

PROPOSITION O



CITIZENS' BOND OVERSIGHT COMMITTEE 2012-2013 ANNUAL REPORT



March 13, 2013

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LETTER FROM THE COMMITTEE CHAIR

Letter from the Committee Chair

TO: Board of Trustees

The Citizens Bond Oversight Committee (CBOC) is pleased to forward its seventh annual report on the \$644 million general obligation Proposition “O” bond initiative. This report will cover the 2012 -2013 fiscal year for the period of July 1, 2012 through June 30, 2013.

Introduction

Principal duties of the CBOC includes ensuring that proceeds have been expended for the purposes set forth in the Proposition O ballot language, reporting the progress annually to the public and providing a compliance statement. Sweetwater’s Board of Trustees is responsible for monitoring, prioritization 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 2012-2013 fiscal year, the Committee met monthly and, where appropriate called a Special Meeting to deal with the appointment of new Oversight Members, toured several active projects separate from our regular meeting, reviewed various District reports and documents, and received the following audits:

- Financial Audit – Annual, performed by Christy White Accountancy (January 14, 2013)
- Performance Audit - Annual, completed by Nigro & Nigro (February 26, 2013)

Pursuant to the Education Code and Passage of Proposition 39 and subsequent legislative revisions, the Bond Oversight Committee fulfilled its role of independence and representation of the citizens of this District. Where appropriate, compliments were given. If issues needed more information or improvements were needed, the CBOC exercised its independence and made forthright comments and recommendations.

This Chair Report is organized as follows: 1) Accomplishments and Achievements 2) Issues and Areas of Concern 3) Performance Audit and Comments. 4) Closing Remarks.

The key conclusions of the Performance Audit and our comments are also provided in this Report are available on the Prop O website under annual reports and audits ([click here](#)). The CBOC spent an extra amount of time on this Performance Audit, particularly related to scope review. In short, this is a hardworking and engaged Bond Oversight Committee.

Accomplishments and Achievements

Fiscal Year 2012-2013 was a significant year of progress for the Sweetwater Union High School District Bond Oversight Committee. The CBOC recognized some significant improvements in the Proposition O Bond Program and where necessary provided probing questions and comments regarding the proper expenditure of bond proceeds. Major Accomplishments were as follows:

1. **Enhanced Public Confidence in the Bond Oversight Committee.** Past CBOC’s had been criticized as having members who were biased and influenced by personal or professional relationships between District staff, consultants and/or Trustees. Through a revised and more structured process of filling positions based on qualifications and expertise, the CBOC has evolved as one who truly represents the Citizens, Taxpayers, and students.

LETTER FROM THE COMMITTEE CHAIR

2. Overall Improvement and Savings Associated with Using Sweetwater Staff for Management of the Bond Program. Over the past two years, the District has converted from using consultants to District in-house staff for the day-to-day management of this Bond Program. This has resulted in significant savings. Two new Senior Level Project Managers were hired. The current in-house management of the Bond Program is about half the cost of the former management firm, SGI.
3. Proposition “O” Web Site Enhancements. The Proposition “O” Web site has had extensive improvements including: 1) better organized delineations of reports and audits 2) online posting of agenda items and back up in advance of the CBOC meeting 3) more frequent updates of information related to the Bond Program (e.g. Capital Appreciation Bond Legislation).
4. Revised Selection Process for New Bond Oversight Committee Members. A much-improved process for selection of Bond Oversight Committee members was initiated and refined. Applications were received by the Sweetwater Human Resources Department and screened to make sure the person met the qualifications of the Open Position. An interview panel was used that included staff from other School Districts and a Bond Oversight Committee member.
5. Expanded Performance Audit. The Performance Audit was enhanced by inclusion of a number of scope recommendations by the CBOC (eg. detailed review of three projects). The CBOC also participated in the selection process.
6. Emphasis on Deferred Maintenance Funding. The CBOC, primarily through the monthly Chair Report to the Trustees, emphasized the importance of maintaining the very valuable assets of the District, including those constructed or refurbished by Proposition O Funds.
7. No Use of Proposition “O” Funds for Operations. This had been an issue in the past. The CBOC received a letter from Christy White confirming no Proposition O Funds were being used for Operations.
8. Bylaw Revisions. The CBOC had extensive input regarding Bylaw revisions, including issues involving member selection and term structure.
9. Expanded Subcommittee Structure. An expanded use of subcommittees (eg. Finance, Best Practices, Asset Management) was initiated. This expansion allowed more detailed review of specific issues relating to reporting on the proper expenditure of bond proceeds.

