



SANTA CLARITA
COMMUNITY COLLEGE DISTRICT

Annual Report of the Independent Citizens' Bond Oversight Committee

2022-2023 FISCAL YEAR

TABLE OF CONTENTS

About the District	2
Introducing the Independent Citizens' Bond Oversight Committee	3
• Committee Activities	4
Measure E Funding and Capital Projects	5
Bond Projects Active in 2021-2022	7
Summary of Measure E Audit	
• Financial Statement Summary	14
• Performance Audit Summary	14
FAQ's	16

2023 ANNUAL REPORT OF THE INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE

SANTA CLARITA COMMUNITY COLLEGE DISTRICT
2022-2023 FISCAL YEAR

The District is pleased to deliver the Independent Citizens' Bond Oversight Committee's 2023 Annual Report to the Santa Clarita Valley. This Annual Report includes an overview of the Region and District Service Area, an explanation of the Independent Citizens' Bond Oversight Committee, highlights of the Committee activities, Measure E funding and capital projects, bond projects active in 2022-2023, and a summary to the bond performance and financial audits.

ABOUT THE DISTRICT

REGION

The Santa Clarita Valley (SCV) includes the communities of Saugus, Valencia, Canyon Country, Newhall, Stevenson Ranch, Castaic, Val Verde, and Agua Dulce. This valley, surrounded by scenic mountain ranges, is the northern gateway to Los Angeles County. Santa Clarita is the third largest city in Los Angeles County, exceeded in number only by Long Beach and the largest city, Los Angeles. Santa Clarita enjoys a lower density of population, with space for significant expansion. This is a stark contrast to most cities in the Los Angeles basin, where people and companies are simply running out of room. The area is characterized by many canyons that generally run in a north-south direction and slope upward toward the north. The valleys are fertile and once supported agriculture while they are now the location for rapidly growing housing and commercial development. Many of the almost 300,000 residents commute each day to the Antelope and San Fernando valleys and south into the Los Angeles basin.

DISTRICT SERVICE AREA

Changes and significant progress have occurred throughout the SCV over the decades while College of the Canyons (COC)/Santa Clarita Community College District (SCCCD) has been propelled forward by a combination of the community's growth and the unwavering vision of the leadership to transform it into the best community college district in the country. The Santa Clarita Community College District serves a geographic area of 520 square miles in the northwest portion of Los Angeles County in an area known as the Santa Clarita Valley. The district is south of the Sierra Pelona and north of the San Gabriel and Santa Susanna mountain ranges and borders Ventura County. The district is 40 miles north of Los Angeles International Airport, north of the San Fernando Valley and 30 miles east of the Pacific Ocean.

The Valencia campus of College of the Canyons is 34 miles north/northwest of

downtown Los Angeles. The 153.4-acre Valencia Campus already includes 825,000 of gross square feet with more than 560,000 square feet in dedicated learning space. Going forward, more space will be provided through a variety of projects before the Valencia campus reaches its final build-out capacity. The next major project on the Valencia campus is the Student Union renovation project which has been recently DSA approved.

Prior to July 2021, the Canyon Country Campus contained 56,000 gross square feet, with more than 49,000 assigned square feet of dedicated learning space. Since then, the campus has tripled, adding 55,000 GSF with the completion of the Takeda Science Center (opened July 2021) and another 55,000 GSF in the Student Services/Learning Resource Center (opened December 2022) for a total of 166,000 GSF. The next major addition on that campus will be a 25,000 GSF Public Health/Science building which is expected to have DSA approval in early Spring 2024. Finally, a 17,640 sq. ft. permanent off campus facility to house COC's Advanced Technology Center has recently been DSA approved as well.

