



**Proposition O Citizens' Bond Oversight Committee**  
**Minutes**

March 13, 2013

**District Office Board Room**  
**1130 Fifth Ave., Chula Vista, CA 91911**

1. Meeting called to order by Nick Marinovich at 6:04 p.m.

*Roll Call:*

Nick Marinovich (NM) - Present  
David Butler (DB) - Present  
Edgar Guerrero (EG) - Present  
Terrance McKearney (TM) - Present  
Kevin O'Neill (KO) - Present  
Bernardo Vasquez (BV) - Present  
Dr. John Grubb - *Absent*

2. Pledge of Allegiance
3. Approval of Meeting Minutes: Minutes for February 6, 2013, and February 20, 2013 were brought for approval and trailed. Motioned to trail minutes until next meeting, 2<sup>nd</sup> by **KO**, passed unanimously, with Dr. Grubb absent.
4. Public Comment: Ms. Cheers thanked everyone, especially Mr. Butler and Mr. Vasquez, the fact that she has been coming to these meetings, make comments, and feel they are always receptive and listen to what she has to say. Mentioned that a very well educated woman made comment on agenda item that was calling for district to spend thousands of dollars and recommended perhaps to using the Cloud. Later Ms. Cheers found out Dr. Brand called her commanding officer to complain about her speaking. Commented how important the job is that the CBOC is doing, and again thank committee very much.
5. Bond Project Updates
  - a. Project Status Reports - 80% complete (went thru all individual sites and status) see Proposition O Project Updates on website for more details.
  - b. Project Financial Summary – see Proposition O Project Updates on website for more details.
  - c. Board Item Report - see Proposition O Project Updates on website for more details.
  - d. Program Management Update - see Proposition O Project Updates on website for more details.
  - e. iPad Rationale Letter - see Proposition O Project Updates on website for more details.

NM commented on bid selection/interviews

TM asked the questions, what drives d/o to do lease-lease back as opposed to design?

BV asked about CTE vision established years ago, curious if BOC will get some kind of report as to how recent decision of the board is going impact these building that were spent with bond money to be used CTE and ROP, deeper issue, bad planning, bad forecasting and not optimized use of the tax payer money that committee will want to hear about. **TC**, whenever ROP is taken off, the CTE class remain, classes at schools, carpentry shops, welding shops, will be used by the students thru Career Technical funded the school program middle school high school redesign program **TC** will report back next meeting on what the effective impact is in use of the facility by not having ROP. **KO**, brought up in the past about the \$250,000 that the MAAC Project wants for their kitchen that bond funds have been committed for. **TC mentioned** \$51,000 and \$199,000, **KO**, mentioned that is not on property we own, it's going to be mostly FFE concerned that those funds will be lost. **TC**, meet with CFO today and his desire is to recoup that MAAC money back into the Prop O program. **TC**, also covered Solar at multi sites, going well. **BV**, asked if BOC would be seeing some hard numbers on what this is doing, what kind of savings? Nice to get a summary monthly or quarterly. **TC**, informed BOC of an Award identified by SDG&E for K12 Energy Champions for 2012 out of all the SDG&E schools in Orange County, San Diego & Imperial County.

**TC**, informed BOC of reconciliation between Prolog to the district accounts aligned, since SGI didn't do it, taking a while but our consultant working fiercely, still not quite meshed yet. But by next month will be online at that so Prolog and the Financials will match up. **KO**, asked Tom is we will maintain Prolog yes? As record? Yes.. **KO**, questioned if BOC will be able to read it/or access to it. **TM**, emphasis in perform audit the stone pipe between Prolog and the District, **TC** bridging that gap, district hired Lotech prolog meridian expert firm that does this all the time, third party provided services for prolog integration. District is on truecourse which is an arcane system which is on its last legs, item went to the board for the new People soft oracle county wide ERP that the district is buying for us. The cost for d/o has been subsidized by 50% by the county; best deal in town for district to get this, payroll is already on it. **TC**, feels that true course is the worst work order system he's ever seen, will be getting a maintenance module, will be integrated with purchase order systems and financials. **NM**, mentioned the way SGI organized folders was beyond horrible for a project management system, and appreciates the district trying to correct that.

**KO**, asked to trail for later, but wondering if we should be doing a Prop O In pound for maintenance for all the new buildings being constructed, since we're not getting any money. **TC**, commented he would update BOC on that.

