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

Regular Meeting No. 10
Tuesday, October 9, 2018 – Truckee High School WW128

MEASURE U CITIZENS' OVERSIGHT COMMITTEE (COC) MEMBERS PRESENT:
Matt Hippler (Chair), Gail Stephens, Glennis Jones, Karen Mazur, Mary Brown, Patricia Gibbons-Johnson

ALSO IN ATTENDANCE FROM TTUSD:
Jorge Rojas, Director of Facilities, Maintenance & Operations; Thomas Kleffman, Bond Program Fiscal Contract Analyst; Amy Sanders, Administrative Secretary – Bond Projects
ABSENT: Todd Rivera, Executive Director of Business Services

1.0 Call to Order
Matt Hippler, Measure U COC Chair, called the meeting to order at 5:02 p.m.

2.0 Public Comment
No public comment.

3.0 Approve Minutes from September May 1, 2018 Meeting
On a motion by Mary Brown and a second by Patricia Gibbons-Johnson the Measure U COC members unanimously approved the minutes from the Measure U COC meeting on May 1, 2018.

4.0 Measure U Project Overview Updates
Jorge Rojas, Director of Facilities, Maintenance & Operations, presented the progress of the Measure U projects. He gave an overview of current projects, upcoming projects, and those completed last year.

Truckee High School Modernization Increment 1, which included the West Wing and site work, is substantially complete. The West Wing now houses science and technology programs as well as CTE Pathway classes. On September 27, 2018, the District held a Dedication Ceremony/Ribbon Cutting for the West Wing. We had a great turnout. Those who attended were able to tour the new facility.

Truckee High School Modernization Increment 2 will hopefully be going out to bid around November/December 2018, with the work starting in January 2019 and completing in December 2019. The portion of the building east of the existing entrance has already been blocked off for construction. Light demolition will occur through the winter and in May 2019, we will start breaking ground. Increment 2 will include a new library and administration area, renovated girls' locker room, and modernization of both the interior and exterior of the existing building. The upstairs classrooms in the West Wing will serve as interim housing for the students during the Increment 2 construction.

At Truckee Elementary School, we did about $10 million worth of work in 7-1/2 weeks with two shifts happening. The focus was the main entry and administration area. The next big push is the new roof, new kindergarten wing, and some additional classrooms. Next summer, we will be working on the modernization of Area A2, which is where most of the classrooms currently are, and a new cafeteria.

The Donner Trail Elementary School Modernization project is now complete. There's a new addition with two sizable classrooms. The existing building got a fresh coat of paint. At some point, the windows in the existing building will be replaced through a Maintenance project. The school also received new flexible furniture, a new generator, new fire alarm system, and upgraded technology. On September 17, 2018, District held a Dedication Ceremony at Donner Trail Elementary School. We had a great turnout there as well.

5.0 Measure U Project Financial Updates

Tom Kleffman, Bond Program Fiscal Contract Analyst, reported the Measure U project expenditures. All numbers are as of September 30, 2018. Measure U total funding to date is up to $121.5 million. Expenditures to date are $67.1 million. Amount encumbered to date is $28.9 million. The budget balance available is $30.5 million to finish out the bond program.

We started the projects with $114 million in Measure U funds. Interest earnings to date are $1.8 million. Of this amount, $746,000 in additional interest was earned from what was originally budgeted. We expect about another $300,000-$500,000 in interest with the remaining bond funds; these are additional dollars we can be put toward the bond projects and works as a reserve.

Developer fee revenue is $6.6 million. We did an additional developer fee allocation to the Truckee High School project of $700,000 to make sure that we had enough funds for Increment 1 and Increment 2.

Todd Wold, Manager of Career Technical Education at the District, was able to secure CTEIG (Career Technical Education Incentive Grant) funding, which went towards the THS West Wing. The money was used to pay for equipment and construction.

DROPS (Drought Response Outreach Program for Schools) funding and Prop 51 state bond funding will be applied to the projects as well. The DROPS money will cover drainage basins and water storage retainage in the parking lots. Prop 51 money will be used to cover any unforeseen conditions that arise, finish the bond program if need be, or it will be used to build up our reserve for projects down the road.

Remaining funds to be received is $5.2 million. The majority of this is in developer fees and interest earned on our bond funds and state bond funds. We have just allocated $2.2 million in developer fees into the projects as part of the funding source.

Construction hard costs make up 78% of our budgets. Soft costs make up 19% of our budgets. The remaining 3% contingency is to finish out the projects.

The budget summary of all projects is as follows: Revised budget is $126.5 million increased with state bond funds, additional developer fees, and CTEIG grant. Our total encumbered amount of just

under $29 million decreased by $13 million after paying off our construction contracts this past spring and summer. We've had $20 million in expenditures since our last meeting, which brings the total up to $67 million.

Matt Hippler wanted to know that when we go out to bid for Truckee High School Increment 2, do we anticipate doing that in a competitive environment right now or are costs high? Jorge Rojas stated that costs will continue to escalate. When the District locks in a bid date, Mr. Rojas looks at what other projects will be bidding around the same time as well. We don't want to compete against others with more attractive projects or against ourselves with other projects within the District.

Does the District think we will have enough money at the end of the Truckee Elementary School project to finish it to the extent that it was projected? Although we have not yet begun construction of the existing building, Mr. Kleffman said that as of now, we are on track with the budget and have not had any major unforeseen issues.

If the numbers don't come in as we hope when we go out to bid for Truckee High School Increment 2, do we scale the project back or seek additional funds? Mr. Rojas said that knowing that we have a $20 million budget and knowing that we have an escalating market, we've looked at different control methods by putting two bid alternates in the scope of work. We need to have control methods in place before going out to bid in order to move the project forward and avoid additional delays in the project schedule.

6.0 Seeking One New Member

The Measure U Citizens' Oversight Committee is still seeking one (1) member, and is accepting applications for someone who is active in a bona fide taxpayers' organization. Jeri Johnson put in an application several months ago. Has anyone gotten back to her? Jorge Rojas will look into this.

7.0 Other Items

Tom Kleffman announced that the District had their annual audit in September. Everything went well and as far as he knows, there were no findings. The official audit report should be coming out in November, which we can discuss at the next Measure U COC meeting. The Measure U COC members would like to have the next meeting sometime in January 2018. Before Thanksgiving, Amy Sanders will send out a poll with suggested meetings dates and times for the next Measure U COC meeting.

8.0 Adjourn

Matthew Hippler, Measure U Citizens' Oversight Committee Chair, adjourned the meeting at 5:56 p.m.

Todd Rivera	Matthew Hippler
Executive Director of Business Services	Measure U Citizens' Oversight Committee Chair
Tahoe Truckee Unified School District	SFID No. 1