INTRODUCING THE INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE

California Proposition 39, known as the School Facilities Local Vote Act, passed November 7, 2000. Prop 39 **reduced** the threshold needed to pass local California school district bond issues from a **two-thirds supermajority vote to a 55 percent vote**. California Education Code Section 15278 establishes requirements for an Independent Citizens' Bond Oversight Committee to be established when bond measures are passed under Prop 39. This committee, comprised of local residents, have the main charge of informing the public of how their bond dollars are spent and ensure expenses are in line with the approved ballot language.

The California Education Code specifies requirements of at least seven Committee members to serve for a term of three years (and no more than three consecutive terms).

- Members shall serve without compensation.
- The Committee shall be comprised of at least:
 - one member active in a business organization representing the business community located within the district;
 - one member active in a senior citizens' organization;
 - one member active in a bona fide taxpayer's organization;
 - one student both currently enrolled in District and active in a campus group (the student may serve up to six months after his or her graduation);
 - one member active in the support and organization of a district (such as a member of the advisory community college committee or the COC

Foundation);

- and two members of the community at-large.

No employee, official, vendor, contractor, or consultant of District shall be appointed to the Committee.

The Independent Citizens’ Bond Oversight Committee:

- Actively reviews and reports on the expenditure of taxpayers’ money for construction to ensure the bond funds are spent in accordance with the provisions of the Bond and is accountable to the public.

The purpose of the Independent Citizens’ Bond Oversight Committee is to provide oversight for the bond program, transparency, and communication with the public about bond expenditures. ***It does not have authority to choose, prioritize, or direct bond projects.*** During the 2022-2023 fiscal year, the Committee was comprised of eight appointed members, including a chairperson. District staff provide technical and administrative assistance to the Committee.

Position	Name
Chair (Auxiliary Organization - COC Foundation)	Fred Arnold
(Senior Citizens’ Organization)	Barbara S. Cochran
(Bona-Fide Taxpayers’ Organization)	Calvin Hedman
(Business Organization)	Don Kimball
(Community At Large)	Michael Hogan
(Community At Large)	Spencer Leafdale
(Community At Large)	Michael Lebecki
Associated Student Government Representative	Stephanie Smith

COMMITTEE ACTIVITIES - 2023

The Committee convened and participated in several key activities central to their main charge, including reviewing program expenditures and annual audits and providing feedback to the Annual Report. The Independent Citizens’ Bond Oversight Committee met on two dates during the 2022-2023 fiscal year. Proceedings of Independent Citizens’ Bond Oversight Committee meetings included:

- Review and Accept of Financial and Performance Audits
- Review Life-to-Date Expenditures Reports
- Review and Affirm District’s Compliance with Requirements
- Review and Revise Committee Bylaws
- Review Roles and Responsibilities
- Review Committee Membership
- Discussions with Bond Counsel and Consultants to:
 - Review Bond Issuance Process
 - Review Bond Pricing Process

- Review Project Status Reports

MEASURE E FUNDING AND CAPITAL PROJECTS

Measure E General Obligation Bonds were authorized in an election held on June 7, 2016. The election approved the issuance of \$230 million of general obligation bonds. Measure E passed with 58.46 percent voter approval. Measure E funds were approved to complete and remodel the Valencia Campus and provide funding for new Canyon Country Campus permanent buildings.

- The first issuance occurred in April 2017 in the amount of \$50,000,000.
- The second issuance occurred in August 2019 in the amount of \$85,000,000.
- The third issuance occurred in November 2022 in the amount of \$70,000,000.
- There is \$25,000,000 available for future issuances as needed.

