

# Bond Construction Program

## Overview and Budget Update

Board of Trustees Meeting  
November 7, 2018



# Bond Construction Program Accomplishments

- 2004 Measure CC is complete
  - \$210M local bond funds expended
- 2012 Measure G is ongoing
  - \$ 350M local bond funds
  - \$ 10M approved state funding (HS Renovation)
  - \$ 360M funds available
  - \$(130M) expended to date
    - LRC, Culinary Arts, Social Science Elevator, Fine Arts, Health & Wellness, Campus and Parking Lot Improvements, Roof Replacements, Security, Infrastructure & Swing Space
  - \$ (70M) encumbered (Health & Wellness)
  - \$(193M) remaining budget to complete
    - Performing Arts & Unobligated for Health Science, Modernization, Falcon Center, BELA, CDC, Implementation)
  - \$(393M) projected expenditures
  - \$ (33M) projected variance



CURRENT CAMPUS 2018





# Bond Construction Program Accomplishments



Eight new buildings since 2006 totaling 265,050 s.f!  
Four new buildings since 2014 totaling 133,723 s.f!  
Another 79,032 s.f. coming in Early 2019!  
Numerous building modernizations, infrastructure improvements, & site improvements.







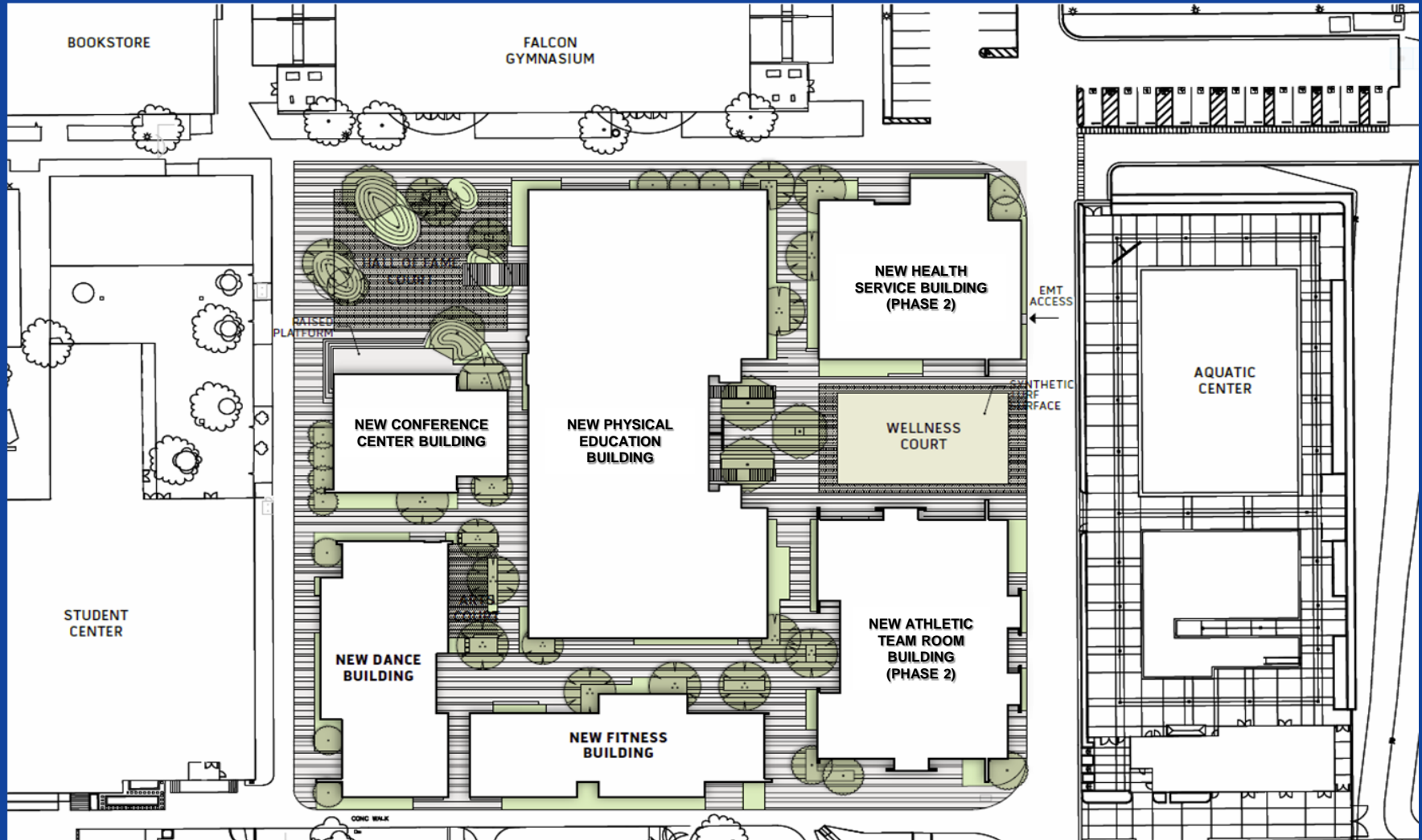
CONSTRUCTION 2018

# Health & Wellness Complex

## Six Buildings Constructed in 2 Phases

Phase 1 Occupancy – January 2019

Phase 2 Occupancy – August 2020







CONSTRUCTION 2019





# CONSTRUCTION 2020





CONSTRUCTION 2021





# CONSTRUCTION 2022







# The State of California Public Works Construction 2018



- CCCI – California Construction Cost Index
  - **2.4% per year** (average per year CY2017 & 2018)
- ENR BCI – Engineering News Record Building Cost Index
  - **6 – 8% per year** (CY2017 Los Angeles)
- Turner Building Cost Index
  - **5.6% per year** (Q2 2017 – Q2 2018, United States)



# The State of California Public Works Construction 2018



Where as,

- CCFC – Community College Facility Coalition
  - In May 2018 recommends to “not use indices” and to use “real market from subcontractors” to budget escalation
  - One or more CC Districts in Southern California are budgeting
    - **15% per year** (5% escalation + 10% market condition)
  - CCFC has noted
    - **12% per year** (1% per month)
- State Chancellor’s Office has noted
  - **12% per year** (1% per month)