**TC**, iPADS covered letter with attachment for using funds, and ballot language on computer technology.

- CFD money is general more restrictive for furniture and equipment and computer technology
- Portion of California Constitution, which talks about the use of funds for equipping school facilities and its highlighted
- Facilities project to be funded and certification school district information technology next to that the Prop O language

**KO**, still has a problem with it going home. **TM**, feels 1) Needs to be a solid plan for the use as educational, didn't here that at presentation 2) There needs to be a better way of buying these items, state problem, hearing about this everywhere, better way of providing these tablet, tools or whatever.

**KO**, agrees with Mr. McKearney, there is nothing he has heard, since Dianne Russo sad in seat, and tried to explain that this was going to be white bread of the world, thinks the initial purchase was la-carte and it is a headless monster, and since district used our money, BOC is going to have a discussion about that and may or may not give it a thumbs up or down. It's hard to control what kids do with this, because they are smarter than a bear. Referenced the Cloud, you can program one thing, which will make it undesirable to anybody outside to steal, only put in it what you want them to access. **TC**, as we go forward, learning more, and what he is hearing, there is progressing use and utility of using the iPad in teaching and learning. Request from CBOC is:

- **Update this as educational nexus**
- **How is it being used, and what is the roadmap**
- **Educational vision for using this, what is curriculum's prospective**

**TM**, commented that IT Dept. should not be driving this; curriculum dept. should be the one driving this.

**NM**, 1) feels this iPad issue's symptomatic at what the problem the district has, and a lot of issues with this committee, just tell us you didn't really know, and be transparent about it and this was a decision that didn't have a long term plan. Did best we could, Maria was put in a difficult situation and she made the best of it. 2) this applies to iPad, technology, building, that any decision, feels district needs to give the maximum flexibility that you back out and change before making a commitment that you're stuck with for three, four, five years like "IPads". **TC** district is looking at different devices, not married to the iPad, married to the tablet functionality.

Public Comment, **Ms. Cheers**, commented on the following:

- Prolog Rotech situation, ask the question about district employees being paid by Prop O, and was told that they're working on Rotec.
- on Hilltop, district paying for lead certification documentation, has a big issue with this, we do not need to pay for paper, it does not help to educate our kids
- regarding the alarm upgrades, boxes, electricity, Mikall Nicholls runs the project, continues to tell our contractor guys "this needs to work for 30 years, so don't just have a box that's going to serve this building, down the road, we may be adding more buildings.
- There has been millions of dollars on interim-housing, not happy on the amount of money the district has spent on portables.
- NCM project, NM mentioned on that panel project, didn't hear that any community members like her were on that panel, and has a big issue with that, feels the tax payers of any school area should be part of the process, feels it is important

- regarding iPads, goes to a four hour meeting every Monday, ask IT guy about the Cloud, he told her, district does not use the Cloud because district has to pay for every user, it would be too expensive? Not sure if that's true, reminded us that she has a granddaughter in 7<sup>th</sup> grade, these kids are not lock out of anything, ask to be honest. Feels that and ROP teacher to come in and tell us how much is it really going to be used. Mentioned Surety, **TC**, Surety is a bond, is an insurance company that stands behind the payment and performance bond that contractor must purchase so if they default, Surety stands behind contract to deliver the building. **KC**, asked for last couple of years, why where contractor allowed to walk away, told by Karl Bradley, because it was less expensive to have them walk away then to pay attorneys.

**KO**, a performance and payment bond is like a bail bond, contractor has a personal guarantee on it, and will chase you to the ends of the earth and take all of your assets if they ever have to pay on it. If you every have a claim on a performance or payment bond, it will be impossible to get another, there is a black list and these people talk to each other, so Surety is an generic term for that insurance carrier. Basically contractors will not survive if called in. **TC**, reiterated to Ms. Cheers, terminated by due default of contract and that's something that Surety will have to look into.

**TM**, what do we use interim housing for? **TC**, interim housing is used where we don't have enough capacity in the buildings, in Montgomery fortunately there is enough capacity due to the current enrollment, we can take out some buildings, not classrooms. When new classrooms are renovated we move them into portables. **BV**, MOM was an example where they were needed, since a large section of classrooms, and understands concerns were they are purchased, concerned that sometime portables turn into permanent, example ELH even though not Prop O, whole south parking was full with them, but all but a few are gone, is there a plan to keep them or sell them? **TC**, the ones we keep we buy, we do not lease long term the ones we're going to use for every, the ones we lease are the ones we going to have for 2 or 3 years during construction time, then release back to vendor, we will be starting to move portables, where the older portables are in district, the way you demo portables you try to move them, we pick them up and they start falling apart because of dry rot, termites, there looked at where can we move them, were can they be used for something that makes sense, if not will start demolishing old portables, getting them off inventory, since they are costly to maintain. **TC**, continued to mention different sites and what the plan is for portables and how projects are as far as interim housing. Has worked with Mr. Woods and identified which ones, working on a long range master plan, part of it is identifying temp house, interim housing, and then long term demolition plan.

