

PROPOSITION O



CITIZENS' BOND OVERSIGHT COMMITTEE 2011-2012 ANNUAL REPORT



DRAFT 1.0 4/5/13

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LETTER FROM THE COMMITTEE CHAIR

Letter from the Committee Chair

TO: Board of Trustees

The Citizens Bond Oversight Committee is pleased to forward its sixth annual report on the \$644 million general obligation Proposition O bond initiative. This report will cover the 2011 -2012 fiscal year for the period of July 1, 2011 through June 30, 2012.

Principal duties of the Committee are to ensure that proceeds have been expended for the purposes set forth in the Proposition O ballot language, report the progress annually to the public and provide a compliance statement. Sweetwater's Board of Trustees is responsible for monitoring, priority of projects commenced and spending levels of individual projects.

This report highlights many of the active and completed projects that will prolong the life of the District's facilities and improve the learning experience of its students.

During the 2011 – 2012 fiscal year, the Committee met monthly, toured numerous active projects, reviewed various District reports and documents, and received the following audits:

- Performance Audit - Fall 2006 to Summer 2011, completed by Eric Hall & Associates
- Financial Audit – Annual, performed by Christy White Accountancy
- Performance Audit - Annual, completed by Nigro & Nigro, PC

All audits were performed under the guidelines of Proposition 39, as well as the Generally Accepted Government Accounting Standards (GAGAS). For the first time, Committee members participated in the Request for Proposal and interview processes for the annual performance audit.

Eric Hall & Associates completed a comprehensive review of the Proposition O bond program from 2006 to 2011, focusing on three major categories of performance measures: Management Performance, Cost Performance and Communication Performance. The overall report concluded that the District and its program managers, Gilbane/SGI and most recently SGI, used innovative techniques and many best practices in school facility programming, design, preconstruction, construction, record keeping and technology to manage complex systems and construct state of the art facilities. However, the audit found that many improvements could be made in management, cost and communication to improve and strengthen the efficiency and effectiveness of the Proposition O program. The report included 59 findings, 55 recommendations, 26 figures and 19 exhibits. Several additional references were provided to increase understanding of best practices in the field of school facilities.

The Financial Audit performed by Christy White Accountancy found that the Sweetwater Union High School District was in compliance with the expenditure of bond funds as described in Article XIII A, Section 1(b)(3) of the California State Constitution. However, there were significant findings which the District is addressing: 1) Cash accounting between the Prop O Building Fund and the County School Facilities Fund had

LETTER FROM THE COMMITTEE CHAIR

transfers that were not recorded and resulted in one fund being overstated with a corresponding understatement in the other fund (total funds available was not affected); and 2) there were too many vacancies on the Bond Oversight Committee.

The Performance Audit performed by Nigro & Nigro reviewed the performance of the Proposition O bond program and assessed the efficient and effective use of taxpayer resources by focusing on three major categories of performance measures: Performance, Compliance and Transparency.

Although the findings of this audit concluded that the District complied with the compliance requirements for the Proposition O General Obligation Bond proceeds, there were areas of non-compliance which were uncovered. The most significant findings identified in this report relate to areas of non-compliance with the Education Code, Public Contract Code and contract terms and conditions.

Fiscal Year 2011-12 was a transition year for the Bond Program with the program manager (SGI) running the program during the first half of the year (July 2011 to January 2012), and District staff running the program during the second half of the year (January 2012 to June 2012). The transition was not without problems, but the audit recommended that District staff continue with their procurement, change order and prevailing wage procedures.

Significant findings and recommendations in the audit included the following:

- A discrepancy in the total approved project budgets between the two financial accounting systems (TrueCourse – District, Prolog – project manager), with a recommendation for the two systems to operation in conjunction with each other;
- 38 of 42 expenditures reviewed were missing at least one signature from the vendor invoice approval form with a recommendation that the District ensure that all required signatures be acquired prior to the processing of payment for invoices;
- A number of expense reimbursements to the program manager did not follow the contractual agreement between the District and SGI. It is recommended that all contracts be thoroughly reviewed prior to payment processing to ensure that all expenditures have been processed according to what has been outlined in the contract;
- One of the contracts tested had change order amounts totaling 15.88%, which exceeds the maximum allowable change order percentage. The District did not comply with the requirements of the Public Contract Code Section 20118.4 for this contract and should have stopped construction in order to allow the District to collect bids through a competitive process for the additional work required;
- The outdated site BuildingPropO.com was still active and was not providing current information about the bond program to the general public. Because of the critical nature and timing for the District to appear open and transparent in its proceedings, it was recommended the District work on a new and current website, and continue to strive for increased levels of fiscal transparency;

LETTER FROM THE COMMITTEE CHAIR

- As of June 30, 2012, the Oversight Committee only had 5 members, with only one of the required membership categories filled. The Committee has since increased its numbers, but the District needs to develop mechanisms so that when a Committee position becomes available the information is communicated to the right audience.

The District has made progress and has corrected most of the findings noted above. However, it will be a role of the Oversight Committee to ensure the District is compliant with the requirements set out in the Proposition O ballot language.

The Committee's makeup changed during the 2011-2012 fiscal year. Outgoing members Debra Espe and Lourdes Valdez completed their terms. Dency Souval and Maria Arroya resigned midterm for personal reasons. The departing members served the Committee well, and their passion and dedication to the Committee, District and Community is much appreciated. Membership was increased from seven to nine members and two new at-large members, Nick Marinovich and Kevin O'Neill, were appointed.

