

Irvine Unified School District
MEASURE E CITIZENS OVERSIGHT COMMITTEE (COC)
MEETING MINUTES
July 27, 2020

Meeting Location: Zoom Video Conference
Call to Order: The meeting of the Measure E Citizens Oversight Committee (Committee) was called to order.
Roll Call: Roll Call was conducted via Zoom Video Conference
Members Present: Adele Heuer, Betty Jo Woollett, Connie Stone, Jeffrey Schmehr, Kenric Stone, Kristi Smemoe, Patti Ragland, Todd Cope, and Ryan Larson
Members Absent: Richard Knowland
IUSD Staff: Kelvin Okino (Executive Director, Facilities & Construction) and Cathie Rain (Administrative Assistant, Facilities & Construction)
Next Meeting Date: October 26, 2020 at 6:30 p.m., Site To Be Determined

Measure E Citizens Oversight Committee Business

1. Call to Order; Roll Call

A. Chair Kristi Smemoe called the meeting to order at 6:30 p.m. Roll call conducted via Zoom Video Conference.

2. Approval of April 27, 2020 Meeting Minutes

A. Kelvin Okino mentioned a “REVISED” copy of the April 27, 2020 Meeting Minutes was included within the packet delivered prior to the meeting. He added there was a misspelling of a name and errors in the formatting of the letters/numbers. There were no other items for discussion. Member Betty Jo Woollett moved to approve the April 27, 2020 minutes and Member Adele Heuer seconded. The April 27, 2020 minutes were adopted.

3. Measure E Series (2016A – Series 1, 2018B – Series 2, and AFAP) Financial Reports

A. Kelvin Okino presented the Series 1 Report and discussed the following:

- i. The schools highlighted in green represent Final Budgets for the projects.
- ii. Fund 21, Building Fund, shows an escalation of \$1.4 million. After all Series 1 Final Budgets are complete, the final budget will be within the \$108.1 million authorized.
- iii. Overall, Series 1 shows a current available balance of \$4.1 million. Detailed budget reports are tracked offline and updated weekly. Potential change orders, consultant fees, potential cost increases or savings are reviewed and discussed with staff. These reports forecast the final program cost and are presented to John Fogarty on a monthly basis. The remaining available balance will move into Series 2.
- iv. Woodbridge HS (page 12) was shown as an example of a project budget forecasting an overage. The current budget is \$27.9M but the committed costs show \$28.5M. This results in

a forecasted deficit of \$600K. To help offset this deficit, Creekside HS (page 3) was shown as an example. The current budget is \$5.0M with expenditures of \$4.8M. Since the project is complete, there is a forecasted surplus of \$200K. In addition, several projects are forecasting a surplus once Final Budgets are complete.

- v. Member Patti Ragland asked if there was a concern the funds reported would no longer be available. Kelvin Okino responded the District funds currently shown in Series 1 are available, committed to Measure E, and in the District's possession. There is no concern these funds will not be available.
- vi. Chair Kristi Smemoe asked why the Woodbridge HS Performing Arts Complex is overbudget. Kelvin Okino responded the project was scheduled to complete in February 2020 but due to extensive rain in early 2019 and recent COVID-19 shutdowns, the project will complete in mid-August 2020. Several prime contractors have had significant delays and impacts, and in some cases, overtime was required to meet the current schedule. In addition, the extended schedule required consultants to be onsite longer than anticipated resulting in additional costs.
- vii. Member Connie Stone asked if there have been direct impacts from the COVID-19 pandemic on the projects. Kelvin Okino responded he would provide details under the schedule section of the Measure E presentation.

B. Kelvin Okino presented the Series 2 Report and discussed the following:

- i. The schools highlighted in yellow represent Post-Bid Budgets for the projects.
- ii. The bids for Bonita Canyon ES and Turtle Rock ES exceeded their project budgets. As a result, the available balance from Series 1 will be used to offset the overages. There were several reasons for the overage which include extensive underground work required to prepare the site for new buildings and higher than expected bids.
- iii. Member Patti Ragland asked if we were ahead of schedule would there be an advantage to allow time to pass to see if construction costs come down. Kelvin Okino responded University Park ES and Northwood ES will bid in late August/early September and we expect to receive competitive bids. Since it's the end of the year, contractors try to create a backlog of work for the upcoming year. In addition, if the economy continues in a similar manner, there is skepticism whether the construction industry will remain strong. These factors may create more competition resulting in better prices. He mentioned University Park ES will be eligible for \$1.5M to \$2.0M in State Grants for seismic retrofit upgrades. Under the current State Grant application process, seismic retrofit applications move to the front of the approval line so funds would be available sooner.

