fees. The ambiguity with the master architect contract can cause stress or conflict between the architects and the District.

## **Recommendation**

- District staff and the leadership of the bond management team should meet regularly to review work in progress, future planned work and the scope of provided services. Such meetings may help avoid, eliminate or mitigate confusion regarding the division of duties, roles and responsibilities between District staff and consultants.

## **District Response**

- The District confirms that "agency" relationships with consultants where outside firms act as staff extension can create confusion regarding services, roles, fees, and expectations. District staff is working closely with the Bond Team to clarify roles and responsibilities among the team and in relation to District staff. The District, during and after the Performance Audit period, has continued to strengthen in-house staff in order to assume more responsibility and provide leadership in defining, or even limiting, consultants roles.

## **Finding**

- Two architectural firms under one contract have created, or have the potential of creating, uncertainty in the division of roles, duties and responsibilities. The situation is further complicated when WLC functions as the architect of record for a specific project.

### **Recommendation**

- A regular cycle of meetings with staffs of the District, SGI and WLC would be an important step toward a common understanding of roles and a clear delineation of responsibilities.

### **District Response**

- The District and the WLC/SGI Bond Team recognize the need for clear communications and understanding roles and responsibilities. The District and the WLC/SGI Bond Team meet every Wednesday at the Directors' meeting to discuss overall Bond Program issues. Additional regular joint meetings include the Thursday Bond Team Design meeting, the monthly Facilities Subcommittee meetings, a weekly meeting between the Master Architect and the Bond Program Manager as well as daily project specific meetings. As previously noted, the District has initiated a Realignment Process with SGI and WLC to evaluate the current Bond Team structure and implement modifications necessary to improve the delineation of responsibilities.

### **Finding**

- The current projects have included numerous addenda when they were bid. These addenda have caused significant changes to the bid documents, particularly in the front-end documents. These frequent changes lead to confusion in the bidding process, which typically results in a lower number of bids and/or higher priced bids.

### **Recommendation**

- Bids should be invited only after plans and specifications are finalized. Addenda should be kept to a minimum and utilized only when necessary.

### **District Response**

- The District and the WLC/SGI Bond Team agree and have implemented procedures to minimize addenda to the projects. Projects will be DSA approved and deemed complete by the Master Architect prior to bid. Addenda to the Phase M-1A specifications and front end documents have been incorporated into the Phase M-1B specifications prior to release to the AOR's.

### **Finding**

- Two architectural firms under one contract also create a conflict of interest when one of the firms reviews the work of its partner. This managerial arrangement in the bond management team can weaken the normal system of checks and balances usually found in school facilities projects.

### **Recommendation**

- SGI should not participate in the constructability review process when WLC functions as the architect of record. In this case, the District should engage an independent architect to conduct the constructability review, and SGI should credit the District the full value of the independent review.

### **District Response**

- The District will take this recommendation under advisement. Although one could argue that there is an appearance of a conflict of interest in this situation. SGI and WLC are two separate firms. As a result, there is not a financial or professional motivation for SGI not to perform a thorough constructability review. The checks and balances referenced in this recommendation are in some cases further enhanced because of the bond team's desire to be perceived as a strong performing unit. The District has held both firms accountable in their performance. As a result of the internal constructability reviews completed by both SGI and WLC, change orders on the Hercules remodel project was kept below 4%. In the Realignment Process, the District, WLC and SGI will consider contract changes that will clarify the independent role that WLC and SGI play in this area.

## **STANDARD CONSTRUCTION DOCUMENTS**

### **Process Utilized**

The bond management team provided the audit team with copies of the Master Architect Approach to Standards, Program Quality Control and a sample of the construction documents utilized in the projects. The audit team conducted interviews with District staff and members of the bond management team. These interviews covered a number of topics and included conversations regarding the process utilized in the development of standard construction documents.

Documents and the interview results have been reviewed to evaluate the development process of the standard construction documents. This section of the audit does not include a review of, or comments on, the quality of the standard construction documents.

It must be noted that this portion of the report is limited to Measure M, Phase 1A because the remaining projects in Measure M and all of the projects in Measure D have not progressed to the point of having construction documents prepared for review. Based on the progress at the time of this writing, it appears an identical process is being utilized for the remaining projects under Measure M and Measure D.

Construction documents were examined for consistency and compliance with the established document development process. The documents developed in this process include the following contract divisions:

- Division 0 – Introductory Information, Bid Documents, Contract Forms, Contractor Certifications, and General Requirements
- Division 1 – Hazardous Materials Abatement
- Division 2 – Site Work
- Division 3 – Concrete
- Division 4 – Masonry
- Division 5 – Metal Work
- Division 6 – Wood and Plastic
- Division 7 – Thermal and Moisture Protection
- Division 8 – Doors and Windows
- Division 9 – Finishes
- Division 10 – Specialties
- Division 11 – Equipment
- Division 12 – Furnishings
- Division 13 – Special Construction
- Division 14 – Conveying Systems
- Division 15 – Mechanical
- Division 16 – Electrical
- Division 17 – Technology
- Drawings

The review process takes into account that each campus is unique and has different needs and requirements. The review of the document development process for the standard construction documents is intended to determine whether the resulting individual documents will produce the desired consistency in product quality, educational specifications, and overall aesthetics for each campus even though these features vary from site to site.

### **Commendations**

- The bond management team is to be commended for the process utilized in the development of Section 00050, Existing Conditions. This component, often absent from construction documents, serves to protect the District from claims related to existing conditions and potentially inaccurate historical “as built” drawings.
- The bond management team is to be commended for the process utilized in the development of its selected “Blind Bid” process as required in Public Contract Code Section 20103.8, Subdivision d.
- The bond management team is to be commended for the process utilized in the development of Section 00310, Site-Visit Certification. Like Section 00050 referenced above, this section also utilizes a non-mandatory component to protect the District from claims arising from existing site conditions.
- The bond management team has developed a solid set of standard documents to provide consistency in the expected results for each project. Even though each school site and each project are unique, this standard set of documents is considered important given the magnitude of the overall facilities program.
- The bond management team is to be commended for the development of quality drawings for the projects. They consistently display thorough data for each site. They also appear to be well coordinated and easily interpreted by contractors, inspectors, construction managers, and other technicians involved in the review, approval, bidding and construction processes.

### **Finding**

- A significant number of addenda were utilized in the initial projects for which bids had already been invited. It is understood that the addenda were issued because some of the standard documents were in development and unavailable at the time these projects were bid. The numerous addenda led to some confusion in the bidding process. Such confusion often results in higher bids and/or claims during the course of a project.

### **Recommendation**

- Future projects should not be bid until contract documents are sufficiently developed to keep addenda to a minimum.

### **District Response**

- The District and the WLC/SGI Bond Team agree and have implemented procedures to minimize addenda to the projects. Projects will be DSA approved and deemed complete by the Master Architect prior to bid. Standard Documents have now been completed and have been provided to the Phase M-1B AOR's.

## **DESIGN AND CONSTRUCTION SCHEDULES**

### **Process Utilized**

The bond management team has developed documentation systems that include schedules for the Measure M and Measure D facility programs. For the purpose of program management, the Measure M and Measure D master schedule is the most useful of these various schedules. This master schedule includes the facility programs for Measure M and Measure D, beginning with the master planning for Measure M in October 2001 and ending with the completion of the final Measure D projects in August 2010.

The master schedule was compared to the actual schedule for the nine (9) Phase 1A projects scheduled for bidding by the end of the audit period. Projects scheduled for master planning, programming, District review, and other similar activities by June 30, 2003, were also reviewed.

Since the bidding for these initial projects was delayed beyond the period of this audit, insufficient data exist to make an overall determination of schedule compliance. It appears that projects scheduled for bidding in late summer 2003 remain on schedule. However, it will not be possible to assess progress and compliance with schedules until the next audit period when the results of the actual bidding and commencement of construction can be reviewed.

### **Commendations**

- The bond management team is to be commended for developing a clear, easily understandable master schedule. This document includes key events for planning, funding, bidding, construction and occupancy for each project.
- The bond management team is to be commended for anticipating and including the availability of state revenues in the master schedule.
- The bond management team is to be commended for including sufficient time for the state facilities funding process within the master schedule.

### **Finding**

- The Measure M and Measure D master schedule indicates that bidding for the first nine (9) elementary schools (Phase 1A) would occur by April 2003, with mobilization in June 2003 and commencement of construction by the end of June 2003. Bid results indicate that this timeline was not adhered to.

### **Recommendation**

- The bond management team should publish updated schedules to reflect adjustments necessary in the process. The bidding process of future projects should be initiated earlier, making allowances for variances and unexpected delays in the bidding and construction processes while adhering to the published schedule to the extent possible. Updated schedules should be forwarded to all parties affected by these schedule changes.

### **District Response**

- The District agrees that the Bond Team should publish Master Bidding Schedules and provide regular updates as changes occur. During the Phase 1-A bidding process, the Bond Team did provide updated schedules on a weekly basis or as needed on a daily basis. However, due to low bid turn outs by the pre-qualified general contractors at the first few bid openings, the District directed the Bond Team to reschedule the bids to allow for one bid opening per week. While this extension of the original bidding schedule did improve the participation of general contractors, it also extended the bidding period, which postponed the construction start dates indicated in the original Master Schedule. The District and the Bond Team are implementing procedures to ensure that the bidding occurs earlier in the construction season.

## **DESIGN AND CONSTRUCTION COST BUDGETS**

### **Process Utilized**

Since construction of the Phase 1A projects was not significantly underway during the time period covered in this examination, only the original budget amounts and the current adjusted budgets were available for evaluation. The bond management team provided these budgets for review. The Phase 1B projects are scheduled to be constructed in the future. Data for these projects will be examined in future performance audits.

Interviews were conducted with individual board members, members of the bond oversight committee, District staff and members of the bond management team. These interviews included a variety of topics, including project costs and budgets.

### **Background**

California public school districts are allowed to develop building standards based on individual educational, aesthetic, and fiscal needs. The California Department of Education (CDE) reviews and approves projects based on a set of criteria that includes toxics review, minimum classroom size, compliance with the California Environmental Quality Act (CEQA) and a number of other standards. The Division of the State Architect (DSA) reviews and approves projects based on their compliance with requirements related to structural (seismic) integrity, fire and life safety, and the Americans with Disabilities Act (ADA). The Office of Public School Construction (OPSC) approves projects based on established district eligibility, CDE approval and DSA approval. These required approvals are all based on “minimum standards” criteria established by these agencies. There are no existing state standards or requirements in many areas such as technology, architectural style and aesthetics, specialty educational space (e.g., art, science, shop areas, etc.) and other similar features. These determinations are left to the district based on local educational programmatic needs, available funds and individual site conditions.

Most California school districts adhere strictly to the State School Facilities Program (SSFP) budgetary standards. In those districts, projects are designed based on total revenues produced through the SSFP calculation, which is the sum of the SSFP per pupil grant and the required local district match. In other districts, this formula is used for the purpose of determining available SSFP revenues from the state. In this scenario, project budgets often exceed the state formula. The amount in excess of the state formula is referred to as additional local match and is permitted by SSFP regulations. From the SSFP’s perspective, the only requirement is that the district make the minimum local matching funds available for eligible projects.

Through actions of the Board of Education, the West Contra Costa Unified School District has set standards known as “Option 1C” to guide its projects. These District standards result in individual project budgets significantly higher than a budget based solely on the SSFP formula. Furthermore, the total for these individual project budgets exceeds the total facilities program revenues currently available to the District. It appears that the Board of Education anticipates additional revenues to balance program budgets. It is expected that these funds may become available through local sources, including the authorization and issuance of additional local general obligation bonds.

This planning premise is not entirely unusual. It is the board’s prerogative to make these decisions. Such assumptions, however, do involve the inherent risk that anticipated additional revenues might not be realized in a timely manner. In that case, it may not be possible to construct all projects in the master plan. As long as decision-makers are aware of this possibility and take the funding situation into account while making facilities decisions, this rationale may be appropriate. Typically, school facilities planning is only capable of projecting into the near future. An attempt to predict beyond a reasonable time frame will produce expectations that rarely materialize. All school facilities master plans have this inherent uncertainty to some extent.

### **Commendation**

- The bond management team is to be commended for the development of detailed cost estimates that provide extensive data for necessary budget development.

### **Finding**

- The entire scope of Phase 1A projects have exceeded their cumulative original budgets by 43.79 percent. The original budgets for Phase 1B projects have increased by 53.92 percent. These increases are primarily due to the board’s determination of “Option 1C” as the District’s facilities standards. The budgets for Phase 1A and Phase 1B projects have been adjusted accordingly. The board considered the option of maintaining the cost of the entire program within the projected available revenues through the “Zero Option.” It was decided, however, to pursue a significantly higher standard, acknowledging that the delivery of the entire facilities program depends on the development of additional revenue sources in the future.

### **Recommendation**

- It is recommended that the bond management team ensure that District standards are met, but not exceeded, through a systematic assessment of the project scope for each project.

### **District Response**

- The District agrees that the Bond Management Team should ensure that District standards are met and that appropriate budgets are approved to meet these standards. For this purpose, a Scope Committee has been established for the purpose of defining the District's 1-C standard, and applying it to all modernization and new construction projects. This Committee is also responsible for evaluating and recommending appropriate budgets for each project. Before projects are turned over to the Architects of Record (AOR) for design and construction document development, the Scope Committee meets on a weekly basis in order to establish the "1-C" scope of work for each project. After the project has been assigned to the AOR, the Scope Committee continues to evaluate the AOR's deliverables and estimate summaries in order to ensure that all plans and specifications are in line with the established scope and budgets.

### **Finding**

- The inclusion of additive and deductive alternates in bids can have a considerable negative impact on facilities budgets. It appears that the District's absence of standards to guide the individual project architects in the development of Phase 1A projects may have contributed to the budget variances.

### **Recommendation**

- Since a decision has been made to follow Option 1C standards and since the District intends to meet and maintain those standards in all projects, it is recommended that the use of alternates in the bid specifications be reduced substantially or eliminated.

### **District Response**

- The District and the WLC/SGI Bond Team agree and have implemented procedures to minimize and/or eliminate alternates to the projects. The District Standards and project scopes have been well defined. Minimal alternates may be allowed to respond to bidding climate.

## **COMPLIANCE WITH STATE LAWS AND GUIDELINES**

A number of codes and regulations govern the District's numerous legal and regulatory requirements associated with the delivery of California public school construction projects. This review assesses the District's level of compliance with such legal and regulatory requirements. This review is not to be viewed as a legal opinion but as an examination of compliance within accepted industry standards and prevailing regulatory requirements. This section excludes a review of compliance with the California Building Code or other similar guiding instruments in design and construction.

### **Process Utilized**

Standard bid documents, District policies, and supporting documentation were examined for compliance with legal requirements. This process included an examination of components required by law, components required by state funding and good practices for compliance with state law.