As noted earlier, a major change occurred within the District during the 2011-2012 fiscal year. In January of 2012, the District made the decision to suspend the contract of the Program Manager (SGI), and to self-manage the remaining and incomplete projects of Phase I of the bond issuance.

From the perspective of the Committee, this transition to self-management was initially problematic for the District. Existing staff was spread thin and for several months the District was unable to provide required financial and organizational information to the Committee. The District was also slow to replace the departed Committee members and fill the remaining positions. After several months, the District was able to reallocate resources and hire additional personnel. The District has now made improvements in providing the Committee with the information necessary to provide timely and effective oversight. The Committee filled all nine positions in January 2013 only to have two members resign.

The Committee wishes to report that the Sweetwater Union High School District was in compliance with the responsibilities as described in Article XIII A, Section 1(b)(3) of the California State Constitution. A full disclosure of the financial and performance audits and the Committee's deliberations can be viewed at

<http://buildingpropo.sweetwaterschools.org/>

In closing, please allow me to express my appreciation to my colleagues on the Committee and staff who have worked so hard. It has been my distinct pleasure to serve as Chair of the Committee during the 2011-2012 fiscal year.

Very Truly Yours,

Bernardo Vasquez
Chair of the Proposition O Bond Oversight Committee
March 13, 2013

ABOUT THE DISTRICT

About the District

Founded in 1920, the Sweetwater Union High School District has grown to become the largest high school district in the state and nation with more than 42,000 students in grades 7 through 12 and more than 32,000 adult learners. The district's 32 campuses are located in the cities of Chula Vista, Imperial Beach, National City and San Diego, including the communities of Bonita, Eastlake, Otay Mesa, San Ysidro and South San Diego.

California's richness in cultural, linguistic and economic diversity is reflected in Sweetwater's student population, which includes Hispanic, Filipino, African-American, Asian and other ethnicities. Approximately half of Sweetwater's students speak a language other than English at home.

BOARD OF TRUSTEES

- Jim Cartmill (Vice-President in 2012)
- Bertha López
- John McCann (President in 2011)
- Pearl Quiñones (Vice - President in 2011) (President in 2012)
- Arlie N. Ricasa

SUPERINTENDENT

- Edward M. Brand, Ed.D.

SUPPORT STAFF TO THE PROP O CITIZENS' BOND OVERSIGHT COMMITTEE

- SGI (2011 only), a bond management firm
- Paul Woods, Director of Planning and Construction
- Alina Cruz, Planning and Construction Department



ABOUT PROPOSITION O

About Proposition O

Proposition O was passed by the voters in November 2006, to provide \$644 million in general obligation bond funds to improve the learning and safety at every Sweetwater Union High School District campus. All schools and students in the Sweetwater Union High School District will benefit from Proposition O. Not all \$644 million in bonds can be sold at the same time because of tax rate limitations and the first \$180 million was sold in March 2008. Combined with \$15 million in remaining Proposition BB funds and additional state funding, the Prop O bond program is providing over \$257 million to modernize ten major campuses and numerous small projects.

The Proposition O website is <http://buildingpropo.sweetwaterschools.org/>

Proposition O will:

- Upgrade classrooms / restrooms / science labs / technology
- Improve handicap accessibility
- Remove asbestos / lead paint
- Upgrade fire and life safety systems

Proposition O was passed under the rules of Proposition 39 and is subject to strict accountability requirements, including annual audits and review by an independent citizens' bond oversight committee (CBOC). Proposition O funds can only be spent on our neighborhood secondary and adult schools to benefit local students. Bond funds may not be spent on administrator salaries or district offices, but can be spent on district classified staff that are involved in construction project administration.

Most of the modernization work on the first ten campuses involved tearing down buildings, some over 50 years old, and rebuilding with modern, energy-efficient buildings which will provide enhanced learning environments and reduce utility and maintenance costs. Quality school facilities help retain and attract qualified teachers. Good schools maintain local quality of life and strong values.

ABOUT THE COMMITTEE (CBOC)

About the Committee (CBOC)

The purpose of the CBOC is “to inform the public concerning the expenditure of bond revenues. The citizens’ oversight committee shall actively review and report on the proper expenditure of taxpayers’ money for school construction. The citizens’ oversight committee shall advise the public as to whether a school district or community college district is in compliance with the requirements of [Proposition 39].” [Education Code §15278(b)]. That section of the California Constitution stipulates that bonds approved by 55 percent of the voters are allowed to cause taxes to exceed the statutory one percent of the full cash value of real property as long as certain conditions are met, including the establishment of the citizens’ oversight committee and conducting annual audits.

The committee website is: <http://buildingpropo.sweetwaterschools.org/oversight-committee/>

MEMBERSHIP

Proposition 39 specifies five of the seven required members of the CBOC. During 2011-12, the Board of Trustees increased the membership to nine by adding two at-large members. The committee’s makeup changed during the 2011-2012 fiscal year. Outgoing members Debra Espe and Lourdes Valdez completed their terms. Dency Souval and Maria Arroya resigned midterm for personal reasons. The departing members served the committee well, and their passion and dedication to the committee, district and community are much appreciated. Membership was increased from seven to nine members and two new at-large members, Nick Marinovich and Kevin O’Neill, were appointed.

