



**MEETING MINUTES
MEASURE U CITIZENS' OVERSIGHT COMMITTEE
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1
TAHOE TRUCKEE UNIFIED SCHOOL DISTRICT**

**Regular Meeting No. 14
Thursday, January 21, 2021 – Virtual**

Measure U Citizens' Oversight Committee (COC) Members Present:

Matt Hippler (Chair), Mary Brown, Patricia Gibbons-Johnson, Karen Mazur, Gail Stephens

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

Glennis Jones

In Attendance from TTUSD:

Todd Rivera, Executive Director of Business Services; Jorge Rojas, Director of Facilities, Maintenance, and Operations; Laura Rowe, Administrative Assistant to the Executive Director of Business Services

1.0 Call to Order

Matt Hippler, Measure U COC Chair, called the meeting to order at 5:08 p.m.

2.0 Public Comment

No public comment.

3.0 Approve Minutes from January 29, 2020 Meeting

On a motion by Karen Mazur and a second by Pat Gibbons-Johnson, the Measure U COC members unanimously approved the minutes from the Measure U COC meeting on January 29, 2020.

4.0 Measure U Project Overview Updates

Todd Rivera welcomed everyone to the meeting and explained that due to the COVID-19 outbreak, it has been almost a year since the COC was last updated on the progress of projects. We are required to have at least one meeting with the committee per year but try to meet at least quarterly. However, we have met our obligation. We have continued to make progress on projects throughout the pandemic, keeping them moving forward and on budget.

Jorge Rojas, Director of Facilities, Maintenance, and Operations, acknowledged all the work that has been done on the projects. He then presented the Measure U Update presentation. He gave an overview of completed projects from 2015, 2016, 2017, 2018, and 2019.

Truckee High School Increment 1 was completed in August, 2019 and Increment 2 was completed December 2020, with Rob Koster serving as the Project Manager for this project. Increment 2 was a

lease leaseback project through CORE Construction, who we were very happy to partner with. The revised construction budget was \$72,706,505 and the revised total budget was \$82,237,129. The project is broken up into phases and when we last met, we discussed the library expansion, new main entry, and new administration office. To open in December 2020, we focused on the middle wing, including a new staircase between the first and second floor, new girls' locker room, and new band room, as well as fire alarm upgrades.

The new middle wing consisted of a culinary arts lab, wellness center, Coldstream science lab, life skills classroom, student commons area, new stair tower, ten general classrooms, girls' locker room, expanded band room, and new green room.

In January 29, 2020, construction was underway in the rough-in stages with mechanical, electrical, and plumbing work. Now, from Donner Pass Road, you can see a new main entry with the library expansion on the left and the existing wing on the right. Looking in, you can see the administration area that you must enter before entering the school itself, which provides for a secure campus. Photos from the new culinary arts space, girls' locker room, classroom, new counselor space, hallway showcasing trophies, commons area with charging stations, hallway with mural from student photo contest, and library with breakout room are shown. All finishes match with the west wing.

Jorge Rojas discussed the commissioning process, which is a quality assurance process that ensures that building systems work together to meet energy, operational, and maintenance goals. This is a lengthy process that ensures we are protecting our investment and that everything is maintained properly. The HVAC system, electrical distribution, lighting controls, energy management systems, fire protection systems, and domestic hot water systems must all be working together, with comfort as a top priority. Our environment is so varied that we want to ensure our systems are addressing this.

Truckee Elementary School required a re-roofing project due to deterioration from weather, which did not allow for a re-roof over the existing roof. The new roof was put on from the main administration area west to the new library. The project manager was Rob Koster and the architect was Garland Company, with the total budget being \$1,135,772.

Division of State Architect (DSA) is our main governing agency and all school sites have a DSA certification. All projects were certified except Glenshire Elementary when it was originally done because a couple areas had to be verified by an inspector. The roof at Glenshire Elementary needed work, as there were existing leaking skylights, so this was an opportunity to complete the reroofing and the project certification. Anna Klovstad was the project manager and the architect was Ward Young Architects. The revised construction budget was \$411,965 and the revised total budget was \$417,591.

5.0 Measure U Project Financial Updates

The Financial Budget Update was presented by Todd Rivera and numbers were as of January 5, 2021. The overall funding to date was just under \$136 million, expenditures to date just over \$134 million and encumbrances to date on remaining contracts was just under \$8.4 million dollars, leaving under \$2.5 million budget balance available. The overall project cost was approximately \$145 million, while the funding to date represents the revenues we have moved into the project at this point. We still must move additional funding into the program to fully fund it. The District issued \$40 million in Certificates of Participation (COPs), of which \$19 million went into Measure U. The

majority of our projects are complete. Under Construction still are Truckee High at 87%, Truckee Elementary at 97%, and the Glenshire Elementary Reroof at 99%. The additional funding needed is from the following: \$19 million in COPs; \$925,000 from Developer Fees; almost \$700,000 from DROPS (Drought Response Outreach Program) Grant; and \$1.2 million in a Career Technical Education Incentive Grant (CTEIG).