### **Required Components**

- The required Division of the State Architect (DSA) approvals for individual projects have been obtained.
- Section 00100. Notice to Bidders. The Notice to Bidders includes the required notification to prospective bidders relative to project identity, date, time and place of bid opening for each project. Notice to Bidders also includes requirements for contractors' licenses (type and a requirement that they must be current), bid bond or certified bid security checks, payment bond, performance bond, substitution of securities information and prevailing wage. Further, the document includes a statement establishing the blind bid process and the District's rights to reject all bids.
- Section 00150. Bid Bond. A bid bond in the amount of 10 percent of the contract price is present in the package and on a form prepared by the District and demanded from the contractor as required.
- Section 00330. Non-Collusion Affidavit. A non-collusion affidavit form is provided and demanded from the contractor as required.
- Section 00550. Escrow Agreement. An Escrow Agreement for security deposits in lieu of retention is included as an option as required.
- Section 00610. Performance Bond. A performance bond in the amount of 100 percent of the contract price is present in the package on a form prepared by the District and demanded from the contractor as required.
- Section 00620. Payment Bond. A payment bond for 100 percent of the contract price is present in the package on a form prepared by the District and demanded from the contractor as required.

- Section 00905. Workers' Compensation. The District requires the contractor to certify compliance with state workers' compensation requirements.
- Section 00910. Prevailing Wage and Related Labor Requirements Certification. The District requires the contractor to certify compliance with prevailing wage and related labor requirements.
- Section 00915. Drug-Free Workplace Certification. The District requires the contractor to certify its workplace as drug-free.
- Section 00925. Hazardous Materials Certification. The District requires the contractor to provide certification that no hazardous materials are to be furnished, installed, or incorporated into the project in any way.
- Section 00930. Lead-Based Materials Certification. The District requires the contractor to certify its compliance with restriction on lead-based materials.
- Section 00935. Imported Materials Certification. The District requires the contractor to certify that imported material, including soil, aggregates, and related materials, are free from hazardous materials.
- Section 00940. Criminal Background Investigation/Fingerprinting Certification. The District requires the contractor to select a method of compliance and to certify compliance with criminal background investigation/fingerprinting requirements.
- Section 01800. Hazardous Materials Abatement. The District requires that the contractor disclose all hazardous materials known to exist in the project. A list of the applicable laws, codes and regulations is provided, including specific abatement procedures.

#### State Funding Components

- Section 00805. Labor Compliance Program. A labor compliance program is defined and forms are provided as required by the State School Facilities Program (SSFP).
- Section 00912. Disabled Veterans Business Enterprise Participation (DVBE) Certification. The contractor is required to certify compliance with DVBE requirements as determined by the SSFP.

The following optional items are considered good practices for bid documentation.

#### Good Practices

- Section 00510. Notice of Award
- Section 00520. Notice to Proceed
- Section 00530. Agreement
- Section 00540. Escrow Bid Documentation

### **Commendation**

- The bond management team is to be commended for its development of a comprehensive “front end” document that appears to fulfill all legal requirements and protects the District, to the extent possible, from difficulties that could arise from incomplete and/or inadequate documents.

### **Finding**

- There are no findings in this section of the report.

## **COMPLIANCE WITH STATE FUNDING FORMULAS**

Measure M, a \$150 million bond measure, was approved by the voters on November 7, 2000, with a 77.5 percent affirmative vote. As a two-thirds vote requirement bond, there was no legal requirement for the District to appoint a citizens' bond oversight committee or conduct a performance audit. The Board of Education, however, chose to have a citizens' bond oversight committee and a performance audit to assure voters that bond funds have been utilized with maximum effectiveness and to ensure fiscal and performance accountability.

To complement Measure M funding, the District intends to apply and obtain state matching funds for all eligible modernization and new construction projects.

Subsequent to the passage of Measure M, the State School Facilities Program (SSFP) was modified with the adoption of AB14 on September 26, 2002. AB14 made several modifications to the SSFP, which provided additional funding to schools. One of the provisions of AB14, however, changed the state/local match ratio from 80/20 to 60/40, effective retroactively to April 29, 2002. While the match changed to 60/40, the state grant remained unchanged; only the local match requirement changed from 20 to 40 percent. This change would impact a school district only if sufficient local matching funds were unavailable or if a school project was not planned to meet or exceed the 40 percent minimum of a modernization budget. In the case of the West Contra Costa Unified School District, all modernization projects greatly exceed the 40 percent match requirement, and as such, no negative impact resulted from the change in law.

### **Process Utilized**

The performance audit team selected projects at fourteen (14) elementary schools out of the forty-two (42) existing schools to audit. These projects were selected because they were among the first to undergo modernization, renovation or replacement.

The audited elementary school projects and the State School Facilities Program (SSFP) funding summary are listed in the table below.

School	SAB#	State Funding (60%)	District Match (40%)	Project Phase
Castro Elementary School				Future
Fairmont Elementary School	009	\$571,594	\$381,063	Quick-Start
Grant Elementary School	008	368,288	246,192	Quick-Start
Hercules Elementary School	017			1A
Lake Elementary School	007	309,937	206,625	Quick-Start
Lincoln Elementary School	015			1A
Madera Elementary School	014	1,180,092	798,502	1A
Montalvin Elementary School	013			1A
Olinda Elementary School*				Future
Peres Elementary School	011			1A
Riverside Elementary School	016			1A
Stege Elementary School				Future
Stewart Elementary School	012			1A
Valley View Elementary School	001	290,000	193,476	Quick-Start
<b>Total Cost</b>		<b>\$2,720,911</b>	<b>\$1,825,858</b>	

\*An SAB number is not assigned until an application (SAB 50-04) is filed with DSA-stamped plans.

The District's initial projects included nine (9) Quick-Start projects, nine (9) Phase 1A projects and nine (9) Phase 1B projects, as follows:

Category	SAB#	State Funding (60%)	District Match (40%)
Quick-Start	001-009	\$3,863,449	\$2,575,633
Phase 1A	010-017,019	2,291,424	1,527,616
Phase 1B			
<b>Total Cost</b>		<b>\$6,154,873</b>	<b>\$4,103,249</b>

To perform the review of the District's compliance with the state funding process, files were reviewed from various agencies involved in different aspects of the SSFP funding process, including the following agencies:

- WCCUSD – West Contra Costa Unified School District
- OPSC – Office of Public School Construction
- SAB – State Allocation Board
- DTSC – Department of Toxic Substances Control
- CDE – California Department of Education
- DSA – Division of State Architect
- SCH – State Clearinghouse

In subsequent semi-annual updates of the performance audit, some previously audited projects may be eliminated from review and additional projects may be selected for examination as they develop through the planning and construction stages.

### **Commendations**

- The District is to be commended for maximizing all potential revenues through the SSFP matching funds, the passage of Measure M, and the imposition of developer fees (Level 1 and Level 2 fees).
- The District is to be commended for structuring a state application process that complies fully with all legal and state requirements.

### **Finding**

- Facilities project files are not maintained in a central location and appear to be in disarray. For this reason, information needed for the performance audit was not readily accessible. It was necessary to identify specific data needs and request the necessary documents from District staff or the WLC/SGI team.

### **Recommendation**

- It is recommended that the District, in conjunction with the WLC/SGI team, develop a central filing system to ensure that all documents are properly categorized, filed and controlled. (It should be noted that during the period of this performance audit, the Facilities Operations Center was undergoing a major renovation. Part of that renovation was the creation of a central depository for all documents. It should also be noted that the District, in conjunction with WLC/SGI, is developing a computerized system, Project Solve, which will contain many of the documents in electronic format once it is fully implemented. This step would help ensure that all documents are accessible when needed.)

### **District Response**

- The Bond Team has now established a Central Filing System and will work with the District to create a Program filing system that integrates the District's needs. The filing system was planned for implementation after the Facilities Operation Center remodel was completed (it is now 80% complete). The current filing system is based on project and construction categories developed for the management of public school construction projects. This system works in conjunction with an electronic filing system utilizing the same categories. In addition, a filing instruction manual has also been developed in order to provide a standardized procedure for filing construction documents. The actual files are located at the front office of the Facilities Operations Center.

Measure D, a \$300 million bond measure, was approved by the voters on March 5, 2002. In conjunction with Measure D funds, the District intends to apply and obtain state matching funds for all eligible modernization and new construction projects.

After the passage of Measure D, the contract with the master architect/bond management consultant (WLC/SGI) was expanded to include Measure D projects.

### **Process Utilized**

Total School Solutions initially selected two (2) of the seven (7) existing middle schools and five (5) of the ten (10) existing high schools for audit. The projects selected for the audit include the following:

#### **Middle Schools**

Lovonya DeJean (new school)  
Hercules Middle (new school)

#### **High Schools**

De Anza  
El Cerrito  
Hercules High  
Pinole Valley  
Richmond

Because Lovonya DeJean and Hercules Middle/High School are newly constructed schools built with earlier state and local funds, they are not appropriate for audit under Measure D and have been excluded from examination.

Because Measure D projects have not yet reached the project application stage, it would be premature to comment on the state funding process. (All of the current Measure D projects are in the planning stage, and state project applications (SAB 50-04) have not been filed yet.) In subsequent semi-annual updates to the performance audit, projects will be selected for audit as they develop through the planning and construction stages.

## COMPLIANCE WITH DISTRICT POLICIES AND GUIDELINES

The District maintains a section in the Board of Education Policy Manual under “New Construction” (Series 7000), which covers conceptual leadership, planning, designing, financing, construction and occupancy of facilities. The board has adopted the “Option 1C” standard to guide the design and construction processes for the District. The District administration has developed a procedures manual, which is updated annually, to guide staff in defining their roles and responsibilities in the District’s facilities program.

In addition to the conceptual framework in the policy, Board Policies (BP) Series 7000, Administrative Regulations (AR) and the most recent adoption or revision dates are listed in the table below.

<b>BP/AR</b>	<b>Description</b>	<b>Date of Adoption</b>	<b>Date of Revision</b>
7000	Concepts and Roles in New Construction	8/06/89	7/3/96
7100	Planning	8/16/89	7/3/89
7111	Evaluating Existing Buildings	7/03/96	
7131	Relations with Local Agencies	7/03/96	
7132	Construction Stabilization Program Policy	8/02/00	
7210	Architectural and Engineering Services	8/16/89	7/3/96
7220	Site Selection and Development	8/16/89	7/3/96 8/1/97
7230	Building Design	8/16/89	
7310	Methods of Financing	8/16/89	7/3/96
7460	Assembling and Preserving Important Documents	8/16/89	
7470	Inspection of Completed Projects	8/16/89	
7500	Acceptance/Dedication of Project	8/16/89	
7511	Naming of Facility	8/16/89	7/3/96 6/16/99

Most of the board policies and administrative regulations listed above were first adopted in 1989, with some revisions in 1996, 1997 and 1999. These policies and regulations have not kept pace with rapidly changing state statutes and State Allocation Board regulations. For example, SB 50, which was enacted in 1999, made major modifications to the State School Facilities Program, imposed developer fees (Level 1 and 2) and eliminated Mira fees. In 2000, Proposition 39 enabled school districts to pass facility bonds with 55 percent voter approval. The state also created a new Department of Toxic Substances Control (DTSC) to regulate environment issues related to school sites. The board policies and administrative regulations are too outdated to account for these changes.

Locally, the District charted a new course in employing a master architect/program management team to implement its facilities program. The board also adopted standards to direct its facilities team in its design work.

### **Finding**

- Due to ever-evolving state statutes and local changes, it is important for District policies and procedures to be updated regularly. The current policies and regulations do not reflect recent changes in law.

### **Recommendation**

- It is recommended that the District utilize model policy and procedure documents developed by the California School Board Association (CSBA), the Association of California School Administrators (ACSA), the California Association of School Business Officials (CASBO) or policies and procedures developed by other school districts in order to update and develop new board policies and administrative regulations related to the facilities program for the West Contra Costa Unified School District.

### **District Response**

- The District concurs with the finding. Staff is engaged in an ongoing review of District Policies and Guidelines that impact or define work on the Bond Program. Outside legal counsel is assisting the District in updating Board Policies and Administrative regulations.

## **BIDDING AND PROCUREMENT PROCEDURES**

### **Process Utilized**

In the process of this examination, numerous purchasing documents and payment documentation pertaining to new construction and modernization projects were reviewed and analyzed. Interviews with various staff members were held.

### **Background**

The bid process is handled primarily by the bond management team. The bond management team prepares the advertisement and decides on the bid schedule. The bids are advertised with the appropriate language and are generally processed in a timely manner. Bids are verified for compliance and completion. Licenses, bonds, insurance and fingerprinting are verified by SGI.

Bids are conducted in a two-step blind bid process. The first package is sent without identification of the bidder's name. The facilities department timestamps this package upon receipt. The package contains the proposed prices for the base bid and alternates. The board chooses the alternates, which then determines the low bidder for a particular project.

The District made an effort to award bids to have work start in the beginning of summer. The District's legal counsel has recently revised bid boilerplate to include extensive language regarding apprenticeship, labor compliance program, project labor agreement and sample letters referring to the payment of prevailing wage.

The purchasing department played a minor role in the bid coordination and opening. The bids are opened at the Facilities Operation Center (FOC) and complete records are also maintained at that site. The responsibility for coordination and inspection belongs to the bond management team. SGI checks the status of the contractors' licenses and the completeness of bid documents.

### **Commendations**

- District staff should be commended for utilizing blind bid packages to prevent collusion or manipulation of bid alternates. The District staff gave care to ensure impartiality by utilizing the blind bid process for construction projects. The board policy and administrative regulations on bidding and procurement were adhered to and controls set in place.
- District staff should be commended for utilizing a process that ensures that a substitution of subcontractors is in compliance with the law. This documentation protects the District from unlicensed subcontractors and ensures that a substituted subcontractor has been afforded appropriate due process.

## **Findings**

- The boilerplate was not ready during the job walk. Legal counsel was still revising the boilerplate at the time of the bids, and the bid boilerplate had to be sent as an addendum. Several bids had at least eight (8) addenda. This piecemeal approach to bidding is likely to cause confusion over how a contractor can bid on a project, resulting in higher bid prices and increased exposure to claims against the District.
- During June 2003, the purchasing department's and SGI's filing systems were not appropriately organized. Upon investigation, it was discovered that the bond management team was in the process of organizing the filing system, and many project files were still kept in boxes. Retrieving files was difficult and time-consuming.
- The bids opened in June did not have contracts signed until August, delaying construction until late August or September. Because of this delay, some scope of work had to be changed to accommodate the presence of students at the school sites. This change may or may not have caused an impact on schedules or budgets. However, there was no explanation for the delayed contract approval.