Representing	Member on 7/1/11	Member on 6/30/12
Parent or Guardian of a district student	Bernardo Vasquez	Bernardo Vasquez
Parent or Guardian of a district student and active in a parent-teacher organization	Maria Arroya	Vacant
Member of a bona fide taxpayer association	Debra Espe	Vacant
Member of a senior citizen organization	Dency Souval	Vacant
Member of a business organization	Lourdes Valdez	Vacant
At-Large	David Butler	David Butler
At-Large	Guillermo Camarena	Guillermo Camarena
At-Large	Not yet created	Nick Marinovich
At-Large	Not yet created	Kevin O’Neill

ABOUT THE COMMITTEE (CBOC)

MEETINGS

The committee met on the following dates in 2011-12 and the November 29, 2011 meeting was a joint meeting with the Board of Trustees. Agendas and minutes for all of the meetings are posted on the committee's website.

July 14, 2011	October 26, 2011	January 18, 2012	April 12, 2012
August 13, 2011	November 9, 2011	February 11, 2012	May 12, 2012
September 14, 2011	November 29, 2011	March 20, 2012	June 21, 2012

COMMITTEE ACTIVITY SUMMARY

During the 2011-12 school year, the proceedings of the CBOC included:

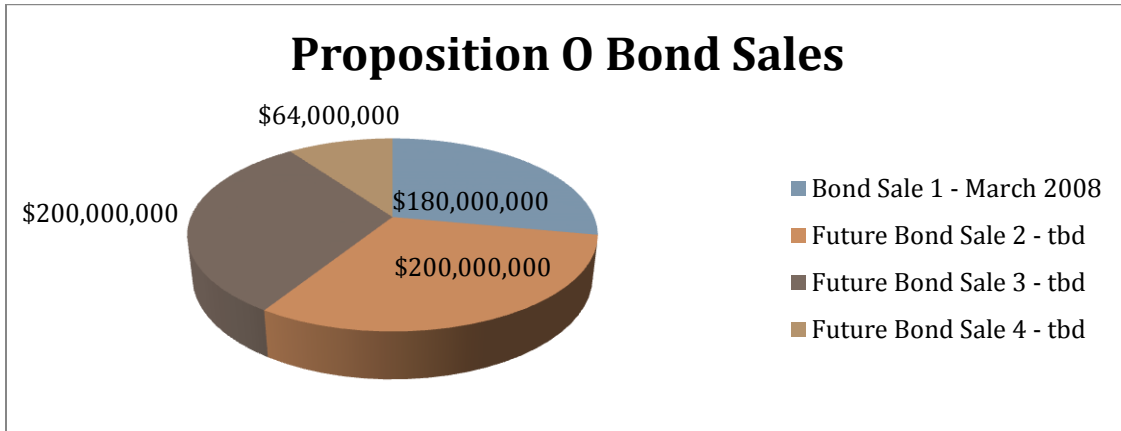
- Review of Financial and Performance Audit
- Review of Community Outreach Efforts
- Review of Roles and Responsibilities
- Review of Project Expenses
- Review of Prop O Funded Technology Projects
- Review of Project Status Reports
- Review of Change Order Reports
- Review of Program Schedule
- Review of Financial Reports
- Review of Remaining Prop BB Funds
- Review of Board Agenda Items
- Site Tours of MOM, NCM, SOH, SOM.
- Review of Prop O Staffing and Organization Charts
- Appointment of 4 New Members to Replace Outgoing Members
- Appointment of a New Committee Chair
- Formation of Annual Report Sub-Committee
- Review of Prop O Legal Fees

FINANCIAL STATEMENTS

Financial Statements

FUNDING FROM PROP O

The Proposition O Bond Sales chart shows the first Bond Sale of \$180 million in March 2008. The original plan was for three future bond sales, but because assessed value has declined in the district the timing and size of the future bond sales is uncertain.

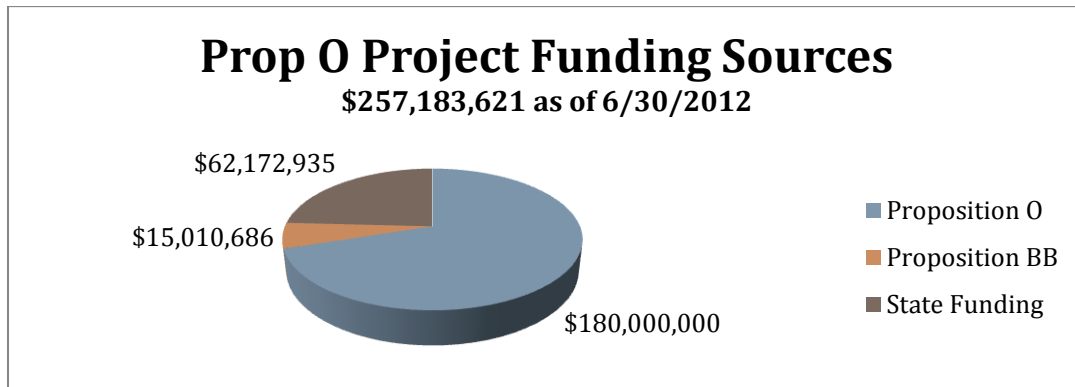


TOTAL FUNDING SOURCES FOR THE PROP O BOND PROGRAM

In addition to Bond Sale 1 from Proposition O, the Proposition O Bond Program includes funding from remaining Proposition BB funds and State Funding from four State School Facility Funding programs:

- New Construction
- Modernization
- Overcrowded Relief Grants (ORG); and
- Career Technical Education Grants (CTE)

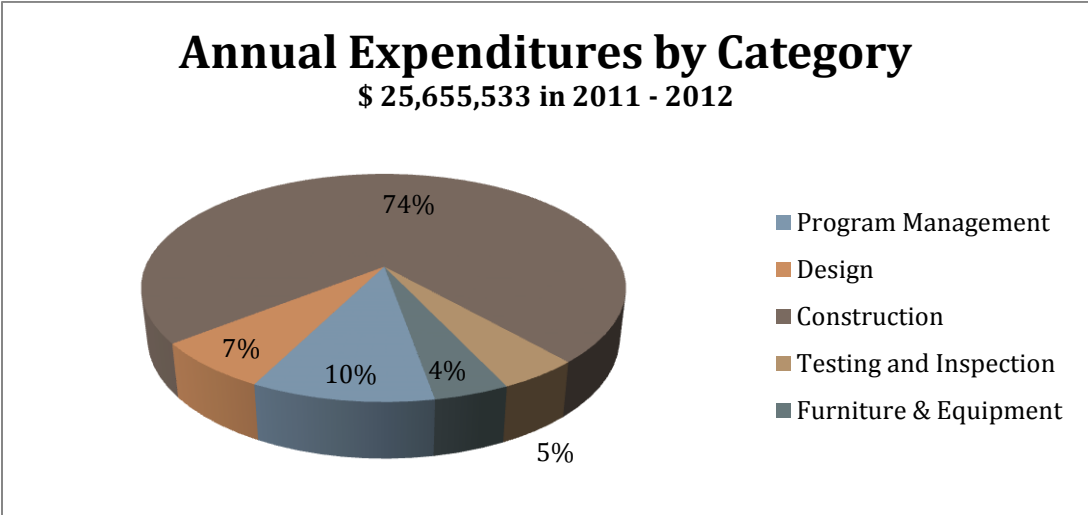
The Prop O Project Funding Sources chart shows the amounts from each source.



FINANCIAL STATEMENTS

PROP O BOND PROGRAM EXPENSES

During the 2011-12 fiscal year, the district spent a total of \$25,655,533 on projects in the Prop O bond program. The chart below shows how the expenses were distributed over program management, design, construction, testing and inspection and furniture and equipment.



FINANCIAL AUDIT SUMMARY

Financial Audit Summary

The 2011-12 financial audit was performed by Christy White Associates, a professional accountancy corporation, and is posted on the Prop O website. A summary is presented here.

BALANCE SHEET

From page 4 of the audit. See the audit for notes and details.

Assets	
Cash	\$47,645,632
Accounts Receivable (interest earned)	\$36,986
Due from general fund (reimbursement of expenditures)	\$18,905
Total Assets	\$47,701,523
Liabilities	
Accounts Payable	\$1,100,136
Due to general fund (PERS reduction, OPEB costs and reimbursement of expenditures)	\$2,324,965
Total Liabilities	\$3,425,101
Fund Balance	
Restricted for capital projects	\$44,276,422
Total Liabilities and Fund Balance	\$47,701,523

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Summary from page 5 of the audit.

Revenues and Transfers	
Earnings on investments (interest)	\$167,370
Local revenue	\$15,992
Transfers in (from State Funding)	\$47,362,130
Total Available Funding	\$47,545,492
Expenditures	
Plant services	\$1,044,835
Facilities acquisition and construction	\$24,610,698
Total Liabilities	\$25,655,533
Fund Balance, July 1, 2011	\$22,386,463
Fund Balance, June 30, 2012	\$44,276,422
Net Change in Fund Balance	\$21,889,959

FINANCIAL AUDIT SUMMARY

FINACIAL AUDIT FINDINGS

Finding #2012-1 found a discrepancy between the cash in the county as reported on the general ledger and as reported by the San Diego County Treasury. One fund was overstated and one fund was understated by \$17,758,946 because of a classification error which has been corrected. The district is taking steps to prevent this from occurring again.

Finding #2012-2 found that the CBOC had too many vacancies (as noted in the membership section). In August 2012, two additional members were added and in January 2013, the ninth member was added. Unfortunately, there were two resignations as well and the next annual report will report the progress on keeping the CBOC membership full.

BORROWING FROM PROP O AND OTHER BUILDING FUNDS

After a general obligation is sold, it may take a few years to actually spend the funds. About 10 percent of the funds are spent during the design process which may take one to two years. Construction may also take one to two years. School districts earn interest on all of their fund balances. Because of the state's financial crisis, the state began postponing payment of general operating funds to school districts by moving those payments to future fiscal years which balanced the state budget (on paper). This created a great hardship on school districts because expenses could not be postponed to match the revenue (salaries need to be paid and are over 85 percent of the district's budget). For cash flow purposes only, the district borrowed funds from the Prop O bond fund, as well as other district funds. The district was obligated to repay the funds with interest so that the Prop O bond fund would be made whole as if it had all been invested with the county funds.