# The State of California Public Works Construction 2018



- **Material Price Increases** (during the last 12 months)
  - Plywood, **10%** as of 9/23/18, 25% projected by 12/31 (tariff)
  - Lumber, **26%** from 2017 – 2018 per RS Means
  - Concrete, **17%** as of 5/18/18, per CCFC
  - Roofing Materials, **24%** from 2017 – 2018, per RS Means
  - Steel, **46%** as of 7/12/18, per actual steel mill price increases, Atlas Tube, Chicago, IL & Nucor-Yamato Steel, AR
    - Nine (9) increases since November 2017
    - \$370 per ton (went from \$800 per ton to \$1,170 per ton)
  - 1,250 tons of steel in PAC, \$462,500 raw material price increase
  - Also affects rebar, metal studs, piping, conduit, ceiling grid, misc. metals, among others





# Current Construction Environment California K-14 G.O. Bonds

## G.O. Bonds Authorized by Electorate by Year

Year		Amount
2009	2 successful bond initiatives	\$ 69 million
2010	61 successful bond initiatives	\$ 5.05 billion
2011	7 successful bond initiatives	\$ 981 million
2012	113 successful bond initiatives	\$13.2 billion
2013	7 successful bond initiatives	\$ 321 million
2014	128 successful bond initiatives	\$12.6 billion
2015	9 successful bond initiatives	\$ 1.14 billion
2016	207 successful bond initiatives	\$28.55 billion
2017	2 successful bond initiatives	\$155 million
2018 June	32 successful bond initiatives	\$2.66 billion
<b>TOTAL</b>		<b>\$ 64.7 billion</b>
2018 Nov.	102 <i>proposed bond initiatives</i>	<i>\$14.7 billion</i>
<b>TOTAL</b>		<b>\$ 79.4 billion</b>

Data provided by ballotpedia.org

2016 State Prop 51 State School Construction Bond:  
\$ 9 billion with \$ 2 billion earmarked for community colleges.

2020 State Bond is being considered.

# Current Construction Environment Southern California K-14 G.O. Bonds

## G.O. Bonds Authorized by Electorate in 2018

<b>June 2018</b>	<b>K-12</b>	<b>CCD</b>
Los Angeles County	\$ 444 million	
Orange County		
Riverside County		
Ventura County	\$ 503 million	
San Bernardino County		
San Diego County		
<b>November 2018</b>	<b>K-12</b>	<b>CCD</b>
Los Angeles County	\$ 1.35 billion	\$ 750 million
Orange County	\$ 329 million	
Riverside County	\$ 323 million	
Ventura County	\$ 69 million	
San Bernardino County	\$ 62 million	\$ 1.17 billion
San Diego County	\$ 4.84 billion	
<b>Total 2018 K-14 G.O. Bonds - SoCal</b>	<b>\$ 7.92 billion</b>	<b>\$ 1.92 billion</b>