## **Recommendations**

- It is recommended that that boilerplate language be complete and in place prior to the bidding if the bond management team intends to start construction during the summer. Summer is the prime time for construction work because students and staff are generally not on campus. It is important in the next round of bidding to take full advantage of the summertime, so demolition and abatement of hazardous materials can occur without disruption to the educational process and with a minimum risk of exposure to students and staff.
- It is recommended that the purchasing department develop a process to have complete bid documents turned over upon the completion of each facilities project. After closeout, there might be warranty issues where bid information, general conditions and subcontractor lists may be useful to the purchasing department.
- It is recommended that bid documents, contracts and all other pertinent project information be filed and organized in an accessible and centralized storage area. Indices and other identifying tools should be utilized to assist in retrieval. Better archival of records will help prepare for Office of Public School Construction (OPSC) required progress reports. Improper filings with OPSC could result in unwarranted financial sanctions.

- It is recommended that the bond management team actively solicit bids, recruit and attract qualified contractors to create competition and better pricing.
- It is recommended that the District spread bid openings out to avoid competition among its own projects. The concentrated schedule of bid openings creates competition among the District's own projects. Bidders have limited resources and may be discouraged from submitting bids or may use a higher bid amount to cover uncertainties involved in preparing multiple bid packages.

### **District Response**

- The District agrees with the above recommendations and has developed a process to prevent the coordination problems among and between the Bond Team, legal counsel and the District from reoccurring. The Bond Team has developed a Master Schedule that maximizes the use of the summer months in order to take full advantage of unoccupied school sites during construction. For the Phase 1B projects the Bond Team will extend the bidding period which will encourage greater bidding participation by general contractors. As a clarification, the Bond Team did make extensive efforts to outreach to the general contracting community and pre-qualified 29 general contractors in this effort.

## **CHANGE ORDER AND CLAIM PROCEDURES**

### **Process Utilized**

In the process of this examination, relevant documents were analyzed. Interviews were also conducted with various staff members, architects, project managers, inspectors and the contractors job superintendent.

### **Background**

The language in bid documents details the procedure for managing changes to contracted work. Board Policy 3310(c) delegates to the superintendent authority to approve and sign all change orders up to 10 percent of the original contract amount for public work projects. The board ratifies these change orders when it certifies the monthly expenditure report. For change orders exceeding 10 percent of the original contract amount, board action is required for approval. Few consultants and staff interviewed knew of the board policy on change orders.

Generally, the industry-wide percentages for change orders for modernization range from 7 to 8 percent of the original contract amount. (The change order standard for new construction is 3 to 4 percent.) Typically, change orders for modernization cannot be avoided because the age of the buildings, inaccuracy of as-built records or other unknown conditions contribute to the need for authorizing change orders for additional work. The change order contingency amount set by the board appears to be adequate.

Due to the urgent nature of school construction work, issues are sometimes resolved verbally at the weekly construction meetings where the architect, construction manager, inspector and contractor's superintendent are present. These decisions are then formalized in the meeting minutes and followed up with a change directive to authorize the work and eventual payment. The District is not liable for the cost of any extra work or substitutions, changes, additions, omissions or deviations from the drawings and specifications unless the District authorizes the work and the cost is approved in writing through a change order or through a construction change directive.

To initiate a change due to unclear or conflicting drawings, the contractor writes a Request for Information (RFI) using the PS2 software. The architects of record (AORs) are electronically connected to the construction managers systems. The intent to network all parties is to minimize the distribution time and maximize resolution time. By using the same software, RFI formats stay consistent and easy to read. It also facilitates the archival of records. Training is provided to contractors prior to the start of projects.

An important part of the change order process is price negotiation. A contractor submits a Proposed Change Order (PCO) to the construction manager. The construction manager reviews the proposal with the inspector, architect of record and the District's project manager. If accepted, the construction manager issues a change directive or a change order. The increase or decrease in the contract price caused by a change order may be determined at the District's discretion through the acceptance of a PCO, through unit prices from the original bid or by utilizing a time and materials method as agreed upon by the District and the contractor. At times, the process may go through several cycles due to a disagreement over price.

When a contractor makes a claim for a contract price increase or time extension, he or she notifies the District but continues to execute the work even if the adjustment has not been agreed upon. By having this language in the general conditions of the contract, the District is protected from work stoppage due to a disagreement over the price of a change order.

The contractor is deemed to be in default of the contract if he or she fails to execute a change order when the contractor negotiates and agrees with the addition or deletion of the work in that change order. To prevent contractors from filing frivolous RFIs, the contract language gives the District the right to deduct costs if the District provides information already available to the contractor.

As part of the payment process, contractors are asked to submit a schedule of values to determine the appropriate progress payment for their performance of work. The schedule of values may be used as a tool in determining credits when work is no longer necessary. It can also serve as a measure of additional work needed. While not always accurate, it can facilitate the negotiation process and may benefit the District.

During construction, contractors may request to substitute their subcontractors listed in their original bids. The process of replacement outlined in the Public Contract Code must be followed, and the replacement subcontractors must be properly licensed and meet the criteria established by the contract.

### **Commendations**

- The bond management team is to be commended for designing and implementing standard procedures for managing and tracking change orders. The consistency of this practice enables team members to inform all involved parties if change orders will be a potential claim issue or cause a disruption in a particular facilities project. PS2 is organized well and has strong content.
- The District is to be commended for the language describing change order approvals in its general conditions. This language protects the District from work stoppage and minimizes liability.

## **Findings**

- It has been observed that some RFIs took up to three weeks to respond to. While the policy is to respond in 72 hours, certain decisions require reviews from other consultants. There are occasions when a contractor is not aware that several reissues have to take place before a response could be prepared.
- Of the consultants and staff interviewed, only a few knew about the board policy on change orders. While this may be a weakness, the principles used by all consultants in controlling change orders remain the same.
- When interviewed, the consultants claim not to be familiar with Public Contract Code Section 20118.4, which cites the procedure to bid and to make alterations to the original contract. This code, however, is cited in each contract's general conditions.
- Some engineers do not have the PS2 software and have to transmit their information by fax. Some contractors are using the system more than others depending on a particular contractor's comfort level with computers. This inconsistent use of PS2 creates two different systems for RFIs and is less efficient than having all contractors use the PS2 system.

## **Recommendations**

- It is recommended that the board set a contingency budget that includes soft costs for the purpose of budget control. A smaller percentage should be used as the change order allowance because of the exponential nature of change orders. Architects are paid a percentage of total construction, including the costs of change orders excluding any work due to errors or omissions. Other consultants, such as inspectors also benefit from the contract increases.
- It is recommended that the procedure set by the general conditions for Requests for Information (RFI) be observed and reviewed consistently to avoid any misinterpretations or misunderstandings. The procedure is quite detailed and requires an RFI to reference all applicable contract documents including specification sections, page numbers, drawing numbers and sheet numbers.
- It is recommended that the bond management team follow up with written documentation for the times when verbal authorization is given to a contractor to start additional work. Verbal authorizations are only effective for changes relatively minor in scope and which do not affect other work. For changes that require complicated calculations and engineering, work should not proceed unless authorization is given in writing and clear drawings are present.
- It is recommended that the bond management team and the District decrease the time lapsed between a change order request and the approval to proceed.

- It is recommended that future projects include a thorough examination of hazardous materials to avoid unexpected but preventable costs associated with overlooked hazardous material discoveries.
- It is recommended that the District's legal counsel review the board policy on change orders exceeding 10 percent of the original contract. Public Contract Code Section 20118.4 cites that the board may authorize the contractor to proceed with the performance of changes or alterations without the formality of securing bids if the cost agreed upon does not exceed 10 percent of the original contract or the bid limit. All District consultants must be asked to observe this code and to notify the District when potential change orders cumulatively exceed 10 percent of the value of the contract. Change order status and costs must be discussed with the District's fiscal team weekly to keep projects on budget.
- Because of the delegated authorization to approve change orders, it is recommended that the board be informed of the type of change orders encountered and the difference between the actual cost and the original budget. The report may serve as an accountability tool as well as a vehicle for information for the community.
- It is recommended that architects and other consultants provide a separate fee structure for change orders.

### **District Response**

- The District agrees with the findings and recommendations and the bond team and District are in the process of following through with the recommendations and/or will make plans to implement the recommendations.

## **PROCEDURES FOR CLAIM AVOIDANCE**

### **Process Utilized**

In the process of this examination, documents submitted by SGI were analyzed. Interviews were conducted with various staff members, architects, project managers, inspectors and contractors job superintendents.

### **Background**

Construction claims can often be avoided with careful planning. Claims can be in the form of additional costs, an extension of contract times and, in the event of a legal dispute, financial costs associated with defending or settling a civil lawsuit. During the bid process, contractors interpret the construction documents and cost out projects based on their interpretations of construction documents. At times, contractors make mistakes in bidding due to errors on the part of the District or the contractor. These errors can result in claims against the District, including lawsuits.

Preventive measures include, but are not limited to, the following:

- Thoroughness of bid documents
- Protective language in the general conditions
- Requiring high-rated insurance and bonds
- Effectiveness of the prequalification process
- Clarity and quality of construction documents
- Verification of site conditions and District standards
- Reasonableness of specifications
- Communication among all involved parties
- Documents control
- Schedule analysis
- Consistency of inspectors' documentation
- Reasonable decision-making hierarchy
- Human resource management, including the coordination of subcontractors
- Sufficient supervision and monitoring
- Responsiveness of architect to the Requests for Information (RFIs)
- Accurate, efficient and timely problem-solving
- Fair dispute resolution process
- Prompt payments

WLC/SGI utilizes third-party architects and engineers to review the plans and specifications prepared by each Architect of Record (AOR). This method allows another "pair of eyes" to validate the technical aspects of the plans. It also allows a system of checks and balances to identify conflicts among different components of the construction documents. The process also helps determine if the drawings are constructible.

The District employed the process of prequalification. The process of prequalification is enforced up to five days prior to bid opening. It requires staff to review the document and notify bidders if they are qualified to bid within that time frame.

Similar to the relationship of WLC/SGL, the District employed a master inspector and a master environmental consultant. The inspector submits a daily report documenting the issues encountered, activities, weather, hours worked and number of workers on the job. In the event of a dispute, daily records are often used as evidence to accept or deny a claim.

Minutes are prepared by construction managers and sent to all involved parties. This documentation is written in a prompt and timely manner to keep all parties informed of responsibilities assigned and issues discussed.

Some projects included in the examination indicate schedule delays caused by unforeseen conditions. This is a common occurrence in school construction because of the age of the facilities. Schools have limited funding, and some repairs or regular maintenance is not performed, when needed. In addition, District staff members who carry out repairs may not always document the changes they made to the infrastructure of the facilities. The architects often utilize as-built drawings developed prior to the modifications made by the maintenance staff. When discrepancies are discovered, contractors may have to perform additional work and suffer a delay in their overall schedules.

When there are questions on the job or the construction drawings have conflicting information, the contractor issues a Request for Information (RFI) to the construction manager, who reviews and submits it to the architect via PS2.

Since most of the projects included in this examination started in late August or later, invoices were still being processed. Change orders were not yet approved.

### **Commendations**

- The bond management team is to be commended for recognizing the impact of contractor claims in terms of cost and liability to the District and for putting procedures in place to minimize claims.
- Even though some further implementation is necessary, District staff and the bond management team are to be commended for training contractors and architects prior to the start of construction on the use of PS2 software to standardize and expedite communication. This system improves the ability to process changes in work expeditiously within a standard format.

- The District is to be commended for generally adhering to RFI timelines and guidelines. Contractors interviewed were generally satisfied with the project management by the construction managers and architects. (Others reported hardships which could not be substantiated.) The RFI log and the submittal logs were reviewed and found to be generally responded to within a few days. SGI's policy for response to RFIs is "not to exceed" seventy-two (72) hours, and review for a submittal is two (2) weeks.

### **Findings**

- A few architects reported that the District vacillated with some of the specifications causing changes to the bid documents. Project architects had to redo some of the schematic drawings already provided by the master architect. Some issues reported by the project architects include different ground specifications requiring new topographic surveys, re-shooting grades, and re-engineering of mechanical specifications, among other things.
- Bid documents were not completed in a timely manner by the District's legal counsel prior to the job walk and were made available through the addendum process. There were numerous addenda released for some of the projects. Interviewed architects claimed to struggle with incorporating the boilerplate into the bid documents. A few architects felt that four months for design development was inadequate. This complaint is not uncommon by the project architects dealing with high intensity and expedited processes. Numerous bids were opened within days of each other, potentially decreasing the pool of bidders.
- The timeline for the prequalification process is inadequate to perform a thorough verification of information. Also, bidders who may feel intimidated by the timeline and the number of addenda might find preparing answers to prequalifications tedious. In the current market, where demand exceeds the supply of good contractors, contractors can forgo bids. Because of the litigious environment, the prequalification process can only disqualify the blatantly egregious contractors, while mediocre contractors may still be able to qualify.
- The arrangement for master inspector and master environmental consultant appears to be creating a duplication of tasks. If not tracked or controlled carefully, confusion may arise. Project staff may also think that some work is the responsibility of the lead staff, and vice versa, causing omissions of necessary work. This structure may result in mistakes and claims.
- Contractors interviewed were asked to provide a recovery schedule, but it appears that such schedules have not been developed.

- The use of PS2 is both a problem and an opportunity for the architects. All of the contractors have been trained in its use. Internet connectivity has been provided to each construction trailer. This standardization of communication helps reduce time delays and facilitates the process. Yet problems with PS2 exist, including occasional system breakdowns and its lack of universal use. A few architects feel that the software is cumbersome and that it takes longer to do a simple task. They also feel that the format of information delivered on PS2 is not specific enough and that messages sent via email with the tag line “no reply” may give an impression that no reply is needed. PS2, however, does provide a reminder to the architect after three (3) days. There are existing technical difficulties, but the bond management team is in the process of resolving these issues.

### **Recommendations**

- It is recommended that the bond management team make every effort to understand the drawings and specifications, including the scope of work and how it affects the schedule for each project. Thorough knowledge about projects affords the construction manager better control of the project, thereby shortening response timelines on RFIs. Knowledge of drawing details also prevents contractors from proposing inappropriate or costly solutions to issues that may be resolved in other ways.
- It is recommended that addenda be kept to a minimum. The District should clarify, review and publish complete bid documents to prevent bidders from becoming discouraged about the bidding process. Drawings should be complete, corrected and approved by the Division of State Architect prior to conducting the bid process to avoid confusion and inflated pricing. The constructability review is a necessary process and should continue with all new projects to minimize errors or omissions. Architects should verify sites by conducting a general walkthrough to compare the prepared schematics with actual conditions. Because existing as-built drawings are known to lack information, this verification can provide better interpretation and compensate for the loss of information, reducing the likelihood of claims due to misinformation.
- It is recommended that the District expedite the execution of contracts and control other time elements, such as the timeline for negotiating and bargaining of change orders.
- It is recommended that the project managers ensure that a recovery schedule is submitted promptly for review and approval for projects. This schedule will prevent contractors from taking advantage of discrepancies in drawings due to unforeseen conditions.

