



**Proposition O Citizens' Bond Oversight Committee
Wednesday, February 12, 2014**

TIME: 6:00 p.m. Meeting

PLACE: District Office/Rooms A&B
1130 Fifth Avenue
Chula Vista, CA 91911

MINUTES

1. Meeting called to order by Nick Marinovich at 6:00p.m.

Roll Call: Present: Robert Carriedo (RC), Ditas Yamane (DY), Robert Strahl (BS), Kevin O'Neill (KO), Nick Marinovich (NM), David Butler (DB) Edgar Guerrero (EG), Terrance McKearney (TM)

Absent: Dr. John Grubb (Dr.G)

2. Pledge of Allegiance:

3. Approval of Meeting Minutes:

09/11/13 Passed Unanimously with DY & RS Abstaining

10/09/13 Passed Unanimously with KO & DY Abstaining

11/13/13 Passed, 2nd by NM with RS Abstaining

01/08/14 Passed, 2nd by RS with KO & EG Abstaining

4. Public Comment: No public present.

5. **Report from CBOC Chair: 1/14/14 Bd Mtg**

(RS) Mentioned that Mr. Marinovich did well in giving his Chair Report at Board Meeting, did a great job responding to their questions.

(NM) mentioned he had discussion with Nigro & Nigro, introduced themselves, who was on committee, what the interest where, they explained schedule and what they were going to do. Also commented on the community forum on 1/31/14, sponsored by Senator Huezco, subject of forum attended by about 40 people, fire alarms, fire safety and additional inspection regulations, possible state legislation, had the different fire chief explained what they do.

(TC) was contact by Senator Huezco's office early January, and asked if we could participate in a community forum with a couple of district, Fire Marshals Fire Chiefs, the Senator and other elected officials, Mary Salas was there representing Chula Vista, regarding Fire Alarms and Inspection. Hosted to show off CVH were upgrades are being done. Had Doug Perry, Battalion Chief for Southern Division, Dave Hammond, Fire Chief CV, Justin Gibson, Fire Marshal of CV and Robert Hernandez, Fire Marshal, Assistant-Fire Chief for National, no one from Imperial Beach. The forum was for issues related to fire inspections, what fire inspections where required, under the Calif. Fire Code, State Fire Marshal also there. An Annual inspection required of all Fire Alarm systems, every five year every sprinkler systems, so the NFA72 is the Fire Alarm portion of that, done last February and finished late July, 8 percent of components that were found defaulted. The big discussion was whether or not students were at risk, the alarms were functional or not, it was stated by Fire Marshal he stated kids were never at risk, fire watches were implemented as necessary; alarms were functional all thought not 100% completely functional, depending on component and location could be serious or not and would be on a case by case basis. After hearing public opinion on some issues, State Senator was really

interested in communication & collaboration between school districts & local jurisdiction fire marshals, fire chiefs & we've promised to share inspection reports with them, implement fire watches as necessary, some of them want us to just collect them ourselves, doing whatever the Fire Marshal making sure we do it the right way. Then check components on a regular basis, work orders are done outside of the inspection process, things show up on panels, things break and we fix them. That was on Fire Alarm Inspection & Repair, specific on Prop O upgrades, on Fire Alarms, we are complete with six of the sites, 2 are completely done, Chula Vista is 80% complete and in the midst awarding a 10 site program bid. ELH system is 20 years old, but systems spare parts are hard to find. Using CFD monies that are available to do complete redo at ELH for Fire Alarm system this summer. **(KO)** concerned that district doesn't open bid contracts to enough companies. **(RC)** wanted to know from Mr. Calhoun if what district did last year was what was required and fire alarms inspection once a year and sprinkler systems once every 5 years. **(TC)** District did a fire sprinkler system a year ago and six months ago received report for fire alarms systems. Risk Management did the fire sprinkler system 12 months ago and other about six months ago; the intentions of the district will be to do the code per NFPA and California Fire Code and DSA requirements. **(RC)** commented on Fire Marshal comments by Mr. Calhoun of Fire Chiefs, "by and large no one was in danger" feels that was vague, also agreed by Chair Marinovich.