- **Hurricanes**

- \$ 10B Hurricane Matthew (southeast 2016)
- \$125B Hurricane Harvey (Houston 2017)
- \$127B Hurricane Irma (Florida 2017)
- \$ 91B Hurricane Maria (Puerto Rico 2017)
- \$ 39B Hurricane Florence (the Carolinas 2018)
- \$ 8B Hurricane Michael (Florida 2018)

- **California Wildfires**

- \$480B 2016 California Wildfires
- \$ 18B 2017 California Wildfires
- \$ 3B 2018 California Wildfires

- **\$901B Total CY2016 – 2018**

# Performing Arts Center Budget

- **Budget**
  - \$55.0M budget in Aug. 2016 included 10% total escalation at 4% per year projected to Feb. 2019 to the mid point of construction
- **Last Estimate (prior to bid)**
  - \$65.2M DSA estimate update in June 2018 included 14.5% total escalation at 6% per year to May 2020 to the mid point of construction
- **Bid Results**
  - \$76.4M actual bid results in Sep. 2018



# Performing Arts Center Costs Escalation

- **PAC Estimate**

- With escalation projected to the midpoint of construction
- \$60.6M in fall 2017 included 7% total escalation at 4% per year projected to April 2019
- \$63.2M in early 2018 included 16% total escalation at 7% per year projected to May 2020
- \$65.1M in mid 2018 included 20% total escalation at 8.2% per year projected to May 2020
- \$71.5M if 29% total escalation at 12% escalation per year
- \$75.6M if 36% total escalation at 15% escalation per year

- **Preliminary Bid Results**

- \$76.4M, 38% total escalation at 15.6% escalation per year

# Performing Arts Center Pre-Bid Value Engineering

- **Market conditions were anticipated**
- **Prior efforts trying to control costs**
  - Five (5) rounds of value engineering during design
  - Driven by college oversight
  - Multiple reductions to date
  - Value engineering, scope and cost reductions
  - Compressed gross square footage, removed a lower level, raised plumbing and eliminated sewage lift station, reduced finishes inside and out



# Performing Arts Center Pre-Bid Value Engineering

- **\$(12.8M)** reduction at SD (Schematic Design)
  - \$63.6M estimate, \$50.8M after VE inc. 4% escalation (Mar. to June 2016)
- **\$(11M)** reduction at DD (Design Development)
  - \$66.1M estimate, \$55.1M after VE inc. 4% escalation (Aug. 2016)
- **\$(1.4M)** reduction at CD (Construction Documents)
  - \$62.0M estimate, \$60.6M after VE inc. 4% escalation (Oct. To Nov. 2017)
- **\$(1.8M)** reduction at CD Update
  - \$65.0M estimate, \$63.2M after VE inc. 6% escalation (Jan. to May 2017)
- **\$(100K)** reduction at DSA update
  - \$65.2M estimate, \$65.1M after VE inc. 8.3% escalation (June to Aug. 2018)

# Performing Arts Center Post-Bid Value Engineering

- **Ongoing efforts trying to control these costs**
  - Additional value engineering and scope reduction
  - Input from end users
  - Eliminate/defer the orchestra pit lift and orchestra shell, value engineer theatrical AV systems, reduce acoustical systems in non-critical areas, simplify interior and exterior finishes
  - \$1.6M in potential reductions to consider
  - Additional input from low bid trade contractors



# Overview of Bids for the Performing Arts Center

- Bid categories 1-28 advertised on August 7<sup>th</sup>.
- Received multiple responsible, responsive bids for 27 of the 28 bid categories.
- Identified several categories for further value engineering that are not on the critical path
  - Three (3) bid categories to be rebid due to various bid irregularities. These are not critical path categories and will not adversely affect the construction schedule.
  - Cost reductions in four (4) bid categories among others.