C. Kelvin Okino presented the Augmented Funds to Accelerate Projects (AFAP) Report and discussed the following:

- i. First distribution of the Report. The schools highlighted in yellow represent Initial Budgets for the projects.

4. Measure E Updates

- A. Kelvin Okino presented a PowerPoint presentation on Measure E. The presentation was separated into three categories: budget, schedule, and project updates.
- B. Kelvin Okino reviewed the Measure E Financing and discussed the following:
 - i. Measure E was based on an annual Assessed Valuation (AV) growth between 3% to 4.5% and issued in four series. The District annually reviews the AV within the Schools Facilities Improvement District (SFID) to determine the timing of the bond issuances.
 - ii. In 2018, Series 2 was sold with an AV growth of 3.5%, which increased the projected Bond funds to \$272.3M and revised the Bond issuance from four to five series.
 - iii. The maximum for the SFID bond issuance remains at \$319.0M.
 - iv. Bond sales are now scheduled for 2016, 2018, 2021, 2024, and 2028.
 - v. With the Bond funds, District funds, and other funds, the total funding for Measure E is \$372.6M.
 - vi. Fund sources for Series 1, Series 2, and AFAP remains at \$212.8M.
- C. Kelvin Okino reviewed the Measure E Budget and discussed the following:
 - i. An illustration showed the four stages of a budget. AFAP are in the Initial Budget phase; several Series 2 projects are in the Post-Bid Budget phase, and Series 1 and several Series 2 projects are in the Final Budget phase.
 - ii. With the 2019/20 fiscal year closing on June 30th, outstanding invoices will be received and paid. This will aid in completing Final Budgets for eight projects under Series 1. After the eight are complete, four projects remain in Series 1.
 - iii. Member Patti Ragland asked if the District would continue to spend money on the interim schools now they are no longer being used. Kelvin Okino responded Westwood Basics and El Camino School are no longer needed for Measure E projects and have been returned for the District's use. The only outstanding Measure E cost is reconstructing the softball field at El Camino School that was removed for the parking lot expansion.
 - iv. Series 1 Post-Bid Budget and Final Budget comparisons have not been updated since last Committee meeting.
 - v. Series 1 project budgets were presented by project groups. Red checkmarks were added to indicate completed projects.
 - vi. The construction change order totals for the completed Series 1 schools were presented. Of the \$76.7 million of construction work completed, change orders are less than one percent (0.86%) over the original contract.
 - vii. Series 2 funds and budgets were presented.

viii. An update on the Bond Series projects was presented. The six slides illustrated the five Bond series and AFAP. Each slide identified the schools, project cost, and work. A bar graph illustrated project costs compared with project funds for each series.

D. Kelvin Okino reviewed the Measure E State Funding and discussed the following:

- i. The three steps to the State Grant funding process were presented.
 - Step 1a “Acknowledged” List are projects submitted and beyond Proposition 51 available funds. Series 1 has three projects totaling \$837,116 on the list and require a future State bond sale.
 - Step 1b “Workload” List are projects submitted and under review by the State. Funds are anticipated to be received under Proposition 51. Series 1 has 21 projects totaling \$35,214,276 on the list.
 - Step 2 “Unfunded” List are projects submitted and waiting for a future Proposition 51 State bond sale. Series 1 has two projects totaling \$1,312,593 on the list.
 - Step 3 “Apportioned” List are projects submitted, approved, and waiting for Proposition 51 State funds. Series 1 does not have any projects on this list.