A missed repayment (which was subsequently made) resulted in the Board of Trustees stopping the practice of borrowing Prop O funds (including the County School Facility Fund where state funds for Prop O are held until needed for expenses from the Prop O fund) for cash flow purposes. During the previous fiscal year (2010-11), all loans were repaid to Prop O fund. On August 14, 2012, the last loan was repaid to the County School Facility Fund.

PERFORMANCE AUDIT SUMMARY

Performance Audit Summary

The 2011-12 performance audit was performed by Nigro & Nigro PC, a professional accountancy corporation, and is posted on the Prop O website. The performance covered three primary areas of the Prop O Bond Program: performance, compliance and transparency. A summary is presented here.

PERFORMANCE

The audit covered ten areas of the program including budgets, timelines, payment procedures, change order procedures and best practices. The findings include recommendations to:

- Update the bond master plan every three to five years.
- Closely monitor project expenses to determine when project savings can be re-budgeted to other projects and breaking-out monthly project revisions. The district has implemented this on the monthly Prop O Bond Program budget update.
- Continue to work collaboratively with the Division of State Architect (DSA). District staff continue to meet approximately quarterly with DSA and have a good working relationship with them.
- Continue to evaluate the best construction delivery method on a project-by-project basis.
- Investigate improving the way the district's financial system (TrueCourse) works with the construction project management system (Prolog).
- Ensure that all necessary signatures are obtained prior to processing payments for invoices. The district has requested clarification on this section because some of the allegedly missing signature lines may have been for program management staff after their services had been suspended.
- Monitor the processing time for payment of invoices.
- Evaluate the cost-benefit of providing in-house program management versus the cost of using outside consultants. Currently in-house staff is providing program management for 40 percent of the annual cost of using outside consultants.
- Continue compliance with the documentation requirements for change orders. The audit noted the smooth transition from consultants to in-house staff regarding change order processing.
- Continue following policies and procedures for the procurement of contractors and consultants.

COMPLIANCE

The audit covered four areas of the program including a detailed review of expenditures on a statistical sample of the projects, compliance with state laws and regulations, review of change orders and review of prevailing wages. The findings and recommendations include:

- No payments were made for activities that did not comply with the approved ballot language in the sample reviewed.
- Five reimbursements to the bond management firm did not have the required written approval prior to purchase. A recommendation was made to monitor future contracts to assure compliance.

PERFORMANCE AUDIT SUMMARY

- A recommendation was made to adopt the Uniform Construction Cost Accounting (UCCA) guidelines and regulations, which increase the public works bid threshold from \$15,000 to \$175,000, in order to significantly reduce the total project delivery time and streamline the award process for the District's smaller construction projects.
- One change order exceeded the ten percent change order limit and the audit recommended stopping work to collect bids through a competitive process. As noted in the agenda item where the board approved exceeding the change order limit, a significant portion of the cost was a delay claim that could not have been competitively bid.
- Continue using the processes that ensure payment of prevailing wages.

TRANSPARENCY

The audit covered three areas of the program including public outreach and communication, overall transparency, including the website, and review of the CBOC. The findings include recommendations to:

- Have a direct and focused effort to highlight past achievements and to further increase the transparency of the program.
- Have the Grants and Communication Department take a more active position in promoting the works of Proposition O through its social media outlets.
- Update the website to include a community outreach section added so that future events are more easily identified. The district recently updated the calendar function of the website to Google Calendar and upcoming CBOC meetings and Prop O events are on the calendar.
- Disable the old buildingpropo.com website (this has been done).
- Provide increased levels of fiscal transparency by determining how best the information can and should be shared with the taxpayers and public.
- Establish timelines to ensure that the information received by the CBOC is the most current information available.
- Have the district and CBOC work together to determine what information can be shared with the public via the established website and determine how often updates should be completed.
- Continue to work at building positive feelings associated with improving school facilities to help combat recent negative publicity.
- Provide additional support to the Grants and Communication Department by either providing additional resources or consider hiring a public relations firm that can update the site on a regular basis. The performance audit commended the district on the new Prop O website and the task of updating the website has transitioned from the Grants and Communication Department to the Planning and Construction Department and the Office of the Chief Facilities Executive.
- Actively work to fill vacancies on the CBOC in a timely manner.
- Continue having the CBOC carry out its role of being a sounding board for the public and stay committed to its oversight responsibilities.

PROP O BOND PROGRAM FINANCIAL SUMMARY

Prop O Bond Program Financial Summary

Shown below is the financial summary for the Prop O Bond Program. This summary is from September 2012 and shows the expenditures through June 30, 2012 as reported to the Board of Trustees. These figures will differ from the financial audit because of the timing of reporting expenditures through the various financial systems.