# Summary of Performing Arts Center Bids

B.C.	Bid Category Description	Original Construction Estimate	Preliminary Results
01	Demolition, Grading & Paving	\$ 3,300,000	\$ 2,805,000
02	Structural & Site Concrete	\$ 8,400,000	\$ 12,172,000
03	Masonry	\$ 780,000	\$ 655,450
04	Structural Steel & Misc. Metals	\$ 9,700,000	\$ 9,386,000
05	Casework & Finish Carpentry	\$ 190,000	\$ 547,620
06	Sheet Metal & Expansion Joints	\$ 630,000	\$ 1,770,750
07	Metal Wall Panels	\$ 1,900,000	\$ 1,872,450
08	Roofing	\$ 1,080,000	\$ 1,694,921
09	Doors, Frames & Hardware	\$ 620,000	\$ 621,625
10	Storefront, Curtain Wall & Glass	\$ 1,750,000	\$ 2,232,000
11	Metal Stud Framing, Drywall, Plaster, Insulation & Acoustical Sealant	\$ 7,450,000	\$ 10,058,585
12	Flooring	\$ 280,000	\$ 369,035
13	Terrazzo Flooring	\$ 270,000	\$ 222,800
14	Wood Flooring	\$ 390,000	\$ 415,000
15	Tile	\$ 330,000	\$ 314,595
16	Acoustical Treatments	\$ 1,500,000	\$ 2,776,470
17	Painting	\$ 550,000	(est) \$ 550,000

Preliminary results continued on next page.





# Summary of Performing Arts Center Bids

B.C.	Bid Category Description	Original Construction Estimate	Preliminary Results
18	Miscellaneous Specialties	\$ 1,520,000	(est) \$ 2,230,000
19	Theatrical Rigging & Equipment	\$ 1,360,000	(est) \$ 2,693,000
20	Theatrical Seating	\$ 270,000	\$ 338,030
21	Fire Sprinklers	\$ 780,000	\$ 647,000
22	Building & Site Plumbing	\$ 2,450,000	\$ 2,222,222
23	HVAC	\$ 5,500,000	\$ 7,041,000
24	Electrical	\$ 9,800,000	\$ 9,894,000
25	Communications & Data	\$ 500,000	\$ 321,525
26	Audio Visual	\$ 2,350,000	\$ 1,463,366
27	Fire Alarm	\$ 600,000	\$ 532,570
28	Landscaping & Irrigation	\$ 850,000	\$ 578,333
	<b>Total Construction Costs</b>	<b>\$ 65,100,000</b>	<b>\$ 76,425,347</b>

# Performing Arts Center Construction Schedule

- **Construction Schedule: Start December 2018 – Occupancy September 2021 for Instruction in January 2022.**







# ROM Budget Adjustments 2018

Project	Feb. 2017 Update	Nov. 2018 Update	Percentage Increase	
Performing Arts Center	\$ 70,600,000	\$ 102,500,000	45.0%	
Falcon Center (Admin/Student Services)	\$ 70,447,500	\$ 88,100,000	25.0%	
Health Science Renovation	\$ 17,890,000	\$ 22,300,000	25.0%	

**Cerritos College  
Projects Funded by Measure G  
From Inception through June 30, 2018**

Print Date: 11/5/2018

Status Legend			
C: In Construction	CD: Const. Drawings	DSA: At DSA	N/A: Not Advanced
P: Pending	PP: Programming	N: New Project	Z: Cont. Complex

