



**MINUTES**  
**ORANGE UNIFIED SCHOOL DISTRICT**  
**Measure S**  
**Citizens' Oversight Committee**  
**District Office – 5:00 p.m.**  
**CONFERENCE ROOM B**  
**July 27, 2022**  
**Meeting No. 21**

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**1.0 CALL TO ORDER**

Chair Diana Fascenelli called the meeting to order at 5:04 p.m.

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**2.0 PLEDGE OF ALLEGIANCE**

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**3.0 ESTABLISHED QUORUM**

Present: Diana Fascenelli, Dan Slater, Patricia Buttress, Nicol Jones, Mrunal Shah, Bill Utter

Not Present: Bill Campbell

Staff Present: Dr. Gunn Marie Hansen, Dave Rivera, Meghna Bulsara, Scott Harvey, and Rory Lorenzo

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**4.0 PUBLIC COMMENTS**

There were no public comments.

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**5.0 APPROVAL OF AGENDA**

**Action**

Member Patricia Buttress motioned to accept the agenda for July 27, 2022. Second by Member Mrunal Shah.

**Motion Passed: 6-0-1**

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**6.0 APPROVAL OF MINUTES**

**Action**

Member Patricia Buttress motioned to accept the minutes for January 19, 2022. Second by Member Nicol Jones.

**Motion Passed: 6-0-1**

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**7.0 MEASURE S UPDATE PRESENTATION-Phase II and Bond Sale**

**Information**

**Phase II:**

Mr. Harvey provided the Measure S update for Phase I completion and thanked the COC for all their support in the opening of the Science Centers. Mr. Harvey also provided the members with the Phase II information and the inflation challenges and other factors which have made the transition difficult.

Mr. Harvey congratulated Mr. Dave Rivera on his new appointment as Deputy Superintendent/CBO for Orange Unified School District.

Mr. Harvey provided the Phase I update to members stating all the Science Centers were now open for student use.

Ms. Shah asked if the contractor that worked on Villa Park High School (VPHS) would also be working on other sites to which Mr. Harvey responded that ACI would not be eligible to bid on the next Phase II projects due to the current legal matters involving liquidated damages being assessed between them and OUSD.

Mr. Rivera further explained how liquidated damages are being currently assessed and how OUSD secured funds in non-bond accounts to prepare for any legal remedies needed. He also explained that the project has several stop notices and retention funds are being withheld and will not be released. He also discussed that stop notices are generally submitted if sub-contractors are not paid in a timely manner by the general contractor.

Ms. Shah inquired about payment withholdings on contracts to which Mr. Harvey explained all OUSD projects hold a 5% retention, and that retention is only released after all stop notices are cleared at the end of the project.

Mr. Utter asked if this was the same contractor that started the project to which Mr. Harvey responded that it was except for a structural steel contractor being replaced in the VPHS project not the general contractor, ACI.

Mr. Harvey explained there was also a similar situation with the El Modena High School (EMHS) close out punch list as multiple stop notices were also in effect due to nonpayment on the general contractor's part. Mr. Lorenzo added that the contract is almost 100% completed by except for those stop notices. Ms. Shah asked who that contractor was for EMHS and Mr. Harvey stated it was also ACI.

Mr. Harvey continued with a status update and explained Canyon High School (CHS) was moving to a successful completion date and the new Kitchen would be opening in September 2022. Ms. Buttress asked if the new Kitchen was part of culinary program for students for a serving area for students. Mr. Harvey explained it is a serving area for students due to the previous kitchen area being demolished to make way for the new Science Center.

Mr. Rivera discussed the current challenges in the current economic environment which will cause a 10-15% cost increase than expected for the Phase II projects. Mr. Harvey explained that due to this the scope of work would have to be readjusted in several areas to stay within the available budget.

Dr. Hansen added that some of the raises in costs were due to constructor speculation and looming recession and economic uncertainty.

Mr. Slater stated he was seeing similar economic trends in the real estate market. Mr. Slater inquired about "value engineering" and its significance as it was brought up earlier. Mr. Harvey explained it is an itemized way to reduce costs by reviewing line item by line item and remove/reduce costs without changing the overall scope of work. Dr. Hansen stated that a situation like this occurred at one of the high schools where a glass elevator was replaced with a regular one to reduce costs and due to safety concerns with the glass breaking.

Mr. Harvey completed the status of Measure S and stated that the VPHS Phase II would be going to October 2022 Board Meeting, OHS in November 2022, EMHS and CHS in Spring of 2023.

#### **Bond Sale:**

Mr. Rivera discussed the Bond Sale for the second series of bonds for June 2022. *\*The winning bid was from JP Morgan at a 4.133% rate.\** He explained the first bond sale and the ability to move forward sooner than expected to Phase II due to the savings to taxpayers from Phase I. He further explained there are typically 4-5 bidders and this time there were 9 bidders. JPMorgan was awarded the bonds and he continued to explain the online bidding process and how close the bids were.

Ms. Shah asked what the amount was for this round of bonds. Mr. Rivera stated the total was for \$188 million in 2018 and this round was for \$100 million.

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## 8.0 VPHS FACILITIES REVIEW – Member Requested

## Discussion

Ms. Fascenelli introduced the item as requested by Ms. Jones regarding some of the VPHS items that were included in the project.

Ms. Jones stated several parents expressed that some items were a “waste of money” like the fume hoods and dishwashers, *\*that were inoperable,\** in the Science Center rooms. She stated the fume hoods were not working and that teachers were not provided with user manuals on how to use them. A list was provided to the members with the concerns being brought up. Ms. Jones expressed that she, Mr. Harvey, and the teachers/staff have already been communicating on how the issues are being addressed.

Dr. Hansen expressed that the fume hoods were specifically requested by the teachers on site due to the chemicals used in experiments and for safety. She also stated the dishwashers were also requested as these were necessary to the proper cleaning of the glassware used in these Science classrooms. Mr. Harvey added that regarding the operations of the fume hoods an outside consultant had been hired to address the issues. Mr. Utter stated he has also worked in environmental related ventures and that fume hoods are almost always a requirement for this type of project. Dr. Hansen further expressed that during her time as Deputy Superintendent the teachers insisted on having the fume hoods and the glassware dishwashers be part of the Measure S specifications. She expressed it might be helpful for OUSD staff to attend a parent meeting and further explain this.

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## 9.0 MEMBER TERMS AND TERM LIMITS FOR COC MEMBERS – Future Agenda Item Information

Ms. Fascenelli introduced the item regarding terms and term limits for the membership. She stated that four members have expiring term limits in May 2023 and the seats will need to be filled or the term limits could be revised to extend the terms until completion.

Mr. Rivera stated Bond counsel, David Casnocha, could be brought in to discuss further options regarding this change in the term limits. Ms. Fascenelli inquired if this could be a written option instead of having Mr. Casnocha attend in person to avoid additional costs for his fees. Ms. Buttress stated she would find it beneficial to hear the information, discuss and move forward with a decision after that. Ms. Fascenelli stated it would be ideal to have the members who started the process see it to its finalization.

OUSD staff agreed to work on a draft for a future proposal and term limit discussion for the future.

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## 11.0 AGENDA ITEMS FOR NEXT MEETING

There were no specific agenda items for next meeting.

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## 12.0 ADJOURNMENT

The meeting was adjourned by Chair Fascenelli at 6:04 p.m.

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