The below are Measure E Projects that are currently in progress:

- ADA Transition Plan Phase 2
- Advanced Technology Centers
- Boykin Hall Modernization Phase 2
- Canyon Country Campus Facilities Warehouse
- Canyon Country Campus Health & Natural Sciences Building
- Canyon Country Campus Modernization
- Canyon Country Campus Student Services/Learning Resource Center
- Counseling Center Remodel (Canyons Hall)
- Valencia Student Union Remodel

The below are Measure E Projects planned for the future:

- ADA Transition Plan Phase 3
- Health Professions Building
- Repaving of Lots 1 & 2 at the Valencia Campus

The below are Measure E Projects that have been Completed:

- ADA Transition Plan Phases 1
- Bonelli Cooling Tower Replacement
- Boykin 105 Remodel
- Cafeteria Remodel
- Canyon Country Campus Central Plant
- Canyon Country Campus Modernization
 - 302 Food Service Modernization

- HVAC
- Modular Upgrades
- Sculptures
- Signage Project
- Canyon Country Campus Science/Lecture Building
- Intercultural Center
- Parking Structure Valencia Campus
- PE West Modernization
- Pico Hall Dance Floor
- Repairs and Modernization Projects
 - Bloom Fuel Cell Project
 - Bonelli Lower Level
 - Cafeteria Remodel
 - CCC – Early Childhood Education – Tick Canyon Fire Repairs
 - Emergency System Repairs (CCC)
 - Hasley Atrium Fireproofing
 - Performing Arts Center Carpeting
 - Pico Hall Sound Studio
 - Pool Chemical Room Ventilation
 - Towsley HVAC Energy Upgrades
 - Valencia ECE Roofing
- Secondary Effects
 - Student Business Office Remodel
- Shade Structures
- Site Improvements
 - Door & Lock Replacement Phase 2
 - Gas Station Project
 - LED Lighting Energy Upgrades
 - Parking Lot 7 Utilities
 - Towsley HVAC Energy Upgrades
- Upper Practice Field Improvements

BOND PROJECTS ACTIVE IN 2022-2023

The projects summarized in the table below were begun, in process, or completed in the 2022-2023 fiscal year using money from Measure E General Obligation Bonds.

Project	2022-2023 Measure E Expenditures	2022-2023 Measure E LTD Expenditures*	LTD Project Cost as of 06/30/23
Student Services Learning Resources Bldg. (CCC), Const. & Equip.	\$7,111,357	\$37,364,974	\$37,364,974
Boykin Hall Modernization Phase 2, Construction & Equipment	\$4,350,654	\$4,961,482	\$9,690,638
ADA Transition Plan - Phases 1 to 3, Construction & Equipment	\$2,127,744	\$4,322,200	\$9,541,820
Inter-Cultural Center, Construction & Equipment	\$1,862,537	\$1,862,537	\$2,149,787
Equipment - Computer Replacement/Audio Visual/Network	\$914,754	\$2,952,037	\$3,860,869
Valencia Student Center Modernization	\$801,929	\$855,974	\$855,974
Project Management Services/Other Expenses	\$584,300	\$1,162,800	\$1,241,900
Health & Natural Sciences (CCC)	\$483,420	\$532,420	\$532,420
CCC - Signage	\$348,622	\$369,329	\$369,329
ATC - Diamond Place (Tenant Improvement - Temp.)	\$212,238	\$212,238	\$448,380
Valencia Shade Structures	\$170,115	\$174,979	\$174,979
Pico Hall Sound Studio	\$147,035	\$294,300	\$294,300
Science Lecture Bldg. (CCC), Construction & Equipment	\$138,997	\$28,115,037	\$39,606,609
Facilities Master Planning	\$135,000	\$540,000	\$540,000
Scheduled Maintenance - Misc	\$112,907	\$466,577	\$466,577
Counseling Remodel (Canyons Hall)	\$91,898	\$91,898	\$91,898
ATC - Valley Center	\$84,780	\$114,192	\$114,192
Equipment Modernization	\$83,041	\$266,288	\$297,959
CCC - ATECH	\$64,017	\$64,017	\$64,017
CCC - Shade Structures	\$29,956	\$29,956	\$29,956
Tick Canyon Fire Clean Up	\$29,650	\$67,160	\$1,270,594
Facilities Warehouse (CCC)	\$25,000	\$25,000	\$25,000
CCC - Sculptures	\$13,540	\$19,928	\$19,928
Valencia Signage	\$10,560	\$10,560	\$10,560
Parking Lot 7 Utilities	\$8,917	\$59,005	\$1,011,328
Misc Modernization	\$3,630	\$121,458	\$121,458
Central Plant (CCC)	\$1,636	\$5,034,229	\$7,848,415

