

Irvine Unified School District
MEASURE E CITIZENS OVERSIGHT COMMITTEE (COC)
MEETING MINUTES
Monday, January 29, 2024

Meeting Location: Greentree Elementary School – Multipurpose Room

Call to Order: The meeting of the Measure E Citizens Oversight Committee (Committee) was called to order.

Roll Call: Roll call conducted via sign-in sheet

Members Present: Steve Morton (Chair), Barbara Belfield (Vice Chair), Nancy Reisinger, Samuel Jacoby, Margie Wakeham, and Daniel Tudo

Members Absent: Sharad Gima and Ruby Lin

IUSD Staff: John Fogarty (Assistant Superintendent, Business Services), Kelvin Okino (Executive Director, Facilities & Construction), and Nicole Reynolds (Administrative Assistant, Facilities & Construction).

Next Meeting Date: Monday, April 29, 2024 at Irvine High School

Measure E Citizens Oversight Committee Business

1. Call to Order; Roll Call

A. Chair Steve Morton called the meeting to order at 6:31 PM. Roll call was conducted via sign-in sheet.

2. Tour of Greentree Elementary School

A. Kelvin Okino discussed the previous Measure E improvements to Greentree Elementary School under Series 1. The improvements included the infill of sunken floor in the multipurpose room, enclose classrooms with interior doors, renovate and add restrooms, and create collaboration spaces. Series 3 includes constructing a new multipurpose building, converting the existing multipurpose room to an Innovation Lab, broadcast room, and conference room, and expanding the Nutrition Services. Kelvin Okino gave a tour of the upcoming improvements including the proposed renovations to the current Nutrition Services and the construction area for the new multipurpose building.

3. Approval of October 23, 2023 Minutes

A. Chair Steve Morton opened the minutes for discussion. There were no items for discussion. Vice Chair Barbara Belfield moved to approve the minutes and member Margie Wakeham seconded. The October 23, 2023 minutes were approved.

4. IUSD Building Fund (Measure E) Financial and Performance Audit for 2022-2023

A. John Fogarty discussed the IUSD Building Fund (Measure E) Financial and Performance Audit for 2022-2023. There were no findings in the audit. The IUSD Building Fund (Measure E) Financial and Performance Audit for 2022-2023 was approved by the Board of Education (Board) at the January 23, 2024 Board meeting.

5. Annual Report July 1, 2022 through June 30, 2023

A. Kelvin Okino discussed the Annual Report July 1, 2022 through June 30, 2023. The Annual Report will be presented at the February 20, 2024 Board of Education meeting.

i. The following projects were completed prior to the start of school in August 2022:

- Canyon View Elementary School: Renovations;
- Deerfield Elementary School: Kitchen Expansion;
- Oak Creek Elementary School: Lunch Shelter;
- Northwood Elementary School: Site Improvements;
- Plaza Vista School: Renovations; and
- South Lake Middle School: Modernization and Music Classroom Expansion.

ii. Kelvin Okino reviewed the projects under construction within the report's timeframe:

- Irvine High School: Performing Arts Center.

B. Audit Findings

i. Kelvin Okino added there were no findings in the audit and it was noted in the report.

6. Measure E Series Financial Reports (2016A-Series 1, 2018B-Series 2, 2021C-Series 3 and AFAP)

A. John Fogarty discussed Series 1, 2, 3, and AFAP reports

i. Series 1

- John Fogarty noted that projects in green are Final Budgets and there is currently a \$2.0 million surplus from Series 1.
- John Fogarty mentioned the first page of the report is overall expenditures and the remaining pages show the breakdown of expenses per project.

ii. Series 2

- John Fogarty noted the budgets in yellow are Post-Bid Budgets and there is an anticipated surplus of \$1.4 million.

iii. Series 3

- John Fogarty noted the budgets for Series 3 in yellow are Post-Bid Budgets.
- John Fogarty added there is an anticipated \$12.0 million deficit in Series 3 due to ongoing labor shortages and inflation costs.

iv. Augmented Funds to Accelerate Projects (AFAP)

- John Fogarty noted the budgets in yellow are Post-Bid Budgets.

