

Irvine Unified School District
MEASURE E CITIZENS OVERSIGHT COMMITTEE (COC)
MEETING MINUTES
Monday, October 23, 2023

Meeting Location: Santiago Hills 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: Barbara Belfield (Vice Chair), Steve Morton (Chair), Nancy Reisinger, Ruby Lin, Samuel Jacoby, and Sharad Gima.

Members Absent: Margie Wakeham, Daniel Tudo

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, January 29, 2024 at Greentree Elementary School

Measure E Citizens Oversight Committee Business

1. Call to Order; Roll Call

A. Kelvin Okino called the meeting to order at 6:35 PM. Roll call was conducted via sign-in sheet.

2. Tour of Santiago Hills Elementary School

A. Kelvin Okino gave a tour of the 2017 Measure E improvements where collaboration areas were created and doors were added to the interior of the classrooms. He also toured the upcoming interior improvement areas which includes a new innovation lab, new broadcast room, expanded kitchen area, and new speed lines. Lastly, a brief tour of the construction area for the new Multipurpose Building was conducted.

3. Approval of July 31, 2023 Minutes

A. Chair Barbara Belfield opened the minutes for discussion. There were no items for discussion. Member Sharad Gima moved to approve the minutes and member Ruby Lin seconded. The July 31, 2023 minutes were approved.

4. Establishment of Committee Chair and Vice Chair

A. Kelvin Okino opened up the position of Committee Chair and Vice Chair. Member Ruby Lin nominated Vice Chair Steve Morton for Committee Chair. Member Nancy Reisinger seconded the motion. Everyone was in favor. There were no objections.

B. Chair Steve Morton nominated Barbara Belfield for Vice Chair. Member Ruby Lin seconded. Everyone was in favor. There were no objections.

C. Kelvin Okino asked that the Vice Chair Barbara Belfield continue to lead the meeting.

5. Approval of the 2024 Meeting Calendar

A. The 2024 Meeting Calendar was approved by Chair Steve Morton and member Sharad Gima seconded the motion.

6. Measure E Fiscal Year 2022-2023 Expense Report

A. John Fogarty discussed the 2022-2023 Expense Report. John Fogarty stated that this report is a detailed list of vendors and expenditures for 2022-2023. More detailed information on purchase orders can be provided if requested.

B. Member Sharad Gima asked why some of the purchase orders don't have check numbers. John Fogarty responded that District Level funds are for the administration fund to support the projects.

C. Vice Chair Barbara Belfield inquired if the \$45,000 of charges for Deerfield ES was for administration costs. John Fogarty confirmed the amounts were for staff payroll to support the projects.

7. 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 \$11.0 million deficit in Series 3 due to ongoing labor shortages and inflation costs. These factors have significantly affected the recent bids received. However, to offset the deficit, funds received through State grants will be added to Series 3 so the projects can move forward.

iv. Augmented Funds to Accelerate Projects (AFAP)

- John Fogarty noted the budgets in yellow are Post-Bid Budgets.
- John Fogarty reminded everyone these projects were brought forward from Series 4 and Series 5. Bringing projects forward allowed the schools to have their improvements sooner and avoid cost escalation that would have occurred if the projects stayed in later series.

v. Member Samuel Jacoby asked where the bond funds go after they are received from the sale. John Fogarty responded that the money goes into the Orange County Treasury Department.

8. 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. 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.
- John Fogarty mentioned that the Irvine voters approved Measure E for \$319.0 million and explained that the initial facility needs cost estimate was over \$800.0 million. Currently, the Bond sales are anticipated to be \$306.0 million with the potential of selling up to a maximum of \$319.0 million.
- Chair Steve Morton asked how long will it take us to start using the \$60.0 million from the Series 4 Bond. Kelvin Okino responded that the funds will start being used the first quarter of 2024 and the reasonable expectation is to use the funds in three (3) years.
- Member Samuel Jacoby asked about the timeframe of expenses for the larger projects. Kelvin Okino responded that it depends on the situation. Typically, it takes about 15-months for the planning/design phase of a project. If funds are available, the planning/design phase for a project might start early in anticipation of a future Bond sale. This was the case for the Irvine HS Performing Arts Center where AFAP funds were used to design and obtain approval for the building. Once Series 3 Bond funds became available, the project was released for bid and construction started immediately. If funds were not made available for the planning/design phase, the project would have taken another 15-months or more before being released for bid.

ii. Funding Timeline

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

iii. Budget Versions

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

iv. Budget Summary

- Kelvin Okino discussed the different series budget amounts.

v. Post-Bid Budget vs Final Budget

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

vi. 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%
- AFAP: Final Change Order percentages is 0.77% based on four (4) projects.

vii. Budget Update by Series

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

C. State Funding

- 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.
- To date, \$44.9 million in State grant funds have been received through Proposition 51.
- 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

- Kelvin Okino discussed the program schedule for Series 3 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

- 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.

9. Questions

- A. There were no additional questions or comments. The next Committee meeting is scheduled for Monday, January 29, 2024 at Greentree Elementary School.

10. Adjournment

- A. Vice Chair Barbara Belfield asked for a motion to adjourn the meeting and member Ruby Lin seconded the motion. The meeting was adjourned at 7:50 PM.