

**Irvine Unified School District**  
***MEASURE E CITIZENS OVERSIGHT COMMITTEE (COC)***  
***MEETING MINUTES***  
***Monday, January 31, 2022***

---

**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, Barbara Belfield (Vice Chair), Daniel Tudo, Jeffrey Schmehr, Margie Wakeham, Nancy Reisinger, Patti Ragland (Chair), Ruby Lin, Ryan Larson, Sharad Gima, and Steve Morton

**Members Absent:** Juneu Kim

**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 25, 2022. Location to be determined

---

***Measure E Citizens Oversight Committee Business***

**1. Call to Order; Roll Call**

A. Kelvin Okino called the meeting to order at 6:38 PM. Roll call was conducted.

**2. Approval of October 25, 2021 Minutes**

A. Chair Patti Ragland opened the minutes for discussion. There were no items for discussion. Member Margie Wakeham moved to approve the minutes and member Adele Heuer seconded. The October 25, 2021 minutes were approved.

**3. IUSD Building Fund (Measure E) Financial and Performance Audit for 2020-2021**

A. John Fogarty mentioned a copy of the Financial Audit and Performance Audit was included within the hand-outs. The audits concluded that expenses for the Measure E expenditures have been properly accounted for. In addition, the only administrative costs expended were for oversight of the Measure E projects. The funds were spent on what the voters approved. Lastly, no issues were reported which is always good to see in an audit.

B. Member Margie Wakeham congratulated IUSD on the audit.

C. Vice Chair Barbara Belfield motioned to receive and file the audit and member Margie Wakeham seconded it. No one opposed.

#### **4. Annual Report July 1, 2020 through June 30, 2021**

- A. Kelvin Okino mentioned a “draft” of the report was included within the handouts. Report will be presented to the Board of Education at the February 15, 2022 meeting. Past Chair, Todd Cope, will present the report.
- B. Kelvin Okino reviewed the projects completed within the report’s timeframe:
  - i. Woodbridge HS Performing Arts Complex
  - ii. Springbrook ES Modernization and New Music Building
  - iii. Turtle Rock ES New Music Building
  - iv. Bonita Canyon ES New Multipurpose Building
- C. Kelvin Okino reviewed the projects under construction within the report’s timeframe
  - i. Northwood ES New Music Building
  - ii. Deerfield ES New Music Building
  - iii. Oak Creek ES New Music Building
  - iv. University Park ES Renovation
  - v. Canyon View ES New Music Classrooms
  - vi. Plaza Vista School New Music Building
  - vii. South Lake MS Modernization and Expansion
- D. Audit Findings
  - i. Kelvin Okino stated there we no findings in the audit.
  - ii. Kelvin Okino stated if there are any comments or questions about the report to contact him by Friday, February 11, 2022.

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

- A. John Fogarty mentioned that everything in green is final budgets.
- B. John Fogarty mentioned that Series 1 is \$95.0 million. Series 2 issuance is \$41.0 million.
- C. John Fogarty mentioned we can only use developer fees (Fund 25) for growth-related improvements.
- D. Chair Patty Ragland asked about the two (2) areas on building funds that are over-budget. John Fogarty responded that leased relocatable classrooms were placed as a result of the Measure E work. The expenditures are for lease costs causing the project budgets to be over-budget. Kelvin Okino added these leased relocatable classroom buildings are temporary and will eventually be removed.
- E. Member Marge Wakeham asked about the word “deficit” listed at the bottom. John Fogarty responded that the last line indicates funds are either “available” or in a “deficit”. Currently, there is a surplus of funds. If the funds were in a deficit, the text would be in parenthesis and red. Member Margie Wakeham asked if there is a surplus, do the funds have to be used for Measure E bonds and if there is timeframe. John Fogarty stated that Measure E funds have to be spent within three (3) years, or there must be a reasonable expectation to expend the funds within the three (3) years.

As a result, John Fogarty added we will use Measure E funds first because other funds don't have the same timelines.