At this point, we have expended all Measure U bond proceeds, which totaled \$114 million, with additional interest earnings, developer fee revenue, CTEIG funding, DROPS Grant funding, and COP financing leading to a total financing of almost \$146 million. The majority of this was from Measure U, followed second by COPs with \$10 million in COPs still needing to be moved over to the program. The money spent was 85% construction related and 15% soft costs, primarily consultants in architects and engineering contracts.

Overall, there is very little left over in encumbered contracts right now. \$134.3 million in expenditures plus the remaining encumbrances puts us at about \$143 million total, leaving a budget balance of \$2.4 million. The only active projects are at Truckee Elementary and Truckee High Schools. Truckee Elementary has \$934,000 left in the budget, with about \$750,000 likely to be savings left over for other projects. At Truckee High School, under \$2.6 million balance is left with potential money coming back into the pot for other projects as well. We are happy with the progress and the savings, with some having been spent on the reroofing projects at Truckee Elementary and Glenshire Elementary Schools. Of the potential savings, we spent about \$1.5 million of it.

At Glenshire Elementary School and the Truckee High School track and field, all projects are complete, so all revised budgets represent actual costs. At Truckee High School, there are still some encumbrances left and we expect savings of about \$2.5 million in architect and engineering contracts and general construction costs. Sierra Continuation High School is complete with \$272,000 total project cost. Alder Creek Middle School is complete with under \$1.6 million total project cost. Truckee Elementary School's remaining balances are from architectural and engineering fees, which we should find savings on with construction as well. We think we will have about \$750,000 in savings. Donner Trail Elementary is complete with under \$5.1 million in project costs. Sierra Expeditionary Learning School is complete, including parking lot renovation and modernization in portables, with over \$2.3 million total project cost. Coldstream, our Independent Study School, had upgrades completed at \$124,000. The Warehouse is complete at under \$1.9 million. Glenshire Elementary modernization and parking lot reconfiguration are complete. Truckee Elementary reroof is complete at a little over \$1.1 million. Glenshire Elementary reroofing is also complete at \$417,000.

The overall program budget, including project management, legal fees, and planning, shows a negative of 1 million because we have not yet moved the savings from Truckee Elementary and Truckee High Schools over, so in reality it is not a negative. Once these projects are finalized, we will move that funding over.

A question was asked about what the budget variances were due to, which Todd Rivera addressed. He stated that estimated costs were based on current values, which included escalation, but escalation on construction costs went above what could have been projected at the time. It was a contractor's market and our location is difficult to build in, which escalates price and makes it hard to get multiple, competitive bids. We had anticipated using a Lease Leaseback method, where you get a contractor at the start and move through the project as a partnership with a guaranteed maximum price, but the law allowing this was challenged. Due to this, we went with a Construction Multi Prime

Contract, which gave us a construction management team, but individual trades were bid out. This was the best option at the time but could have added some additional costs. We went back to Lease Leaseback with Truckee High School Phase 2, which was successful with CORE Construction.

6.0 Measure U Proposition 39 Performance Audit & 7.0 Financial Statements

Last year, we went over the Proposition 39 Audit Financial Statement for 2018-2019 year. We have not received 2019-2020 year audit reports. All leg work has been done and there should not be any findings, but with the pandemic, the State has extended the deadline for completed external audits to March 31, 2021, so there are no audits to report. We should see something by the end of the month or early February and a meeting will be scheduled to go over it.

8.0 Measure U COC Annual Report to the Board

Last year we were preparing our Annual Report to the Board, but then the COVID-19 pandemic hit, so we did not complete the process for the 2018-2019 Annual Report. Todd Rivera's recommendation is that we do a combined 2018-2019 / 2019-2020 Annual Report to the Board. As soon as we get the financial statements, we will put the report together for review and figure out a date for the COC to present. Members were in agreement about this. Todd Rivera will check with counsel to ensure there are no issues with this.

9.0 Seeking One New Member

A question was asked about whether or not we needed to find a new member since the projects are near completion and the committees purpose will be satisfied soon. Todd Rivera responded that we are advertising for it, but at this point it is not necessary to fill it, as we have expended all the Measure U bond proceeds. There are still some steps to go through before the COC is disbanded, as there were expenditures in the 2020-2021 fiscal year. The frequency of meetings and responsibilities will be limited, but there will be a couple more meetings. We will roll into 2022, potentially February/March, to finish up the Audit Report to the Board before the COC is disbanded. Todd Rivera will check on this and get back about next steps on the report to the Board.

10.0 Other Items

We will see what is left over in savings and what else we can do for the district. One other project outside the scope of the bond program is an indoor field space at Truckee High School where the Rec Department pool once existed. Previous work with the bond program was done in filling in the pool, putting in new concrete slabs, and improvements to the restroom. All that is left is artificial turf and finishes. We plan to move forward with that with a September 2022 deadline.

11.0 Adjourn

Matthew Hippler, Measure U COC Chair, adjourned the meeting at 6:06 p.m.

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

Matthew Hippler
Measure U Citizens' Oversight Committee Chair
SFID No. 1