- It is recommended that District staff and the bond management team build a relationship where information is readily given and accessible, and there is consensus-building. Dispute resolution involves a balance of fairness and firmness, and this method of handling disagreements is often more efficient and less costly for all parties if an agreement cannot be reached through negotiation.
- It is recommended that the bond management team further standardize documentation to protect the District from claims.
- It is recommended that one department be designated to archive and control all documents. Procedures should also be developed to prepare for the turnover of documents at the end of each project. Files should be kept and organized to allow for easy retrieval of reports, research or audits. (Such filing systems may also assist in answering a dispute or contractor's claim.)
- It is recommended that the bond management team continue to require AutoCAD for drawings, so the District can update drawings in the future to reflect the modifications made prior to the next modernization and minimize occurrence of unforeseen events in the future construction projects.
- It is recommended that the bond management team extend the five (5) day prequalification timeline to ten (10) days. The extended time will provide staff adequate time to ensure that prospective bidders are scrutinized thoroughly.
- It is recommended that a clear delineation of roles and responsibilities be established to avoid redundancy and omissions.
- It is recommended that further training be conducted in the PS2 system in an effort to move toward uniformity in RFIs. At some point, key District personnel should consider enforcing this process as the only acceptable process for RFIs.

### **District Response**

- The District agrees with the findings and recommendations and the bond team and District are in the process of following through with the recommendations and/or will make plans to implement the recommendations. The Bond Team already does require AutoCAD documents for all projects and has implemented detailed AutoCAD standards for all of the Architects of Record to adhere to.

## **PAYMENT PROCEDURES**

### **Process Utilized**

District staff were interviewed; documentation was reviewed; and processes were observed in the course of this examination. To clarify issues or questions, subsequent interviews were also held. The variances and deviations in accounts payables were closely reviewed.

### **Background**

Construction invoices are sent first to the inspector for verification and approval of the percentages of work completed. The construction manager checks the amounts against the schedule of values submitted by the contractor. The District representative or project manager reviews and submits the invoices to the District's Project Engineer for approval. Payment process continues with the Accounts Payable Technician entering the invoice payment into the system. The amounts are originally encumbered through the purchase order process. The Accountant II checks the batch and prints the checks in-house, and a copy is sent to the Contra Costa County Office of Education. (The county office of education performs no oversight functions for the payment process.) Regular finance meetings are held to discuss issues such as unpaid invoices, new requisitions, and revisions to budgets. These meetings currently do not include participants from accounts payable or purchasing.

The purchasing department currently has no involvement in payment processes. Payments and expenditures are tracked and recorded by SGI.

It was observed that the project tracking software awaits redesign; needs to have information uploaded; and, overall, remains a work in progress.

### **Commendations**

- The District staff should be commended for instituting regular finance meetings to discuss issues such as unpaid invoices, new requisitions, and revisions to budgets. The meeting should also include a participant from accounts payable or purchasing.
- The bond management team is to be commended for establishing the process to verify progress payment percentages to prevent overpayment.

### **Findings**

- The requests for payment received by the accounting office do not have complete backup documentation. For example, the contract is not always kept with the copy of the purchase order to verify the contracted amount for non-construction invoices. Some of the backup documentation does not clearly explain changes in the purchase orders.

- Board policy allows payment of up to 10 percent of the contract amount without seeking board approval. One of the Quick-Start projects included construction at nine (9) schools. A change order occurred for this project; and while the change order did not exceed 10 percent of the total contract, the change order amounts at some of the individual schools in that project have exceeded 10 percent.
- It was discovered that invoices were not being processed in a timely manner. Some invoices have approvals signed thirty (30) to sixty (60) days after the invoice date. There were numerous invoices dated prior to the receipt of a purchase order by accounts payable from the purchasing department.

### **Recommendations**

- It is recommended that the District make an effort to avoid the use of confirming purchase orders. Whenever possible, a purchase order should be processed and issued prior to the performance of work. Instead of confirming purchase orders, the use of open purchase orders might be a better vehicle for certain vendors that have frequent business with the District. However, it must be noted that open purchase orders require detailed backup information and consistent approval processes to avoid misuse or duplicate payments.
- It is recommended that the District and its consultant make an effort to expedite the approval of invoices. Because accounts payable cannot process the invoice until all approvals are received, late approvals are affecting the processing of payments. When payments are not timely, vendors and contractors are more likely to factor in a higher margin. Timely payments also encourage bids from high-quality contractors.
- It is recommended that the 10 percent contingency allowance be restricted for emergency and unforeseen needs. Change orders should be controlled by each project site so that the maximum savings may be reached.
- Because the county does not audit payments, it is recommended that the District conduct self-audits to ensure complete documentation with each payment request. Backup documentation should be required for all change orders detailing reasons for the change, with an itemization of labor and material costs. Bid numbers should be noted on all purchase orders. It is also recommended that payment files include pertinent information such as payment bonds, performance bonds and insurance certificates in the event of financial claims.
- It is recommended that the District take steps to improve communication between the purchasing and facilities departments. Instituting a monthly reconciliation meeting between these two departments should be considered.

## District Response

- The District agrees with the above recommendations. Procedures have been developed to ensure that adequate backup material is included with any purchase order requests. Moreover, these procedures are now outlined in the Bond Teams Program Management Plan, and serve as the operating guideline for Project Managers and the Bond Team's Controls group overseeing payments to vendors. The Controls Group meets on a weekly basis with the District's Fiscal Management team to review all accounting transactions that are being processed and/or reviewed. These meetings provide a system of checks and balances in order to ensure that we are following "best practices" in line with the recommendations stated above. The Controls Group also provides a weekly report to the Fiscal Management team on the current status of all accounting transactions (i.e. Purchase Orders, Budget Transfers, and Invoices).

## **BEST PRACTICES FOR PROCUREMENT OF MATERIALS AND SERVICES**

### **Process Utilized**

District staff was interviewed; documentation was reviewed; and processes were observed in the course of work. To clarify issues or questions, subsequent interviews were held.

### **Background**

California Public Contract Code states that public work contracts should promote efficiency and apply the best modern practices and research. It was the intent of this component of the examination to determine that best practices are promoted through the adherence to the Public Contract Code.

Board policy delegates authority to the purchasing department to engage in contracts to ensure that the best-quality products at the most economical prices are obtained. The board policy sets fiscal controls to ensure monies disbursed are within budgeted appropriations set by the board. Invoices in excess of the approved purchase order amounts are to be reviewed and approved through appropriate actions.

Purchasing procedures and guidelines protect the fair bidding process and help prevent collusion and conflict of interest. One example is the use of prequalifications for public work projects. The contractor is reviewed in regard to its ability to perform a project and carry it out to completion. The process also includes criteria on defaults, change orders and adherence to the standard labor practices.

The purchasing staff follows the legal limits of the bid threshold per Public Contract Code Section 20111. Staff advertises the bid in the local Contra Costa newspapers as required by Public Contract Code Section 20112. The advertisement includes a statement of work to be done and/or the materials or supplies to be furnished. The advertisement also includes the time and the location where bids will be opened.

Board Policy 3310 (b) sets the bid limit threshold of \$15,000 for public works and \$53,900 for all purchases of materials or supplies. However, for the 2003-2004 fiscal year, the state sets a bid limit for purchases of materials or supplies at \$59,800. The District's board policies are, by and large, consistent with state codes for bidding. The law also recognizes the limited staff of most public agencies and allows for an annual increase on limits on procurement of materials and supplies to help agencies avoid having to perform formal bidding on a day-to-day basis.

Board Policy 3310 (c) allows the payment of 10 percent over a base contract amount for public works project. This increase is approved through ratification of the monthly expenditures report. Such a procedure is ideal for fast track projects. Board Policy 3310 (c) also directs that change orders in excess of 10 percent over the base contract be brought to the board for approval.

Board policies also express support for proper procurement practices. The policies forbid splitting of projects to circumvent bid limits. The policies require following the Public Contract Code Section 20114 in bidding projects rather than using forced account on projects exceeding 350 hours of work. The District's policy also has a statement in regard to its concern for the environment by indicating a preference for recycled products. The District's sociopolitical view also is reflected in its encouragement of project labor agreements.

A separate account code was set up for the tracking of Measure M and Measure D projects. This practice is useful in preparing reports for the District, community and state auditors. It is important to track project costs to control excessive project overruns.

It is critical that the District conduct self-audits to ensure complete documentation with each payment request. Backup documentation should be required for all change orders detailing the reasons for the change, with an itemization of labor and material costs. Bid numbers should be noted on all purchase orders.

### **Commendation**

- District staff should be commended for recommending that the board adopt policies that address purchasing procedures, such as requisitions, specifications, purchase orders, quantity and quality of goods and services. These policies set the standards to ensure consistent and fair procurement practices.

### **Findings**

- It has been found that confirming purchase orders were issued by the bond management team, which might not have had a previous review or approval from the purchasing department. Confirming purchase orders can be effective in cases where time is of essence, and a proper mechanism of accounting for pre-approved costs is in place. Without proper controls in place, confirming purchase orders may not be the best choice. Accounts payables staff reports that confirming purchase orders hinder its ability to process payments in a timely fashion.
- The use of numerous addenda in bids already released to the public may cause confusion on the part of the bidders, especially if the addenda change critical components of the standard construction documents such as the boilerplate language.
- The bid boilerplate was reviewed and revised by District's legal counsel in January 2003 for public work bids under Measure M and Measure D bonds. The boilerplate was not fully ready prior to the pre-bid meeting and had to be issued as an addendum.

- Board Policy 3310 (c) appears to be in violation of Public Contract Code Section 20118.4, which allows changes to the original contract up to, but not exceeding, 10 percent of the bid limit for public works without bids. This statute requires that anything over the limits set by Public Contract Code must be publicly bid.

### **Recommendations**

- It is recommended that board revise its policy language for procurement to set bid limits at the current standard set by the Public Contract Code. Such action would allow the flexibility to implement a more realistic bid threshold given the rising costs of products and services.
- It is recommended that District staff and the bond management team have language for bid documents finalized before releasing them for bidding.
- It is recommended that the District make an effort to avoid the use of confirming purchase orders. Whenever possible, a purchase order should be processed and issued prior to the performance of work.
- It is recommended that the District make an effort to expedite the payments. Because accounts payable cannot process the invoice until all approvals are received, the late approvals affect the processing of payments. When payments are not timely, vendors and contractors are more likely to factor in a higher cost. Timely payments also encourage competition from more contractors.
- It is recommended that payment files include information such as payment bonds, performance bonds and insurance certificates.

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## District Responses

- As elected public officials, the District's Board always attempts to gain a clear understanding of the various community stakeholders' perceptions and needs. The District will take your recommendations under advisement and hold a study session with the Board of Education regarding the proposed future direction of the Bond Program. With regards to the Project Labor Agreement, the District chose to adopt this Agreement in order to reduce the possibility of work stoppages adversely impacting the District's ability to deliver the projects.
- The Bond Team, District and various key stakeholders such as the Oversight Committee have worked very closely together to agree on the bond program priorities and identification of a quality level for the program we feel represents good value over time. Options regarding alternative schemes to reduce the program costs are always being considered and discussed. It is clear that all of the facilities needs cannot be met with the current budget. The philosophy has been to complete the major components of the campus needs that address life health safety and functional needs as a priority in order to achieve "best value" for the program. Unfortunately many schools have not had the care and upgrades they needed over the last 50 years. It is our assessment that superficially patching and pasting does nothing more than subject students and staff to numerous modernization projects over a greater span of time rather than modernizing the campuses correctly the first time. The Fiscal Crisis Action Management Team has encouraged this policy.

## QUALITY CONTROL PROGRAM

A “Quality Control Program” could be considered to encompass a full range of concepts, from initial conceptual considerations to furnishing a completed school construction project with furniture, equipment and material, as well as managing change orders throughout the construction process.

After considerable discussion among the citizens’ bond oversight committee, District administration and District legal counsel, Total School Solutions was directed as follows:

In this task, the Auditor will evaluate the District’s quality control programs. To perform this task, the performance auditors will evaluate the SGI/WLC memorandum describing the Bond Team’s approach to quality control. Total School Solutions will interview key staff/consultants and review necessary documents to assess how the District has implemented this program. This task will not duplicate any of the information provided in the performance auditor’s review and evaluation of the Bond Management Plan and will focus on the quality assurance process, not the particular quality outcomes that the bond program has achieved.

### Process Utilized

The performance audit team was provided with a Bond Program Quality Control document prepared by WLC/SGI. The document contains three major components, as follows:

- Preconstruction Quality Control
- Procurement Quality Control
- Construction Quality Control

Each component of the document was evaluated; a review of related documents was performed; and interviews were conducted with key District administrators, WLC/SGI personnel and architects of record (AORs).

#### *I. Preconstruction Quality Control*

To address health and safety concerns at some of the elementary schools, nine (9) Quick-Start projects were undertaken using state modernization funds and Measure M matching funds. Because the Quick-Start projects were done during the early stages of the Measure M bond program, the Bond Program Quality Control program was only partially utilized.

The quality control process was fully used for the first time during the nine (9) Phase 1A projects, which utilized the design services of the master architect (WLC) and eight (8) architects of record (AORs).

During the preconstruction (design) phase, the following quality control process was established and adhered to in each step of the process:

A. Master Architect Team

Establish a team of professionals with specialties in every aspect of school design processes (approximately fifteen [15] firms).

B. Design Quality Standards

The outcome of this step was the board's adoption of Option 1C, which directed the design efforts since that time. To assist the Board of Education in its decision-making, an extensive process was undertaken, including meetings with all involved parties as well as site committees in order to establish educational specifications and to identify specific site needs. At the conclusion of that process, nine (9) levels of design quality standards were formulated leading to the approval of Option 1C.

C. Product and Material Standards

This process was undertaken concurrently with the design quality standards above and concluded with the board's ratification of the recommendation.

D. Master Specifications

The specifications used to direct the Phase 1A projects were based on the Lovonya DeJean specifications and the WLC specifications. The AORs were provided with draft specifications to review, and the District's legal counsel developed the general conditions.

E. CAD and Drawing Production Standards

The use of CAD is the industry standard and is now required for submittal to state agencies. Ultimately, it is intended that all CAD files will be accessible through a controlled access District website.

F. Detailed Checklists

Identification of key issues to ensure completion.

G. Master Programming Documents/Educational Specifications

This process was undertaken concurrently with the steps outlined above, with separate documents for elementary, middle and high schools.

H. Conceptual Site Master Plans

This step utilized site committee at each school following a design charrette to determine site needs and options.

I. Programming Process with Site Committees

This step proceeded concurrently with the steps above to adapt the Master Programming Document/Educational Specifications to the specific site needs.

J. Schematic Designs Development

By utilizing the process outlined above, multiple schematic design options were created. The site committees selected their preferred options.

K. District Review and Approval

Following completion of the above steps, the end products were submitted to the District administration, board facilities subcommittee, the bond oversight committee and the Board of Education for review and approval.

L. Architects of Record (AORs)

This process included issuing Request for Qualifications (RFQ), developing a prequalified pool of architects, conducting interviews of select architectural firms and selecting AORs for specific projects.