7. Measure E Updates

A. Kelvin Okino presented a PowerPoint presentation that covered the Budget, State Funding, Schedule, and Project Updates for the Measure E program.

B. Budget

i. Original Bond Series

- Kelvin Okino presented on the original Bond capacity of up to \$319.0 million.

ii. Revised Bond Series

- John Fogarty discussed the proposed Bond series for Series 1 through 5 and the years for the issued and proposed years for the remaining Bonds.
- Chair Steve Morton asked when will we know to issue the Series 5 Bond. John Fogarty responded it will depend on the economy and Assessed Valuations. Currently, Series 5 is at \$65.0 million. If the Series 5 Bond were sold at \$65.0 million, it could leave \$13.0 million as a final bond sale to reach the Maximum Bond Capacity of \$319.0. Ideally, we would like have more than \$13.0 million in a bond series, so we might split the remaining funds into two (2) bond sales.
- Member Nancy Reisinger asked if there is a dip in the housing market will that affect the next Bond. John Fogarty responded it will impact the Assessed Valuation of homes but we are ahead of the market and Orange County isn't as affected as much as other areas. As of right now, no one is projecting a recession.

iii. Funding Timeline

- Kelvin Okino presented an updated funding timeline illustrating the most recent changes in the Bond sales and State funds.

iv. Budget Versions

- Kelvin Okino presented the budget cycle from the start of a project to the completion.

v. Budget Summary

- Kelvin Okino discussed the different series budget amounts.

vi. Post-Bid Budget vs Final Budget

- Kelvin Okino discussed the differences in the Post-Bid and Final Budgets for the twenty-seven (27) projects.

vii. Change Orders

- Kelvin Okino presented the following:
 - Final Change Orders percentages for all Series is 0.41%.
 - Series 1: Final Change Order percentage for the twenty-five (25) projects is 0.22% based on \$113.6 million in construction costs.
 - Series 2: Final Change Order percentage for four (4) projects is -0.07% based on \$19.9 million in construction costs.
 - Series 3: Final Change Order percentage for two (2) projects is 3.92%. There are five (5) projects still under construction.
 - AFAP: Final Change Order percentages is 0.77% based on four (4) projects.

viii. Budget Update by Series

- Kelvin Okino discussed the budget iterations for Series 1, 2, 3, and AFAP.

C. State Funding

- i. There are various State grant programs available to school districts through the School Facility Program. While there are various categories to apply under the program, the District primarily applies for State grants that involve new construction, modernization, or Career Technical Education.
- ii. To date, \$44.9 million in State grant funds have been received through Proposition 51.
- iii. Kelvin Okino explained the three (3) steps to the State grant funding process and elaborated on the following:
 - Step 1a “Acknowledged” which list projects there were submitted and beyond the Proposition 51 available funds. Currently, there are five (5) projects totaling \$9.1 million.
 - Step 1b “Workload” which list projects submitted and under review by the State. Currently, there are zero (0) projects.
 - Step 2 “Unfunded” which list projects submitted and waiting for funds to be approved under Proposition 51. Currently, there are zero (0) projects.
 - Step 3 “Apportioned”. List the projects submitted, approved, and waiting for Proposition 51 State funds. Currently, there are zero (0) projects.

D. Schedule

- i. Kelvin Okino discussed the program schedule for Series 3 and 4 projects:
 - Irvine HS Increment No. 2 will be completed in winter 2024,
 - Culverdale ES MPR will be completed in summer 2024,
 - Greentree ES and Santiago Hills ES MPRs will be completed summer 2024,
 - Greentree ES and Santiago Hills ES Interior Improvements will be completed in 2024, and
 - Series 4 is in the planning and scoping stage.

E. Project Updates

- i. Kelvin Okino discussed the following Program Updates.
 - Irvine High School progress photos and renderings,
 - Culverdale ES progress photos and renderings,
 - Greentree ES progress photos and renderings, and
 - Santiago Hills ES progress photos and renderings.

8. Questions

- A. There were no additional questions or comments. The next Committee meeting is scheduled for Monday, April 29, 2024 at Irvine High School.

9. Adjournment

- A. Chair Steve Morton asked for a motion to adjourn the meeting. Vice Chair Barbara Belfield seconded the motion. The meeting was adjourned at 7:38 PM.