

Irvine Unified School District
MEASURE E CITIZENS OVERSIGHT COMMITTEE (COC)
MEETING MINUTES
Monday, October 25, 2021

Meeting Location: Bonita Canyon 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 was conducted and Sign-in Sheet Completed
Members Present: Adele Heuer, Barbara Belfield, Daniel Tudo, Jeffrey Schmehr, Juneu Kim, Margie Wakeham, Nancy Reisinger, Patti Ragland, Ruby Lin, Sharad Gima, and Steve Morton
Members Absent: Ryan Larson
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 31, 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 6:32 PM. Roll call was conducted.

2. Board of Education Approval and Welcome of New COC Members

A. Kelvin Okino welcomed everyone and asked the Committee members to introduce themselves.

B. Kelvin Okino briefly reviewed the interview process to select new Committee members. In mid-July 2021, twenty-five (25) prospective COC candidates were interviewed over a three-day period. Six (6) individuals were selected and approved at the August 17, 2021 Board of Education Meeting.

3. Establishment of Committee Chair and Vice Chair

A. Kelvin Okino opened up the position of Committee Chair and explained the primary role of the Committee Chair is to lead the Committee meetings and to present the annual report at a Board of Education Meeting. Member Patti Ragland volunteered for Committee Chair. Member Adele Heuer seconded the motion. All members present voted in favor. There were no objections.

B. Member Barbara Belfield volunteered for Vice Chair. Member Sharad Gima seconded the motion. All members present voted in favor. There were no objections.

C. Chair Patti Ragland led the remainder of the meeting.

4. Approval of July 26, 2021 Minutes

- A. Chair Patti Ragland opened the minutes for discussion. There were no items for discussion. Member Jeffrey Schmehr moved to approve the minutes and member Margie Wakeham seconded. The July 26, 2021 minutes were approved.

5. Approval of 2022 Meeting Calendar

- A. Member Jeffrey Schmehr motioned to approve the calendar and member Ruby Lin seconded. The 2022 Meeting Calendar was approved.

6. Measure E Fiscal Year 2020-2021 Expense Report

- A. John Fogarty explained that the 2020-2021 Expense Report includes all Fund 21 expenses for the fiscal year 2020-2021. The report is sorted by site and then by vendor. John Fogarty added that the report will be provided on an annual basis, typically at the October meeting.
- B. Member Margie Wakeham asked how many employees are dedicated as Full Time Equivalent (FTE) to Measure E projects. Kelvin Okino responded there are approximately 2.5 FTE staff assigned to Measure E projects. Additional staff work on Measure E projects but only on an as-needed basis.

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

- A. John Fogarty asked that the Committee pay particular attention to the Fund 21 sections as these funds pertain the Measure E Bond funds.
- B. John Fogarty stated the total Measure E amount approved by the voters is \$319.0 million.
- C. John Fogarty explained that additional funds have been made available to augment the Measure E funds. These funds are from other District funds including:
 - i. Fund 01 (CFD 86-1) funds from a previous Community Facilities District (CFD) agreement and available to specific schools.
 - ii. Fund 25 (Developer fees) funds from developer fees and available to specific schools.
 - iii. Fund 40 (Special Reserves) funds for District site improvements.
 - iv. Other Funds (various sources) funds from the State grant program, grants, rebates, and other District fund sources.
 - v. John Fogarty mentioned that the 2020-2021 Expense Report previously discussed will not match the financial reports for each series. The 2020-2021 Expense Reports are a snapshot in time and the financial reports include the entire series timeline. Member Margie Wakeham inquired about the timeline of reporting costs. John Fogarty responded the District began tracking costs when first bond was sold in 2016.
- D. John Fogarty discussed the following from each series:
 - i. Under Series 1, schools highlighted in green represent Final Budgets for the projects. Currently, there is a surplus of funds under Series 1 and this surplus will move into Series 2. Eight (8) schools are expected to be completed and a Final Budget issued before the next Committee meeting.

- ii. Under the Series 2, schools highlighted in yellow represent Post-Bid Budgets for the projects. Those schools not highlighted are Initial Budgets. John Fogarty noted that Series 2 budget is currently at a deficit of \$1.4 million. The surplus from Series 1 will be moved into Series 2 to offset the deficit.
 - Kelvin Okino explained that Southlake MS and Woodbridge HS were designed and approved under Series 2. As a result, when Series 3 was sold, funds were available to allow Southlake MS and Woodbridge HS to begin the construction process immediately.
- iii. Margie Wakeham asked when Series 2 was sold. John Fogarty responded that Series 1 (\$95.0 million) was sold in 2016, Series 2 (\$41.0 million) was sold in 2018, and Series 3 (\$45.0 million) was sold in 2021. To date, a total of \$181.0 million has been sold. Series 4 is projected for sale in 2024 and Series 5 in 2028.
- iv. John Fogarty mentioned Series 3 is currently showing a deficit but with the surplus anticipated from Series 1 and Series 2 plus State grant funds, the series will have a surplus.
- v. Under the Augmented Funds to Accelerate Projects(AFAP), schools are in Initial Budgets and these projects are funded through Fund 35, which are funds received from State grants.

8. Tour of Bonita Canyon ES Improvements

- A. Kelvin Okino toured the Committee through the new Design Lab within the existing buildings. The previous multipurpose room was converted into a new Design Lab which included overhead power cords, new flooring, upgraded audiovisual, flexible furniture, and a sliding glass door opening into the library area. Kelvin Okino explained that it was a challenge for the site to conduct performances in this multipurpose room because of the size and configuration.
- B. Kelvin Okino toured the Committee through the new Multipurpose Building highlighting the stage which also serves as a music classroom and the main auditorium area. The new building includes staff and student restrooms.