M. Architects of Record Working Drawings

This step involved turning over site-specific packages to the AORs for development of the working drawings (detailed plans and specifications).

N. Review of Architects of Record Designs

The master architect regularly reviewed the work and progress of the projects, including the work of its design team.

O. Bond Program Manager Review

The bond management team and District staff regularly reviewed the work and progress of each project in terms of scope, schedule and budget.

P. State Agency Requirement

The master architect ensured full compliance with requirements for submittal to the California Department of Education, Office of Public School Construction and Division of State Architect. The master architect also tracked the progress of these submittals.

Q. Lessons Learned Integration

Learning from past mistakes took place; needed corrections were made.

R. Project Smart (PS2) System

Development of a restricted access website to develop and track communications and to serve as an archive for deliverables.

The direction to the performance audit team was to “focus on the quality assurance process,” not “the particular quality outcomes.” In regard to the Preconstruction Quality Control process discussed above, it is complete and comprehensive. The WLC/SGI team is to be commended for developing and implementing a thorough process.

While outside the scope of this performance audit, several outcomes observed during the course of the audit are noted. The preconstruction phase was initiated prior to the completion of a detailed needs analysis for each school and board-adopted Option 1C quality standards. Without knowledge of site needs and constraints placed on the preconstruction design process, design documents produced exceeded budgets established in the board-approved Facilities Master Plan and Option 1C standards. AORs who were interviewed reported that they could not meet the design scope within the established budgets. This situation resulted in bid documents with a base bid and many additive alternates, only a few of which were approved by the Board of Education for inclusion in the construction contracts. It was subsequently determined that Measure D funds would be insufficient to complete all identified projects.

With the development of revised cost estimates for Phase 2A projects currently in design and full knowledge of Option 1C standards, the weaknesses encountered during Phase 1A project design and bidding should not be experienced again.

#### Construction Document Quality Control

The Construction Document Quality Control process commences when the preconstruction documents reach the 90 percent completion threshold. This process incorporates the following steps:

- A. Bond Manager Constructability Review  
Initiated by the bond management team when the construction documents produced by the AORs reach 90 percent completion.
- B. Master Architect Constructability Review  
The master architect conducts a constructability review independent of the review by the bond manager. This process entails review of AOR work for design compliance, standards and value engineering.
- C. Independent Architect Constructability Review  
After the construction documents are 100 percent complete and after the AOR, the bond manager and the master architect have signed off on the documents, an independent architect is hired to review the completed package.
- D. Project Scope and Cost Estimate  
Prior to advertising for bid, each project is reviewed to ensure compliance with its scope and to develop a final cost estimate.
- E. Post-Constructability Review Follow-Up  
The bond manager continues to follow up on the constructability reports and compliance with findings.
- F. Lessons Learned Integration  
Learning from past mistakes takes place, corrections are made to benefit future projects.

Similar to the Design Quality Control process discussed previously, the Construction Document Quality Control process is complete and comprehensive. By incorporating four levels of constructability review (AOR, bond manager, master architect and independent architect), a seemingly “fail-safe” review process has been established to discover and correct any potential problems or weaknesses.

In spite of the multiple levels of review, which could be considered redundant, there appears to be a potential weakness. Both WLC and SGI function under a single contract. Therefore, independent reviews by the master architect (WLC) and the bond manager (SGI) are not completely independent. However, any potential weakness that could result from this contractual arrangement appears to be remedied through a review by an independent architect.

## **II. Procurement Quality Control**

While the Preconstruction Quality Control Process was mostly done by the master architect, the Procurement Quality Control Process was under the purview of the bond manager. This process was structured around three components, as follows:

- A. Adherence to Public Contract Code  
Assurance that state bidding limits and bidding requirements for equipment, materials, supplies, services or construction contracts are adhered to.
- B. Procurement of Products and Materials  
Developing an overall strategy for procurement of products and materials to identify standard products and procure in bulk.
- C. Procurement of Construction Services  
Assurance that Public Contract Code requirements are met.

The Bond Program Procurement Quality Control process is documented in the Program Administration Manual, which describes the legal and practical requirements of a procurement process.

Because the Procurement Quality Control phase has only recently been initiated with Phase 1A bids in June 2003, it would be premature to comment on the effectiveness of the process. However, the process itself is in place and, if followed as documented, should result in satisfactory outcomes.

## **III. Construction Quality Control**

The Construction Quality Control process is implemented by the bond program manager and the master architect as documented in the Program Management Plan (revised on May 12, 2003). The components of this process include:

A. Construction Administration

Ensuring quality control throughout the design, construction and operational phases of a facilities project. Because construction of Phase 1A projects began after the ending period for this performance audit (June 30, 2003), it is premature to evaluate the effectiveness of this process.

B. Change Management

The change order request, processing and approval processes are incorporated within the PS2 software system. As of June 30, 2003, no change orders had been requested.

C. Inspections

Inspectors are certified by DSA and employed by the District to inspect all phases of construction to ensure adherence to contract documents and state building codes (Title 24).

D. Product Submittal Review

The contractors and bond management team utilize the PS2 software system for processing submittals for review and approval, with the master architect responding to questions related to submittals and substitutions.

E. Request for Information (RFI)

The contractors and master architect utilize the PS2 RFI software system for discussing and resolving issues.

F. Contractor Payments

The approval process for contractor payments is verified by the AOR, Inspector, construction manager, District regional project manager, program manager, SGI controls, District project engineer and fiscal services department. While ensuring that a contractor is not overpaid for services, this process is cumbersome and could lead to delays in making payments to contractors.

G. Claims Avoidance

To minimize contractor claims during construction, effective quality control prior to construction is essential. The effectiveness of this process cannot be determined until completion of a construction project and a post-construction evaluation takes place.

H. Lessons Learned

At the completion of a construction project, the bond management team discusses and documents the results of the quality control progress. Any findings (lessons learned) that lead to revising processes should improve the quality control of future projects.

Phase 1A projects were just entering construction as of June 30, 2003. Therefore, the effectiveness of the construction quality control process cannot be fully evaluated. However, the process appears to be complete and comprehensive and, if followed as documented, should produce satisfactory results.

## SCOPE, PROCESS AND MONITORING OF PARTICIPATION BY LOCAL FIRMS

### Process Utilized

In the process of this examination, interviews were held with the bond management team and District staff. Inquiries were also made to research and verify the components included in this part of the examination, including the scope of work assigned to local firms, the process utilized to seek and solicit participation by local firms and monitoring of the share of work assigned to local firms.

### Background

The Board of Education has recognized the importance of using local services. In entering into the Project Labor Agreement, one of the purposes identified by the board was the following:

To the extent permitted by law, it is in the interest of the parties to this agreement to utilize resources available in the local area, including those provided by minority-owned, women-owned, small, disadvantaged and other businesses.

Although a “local” firm has not been formally defined by the District or its board, the bond management team has generally defined a local firm as one that maintains an office in the metropolitan area, including the counties of San Francisco, Alameda, Contra Costa, Napa, Solano and Marin.

During the selection process, a Request for Qualifications (RFQ) was sent to more than 240 architectural firms statewide, with forty (40) responses submitted for evaluation. After a comprehensive process, a total of ten (10) firms were selected to provide architectural services as architects of record. Of these ten (10) firms, eight (8) meet the definition of a local firm. WLC Architects has taken measures to ensure that an adequate portion of design work is assigned to these local firms.

A number of other local consulting firms have also been awarded work, including companies that provide civil engineering survey work and hazardous material removal and abatement. Most of the approximately fifteen (15) specialists comprising the master architect team are local.

The District’s legal counsel has advised the District and the bond management team that award of construction contracts to local firms, which are not otherwise the lowest responsive bidders, may constitute a violation of the Public Contract Code. Despite the desire to increase local participation, it has not been possible to award contracts to local firms through this preferential criterion.

Notwithstanding this limitation, the District administration and the bond management team have conducted a number of informational seminars and workshops to help local firms qualify and compete for construction projects. Many local firms, while capable and equipped to deliver successful facilities projects, do not have experience in carrying out and performing public work projects. Public work projects, especially California school facilities projects, are complicated in nature and require extensive knowledge of administrative rules and regulations in addition to basic construction strategies. Small local and regional firms typically require substantial coaching and guidance in bidding and performing public work projects. The bond management team has provided assistance and training to enable local firms to qualify for, and bid on, school projects in the West Contra Costa Unified School District.

It appears that substantial progress has been made toward the accomplishment of the Board of Education's objective to improve and increase local firm participation in the construction and planning of local school facilities projects. However, the significance of the staff and the bond management team's efforts to achieve this objective must be examined in quantitative and qualitative terms. While the effort to increase local participation is evident, the numbers of contractors constructing actual projects may not be the only true indicator of the efforts made in this regard.

### **Commendation**

- District staff and the bond management team should be commended for arranging training opportunities and providing assistance and guidance to local firms that want to bid on public work projects but lack prior experience in K-12 educational facilities projects, as well as the requisite knowledge and expertise to be competitive in bidding and executing such work.

### **Finding**

- There is no consistent, ongoing review process in place to monitor and review the share of work assigned to local firms. Despite the legal issues involved in public contracts, progress has been made in allocating work to local contractors, consultants and vendors. Without a consistent oversight mechanism, these gains might be lost.

### **Recommendation**

- It is recommended that the District consider establishing a process to provide continual monitoring of the processes that enhance local vendor participation in the school facilities improvement projects.

## **District Response**

- The District agrees with the recommendation and is in the process of hiring a consultant to develop a monitoring and reporting mechanism to continually track local vendor participation while enhancing the District's current Community Outreach guidelines with strategies that will increase local participation without jeopardizing quality. The current District Community Outreach guideline calls for the creation of a District Community Outreach Advisory Board made of various key local community stakeholder groups such as the NAACP and Richmond Chamber of Commerce. Formation of the advisory board will enhance performance in community outreach while promoting accountability.

## EFFECTIVENESS OF THE COMMUNICATION CHANNELS AMONG ALL STAKEHOLDERS WITHIN THE BOND PROGRAM

### Process Utilized

A number of interviews were conducted with key personnel in facilities, purchasing and other departments; consultants; members of the superintendent's cabinet and other parties involved in the District's facilities program. All five board members, numerous members of the bond oversight committee, several school principals and key personnel on the bond management team were also interviewed.

### Background

To facilitate communication among stakeholders regarding the West Contra Costa Unified School District's facilities program, the District:

- Maintains a communication office;
- Has three (3) Internet sites:
  - West Contra Costa Unified School District: [www.wccusd.k12.ca.us](http://www.wccusd.k12.ca.us)
  - Bond Oversight Committee: [www.wccusd-bond-oversight.com](http://www.wccusd-bond-oversight.com)
  - Bond Program: [www.wccusdbondprogram.com](http://www.wccusdbondprogram.com);
- Has a board policy on media relations;
- Has developed a procedures manual for print and electronic communications and media relations.

The level of awareness among stakeholders close to the process is high. The Board of Education, the superintendent's cabinet and the school principals indicated a high degree of satisfaction with the communication activity, overall communications program and efforts to educate and inform the school community on the activities and processes used to improve existing school facilities and to construct new schools utilizing Measure M and Measure D funding sources.

It appears that the principals of schools currently under construction or close to construction were well informed of the facilities improvement program, including the specific improvements planned for their schools and for facilities District-wide. They appear to be well informed about the bond spending issues and satisfied with the level of information provided regarding the bond program. These principals also gave substantially high ratings on the effectiveness of the communication programs as they relate to their respective school communities. It was evident that this group of principals believes the District is communicating well with the various stakeholders.

On the other hand, the principals of schools not immediately scheduled for facilities improvements appear to be less aware of the District's communication efforts for the facilities program. They also indicated a lower level of satisfaction with the communication level maintained with their respective parent communities. It appears that District staff and consultants have focused their communication efforts at schools currently under modernization or expansion, and school communities not actively involved in the facilities improvement process have not been kept well informed.

Another interesting observation was the distinction drawn by community members, specifically the members of the citizens' bond oversight committee, between the administrative staff and the governing board of the District. Although sufficient documentation exists to provide clear evidence that the board decision regarding the establishment of higher facilities standards resulted in project cost variances exceeding normal industry levels, many members of the citizens' bond oversight committee generally perceived these higher costs as a management problem. They attributed these variances to the "lower estimates" established by management in the Facilities Master Plan. It appears that District staff and the bond management team have not been successful in communicating the evolution of the facilities cost estimates over the last four years. The factors which contributed to substantial cost increases for each project have not been articulated in a clear, understandable manner.

The city governments, within the District limit, display varying degrees of knowledge about matters related to the school facilities improvement program and processes, with the knowledge ranging from well-informed to poorly-informed. For example, in one case, the mayor of a city claimed to have spoken with a local school principal to seek advice on the mitigation of impacts of residential growth on the school district. This comment illustrates the need to educate the broader community and, in particular, the local civic leadership in regard to school facilities development processes.

The communication channels among the architects, contractors and consultants are adequate and effective. The information flow processes established by the bond management team appear to be working well, with a minor need for training and uniformity. The communication between SGI and some District departments needs substantial improvement. The failure of communication between key departments (i.e., fiscal services and purchasing) and SGI staff causes difficulties in processing payments to vendors, resulting in a loss of goodwill and potentially higher contract costs.

The District has approved certain positions, including a position of Bond Engineering Officer, which is likely to help facilitate communication among stakeholders and minimize the existing confusion over roles and responsibilities. Furthermore, the citizens' bond oversight committee has recognized the need to conduct public outreach directly and has established a subcommittee for that purpose.

### **Commendations**

- The bond oversight committee should be commended for establishing a public outreach subcommittee to enhance communication among stakeholders.
- The bond management team should be commended for designing and implementing uniform communication tools and software, which, when fully implemented, is likely to help promote seamless communication among the key participants including the bond management team (WLC/SGI), District staff, architects, contractors and consultants.

## **Findings**

- The principals of the schools not currently undergoing modernization have an inadequate level of awareness about the facilities program, nor does it appear that this group is satisfied with the overall public outreach campaign.
- The community, in general, does not appear to be adequately informed of the rationale of board decisions and their impacts on the facilities program, including increased project scopes and budgets.
- A few civic leaders, including some city officials, do not appear to be knowledgeable and well informed about school facilities issues that local city governments face as a result of city-approved residential growth.
- The communication between the bond management team (specifically SGI staff) and District departments needs improvement. The set of information sent to the departments for processing must be timely, accurate and complete.

## **Recommendations**

- It is recommended that the District consider conducting a comprehensive information program to keep all principals informed of the District's facilities improvements. A well informed principal is likely to educate and inform his or her respective school community more effectively than centralized efforts to do the same.
- The District should consider conducting a parent outreach campaign directly through school newsletters or direct mailing. The District should also consider making presentations to school site councils and soliciting school site council and PTA officers to assist in reaching out to their parent communities.
- The District should take measures to inform the community of the chronology of events and decisions that have resulted in the increased scope and costs for almost every project. A question/answer format may be an effective tool in disseminating this information within the broader school community.
- The District should consider conducting informational workshops and seminars to educate and inform stakeholders and decision-makers who can significantly impact the planning, financing or construction of school facilities.
- The bond management team should obtain clarification on the expectations of the accounting, finance and purchasing departments and provide the necessary documentation to facilitate the processing of payments to contractors and vendors.