PROPOSITION O - Projects Financial Analysis Through June 30, 2012 (budget is current through September 30, 2012)

Site	"A"	"B"	"C"	"D"	"E"	"F"	"G"	"H"	"I"	"J"
	"A"	"B"	"C"	"D"	"E"="A+B+C+D"	"F"	"G"	"H" = "F + G"	"I"	"J"
	FUNDING					BUDGET			ACTUAL COSTS	
	Prop "O" - Bond Funding Available	State Funding [1]	Prop BB Funding	Funding from Interest	Total Available Funding	Original Budget [2]	Revisions	Revised Budget	Total Expenditures	Estimate Costs to Complete
Chula Vista High	\$ 24,519,408	\$ 8,789,813			\$ 33,309,221	\$ 27,519,408	\$ 1,507,540	\$ 29,026,948	\$ 28,896,867	\$ 130,081
Chula Vista Middle	\$ 8,649,707	\$ 850,731	\$ 2,242,398		\$ 11,742,836	\$ 10,892,105	\$ 1,443,342 [3]	\$ 12,335,447	\$ 11,002,395	\$ 1,333,052
Hilltop High	\$ 19,741,358	\$ 11,382,634			\$ 31,123,992	\$ 19,741,358	\$ 5,117,188 [4]	\$ 24,858,546	\$ 23,590,168	\$ 1,268,378
Montgomery High	\$ 20,913,971	\$ 1,258,674			\$ 22,172,645	\$ 20,913,971	\$ 7,029,324	\$ 27,943,295	\$ 25,505,191	\$ 2,438,104
Mar Vista High	\$ 10,417,900	\$ 2,835,832			\$ 13,253,732	\$ 10,417,900	\$ 2,337,417	\$ 12,755,317	\$ 9,466,449	\$ 3,288,868
National City Middle	\$ 16,191,703	\$ 1,588,448			\$ 17,780,151	\$ 16,191,703	\$ (2,968,599)	\$ 13,223,104	\$ 12,934,625	\$ 288,479
National City Middle Proj 2	\$ 15,273,601	\$ -			\$ 15,273,601	\$ 15,273,601	\$ (12,790,307) [5]	\$ 2,483,294	\$ 974,576	\$ 1,508,718
Southwest High	\$ 24,467,998	\$ 8,013,531			\$ 32,481,529	\$ 24,467,998	\$ (6,624,249)	\$ 17,843,749	\$ 15,200,679	\$ 2,643,070
Southwest Middle	\$ 14,738,042	\$ 1,548,791			\$ 16,286,833	\$ 14,738,042	\$ 5,437,518	\$ 20,175,560	\$ 14,531,662	\$ 5,643,898
Sweetwater High	\$ 25,086,312	\$ 25,391,414	\$ 12,000,000		\$ 62,477,726	\$ 38,522,133	\$ 13,493,047 [6]	\$ 52,015,180	\$ 48,942,114	\$ 3,073,066
Bonita Vista High		\$ 451,291			\$ 451,291	\$ 451,291	\$ (142,169)	\$ 309,122	\$ 309,122	\$ -
Granger Junior High			\$ 316,997		\$ 316,997	\$ 316,997	\$ (48,868)	\$ 268,129	\$ 268,129	\$ -
Montgomery Middle					\$ -	\$ 29,619,657	\$ (2,639,577) [7]	\$ 26,980,080	\$ 6,052,336	\$ 20,927,744
MAAC Charter School				\$ 250,000	\$ 250,000	\$ 250,000		\$ 250,000	\$ 49,848	\$ 200,152
Chula Vista High - ORG Relo Removal					\$ -	\$ 1,100,000		\$ 1,100,000	\$ -	\$ 1,100,000
Sweetwater Synthetic Track and Field					\$ -	\$ 2,200,000	\$ 919,492 [8]	\$ 3,119,492	\$ -	\$ 3,119,492
MVH Title IX					\$ -	\$ 200,000		\$ 200,000	\$ 56,129	\$ 143,871
CPH Title IX					\$ -	\$ 1,200,000		\$ 1,200,000	\$ -	\$ 1,200,000
Fire Alarm Upgrades at various sites					\$ -	\$ 2,662,351		\$ 2,662,351	\$ -	\$ 2,662,351
Power Purchase Agreement at 10 Sites					\$ -	\$ 500,000		\$ 500,000	\$ -	\$ 500,000
GJH Health Clinic 2					\$ -	\$ 160,000		\$ 160,000	\$ -	\$ 160,000
Smartboards-CPH & MVM			\$ 28,577		\$ 28,577	\$ 28,577		\$ 28,577	\$ 27,036	\$ 1,541
Hilltop Middle			\$ 23,700		\$ 23,700	\$ 23,700		\$ 23,700	\$ 23,700	\$ -
IPAD Initiative					\$ -	\$ 1,800,000		\$ 1,800,000	\$ 1,800,000	\$ -
Long Range Facilities Master Plan - Update					\$ -	\$ 300		\$ 300	\$ -	\$ 300
Planning & Operations					\$ -	\$ 4,208,519	\$ 2,500,000 [9]	\$ 6,708,519	\$ 3,613,819	\$ 3,094,700
Program Contingency					\$ -	\$ -	\$ 3,000,000 [10]	\$ 3,000,000	\$ -	\$ 3,000,000
Interest				\$ 6,977,909	\$ 6,977,909	\$ 6,977,909	\$ (3,997,879) [11]	\$ 2,980,030	\$ -	\$ 2,980,030
Montgomery High Project 2 (Gym, etc.)										\$ - [12]
Totals	\$ 180,000,000	\$ 61,659,868	\$ 15,010,686	\$ 7,280,186	\$ 263,950,740	\$ 250,377,520	\$ 13,573,220	\$ 263,950,740	\$ 203,244,845	\$ 60,705,895

