

**Tustin Unified School District
Citizens' Oversight Committee
Measure G**

MINUTES

March 10, 2010

Bill Pevehouse, President, called the regular meeting of the Citizens' Oversight Committee "COC" to order at 6 p.m., in the Career Center at Tustin High School, 1171 El Camino Real, Tustin, CA.

Members Present

Bill Pevehouse, President
Jim Cronn, Vice President (absent)
David Albus
Chris Cummins (absent)
Merlin L. Henry Jr.
Jill Leach
Simon Russek
Amy Tanaka

Staff Present

Brock Wagner, Deputy Superintendent, Planning and Operations
Tony Soria, Chief Financial Officer
Peter Burns, Senior Director, Maintenance, Operations, and Facilities
David Miranda, Facilities Coordinator/Planner

Guests

Bill Pevehouse led the Pledge of Allegiance to the Flag of the United States of America.

Adoption of the Agenda

It was moved by Amy Tanaka, seconded by Jill Leach, and carried unanimously to adopt the agenda.

General Functions Consent Item:

It was moved by Jill Leach, seconded by Simon Russek and carried unanimously to adopt the Minutes of January 13, 2010.

It was moved by David Albus, seconded by Amy Tanaka, and carried unanimously to adopt the 2008-09 Audit Report.

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Public Comments

None.

Staff Presentation and Information

1. Expenditure Report Update

Brock Wagner shared that the District received a rating of AA (a very good rating) for the issuance of the Measure G—Series D Bond. The Citizens Oversight Committee and staff discussed the 2008-09 financial and performance audit report (performed by an outside auditor) and staff shared that all the money has been accounted for and balanced with no audit findings.

The expenditure report for the Foothill High School Science Center was discussed and reviewed. Only a few expenditures remained (such as contractor retentions) prior to the project being completely closed out.

Construction of the Tustin High School Science Center is moving forward. The current construction budget for the project is \$8 million with a total project cost of approximately \$11.5 million. There were approximately 150 bidders for 17 construction packages at the project's bid opening which resulted in a significant savings from the preliminary estimate. Given that there were no construction costs to date, COC Member, David Albus inquired as to the expenditures for the Science Center Construction Support costs of \$114,698, asking if the amount was related to bidding support and reproduction of bid documents. Staff confirmed that the amount paid to date in that category was for pre-construction services.

The COC inquired as to certain areas of the project budgets and expenditures such as how certain costs are compiled, construction support and one-time construction costs, complications of a design, Department of State Architect requirements, required testing, etc. Staff replied that changes are sometimes necessary and that projects are occasionally broken up into phases due to costs and student safety concerns. Brock Wagner shared that all change orders go to the Board for approval, with the architect and construction manager reviewing the field and plan changes for accuracy and that there is a 10% change order cap per trade contract. He further stated that for budgetary purposes certain soft costs are based on percentages of estimated construction costs; whereas others are based on historical project information and are subject to change if encountering unforeseen conditions.

The COC and staff discussed the format of the expenditure report. Specifically members asked about the significant increases in the Tustin Quad project budget report and inquired as to whether or not the preliminary budget factored in the entire project scope as bid. District staff responded stating that there was a change in scope from the original time of estimating the project (by the architect) and the time the project documents were DSA approved and bid by contractors. Staff assured the COC that the projected scope of work was included in the bid set and that no significant changes were made to the plans following the bid opening. COC members recommended updating the summary report to reflect the actual scope as bid in both columns: preliminary budget and current budget, so as to avoid any confusion. The

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COC welcomed the change and requested that the preliminary budget column be modified to reflect the scope of work as bid. A motion was taken to update the expenditure report: It was moved by Jill Leach, seconded by David Albus, and carried unanimously to update the financial expenditure report for future meetings.

2. Tustin High School Update

Even with several rain days, the Tustin High School quad is just about complete. The project construction schedule for the science building is 13 months, and there may be a two month overlap in the construction of the new gymnasium and science building. It will be challenging during construction with students present, but staff will continue to keep site conditions safe and the projects on schedule. The current bid climate can save the District and tax payers money.

Tustin High School's Science Center and quad renovation costs are currently within the site's allocated \$25 million Measure G budget: \$11.5M for science, \$4.2M for quad. Additional projects may be built using Measure G allocation, such as the modernization of the special education and math buildings and potentially the new gymnasium. Staff anticipates that the Special Education and math modernization projects should be approved by the Division of State Architect's office in time for bidding the summer work.

David Albus requested that should any bond money be used for legal expenses regarding the City of Tustin and TUSD lawsuit (City of Tustin interference in TUSD's effort to improve schools) that the COC be informed of such expenditures.

3. New Business

The May 12, 2010, meeting will be held at the District Office Board Conference Room, 300 South C Street, Tustin, CA.

Adjourn

It was moved by David Albus, seconded by Jill Leach, and carried unanimously to adjourn the meeting at 6:35 p.m.