While there was continued improvement in the Oversight efforts, there were several significant issues that arose during the year:

Issues

The primary issues were as follows:

1. Need for Improved Transparency. While there was some improvement in communication between the District and the CBOC, there still is an overall perception, in varying degrees by Committee members, that the District needs to be more forthcoming and complete in the information it provides the CBOC. One significant example is the release of pending Board items relating to Proposition O after the CBOC meeting, often too late for us to comment on the appropriate expenditure of funds.
2. Lack of District Resources (Funding) Devoted to Bond Oversight. The Committee had expressed the need for financial, legal, and construction related consultant services on an as needed basis. The request for these services was denied by the District. See discussion below.

LETTER FROM THE COMMITTEE CHAIR

3. Vote of No Confidence. On September 6, 2012 the Sweetwater Union High School District Proposition "O" Bond Oversight Committee voted 5-0, with three new member abstentions, to declare a vote of no confidence regarding Dr. Brand's support of our Committee. A letter to the District stated: "Our vote of no confidence was not taken lightly and comes as a result of months of frustration with respect to the support we need to meet our statutory requirements." Our concerns have been well documented in a Chair Report dated July 22, 2012, which detailed such issues as the iPad purchases, the time it took for the District to respond to the Performance Audit, adequate timely documentation on the potential use of Bond funds for District Operations, and the manner in which District staff responded to relevant questions on the Southwest High contaminated dirt situation. Also, on August 20, 2012 our Committee detailed resource needs to meet our statutory requirements. On September 5, 2012 I received a letter from Dr. Brand indicating that the District does not have the funds and/or see the need for the requested services.
4. Better Strategic Planning related to iPad Acquisitions. While there were varying opinions on whether it was ever appropriate to use bond proceeds to acquire a portable asset with a short useful life, the CBOC felt the strategic planning and vetting of the iPad Acquisition required substantial room for improvement. This same concern was voiced by the earlier members of the CBOC prior to the purchase of the devices. Their concerns were obviously ignored. There needed to be greater vetting and evaluation of how the iPad Acquisition fit into the overall strategic plans of the District.
5. More Timely Filling of New Member Positions. While there was a much improved process for the filling of vacant positions by years end, the start of the Fiscal Year resulted in a Special Meeting of the Bond Oversight Committee on August 23, 2012 to express our displeasure in the amount of time it was taking to fill vacant positions. Within two months three positions were filled.

Closing Comments

As mentioned above, the District had Christy White conduct a Financial Audit. They audited the balance sheet of the Proposition O Building Fund of the District and the related statement of revenues, expenditures and changes to fund balance as of and for the Fiscal Year ended June 30, 2012. These District Financial Statements are the responsibility of the Sweetwater Union High School District's management. Our responsibility is to express an opinion on those financial statements based on our audit.

The Audit concluded: "In our opinion the financial statements referred to above present fairly in all material respects the financial position of the Proposition O Building Fund of Sweetwater Union High School District as of June 30, 2012 and for the fiscal year ended in conformity with accounting principles generally accepted in the United States of America."

The Chair wishes to thank District Staff that prepared the description of project status and completions.

Very Truly Yours,



Nick Marinovich
Chair of the Proposition O Citizens' Bond Oversight Committee
2012-13

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, President in 2013)
- Bertha López
- John McCann
- Pearl Quiñones (President in 2012)
- Arlie N. Ricasa (Vice-President in 2013)

SUPERINTENDENT

- Edward M. Brand, Ed.D.

