



MEASURE G BOND OVERSIGHT COMMITTEE ANNUAL REPORT FOR 2014-15

Message from Mr. Albert Hofmann, Chair of the Measure G Bond Oversight Committee

As chair of the Measure G Bond Oversight Committee of Glendale Community College, I am pleased to report to the community the continued successful utilization of the funds provided to the college by the passage of Measure G in March 2002.

The committee met two times (August 4, 2014 and February 2, 2015) this year where the status of the Measure G “projects” and financial information were reviewed.

In September 2014, the Board of Trustees of the college reallocated approximately \$7.6 million of Measure G funds that became available through savings realized from the Lab/College Services construction contract. Following are the projects that were funded:

- Lab/College Services - \$194,000: The college’s share of additional costs incurred for unforeseen conditions encountered in the site work.
- Lab/College Services Secondary Effects - \$1,150,000: Funds needed to remodel the vacated areas from departments moving into Lab/College Services building.
- Facilities Master Plan - \$150,000: Update of the college’s facilities master plan.
- Document Imaging System Upgrade - \$250,000: Current document imaging system has reached end of life and is no longer supported.
- Oracle Financial/Human Resources System Upgrade - \$600,000: Replace end of life equipment and upgrade system to a current version.

- Phase II Energy Conservation Projects - \$1,000,000: Funding earmarked for phase II energy conservation projects contingent upon the savings resulting from phase I projects.
- P.E. Remodel - \$3,000,000: College matching funds for remodel of locker rooms and the building of an auxiliary gym. Project is awaiting state funding.
- Reserves - \$1,237,000: Remaining funds to be held in reserve for future needs.

During fiscal year 2014-15, Measure G funds were expended on the following projects:

Lab/College Services Building

At the time of this report, the Lab/College Services building project is estimated to be 68% complete. It is located just west of the parking structure and will house some of the Student Services departments including Admissions and Records, Counseling, Financial Aid, EOP&S and DSP&S. In addition, there will be labs and classrooms. Funding for this project is from a state bond with matching Measure G funds.

A construction bid package was developed and submitted to the Chancellor's Office in May 2013. The lowest bid was from Mallcraft, Inc. In addition to being the lowest bidder, Mallcraft, Inc. performed well in construction of the Science Building in 2003 which provided confidence in the selection of this contractor. The Department of Finance provided its official approval to award the construction contract to Mallcraft, Inc. and released \$33,570,000 in state funding. The college's match from Measure G funds was set at \$5,465,000. Included in this funding was a \$2,122,000 contingency reserve.

Construction began in September 2013. Work on the site for the shoring wall and the foundation of the building encountered a number of unforeseen conditions including the presence of groundwater, excessive bedrock, unstable soil, and an operational drainage system that wasn't shown on the plans. These conditions resulted in additional work and cost. Since approximately \$5 million of the original state appropriation reverted back to the state when the Mallcraft, Inc. contract was awarded, it was hoped that the project budget could be augmented with some of these funds. The college filed an appeal to the state for a return \$1.385 million of project funds due to the unforeseen conditions in preparing the site. The Department of Finance approved the claim for additional costs. The additional costs were prorated between the state and the college in an 86% to 14% ratio resulting in an augmentation of \$1.19 million of state funding.

The contract manager for the college, Mr. Karl Aldridge has had thirty years of experience with various contractors, concluded that the unforeseen extra work to prepare the foundation was beyond the capability of the Mallcraft Corporation. This was an unfortunate circumstance which could not be remedied. The conditions that were encountered were the result of a faulty geological survey and other ground conditions that were exposed when the excavating for the building were begun.

Construction continued during the year. Major accomplishments during the year included the following:

- Building foundation poured
- Underground utilities completed with central plant tie-in
- Concrete floors and walls on all levels completed
- Roof level concrete poured
- Framing, HVAC, plumbing, electrical, and dry wall work has started on all floors
- Overall, the project is estimated at 68% complete

The scheduled substantial completion date for the building is December 10, 2015. In reviewing the progress made, it appears that this date will not be met. A more reasonable date looks like Spring 2016. The college met with Mallcraft to address its concerns on the schedule. Mallcraft still believes that it will meet the December 10, 2015 deadline. At the meeting, it was agreed that Mallcraft would hire an additional superintendent for oversight of the project, the subcontractors would work longer shifts and start weekend work, and an on-site scheduler to monitor the schedule and provide status reports would be added. It is hoped that these changes would enable the project to be completed on time.