Location #	Status	Description	ROM BUDGET					FUNDING SOURCE			EXPENSES			Notes			
			STATE 2013	MEAS. G 2013	MEAS. G 2013	MEAS. G 2014	MEAS. G Jan 2015	MEAS. G Jan 2017	MEAS. G Nov. 2018	STATE	MEASURE G	DONOR / OTHER	Program Expenses to Date		Encumbered / Budget to Complete	Estimated Program Expense	Variance from Funding Source
<b>A. BUILDING RENOVATIONS:</b>																	
65025	✓	1 LEARNING RESOURCE CENTER		11,004,068	11,004,068		4,300,000	7,218,478	7,138,769		7,138,769		7,138,769	0	7,138,769	0	653K expensed on Measure CC. \$79,709 surplus returned to the Program.
65039	✓	2 CULINARY ARTS		7,862,484	7,862,484		7,660,000	7,503,210	7,653,964		7,653,964		7,653,963	0	7,653,964	0	115K expensed on Measure CC. \$206,036 surplus returned to the Program.
65053	P	3 HEALTH SCIENCE (2016 FPP) (PLA)	7,230,000	7,090,642	14,332,842		17,890,000	17,890,000	22,300,000	10,361,000	11,919,000		80,000	22,220,000	22,300,000	0	Project Transferred from Measure CC.
		4 MODERNIZATION		15,000,000	15,000,000		15,000,000	10,000,000	10,000,000		10,000,000		0	10,000,000	10,000,000	0	
65011	C	5 SOCIAL SCIENCE ELEVATOR						1,300,000	2,841,167		2,841,167		1,287,395	1,553,772	2,841,167	0	Professional Services expensed on Measure CC.
65036	C	19 STADIUM ADA UPGRADES						1,200,000	1,200,000		1,200,000		673,738	626,263	1,200,000	0	
		6 SUBTOTAL - Building Renovations	7,230,000	41,623,395	48,259,395	0	45,050,000	44,011,698	51,133,900	10,361,000	40,752,900	0	16,833,865	34,300,035	51,133,900	0	
<b>B. NEW CONSTRUCTION:</b>																	
65040	✓	7 FINE ARTS		28,818,055	28,818,055		33,530,000	33,530,000	34,199,656		34,199,656	84,655	33,998,632	285,678	34,284,311	0	5182K expensed on Measure CC. \$54K SCE Savings By Design Credit.
65052	C	8 HEALTH & WELLNESS COMPLEX (PLA)		45,700,000	45,700,000		60,230,000	67,800,000	67,800,000		67,800,000		36,440,550	31,358,451	67,800,000	0	
65054	P	9 FIELD HOUSE (PLA)		6,900,000	6,900,000		11,660,000	11,660,000	11,660,000		11,660,000		631,802	11,028,198	11,660,000	0	
65061	P	10 PERFORMING ARTS CENTER	37,430,000	8,570,000	46,000,000		62,700,000	70,800,000	102,500,000		102,500,000		6,224,254	96,275,746	102,500,000	0	
		11 FALCON CENTER		59,900,000	59,900,000		82,620,000	70,447,500	88,100,000		88,100,000		0	88,100,000	88,100,000	0	
		12 BUSINESS EDUCATION/LANGUAGE ARTS (IFP)		44,800,000	44,800,000		46,460,000	46,460,000	46,460,000	15,815,000	30,645,000		0	46,460,000	46,460,000	0	
		13															
65041	P	14 CHILD DEV CENTER	7,500,000	2,500,000	10,000,000		10,000,000	10,000,000	10,000,000	5,000,000	5,000,000		0	10,000,000	10,000,000	0	
		15															
		16 SUBTOTAL - Proposed Building Projects	44,930,000	197,188,055	242,118,055	0	287,200,000	310,497,500	360,719,656	20,815,000	339,944,656	84,655	77,295,238	283,599,073	360,894,310	0	
