

MEMORANDUM

: 6th BAC Report to the Board

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The Faubion team has halted schematic design at the 50% stage while Concordia fundraising is ongoing, with the expectation of a September re-start. We have some concern over how to balance progress with the design process without full funding, but do not suggest any change of plan at this point. Like everyone, we are excited by this unique and exciting partnership, and will follow progress with great interest. We are planning to hold our October meeting at Concordia.

The BAC received an update on MWESB participation that, since only consultant work has occurred since our last meeting, is little changed (11%). Data from IP14 construction work was not yet available, but we do not expect an uptick since contractors are selected through a bid process. We will continue to monitor the results and remain confident that the District will have a superior experience on the upcoming CM/GC projects that, of course, involve more significant dollars.

Staff also reported on progress on the excellent recommendations made by your Performance Auditors. Work on several has been completed, and we will continue to monitor.

## Current Issues

*New Procedures for construction contracts.* The new Owner Controlled Insurance Program (OCIP) and the Workforce Training and Hiring Program are both in place for the first time on the IP14 projects. OSM reported on an OCIP learning curve in registering contractors prior to Notices to proceed. We believe that the experience will lead to a smoother process next year.

City of Portland staff will administer the Workforce program and we again applaud the District for adopting a program that is familiar to contractors. Issues will inevitably arise as the District and the City learn to work together on this, but we fully expect the goal of 20% apprenticeship participation to be achieved.

*Student Involvement.* Staff reports on student involvement are very encouraging. Many summer internships are in place, and several student activities occurred in July.

OSM is still working on appropriate metrics for student involvement, and we agree that it's a difficult challenge. However, we will continue to work with staff as appropriate so that we can all see that significant efforts are bearing fruit.

*Budget.* Staff has continued to provide budget information to us in a transparent format.

Much has transpired since our last report, but we can report that both the program



*Communication.* Subsequent to our meeting, a Frequently Asked Questions section has been added to the Building Improvement Bond section of the website. This will be very helpful in communicating issues to the public and we look forward to seeing regular updates.

### Summary

It has generally been a good quarter for the bond program. Of course, our overriding concern remains over management of schedule, budget, scope and quality impacts from high school program changes. Assertive risk management strategies are needed to maintain control, and we will be looking to staff to continue its reporting on these at our next meeting.

We continue to be impressed by the caliber and professionalism of OSM staff as well as the design and construction teams, and thank the Board for their support.