

SUMMERVILLE UNION HIGH SCHOOL DISTRICT
Citizens' Bond Oversight Committee Meeting
Minutes
March 10, 2014

The Citizens' Bond Oversight Committee meeting was held on March 10, 2014, in the Summerville High School Library. The meeting was called to order at 6:00 PM. Quorum was established.

PRESENT: Members, George Kellerman, Ken Koral, John Latorre, Anne Jacobs, and Barbra Kerr, were present.

District representatives, Robert Griffith, and Jessica Lozoya were in attendance.

PUBLIC COMMENT: None.

ROLL CALL AND ESTABLISHMENT OF A QUORUM:

Members George Kellerman, Ken Koral, John Latorre, Anne Jacobs, and Barbra Kerr, were present.

AGENDA ADOPTION: It was moved by George Kellerman and seconded by Barbra Kerr to adopt the agenda. Motion carried.

CORRESPONDENCE: None.

ACTION ITEMS:

Receipt and review of Measure H Building Fund Financial and Performance Annual Audit- Robert Griffith explained his review of the annual report and noted that it is important for the committee to receive the annual audit prior to adopting an annual report. Robert referenced the opinion of the independent auditor. Robert also reviewed the annual reports that have a compliance statement. He noted that Article 13 A of the California Constitution requires that the committee insure that the proceeds from the sale of the bonds be used only for the purposes specified in Article 13 A , Section 1 (b) 3 and not for any other purpose, including teacher and administrator salaries and other school operating expenses. Robert noted that he reviewed other annual reports and they range from one page reports to 100 page reports. The summary of audit results note that all expenditures reviewed were made for allowable purposes in accordance with California Constitution Article 13 A. The committee reviewed and received the Measure H Building Fund financial and Performance Annual Audit.

Discussion and input on the annual report-The committee discussed the annual report. The committee agreed that they would like to keep the report brief and use the example as a template. Anne Jacobs asked questions regarding section 4, authorized activities. She asked if deferred maintenance had been kept up on the field. Robert explained that the field is not being maintained and that the spring sports have been moved to other fields. Girls' soccer has had concerns about the field and it's safety. The committee requested that Warren VanBolt take a look at the field and check for safety issues. Anne asked if the parents of the spring sports have been notified that the field is not being maintained. Robert explained that section C pertains to the deferred maintenance fund and the plans for the funding. John Latorre asked if we can have the deferred maintenance report brought at a later

meeting. Barbra and Ken said that they would like to see it. John Latorre asked if there is an actual report regarding the cost savings measures the district is using. Robert mentioned that it is mostly a conceptual idea that cost savings need to be made with all items. Robert stated that by the end of this week we should have the comments back from DSA. Ken Koral asked questions regarding the concrete bleachers. Robert explained the process for the steel bleachers and the process for concrete bleachers. The committee wants to insure that they note in the annual report that they have been reviewing the quarterly reports and the annual audit and agree that it is in compliance.

The committee wants to reference their concerns in the report. Barbra asked why BCA Architects is charging so much for the construction documents. Robert explained it was a competitive bidding process, the Board held interviews and selected BCA. They have been following their contract. Robert explained the plans and that they are quite a ways in on the art building and student lunch shelter. John Latorre mentioned concerns about the school making payments up front and not getting work completed prior. Robert explained that from all appearances it shows quite a bit of money. He expressed that the Board seems to be more upset with the fact that the cost of the overall project has increased, so they feel more frustrated with the soft costs that must be paid initially. Currently, there are some pretty large amounts of money that have been sent out for designs. Brian noted that since the meeting the Board has adjusted the field to fit properly. Robert explained that they will be stretching the width of the field. It is about \$150,000 in savings. They are looking at concrete bleachers to see if they can save money. The communities' concern is that there is a lot of front-loaded costs.

Ken Koral feels that the architect should be held accountable for showing what the 75% is. Robert explained that the Board agrees with Ken and each time we receive the next increment of billing the Board is requiring a specific explanation of work that has progressed and completed before the payment will be made. They are putting compliance in place. John Latorre asked if BCA has been directed to show a specific explanation of what has been done for what has already been paid for. Brian Bell asked if they can request a project report showing work completed as justified by the percentages and a report to the Board. John Latorre asked if Robert Boyer should be in those meetings to offer assistance with reviewing the bills to insure they are as far along as they say they are. Ken Koral mentioned possibly having a local architect to come in as a consultant to see how far along they actually are. Brian Bell believes that BCA needs to present a report to the Board showing detailed line items. Robert explained that by May 20th the second increment which includes art building student lunch shelter must be submitted and the third increment must be submitted within 6 months of that one. The first date noted was October 31st for DSA submittal and it was submitted December 20th. The second increment is due May 20th, Ken believes that they should say that if you do not have the second increment done within 6 months of the October date that they will hold payment.

Robert noted that he has not seen in the examples negative information being given in the annual report. Anne noted that fiscally things are being appropriated correctly. John Latorre asked if they should say in the annual report that they have concerns. Anne believes that they should say fiscally things are being handled

appropriately and to state openly that the committee has discussed concerns regarding timeline and maintenance deferral and they are being addressed. She believes it should be very transparent.

George mentioned possibly having an addendum. Brian noted that the overall assessment would be a good place have that. It should highlight that they noticed that the amount of money spent up front on design costs is high and they recommend further oversight. John Latorre asked if there are any more concerns that have not been talked about. George Kellerman noted concerns regarding the investment of the money. He thinks that someone needs to be aware of it.

John Latorre noted that they will use a normal template and will add a sentence or two regarding the committee's discussion of concerns. Anne wants to bullet point that there were concerns that the field would not fit and it has since been corrected and also that they are concerned about the money expended compared to the work completed. The committee would like to recommend that there is a review of the investments. George Kellerman will make an appointment with Tonya to discuss the financial concerns.

FUTURE ITEMS: None.

UPCOMING MEETINGS: Citizens' Bond Oversight Committee Meeting
May 12, 2014
4:00 PM, Summerville High School Library

ADJOURNMENT: The meeting was adjourned at 7:20 PM.

President of the Board

Secretary of the Board