

**El Paso Independent School District  
Citizens' Bond Advisory Committee  
Meeting Minutes  
April 24, 2019**

**Present:**

Ana Elena Allen  
Bob Burns  
Norma Chavez  
Kelvin Joel Kroeker, P.E.

Toni Lunsford  
Paul Masters  
Ross Moore  
Samuel Morgan

Debbie Trexler  
Max Villarona  
Miguel S. Venegas  
Russell Wiggs

**Not in Attendance:**

Cimi Alvarado  
Cynthia Cano  
Yolanda Clay

Ted Houghton  
Dan Longoria  
Cynthia Lopez  
Javier Olmos

Edmundo Rodríguez

**Special Guest:**

Al Velarde, Board of Trustee-District 2  
Juan E. Cabrera, Superintendent

**Presenters:**

Carmen Arrieta-Candelaria-EPISD Finance and Operations  
Mayra Martinez-EPISD Internal Audit  
Jacobs Program Management Team  
Irene Ramirez, Director Facilities and Construction  
Jose Lopez was not present. Alan Wiernicki, Chief Quality Officer, presented on his behalf.

**Call to Order**

The meeting was called to order at 5:10 p.m. by Mr. Paul Masters, Chair.

**1. Welcoming**

Ms. Norma Chavez, new CBAC member introduced herself to the committee.

**2. Review of Meeting Minutes**

Meeting minutes for December 6, 2018 and February 21, 2019 were approved once quorum was met at 6:03 pm. Mr. Kelvin Kroeker made the motion, Mr. Masters second.

**3. Attendance Update**

Ms. Carmen Arrieta-Candelaria, Deputy Superintendent Finance and Operations, informed the committee that there have been four committee members who have attended for the last three meetings in a row: Ms. Yolanda Clay, Mr. Javier Olmos, Mr. Cimi Alvarado and Mr. Dan Longoria. Ms. Clay was going to attend last Thursday but the meeting was rescheduled. Ms. Arrieta-Candelaria stated that the committee can pass a motion to have those committee members who have poor attendance removed and find a replacement to serve in their place. \* No motion was passed by the committee due to lack of quorum at the time.

Mr. Russell Wiggs, who arrived to the meeting late, was also introduced as a new CBAC member.

**4. Internal Audit Update**

Ms. Mayra Martinez, Chief Internal Auditor, provided an update on the Internal Audit Plan which includes a rolling list of six projects in plan.

Ms. Martinez presented on status of the following six projects that are part of the Internal Audit Plan:

- Bond Sales Proceeds and Expenditure Audit Report has been completed.
- Bond Sale Proceeds and Expenditures Corrective Action Plan (CAP) Follow-up has been completed. This was a summary of the bond sales proceeds and expenditures audit this was reviewed at the previous two CBAC meetings. Ms. Martinez did not go into the details as they were provided on the slide presentation, but provided the quick overview information of the

findings within the slides for transparency purposes. This result of the audit determined whether management and leadership had implemented 13 CAP activities or took other action to address the three (3) findings, one (1) observation and six (6) recommendations outlines in the Bond Sale Proceeds and Expenditures Audit Report. Internal Audit went back to confirm that those CAPS had been implemented and once confirmed were able to close this CAP Follow-up in February 2019.

- Bond Program Management Advisory Services CAP Follow-up is in the monitoring phase. There were 26 CAP activities developed by management, 17 activities have been implemented and 9 activities are in progress. As per management, they hope to implement the 9 activities by the end of May 2019. Internal Audit will continue to monitor the progress on this CAP. Once finalized, Internal Audit will issue a report to the CBAC.
- Bond Program Management Audit & Change Management and Monitoring are in the fieldwork phase. The slide presented provided the objective, scope and status. The expectation for Internal Audit was to have this completed by April 2019, however, due to having to prioritize an investigation and changes in personnel this has delayed the progress and hope to have it completed by May 2019. Ms. Norma Chavez asked what the prioritized investigation was. Ms. Martinez stated that the investigation was not related to the bond.

Mr. Kroeker and Mr. Villaronga commented on how great the Audit team has been on working on audits.

- Bond Athletic Program Audit is not started, but expected to start in the summer 2019. Will be reviewing those expenditures being charged through the bond. Pending to develop the scope.
- Bond Expenditure Audit Phase 2 is not started, but expected to start in the summer 2019. Pending to develop the scope.

Ms. Martinez concluded her presentation.

