

# Measure H Update

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PRESENTED TO THE GOVERNING BOARD

JUNE 14, 2016



# Management Components a of Bond Program

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## 1. Financial controls:

- Fund budget development
- Fund tracking and reporting
- Purchasing (design and engineering, general contracting etc.)
- Accounts Payable

## 2. Program management and oversight:

- Facilities master planning (linkage to strategic plan, district standards etc.)
- Implementation planning (swing space, move management, construction planning, etc.)
- Internal and external communication

## 3. Project specific design and construction management:

- Project management (including architects, engineers and contractors)
- Furniture, Fixtures and Equipment (specialty consultant)
- Commissioning (specialty engineering teams)



# Bond Management Options

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## 1. Full consulting team:

- Consulting program management team provides all required services
- Work is concentrated with one firm and employees are not necessarily local
- Most flexible, highest cost staffing model

## 2. Internal Staff Team:

- Internal staff team provides most services, with consultants providing specialty services
- Employees must be kept busy at all times or the model is inefficient
- Least flexible, lowest cost staffing model

## 3. Hybrid Model:

- Employees hired to supplement existing staff and remain as employees while the bond is active
- Leverages existing staff, adding consultants for specialty services
- Hybrid staffing model allows participation by qualified vendors
- Preserves some flexibility



# Comparing Measure A to Measure H

	Bond Size	State Funds	Interest (etc)	Fund Total	Time	Fin. Controls
Measure A	\$251.7M	\$65.0M	\$29.9M	\$346.6M	14 yrs.	Internal
Measure H	\$410.0M	\$56.6M (est. thru 2021)	\$6.2M (1.5% interest)	\$470.7M	10 yrs. (goal)	Internal

## Measure A:

- Overseen internally by the Chief Administrative Officer
- Projects were managed by professional Construction Managers

## Measure H:

- Overseen internally by the Director of Capital Projects
- Projects will be managed by professional Construction Managers
- 2030 Plan Steering Committee charged with leading the participatory governance process, linking the strategic plan to the Facilities Master Plan and creating District Standards.



# Which model is right for SRJC?

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## 1. President's Goals and Objectives:

- Participatory, Inclusive and Transparent
- Direct funds to the benefit of students wherever possible
- Build upon a successful Measure A process and make it better
- Provide opportunities for local vendors to participate in the bond

## 2. Other Considerations:

- Measure H bond is approximately 35% larger than Measure A
- Flexible structure should allow multiple projects to move forward quickly
- Utilize existing internal staff to leverage lessons learned from Measure A
- Hire experienced Director for best industry practices and perspective from other institutions



# Recommended Bond Structure

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# How will it Work?

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## Hire internal Director of Capital Projects:

- Similar structure to Measure A, with an internal leader providing guidance to the team
- Specialists are hired when necessary – no additional mark ups or management fees
- Director brings experience from other local community college Districts

## Manage day to day bond work with existing or newly hired internal staff:

- Hire key internal positions that will report to existing District Directors, building upon knowledge gained from Measure A
- Hire one additional purchasing specialist (hiring process ongoing)
- Create a bond accounts payable specialist position (internal transfer)

## Extend contract of existing CM to build upon knowledge of the District culture:

- FPPS hired by Facilities Dean Tony Ichsan to assist with Measure A projects (contract extension complete)
- Hire additional Construction Managers to assist with projects, including Burbank Theater



# Additional Next Steps

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Create “Pools” of Pre-Qualified Consultants to draw from:

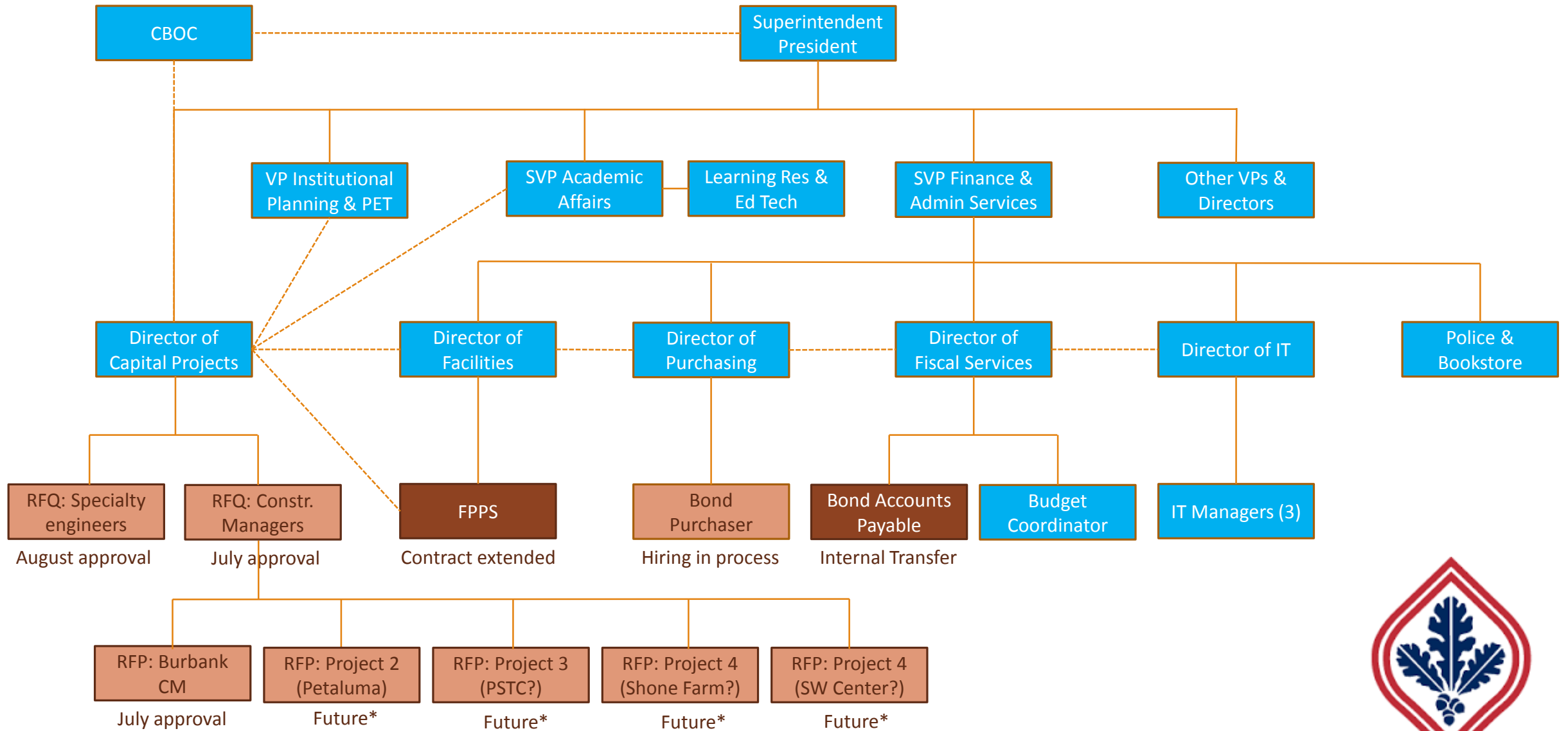
- Construction Managers (July Board approval)
- Specialty Engineering Firms (August Board approval)
- Architects and limited engineering teams were pre-qualified for Measure A and are deemed qualified for work in Measure H

Hire architects and engineers for specific projects:

- Major capital projects – hiring committee will include a student, faculty, staff, board member and administrative managers
- Small projects – internal staff to select appropriate design and engineering team from pre-qualified consultant “pool” with oversight of process by the Director of Purchasing
- General contractors will be selected by low bid process or design-build process, under the leadership of the Director of Purchasing (with assistance from Director of Capital Projects and Director of Facilities)







\*Future Projects can start simultaneously, if properly planned



# Annual Program Costs

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Annual Budget to include Measure H Management (\$500K):

- Director of Capital Projects
- Project Assistant III
- Bond Purchaser
- Bond Accounts Payable (half FTE)
- Part time assistance from Budget Coordinator

Assistance from FPPS through April 2017 (\$675K):

- Senior Project Manager
- Project Engineer
- Sustainability Coordinator
- Part time DSA Project Close Out Specialist

Total Program Management Costs: \$1.175M per year



# Compare to Other Institutions

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## College of Marin

- Full consulting program management model
- Seven year contract
- \$13.8M for seven years, or \$1.97M per year
- All PM/CM services provided by single consulting team

## Solano Community College District

- Consulting program manager with internal fiscal control team
- Consulting Construction Managers
- \$8.8M for four years, or \$2.2M per year

## SRJC

- Recommended Hybrid Model
- \$1.175M per year for program management
- CM fees on per project basis



# Questions?

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