

**North Orange County Community College District  
Citizens' Oversight Committee  
March 4, 2020**

**APPROVED MINUTES**

**Members Present:** Selena Cruz, Paul Jewell, Michael Miller, Leroy Mills, Mark Pavlovich, Elena Reyes, Mark Saucedo, Phil Wendel

**Members Absent:** Michael Cooper, Stan Kwak

**Other Employees/Guests Present:** Eduardo Escobedo, Rodrigo Garcia, Alicia Herrera, Megan Moscol, Alexander Porter, Valentina Purtell, Oscar Saghieh, Alicia Santos, Greg Schulz, Leslie Tsubaki, Kashu Vyas, Fred Williams, Richard Williams

**Call to Order:** Elena Reyes called the meeting to order at 4:01PM and led the group in the Pledge of Allegiance.

**Public Comments:** Elizabeth Putnam, Instructor of Nursing at Cypress College, presented the current conditions of the classrooms and offices used by the nursing program at Cypress College and stressed the need to allocate more funding for repairs, modernization, and equipment. Improving the facilities utilized by the Nursing program was included in the Measure J bond language approved by the voters with the passage of the bond.

Questions/Comments:

1. **Leroy Mills** - *Has the need for improvements to the current Nursing program facilities and equipment been brought to the attention of the Board of Trustees? If so, how did the Board of Trustees respond?* **Elizabeth Putnam** - This issue has been presented to the Board of Trustees, but no action has been taken. Allocation for the improvement of the current Nursing program facilities and equipment is needed to better serve the students and assist them in forming crucial skills.
2. **Fred Williams** - *Which building are the classrooms in need of refurbishment housed in?* **Elizabeth Putnam** - Tech Ed III. Rooms 203, 310, 311, and 316 are all in need of modernization.
3. **Mark Pavlovich** - *Regarding the current negotiations between the District and faculty unions, if there is a faculty work stoppage on any campus with ongoing construction how will that effect the progress of construction? There are a number of rain days allocated for each project, would those be utilized in the event that construction union workers are not able to cross any possible picket lines? Or how would the situation be handled?* **Fred Williams** - The District does not have a Project Labor Agreement (PLA) in place, so

contractors are not required to use union labor. The only requirement is that the contractors pay their workers the prevailing wage. However, there might be some workers that are part of the union on the job sites. The magnitude of any possible response is currently unknown; how many union workers there are on the job would need to be determined first. It might not be a full-blown work stoppage.

4. **Christie Diep, United Faculty President** - *On the first day of union protests at Cypress College trucks stopped to inquire whether it was a strike or just a protest.*
  
5. **Michael Miller** - *Members are quickly reaching the end of their time on the Citizens' Oversight Committee, how is the process for finding new members progressing?* **Fred Williams** - This has been discussed with the Chancellor and the Board of Trustees. All the positions that are required are filled. An assessment for new members will be done on an as-needed basis.

**Approval of Minutes:** The minutes of the December 4, 2019 meeting were approved.

**Audit Report:** Fred Williams and Kashu Vyas introduced audit manager Alicia Herrera from Eide Bailly, LLP to present the findings of the Measure J and Measure X audits performed for the fiscal year ending June 30, 2019.

This will be the last audit report for Measure X. Two audits were conducted for Measure X, a financial audit and an audit of compliance. The financial audit presented with an unmodified, or clean, opinion meaning that the financial statements presented by management are free of material misstatement and free of material non-compliance. As there were no assets or liabilities left in Measure X, this audit only contains an income statement. The remaining funds for the bond were spent as of the end of June 30, 2019.

The Measure X audit of compliance is also presented with a clean opinion. Roughly 76% of the expenditures were audited and no instances non-compliances were found. All expenditures audited were in accordance with voter approvals and state requirements per Proposition 39.

As there are no more funds associated with Measure X, this was the close-out and auditing associated with this bond will stop.