<b>C. SITE PROJECTS:</b>																	
65057	C	17 SHADE STRUCTURES		5,500,000	5,500,000		7,400,000	6,900,000	6,900,000		6,900,000		5,932,511	907,489	6,900,000	0	
65010	P	18 PARKING LOTS: IMPROVEMENTS		7,000,000	7,000,000		7,000,000	5,000,000	5,000,000		5,000,000		2,380,516	2,619,484	5,000,000	0	
65035	✓	19 STADIUM TURF REPLACEMENT						3,000,000	1,027,012		1,027,012		23,274	1,003,737	1,027,012	0	\$1.2M repensed to 65036 for ADA upgrades \$772,988 surplus returned to the Program.
		20 SUBTOTAL - Proposed Site Projects	0	12,500,000	12,500,000	0	14,400,000	12,575,900	12,927,012	0	12,927,012	0	6,336,302	4,590,710	12,927,011	0	
<b>D. CAMPUS-WIDE PROJECTS:</b>																	
65044	✓ / P	21 ROOF REPLACEMENTS						3,000,000	3,000,000		3,000,000		2,237,437	702,563	3,000,000	0	Roof replacements and maintenance.
65050	C	22 SECURITY		2,000,000	2,000,000		1,475,000	1,475,000	2,223,878		2,223,878		1,843,865	380,013	2,223,878	0	Campus Emergency Phones, Fire Alarm Upgrades.
65051	P	23 IT INFRASTRUCTURE		2,000,000	2,000,000		1,475,000	1,475,000	66,214		66,214		66,214	0	66,214	0	Majority of project funded by Meas. CC. \$1,408,786 surplus returned to the Meas. G Program
65056 / 65062	C	24 INFRASTRUCTURE (UTILITIES) / ELEC. UPGRADE		15,000,000	15,000,000		4,400,000	6,180,000	6,180,000		6,180,000		6,017,610	162,390	6,180,000	0	
65060	C / C	25 CENTRAL PLANT EXP / EMS UPGRADE					10,000,000	10,800,000	10,800,000		10,800,000		9,629,712	1,170,288	10,800,000	0	
65075 / 65076 / 65023	✓	26 SWING SPACE		5,000,000	5,000,000		6,650,000	4,629,695	4,663,790		4,663,790		4,663,790	0	4,663,790	0	Projects: Mobile Kitchen, Modular Classroom, HP Building, HR Foliocon. \$2M Returned to Meas. G. Balance Funded by Meas. CC
		26 SUBTOTAL - Campus-Wide Projects	0	24,600,000	24,600,000	0	24,000,000	27,559,695	26,933,882	0	26,933,882	0	24,458,628	2,475,254	26,933,883	0	
		<b>SUB-TOTAL OF A+B+C+D</b>	<b>52,166,000</b>	<b>274,711,449</b>	<b>326,877,449</b>	<b>0</b>	<b>370,650,000</b>	<b>394,644,783</b>	<b>451,714,450</b>	<b>31,196,000</b>	<b>420,518,450</b>	<b>84,655</b>	<b>126,924,033</b>	<b>324,875,072</b>	<b>451,799,103</b>	<b>0</b>	
		27 CONTINGENCY		25,000,000	25,000,000		25,000,000	25,000,000	25,000,000		25,000,000		0	0	25,000,000	0	
65004 / 65015		28 BOND IMPLEMENTATION / MANAGEMENT		20,000,000	20,000,000		20,000,000	17,000,000	14,504,132		14,504,132		3,166,534	11,337,599	14,504,132	0	
		<b>Total</b>	<b>52,166,000</b>	<b>319,711,449</b>	<b>371,877,449</b>	<b>0</b>	<b>415,650,000</b>	<b>436,644,783</b>	<b>491,218,582</b>	<b>31,196,000</b>	<b>435,022,581</b>	<b>84,655</b>	<b>130,090,566</b>	<b>336,212,670</b>	<b>466,303,236</b>	<b>0</b>	

