



LOS ANGELES COMMUNITY COLLEGE DISTRICT

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MINUTES Bond Steering Committee 8:30 a.m. on March 1, 2016

Committee members present:

1. PMO Director: Tom Donovan, LACCD PMO
2. College President: Dr. Erika Endrijonas, Valley College
3. Academic Senate: Don Gauthier, LACCD
4. Chief Facilities Executive (acting): Tom Hall, LACCD (committee chair)
5. Faculty Guild: Joanne Waddell, Valley College
6. Deputy chancellor: Dr. Adriana Barrera

7. Chief Financial Officer: Jeanette Gordon, LACCD

Committee members absent:

1. Faculty Guild: Carole Anderson, Trade-Tech
2. College President: Dr. Linda Rose, Southwest College
3. College President (interim): Bob Sprague, West L.A. College
4. Academic Senate: vacant

Guests and staff resource persons in attendance: Dan Minkoff (LACCD PMO), Lisa Turnbaugh (LACCD PMO), Bryan Payne (LACCD PMO), Kelly Cauvel (LACCD PMO).

Meeting began at 8:37 AM.

1) Approval of minutes

- a. January BSC meeting. Action needed: committee vote.**

Mr. Gauthier moved to approve the January minutes. Dr. Barrera seconded the motion. The committee members voted to approve the minutes as presented.

2) Risk management program/fund report

- a. Update on the status of the current risk and cost modeling process. No committee action required.**

Ms. Cauvel reported on program and college-level risk model results. She said the risk model for 40J funds is being run and that she will come back at a subsequent meeting to report results. She said that college project contingencies cannot be tapped until a project is completely closed out, which includes DSA certification, no claims or litigation attached to the project, no stop notices, etc.

Dr. Barrera asked about the difference between reserve and contingency. Mr. Hall said reserve has qualifications based on board requirements, such as legal and insurance claims. Ms. Cauvel said the aggregate college contingency is attached to a project and the aggregate college reserve is held by the college, but not yet attached to a project. She said the district bond contingency can be used to augment program level expenditures.

Mr. Minkoff cited the board resolution for program reserve, May 2012, and for contingency, January 2013.

Ms. Cauvel reviewed factors driving risk exposure, such as potential litigation, delay, unforeseen conditions, DSA review and others.

Ms. Waddell asked about the 80 percent confidence experience on the program. Mr. Hall said AECOM is providing good program management and has done better than expected confidence level so far.

Ms. Cauvel explained the prequalified selection process for contractors and the evaluation process after projects finish that will be used in future procurements.

Ms. Waddell asked about change orders. Mr. Donovan said there is an overview presentation scheduled for the March FMP&OC meeting to review change order numbers.

Ms. Waddell said previous reports showed that the category of owner-directed changes was a factor caused by faculty, but we didn't believe it. She said that we still are waiting for evidence. Mr. Hall said the numbers will show that owner-directed changes have slowed down as a result of the current processes.

Ms. Cauvel reviewed the risk drivers at each college.

Ms. Waddell asked about personnel and CPT staffing at Harbor, so Mr. Donovan explained that resources from another college will be combined to match the need and work remaining.

The committee discussed projects, including the central plant, at Southwest.

3) 2014-15 committee self-evaluation

a. Annual committee self-evaluation process. Possible committee action: vote to accept subcommittee recommendations.

The subcommittee completed and will send to Mr. Minkoff.

- 4) **Build-LACCD organization update**
 - a. **By request, review of the current bond program organization structure and leadership. No committee action required.**

Mr. Donovan introduced Ms. Turnbaugh as new deputy director. Mr. Hall explained that the organization chart is a snapshot in time.

The committee discussed the bond eligibility opinion of bond counsel regarding use of bond funds for public information.

Dr. Barrera mentioned the change to bond monitor position.

- 5) **Lease-Lease-Back update**
 - a. **By request, status of LLB procurement and projects. No committee action required.**

Mr. Donovan provided a separate handout and reviewed LLB project status. The committee discussed the risk of choosing whether to move forward with existing contracts, renegotiate with the contract to convert to design-build, or to reprocure under a different delivery method. Mr. Hall said that discussion will be had with the board.

Mr. Donovan said LLB projects are in the design phase, so the conversion won't affect how the buildings get built. He said the different contracting method would affect the relative risk carried by the district and by the contractor.

Mr. Hall said the decision about how to move forward will be made by the board.

- 6) **Proposed buyout of the northwest parking solar photovoltaic array at ELAC**
 - a. **Update on the power purchase agreement at East L.A. College and summary of the schedule of system buyouts. Possible committee action: vote to recommend approval.**

Mr. Gauthier asked if there is a budget to buy out PV projects. Mr. Hall said there is a budget. He said bond counsel said the buyout is bond eligible at fair market value and that evaluation is underway.

- 7) **DSA closeout report**
 - a. **Report on the Department of State Architect closeout status for LACCD projects. No committee action required.**

Mr. Donovan reviewed the 2015 DSA closeout numbers. Mr. Minkoff added that of the 31 projects closed without certification in 2015, seven have already been certified in 2016.

Mr. Donovan said there is an action plan for all projects on the list.

- 8) **College environmental impact report (EIR) and long-range, 30-year facilities master plan (MP) status report. No committee action required.**

- a. **Update on the status and most recent board action regarding college facilities MPs and EIRs. No committee action required.**

Not reviewed.

- 9) **Key Performance Indicator report revision update**

- a. **Review of three KPIs identified as needing revised criteria to more accurately reflect CPT and PMO activities. No committee action required.**

Ms. Cauvel reviewed revised KPI criteria for risk, schedule and change orders.

- 10) **LACCD Academic and Facilities Needs Overview**

- a. **Status and condition discussion of district facilities. No committee action required.**

Not discussed.

- 11) **Old Business**

None.

- 12) **New business**

- a. **40J fund status**

Mr. Donovan said at a future meeting, there will be a report on remaining projects.

Mr. Hall asked about changing date of April 5 meeting to March 29. Mr. Minkoff will poll committee members.

- 13) **Adjourn**

Meeting adjourned at 10:30 AM.

*Upcoming Bond Steering Committee meetings: **April 5, May 3 and June 7.** All meetings will be held at 8:30 a.m. in the Educational Services Center first-floor board hearing room unless otherwise noted.*