**Please note that these Life-to-Date (LTD) expenditures only reflect those projects with activity in FY 2022-2023 and not the total LTD bond expenditures.*

CANYON COUNTRY STUDENT SERVICES LEARNING RESOURCES BUILDING

This structure is a 55,000 square-foot mirror building to the Science/Lecture Building. It will house Admissions and Records, Financial Aid, Counseling, Student Health, EOPS, Career Center, DSPS, CalWORKS, Veterans, Student Business Office, Library, TLC, Switchboard, Reprographics, Tech Center, Classrooms and Staff offices.



The project began in November 2020. Furniture installation began October 17, 2022. The District occupied the building the first week of December 2022. The Ribbon Cutting for the building was held on Tuesday, April 25th, 2023.

BOYKIN HALL MODERNIZATION PHASE 2

This project will include a full seismic retrofit of the building, a complete modernization of all three floors, and ADA compliant upgrades to the adjacent restrooms and elevator. The state has approved funding for 50% of the design and construction costs of this project.



Abatement of the 1970's-constructed building has been completed and the demolition and the seismic retrofiting has started. Supply chain delays affecting major HVAC and Electrical components and equipment have delayed the project's anticipated completion. The current schedule reflects completion in late Spring 2024.

ADA TRANSITION PLAN (MODERNIZATION AND SITE UPGRADES)

The first phase of the overall ADA Transition Plan project included upgrading all the entry/exits, so they are accessible according to the ADA guidelines. This was completed March 1, 2021.

Phase 2 of the Plan, which includes all exterior remediation and improvements, began October 17, 2022 and was completed in November 2023.



Phase 3 of the Plan, which includes restrooms, has begun the investigation phase. Once the items on the Transition Plan have been confirmed, drawings will be rendered and sent to the DSA. Afterwards, construction will commence. This is an intensely detailed project, and we expect to start construction in early 2024.

INTERCULTURAL CENTER (PREVIOUSLY THE MULTICULTURAL CENTER)

College of the Canyons has been preparing for a Multicultural Center for many years. In 2020/2021, students and employees came together to see how we could open the Multicultural Center. A group of 90+ employees and students, worked together to determine the needs of a Multicultural Center. They determined we could open a Multicultural Center virtually until a physical space could be established.

The Multicultural Center opened virtually in November 2021, and an interim space was created in April 2022. In January 2023 the Multicultural Center designation was changed to the Intercultural Center. The Intercultural Center (ICC) will serve as:

- A resource for the campus community, while placing the experiences of diverse and historically minoritized and marginalized groups at the center.
- A dynamic learning space with deliberate programming and opportunities to support all members of COC with the goal of increased diversity, equity, and inclusion.
- A place to meet, build community, and serve as another access point/bridge to existing resources.



In collaboration with constituents across the district, the Intercultural Center will be home to many alliance groups, the Undocucenter, group workshops, events, meeting rooms, open study space, college and community trainings, counseling services and student services.

Construction of the Intercultural Center began October 12, 2022 in the lower level of Bonelli Hall and was completed in June 2023. The Ribbon Cutting for the Intercultural Center was held on September 13, 2023.

VALENCIA STUDENT UNION (FORMERLY STUDENT MODERNIZATION)

The programs within the Student Center have expanded, so the current space distribution does not meet current operational needs. In addition, wayfinding is difficult throughout the building. During this modernization, the existing footprint of the building will remain the same, however the program spaces will be reorganized to meet contemporary program needs and to provide easier wayfinding for students and staff.