The audits for Measure J are also presented with a clean opinion. The financial audit shows that as of June 30, 2019 there is roughly \$220M (from series A and B) in Measure J. About 71% of the expenditures were audited. The compliance audit shows that Measure J funds are being expended in accordance with the ballot measure and Proposition 39.

Both audits are issued with a letter stating that there were no difficulties encountered, as in no disagreements between the auditors and District management staff and that District management staff was responsive to auditor requests in a timely manner.

Questions/Comments:

1. **Phil Wendel** - *Is 71% a high number or average number or low number for expenditure audits?* **Alicia Herrera** - It is a little bit high, but many of the items audited for the bond have a high dollar amount which drives up the percentage of expenditures that were audited and the auditors try to make sure that the sample is representative of both large construction contracts and smaller invoices. Those smaller invoices also contribute to the high percentage.
2. **Leroy Mills** - *The letter states that there were "no significant difficulties". Were there any difficulties at all? If so, were those difficulties due to staff?* **Alicia Herrera** - The term "significant difficulties" means that they have come to a point with management where there is a disagreement that cannot be moved past. There were no difficulties of that nature or any other difficulties that needed to be worked around. The auditors were able to ask management questions and management was willing to talk through any issues with the auditors without having to escalate it any higher level. The auditors had no difficulties at all. **Fred Williams** - The District sees the audit process as a good opportunity to spot things that might otherwise be missed. Although it is an involved process, it is a welcome one.

**Measures X Update/Close-Out:** The final update of financials and close-out of Measure X was covered during the Audit Report.

Questions/Comments:

1. *There were no questions or comments*

**Measures J Update:** Fred Williams presented some recent accomplishments of the Measure J Bond Program.

The Guaranteed Maximum Price (GMP) for the New Instructional Building and Central Plant Replacement and Expansion for Fullerton College has been negotiated. The final GMP is roughly \$600K less than the originally approved by the Board of Trustees.

Cypress College celebrated the completion of the structural steel installation for the New Science, Engineering, and Mathematics Building.

There are lingering concerns about escalation in costs and the ongoing labor shortage as other districts also begin construction.

Questions/Comments:

1. *There were no questions or comments*

**Cypress College Updates:** Alexander Porter provided the committee with detailed updates of the major projects at Cypress College.

New Science, Engineering & Mathematics (SEM) Building – The New SEM held the topping off ceremony to set the last piece of structural steel in place. Rebar is being installed in preparation for pouring the concrete decks between floors. Currently, all efforts are focused on steel and decking. The Campus Project Team is beginning to finalize equipment acquisition and identifying the equipment needs for the new facility.

With the Construction Manager-at-Risk delivery method a Prime Contract Change Order (PCCO) are changes within the contract allowances. The contractor identifies to the District which allowances will be used. There is a change order for additional costs that has been submitted and approved, but not for the SEM portion of the project.

The 52-day delay that has been identified is cumulative of all possible delays that have been brought to the project team's attention. Mitigation efforts are underway. This delay is inclusive of the time lost due to changes in steel manufacturing, inspecting, and additional Division of the State Architect (DSA) requirements for the beam connections. The existing allowances in the project were able to accommodate for the additional welders needed for the beam connections. The contractor is engaging in the Pull-Planning process to identify possible time savings. Using this process 25 to 29 days have been identified for savings from the 52-day estimate. Contractually there is still a 52-day delay as the project team evaluates their options.

There are remaining allowances within the contract for time extension or work acceleration to close the gap. More information will be provided as it becomes available.

New Veterans' Resource Center & Student Activities Center Expansion (VRC/SAC) – At the VRC/SAC, drywall installation is continuing with the mudding and taping of the interior drywall. Changes have been made to the interior layout of the building in consultation with the Building User Group to increase the academic impact. Additional investments in finishes have been made. The project team continues to work with the Building User Group to provide a space that meets all the needs of the current curriculum and student service needs.

Additional space is being made within the building for a donor wall to engage fundraising activities and recognize the building donors. Externally, space is being made for commemorative fundraising pavers to augment the fundraising process.

Recently, the veterans that were involved in the project were taken through the space.