- Report from CBOC Chair: **NM**, mentioned in the process trying to set up members/interviews (candidates) we have four candidates, 2 additional people have contacted Chair about position. Wanted to point out he's had 2 people apply and never received a response, reminded Dr. Grubb having the same problem. Spoke more in depth of being notified whether or not applicant was selected or not. **TC** will talk to Sandra Huezco. Informed BOC, he went before the board on Monday and had to listen to how to be civil for forty-five minutes, gave his chair report, issues with iPads, the down grading and bond by Moody's, highlighted specific areas in the audit, was disturbing to him that he felt rushed, had important things he had to talk about and the whole aura of meeting felt rushed, hope next one won't feel so rushed, also met with Jim Cartmill (BOT) at his request, a week and a half ago, general talk, did cover having a joint meeting in April, subject to be results of the Performance Audit. Mentioned a May 10<sup>th</sup> Conference in Sacramento, thru CaLBOC that will cover deferred maintenance, lead program etc.,
- CBOC Sub-Committee Update:
  - Annual Report : (*BV, DB*)  
BV, will need to review since didn't have this performance audit yet, so will give it a final review, so will have chair report letter done, for final approval by CBOC to have 2011-12 closed out.
  - Best Practices: (*EG, JG, TM*)
  - Finance: (*Morris, TM, KO*) only thing we came up with was the request for a budget. **TM**, we were supposed to review a week before, the audit and financials feels they need to do better on that.
  - Audit (*NM, DB, TM*) Ceci to get a draft list of sub-committee names.
  - Sub-Committee formation/Membership

8. Performance Audit Update:

**KO**, was posted on district website or our website, **TC**, on the Prop O website, **KO**, feels website is our, and feels uncomfortable with the district posting things on our website without going thru Chair, it's ours our voice. If it's on our website it means that we approve of it or go along with it, if there's some specifications as to hear it is and we will be studying on it, and will comment on it on or before we hear districts comments. **KO**, thinks it's our website our voice and that the district, though you handle it right now, should be run thru our chair person. **NM**, doesn't want to micro-manage, but would like, if there is an item that potentially seems like the committee is endorsing something the district has an imitative on when we have not considered on, example: iPads, then he would have a problem, so agreed for now to leave as is.

**NM**, read it in detail twice, intend to go thru it line by line, make comments and write up something for the whole committee and compare scope of work they agree to in the contract, and compare it to what they performed in the audit.

**TM**, read thru once, agree that we need to make sure it's done right this time so that it's done right the next time, this covers a period when he wasn't on the board.

- Page 5 - update master plan every 5 years – **TC**, in the process of doing that.
- Page 11 - seem to be comfortable and applaud that we've taken away from SGI and now doing it in house, they do say, you make sure your making the right decision for going in house for management. **DB**, the way he sees' it, they aren't concerned with cost, but current organizational structure and whether we have the capacity to do it whether it's cheaper or not, that's what needs to be addressed. **TC**, mentioned that's why we got 2 new Program Managers with two year terms, and getting our Contract Manager, that's out for recruitment. **DB**, also got out of reading, third party provider isn't bad, and problem with SGI district didn't follow the contract and let them do what they wanted.
- Page 20-21 – Is grants dept. funded and will we be able to have that website support, Social Media? **TC**, Director of Grants & Communication and just added another person so will have more help. **DB**, asked when the time frame when committee would see the districts responses. **TC**, plans to draft a response together for the joint meeting, and share with the CBOC simultaneously.

**NM**, page 10, concerned that 42 items (vendor invoices) 38 of 42 were missing at least one signature. Discussion. Page 16 very concerned that basically 52% of the total 2011-12 Prop O didn't have the appropriate signatures for payment. **TC**, question to the group, page 16, regarding suggestion to the uniform cost accounting, ask CBOC what is their thought on that? **NM**, **DB** not familiar with it, **TC** basically it allows district to adopt those standards and take its full bid limits from public contract code from \$15,000 to \$175,000.