Initial user group meetings and design planning began in November 2022. Working drawings were submitted in June 2023. Once approved by the DSA, bidding and construction will commence. The anticipated construction start date at this time is June 2024 with an 18-month construction schedule. The expected completion date is December 2025.

CANYON COUNTRY HEALTH AND NATURAL SCIENCES BUILDING (FORMERLY PUBLIC HEALTH BUILDING)

The Canyon Country Campus was completed in 2007, implementing modular buildings for the majority of the campus buildout. Over the last 5 years, and in accordance with the Educational and Facilities Master Plan, we began constructing permanent facilities at that campus (Science, SS/LRC and the Central Plant).

Continuing the implementation of the EFMP, the Health and Natural Sciences building, designated for the space currently occupied by Quads 3 and 4, will be the first building to replace much of the campus' original modular buildings. The new one-story, 25,000

sq. ft. building will provide much needed instructional space for Biology, Environmental Sciences, Astronomy, MLT, Chemistry, and several new programs like Diagnostic Medical Sonography and Pharmacy Tech.

Preliminary planning with user groups began in April 2023, and the final building drawings were submitted to the DSA in October 2023.

CANYON COUNTRY SIGNAGE

This is for the replacement of all building, pedestrian, and roadway signage at the Canyon Country campus. It consists of replacing any outdated/damaged existing exterior signage and the replacement of any signage not in compliance with the district standard. Work began in August 2022.

ADVANCED TECHNOLOGY CENTER – DIAMOND PLACE (TENANT IMPROVEMENT, TEMPORARY)

College of the Canyons is in the process of creating a world-class Advanced Technology Center (ATC) to serve the workforce and economic development needs of the South-Central Coast Region.

The first phase of this endeavor includes a tenant improvement project, which consists of remodeling an existing 13,000 sq. ft off campus building into a workspace that will allow the District to align its curriculum with Industry Recognized Credentials, and provide a modality for documenting “hands on skill attainment” and assessments to demonstrate student readiness to enter the workforce.



The programs planned for this space include: Integrated Advanced Manufacturing/Computerized Machining (CNC), Milling & Tooling, and Integrated Fabrication. Work began at the Diamond Place site in February 2023.

SHADE STRUCTURES

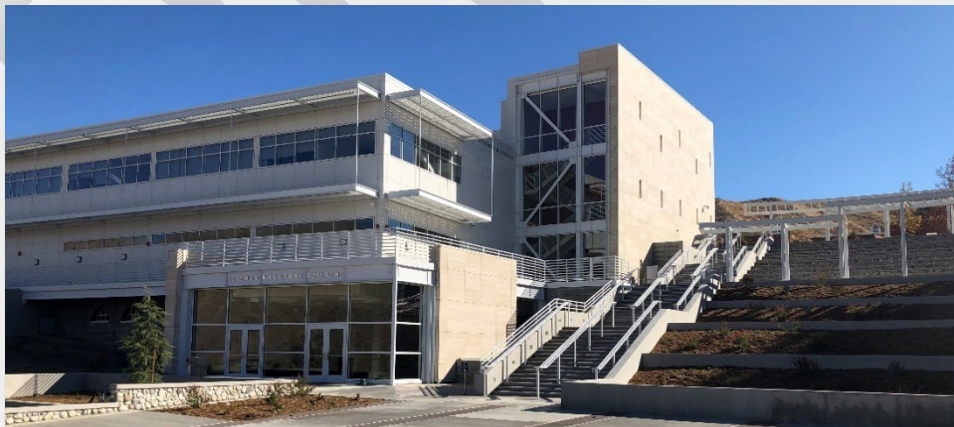
New shade structures were installed on both campuses. Both projects began in June 2023 and were completed in November 2023. The Canyon Country Campus shade

structures were placed near Applied Technology, the Student Learning and Resource Center, and the 200 and 300 buildings. At the Valencia campus, structures were installed near iCUE, Mentry and Towsley Halls.