SUPPORT STAFF TO THE PROP O CITIZENS' BOND OVERSIGHT COMMITTEE

- Thomas J. Calhoun, Chief Facilities Executive
- Ceci Martinez, Facilities Division
- 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, state funding for school facilities, grants and other funding sources, the Prop O bond program is providing almost \$303 million to improve schools in the district.

Proposition O has and will continue to:

- Upgrade classrooms / restrooms / science labs / technology
- Improve handicap accessibility
- Provide compliance with Title IX
- 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 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.

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

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 2012-13 fiscal year. During the year four members were appointed to fill all the vacant positions, Terry McKearney, Dr. John Grubb, Jim Morris and Edgar Guerrero. Unfortunately there were also two resignations: Jim Morris and Guillermo Camarena. The departing members served the committee well, and their passion and dedication to the committee, district and community are much appreciated. The Board adopted updated Rules and Regulations for the committee establishing 3-year terms and changing the end date for terms to June 30th.

Although two vacancies are shown below as of June 30, 2013, the District was in the process of recruiting new members who were appointed on July 16, 2013.

Representing	Member on 7/1/12	Member on 6/30/13
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	Vacant	Edgar Guerrero
Member of a bona fide taxpayer association	Vacant	Terry McKearney
Member of a senior citizen organization	Vacant	Dr. John Grubb
Member of a business organization	Vacant	Vacant
At-Large	David Butler	David Butler
At-Large	Guillermo Camarena	Vacant
At-Large	Nick Marinovich	Nick Marinovich
At-Large	Kevin O'Neill	Kevin O'Neill

ABOUT THE COMMITTEE (CBOC)

MEETINGS

The committee met on the following dates in 2012-13 and the May 13, 2013 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 12, 2012	October 11, 2012	February 6, 2013	April 10, 2013
August 16, 2012	November 7, 2012	February 20, 2013	May 8, 2013
September 6, 2012	January 16, 2013	March 13, 2013	May 13, 2013
			June 12, 2013

COMMITTEE ACTIVITY SUMMARY

During the 2012-13 fiscal year, the proceedings of the CBOC included:

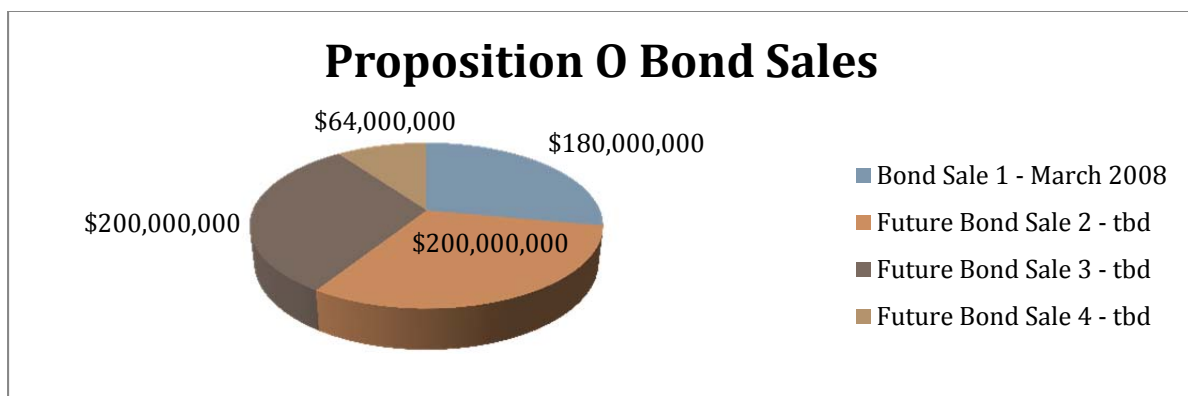
- Review of Financial and Performance Audit
- Review of Project Expenses
- Review of Prop O Funded Technology Projects
- Review of Project Status Reports
- Review of Program Schedule
- Review of Financial Reports
- Review of Remaining Prop BB Funds
- Review of Board Agenda Items
- Site Tours of Montgomery Middle and Southwest High Schools.
- Review of Prop O Staffing and Organization Charts
- Appointment of the Committee Chair and Vice-Chair
- Formation of Annual Report Sub-Committee
- Review of Prop O Legal Fees