- i. Member Sharad Gima asked how are costs are so close to the budget. John Fogarty responded that we continue to track, monitor and update the budget and staff has monthly budget reviews.
- F. John Fogarty mentioned Series 2 closed out budgets are in yellow. Although Series 2 is over-budget, the surplus funds from Series 1 is used to offset the overage. John Fogarty added that the work we do today is less expensive than doing the work later due to raising costs.
- G. Chair Patti Ragland asked about the overage for payroll costs on South Lake Middle School and fees for the Division of State Architect. Kelvin Okino explained that South Lake Middle School was separated into two (2) series. Series 2 paid for the planning, design, and Division of the State Architect (DSA) approval and Series 3 paid for the construction-related costs. Once the Series 3 funds were received, the project was bid and construction commenced. Starting the planning and design phase earlier gained about 18-months on the overall schedule. Staff spent more time on the planning and design phase than anticipated.
- H. John Fogarty mentioned that Series 3 are initial budgets. These budgets will change as the project develops. Since the projects are in the early planning phase, the budgets might adjust. Overall, the projects are within the funds committed.
- I. John Fogarty discussed Augmented Funds to Accelerate Projects (AFAP). Projects have been brought from Series 4 and Series 5 to start sooner than planned. If projects are accelerated, there will be a better chance for a cost savings rather than waiting to a later day.
- J. John Fogarty added that if there are questions or if anyone wants to look at the source documents and background information, they can contact him directly. John Fogarty stated that IUSD remains diligent to spend monies on only what is approved by the voters of Measure E.

## **6. Measure E Updates**

- A. Kelvin Okino presented a PowerPoint on Measure E. The presentation was separated into four (4) categories: Budget, State Funding, Schedule, and Project Updates.
- B. The following Measure E Budget items were discussed:
  - i. John Fogarty mentioned that the Irvine voters approved Measure E for \$319.0 million. The assessed value for properties within the Schools Facility Improvement District (SFID) are within 3.0% to 4.5 % growth rate. IUSD could issue \$319.0 million as long as the rate does not exceed \$29 per \$100,000 of assessed property value. As a result, the second bond series was increased. Because the assessed valuation was higher than initially projected and costs were low, the bonds were issued at 3.0%. When inflation goes up, our borrowing cost goes up, which could affect the rates. This might impact Series 4 where an issuance could occur sooner than 2024.
    - Member Ryan Larson stated that the Federal Reserve is raising interest rates. John Fogarty will be scheduling a meeting with the IUSD financial advisors about the assessed valuation within the SFID.

- C. Kelvin Okino presented the Funding Timeline and Fund Sources.
- i. Kelvin Okino presented an updated funding timeline illustrating the most recent changes in the Bond sales and State funds.
- D. Kelvin Okino presented the Budget Versions.
- i. Kelvin Okino used a funnel as a metaphor to explain the budget process. Early budgets are at the larger end of funnel but over time, as a project becomes more defined, the funnel begins to taper to a narrowed opening.
  - ii. Member Steve Morton inquired if these costs are for the initial construction, how do we support long term maintenance and future replacement. John Fogarty responded there is a maintenance budget under the General Fund that is use to address these needs. Typically, older buildings are not replaced. Through modernization, these older buildings are brought up to current codes and improved which ultimately reduces maintenance costs. Long term maintenance for deferred costs such as paint, carpet, and air conditioning are funded through IUSD's maintenance budget.
  - iii. Member Margie Wakeham asked how did we address air filtration during COVID-19. John Fogarty responded that IUSD spent \$1.0 million districtwide, which included purchasing air purifiers in all classrooms and common spaces, changed out air conditioning filters with MERV -13 filters, and adjusted the air conditioning units to bring in more outside air. In addition, IUSD spent about \$2.0 million on facilities upgrades from Federal stimulus grants.
  - iv. Member Ruby Lin said friends and family are asking about extra hand washing stations, is there room for additional hand washing stations in new classrooms or in existing classrooms. John Fogarty responded that portable hand washing stations can become unsanitary quickly, do not having running water, or a drainage system. IUSD prefers that students go to the restroom or use hand sanitizer over hand washing stations. Kelvin Okino added that the challenge with installing sinks on the outside of buildings is that rainwater enters the sewer system which is not allowable per code.
- E. Kelvin Okino presented the Budget Summary.
- i. Kelvin Okino presented a table showing the available funds and budgeted project expenditures. Overall, currently there is an anticipated surplus.
  - ii. Post-Bid Budget versus Initial Budget. Kelvin Okino presented a comparison of the budgets and cost variance for completed projects. Presently, the sum of the final budgets is below the sum of the post-bid budget which indicates that the projects are finishing under budget.
  - iii. Kelvin Okino discussed Implementation Plan for Series 1, 2, 3, 4, 5, Projects.
- F. Kelvin Okino presented the Construction Change Orders Percentages.
- i. Summary of construction change orders for each project.
    - 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: Discussed percentages for Bonita Canyon ES and Turtle Rock ES.

