

MEETING MINUTES
MEASURE U CITIZENS' OVERSIGHT COMMITTEE
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1
TAHOE TRUCKEE UNIFIED SCHOOL DISTRICT
Regular Meeting No. 7
Thursday, September 7, 2017 (5:00 PM)

MEASURE U CITIZENS' OVERSIGHT COMMITTEE (COC) MEMBERS PRESENT:

Matt Hippler, Co-Chair
Karen Mazur
Mary Brown
Glennis Jones
Gail Stephens

MEASURE U CITIZENS' OVERSIGHT COMMITTEE (COC) MEMBERS ABSENT:

Patricia Gibbons-Johnson

ALSO IN ATTENDANCE:

Todd Rivera, Executive Director of Business Services; Thomas Kleffman, Bond Program Fiscal Contract Analyst; Rob Koster, Project Manager; Amy Sanders, Administrative Bond Secretary.

1.0 Call to Order

Matt Hippler, Measure U COC Co-Chair, called the meeting to order at 5:05 p.m.

2.0 Public Comment

No public comment.

3.0 Approve Minutes from February 13, 2017 Meeting

Motion was made by Mary Brown to approve the minutes from the June 19, 2017 meeting. Motion was seconded by Karen Mazur. All members present were in favor; none opposed.

4.0 Measure U Project Overview Updates

Todd Rivera, TTUSD Executive Director of Business Services, presented the progress of the Measure U projects, and answered related questions. Mr. Rivera introduced Rob Koster, Project Manager for the Truckee High School (THS) Modernization project. Mr. Koster spoke about the changes happening at the high school, including the new classroom wing, modifications to the building, library expansion, new bus route, staff and student parking, traffic flow, and pick up/drop off areas. A key feature of the project will be a designated student entry that will automatically lock at 7:30 a.m. Everyone, including students, who arrives after that time will have to use the door to the left of the student entry, which goes through the site administrator's area. This will allow the administrative staff to see everyone who enters the building.

Regarding traffic flow, Karen Mazur said that after dropping off her child, the area is jammed and drivers must quickly switch lanes in order to exit. Matt Hippler said that the intersection at the realigned service road between the high school and Kid Zone is generally backed up, and suggested that a 4-way stop sign be installed there. He also suggested installing a "No Left Turn" sign at Donner Pass Road by the high school driveway exit. Signs might alleviate some of the traffic in these particular areas. Mr. Koster said that these traffic issues should go away once

construction is completed. Measure U COC Members agreed that Back to School Night might be a good time to get information out to local residents about traffic issues at the THS campus.

The THS Phase 2 plan was scaled back somewhat due to budget issues. The first floor will undergo major changes in the library, administration, mechanical, and classroom spaces. Air conditioning is being installed, and there will be mechanical upgrades. The second floor of the east wing will undergo minor changes, including the installation of a new heating system and ceiling lights. Phase 2 will overlap with the school year. The east wing will be closed to students during construction, and a partition will be put in to buffer noise. Phase 2 will take place during the 2018-2019 school year. We are counting on getting the new building enclosed before the winter of 2017-2018, and we will be working through the winter to ensure that this happens.

Mr. Rivera talked about the Truckee Elementary School project, which is still on schedule. We are currently working on phasing plans. This project will be bid out in January/February 2018. Construction will begin next summer, and go through 2020. The cafeteria will be expanding to a central location, a new kindergarten classroom wing will be added, the existing building will be refurbished, and the playground area will be expanded. A few portables will remain for future growth. A ramp has been added for access to the bus pickup area and to the field. Handrails for the ramp will be installed in October.

The THS pool building has been renovated. It is being used to temporarily house Channel 6 and the District's IT Department. There are new drinking fountains and restrooms that are ADA compliant. Eventually, this will be converted into an indoor field space.

Donner Trail Elementary is undergoing modernization. There will be a new, secure front entry area and a new wing with two additional classrooms. Renovations are being done to the existing building, making the space more functional. This entire project is slated to be completed by December 2017, with the students moving back in January 2018.

5.0 Measure U Project Financial Updates

Tom Kleffman, Bond Program Fiscal Contract Analyst, reported the project expenditures, and answered related questions. All numbers are as of August 31, 2017. Measure U funds received to date are \$78 million. Expenditures to date are \$31.6 million. Encumbrances to date are \$34.7 million. Budget balance available is \$55.4 million. There has been \$3.3 million allocated in developer fees.

Mr. Rivera said we expect to collect \$1.5 million per year in developer fees but this past year, which just closed out in June, we collected just under \$2.5 million. With all the new residential and commercial development in Truckee, we should see additional fees. However, we are trying to be conservative with the developer fees because construction can slow down just as quickly as it can pick up.

As we approve change orders, we will slowly see project contingencies go down and into the construction budget percentage. For THS Modernization, change orders have been created for unforeseen issues—tanks that were not capped properly and had to be removed, boulders that needed to be moved, roof design that needed to be changed to avoid creating a snow drift on an adjacent building, etc.

The majority of the funds for the revised budget are coming from escalation reserve and program reserve, and moving into the actual projects spread out throughout the program. Escalation costs have gone up because construction costs have gone up. We built an average escalation cost of construction increase into the program. However, since it's a contractor's market, they're padding their bids. It's both frustrating and challenging. We are trying to find ways to mitigate that in the future by getting bids out earlier, making sure bid documents are on point, and trying to improve the timeline on those processes. The construction managers are helping us with these processes. It's a very tough market right now for the owner, the District, and we could never have planned for this rate of escalation. So, due to the nature of the market and high bids, the District has had to reduce some scope on the projects.

External auditors will be here the week of September 17th to do the audit for the entire school district as well as the bond projects. Hopefully, they will have the performance audit ready for us for our Measure U COC January 2018 meeting.

The District might have the opportunity to issue the last bond series sooner than we had anticipated. It would be a good business decision to do this while the market is still favorable for issuing municipal debt, which leads to a lower interest rate for our taxpayers and also shortens the overall time of the payback of the bond. It would also alleviate some cash flow problems over the next few years. We are looking at a November 2017 issuance, so we will need to get a resolution passed with the Board in early October. We would still maintain the same tax rate that we've always promised voters. The interest rate projected for this bond issuance is 2.5%.

6.0 Seeking One New Member

The Measure U COC is still short one (1) member, and is accepting applications for someone who is a representative or a member of a bona fide taxpayers association. Todd Rivera is willing to open this up to any current Measure U COC member interested in this seat, and then find someone to fill the general member-at-large role on the committee.

7.0 Other Items

Todd Rivera told the members that Mark Button, former Director of Facilities at the TTUSD, left the District for a similar position in Yuba City. We have advertised this position but have yet to find a qualified candidate, and it may be several months before this position is filled. In the interim, Todd Rivera is handling many of the responsibilities normally done by the Director of Facilities. Additionally, Eric Hall has been hired to assist Todd and the project managers a few days per week.

The next Measure U COC meeting is currently scheduled for **Thursday, January 11, 2018 at 5:00 p.m.** here at the District Office.

8.0 Adjourn

Matthew Hippler, Measure U Citizens' Oversight Committee Co-Chair, adjourned the meeting at 6:11 p.m.

Todd Rivera
Executive Director of Business Services
Tahoe Truckee Unified School District

Matthew Hippler
Measure U Citizens' Oversight Committee Co-Chair
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