E. Kelvin Okino reviewed the Measure E Schedule and discussed the following:

- i. The COVID-19 pandemic has affected products manufactured nationwide. Shutdowns are different state-by-state which have resulted in production and delivery delays. In addition, the labor force has been impacted. If a worker tests positive for the virus, the entire crew must go into a 14-day quarantine. The theater seating installation crew was delayed when one of their crew members tested positive for the virus. Most recently, several prime contractors have informed the District they are having difficulty hiring workers resulting from the CARES act. Some workers are opting to collect unemployment and the CARES act checks rather than resume employment.
- ii. Regarding upcoming projects, there are concerns prime contractors are re-entering the Public Works market without much experience, which may result in potential labor and/or financial issues. Recently, a prime contractor showed signs of non-performance. The District stepped in to facilitate communications with the prime contractor.
- iii. Member Connie Stone acknowledged the information provided answered her question raised earlier. She inquired if the General Fund budget would be affected with what is happening due to COVID-19. Kelvin Okino responded this is an ongoing discussion within the District, however, it should not affect Measure E projects since no projects are being funded through the General Fund.
- iv. Member Betty Jo Woollett mentioned it will be interesting to see what will happen in 2021. Member Connie Stone inquired about construction work into the start of the school year since students may not be returning to campus on the first day. Kelvin Okino responded he expects teachers will return to school and we will have limited staff on-site. While it does not affect Measure E projects because contractors are working as if students will return in August

2020, it does help the Learning Environment Enhancement Projects (LEEP) where indoor/outdoor improvements are being completed. He elaborated by explaining the District dedicated \$2.0 million towards these projects which are expected to complete by the start of school.

- v. Woodbridge HS and Springbrook ES: construction will complete summer 2020.
 - vi. Bonita Canyon ES and Turtle Rock ES: construction recently started and will complete summer 2021.
 - vii. Northwood ES and University Park ES: project will bid later this year and construction will complete summer 2022.
 - viii. South Lake MS and Woodbridge HS: approved by Division of the State Architect (DSA) and will begin construction once Series 3 Bond funds are received.
 - ix. Canyon View ES, Deerfield ES, Oak Creek ES and Plaza Vista School: in design and will bid in early 2021. Construction is anticipated to complete summer 2022.
 - x. Irvine HS: in design and will be submitted to DSA for approval. Construction will begin once Series 3 Bond funds are received.
- F. Kelvin Okino reviewed the Series 1 Project Updates and discussed the following:
- i. Progress photos and updates were provided for Woodbridge HS Performing Arts Complex, Springbrook ES Modernization, and Springbrook ES Music Classroom Building
- G. Kelvin Okino reviewed the Series 2 Project Updates and discussed the following:
- i. Progress photos and updates were provided for Bonita Canyon ES New Multipurpose Building and Turtle Rock ES New Music Classroom Building.
 - ii. Updated renderings were provided for Northwood ES New Music Classroom Building and Nutrition Services Expansion and University Park ES New Classroom Building and Renovations.
 - iii. A Site Logistics Plan for Turtle Rock ES was shown illustrating the construction area and vehicular route into the campus. Efforts are made to ensure safety of the staff and students.
 - iv. Chair Kristi Smemoe asked where the playground area is located at Turtle Rock ES. Kelvin Okino responded the playground equipment and asphalt play area is located at the front of the school near Turtle Rock Drive and Amalfi Drive.
- H. Kelvin Okino reviewed the AFAP Project Updates and discussed the following:
- i. Updated renderings were provided for Canyon View ES Music Classroom Expansion and Innovation/Design Labs, Deerfield ES New Music Classroom Building, Oak Creek ES New Music Classroom Building, and Plaza Vista School New Music Classroom Building and Kindergarten Renovation. Updated renderings were provided for Irvine HS Performing Arts Complex (planning and design). Member Adele Heuer asked how many people can be seated in the Black Box during a performance. Kelvin Okino responded the Black Box can

accommodate approximately 150 people during performances. When there are no performances, the space will be used as a classroom.

- ii. Chair Kristi Smemoe asked about the rendering for the lunch shelter at Oak Creek ES. Kelvin Okino responded the architect is updating the rendering. He added DSA may be a little more flexibility when it comes to requiring fire sprinklers underneath a new lunch shelter.

I. Virtual Tour

- i. Kelvin Okino presented a virtual video tour of the Woodbridge HS Performing Arts Complex and Springbrook ES Modernization and New Music Classroom Building.

J. Upcoming Events

- i. Kelvin Okino mentioned the next Committee Meeting is scheduled for October 26, 2020. Depending on COVID-19, he hopes to hold the meeting at either the Woodbridge HS Performing Arts Complex or Springbrook ES.

K. Comments / Questions

- i. Member Betty Jo Woollett mentioned Creekside HS looks great. The new building was a nice addition to the corner of the campus.
- ii. There were no further questions or comments.

5. Adjournment

- A. Member Patti Ragland motioned to adjourn the meeting, seconded by Member Betty Jo Woollett. Chair Kristi Smemoe adjourned the meeting at 7:55 p.m.