## District Responses

- The District concurs with the recommendation of effective communication channels among all stakeholders within the Bond Team. The District currently addresses communication in several ways. Apple Bite, a newsletter from the District that is distributed to all district personnel, sometimes includes Bond Program information.
- The District has hired a Communications Consultant, specifically for the Bond Program, to ensure that interested community members are kept informed, to provide continuity of communication distribution methods and to enhance our existing communications efforts.
- We are working directly with school principals to disseminate appropriate information to staff, parents and students by means of fliers to give them an update on the construction projects and announcements of community and Site Council Meetings. The District continues to conduct presentations with all City agencies and communities in an effort to reach out and inform on a broader scale.

## OVERALL BOND PROGRAM

Through interviews with appropriate personnel, a review of documentation and processes pertaining to facilities program, observations of relationships and interactions among parties involved in the facilities program, Total School Solutions has made certain determinations about the overall bond program. Although these observations are not specifically related to any particular component of the audit, the audit team believes that these issues have a significant impact on the overall bond program and, as such, must be reported to the management of the District.

### Observations

- It appears that the bond management program is reaching maturity two years after its inception. Many logistics and process issues have been resolved. Although a few conflicts in responsibility and authority relationships still exist, these conflicts are not severe and unusual. Most of these issues could be resolved within a reasonable time frame.
- The expanded scope of the performance audit includes a review of many documents such as the quality control program. Although these documents were included in the deliverables listed in the agreement between the District and the bond management team, most, if not all, of these documents were not available until mid-October 2003. It was discovered that, despite the District's belief that those documents existed prior to July 2003, they did not. The absence of these documents made the performance of this examination particularly difficult.
- It is believed that the independent financial and performance audits have helped the bond management team refine its processes. The performance audit team believes that the District has benefited from the improvements, which have been implemented over the last eight months.
- Much of the "deliverable" information outlined in the Master Architect/Program Managers Plan does not appear to be easily available or accessible. The Program Management Plan is well written, and its contents require preparation of many reports that provide valuable information.
- The bond management team has developed excellent written policies and procedures for the District's facilities program. Procedures essential to the implementation and management of a successful building program have been outlined in detail. However, it is unclear if this plan is being followed in its entirety.

## Findings

- In dealing with the bond management team, Total School Solutions (TSS) found WLC to be open and responsive. However, it appears that SGI exercises a higher level of confidentiality than what would be considered appropriate for public work projects. The retrieval of information was difficult, and TSS often required intervention by key District personnel. This hesitation in sharing information also appears to be the root cause of the communication problems reported by the bond oversight committee. Many of the documents, although clearly in the public information domain, are not made readily available, probably consistent with practices typically found in the private sector. TSS does not believe that the bond management staff was intentionally trying to cause difficulties. It appears to be an issue of organizational culture, which needs to be reviewed and addressed by SGI management.
- During the negotiation of the scope of the performance audit, the bond management team indicated that the team did not need an evaluation of its performance since it conducts such evaluations internally. However, it appears that the real cause of hesitation was that certain deliverables subject to the audit had not been developed and were not available.
- The staff representing the program manager (SGI) did not appear to have adequate authority to share information with the audit team.
- The current organizational structure identifies both WLC and SGI as equal partners and maintains parity in responsibility and authority between the two firms. In our opinion, this structure lends itself to confusion and a lack of clarity, resulting in unnecessary delays in performance, especially in the areas for which the responsibility is inadequately defined. As indicated in the other parts of this report, these areas of possible confusion are numerous due to the unique relationship of these two firms. The lack of clarity also causes some duplication of efforts, which could be avoided for the benefit of the District and both firms if a clear hierarchy of responsibility was articulated and established.
- Although the decision to employ a bond management team in lieu of hiring District staff was made consciously, the District has come to realize that in order to establish and maintain strong controls, a few staff positions are needed. Accordingly, a position of District Engineering Officer has been added among others. However, it appears that the previously established organizational structure that placed decision-making authority in the hands of the bond management team, at least informally, still remains in effect.
- During interviews, it was noted that, on at least two occasions, hazardous materials discoveries were missed, which should have been recorded during preliminary site surveys and hazardous materials investigations.

- During the course of this examination, the hazardous materials plan could not be located. A complete and accurate hazardous materials plan is critical to the success of a building program. A review of existing plans, old specification documents and “as built” documentation generally would identify most of the potential hazardous materials that would be encountered during modernization projects. These materials may escape detection without a comprehensive plan.

### **Recommendations**

- The appropriate District staff and the bond management team should review the protocols for the disclosure of public information and the importance and purpose of audits. A performance audit should be considered an opportunity to improve a program, and as such, the personnel involved in the process need to be willing to share information and exchange ideas.
- The District should perform intermittent random checks to ensure that all deliverables have been developed and implemented as required by the agreement between the District and the bond management team.
- The District should consider revising the organizational structure and designate one of the two firms (WLC or SGI) as the supervising partner.
- The District should consider restructuring the system of authorization and approvals to have the appropriate staff exercise leadership in significant facilities improvement issues. The District Engineering Officer appears to be competent, well informed and capable of providing leadership. To transfer authority for the facilities program back to the District, the organizational structure should clearly delineate the lines of responsibility and authority, with the position of District Engineering Officer empowered to grant approvals and control processes.
- The District should consider developing a comprehensive hazardous material abatement program.

## District Responses

- The District understands and acknowledges the findings and recommendations presented in this Performance Audit. The Audit will serve as an important tool for the District in implementing some of the changes to the Bond Program that it has already commenced, such as hiring key District staff positions (e.g. District Engineer) and carrying out the Realignment Process. Continuing that process and implementing changes noted in this audit report will assist the District in continuing to meet the community's expectations for the Bond Program.

Public Information Disclosure. The District's senior management is working with the Bond Management Team to define public information disclosure responsibilities and focus on the importance of responding appropriately to all types of audit requests.

Deliverables. District staff has requested, and the Bond Team is now providing, updated summaries of contract Deliverables.

Bond Team Organizational Structure. The District is currently engaged in a "Realignment Process" with the Bond Team to consider the organizational structure and other issues of roles and responsibilities in the program.

District Staff Assume Greater Role. The District is currently engaged in a process of assuming more responsibility for all aspects of the Bond Program. Internal leadership and in-house project management have all been strengthened. All aspects of approvals and process controls are being coordinated through the new leadership position.

Comprehensive Hazardous Materials abatement program. In January, 2003, the District adopted a comprehensive document entitled "WCCUSD & Bond Management Team Environmental Policies" that provided procedures for handling hazardous materials on the Bond projects. The District has tightened procedures for abatement survey and bid document preparation for Phase 1B schools. The District has facilitated increased levels of coordination among the Bond Team, Environmental Consultants, and the Architects of Record to avoid problems encountered in the Phase 1a projects. The overall abatement program has been defined within the parameters of the Bond modernization program, absent internal District Environmental staff.

### Additional Recommendations

- Whenever possible and practical, projects of like nature should be grouped together to reduce engineering and construction costs. Maintenance and operations department staff should be included in the development of the construction schedules and should have the opportunity to provide input in regard to any cost saving advantages available to the project. At times, the maintenance and operations staff can recognize costs savings or other advantages that might be missed by consultants.
- Maintenance and operations needs to be involved in the phasing of construction activities by outside contractors. The school calendars and the schedules of other capital school projects need to be coordinated with the facilities improvement schedule. Planning should be done to avoid redundant tasks that may occur between the maintenance and operations department and the contractors.
- Whenever possible, the size of the planned projects should be established to have much of the work completed during the summer.

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# APPENDIX A

NOTICE OF ELECTION AND THE NOTICE

FIXING AUGUST 15, 2000 AS FINAL DATE TO SUBMIT ARGUMENTS

ON THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT BOND MEASURE

AT ELECTION ON TUESDAY, NOVEMBER 7, 2000

NOTICE IS HEREBY GIVEN that a Bond Measure Election will be held in West Contra Costa Unified School District, Tuesday, November 7, 2000.

NOTICE IS ALSO HERBY GIVEN by the County Clerk of Contra Costa court, Pursuant to Elections Code Section 9502 that the above date is hereby fixed as the final date on which arguments for and against the following measure appearing on the ballot may be submitted to the County Clerk at 524 Main Street, Martinez, California 94553, for printing and distribution to the voters as provided by law.

**To improve the learning climate for children and relieve overcrowding by improving elementary schools through building classrooms, repairing and renovating bathrooms, electrical, plumbing, heating and ventilation systems, leaking roofs and fire safety systems, improving technology, making seismic upgrades, and replacing deteriorating portable classrooms and buildings, shall the West Contra Costa Unified School District issue \$150,000,000 in bonds at authorized rates, to renovate, acquire, construct and modernize school facilities, and appoint a citizens' oversight committee to guarantee funds are spent accordingly?**

No arguments may exceed three hundred (300) words in length, and all arguments must be accompanied by the statement required by Section 9600 of the Elections Code.

The polling hours will be between the hours of 7:00 AM and 8:00 PM.

Dated: August 7, 2000

STEPHEN L. WEIR  
County Clerk  
Contra Costa County

# APPENDIX B

**BOND MEASURE D  
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**

“To complete repairing all of our schools, improve classroom safety and relieve overcrowding through such projects as: building additional classrooms; making seismic upgrades; repairing and renovating bathrooms, electrical, plumbing, heating and ventilation systems, leaking roofs, and fire safety systems; shall the West Contra Costa Unified School District issue \$300 million in bonds at authorized interest rates, to renovate, acquire, construct and modernize school facilities, and appoint a citizens’ oversight committee to monitor that funds are spent accordingly?”

**FULL TEXT OF BOND MEASURE D**

**BOND AUTHORIZATION**

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the West Contra Costa Unified School District shall be authorized to issue and sell bonds of up to \$300,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List attached hereto as Exhibit A, and in order to qualify to receive State matching grant funds, subject to all of the accountability safeguards specified below.

**ACCOUNTABILITY SAFEGUARDS**

The provisions in this section are specifically included in this proposition in order that the voters and taxpayers of West Contra Costa County may be assured that their money will be spent wisely to address specific facilities needs of the West Contra Costa Unified School District, all in compliance with the requirements of Article XIII A, Section 1(b)(3) of the State Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Education Code Sections 15264 and following).

Evaluation of Needs. The Board of Education has prepared an updated facilities plan in order to evaluate and address all of the facilities needs of the West Contra Costa Unified School District at each campus and facility, and to determine which projects to finance from a local bond at this time. The Board of Education hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List contained in Exhibit A.

Independent Citizens’ Oversight Committee. The Board of Education shall establish an independent Citizens’ Oversight Committee (pursuant to Education Code Section 15278 and following), to ensure bond proceeds are expended only for the school facilities projects listed in Exhibit A. The committee shall be established within 60 days of the date when the results of the election appear in the minutes of the Board of Education.

Annual Performance Audits. The Board of Education shall conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in Exhibit A.

Annual Financial Audits. The Board of Education shall conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed in Exhibit A.

Special Bond Proceeds Account; Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board of Education shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Assistant Superintendent-Business of the District shall cause a report to be filed with the Board no later than January 1 of each year, commencing January 1, 2003, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as the Superintendent shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

#### BOND PROJECT LIST

The Bond Project List attached to this resolution as Exhibit A shall be considered a part of the ballot proposition, and shall be reproduced in any official document required to contain the full statement of the bond proposition.

The Bond Project List, which is an integral part of this proposition, lists the specific projects the West Contra Costa Unified School District proposes to finance with proceeds of the bonds. Listed repairs, rehabilitation projects and upgrades will be completed as needed at a particular school site. Each project is assumed to include its share of costs of the election and bond issuance, architectural, engineering, and similar planning costs, construction management, and a customary contingency for unforeseen design and construction costs. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. In addition, certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Therefore the Board of Education cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects.

#### FURTHER SPECIFICATIONS

No Administrator Salaries. Proceeds from the sale of bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

Single Purpose. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Education Code Section 15100, and all the enumerated purposes shall constitute the specific single purpose of the bonds, and proceeds of the bonds shall be spent only for such purpose, pursuant to Government Code Section 53410.

Other Terms of the Bonds. When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest will be made payable at the time or times permitted by law. The bonds may be issued and sold in several series, and no bond shall be made to mature more than 30 years from the date borne by that bond.

## Exhibit A

### **WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT BOND PROJECT LIST**

#### **SECTION I**

#### **PROJECTS TO BE COMPLETED AT ALL SCHOOL SITES**

(As needed, upon final evaluation of each site.)

##### Security and Health/Safety Improvements

- Modifications and renovations necessary for compliance with Americans with Disabilities Act (ADA).
- Improvements required for compliance with applicable building codes including the Field Act.
- Remove, abate, or otherwise mitigate asbestos, lead-based paint and other hazardous materials, as necessary.
- Install closed circuit television (CCTV) systems, as necessary, to provide secure environment for students, staff, and other users of the facilities.
- Survey, assess and mitigate seismic and structural issues and reinforce or replace existing structures, as necessary, except at Hercules Middle/High School and Richmond Middle School.
- Purchase necessary emergency equipment and provide adequate storage for such equipment.

##### Major Facilities Improvements

- Provide for required demolition in order to perform all work indicated below as well as the specific school site identified needs.
- Upgrade, install and/or replace, as necessary, intercom, alarm, bell, and clock systems.
- Renovate gymnasiums, or replace, as economically advantageous, and replace or install gymnasium equipment.
- Provide a technology backbone system for voice, data, and video communications to accommodate computer network systems, internet access, and other technology advancements; upgrade or install electrical wiring and power for all systems, and provide computers and other technology equipment.
- Assure that all instructional areas and classrooms are provided with telephone service in order to enhance safety and security.
- Improve, upgrade and/or replace heating, ventilation and air conditioning systems, (including energy management systems).
- Improve, upgrade and/or replace electrical systems and equipment.
- Improve, upgrade and/or replace plumbing lines and equipment.
- Install or upgrade energy efficient systems.
- Improve, replace and/or install new outdoor lighting to improve security, safety and enhance evening educational events or athletic activities.
- Renovate, improve, relocate and/or create adequate trash enclosures.
- Renovate or replace lockers.
- Construct, relocate and/or improve lunch shelters.
- Furnish and/or replace emergency evacuation, building identification and address signage and monument signs.
- Replace doors, hardware, windows and window coverings.