(NM) continued.....mentioned he was interviewed by East County Magazine, and have a radio station, Monday called him in along with an attorney who follows bond oversight, and a trustee. Mentioned an item on other districted (Grossmont) agenda, which docketed an item which prohibited a trustee from attending the BOC meeting unless they had received permission from the whole board. Commented a Bond Certification Program, SD County Tax Payers Association, March 29, 2014, in Kearney Mesa, will send email with specifics.

6. Bond Project Updates

- a. Project Status Reports: **(PW)** added header for each project, continued with active projects information (See handouts for details)

(KO) MVH, questioned if would NOT be paying full freight on this, (since RNT did design) will need site adapt, relocatable is an existing structure, issue will be path of travel, siding and site work.

(RS) asked about the beams at SOH, **(PW)** until it's made into a modernization project Tom and Gary handle it as a site by site maintenance problem, at MOH somewhere replaced with steel.

(DY) was curious in regards to the 75% in finished solar equipment are in the schools, has district felt the savings that has been in place? **(TC)** commented Yes, because of rates that went up by SDG&E, we have saved a minimum of 18% since then. **(PW)** mentioned that BVH solar panels produced 98% of the electricity that BVH used in the last 12 months. SOM B1, science classrooms on the west side, converting shops to Science, and that is going out to bid with bids opening on March 6th.

SUH Welding 2, virtually done, 1st Architect missed programmatic needs which is the Adult Program that uses the welding shop, can't demolish the old welding shop until they have been moved into the new shops, which require additional electrical modifications. Adult Ed. is paying for the additional electric. **(RS)** concerned and asked why is this building is even there. **(TC)** because of CTE programs for welding, residual ROP for welding and ROP, complaint is the location according to Mr. Strahl, so the new welding shop will be right off "f" around the corner from where old one was.

(TM) ROP funding coming to district and is being spent on the CTE and spent on Adult. How will these funds be split, between Prop O funds, District funds and other funding. **(TC)** CTE funds came from state, as a CTE grant for that facilities, and Adult Ed benefits from the fact that it's there but mainly built purposely for CTE/ROP for the students. Since Flux and Adult Ed actually in flux, funding now being used for school sourced classes, according to Maria Castilleja. Adult Ed. got added, there is now an Adult Ed. Consortium, if you kept Adult Ed level funding at 12/13 level for two successive fiscals years we would get more funding. **(PW)** Summarized that basically built facility with Prop O and CTE grant money for our students, any modifications required by Adult Ed. they are paying for it. **(TM)** feels that the District if interested in expanding and doing a good CTE program and concerns being addressed and we are actually do it that the students. **(DY)** Would like to know how many high school students are taking advantage of that class and to see if this is cost effective for Prop O. **(TC)** to report back on that information at next meeting.

(TC) good news from feds ERate digging deep this year with lower percentage of free and reduced lunch students, so we may recoup some of our \$1.5 million set aside for infrastructure in prop o money to other money and back to contingency because if we get all of ERate it will free that up as

well as general fund money. Typically feds have funded 90% at 80% free reduced lunch schools my go 70% or 60%.

(NM) commented on when district found out on major issue with Fire Alarms, and with the level of scrutiny, complemented the project management staff, once they realized there was a problem they reacted quick and divisively to get these things done as quickly as possible, it's not easy. **(PW)** pointed out that on the first three schools we had a change order rate of -2.4, so we are getting money back on that project.

b. Project Financials Summary: (See detailed handout)

Informed good news on Technology Infrastructure expecting were \$6 million dollars in total cost \$1.5 million from Prop O and the rest from CFD's and ERate, b8ids came in at \$4.153 significant savings already to Prop O. **(EG)** wanted to know what is being provided as far as lowest bidder. **(TC)** confirmed there are four different bids, and that our IT Department has gone out and measured band width and coverage, breathe and depth so band width up, so pipe need to be bigger and also get coverage up so will have to install Wi-Fi devices in more rooms. Two were awarded last board meeting, two this board meeting, will go forward and do CVH 1st which has received ERate in the last two years, and other funding will be used for those upgrades. We'll have 9th graders with iPads coming this year, so all high schools will have to get coverage, by summer all the improvements will be taking place. ERate will continue, future bond measures/sales.