CANYON COUNTRY SCIENCE/LECTURE BUILDING

This is a new 55,000 square foot building that houses 24 Faculty Offices, 8 Lecture Rooms, 2 Computer Labs, and 8 new laboratory classrooms for Chemistry, Biology, Anatomy & Physiology, Zoology, Botany, Marine Biology, Physics, Environmental Science and Astronomy complete with fume hoods, lab service rooms, and state of the art equipment. The building was completed July 1, 2021 and opened for instruction on August 23, 2021.



COUNSELING – 2ND FLOOR CANYONS HALL

This project will demo the entire Counseling office space in Canyons Hall, and be rebuilt to better utilize the existing space to better accommodate student counseling needs.

The User Group met to review the Preliminary Plans in late October of 2022. Plans

were approved in August 2023. Construction began in October 2023 and has a projected completion date of April 2024.

ADVANCED TECHNOLOGY CENTER – VALLEY CENTER (PERMANENT)

The second and final phase of ATC development will be another off-campus location on Valley Center. The district is working with a local developer, Intertex Companies, to purchase a 30,000 square foot “build to suit” warehouse facility which will be used to train students in the operation of advance, manufacturing/computerized machining, welding/material joining, robotic welding, integrated personal fabrication and construction technologies.

This facility will have an additional 17,640 sq. ft. of space that the district can tailor to additional programs as needed. Intertex is currently working with COC on the “build to suit” design and with a projected completion date of December 2024.

MISCELLANEOUS REPAIRS AND MODERNIZATION PROJECTS, DISTRICTWIDE

These funds covered a variety of projects to keep the district up-to-date and functional. The planned projects included:

- **CCC – Early Childhood Education - Tick Canyon Fire Repairs (Completed)**
- **CCC – Sculptures**

The installation of 9 additional Simi Dabah sculptures has been completed.

- **Pico Hall Sound Studio**

This project modernizes Pico 107 from a lecture room into a state-of-the-art sound studio, which resulted from the Program Viability process. The project has been completed was occupied as of November 2022.



SUMMARY OF MEASURE E AUDIT

This year's General Obligation Bond Financial and Performance audits were performed by Eide Bailly, LLP the week of October 30, 2023. Each year, the District provides the auditors with the parameters for the Performance Audit - below.

FINANCIAL STATEMENT SUMMARY:

The Financial Audit affirms that the financial statements present fairly, in all material respects, the financial position of the Measure E General Obligation Bonds as of June 30, 2023:

- There were no findings or questioned costs;
- There were no audit adjustments;
- An unmodified opinion was issued, which is the best rating possible.

The audit confirms the June 30, 2023 General Obligation Bond totals in the District's books and records:

Beginning Fund Balance – Construction Fund 45	\$ 36,599,647
Local Revenues (Interest Earned)	\$ 2,427,905
Change in FMV of Cash Held by LA County Treasury	\$ (2,872,042)
Less Expenditures	\$ (20,084,267)
Proceeds from Third Issuance of Bonds	\$ 70,000,000
Ending Fund Balance	\$ 86,071,243

PERFORMANCE AUDIT SUMMARY:

The results of the Performance Audit confirmed that ***Measure E General Obligation Bond funds were appropriately spent on specific projects approved by the voters (see page 19)***. The auditors performed seven procedures to fulfill the Performance Audit requirements included in Proposition 39 and the California Constitution. These procedures confirmed the following:

1. The District properly accounted for the bond funds separately in the accounting records. The District expended \$20,084,267 of General Obligation Bond funds in 2022-2023, for a total of \$124,260,295 since the inception of the bonds.
2. The District followed approved appropriate procedures related to disbursement of Measure E funds. The Auditors tested 52% of all expenditures incurred and reviewed the associated purchase orders, approved invoices, bid documentation, contracts, and budgets.
3. The District appropriately charged all expenditures in accordance with the voter-approved bond project list. All expenditures and contracts and bids were supported by invoices with evidence of proper approval and documentation of receipting goods or services.