FINANCIAL STATEMENTS

Financial Statements

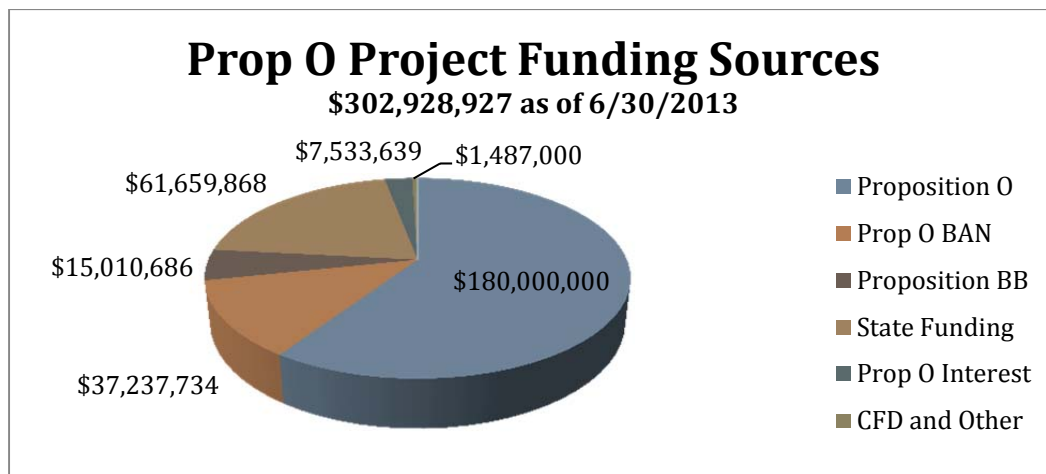
FUNDING FROM PROP O

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. In order to fund two projects (Montgomery High School Project 2 and National City Middle School Project 2) the District issued a \$37.5 million Bond Anticipation Note (BAN) which will be repaid from future bond sale 2. This repayment must occur within five years and the recovering assessed value of the district allowed the Board to issue the short term BAN with confidence that bond sale 2 will occur within five years.



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, Prop O Bond Anticipation Note (BAN) funds, Prop O Interest earnings, Mello-Roos Community Facility District funding, Quality Education Investment Act (QEIA) funds, grants from the City of National City and the NFL (through the San Diego Chargers) for the Sweetwater HS Track and Field, and state funding from four State School Facility Funding programs: New Construction, Modernization, Overcrowded Relief Grants (ORG), and Career Technical Education Grants (CTE).



FINANCIAL AUDIT SUMMARY

Financial Audit Summary

The 2012-13 financial audit was performed by Christy White Associates, a professional accountancy corporation, and will be posted on the Prop O website when it becomes available.

BALANCE SHEET SUMMARY

Assets

Cash	\$61,272,695
Accounts Receivable (interest earned)	\$23,686
Due from general fund (reimbursement of expenditures)	\$1,356,804

Total Assets	\$62,653,185
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Liabilities

Accounts Payable	\$2,456,657
Due to general fund (PERS reduction, OPEB costs and reimbursement of expenditures)	\$66,479

Total Liabilities	\$2,523,136
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Fund Balance

Restricted for capital projects	\$60,130,049
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Total Liabilities and Fund Balance	\$62,653,185
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SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Revenues and Transfers

Earnings on investments (interest)	\$117,715
Local revenue	\$382,485
Bond Anticipation Note proceeds	37,525,810

Total	\$38,026,010
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Expenditures

Plant services (salaries, supplies, etc.)	\$1,556,021
Facilities acquisition and construction	\$26,409,932
Debt service	\$649,717

Total Expenditures	\$28,615,670
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Fund Balance, July 1, 2011	\$50,719,709
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Fund Balance, June 30, 2012	\$60,130,049
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Net Change in Fund Balance	\$9,410,340
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PROP O BOND PROGRAM FINANCIAL SUMMARY


Prop O Bond Program Financial Summary

This summary is from August 2013 and shows the expenditures through June 30, 2013. These figures will differ from the audit because of the timing of reporting expenditures through the various financial systems.