- Create, renovate and/or improve kitchen areas, including replacement of specialized equipment and furnishings.
- Renovate, upgrade or install library areas, including seismic restraints for shelving.
- Renovate, improve or replace restrooms.
- Renovate, improve or replace roofs.
- Re-finish and/or improve exterior and interior surfaces, including walls, ceilings, and floors.
- Upgrade, improve, install and/or replace indoor lighting systems.
- Provide furnishings and equipment for improved or newly constructed classrooms and administrative facilities.
- Replace worn/broken/obsolete instructional and administrative furniture and equipment, as well as site furnishings and equipment.
- Purchase, rent, or construct temporary classrooms and equipment (including portable buildings) as needed to house students displaced during construction.
- Acquire any of the facilities on the Bond Project List through temporary lease or lease-purchase arrangements, or execute purchase options under a lease for any of these authorized facilities.
- Construct regional School District Maintenance and Operations Yard or Yards at current District locations as necessary.
- As to any major renovation project, replace such facility if doing so would be economically advantageous.

#### Sitework

- Complete site work, including sitework in connection with new construction or installation or removal of relocatable classrooms.
- Improve or replace athletic fields, equipment rooms, lighting, and scoreboards.
- Improve, resurface, re-stripe and/or replace damaged asphalt and concrete surfaces.
- Improve or replace storm drain and site drainage systems.

## **SECTION II**

### **ELEMENTARY SCHOOL PROJECTS**

- Complete any remaining Measure M projects, as specified in the “West Contra Costa Unified School District Request for Qualifications (RFQ) B-0101 Master Architect/Engineer/Bond Program Management Team for \$150 Million Measure M General Obligation School Facilities Bond Program”, dated January 4, 2001, on file with the District, and acquire the necessary sites therefore. This scope would include projects specified in the District Long Range Master Plan dated October 2, 2000, on file with the District.

All Elementary Schools may include projects, as necessary, from Section I. The following specific projects are authorized at the following identified site.

<u>PROJECT TYPE</u>	<u>Harbour Way Community Day Academy</u> <b>214 South 11<sup>th</sup>. Street, Richmond, CA 94801</b> <u>Project List</u>
	Projects as appropriate from the “All School Sites” list.
<u>Major Building Systems</u>	Add water supply to portable classrooms.
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	Demolish and replace two (2) portable classrooms. Install one additional portable classroom.
<u>Site and Grounds Improvements</u>	Add play structures/playgrounds.
<u>Furnishing/Equipping</u>	Install or replace whiteboards, tackboards and counters.

## **SECTION III**

### **SECONDARY SCHOOL PROJECTS**

All Secondary Schools may include projects, as necessary, from Section I. The following specific projects are authorized at the following identified sites.

<u>PROJECT TYPE</u>	<u>Adams Middle School</u> <u>5000 Patterson Circle, Richmond, CA 94805-1599</u> <u>Project List</u>
-	<ul style="list-style-type: none"><li>• Projects as appropriate from the “All School Sites” list.</li></ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"><li>• Replace carpet.</li><li>• Improve/replace floors.</li><li>• Improve and paint stairwells and handrails.</li><li>• Improve and paint interior walls.</li> <li>• Improve/replace ceilings.</li><li>• Demolish and replace one portable classroom.</li></ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"><li>• Replace fold-down tables in cafeteria.</li><li>• Install or replace whiteboards, tackboards and counters.</li></ul>

<u>PROJECT TYPE</u>	<u>Juan Crespi Junior High School</u> <u>1121 Allview Avenue, El Sobrante, CA 94803-1099</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Renovate library.</li> <li>• Improve/replace floors.</li> <li>• Replace sinks in science lab.</li> <li>• Improve and paint interior walls.</li> <li>• Renovate stage.</li> <li>• Improve/replace ceilings.</li> <li>• Replace acoustic tiles in cafeteria.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Renovate cafeteria side room or computer room for itinerant teacher’s room.</li> <li>• Expand textbook room.</li> <li>• Renovate shower rooms.</li> <li>• Renovate shop room.</li> <li>• Renovate classroom 602.</li> <li>• Expand counseling office</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Replace fold down tables in cafeteria.</li> <li>• Install or replace whiteboards, tackboards and counters.</li> </ul>

<u>PROJECT TYPE</u>	<u>Helms Middle School</u> <u>2500 Road 20, San Pablo, CA 94806-5010</u> <u>Project List</u>
	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Major Building Systems</u>	<ul style="list-style-type: none"> <li>• Improve/replace roof and skylights.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Improve/replace glass block walls.</li> <li>• Improve/replace floor surfaces.</li> <li>• Improve/replace ceilings.</li> <li>• Repaint locker rooms.</li> <li>• Replace carpet.</li> <li>• Improve and paint interior walls.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Demolish and replace two portable classrooms.</li> </ul>
<u>Site and Grounds Improvements</u>	<ul style="list-style-type: none"> <li>• Revise parking and traffic circulation.</li> <li>• Improve/replace fence.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Install or replace whiteboards, tackboards and counters.</li> </ul>

<u>PROJECT TYPE</u>	<u>Hercules Middle/High School</u> <u>1900 Refugio Valley Road, Hercules, CA</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Major Building Systems</u>	<ul style="list-style-type: none"> <li>• Add additional buildings or portables to address overcrowding.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Install additional outdoor and indoor water fountains.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Install lockers.</li> <li>• Provide and install new furniture and equipment.</li> </ul>

<u>PROJECT TYPE</u>	<u>Pinole Middle School</u> <u>1575 Mann Drive, Pinole, CA 94564-2596</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Improve/replace floors.</li> <li>• Improve/replace ceilings.</li> <li>• Improve/replace exterior doors.</li> <li>• Strip wallpaper and paint interior corridors.</li> <li>• Add ventilation to Woodshop.</li> <li>• Improve/replace overhang at snack bar.</li> <li>• Improve and paint interior walls.</li> <li>• Improve/replace skylights.</li> <li>• Improve/replace ramps.</li> <li>• Replace sliding glass door in classroom 11.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Demolish and replace approximately 23 portable classrooms.</li> <li>• Expand or construct new library.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Remove chalkboards from computer room.</li> <li>• Install dust recovery system in woodshop.</li> <li>• Install or replace whiteboards, tackboards and counters.</li> <li>• Replace fold down tables in cafeteria.</li> </ul>

<u>PROJECT TYPE</u>	<u>Portola Middle School</u> <u>1021 Navellier Street, El Cerrito, CA 94530-2691</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Replace interior and exterior doors.</li> <li>• Improve and paint interior walls.</li> <li>• Improve/replace ceilings.</li> <li>• Improve/replace floor surfaces.</li> <li>• Improve/replace overhangs.</li> <li>• Replace ceilings and skylights in 400 wing.</li> <li>• Replace glass block at band room.</li> <li>• Improve/replace concrete interior walls at 500 wing.</li> <li>• Eliminate dry rot in classrooms and replace effected materials.</li> <li>• Replace walkways, supports, and overhangs outside of 400 wing.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Construct/install restrooms for staff.</li> <li>• Renovate 500 wing.</li> <li>• Reconfigure/expand band room.</li> </ul>
<u>Site and Grounds Improvements</u>	<ul style="list-style-type: none"> <li>• Improve and expand parking on site.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Install or replace whiteboards, tackboards and counters.</li> </ul>

<u>PROJECT TYPE</u>	<u>Richmond Middle School</u> <u>130 3<sup>rd</sup>. St., Richmond, CA 94801</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Major Building Systems</u>	<ul style="list-style-type: none"> <li>• Construct new maintenance building.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Lockers</li> <li>• Provide and install new furniture and equipment.</li> </ul>

<u>PROJECT TYPE</u>	<u>El Cerrito High School</u> <u>540 Ashbury Avenue, El Cerrito, CA 94530-3299</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Improve/replace floors.</li> <li>• Improve/replace ceilings.</li> <li>• Replace broken skylights.</li> <li>• Improve and paint interior walls.</li> <li>• Replace acoustical tiles.</li> <li>• Install new floor and lighting in Little Theater.</li> <li>• Replace water fountains in gymnasium.</li> <li>• Relocate and replace radio antenna.</li> </ul>

<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Demolish and replace approximately twenty-six (26) portable classrooms.</li> <li>• Renovate Home Economics room into a classroom.</li> <li>• Add storage areas.</li> <li>• Renovate woodshop.</li> <li>• Remodel art room.</li> </ul>
<u>Site and Grounds Improvements</u>	<ul style="list-style-type: none"> <li>• Improve/replace fence around perimeter of school.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Install or replace whiteboards, tackboards and counters.</li> <li>• Improve/replace hydraulic lift in auto shop.</li> <li>• Replace pullout bleachers in gymnasium.</li> <li>• Replace science lab tables.</li> </ul>

<u>PROJECT TYPE</u>	<u>Kennedy High School and Kappa High School</u> <u>4300 Cutting Boulevard, Richmond, CA 94804-3399</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Major Building Systems</u>	<ul style="list-style-type: none"> <li>• Replace lighting.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Replace carpet in classrooms.</li> <li>• Improve/replace floor surfaces.</li> <li>• Replace interior doors in 200 wing.</li> <li>• Replace sinks in science labs.</li> <li>• Improve and paint interior walls.</li> <li>• Improve/replace ceilings.</li> <li>• Replace cabinets at base of stage.</li> <li>• Paint acoustic tiles in band room.</li> <li>• Resurface stage in cafeteria.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Demolish and replace approximately six (6) portable classrooms.</li> </ul>
<u>Site and Grounds Improvements</u>	<ul style="list-style-type: none"> <li>• Improve/replace fence.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Replace bleachers in gymnasium.</li> <li>• Replace tables in cafeteria.</li> <li>• Replace stage curtains in cafeteria.</li> <li>• Replace folding partition in classrooms 804 and 805.</li> <li>• Install or replace whiteboards, tackboards and counters.</li> </ul>

<u>PROJECT TYPE</u>	<u>Richmond High School and Omega High School</u> <u>1250 23<sup>rd</sup>. Street, Richmond, CA 94804-1091</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Improve/replace ceilings.</li> <li>• Renovate locker rooms.</li> <li>• Replace exterior doors in 300 and 400 wings.</li> <li>• Improve/replace floor surfaces.</li> <li>• Improve and paint interior walls.</li> <li>• Replace carpet.</li> <li>• Replace locks on classroom doors.</li> <li>• Renovate all science labs.</li> <li>• Renovate 700 wing.</li> <li>• Add water fountains in gymnasium.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Demolish and replace approximately four (4) portable classrooms.</li> <li>• Add storage areas.</li> <li>• Improve/add staff rooms and teacher work rooms.</li> <li>• Add flexible teaching areas.</li> <li>• Renovate classroom 508 into auto shop.</li> </ul>
<u>Site and Grounds Improvements</u>	<ul style="list-style-type: none"> <li>• Improve parking and traffic circulation.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Install or replace whiteboards, tackboards and counters.</li> <li>• Add partition walls to the gymnasium and the Little Theater.</li> <li>• Replace tables and chairs in cafeteria.</li> <li>• Replace equipment in woodshop.</li> <li>• Add dust recovery system to woodshop.</li> </ul>

<u>PROJECT TYPE</u>	<u>Pinole Valley High School and Sigma High School</u> <u>2900 Pinole Valley Road, Pinole, CA 94564-1499</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Improve and paint interior walls.</li> <li>• Improve/replace ceilings.</li> <li>• Improve/replace floors.</li> <li>• Replace carpet.</li> <li>• Correct or replace ventilation/cooling system in computer lab.</li> <li>• Improve partition walls between classrooms 313/311 and 207/209.</li> <li>• Reconfigure wires and cables in computer lab.</li> <li>• Replace broken skylights.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Demolish and replace approximately thirty-five (35) portable classrooms.</li> <li>• Add/provide flexible teaching areas and parent/teacher rooms.</li> <li>• Add storage.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Add new soundboard in cafeteria.</li> <li>• Install or replace whiteboards, tackboards and counters.</li> </ul>

<u>PROJECT TYPE</u>	<u>De Anza High School and Delta High School</u> <u>5000 Valley View Road, Richmond, CA 94803-2599</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Replace/Improve skylights.</li> <li>• Improve, or replace, and paint interior walls and ceilings.</li> <li>• Improve or add ventilation/cooling system to computer lab.</li> <li>• Replace exterior doors.</li> <li>• Replace showers in gymnasium.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Demolish and replace approximately fourteen (14) portable classrooms.</li> <li>• Increase size of gymnasium.</li> <li>• Add storage areas.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Replace cabinets in 300 wing.</li> <li>• Replace wooden bleachers.</li> <li>• Add mirrors to girls locker room.</li> <li>• Install or replace whiteboards, tackboards and counters.</li> </ul>

<u>PROJECT TYPE</u>	<u>Gompers High School</u> <u>1157 9<sup>th</sup>. Street, Richmond, CA 94801-3597</u> <u>Project List</u>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Improve or add ventilation/cooling system to computer lab.</li> <li>• Replace outdoor and indoor water fountains.</li> <li>• Improve/replace floors and carpet.</li> <li>• Add sinks to Stop-Drop classrooms.</li> <li>• Improve/replace interior and exterior doors and locks.</li> <li>• Add new partition walls in classroom 615.</li> <li>• Improve and paint interior walls.</li> <li>• Improve/replace ceilings.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Add science lab.</li> <li>• Add lunch area for students.</li> <li>• Add area for bicycle parking.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Install or replace whiteboards, tackboards and counters.</li> </ul>
<u>PROJECT TYPE</u>	<u>North Campus High School</u> <u>and Transition Learning Center</u> <u>2465 Dolan Way, San Pablo, CA 94806-1644</u> <u>Project List</u>
	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Security and Health/Safety Improvements</u>	<ul style="list-style-type: none"> <li>• Improve fences and gates to alleviate security issues.</li> </ul>
<u>Improvements/Rehabilitation</u>	<ul style="list-style-type: none"> <li>• Remodel offices.</li> <li>• Add weather protection for walkways and doors.</li> <li>• Improve and paint interior walls.</li> <li>• Improve/replace ceiling tiles.</li> <li>• Replace carpet.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Add multi-purpose room.</li> <li>• Add cafeteria.</li> <li>• Add library.</li> <li>• Move/add time-out room.</li> <li>• Add flexible teaching areas, counseling, and conference rooms.</li> </ul>
<u>Site and Grounds Improvements</u>	<ul style="list-style-type: none"> <li>• Add play structures/playgrounds.</li> <li>• Improve site circulation.</li> <li>• Add bicycle parking to site.</li> <li>• Resolve parking inadequacy.</li> </ul>
<u>School Support Facilities</u>	<ul style="list-style-type: none"> <li>• Add storage space.</li> <li>• Add restrooms for students and staff.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Install or replace whiteboards, tackboards and counters.</li> </ul>

<u>PROJECT TYPE</u>	<b>Vista Alternative High School 2600 Moraga Road, San Pablo, CA 94806 Project List</b>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Major Building Systems</u>	<ul style="list-style-type: none"> <li>• Add water supply to portable classrooms.</li> </ul>
<u>Construction/Renovation of Classroom and Instructional Facilities</u>	<ul style="list-style-type: none"> <li>• Add storage space.</li> <li>• Add mini-science lab.</li> <li>• Add bookshelves.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Install or replace whiteboards, tackboards and counters.</li> </ul>

<u>PROJECT TYPE</u>	<b>Middle College High School 2600 Mission Bell Drive, San Pablo, CA 94806 Project List</b>
-	<ul style="list-style-type: none"> <li>• Projects as appropriate from the “All School Sites” list.</li> </ul>
<u>Furnishing/Equipping</u>	<ul style="list-style-type: none"> <li>• Refurbish/replace and install furnishings and equipment, as needed.</li> </ul>

## **REFERENCE DOCUMENTS**

### **Measures M & D Ballot Language**

Bond Measure M – Ballot Language. November 7, 2000.