4. The District appropriately charged one employee's salary and benefits to General Obligation Bond funds, as that employee provided direct oversight to Measure E projects.
5. The District's planned capital improvement projects are detailed on page 18 of the audit report for an estimated total of \$280 million. These projects are projected to be funded with \$215 million in Measure E General Obligation Bond funds and \$65 million in contributions from other sources, primarily Measure M General Obligation Bond funds.
6. As of June 30, 2023, the following Measure E General Obligation Bond funds available:

GO Bond Proceeds to Date	\$ 208,831,069
Interest Income	\$ 6,069,795
Subtotal- Available Funds	<u>\$ 214,900,864</u>
Expenditures to Date	<u>\$ (124,260,295)</u>
Planned for Expenditure	\$ 90,640,569

DRAFT

WHAT IS A GENERAL OBLIGATION BOND?

General obligation bonds fund projects such as the renovation of existing classrooms and school facilities, as well as construction of new schools and classrooms. Similar to a home loan, general obligation bonds are typically repaid over 30 years. The loan repayment comes from a tax on all taxable property – residential, commercial, agricultural and industrial – located in the District.

WHAT IS THE INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE AND WHY DOES IT MATTER TO ME?

As required by Education Code Section 15278, the District appoints a committee of local residents, whose main charge is to inform the public about how the bond dollars are being spent. The Committee, known as the Independent Citizens' Bond Oversight Committee, actively reviews and reports on the expenditure of taxpayer's money for school construction to ensure that bond funds are spent in accordance with the provisions of the bond. The Committee is comprised of volunteers who represent specific constituencies, including senior citizens, businesses, or the community-at-large. This additional oversight is important because you pay for these bonds as part of your property taxes.

HOW CAN I BE SURE THAT GENERAL BOND OBLIGATION FUNDS WILL BE SPENT ON IMPROVING OUR SCHOOLS?

Each year, a fiscal and performance audit of bond expenditures is conducted. The audits verify that SCCCD complied in all material respects with bond measure requirements to expend

proceeds only on the school facilities projects specified in the bond measure legislation. The Independent Citizens' Bond Oversight Committee is responsible for reviewing the audit reports and is required to present this information to the public each year.

CAN BOND FUNDS BE USED FOR TEACHER OR ADMINISTRATIVE SALARIES?

No. Only personnel working directly for the bond program are charged to the bond. To manage and coordinate a construction project to completion, personnel are needed to monitor contracts and project funding, oversee construction progress, and perform overall project management and accounting. Bond funds cannot be used to pay teacher or site administrator salaries, pensions or benefits. The annual fiscal and performance audit of the bond measures reviews all personnel charged to the bond and verifies that they are charged properly and meet state requirements.

DOES THE INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE OVERSEE THE ACTUAL CONSTRUCTION?

No. The District's Assistant Superintendent/Vice President of Facilities oversees the construction.

HOW ARE CONSTRUCTION MANAGEMENT, ARCHITECTS/ ENGINEERS, CONTRACTORS AND PROFESSIONAL CONSULTANTS FOR BOND PROJECTS SELECTED?

District administration defines specific requirements, and then solicits proposals from qualified companies willing to work on a project. Contract award recommendations are made to

the Board of Trustees for final approval.

WHY DO THE COSTS OF THE PROJECTS OFTEN FLUCTUATE FROM THE ORIGINAL ESTIMATED COSTS?

Construction costs change depending on the cost of materials and the current economy. When the prices of raw materials such as steel or copper wiring rise, it can dramatically increase the cost of the project. In addition, if there are many construction projects underway in the area, it can result in strained labor resources and bids tend to come in higher. Recently the occurrence of many natural disasters in our local area, as well as nationally, have dramatically affected the availability of labor and materials, which create spikes in construction costs and schedules.