(KO) will district be putting in ducts large enough to put in more, or going to the larger fiber?

(TC) yes, the IT Department has sized the duct banks and fiber to the size needed to service the entire school with iPads for four grade levels. **(RC)** questioned that fact that teachers having to input grades online, and system crashes, at various times, mandated, it's happened over and over, what/when will this be issue be over.

(TC) informed committee one of the bids awarded in January 2014, was a SUP's System, Un-Interruptible Power Source, that was part of the deal, last fall electricians replaced the main fuse at the Network Operational Center (old vocational body shop, now CV Adult). Until district gets into a new facility district office with a state of the art NOC (Network Operation Center) that doesn't have roll away air conditioners outside of it, with duct tape to keep blades cool inside, roll away air conditioner inside because there is not cooling capacity inside the building, we are at risk. We hope to have this taken care of by this time next year with the band width and coverage at all the schools. **(TC)** asked again if Prop O funds now being used to buy iPads and computers (No), in moving into the era of common core feels that there will be more laptops, desktops, students generating lots of contents, so more of an education issue than bond issue, feel comfortable with where IT is going. **(KO)** mentioned the cloud again. **(DY)** with all upgrades in infrastructure for the server and being put in place, if the underlying center is antiquated, how can that support the upgrades that we are putting in place if not up to par. **(TC)** informed he is working diligently outside of Prop O, no Prop O money will ever be spent to buy a district that we're trying to buy right now, we have other funds that were trying to use to provide us with a new NOC.

(PW) the technology within the NOC is pretty state of the art, it's the building it's in and power supply to it is antiquated.

(NM) we need to add to agenda next meeting is Technology, one question is the center of the machine, power, within the district, asked if this could be replaced at some other location independent of new corporate headquarters, not buying into the fact that the reason we need a new district headquarters is to get a technology building to serve all of this. **(TC)** replied correct.

(PW) Didn't include purchasing board items, but verbally explained.

(NM) ask about Project Managers, is there detailed information on how much time each Project Manager spends on a project. **(TC/PW)** replied district does not record staff time to a project. **(PW)** mentioned on the M-1 front page is planning and operations.

c. Board Items Report: (See handouts for details)

(PW) went thru board items, February M-1, Consultant Agreements, Amendments, etc. No change orders this month.

d. Program Management Update – Long Range Facilities Master Plan

(TC) did Educational Specs finishing up internally, consultant going out to each school, will be doing educational assessment with Principal or AP, looking at spacement functional curricular perspective, looking to see what are you doing in this space, does it meet your needs, etc., will not be looking at conditions of the facilities, that will be done May thru August with project

management teams. Beginning March, Southern Schools MVH; MVA; SY;H SOM; SOH; MOH & MOM meeting at Southwest High. All meetings will start with a general meeting with all attendees, individual school site break-out sessions and a close with a wrap-up meeting for all attendees. All meetings will start at 5:30 PM and end 8:00 PM. Dates as follows: 3/10/14-Southwest HS; 3/11/14-Castle Park HS (central western schools; 3/12/14-Granger Jr. HS (National City schools three sites and adult school & 3/13/14-Otay Ranch HS (all eastern schools BVM BVH, ELH ELM ORH Etc). Then in September will come back with community to show them what has been put together with Educational Adequacy, the Ed Specs and the Delta between them and the Condition Assessments of buildings condition. Do you save the building or tear down and build a new one. An economic analysis, what is left in Prop O to go forward to do this, CFD monies, M12, HS14, other needs with all the growth out there, probably another MS and HS, then look at the gap and what we have.

(DY) are students included to give input? **(TC)** Yes, encouraging parent to bring their kids, anyone who is interested, entire community.

