

VERNONIA SCHOOL DISTRICT 47J
475 BRIDGE STREET
VERNONIA OR 97064

BOARD OF DIRECTORS WORKSHOP MINUTES

August 12, 2009

- 1.0 CALL TO ORDER:** A Workshop of the Board of Directors of Vernonia School District 47J, Columbia County, Oregon was called to order at 6:02 p.m. by Jim Krahn. MEETING CALLED TO ORDER
- Board present:** Ernie Smith, Jim Krahn, Tim Bamburg, Kim Wallace, and Tammy Jennings. Greg Kintz arrived at 7:10 p.m. Absent: Cari Levenseller BOARD PRESENT
- Staff present:** Ken Cox, Superintendent; Barb Carr, Administrative Assistant; and Tom Ramsey, Maintenance Supervisor. STAFF PRESENT
- Visitors present:** Heinz Rudolph, Chris Linn, Steve Effros, and Don Irwin VISITORS PRESENT
- 2.0** The Pledge of Allegiance was recited. PLEDGE OF ALLEGIANCE
- 3.0 Construction Options:** CONSTRUCTION OPTIONS DISCUSSED
Aadland Evans and BOORA gave a presentation to the board on the different types of construction options and the benefits and negative aspects of each option.

The three options are:

- Standard Low Bid. The design team designs the building and then the project is put out for bid. Low bidder wins the contract.
- Construction Manager/General Contractor (CMGC) – Design team takes the project all the way through, contractors come in a bit earlier. This option still has the traditional design approach and low bid approach to hiring contractors.
- Design/Build – hire one entity. Pick up the design where it has left off, permit and then build. The entire price of the project is determined up front and much earlier.

Don Irwin of Aadland strongly recommends the Design/Build approach. It is market driven and in with the current market the way it is he feels this option has the potential to save the district a great deal of money.

Jim Krahn asked about financing in our situation. Normally a project would have all the money needed at the on set of the project. Vernonia is a bit different in that we are still waiting to secure funding from different sources. Would it be more beneficial for us with the fundraising aspect to go with design/build? According to Don, yes, the sooner you get the whole price the better from a real market bid.

Ernie Smith expressed his concern with the fact that he has seen a lot of big contracts where final the amount is a lot higher than the initial bid. Could you have the most important phases be built first? Then if funding doesn't come through phases could be dropped. Don Irwin indicated that alternative options are good. Set your fundamental core stuff first and get them solid. This can be defined up front through the bidding process.

Tammy Jennings asked about the CAP? How firm is this? According to Don he indicated that the price is based on the scope of work. However, it is good to have a 10% contingency. Hopefully you won't need this. Early collaboration is very important.

Jim Krahn commented that it is important to work towards no changes because this can get expensive. In the Design/Build approach you can spend more time with the design team and contractor to work out ideas prior to breaking ground and avoiding a lot of change orders. In the traditional low bid

option the contractor wouldn't come on board until later in the process.

Kim Wallace excused herself from the meeting at 7:02 p.m.

Greg Kintz arrived at 7:10 p.m.

Chris Linn and Heinz Rudolf of BOORA gave their presentation. According to Heinz no one is doing the traditional low bid option anymore. The traditional way has been used for many years but it doesn't work well anymore. Most are going with a modified Design/Bid/Build concept. The contractors are involved before building starts. They work with the Architects estimator to come together on pricing. It is a checks and balances system.

A CMGC option involves great team work. The contractor works with architects at the same time.

In the Design/Build plan the architect works up to start of construction and then a different team takes over. They don't recommend this option. Jim Krahn asked if it would have to be a different architect? It wouldn't have to be but a lot of times it is depending on how the RFP is written. BOORA doesn't feel there has been enough Design/Build concepts done in the construction of schools in the state of Oregon. It is also a faster process which could be a disadvantage.

Jim Krahn brought the group up to speed on the next phase of the Oregon Solutions group. The first group had the task of finding an appropriate site to construct a new school. The job of the Oregon Solutions group now is to find the money. This is a very energetic group of people. The next meeting which is in three weeks will hopefully let us know how much we can expect to get from the rich, the federal government, etc. Jim feels positive about the direction the district is heading. We are taking chances with the Design/Build concept but doesn't feel the time delay will help us.

Ernie Smith feels having money commitments ahead of time is important.

Ken Cox indicated that today's meeting was with the executive committee of Oregon Solutions as well as the budget committee of Oregon Solutions. One of the things that came up at this meeting was that the district needs help to get the financing piece moving forward. A Capital Campaign manager is needed to help us. Bill Haack has been appointed to this position and will be available within a month. By Sept. the District should have a clearer picture of what we have and what we need to do. Bill is putting together a package to use when interviewing firms.

4.0 Workshop concluded at 8:30 p.m.

ADJOURNED

Submitted by Barb Carr,
Administrative Assistant to the Superintendent and Board of Directors

Board Chair

District Clerk