

School Construction Policy Report

September 30, 2014

Issue/action
Update on stakeholder outreach

Following-through with suggestions from OPM during the development of the February 7, 2014 SBPAC Report, DAS staff has been continuing the ongoing outreach with stakeholders in the school construction process in the state that was reported in the August 28, 2014 School Construction Policy Report. This outreach has been productive. While different organizations approach the topics under discussion differently, there is a broad recognition that there are significant areas where improvements should be made.

Here is a further report on the outreach work.

Stakeholder	Outreach Report
The Connecticut Association of Boards of Education (CABE).	Discussions have continued between DAS staff and CABE after the previously reported meeting. CABE had discussed conducting a survey of their membership on potential improvements to the school construction process.
The Connecticut Conference of Municipalities (CCM).	Discussions have continued between DAS staff and CCM after the previously reported meeting. It is preparing a letter with an analysis of the SBPAC Report and observations on the policies discussed in the report.
The Connecticut Association of School Business Officials (CASBO)	Discussions have continued between DAS staff and CASBO after the previously reported meeting. CASBO composed a letter (attached) that offers its observations, suggestions and concerns.
The Connecticut Association of Public School Superintendents (CAPSS)	Since the previously reported meeting, another meeting has been scheduled between DAS staff and CAPSS members for more in-depth discussion.
Regional Educational Service Center Alliance (RESC Alliance)	Discussions have continued between DAS staff and CASBO after the previously reported meeting. The RESC Alliance composed a letter (attached) expressing ways that RESCs could facilitate policy options being considered.
Connecticut Council of Small Towns (COST)	An initial meeting occurred between COST and DAS staff. COST was updated on the work of SBPAC and DAS staff in school construction policy. Discussion occurred about COST leadership gaining some feedback from COST membership.



Stakeholder	Outreach Report
Connecticut Chapter of the American Institute of Architects (AIA)	An outreach meeting is scheduled.
Foundation for Fair Contracting of Connecticut (FFC)	An outreach meeting was held between FFC representatives and DAS staff. FFC was updated on the SBPAC Report and the subsequent research and analysis. FFC is analyzing how the SBPAC and DAS work relate to their area of advocacy. A letter from FFC with materials is attached. Further discussion is planned.

Further outreach work is planned, including with the Associated General Contractors of Connecticut (AGC) and the Connecticut Chapter of the Associated Builders and Contractors (ABC).



11 High Gate Lane, West Hartford, CT 06107-1010
Phone/Fax 860.519.0023
www.ct-asbo.org

September 5, 2104

Mr. Tim O'Brien
Asst. To Deputy Commissioner
Division of Construction Services
Department of Administrative Services
165 Capitol Ave. Rm. 473B
Hartford, CT 06106

Dear Tim,

CASBO appreciated the opportunity to meet with Deputy Commissioner Salemi, you and other staff to provide input to the School Building Projects Advisory Council and discuss with key stakeholders some of the issues surrounding school building projects.

As requested at the meeting, the following are CASBO's recommendations:

1. Recommend that an owner's representative be hired at the very start of the project (greater than \$10 million) to assist in hiring of architect, engineer, CM etc. *
2. Recommend that a design professional develop schematic designs with specific cost estimates to be included in referendum. *
* These steps would assist in bringing a better-documented design and project estimate forward. However, these steps can be costly to towns/schools, if the project fails in referendum. As incentive, the state could agree to reimburse for these costs if the referendum fails or allow them to be added to the eligible costs for reimbursement once a project passes referendum.
3. Recommend that an audit be performed after 50% of design is completed (scope, cost and size are known at this point) This would provide for a review and guidance before construction begins and provide time to make changes so as to avoid costly adjustments well after project is completed.
4. Expedite the project closing process. Require that all original documents remain in the BOE office. Simplify and streamline change order process. This could involve online processing of change orders. New online forms should be developed to make it easier to document and approve change orders on a timely basis. Involve all players involved in the change order process (architects, CM, owners, school business officials, contractors and SFU staff etc.) to participate in such a review. Everyone benefits by streamlining this process.
5. Expedite "renovate as new" process and provide more flexibility in meeting these requirements.
6. Education and training- many schools are involved in a limited number of projects that could span decades. Therefore, clear, concise communication and guidelines are needed each step of the way.
7. Old Change Orders- We all know that old change orders are a major problem and cause huge delays in closing a project. Many times documentation is missing; key players are gone and inconsistency is rampant. CASBO recommends that a "swat team" be assigned with the authority and flexibility to quickly address these old backlogs in a fair way. Materiality thresholds should be developed to help expedite.
8. Support the DAS' effort to address Form ED050. We recommend that DAS review the essential data that is truly needed and develop a streamlined approach to collect and report such data.

School Business Officials...Vital Partners in School Leadership



9. Reduce and/or streamline Notwithstanding Legislation situations

This is an area that is very time consuming and a bureaucratic burden to all involved. Although some of this legislation is very project specific, several generic situations are involved. These include: (a) the requirement not let out to bid until plans and specifications are approved by DAS; (b) exemption from standard space standards. (c) old change orders

The issue with all of these is time. When managing a project of any size, time is of the essence. The solution for the above situations is to seek notwithstanding legislation via your legislator and then wait until the next legislative session for approval. Our experience is that almost all "not withstanding legislation" is approved, however this can take over a year delaying projects and reimbursement.