NOTES:

- [1] State funding includes \$4,435,821 in Career Technical Education Grants that were accounted for in Fund 35.
- [2] Original Budget is the budget approved by the board at the beginning of the project or the final Lease/Leaseback guaranteed maximum price (MOM)
- [3] The CVM budget includes the previously approved \$500,000 augmentation for the CVM Portable Project. This was previously listed separately, but is part of completion of Project 1. It also includes an additional \$541,808 budget adjustment to complete the project required for unforeseen pavement issues and foundation issues at the restroom.
- [4] The HTH budget includes the previously approved \$750,000 augmentation for the HTH Title IX Project. This was previously listed separately, but funding was part of completion of Project 1.
- [5] The NCM Project 2 budget includes a reduction of \$1,384,144 in program management fees to be used for Planning and Operations.
- [6] The SUH budget includes the approved \$2 million augmentation for the SUH ORG Portable Removal and Parking Restoration Project. This was previously listed separately, but funding was part of completion of Project 1.
- [7] The MOM budget includes a reduction of \$2,000,000 in contingency funds now that the project is 30% complete and a reduction of \$639,577 in program management fees to be used for Planning and Operations.
- [8] The SUH Track and Field budget revision is required for differences between the site conditions at SUH and the site conditions at ELH. The preliminary budget was based on the ELH Track and Field.
- [9] The Planning and Operations budget needs to be increased to pay for in-house staff instead of program management consultants. Funding is from program management fee reductions.
- [10] A Program Contingency of about 5% of the estimated cost to complete is recommended.
- [11] Only interest allocated in support of projects has been shown in the past. The revision amount shown is used for the above listed budget adjustments.
- [12] The Montgomery High Project 2 (Gym, etc.) JPA County Project for \$23,000,000 (plus interest and issuance costs) was approved by the BOT on May 7, 2012 Resolutions 4140 & 4141. Funding to come from a future bond sale.

SUSTAINABILITY AND GREEN SCHOOLS

Sustainability and Green Schools

The first ten major projects constructed under the Proposition 0 Bond Program have been designed to meet a minimum of the United States Green Building Council's LEED Gold designation for energy efficiency and sustainability. This is one of the largest green building programs of a school district in the State of California. Each school will reduce water usage by 40 percent, energy consumption by 25 percent, and 90 percent of construction waste will be recycled. Additionally, 10 percent of all materials used will be from recycled materials.

A solar power project under a power purchase agreement was planned to provide over 5 megawatts of clean solar power on ten campuses. Construction is underway on carports on six campuses (Bonita Vista High, Castle Park High, Chula Vista High, Montgomery High, Otay Ranch High, and Southwest High) which will provide 3.2 megawatts of power. Large solar arrays at Bonita Vista, Castle Park and Southwest will provide more than 85 percent of the electrical power used on those campuses during a typical year. Design work was in progress on roof mounted units for the rest of the system,

however, some of the roof systems are not structurally sufficient to add panels and the district has approved a second power purchase agreement to expand the system to 17 sites. The expansion will be addressed in the next annual report.

"The strides made by the district in addition to the Proposition 0 construction team's attention to detail, have raised the bar for cities around the nation," said SUHSD Board Member Arlie Ricasa. "But I challenge the construction team to design the remaining District projects to achieve LEED Platinum ratings." LEED Platinum refers to the highest USGBC green building rating. Including the credits for the solar power, it is likely that some of the projects will achieve LEED Platinum ratings.



PROJECTS

Projects

CHULA VISTA HIGH SCHOOL

Modernization Phase I - A new 25,000 square foot multi-purpose building was built to accommodate the creative arts for Chula Vista High School students. In addition, a new 5,735 square foot library was also built. The new library will expand the world of knowledge for students, giving them an environment to learn and excel. Additionally, the school's gymnasium, boys' locker room and girls' locker room were updated and modernized. Architect: BCA Architects. Contractor: Turner Construction Company.

Portable Removal Project - in return for additional funding from the State School Facilities Program, the district committed to removing 18 portables from the CVH campus. Twelve of the portables were removed during construction of Modernization Phase 1 and six more will be removed by early 2013.

COMPLETED DECEMBER 2010



COMPLETED SEPTEMBER 2010



CHULA VISTA MIDDLE SCHOOL

Modernization - Both a classroom facility and a cafeteria were built as part of Chula Vista Middle School's renovation. The one-story classroom building is over 10,000 square feet. Additionally, a brand new 3,500 square foot, one-story cafeteria building was constructed. Architect: BCA Architects. Contractor: Turner Construction Company.

Portable Relocation and Renovation - As part of the modernization project, six portables were relocated to provide better physical education facilities. Renovation of the portables to provide better classroom space will be completed in late 2012.

PROJECTS

HILLTOP HIGH SCHOOL

Modernization Phase I - A brand new, two-story, 16,147 square foot classroom facility was produced at Hilltop High School. This much-needed project facilitates a greater learning experience for all Hilltop students and faculty. Additionally, a new 5,896 square foot shop/industrial technology facility was created in order to keep students up to date with evolving technologies, better preparing them for opportunities in the workforce.