(TM) where are the new schools that are being talked about, when is a new middle schools coming in Eastlake? **(TC)** it depends what we build after the LRFMP is done with its work, plans were Hunt Parkway and Eastlake Parkway. **(PW)** showed area of land for this plans. **(TC)** Plan are for a 1,000 student middle and 2,000 student high school on that site, non-traditional, with no stadium. **(DY)** questioned if the density supports this, **(TC)** yes, the projections do. Continued discussion on assessment and setting up the program for the LRFMP with consultant, analysis of demographics, last financial analysis writing the report and presenting it to the board. **(NM)** feels that we should get unvarnished and candid opinions.

e. Further Breakdown of Legal Costs

(PW) new document posted on web. Categorized by issues. Mentioned to go back and look at each invoice would be tremendous labor intensive. **(KO)** of these separate actions, how many are the plaintiffs and which are we defendants, estimate cost from law firm how much will it cost to get to trial, objectives, etc. **(PW)** to put together this updated information for next meeting.

7. Report Back on Ballot Language and Expenditures to Date

(PW) stated it is impossible to correlate a dollar amount to category, even with a schedule of value, due to the fact that we pay construction contracts by type of work not area of work. Gave total project budget, the prop o projects and the ballot language, etc., (See handout for details). Categorized these by new building with could also include modernizations. This is related to chairs request. **(KO)** the money spent have we started working on those things listed or not. **(PW)** will re-do this document by school, with sub-categories. **(TM)** would like one more category (CTE) support coming out of bonds.

8. CBOC Sub-Committee Update

a. **Annual Report** (*N. Marinovich, D. Butler, 2012-2013*)

b. **Best Practices** (*E. Guerrero, Dr. Grubb, T. McKearney*)

c. **Finance** (*D. Butler, T. McKearney*)

d. **Audit** (*N. Marinovich, D. Butler, T. McKearney,*)

e. CBOC comments on District Performance Audit comments

f. Comments on Master Plan RFQ

g. **Asset Management** (*N. Marinovich, Dr. Grubb, K. O'Neill*)

h. Sub-Committee formation/Membership

a. Deferred Maintenance

(TC) reviewed latest five year df main with Maintenance Manager today and will be finalizing that and present it to committee at the next meeting for information. Doesn't mean that it's going to get funded, it's the plan, the funding is up to the board, and they did allocate \$1.6 million dollars to deferred maintenance, which is a little portion of what we need.

b. Professional Development

(NM) California League of Oversight, if anyone wants to attend the Tax Payers Training, Saturday morning fee will be \$50/\$75, mentioned that a budget needed to be talked about. **(TC)** mentioned for the up-coming fiscal year BCP form is needed (Budget Change Proposal) requested to bring to committee agenda item for next

month, get a committee together to come up with a budget Mr. O'Neill volunteered to along with Ms. Yamane to work on this as and bring back to committee.

(DY) so we have asked for a budget and have been turned down, who presents this budget, to Mr. Calhoun, and he presents to Dr. Brand and to BOT. **(PW)** from Brown Act stand point, recommends that Mr. O'Neill and Ms. Yamane be sub-committee and submit recommendation at the March meeting. This will then be agendaized for the next CBOC meeting.

9. CBOC Information Log:

(TC) contact log completed but Ceci to send out via email.

10. Options for Submission of Chair Report on History of Fire Alarm Upgrades for the Sweetwater Union High School District (Time Certain: 7:00p.m.)

(NM) prompted by fire alarms saga, commented as a private citizen & chair of committee, this items writes the core as why we exist in the first place, to hold a district accountable for the ballot language for the expenditure of Prop O money. He has put together in chronological order of accountability of what actions the district has taken or not, also having two other people go thru for accuracy. Asked that committee look at it, critic it and submit it as a part as an appendix or an addendum to the annual report. And/or depending on committee feelings on it whether it warrants the submission to the grand jury (Civil Grand Jury).

