

Measure H Update

PRESENTED TO THE GOVERNING BOARD

JUNE 14, 2016



Management Components a of Bond Program

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

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?

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

1. Full consulting team:

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How will it Work?

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

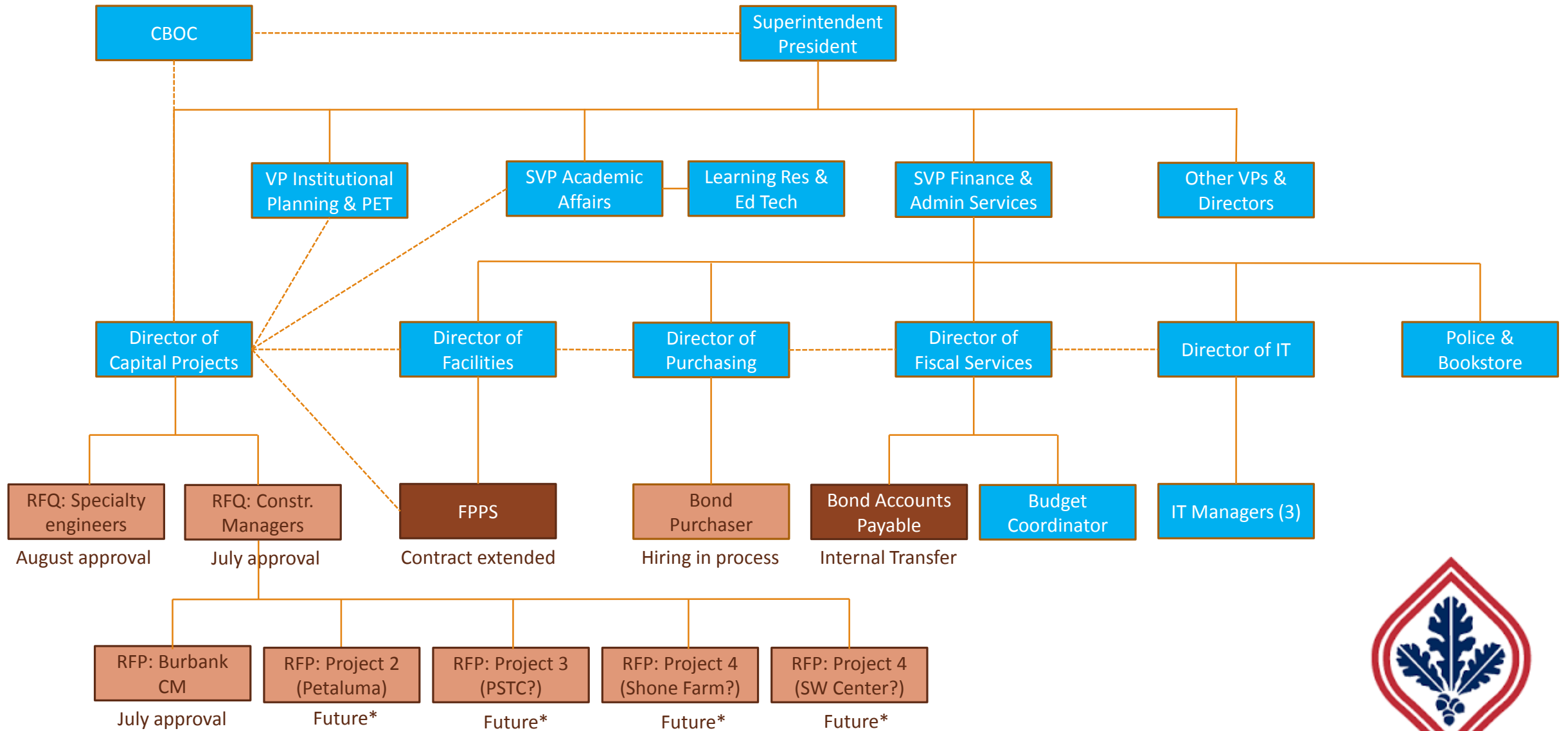
Create “Pools” of Pre-Qualified Consultants to draw from:

- 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

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

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?