**NM**, point of order, meeting at 2 hour point, made motion to extended meeting 15 minutes, 2<sup>nd</sup> by **KO**, passed unanimously.

Public Comment, **Ms. Cheers**, commented on going before the board, Dr. Brand has basically been given all authority to sign off up to an astronomical amount money, regarding project manager, her home school, did have resources there, project manager refused to sign anymore change orders.

9. Response "Shinoff Letter to Nick Marinovich"

**NM**, in his perspective this was a temporary diversion from the reality of what we are supposed to be doing as a committee. Was shocked about the letter, **KO** responded as an individual to the district. Feels he did not deserve a letter of reprimand, felt offended, but if that's what the district wants to do, but this will not detour him from what he wants to do as chair and representing committee. Do we want to respond to Mr. Shinoffs' letter, **KO**, last paragraph of his response, there was some number of days to respond, it's over let's not push. **NM**, after listening for 45 minutes on why we should treat each other civility where staff doesn't feel intimidated they come to the meeting, when they have public asking what they are doing, talked about being concerned about feeling of the feeling of the staff, what about the bond committee chair? Who feels the same way, feels civility goes both ways and will leave it at that. **TM**, doesn't feel that committee was that bad to Maria, she got some tough questions, but reception or treatment was not bad. All were asking tough questions, specifically about iPads. **EG**, wanted to add that he supports Mr. Marinovich, feels there are a lot of problems with South Bay and that's why he's here, if district feel that we cannot question them, than what's the point of having the committee and us being here. We're volunteers for this and we should not be treated like that. Feel we should respond. Continued discussion.

Public Comment, **Ms. Cheers**, mentioned, not knowing Maria Castilleja, but has disagreed with her in the past on many issues, believes she went back to Dr. Brand, and said these are some sharp cookies and they really didn't want to hear about the stuff I was telling them. Believes it was Dr. Brand not Maria. **TC**, added that Maria phoned him later that night and she was concerned of the treatment, she had met with Nick and was not sure why they had been so bad, reminded committee sometimes it's the way which the questions are asked and followed up with. Continued discussion. **NM**, made motion to add 5 more minutes and 2<sup>nd</sup> by **KO**, passed unanimously.

10. Response to Financial audit – **NM** made motion to leave until next time, **KO**, 2<sup>nd</sup>, pass unanimously. This agenda item skipped, trailed until next meeting 4/10/13.
  11. Form 700 – Annual Reporting – **TC**, forms sent to everyone, and get back by next week April 22<sup>nd</sup>. Ceci to send out reminders to everyone. Ceci, re-send to Mr. O'Neill.
  12. Committee Member Reports  
*Individual members of the CBOC may make announcements or raise issues to be addressed in the future.*
  13. Meeting Schedule/Format:
    - a. Calendar Site Tours: **TC**, asked to calendar site tours, talked about NCM and MOH School, projects that are going to be active soon, and can go by and see those that are finished. **KC** mentioned they meet every Monday, 2:00pm at MOH in the main office.
  14. Staff Announcements:
    - (a) **TC**, Potential Joint Meeting, at 3:30p.m. on April 15, 2013. Still as proposed, **KO** ask if it could be in Rooms A & B, or PDC or even CVH? Tom will ask.
    - (b) Next CBOC Meeting: Wednesday, April 10, 2013
    - (c) MVH Ribbon Cutting Ceremony next Wednesday, 3/20/13 at 2:30 p.m.
  15. Planned Preventive and Deferred Maintenance: **TC**, has gotten a commitment and just got \$1.6 million dollar allocation for this fiscal year 2011-12 deferred maintenance, will be spending it on roofs and asphalt, we have one contractor awarded and roof contract out to bid for six major schools. For preventative maintenance plan district get about 1/3 of what it really needs, \$8 million dollars in routine and preventative main we need totally about 4 million square feet, if we got \$4million dollars in deferred maintenance and \$20 million dollars in regular routine and preventative maintenance every year we wouldn't have building falling apart, we will probably never to get it, Tom added he will continue to advocate for it, and asked CBOC to support him in this. Mention going to a conference on CO's of the great cities, biggest school districts meeting to discuss deferred maintenance and security, two big items on his plate.
- KO**, mentioned district should have reserves that cover the predictable maintenance needs reserves parking lots, roofs etc., should be accounted for.
16. Meeting was adjourned at 8:28 p.m.