**General Notes:**  
 1. Project ROM Budgets Meas. G Jan. 2017 are based upon 2017 dollars.  
 2. (28) Master Planning, Legal, Program Management, Specialty Consultants, Space Planning through the year 2023.

Meas. G Total  
**350,080,000**

PROJECTED STATE FUNDS	31,196,000
DONOR / OTHER FUNDS	84,655
MEASURE G FUNDS	350,000,000
UNIDENTIFIED FUNDS	85,022,581
<b>TOTAL FUNDS</b>	<b>466,303,236</b>
<b>TOTAL EXPENSES</b>	<b>466,303,236</b>
<b>VARIANCE</b>	<b>0</b>

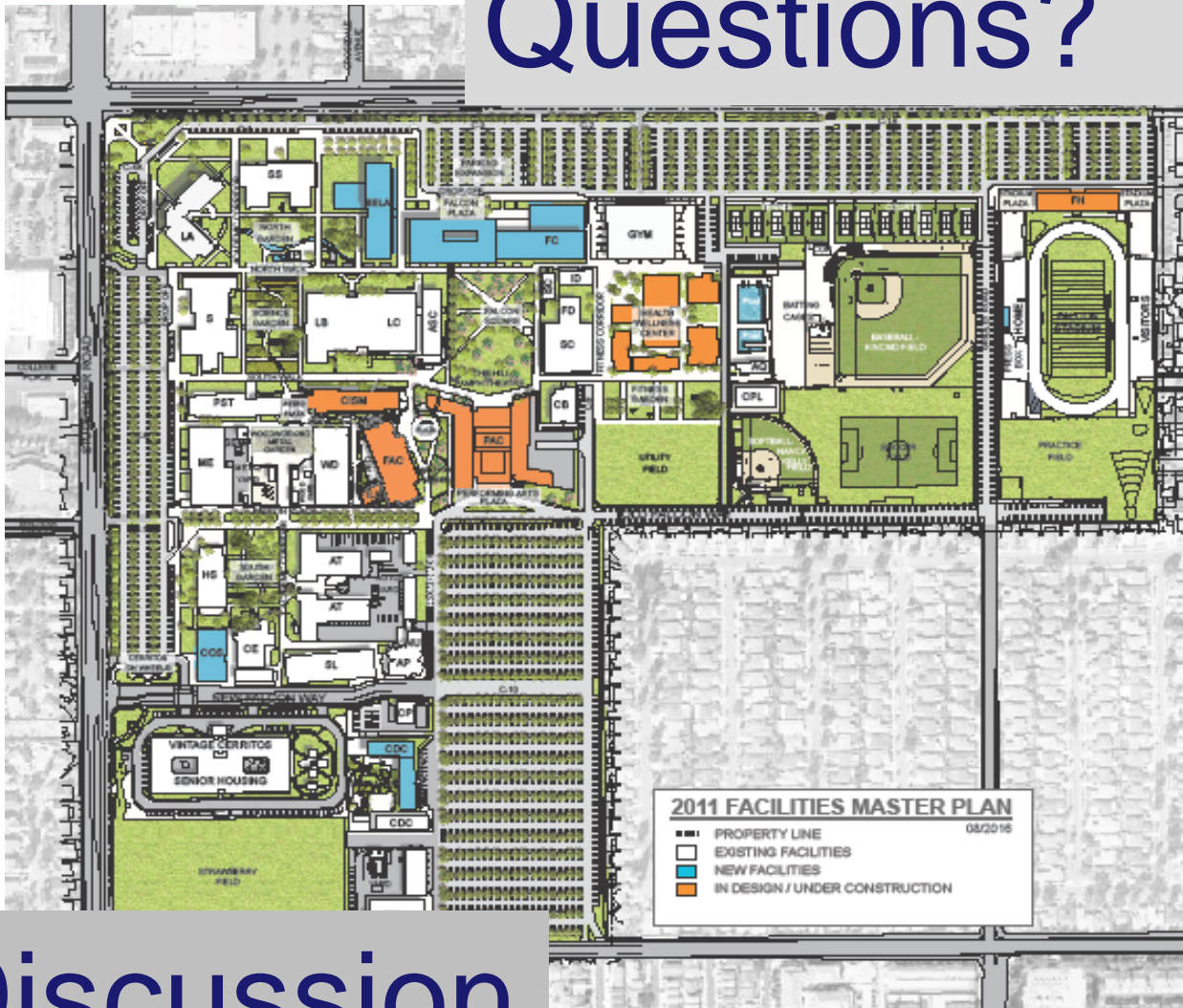




# Cerritos College Operational Details Ongoing Strategies in Progress

- Identify projects for further value engineering
- Rework ROM budgets for all projects
- Reset overall G.O. bond program projections including escalation and contingency factors
- Continue managing building projects for optimal scope, balancing user group desires with cost effectiveness and bond program finances
- Update of the Facilities Master Plan
- Identify and define Campus needs for the next 10-15 years and beyond
- Identify ROM Budgets for the updated Facilities Master Plan

## Questions?



### BUILDING KEY

AD	Administration
ASC	Academic Support Center
AQ	Aquatics Center
AP	Automotive Partners
AT	Automotive Technology
CB	Classroom Building
CE	Community Education
CON	Concessions
CP	Campus Police
CPL	Central Plant
FD	Food Court
FPC	Facilities & Purchasing Complex
GYM	Gymnasium
HS	Health Science
ID	Student ID Center
ISC	Instructional Support Center (DSP&S)
LA	Liberal Arts
LB	Library
LC	Learning Resource Center
ME	Metals
NU	Northwood University
PST	Physical Science Technology
S	Science
SC	Student Center
SL	Skills Lab
SS	Social Science
SEM	SEM Storage
WD	Wood Manufacturing Technology

BELA	Business Education/Language Arts
CDC	Child Development Center
MCIS	Mathematics/CIS
COB	Cosmetology
FAC	Fine Arts Center
FC	Faloon Center
FH	Field House
FP	Food Pavilion
HWC	Health Wellness Complex
PAC	Performing Arts Center



# Discussion