- G. Kelvin Okino presented Budget Update by Series.
- i. Kelvin Okino discussed budget updates for Series 1, Series 2, Series 3, and AFAP and a current anticipated surplus.
- H. Kelvin Okino presented the State Funding.
- i. Kelvin Okino explained the three (3) steps to the State grant funding process.
    - \$19.0 million in State grants have been received through Proposition 51.
    - Step 1a “Acknowledged” which list projects there were submitted and beyond Proposition 51 available funds. Currently, there are seven (7) projects totaling \$9.5 million.
    - Step 1b “Workload” which list projects submitted and under review by the State. These funds are anticipated to be received under Proposition 51. Currently, there are four (4) projects totaling \$7.0 million.
    - Step 2 “Unfunded” which list projects submitted and waiting for funds to be approved under Proposition 51. Currently, there are two (2) projects totaling \$4.4 million.
    - Step 3 “Apportioned”. List projects submitted, approved, and waiting for Proposition 51 State funds. Currently, there are seven (7) projects for \$16.3 million.
- I. Kelvin Okino presented the Program Schedule.
- i. Kelvin Okino provided an update on the current projects.
    - Construction continues at University Park ES, Northwood ES, Canyon View ES, Deerfield ES, Oak Creek ES, Plaza Vista School, and South Lake MS.
- J. Kelvin Okino presented the Series 2 Projects.
- i. University Park ES: Building D is completed with the remodel of pods each having three (3) classrooms and a small collaboration space.
  - ii. Northwood ES: Construction of the new music classroom building continued.
- K. Kelvin Okino presented the Series 3 Projects.
- i. South Lake MS: Phased modernization of the building continued and construction continued on the music class expansion.
  - ii. Woodbridge HS: The scope of work includes heating, ventilation, and air conditioning upgrades scheduled to start in the summer 2023.
  - iii. Kelvin Okino presented renderings for Culverdale ES, Greentree ES, and Santiago Hills ES new Multipurpose Buildings with plans to convert existing Multipurpose Buildings to various other student spaces.
  - iv. Irvine High School: Kelvin Okino discussed the parking lot expansion to help regain lost spaces due to the new Performing Arts Center. Construction is anticipated to start in the summer 2022 on the new Performing Arts Center.
  - v. Member Margie Wakeham asked if IUSD reached out to the community when there is a swimming competition that they park in the community. With fewer parking spots it might be an issue. Kelvin Okino mentioned there will be 228 parking spaces on the campus when the

Performing Arts Center is complete. John Fogarty mentioned IUSD has reached out to the community and we have mitigated lost spaces due to construction.

- vi. Member Barbara Belfield mentioned she worked for Heritage Park and said it was a challenge when there was an event. Member Ruby Lin mentioned she saw the construction fencing and has friends and family that received information on the project. During the summer, there is a lot of activity on the campus and it will be a challenge. Member Barbara Belfield said she hoped there won't be summer school at Irvine High School. Kelvin Okino responded that staff has been working closely with the school site and District Office to coordinate the activities.
  - vii. Member Sharad Gima mentioned there are neighbors not in a Homeowner's Association and might not have the time or knowledge to attend meetings and provide feedback. John Fogarty mentioned that people might not be happy with projects and reminded members that their responsibility is the financial aspect of Measure E. John Fogarty stated that, if anyone gets push back from community members, they should have them reach out to the District. John Fogarty mentioned the project is what the school site requested and added that the architect is doing what they can within the limited space. Member Margie Wakeham mentioned it is helpful to know the process to notify the public.
  - viii. Member Adele Heuer asked if at the end of the project if the parking will have the same number of spaces. John Fogarty mentioned we will have the same number and that the new building will have more events, but the events will be taken place during school time that it won't generate events every day.
- L. Kelvin Okino presented the AFAP Projects.
- i. Canyon View ES: Construction continued on the Music Classroom Expansion.
  - ii. Oak Creek ES: Construction continued on the new Music Classroom Building.
  - iii. Deerfield ES: Construction continued on the new Music Classroom Building.
  - iv. Plaza Vista School: Construction continued on the new Music Classroom Building and kindergarten renovation.

## **7. Questions**

- A. There were no additional questions or comments. The next Committee Meeting is scheduled for Monday, April 25, 2022. Tentative meeting location is University Park ES.

## **8. Adjournment**

- A. Chair Patti Ragland asked for a motion to adjourn the meeting. Motion was made by member Ruby Lin and member Steve Morton seconded the motion. The meeting was adjourned at 8:23 PM.