Veterans' Memorial Bridge, Plaza, and Tribute Garden – The bridge has been built. Set pieces for the Tribute Garden and the terrace for the flags are being put into place. The east pond basin has been poured. The crews are preparing to pour the pond edges. Water is anticipated in the pond within the next two and a half months. The intent is to pull the site fencing back and have the landscaping for the Tribute Garden and surrounding the pond completed and ready for commencement at the end of May 2020.

Change Order #01, for additional costs to the project, is being used for upgrading the finishes within the VRC/SAC, changes to the exterior flatwork to make space for the fundraising pavers,

and the inclusion of a small courtyard for the legacy program for the major donors. This will be paid for with local funds as opposed to Measure J.

Campus Projects' Safety Report – There have been a few safety incidents, mostly first aid, safety stand downs, or near misses. The project team identifies every single incident that happens on the jobsite and reports it from first aid to safety stand down perspective. In the event of a safety stand down, an issue is identified, and the crew is asked to stop immediately and provided with on the spot training to mitigate the issue and encourage better safety practices. Near misses are observed issues that are reported by the safety teams and communicated back to the crews. Equipment issues, such as damage to equipment, are also identified in the safety report.

For safety reports, which may include everything from a death to lost time, our incident reports lost time. A couple of workers had minor injuries and lost time from the jobsite.

The report submitted to the committee is an accumulation of the known safety items from the beginning of the project. The project insurance carrier has been conducting safety inspections and reports are very clean.

Questions/Comments:

1. **Michael Miller** - *The Prime Contract Change Order for the SEM provides schedule relief, but what about cost relief? Is there a cost number associated with the delay?* **Alexander Porter** - At this point there is no cost related to the delay. If there is a cost associated that is when the project will dip into the acceleration allowance or another adjustment will be made.
2. **Leroy Mills** - *Is the 52-day delay above and beyond what costs management had reserved in the contract?* **Alexander Porter** - That depends on what methods are used to close the gap. If there are critical path issues, then there could be costs that would cause a ripple effect. There are no major issues anticipated at this point, but the delay is being closely monitored. To this point no District contingencies have been touched for this project. If it becomes apparent that internal contingencies need to be utilized to augment the current acceleration allowances that will be shared with this committee.
3. **Elena Reyes** - *Is there anything in the SEM that addresses the needs of the nursing department?* **Alexander Porter** - Towards the bottom of the list of planned projects are capital improvements to Tech Ed I and Tech Ed III. Not every project can be the at the top of the priority list. The SEM and VRC/SAC buildings were high priority and they are being addressed first. The Fine Arts improvement project is approved for state matching funding which makes it more of a priority. The bond will be addressing major renovations to the areas utilized by the nursing program. With Proposition 13 not passing, it remains to be seen if matching funding can be secured for the improvement of Tech Ed I and Tech Ed III. That would change where it falls on the priority timeline. Regarding the nursing program specifically, there is a priority list for campus planning. **Fred Williams** - The shared

governance groups have been discussing a sizeable allocation of resources to the campuses outside of the bond program that needs to be approved by both the District Council on Budget and Facilities and the District Consultation Council. This would allocate \$7M to both Cypress College and Fullerton College to deal with campus high priorities. Equipment and other program needs are planned at the campus level as opposed to the District level. **Alexander Porter** - The improvement of the Health Sciences facilities housed in Tech Ed III is a priority project for the campus. A meeting has been held with the campus space planning consultants and Richard Williams regarding moving forward with submitting an Initial Project Plan to request matching funding from the state to prioritize the project. The Fine Arts improvement has already been approved to receive funding beginning July 1<sup>st</sup>, 2020. However, the funding that can be received from the state is capped at roughly \$18M. Any escalation in the Fine Arts project will cause it to be subject to what can be provided by local funds. There are current projects on the list that might not be completed as funds will need to be shifted to complete projects in progress. With Tech Ed I and Tech Ed III the need for those improvements is a priority for the campus.

