

INTER-OFFICE CORRESPONDENCE

Los Angeles Unified School District

TO: Bond Oversight Committee **DATE:** February 11, 2004

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SUBJECT: Responses to the July 29 (rev.) BOC Report
Item# E. Management

In the July 29th 2003 report entitled "Healthy Schools, Healthy Parks Healthy Communities", the BOC requested additional information concerning management. The following is provided in response to that request.

1) What evaluation metrics are applied to each level of design, project and construction management to ensure that we are receiving the value contracted for?

Both Existing Facilities and New Construction have evaluation metrics internal to their programs that are reinforced through goals set forth in the Strategic Execution Plan Update. It is the practice of both departments to evaluate these goals monthly, assessing both progress and areas that need attention and correction.

Within New Construction (the Design Managers), and in Existing Facilities (the Owner's Authorized Representatives - OARS), we have identified the following goals and measurements:

- a) Architect/Engineer (A/E) contracts fairly and competitively procured – contracts executed within 30 days of award
- b) Close monitoring of the schedule and project budget
- c) Cost effective designs – design estimates are accurate and within budget
- d) Well managed scope changes – changes must be approved and substantiated in detail for justification, schedule and cost impact
- e) Ensuring LAUSD's Design Standards and Technical Specifications are followed
- f) Ability to obtain design approval from Department of the State Architect (DSA)

During the Construction Phase both departments continue the monitoring of our contracts with the following criteria:

- a) Manage change orders by making sure they comply with procedures and are concluded within 90 days
- b) All valid invoices are paid within 30 days (on average)
- c) Baseline budgets are established, updated monthly and followed. Any variances are identified and mitigated.
- d) Contractor firms adherence to project documents and schedule
- e) Monitor safety performance
- f) Efficiency of work and coordination among sub-contractors
- g) OARS evaluate the overall performance of the A/E firms and contractors at the completion of the work to include the number of Requests for Clarification, Design Changes and Change Orders
- h) OARS are evaluated on their ability to maintain cost and schedules, handle foreseeable and unforeseeable conditions, transferring of improvements to M&O, and finally on the time it takes to close out a project after Substantial Completion

Existing Facilities also evaluates the performance of their Local District Project Managers.

2) What is the specific analysis used to determine whether a position is contract, consultant or employee?

The Facilities Department looks at a number of different variables in determining employee status. Factors which affect this decision include:

- a) The duration of the work activity
- b) The set of expertise and skill required
- c) The availability and type of funding
- d) The immediacy of need and number of positions
- e) Approval durations through the SAB and/or Personnel Commission

It is the goal of the Facilities Division to fill the majority of long term and supervisory positions with District employees where supported by funding availability, program duration and long term benefit to the District.

3) What is the typical workload for a project/construction manager?

While typical workloads vary between the Existing and New Construction departments due to the size and complexity of projects, New Construction OARS generally manage one large project, while Existing OARS may manage 5 to 15 projects based on size. Daily tasks and activities are similar between both groups and include:

Typical Daily Tasks:

Performing administration of construction, professional services and architect/engineering contracts. This includes coordinating:

- a) Inspections
- b) Maintenance & Operations support/awareness
- c) Contractor's scheduled activities
- d) School Site availability
- e) Responses to neighborhood complaints/concerns
- f) Contract change orders

Responding to correspondence and maintaining project files

Undertaking site visits and meeting with the contractor

Conducting coordination meetings with Sr. Managers, school management services, maintenance and operations, regulatory agencies, local community leaders and internal team members.

Typical Weekly Tasks:

Complete weekly status reports for review by senior management on cost, schedule, quality assurance, contracts changes and amendments, design details, and environmental compliance issues as well as others.

Complete site safety walk to ensure that safety provisions are in place.

Weekly status meetings with Regional or District Supervisors, and other Project Manager level coordination and training meetings.

Typical Monthly Tasks:

Invoice review and processing

Contract variance analysis and corrective actions

Staff review, evaluation and recruitment

Updates to baseline reporting

In addition the Project/Construction Managers are also responsible for archiving the final/close-out project documents.

4) How is planning, development, design and construction management planned for Phase II?

Drawing from the lessons learned of our Phase I efforts, the Phase II projects will be delivered utilizing a collaborative, multi-disciplinary approach executed through the Real Estate and Construction departments. Our plan varies from Phase I to allow for increased community participation and use of two lead departments for pre-construction and construction activities. Details of our approach are provided in the 2004 Strategic Execution Plan Update.

In general, all new projects will be managed by the Real Estate Department from bond passage through DSA approval. Using three regional development teams (Valley, Central and South), the Development Teams will have the responsibility of defining projects, locating sites, developing programs and designs, undertaking due diligence and CEQA reviews, developing budgets and schedules and obtaining Department of the State Architect (DSA) approvals to construct the project.

Once projects are approved for construction, the Real Estate Development Team transitions the project to design management and then to construction, which has the responsibility of managing the project through school occupancy. The construction effort also includes the procurement and installation of furnishings, fixtures and equipment at the end of construction.

5) What have been the successes/missed opportunities in the real estate relocation program in Phase I? Since the next phase will most likely impact a significantly larger number of residences, what is the plan for Phase II relocation? Are there funding opportunities for replacement housing stock?

This question will be answered at the following BOC meeting when the Housing Response is prepared.