## **5. Projects Managed by Jacobs Update**

Mr. Jason Colley, Program Manager for Jacobs, presented to the committee and stated he would give a high-level executive summary of the 2016 bond. Additionally, he stated that the project managers would present their individual project updates. Four projects are in design, one is in procurement and there are twelve projects currently in construction. There are currently four projects that are standing out on the schedule because they go past the 2021 construction end date. Coronado is pushing out past 2021 due to the complexity of the project. Ross/Hughey is pushing out past 2021 due to FEMA issues. Jefferson/Silva is pushing out because it is having to go back out to bid due to high bids and only one bidder. Morehead/Johnson has also extended out due to the project needing to be re-bid, this is based on comments received from contractors about the design of the building slab. Mr. Villaronga asked why Jefferson did not get enough bidders. Mr. Colley stated that the design had an elevated slab with utilities running underneath and that scared off some contractors so they will be redesigning and reducing the scope by \$3 million dollars. Ms. Chavez stated that at the Jefferson community meeting people brought up issues with drainage on the campus. She proceeded to ask if the drainage issue would be resolved with the new design. Mr. Colley stated that those issues will be addressed by the design. The program budget to date was presented. Program managed by Jacobs bond total to date is \$ 635,60,306. Program managed by EPISD Bond total to date is \$75,952,460. Total bond program total is \$711.512.766.

Mr. Colley provided a review of the Program Schedule to Date chart within the PowerPoint presentation to CBAC.

EPISD Board Trustee Al Velarde asked if the program schedule chart showing project timelines is up on the website. Ms. Margaux Dalbin stated that community engagement is working on putting that up on the website, in a format that is digestible for the general public. The information will be displayed on each project page on the 2016 bond website once the general contractor provides a final construction

schedule. Mr. Venegas asked if this schedule will continue to be updated. Mr. Colley stated that they would continue to be updated once a schedule is given by the contractor. Mr. Bob Burns stated that it is important that the district present these as they are, projected end dates and not necessarily concrete due to the nature of construction. Ms. Arrieta-Candelaria stated that every time a contract is extended, it has to go before the Board of Trustees to get approval. The board will be informed before the schedule is officially changed.

Jacobs Project Managers presented on their assigned projects:

The following projects are assigned to and were presented by:

Ms. Aida Velasquez (Jacobs Project Manager)

*Irvin High School – (no questions/concerns)*

*Northeast Middle School* -. Ms. Angelica Bharat stated that the right of entry should be submitted today (April 24, 2019) and the lease will be delivered next week. Utilities are settled and the ROE will be settled soon. We are still going to see what can be done by the GC compared to utilities since the Fort Bliss utilities cost is very high. Mr. Wiernicki clarified that it is complicated because there has to be individual contracts to switch to each of the individual utilities since it is on Fort Bliss (federal) property. Mr. Venegas asked if it was in the design phase. Ms. Velasquez stated that it is a Construction Manager at Risk and should be going to the board in June. Alan Wiernicki stated that July was the target to have a final name chosen and approved by the Board of Trustees for the new northeast middle.

*Bobby Joe Hill School*– Mr. Max Villaronga stated that the marketing team has done a great job with the groundbreaking ceremonies.

The following projects are assigned to and were presented by:

Ms. Luz Favela (Jacobs Project Manager)

*General Douglas MacArthur PK-8*– MacArthur was within budget and the District was able to accept the 18 alternates. The contract will go to the May 14<sup>th</sup> Board of Trustees meeting for approval. Ms. Arrieta-Candelaria stated that this project did not require any value engineering since it came within budget. Mr. Masters asked if the contingency was accurate. Mr. Colley verified that we are down to about \$2.5 over on the contingency number and should be at \$0 soon.

*Dr. Josefina Villamil Tinajero PK8 – (no questions/concerns).*

*Charles Q. Murphree Pk-8.* Mr. Masters asked for an elaboration on the redesign. Per Mr. Colley some items were put added back into the base bid that were originally alternates.

*Changes were made and went back out to bid.*

The following projects are assigned to and were presented by:

Mr. Mauricio Chavez (Jacobs Project Manager)

*Andress High School –(no question/concerns).*

*Dr. Joseph E. Torres ES*– Ms. Arrieta-Candelaria stated that on Tuesday, April 30, 2019, the team will take a change order to the Board of Trustees for a change order on the kitchen. The project will use EPISD kitchen equipment that is currently in storage that can be repurposed, it is down to about \$1.2M in program contingency.