4. **Alexander Porter** - *There are maintenance issues across Cypress Campus. The money that has been allocated by the District to the college contains programs to deal with older and dilapidated classrooms. A new classroom maintenance program has been created to start updating the classrooms most in need. AV improvements, new carpets, and fresh paint will be used to improve instructional spaces. The classrooms for nursing will be high on this priority list. The intent is to work with faculty and staff to prioritize their instructional needs, while building the list of maintenance and infrastructure needs that will be addressed.*

**Fullerton College Updates:** Rodrigo Garcia provided the committee with detailed updates of the major projects at Fullerton College.

New Instructional Building and Central Plant Replacement and Expansion – The New Instructional Building and Central Plant Replacement and Expansion are being completed by the same contractor and designer. The Notice to Proceed for these projects was issued on February 12, 2020. The Groundbreaking Ceremony was held on February 20, 2020.

Site work comprised of potholing and exploration is set to begin.

The project is expected to finish in mid-2021 just in time for the 300 & 500 Building occupants to fill the spaces vacated by the Humanities division which will be housed in the New Instructional Building. The current Humanities division classrooms and offices will be used as swing space during the 300 & 500 Buildings renovation.

The Central Plant Replacement and Expansion will expand the central plant to three chillers and take the current chillers off-line.

The Guaranteed Maximum Price (GMP) for these projects is \$53.9M, roughly \$600K below the original Board of Trustees approval. The project team worked hard to bring the amount in line and still satisfy the Building User Group. Within the \$53.9M there is \$1.3M in contingency and \$1.7M in allowances. The hope is that the contingency and allowances will not be completely exhausted, and the project will come in under budget. That will not be determined until the project is underway and site conditions are fully revealed.

An informational item regarding these projects and their delivery method was presented to the Board of Trustees in late February.

Any dollars saved on this project will be allocated to future projects.

300 & 500 Buildings – The Renovation of the 300 & 500 Buildings is currently waiting on the California Community Colleges Chancellor's Office (CCCCO) to give approval for the bidding phase of the project. Bidding is anticipated to start in August and will continue through the end of the year.

The 300 & 500 Buildings Renovation is a traditional design-bid-build project, as opposed to the New Instructional Building which is a Progressive Design-Build that partnered the general contractor and Architect-of-Record from the project start. With the design-bid-build delivery method, the general contractor is brought in through the bidding process following the completion of the building design.

In terms of escalation for state matching funds, the CCCCCO uses a calculation to determine how much the state will provide for escalation. That is not always adequate, so although a project might be a 50% 50% split initially it might not actually be an even share of costs when the project is bid.

300 & 500 Buildings Sewer Line – The 300 & 500 Building Sewer Line replacement plans have been approved by the City of Fullerton. Bidding for the project is set to begin in early March 2020. The project will take place over summer 2020.

Performing Arts – The Initial Project Plan for the Performing Arts has been approved by the state. The Final Project Plan is still waiting approval, but news should be forthcoming. Ideally, funding for this project would come from the current state bond. Without the passage of Proposition 13 the possibility of receiving matching state funds in the near future for the Performing Arts is looking slim. For reference, the 300 & 500 Building renovation waited 10 years after approval to receive funds.

#### Questions/Comments:

1. **Leroy Mills** - *What exactly is the hold at the state Chancellor's Office?* **Rodrigo Garcia** - CCCCCO is the process of reviewing all the documents for the project to release the approval to move forward with bidding. This is part of the standard of how the state releases the funds in phases. The 300 & 500 Buildings Renovation approval schedule was

delayed by District and Campus Request because work on the project cannot begin until swing space has been created with the completion of the New Instructional Building. Construction work at Fullerton College has a domino effect, the campus is always looking for places to put people that are displaced by the work. CCCCO was very flexible in working with the campus construction schedule to align their funding releases with the project phases. Cypress College is facing a similar situation. The SEM building needs to be completed and faculty and staff moved from the current SEM building to create swing space for the Fine Arts program. The goal is to limit the use of portable classrooms to save costs and maintain the amount of parking available.

