



MEASURE G OVERSIGHT COMMITTEE

MINUTES

September 7, 2017

Members Present:

Kirk Bell
Carlos Cojulun
Britta Grubin
Lesli Kraut
Charlotte Meyer

Members Absent:

Kristen Pifko
Steve Schulz

Staff:

Karen Kimmel – Assistant Superintendent, Business
Kristine Torres – Director of Accounting

The meeting was called to order at 6:03 p.m.

Review of Minutes

The committee unanimously approved the minutes from the April 20, 2017 meeting.

Measure G District Summary Report

Ms. Torres informed the committee the proceeds from the bond are \$146M and there is \$9.7M in unissued bonds. The purchase orders to date are \$130.8M, with a current balance of \$6.1M. The reserves for future expenses include \$2.7M for technology and \$8.1M for completion of existing projects. Prior to selling the last issuance of bonds, the current position net of reserved items is (\$4.7M).

Mr. Cojulun asked when the District planned to sell the unissued bonds. Ms. Kimmel responded that the bonds would likely be sold in the spring. She stated the construction project at Lupin Hill will begin in earnest over the next year and the District will need to have the funds available to pay the contractor. Mr. Cojulun followed up by asking if all of the remaining bonds would be sold. Ms. Kimmel confirmed that they would be. She noted that the cost to sell the bonds would

come out of the available amount of the unissued bonds. Ms. Kraut asked if the bonds could be held in an interest bearing account. Ms. Kimmel answered that the bonds could earn interest, but that the District must comply with IRS regulations in terms of the amount of time the interest earned must be spent.

Ms. Meyer asked if it would be prudent to spend down the remaining funds available from the Measure R bond funds in order to close out those accounts. Ms. Kimmel agreed. Ms. Grubin asked how long the Measure G Oversight Committee actively oversees the bond funds. Ms. Kimmel answered that an oversight committee is required until all funds have been spent.

Mr. Cojulun inquired about the possibility of adding air conditioning in the gymnasiums at both high schools, as well as solar panels on the roofs. Ms. Kimmel responded that in order to be cost effective for the District the installation of solar panels would require a power purchase agreement (PPA). She added that originally the District was considering adding solar panels to the lunch shelter for the Lupin Hill Project, but that it would only be feasible in terms of cost if the District added solar panels to other District sites as well. Ms. Meyer asked how much could be saved per year. Ms. Kimmel responded that adding solar panels might save the District \$30K per year if they are purchased. If the District went through a PPA to add the solar panels the District would receive a future guaranteed price to buy kilowatts.

The committee reviewed the encumbrances to date by category and school site.

Ms. Meyer asked who the liaison is with the contractor for the Lupin Hill Project. Ms. Kimmel explained that the District hired Rachlin Partners for both their architectural and their construction management services.

Ms. Meyer asked about the turf fields in the stadiums at both high schools. Mr. Kimmel stated that the new turf had been installed at Agoura High School, and that the installation of the turf at Calabasas High School had been delayed due to some unforeseen conditions. She explained that the drainage system at CHS was not permeable and that the sub-base under the field had to be replaced. To address the drainage issue the company installing the turf added a trench around the entire perimeter of the field. The project is expected to be complete before the end of the month. Ms. Kraut asked what the new field is made of. Ms. Kimmel responded that the infill is made of organic materials including almond rinds, cork and coconut husks.

Ms. Kraut asked what the purpose was for the DC Architect charge at Lindero Canyon Middle School (LCMS). Ms. Kimmel answered that the District was required by the Division of State Architect (DSA) to hire an architect to oversee the bleacher replacement at LCMS.

Ms. Kimmel informed the committee that the District is working with a state matching fund grant consultant, and there could possibly be up to \$1M in available state matching funds for the Lupin Hill Project. She continued that the District is applying for state matching funds as well for a restroom modernization project at White Oak Elementary School.

Measure G Project Update

Ms. Kimmel stated that the District issued a Request for Proposal (RFP) in July for the Lupin Hill Project. There was a mandatory job walk through on August 8th during which seven contractors reviewed the project. All of the seven contractors have passed the pre-qualification and have been notified to submit their proposal by the deadline of September 14, 2017. Ms.

Kimmel added that a committee of eight people including District staff, Rachlin Partners staff, a DSA representative and local construction experts will review the proposals on September 18, and then interview the three or four top scoring contractors in early October.

Ms. Kraut asked for an explanation of a lease-leaseback contract. Ms. Kimmel explained that the approved contractor develops a gross maximum price (GMP) for the project. If the District agrees to the GMP, then the District would enter into a lease-leaseback agreement and lease the site to the Contractor during construction; the Contractor becomes the leaseholder of the site and then leases it back to the school for \$1 per year. At the end of the project, the District buys out the lease. During construction the District pays an agreed upon monthly fee for their services. Ms. Kimmel stated that this type of contract protects the District from escalating fees and change orders. Ms. Meyer asked if there is room for change orders with this method. Ms. Kimmel responded that would be the case only for unexpected circumstances. Ms. Meyer asked if the Board of Education would approve the contractor. Ms. Kimmel answered that the Board would review and approve the contract with the pre-construction services contractor in October.

Next Meeting:

The next meeting will be held on Thursday, November 30, 2017 at 6:00 p.m. in the District Office Cabinet Room.

The meeting adjourned at 7:05 p.m.