(PW) almost finished, waiting for financial audit data to include into it, will be sending to committee before March meeting, for final review, it's been approved in concept, but has done some updating and editing on projects and status. **(RC)** commented that if committee was to take the second option, we need to think about it and analyze it for a bit before taking that sort of action. **(DY)** questioned if this about BB or Prop O, if Prop O if Prop O, she believes that with all the reports we are getting we are addressing the matter with regards to the Fire Alarm, if this is going to be a motion to be voted by the committee for it to be included as that in the annual report, it has to be put on the table. **(NM)** mentioned you need to see the history and how everything started. **(DY)** our responsibility is Prop O, believes our focus is Prop O. **(NM)** disagrees; this is just laying the background as explanation why.

(DB) mentioned he has seen the draft to the report and thinks Prop BB is just laying a background, we're focusing on Prop O on what we're trying to do and what has gone on in the past, totally agrees that it has to come before the committee and with a fine tooth comb.

(TM) the content chair is referring to, his request in preparing this report is to make sure he is focusing on Prop O issues, his read/personal believe is that there has been a tremendous amount of confusions of issues to Fire Alarms that are Prop O related or Non-Prop O related, or not directly Prop O. Even after we all sat at the Senators meeting two weeks ago and hear all the fire chiefs say were ok, we are still picking at the scab. He wants to make sure that final report really addresses the scope of what important to us which is Prop O Oversight not operations and maintenance of existing Fire Alarm that they are installed correctly but maybe not maintained or kept up correctly. Feel it's time to move on down the road.

11. Committee Member Reports: Individual members of the CBOC may make announcements or raise issues to be addressed in the future.

(NM) reported back that NM & TM spoke Nigro & Nigro in terms of doing the performance audits, offered thoughts on what to look at, three items were Fire Alarms, Technology Infrastructure and Sweetwater High School the detailed project review by the architect. Commented that he felt that Nigro & Nigro are competent and has a good process in place, person assigned to us is knowledgeable and ready to go to work. **(NM)** asked if there is a financial audit being done as well. **(TC)** yes, every year, do be done VTD (Vavrinek, Trine, Day & Co., LLP). And that is thru the CFO and we have no info. **(PW)** Will come to committee before the end of March, both Performance and Finance via email. **(NM)** requested a public records request in December for all emails, correspondence, reports for the audit committee of the Sweetwater board, there was no email or correspondence on the IRS Audit specifically on Prop O, would like to ask that at the next meeting Karen (CFO) to hear were we are, why we are having it.

(TC) read statement provided to him by Karen Michel (Interim CFO) to update CBOC "The IRS completed their examination of the bond issues, as a result they made a determination to close the examination with no change to the tax exempt status of the bonds".

(RS) 1) would like to know if committee would have an opportunity to review chairs presentation to the BOT. 2) has been on committee since July and has not hear anything except Fire Alarms, not say they are not important, every school should have a Fire Alarm and maintained. Commented his conversation with Mr.

McKearney and talked about school safety in general, how many kids die in a school and from what cause, in other words how many kids dies in school fire since 1950 as opposed to how many kids and staff members have been shot in the resent months. In the context of school safety, brought a new dimension to mind, active shooter, different scenarios that have gone down as far as protecting students and protecting kids on campus (TM, wife is a Principal) feels commanding control, maintaining control, classroom that teachers can lock from the inside, teachers being able to contact each other and office, those are threats facing our students. These other aspects should be taken into consideration in the rebuilding of our schools. **(TC)** in future will have John Czajkowski, former Navy Seal, and our Security Manager for the district come and do presentation to the Committee, no Prop O monies are being used for his salary or any of the security improvement other than Prop O projects in the future, Crime Prevention through Environmental Design will be a portion of that Security will be a part of that.

12. Meeting Schedule/Format:

- a. Calendar Additional Site Tours: Staff to set up GJ Clinic visit.
Request from Member, Strahl to visit GJ to see Clinic, we had ribbon cutting there on November 12, 2013 and some members were able to see it and some did not. Tom requested members to please let Ceci know and she will set up something that will work for everyone.
- b. Retreat Scheduling: Trailed to next meeting.

13. Staff Announcements – Next CBOC Meeting March 12, 2014, staff to look into doing next meeting at a school site Granger or Sweetwater High School. In Library or location to be determined.

14. Motion to Adjourned at 8:25 p.m.