



## **MEASURE G BOND OVERSIGHT COMMITTEE ANNUAL REPORT FOR 2015-16**

### **Message from Mr. Armik Avedisian, 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 3, 2015 and February 1, 2016) this year where the status of the Measure G “projects” and financial information were reviewed.

During fiscal year 2015-16, Measure G funds were expended on the following projects:

### **Lab/College Services Building**

The Lab/College Services building project 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 (Extended Opportunity Programs and Services and DSP&S (Disabled Student Programs and Services). In addition, there will be labs and classrooms. Funding for this project is from a state bond with matching Measure G funds.

Mallcraft, Inc. was the lowest bidder and was awarded the construction contract. \$33,570,000 in state funding and \$5,465,000 of Measure G funds were allocated for this project. 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.

Construction continued during the year. Significant work was completed on the site concrete and exterior finishes. In addition, framing, HVAC (heating, ventilation and air conditioning), plumbing, electrical, and dry wall work was performed on all floors.

The scheduled substantial completion date for the building was December 10, 2015. On September 11, 2015, a meeting was held with Mallcraft, Inc. on concerns with meeting the schedule. At this meeting, it was agreed that the following remedial actions would be taken to complete the project as quickly as possible:

- Complete an updated, detailed and re-sequenced schedule
- Implement a three week look ahead schedule
- Provide a daily report indicating scheduled activities
- Hire two additional superintendents to oversee the project
- Hire a quality control staff member to the project

At this time, Mallcraft estimated that it would reach substantial completion by April 29, 2016,

Work progressed on the project but it appeared that the schedule was slipping again. There was significant outstanding work on the HVAC systems. On December 14, 2015, another meeting was held with Mallcraft to discuss the schedule. At this meeting, Mallcraft still felt the project was on schedule and agreed to the following contract changes:

- Increased liquidated damages (originally \$2,500/day) up to \$6,500/day if the project does not achieve substantial completion by March 31, 2016,

- Mallcraft to address the work of the HVAC subcontractor by exercising its rights under the performance bond if the subcontractor is in default.
- Mallcraft will use a construction schedule revised and provided by the college's construction management's firm.
- Implement daily coordination meetings with subcontractors.

Mallcraft did not meet the March 31, 2016 substantial completion date and the increased liquidated damages were applied. There was still substantial work outstanding and the quality of the work was declining. In an effort to expedite the completion of the project, the Board of Trustees approved the termination of the Mallcraft contract at its April 2016 board meeting. The college began working with Travelers, the company that issued the performance bond guaranteeing the completion of the project on a "Take Over" agreement. The "Take Over" agreement was signed on June 28, 2016 and Toby B. Hayward, Inc. was retained to complete the project.

### **Energy Conservation Projects - Phase I**

The energy conservation projects (Phase I) approved by the Board of Trustees on August 26, 2013 were completed. Following is a list of projects that were done:

- 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

## **Facilities Master Plan**

The college contracted with HMC Architects to update its facilities master plan. This plan was completed and has identified the major facility projects needed over the next ten to fifteen years.

## **Energy Conservation Projects - Phase II**

The college continued its work on energy conservation. A number of lighting and HVAC projects were identified college-wide at a total cost of approximately \$2 million. Proposition 39 funds and \$1 million of Measure G funds will fund these projects.

## **Network System Upgrade**

The college began upgrading its network to increase speed, access, and bandwidth. The network system upgrade will replace existing 10 year old network equipment with a current industry standard network ensuring continued access to technology resources into the future. The 1 gigabit fiber links between buildings will be upgraded to 10 gigabit. Over 160 building switches nearing end-of-life status will be replaced. The core routing will be upgraded and extended to include the Lab/College Services Building. Communication software and hardware will also be upgraded. The wireless network will be extended to include redundant access controllers for high availability. Network Firewalls will be upgraded and an Intrusion Detection System (IDS) will be introduced for added security and monitoring. Finally, cabling across campus will be replaced where needed. An additional \$1.2 million of Measure G funds was allocated for this upgrade.

## Summary of Measure G Projects

<b>Project</b>	<b>Allocation as of June 2016</b>	<b>Expenditures as of June 2016</b>	<b>Total Available</b>	<b>Project Completion</b>
Lab/College Services	5,659,000	2,850,394	2,808,606	Fall 2016
LCS- Secondary Effects	2,606,976	164,499	2,442,477	Fall 2017
Energy Conservation - Phase I	1,500,000	1,440,055	59,945	Complete
Oracle R12/Document Imaging	850,000	844,732	5,268	Complete
Facilities Master Plan	150,000	112,620	37,380	Complete
Energy Conservation - Phase II	1,000,000	185,792	814,208	TBD
Network System Upgrade	1,260,107	505,493	754,614	Summer 2016
PE Remodel	3,000,000	0	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
<b>Total</b>	<b>106,025,017</b>	<b>96,102,519</b>	<b>9,922,498</b>	

### Annual Financial and Performance Audit

At the February 1, 2016 meeting, the committee members were given a copy of the FY 2014-15 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 2014-15, 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 2015-16:

Mr. Greg Astorian  
Mr. Sophal Ear  
Mr. Robert Hall  
Mr. Larry Hanson  
Mr. Al Hofmann

Ms. Gasia Keuork  
Mr. Farshid Khosravi  
Mr. John Kociemba  
Mr. Kevin Lee  
Mr. Hugh Yao

Respectively submitted,  
Armik Avedisian, Chair  
Measure G Bond Oversight Committee