*Coach Archie Duran ES– (no questions/concerns).*

The following projects are assigned to and were presented by:

Mr. Mason Colley (Jacobs Project Manager) (will be referenced as M. Colley)

*Burges HS*– Mr. Kroeker asked for Jacobs to comment on the \$5.3M in program contingency being used. Mr. J Colley stated that the extra \$5 million was needed for SPED classrooms renovations and the softball field. Ms. Arrieta-Candelaria stated that all program contingency being used goes before the board of trustees. Mr. Sam Morgan asked why this project pushed out from original schedule by about a year from the original schedule. Mr. M Colley stated that the contractor gave a more realistic schedule which has it pushing out until the end of 2021 due to the intricate phasing schedule. Mr. Masters stated that it is a CMAR so the price is already set.

*Don Haskins PK8 – (no questions/concerns)*

*El Paso High School*–Mr. Masters asked about the façade. Mrs. Arrieta-Candelaria stated that EPISD has \$500,000 built into the budget for the façade at El Paso High. EPISD also contracted with an expert to do a survey of the façade and an estimate of \$15M was given as the total needed in order to fully restore the façade, it was presented at a Board facilities committee meeting and it was decided that EPISD would look at a capitol campaign fund and grants. Mr. Kroeker stated that the El Paso Inc. covered the historic report in depth if any wants more information. The direction of the board was to not use contingency money for the façade but to use a capitol campaign.

The following projects are assigned to and were presented by:

Mr. Rogelio Gonzalez (Jacobs Project Manager)

*Austin HS*– Mr. Morgan asked why the buildout timeline is showing 14 months to be completed but the contract with Arrow is for two years. Mr. Gonzalez clarified that the 14 month build out timeline is for the performing arts center only and that the renovations will take longer due to the phasing plan.

*Coach Wally Hartley Pk8 – (no questions or comments).*

The following projects are assigned to and were presented by:

Ms. Rosa Fonder (Jacobs Project Manager)

*Coronado* – Mr. Colley asked Ms. Fonder to distinguish the two packages of work for Coronado. Ms. Fonder stated that package 1 was a new parking lot, field events and a new drainage point. Package 2 is the demolition and reconstruction of buildings A and B, a new field house and minor renovations to the main gym.

*Jefferson/Silva* – Ms. Chavez asked if the design would include adequate drainage for the site. Mr. Colley clarified that it would include site drainage. Ms. Chavez asked if the baseball would be at Washington Park similar to how Austin has their fields at Hughey/Ross. Ms. Arrieta-Candelaria clarified that it would be a similar set up to what Austin High School is doing. Ms. Chavez asked if Jefferson is a historical building. Ms. Arrieta-Candelaria stated that it is not.

## **6. Projects Managed by EPISD Update**

Ms. Arrieta-Candelaria and Ms. Irene Ramirez, Director of Facilities, presented.

Ms. Ramirez stated that Crockett Elementary is 60% complete and a change order will be going to the board of trustees for a change in work next month. Ms. Ramirez stated that EPISD has purchased all of the buses for the 2016 bond, 81 in total. Mr. Wiggs asked if the buses run on clean energy. Ms. Arrieta-Candelaria stated that all the buses purchased run on propane and have a three-point safety belt system.

Ms. Ramirez stated that some work will be going to the board on April 30 for approval, the rest will be going forward in 2021 and that will complete all the scope. Mr. Masters asked Ms. Ramirez to clarify what the statement in red in their packets means. Ms. Ramirez stated that work has been coming in higher than anticipated due to site conditions that were not initially considered at the campuses.

EPISD may need to utilize interest earnings in order to get all of these projects done. Ms. Arrieta-Candelaria stated that both her and Ms. Ramirez are going through the process of figuring out how much is needed from bond interest in order to complete all of these projects.

*IT Projects – Ms. Alice Ramos, Director of IT, presented a comprehensive list of all the 2016 bond IT projects.*

Mr. Venegas asked if the information technology department (IT) has determined which neighborhoods have been chosen for the neighborhood Wi-Fi program. Ms. Ramos clarified that IT is looking into a program for a wireless hot spot for students that might be better for the District than the neighborhood wireless program because instead of focusing all our attention into one zip code she stated that EPISD can reach more students who need access to Wi-Fi. Ms. Chavez asked if Ms. Ramos can elaborate on the neighborhood wireless project. Ms. Ramos stated that the original intent of the neighborhood wireless project was to grant access to Wi-Fi for all students across the district. EPISD would have partnered with the City of El Paso on the digital El Paso program to put a wireless tower near schools which would have limited EPISD to the range that could be reached by that tower. Ms. Chavez asked if IT has looked into partnering with Dell, they have helped school districts in Austin with Wi-Fi access, and she asked how IT intends to choose the locations for internet program. Ms. Ramos stated that IT did identify zip code 79902 for the program, which is the Bowie High School area. The dollar amount assigned to this was \$750,000. Mr. Kroeker asked for a reminder on where we left conversations with the EPISD-Chief of Police on security at the campuses. Ms. Ramos stated that all elementary schools have the secure entry point system now. Phase 2 of the project includes expanding the secure entry system to all schools that are not affected by the bond. This also includes a secondary door at the campuses that will be secure and only have access through a security card. Phase 2 will also include additional surveillance cameras at the exterior of elementary campuses.