Bond Measure D – Ballot Language. March 5, 2002.

### **Audit Reports**

WCCUSD Audit Report Year Ended June 30, 2001.

WCCUSD Audit Report Year Ended June 30, 2002.

WCCUSD Unaudited Actuals Year Ended June 30, 2003.

### **Measures M & D Revenue/Expenditure Reports**

WCCUSD Measures M & D Revenue/Expenditures Report through December 31, 2002.

WCCUSD Measures M & D Revenue/Expenditures Report through June 30, 2003.

### **Measures M & D Planning Documents**

Developer Fees Justification Study. Jack Schreder & Associates, June 3, 2002.

Facilities Cost Analysis for West Contra Costa Unified School District. Jack Schreder & Associates, October 2, 2000.

Long Range Master Plan (Draft). Jack Schreder & Associates, July 24, 2000.

Long Range Master Plan (Final). Jack Schreder & Associates, October 2, 2000.

Measure M Facilities Evaluation Report (Preliminary). January 23, 2002 (WLC/SGI)  
(1 of 2 and 2 of 2). Note: Measure M, \$150 Million, passed in November 2000.

Measure D Facilities Evaluation Report (Preliminary). September 27, 2002 (WLC/SGI)  
(1 of 2 and 2 of 2). Note: Measure D, \$300 Million, passed in March 2002.

Measure D Bond Program (DASSE Design Inc.). Structural Evaluations of Middle & High  
Schools. October 17, 2002.

School Facilities Needs Analysis. Jack Schreder & Associates, December 5, 2002.

## **FCMAT**

WCCUSD FCMAT Assessment and Improvement Plan, July 2, 2001.

WCCUSD FCMAT First Six-Month Progress Review, January 2, 2002.

WCCUSD FCMAT Second Six-Month Progress Review, July 2, 2002.

WCCUSD FCMAT Third Six-Month Progress Review, January 2, 2003.

WCCUSD FCMAT Fourth Six-Month Progress Review, July 2, 2003.

## **Measures M & D Master Architect Contracts**

WCCUSD Contract Document Master Architect/Program Management Services.

WCCUSD Measure M – Phase 1 Contract Document, Master Architect, August 15, 2001.

WCCUSD Measure M – Quick Start Contract Document, Master Architect, March 4, 2002.

WCCUSD Measure M – Supplement No. 1 to Contract Document, Master Architect,  
June 2, 2002.

WCCUSD Measure D – Phase 1 Contract Document, Master Architect, June 2, 2002.

WCCUSD Additional Services, Master Architect. Miscellaneous Dates.

## **Program Management**

Measure M and D Program Management Plan, May 2003.

WCCUSD Organization Chart 2003-2004. Vince Kilmartin, Assoc. Supt. Organization Charts: WLC/SGI Chart and Operations Division Chart.

WCCUSD Procedures Manual, Fiscal Year 2003-2004.

WCCUSD Board of Education Policy Manual, Facilities and New Construction.

WCCUSD Board of Education Meeting Packets, July 1, 2000, through June 30, 2003.

Program Quality Control Document.

Master Architect Approach to Standards.

## **Measures M & D Bonds and Bond Oversight Committee**

WCCUSD Measures M & D Bond Program Documents from Website.

WCCUSD Measures M & D Bond Oversight Committee Documents from Website.

WCCUSD Packet for Meeting of Measure M and D Bond Oversight Committee, May 28, 2003.

WCCUSD Packet for Meeting of Measure M and D Bond Oversight Committee, June 25, 2003.

WCCUSD Measure M and D Bond Oversight Committee, Engineering Officer's Report, August 27, 2003.

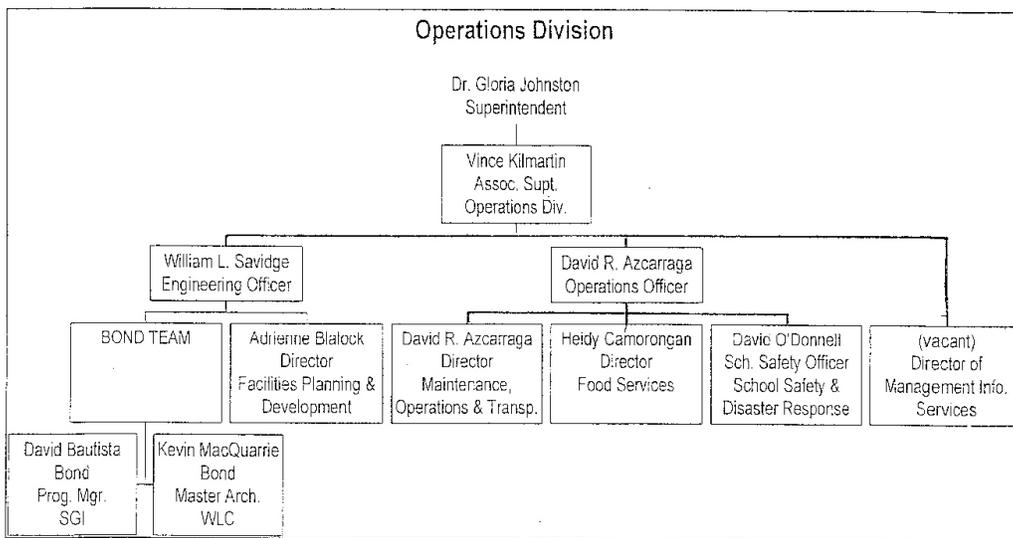
WCCUSD Packet for Meeting of Measure M and D Citizens Oversight Committee, September 24, 2003.

WCCUSD Measure M and D Bond Oversight Committee, Engineering Officer's Report, September 24, 2003.

WCCUSD Board of Education/Bond Oversight Committee.

## Exhibit 1: Organizational Chart

# West Contra Costa Unified School District Operations Division





### Exhibit 3: Master Architect Fee Structure

A. Request for Qualifications (RFQ)

B. Master Architect's Fee Schedule

a) Basic Compensation: 1.25% of the construction budget (master planning, bond management, specialty services)

b) Sites (13) x \$115,000

\$102,054,466 x 1.25% \$1,275,681

13 x \$115,000 1,495,000

\$2,770,681

C. Master Architect Fee Schedule (Architect & Engineering)

New Construction\* Sliding scale 9% - 5%

Factory portables 4%

Recondition/Modernization\* Sliding scale 12% - 8%

\*Construction contract(s) plus additive change orders (except architect errors and omissions)

13 sites (15% of total fee) \$1,290,667

D. Master Architect's Project Management Fee Schedule

(Combined PreConstruction and Construction Phases)

Sliding scale 8% - 4%

D1: DM 13 sites (30% of total fee) \$1,805,252

D2: Construction Admin. 13 sites (50% of total fee) 3,008,753

\$4,814,005

E. Proposed Program Schedule

August 2001 – January 2005 (Phase 1 complete)

**PHASE 1 SITES**

<b>School</b>	<b>Type</b>	<b>Budget</b>	<b>Completion Date</b>
Vista Hills Elementary	New	\$15,170,439	April-04
Montalvin Elementary	Replacement	8,512,741	August-04
Peres Elementary	Recondition	6,285,865	November-03
Downer Elementary	Recondition	11,796,691	November-03
Hercules Elementary	Replacement	8,723,633	September-05
Harding Elementary	Recondition	4,018,366	July-04
Verde Elementary	Recondition	5,469,383	July-04
El Sobrante Elementary	Recondition	4,179,636	July-04
Nystrom Elementary	Replacement	17,434,463	December-05
King Elementary	Recondition	5,381,875	March-05
Collins Elementary	Recondition	5,267,297	March-05
Riverside Elementary	Recondition	5,776,465	March-05
Stewart Elementary	Recondition	4,037,612	March-05
		\$102,054,466	

**F. Summary of Services and Allowances**

A. Master planning, bond management, special services	\$2,770,681
B. Basic Architect & Engineering	1,290,667
C1. Program Management	1,805,252
C2. Construction Administration	<u>3,008,753</u>
<b>Total</b>	<b>\$8,875,353</b>

School	Construction Budget	Standard A & E Fee	Master Planning 1.25%	Per Campus Fee	Basic A&E 15%	Basic PM 30%	Constr. Admin 50%
Downer	\$11,796,691	\$1,131,235		\$115,000			
Peres	6,285,865	653,227		115,000			
El Sobrante	4,179,636	445,463		115,000			
Harding	4,018,366	429,336		115,000			
Verde	5,469,383	574,438		115,000			
Collins	5,267,297	554,229		115,000			
King	5,381,875	565,687		115,000			
Riverside	5,776,465	605,146		115,000			
Stewart	4,033,612	431,261		115,000			
Montalvin ( R )	8,512,741	598,264		115,000			
Hercules ( R )	8,723,633	610,917		115,000			
Nystrom ( R )	17,434,463	1,059,223		115,000			
Vista Hills (N)	15,170,439	946,021		115,000			
<b>Total</b>	<b>\$102,050,466</b>	<b>\$8,604,447</b>	<b>\$1,275,681</b>	<b>\$1,495,000</b>	<b>\$1,290,667</b>	<b>\$1,805,252</b>	<b>\$3,008,753</b>
					<b>\$8,875,353</b>		

G. Reimbursable Expense (Estimated) \$ 1,251,000

(\$102,054,416 x 1.23%)

Specialty Consultant Expense (Estimated) \$ 561,300

H. Total Construction Cost Estimate

- |                              |                  |
|------------------------------|------------------|
| 1. Site Cost                 | \$ 559,000       |
| 2. Plans and State Approvals | 20,151,395       |
| 3/4. Construction Costs      | 102,054,466      |
| 5. Testing and Inspections   | <u>2,400,885</u> |
| 6. Furniture & Equipment     | \$125,165,746    |

I. Phase 1 Schools (13)

J. Schedule of Fees and Payments (repeat of \$8,875,353)

K. Optional Deductive Services

### ADDITIONAL MASTER ARCHITECT SERVICES

Request	Project No. (Date)	School/Site	Project Description	Project Budget & Source of Funds	Start Date	Finish Date	Project Manager
01*	02139.01 (9/1/02)	Hercules Middle/High	10 New Portables 2 New Locker Pavillions 2 New Land Courtyards	\$2,770,670 Measure D	4/17/02	12/31/02	Greg Fucci
02	02141.03 (4/2/02)	Richmond High	2 New Portables (Omega High Site) Relocation of Basketball Courts	\$163,588 TBD	4/18/02	8/22/02	Greg Fucci
03	02137.04	Helms Middle	Reconfigure Back Parking Area New Parent Drop off and Parking Area	\$363,240 TBD	1/1/03	3/1/03	Greg Fucci
04	01210.01 (7/2/03)	Downer Elementary	Relocation of Non-DSA Portable Through DSA	\$46,965 Capital Facilities	6/2/02	12/1/02	Greg Fucci
05*	02140.02 (4/1/02)	El Portal Elementary	Project Management Services for Seismic Study	\$122,400 General Fund	4/1/02	4/1/03	Greg Fucci
06*	02252.00 (8/1/02)	Central Kitchen	A/E Services for 4,750 square foot garage addition	\$496,800 Food Services	8/1/02	8/1/04	
07*	02134.03 (8/1/02)	Omega High	New Toilet Portable	\$174,528 Capital Facilities	8/1/02	3/1/03	Greg Fucci
08*	02137.03 (4/1/02)	Helms Middle	Relocation of Non-DSA Portable Through DSA	\$64,239 TBD	12/1/02	2/2/03	Greg Fucci
09*	02139.03 (9/1/02)	Hercules High	Traffic Control Gates & Bollards	\$178,344 Measure D	9/1/02	3/1/03	Greg Fucci

<b>Request</b>	<b>Project No. (Date)</b>	<b>School/Site</b>	<b>Project Description</b>	<b>Project Budget &amp; Source of Funds</b>	<b>Start Date</b>	<b>Finish Date</b>	<b>Project Manager</b>
10*	01290.02 (8/1/02)	Lincoln Elementary	Temporary Portable School During Modernization and Additions	\$740,645 (Note: Net increase to WLC in excess of amount that would have been paid to AOR \$83,440.) Measure M and State	8/1/02	8/21/03	Omar Eslava
11	01291.02 (8/1/02)	Madera Elementary	Temporary Portable School During Modernization and Additions	\$282,472 Measure M and State	8/1/02	8/1/03	Omar Eslava
12	01220.02 (8/1/02)	Hercules Elementary	Temporary Portable School During Modernization and Additions	\$141,756 Measure M and State	8/1/02	8/1/03	Omar Eslava
13	01219.02 (8/1/02)	Montalvin Elementary	Temporary Portable School During Modernization and Additions	\$325,233 Measure M and State	8/1/02	8/21/03	Omar Eslava
14*	01217.02 (8/1/02)	Riverside Elementary	Temporary Portable School During Modernization and Additions	\$223,154 Measure M and State	8/1/02	8/1/03	Omar Eslava
15	01214.02 (8/1/02)	Verde Elementary	Temporary Portable School During Modernization and Additions	\$414,904 Measure M and State	8/1/02	8/1/03	Omar Eslava

<b>Request</b>	<b>Project No. (Date)</b>	<b>School/Site</b>	<b>Project Description</b>	<b>Project Budget &amp; Source of Funds</b>	<b>Start Date</b>	<b>Finish Date</b>	<b>Project Manager</b>
16	01213.02 (8/1/02)	Harding Elementary	Temporary Portable School during Modernization and additions	\$624,773 Measure M and State	8/1/02	8/1/03	Omar Eslava
17	01211.02 (8/1/02)	Peres Elementary	Temporary Portable School during Modernization and additions	\$543,843 Measure M and State	8/1/02	8/1/03	Omar Eslava
18	None (11/1/01)	Various Elementary Schools	Various	\$7,840 Measure M	11/1/01	2/8/02	Dave Bautista
19	890.08 (6/1/02)	Lovonya DeJean Middle	Furniture and Equipment	\$69,165 Measure D	6/1/02	3/1/03	James Johnson
20	02140.02 (4/2/03)	El Portal Elementary	Patching Existing Trench/Paving in Parking Lot (Seismic Study)	\$11,108 Deferred Maintenance	4/1/03		Karim Nassab
TBD	TBD (4/28/03)	Hercules Middle/High	Landscaping and Minor Parking changes	\$3,261,470 Measure D	7/03/03		

\*Under Article XII of Master Architect Agreement.