Phase I also included the replacement of four major classroom buildings with new buildings. This 8,690 square foot project equips students, faculty, and staff with a modernized, eco-friendly space. Architect: Ruhnau Ruhnau Clarke Architects. Contractor: Pacific Building Group

Title IX Field and Restroom – While restoring the softball field, after removal of the temporary portables, new dugouts and field renovation occurred to make the field compliant with Title IX requirements. The field was complete in March 2012 and the associated restroom building replacement (required by DSA) will be complete in early 2013. Architect: Ruhnau Ruhnau Clarke Architects. Contractor: Western Rim Constructors, Inc.



COMPLETED JULY 2011

COMPLETED MARCH 2011



MAR VISTA HIGH SCHOOL

Modernization Phase I - Students at Mar Vista High School have a new 4,452 square foot building that functions as a food sales area, provides a meeting place for the Associated Student Body, and contains a storage space as well.

The student services building was upgraded into a 9,836 square foot space allowing faculty and staff a better opportunity to service the students' needs in a much improved environment. Lastly, Mar Vista's 2,200 square foot annex classroom building was modernized.

Architect: LPA, Inc., Contractor: The Augustine Company.

Title IX Field and Restroom – The Board also funded upgrading the softball field to meet Title IX requirements with the construction of new dugouts, field renovation, fencing, scoreboard, team room, and a fire lane and new fire hydrant. This project is expected to be complete in early 2013. Architect: RNT Architecture. Contractor: GEM

PROJECTS

MONTGOMERY HIGH SCHOOL

Modernization Phase I - This new two-story classroom and library complex has 19,226 square feet and houses the state-of-the-art Joseph C. Torres Library and Media Center honoring the first Latino principal of the school. A 9,890 square foot building was modernized with updated music, computer lab, classroom and wood shop facilities. The old library was converted to a 4,964 square foot learning center. Finally, the Montgomery High School athletic department enjoys the new synthetic track and field dedicated to Al Prazak, a beloved former football coach, and is enjoyed by the students as well as the community and fans. Architect: Ruhnau Ruhnau Clarke Architects. Contractor: Swinerton Builders.



COMPLETED JUNE 2010



COMPLETED AUGUST 2011



COMPLETED JUNE 2012

NATIONAL CITY MIDDLE SCHOOL

Modernization Phase I - This new 17,734 square foot two-story building provides National City Middle School students with new classrooms, as well as a brand new cafeteria. It hosts new and improved learning facilities as well as a shaded area for students, faculty, and staff to eat and gather. Architect: LPA, Inc. Contractor: RC Construction Services Inc.

Modernization Phase 2 - A new two-story building will be attached to Phase I and utilize the same elevator. It will house new classrooms and an ASB classroom. Also included is demolition of three old maintenance intensive

buildings and the creation of a new quad which will enhance the learning environment at National City Middle. Architect: LPA, Inc.

PROJECTS

SOUTHWEST HIGH SCHOOL

Modernization Phase I – This new 29,231 square foot two-story classroom building features new classrooms, science labs, an ASB room and media production room. Students enjoy a new quad with shade structures for lunch as well as events. Pictured is the ribbon cutting ceremony. Architect: LPA, Inc. Take-over Contractor: Soltek Pacific Construction.



SOUTHWEST MIDDLE SCHOOL

Modernization Phase 1 - A new one-story, 8,690 square foot classroom building replaces an old building and houses new classrooms and an ASB room. About 20,695 square feet of existing buildings were modernized and include administration, library, physical education space and storage. The new entrance and lobby to the school enhances the sense of community at the site. Architect: BCA Architects. Take-over Contractor: GEM.

Modernization Phase 1B – This second phase of work will include transforming old shops into state-of-the-art science

classrooms and upgrades to portables and conversion of spaces to better house the music program. Updating of the plans is underway with construction expected to start next fiscal year. Take-over Architect: RNT Architects.

PROJECTS

MONTGOMERY MIDDLE SCHOOL

Modernization Phase I - This tenth campus was added to the first nine after structural issues were discovered in the overhangs and roofs of Buildings 200 and 300. Those buildings were closed and demolished and interim housing portables were installed.



Construction has begun on a new two-story classroom building, counseling center, library and food service facility. Construction is expected to be complete in 2013. Architect: LPA, Inc. Contractor: Balfour Beatty.



SWEETWATER HIGH SCHOOL

Modernization Phase I - A landmark three-story 86,360 square foot building was constructed to replace the aging administration and classroom building and theater building. The new building is home to new classrooms, a contemporary library, administration, counseling center, health clinic and the new Laura R. Charles Theatre. It provides a signature entrance to the school and a landmark for National City. Architect BCA Architects. Contractor: Sundt Construction Inc.

COMPLETED JULY 2012



Welding Building - Also included as a separate project in Phase 1 is a new Welding Building funded in part by Career Technical Education grants. A new, one-story welding building will provide a workshop and classroom space that will provide students with the opportunity to learn highly sought welding skills, which can lead to various career options upon graduating high school. This facility will feature state-of-the-art technology that will equip our students with tools and job skills required in fabrication, construction, maintenance, apprenticeship and other metal working industries. Completion is expected in 2012.

CONTACT INFORMATION

Contact Information

Because CBOC membership and district staff changes over time, please check the Prop O website at <http://buildingpropo.sweetwaterschools.org/> for up-to-date contact information for the chair of the CBOC, as well as for staff who support the committee.