Energy Conservation Projects - Phase I

A number of energy conservation projects were identified through a review of the facilities. The projects were sorted into three phases. At the August 26, 2013 board meeting, the Board of Trustees approved the use of \$1.5 million of Measure G funds for the Phase I projects. These funds were available from savings in the Lab/College Services building. Following is a list of projects that were funded:

- Installation of electric meters campus wide

- Lighting Upgrades
 - Library
 - Advanced Technology Building
 - Aviation Arts Building
 - Health Sciences Building
 - San Gabriel Building
 - Arroyo Seco Building
- Re-commissioning, upgrade and optimization of controls
 - Health Sciences Building
 - San Gabriel Building
 - Arroyo Seco Building
 - Central Plant 2
 - Library
 - Advanced Technology Building

Technology

The college completed two projects to upgrade its administrative information systems. The first upgrade was to its document imaging system replacing an “end of life” system that was no longer supported by the vendor. The second upgrade was to the Oracle Finance/Human Resources system bringing it up to the current version.

Facilities Master Plan

The college contracted with HMC Architects to update its facilities master plan. The last time this plan was updated was in 2002 and many of the projects have been completed. The facilities master plan will identify major projects needed for facilities over the next ten to fifteen years.

Summary of Measure G Projects

Project	Allocation as of June 2015	Expenditures as of June 2015	Total Available	Project Completion
Lab/College Services	5,659,000	528,070	5,130,930	Spring 2016
LCS- Secondary Effects	2,606,976	41,766	2,565,210	Fall 2016
Energy Conservation - Phase I	1,500,000	1,440,055	59,945	Fall 2015
Oracle R12/Document Imaging	850,000	844,732	5,268	Fall 2015
Facilities Master Plan	150,000	112,620	37,380	Fall 2015
Energy Conservation - Phase II	1,000,000		1,000,000	To be determ.
PE Remodel	3,000,000		3,000,000	Pending State funding
Server Room Upgrade	1,500,943	1,500,943	0	Complete
Cafeteria Remodel	498,500	498,500	0	Complete
Infrastructure	1,991,399	1,991,399	0	Complete
Planning	834,759	834,759	0	Complete
Technology	8,243,547	8,243,547	0	Complete
Garfield Campus	22,976,842	22,976,842	0	Complete
Facility Renovation	2,480,697	2,480,697	0	Complete
Allied Health	10,294,917	10,294,917	0	Complete
COPS Payment	306,453	306,453	0	Complete
Temp O & M Building	229,524	229,524	0	Complete
Network/Telephone	1,978,103	1,978,103	0	Complete
Science Center	6,989,932	6,989,932	0	Complete
Parking Structure	26,178,157	26,178,157	0	Complete
Health & Wellness	994,480	994,480	0	Complete
Athletic Facilities	4,417,324	4,417,324	0	Complete
Cost of Issuance	83,357	83,357	0	Complete
Contingency Reserve	1,208,108		1,208,108	
Total	105,973,018	92,966,177	13,006,841	

Annual Financial and Performance Audit

At the February 2, 2015 meeting, the committee members were given a copy of the FY 2013-14 Financial and Performance Audit. The audit was performed by Vavrinek, Trine, Day & Company. On the financial audit, the College received an "Unqualified" opinion on its financial statements. On the performance audit, no exceptions were found in the disbursement of funds, compliance with Measure G Bond Initiative ballot language and the classification of expenditures.

During 2013-14, the College was in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution. Specifically, the College expended bond proceeds on projects approved on the ballot and there were no expenditures for the College's operations. The committee continues to support and monitor the actions taken on behalf of the Measure G Bond program by the College administration.

I would like to acknowledge and thank the following individuals who served on the Measure G Bond Oversight Committee during 2014-15:

Ms. Greg Astorian
Mr. Armik Avedisian
Mr. Robert Hall
Mr. Farshid Khosravi

Mr. John Kociemba
Mr. Kevin Lee
Mr. Hugh Yao

Respectively submitted,
Albert Hofmann, Chair
Measure G Bond Oversight Committee