9. Measure E Updates

- A. Kelvin Okino presented a PowerPoint presentation 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. Bond Series. John Fogarty discussed the origins of the Bond Series and explained the assessed valuation of properties within the Schools Facilities Improvement District. Series 3 Bonds were sold at \$45.0 million and funds received on April 7, 2021. Currently, the total Bond sales is anticipated to be \$281.0 million with a maximum Bond capacity of \$319.0 million. Facilities staff reviewed the Series 4 and Series 5 projects and made recommendations to the Board of Education to bring three (3) school sites forward into Series 3: Culverdale ES, Greentree ES, and Santiago Hills ES.
 - ii. Fund 35. Kelvin Okino discussed Fund 35 (State grants) and explained that under the Leroy F. Greene School Facilities Act of 1998, the State provides matching funds for new construction

and modernization of school facilities. The funds are generated from a statewide bond measure. The most recent statewide bond measure was Proposition 51 approved by the voters in 2016.

- iii. Additional Funds. Kelvin Okino explained that in addition to the Fund 35 funds, there are additional fund sources that have helped increase the funds available for the Measure E projects.
 - iv. Funding Timeline. Kelvin Okino presented an updated funding timeline illustrating the most recent changes in the Bond sales.
 - v. Budget Summary. Kelvin Okino presented a table showing the available funds and budgeted project expenditures. Overall, currently there is an anticipated surplus.
 - vi. Budget Process. Kelvin Okino explained the four (4) steps of a project budget: Preliminary Budget, Initial Budget, Post-Bid Budget, and Final Budget. Several Series 3 projects have an Initial Budget phase and the AFAP, Series 2, and remaining Series 3 projects have either a Post-Bid Budget or Final Budget.
 - vii. 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. Member Margie Wakeham inquired on why extra funds were spent on the Woodbridge High School Field Improvements. Kelvin Okino explained the additional funds were required due to wet soil conditions that needed to be remediated.
 - viii. Consultant Pools. Kelvin Okino explained that every five (5) years the pool of consultants is renewed. Kelvin Okino highlighted the consultant pool for construction managers. Construction Management is unique because construction work is procured through the use of multiple prime contractors and not by a single general contractor. A construction manager (not general contractor) is hired to oversee, schedule, and manage the project.
 - ix. Budget Update. Kelvin Okino presented and discussed the following:
 - Construction Change Orders. Final change order percentage for the twenty-five (25) projects is 0.22% based on \$113.6 million in construction costs.
 - Funding Update on Series 1, Series 2, Series 3, and AFAP. A summary of the budget updates for each series and current anticipated surplus.
- C. The following State Funding items were discussed:
- i. Kelvin Okino explained the three (3) steps to the State grant funding process were presented.
 - \$5.4 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 six (6) projects totaling \$11.5 million.

- Step 2 “Unfunded” which list projects submitted and waiting for funds to be approved under Proposition 51. Currently, there are fifteen (15) projects totaling \$26.0 million.
- Step 3 “Apportioned”. List projects submitted, approved, and waiting for Proposition 51 State funds. Currently, there are zero projects.
- Member Margie Wakeham asked if COVID-19 restrictions caused the District to amend projects. John Fogarty responded that projects have not been amended as a result of COVID.
 - a. John Fogarty added that the District received Federal and State funds and \$2.0 million was set aside for facilities improvements related to COVID. These improvements were part of the Learning Environment Enhancement Projects (LEEP) and focused on creating outdoor learning spaces and modifying interior spaces to create social distancing. LEEP were completed in 2020.
 - b. Kelvin Okino mentioned to help the indoor air quality, new facilities are required by code to bring in outside air into the building.

D. The following projects in the Program Schedule were discussed:

- i. Kelvin Okino provided an update on the current projects.
 - Series 1 projects are almost wrapped up with several Final Budgets still open.
 - Construction is complete at Bonita Canyon ES and Turtle Rock ES.
 - Construction continued at University Park ES, Northwood ES, Canyon View ES, Deerfield ES, Oak Creek ES, Plaza Vista School, and South Lake MS.
 - Woodbridge HS has been approved by Division of the State Architect (DSA) and construction scheduled to start in summer 2022.

E. Kelvin Okino presented the Series 2 Projects:

- i. University Park ES: The new classroom villa is complete. Upgrades to Building E are complete. Upgrades to Building D continued.
- ii. Northwood ES: Construction of the new music classroom building continued. New relocatable classroom buildings were placed. Expansion of Nutrition Services was completed.

F. Kelvin Okino presented the Series 3 Projects:

- i. Southlake MS: Interim housing for classrooms were place. Phased modernization of the building continued. Expansion of the music classroom continued. Member Margie Wakeham asked if the relocatables are temporary. Kelvin Okino confirmed the classroom buildings are temporary and will be removed when project is done. The buildings are used as temporary classrooms as the current classrooms are being modernized.
- ii. Woodbridge HS: The scope of work includes heating, ventilation, and air conditioning upgrades.
- iii. Culverdale ES, Greentree ES, and Santiago Hills ES: Planning has begun for a new Multipurpose Building and Nutrition Services Building. Construction is anticipated to start in early 2023.

iv. Irvine High School: Construction is anticipated to start in the summer 2022 on the new Performing Arts Center.

G. 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.

10. Questions: There were no questions or comments. The next Committee Meeting is scheduled for January 31, 2022. Tentative meeting location is University Park ES.

11. Adjournment

A. Chair Patti Ragland asked for a motion to adjourn the meeting. Motion was made by Member Margie Wakeham and seconded by Ruby Lin. The meeting was adjourned at 8:32 pm.