2. **Elena Reyes** - *What is the Performing Arts project at Fullerton College?* **Rodrigo Garcia** - It a project to replace the current theatre and music spaces with a single space where the current sculpture garden is. This project needs to be completed to build the future welcome center.
3. **Fred Williams** - *The master planning process for the District is roughly 60% completed. Measure J is built on the master plan completed in 2011. The District is currently going through the 10-year cycle in terms of the master plan to validate the projects on the list. Projects that are in progress and have contracts awarded will be completed, but the pending projects are being evaluated as part of the Educational and Facilities master planning process. There are currently no major changes, except for Cypress College. The pool has been identified as major renovation, there is now consideration to move the pool and use the current pool space as open space. Fullerton College's master plan is incorporating more green space and more public transit accessibility. Anaheim Campus is considering items that help transition the tower from a hospital to a campus including creating better access for the students and evaluating the use of the upper parking deck.*

**Anaheim Campus Updates:** Fred Williams and Richard Williams provided the committee with detailed updates of the major projects at the Anaheim Campus.

7<sup>th</sup> and 10<sup>th</sup> Floors Buildout – Final close-out was completed with the Division of the State Architect. Full approval of completion has been received.

IT Network Refresh (all campuses) – This project has begun District-wide. The Board of Trustees has approved the contract for this project. Surveys of all three campus conditions have been completed. The project guidelines are being adjusted to modernize the design and meet campus needs.

The need for additional MDFs (main distribution frames) have been identified at the Anaheim Campus and Cypress College. Those will be included in the scope of work for the IT Network Refresh - phase two.

New firewalls for the system have been tested successfully. The IT Network Refresh will begin work shortly at Anaheim Campus and then move onto Cypress College.

There has been a lot of procurement happening for this project. A lot of the design work for this project was done several years ago. As equipment is being purchased it is being evaluated to ensure that it is the most up-to-date technology and fits the current needs of the campuses. This has slowed the process down. Items have been moved to later phases to accommodate for equipment that is close to release, but not yet available.

Questions/Comments:

1. *There were no questions or comments.*

**Financial Review:** Fred Williams provided the Committee with an overview of the Measure J Bond finances.

Measure J Financial Summary – Details regarding the Measure J finances can be found in the Citizens’ Oversight Committee Report.

The budgets include roughly \$8M of interest income. Any interest earned is reverted into the projects and adds to the amount of money available.

Money was allocated to the campuses from Measure J very early in the process and the campuses have allocated those funds to specific projects based on project needs and in consultation with the District on state matching funds and sequencing.

There are changes to the budget coming as discussions about priorities are being held and projects are being added.

Questions/Comments:

1. **Paul Jewell** - *The report states that \$5M has been allocated for the renovation of the pool at Cypress College. Would that cover the cost of an entirely new pool and filtration system?*  
**Fred Williams** - Due to the size of the pool at Cypress Campus and the building that would be associated with it, it probably would not. There is an ongoing discussion regarding moving the pool to the opposite side of campus. If that were to take place the current pool would not be renovated. The intent is to complete the master planning process to determine whether the pool will be moved or the significant issues with the current pool will be addressed.
2. **Elena Reyes** - *The Citizens’ Oversight Committee Report is very thorough. It displays how much has taken place since the past meeting.*  
**Fred Williams** - Money is being expended very quickly. Documentation for those invoices is very detailed; it can reach 3000 pages. MAAS reviews all that information, processes it, and validates it before inclusion into the reports.

**Community Report:** Fred Williams provided an update on the Community Report. The Measure J Community Report for 2018-2019 is being finalized and will be posted on the website soon.

Questions/Comments:

1. *There were no questions or comments.*

**Safety Report:** The Safety Report was presented as part of the Measure J update for the Cypress Campus.

Questions/Comments:

2. *There were no questions or comments.*

**Future Meeting Dates:** June 3, 2020. September 2, 2020. December 2, 2020.

**Adjournment:** The meeting adjourned at 5:12PM.