With respect to situations discussed above, please note:

- (a) The requirement to wait for written approval of plans and specifications by DAS before letting out a bid can result in loss of precious time to complete these projects. This is especially true for smaller projects that must be completed when school is not in session, such as asbestos removal or roof replacement. Often the vendors involved are under State contract. Tight schedules necessitate schools go to bid as early as possible so that construction can begin as soon as students vacate. Project approval can take time and written approval can be slow in arriving. As result, some schools, for expediency sake, do not comply with the "not to bid" requirement. CASBO recommends that DAS provide more flexibility regarding the timing of bidding. For smaller projects, that use local review, allow the bid to proceed on the date of local approval. For projects reviewed by the DAS, allow bids to be let on the date the reviewer signs off and not require schools to wait for final written approval to be received by DAS.
- (b) Exemption from State Standard space specifications- the current space specifications are quite old and are grade specific. These standards should be updated to reflect changing school uses and incorporate flexibility for interdisciplinary uses, technology and adaptive space.
- (c) Old Change orders- See separate discussion on dealing with change orders.

We hope you find these initial recommendations helpful. Many school business officials have extensive experience in many aspects of school facility planning, construction, change orders, closeout and grant reimbursement. We stand ready to assist the council staff in any, and all, aspects of the school building process. We would also be happy to be a "sounding board" for the staff before the Council formally rolls out its recommendations. CASBO has used this approach to assist the State in the past, including the Data Reports Committee and Uniform Chart of Accounts review.

Thank you for your time.

Sincerely,

Sharon Bruce
Executive Director

C: Deputy Commissioner Bud Salemi
Attorney Jenna Padula
Craig Russell, Director of School and State Construction Support Services
CASBO Members

the RESC Alliance

Connecticut's Alliance of Regional Educational Service Centers



September 8, 2014

Pasquale (Bud) Salemi
Deputy Commissioner
Department of Administrative Services
165 Capital Avenue
Hartford, CT

Dear Commissioner Salemi:

On behalf of the RESC Alliance, thank you for the opportunity to meet with you and your staff to discuss the Report by School Buildings Advisory Council. We appreciated the opportunity to provide input regarding the recommendations as presented.

As you seek to solve a range of challenges and issues, the regional design of RESCs is a powerful delivery system for initiatives that cut across multiple communities. To summarize, we wish to reiterate several key points:

- The six regional educational service centers have a successful history of managing cooperative projects, such as cooperative purchasing. The RESCs are poised to support regional project management for school construction projects which can promote regional efficiencies and cost savings.
- We discussed the need for data collection from key constituents and your challenges collecting data; RESCs have the capacity to conduct regional data collection.
- As you seek statewide solutions, consider the RESCs and our capacity to engage in regional facilities management; expectations such as square footage requirements, should be considered regionally.

We welcome the opportunity to continue the dialogue and stand ready to support regional solutions for school building projects.

Sincerely,

Eileen S. Howley

Eileen S. Howley, Ed.D.
RESC Alliance Chair





From: Cynthia Dubuque [mailto:cdubuque@ffct.org]
Sent: Friday, September 26, 2014 1:29 PM
To: O'Brien, Timothy
Cc: Jeremy Zeedyk
Subject: RE: SBPAC enabling statute

Hi Tim,

It was a pleasure to meet you. Many thanks to you and Deputy Commissioner Salemi for meeting with us to discuss the School Building Projects Advisory Council. As we discussed, the Foundation for Fair Contracting ("the Foundation") supports a number of recommendations put forth by the Council. One in particular that I would like to highlight and discuss is Recommendation #6: Require or encourage standardized procedures in school district's contracting, procurement and construction management processes. It is clear, that within the construction industry, lack of continuity and standardization has cost the state, municipalities and tax payers countless dollars over the years. Subsequently, the Foundation in concert with the Building Trades has been striving to promote consistency and transparency in the public bidding process which would achieve a number of goals including the limiting of bid shopping, increasing transparency regarding the expenditure of public funding and reducing the overall costs of public construction projects.

While the Foundation and the Building Trades recognize the autonomy of the municipalities, we also believe that those who receive substantial funding from public monies should abide by the same standards as other public entities. School construction is imperative to any healthy community. It not only supports the growth and sustainability of a community, but has the opportunity to spur economic development. However, lack of knowledge of the construction industry or process may lead local leaders and tax payers to pay a price. As such, the position of the Foundation and the Building Trades has been to propose a transparent bidding system for GC and CM bidding whereas there are approximately 19 project element categories that are directly bid. In addition to naming the prime contractors in these 19 categories, the awarding contractor would need to provide the names and contract amounts of the sub-subcontractors within a number of days after signing the contract with the awarding authority. This transparency in the bidding process will reduce bid shopping, increase transparency and save municipalities monies on markups on each layer of subcontracting.

You will find attached to this email an initial proposal drafted by Jeremy Zeedyke outlining a "Proposal for Bid Process" which was at the center of proposed bill SB454 last legislative session. In addition, please find attached a proposal from the Foundation and the Building Trades to the Construction Transparency Working Group, which is currently grappling with similar issues involving the construction industry.

Thank you again for considering our positions on this very important matter.

Cindy

--

Cindy Dubuque, MSW, MAT
Executive Director
Foundation for Fair Contracting of CT
1268 Main Street, Suite 202
Newington, CT 06111
W: 860-667-7727
www.ffct.org