## **7. Owner's Advocate Update**

Alan Wiernicki presented on behalf of Jose Lopez.

Mr. Wiernicki stated that at the end of the presentation he will be asking for a recommendation from the CBAC on the owner's advocate. Mr. Wiernicki stated that back in September 2018 the committee provided direction to the administration for additional oversight on the 2016 bond. The oversight could be through two venues, one was to extend the audit program and two was to pursue a bond owner's advocate. In November 2018, the CBAC took this to the Board of Trustees to either contract with an individual or contract with a firm for bond oversight. This was to be paid with interest from the bond. Both options were advertised by EPISD. For the 1st option only one individual applied and they were not qualified. Step one of proposal by a firm was approved, step two was approved for negotiation, this is with AECOM who was the only bidder. The fee for AECOM would be in excess of \$2.3 million. Ms. Chavez asked if this additional oversight, Mr. Wiernicki stated that it was additional oversight of EPISD and Jacobs execution of the program. Mr. Wiernicki stated that neither option has revealed a very positive result, he would like to see how the CBAC would like to proceed. Mr. Masters stated that he wanted to go into executive session. Mr. Masters then asked EPISD and Jacobs staff that were present to remove themselves from the Board Room until the meeting was called back to session.

### **Meeting went into Executive Session:**

The meeting entered into executive session at 6:25 pm and the meeting reconvened at 6:50 pm.  
*(Note taking was paused during this time)*

Once the meeting reconvened at 6:50 pm, the following recommendations were made by CBAC through Mr. Masters. Mr. Masters stated the CBAC wants to have Carlos Gallinar's position filled and Ms. Martinez's department vacancy filled with resources she needs. He added, that there is another bond coming up for the other half. He stated that there may be a need to place another position for Ms. Martinez to secure a construction specialist in place for the next bond. Ms. Martinez clarified that any changes to her department have to go to the Board of Trustees for approval. Mr. Velarde stated that the only way that the Board of Trustees can make a recommendation is if it is specifically for this Bond. He added that it needs to be tied to the Bond. Mr. Villaronga stated that the third recommendation from CBAC is to shrink the scope with AECOM to lower the cost and to make it more affordable. Mr. Wiernicki stated that the first two recommendations are relatively easy, the third is more difficult. The original proposal from AECOM was actually higher \$2.3 million and was negotiated down to \$2.3 million. Mr. Wiernicki asked if there is a number in mind that the CBAC has for the fee. Mr. Wiernicki added that

this item went to the Board in October 2018. He stated, AECOM is a competitor with Jacobs, their scope has two phases, which are discovery and assessment and a monitor and engagement. Mr. Wiernicki stated that the first step by a firm will be to create a report that will take a while, anytime you have to stop and capture information it will cause delays. Ms. Chavez asked if a contract was in place, Mr. Wiernicki stated that there was not a contract in place that they were in the negotiation phase. Mr. Moore stated there has to be someone neutral out there that can do this. Mr. Kroeker stated that a re-proposal would take time and is not favorable. Mr. Masters stated that the first two suggestions would get "us" 95% done, he added that focusing on the empty positions is the most important here. Mr. Velarde stated that this is bond related so anything we hire will have to be paid for by bond funds, even a position in Ms. Martinez's office. There might be a lot of questions if you are hiring someone for a bond function but not paying with bond funds. Ms. Martinez stated that the Audit Department can also hire a contract position that would end once the bond is done such as Ysleta ISD method. Ms. Arrieta-Candelaria noted that the additional caveat is that it will need to go to the Board of Trustees for approval. Mr. Villarronga stated that the CBAC's role is to make our recommendations, but ultimately it is up to the Board of Trustees to get this done. Mr. Masters added that it has been made very clear as to the fiduciary responsibility and expectations CBAC has to the bond program.

Ms. Chavez asked if CBAC members can get the meeting packets emailed to them 72 hours before the meeting so they can review. Ms. Arrieta-Candelaria stated that they are posted online 72 hours in advance but EPISD can start emailing it out to everyone 72 hours before along with posting it online.

#### **8. Periodic Financial Reports**

Mr. Masters removed this item for discussion due to time constraints.

#### **Adjournment**

The meeting adjourned at 7:03 p.m.

Date Approved by CBAC Secretary: May 11, 2019

Date Approved by Chair: May 14, 2019