PROPOSITION O - Projects										Financial Analysis - August 2013 - Page 1	
	"A" "A"	"B" "B"	"C" "C"	"E"="A+B+C+D"	"F" "F"	"G" "G"	"H" "H"	"I" "I" = "F" + "G" + "H"	"J" "J"	"K" "K" = "J" - "I"	
	CURRENT FUNDING				BUDGET				ACTUAL COSTS		
Site	Prop O Bond Funding	State Funding [1]	Other Funding [2]	Total Available Funding	Original Budget [3]	Approved Revisions [4]	Proposed Revisions This Month [5]	Revised Budget	Total Expenditures thru 6/30/13	Remainder	
FIRST ROUND											
Chula Vista HS - Proj 1	\$ 24,519,408	\$ 8,789,813		\$ 33,309,221	\$ 27,519,408	\$ 1,505,844		\$ 29,025,252	\$ 28,978,873	\$ 46,379	
Chula Vista MS - Proj 1	\$ 8,649,707	\$ 850,731	\$ 2,242,398	\$ 11,742,836	\$ 10,892,105	\$ 789,059		\$ 11,681,164	\$ 11,627,500	\$ 53,664	
Hilltop HS - Proj 1	\$ 19,741,358	\$ 11,382,634		\$ 31,123,992	\$ 19,741,358	\$ 4,035,668	\$ 9,524	\$ 23,786,550	\$ 23,786,550	\$ -	
Montgomery HS - Proj 1	\$ 20,913,971	\$ 1,258,674		\$ 22,172,645	\$ 20,913,971	\$ 4,793,299		\$ 25,707,270	\$ 25,618,424	\$ 88,846	
Mar Vista HS - Proj 1	\$ 10,417,900	\$ 2,835,832		\$ 13,253,732	\$ 10,417,900	\$ (431,075)		\$ 9,986,825	\$ 9,533,664	\$ 453,161	
National City MS - Proj 1	\$ 16,191,703	\$ 1,588,448		\$ 17,780,151	\$ 16,191,703	\$ (3,017,880)		\$ 13,173,823	\$ 13,015,589	\$ 158,234	
National City MS - Proj 2	\$ 15,273,601	\$ -	\$ 14,267,734	\$ 29,541,335	\$ 15,273,601	\$ (22,573)		\$ 15,251,028	\$ 1,185,949	\$ 14,065,079	
Southwest HS - Proj 1	\$ 24,467,998	\$ 8,013,531		\$ 32,481,529	\$ 24,467,998	\$ (7,824,249)		\$ 16,643,749	\$ 16,024,329	\$ 619,420	
Southwest MS - Proj 1	\$ 14,738,042	\$ 1,548,791	\$ 412,000	\$ 16,698,833	\$ 14,738,042	\$ 5,849,518		\$ 20,587,560	\$ 15,419,366	\$ 5,168,194	
Sweetwater HS - Proj 1	\$ 25,086,312	\$ 25,391,414	\$ 12,000,000	\$ 62,477,726	\$ 38,522,133	\$ 13,493,047		\$ 52,015,180	\$ 48,787,336	\$ 3,227,844	
SIGNIFICANT ADDED PROJECTS											
Bonita Vista HS - HVAC upgrade			\$ 500,000	\$ 500,000	\$ 2,000,000			\$ 2,000,000	\$ -	\$ 2,000,000	
Bonita Vista HS - Track & Field - Design only			\$ 125,000	\$ 125,000	\$ 500,000			\$ 500,000	\$ 87,218	\$ 412,782	
Castle Park HS - Title IX Improvements				\$ -	\$ 1,200,000	\$ 100,000	\$ 375,000	\$ 1,675,000	\$ 1,106,065	\$ 568,935	
Chula Vista HS - ORG Relo Removal				\$ -	\$ 1,100,000	\$ 702,351		\$ 1,802,351	\$ 334,911	\$ 1,467,440	
Hilltop HS - Track & Field - Design only				\$ -	\$ 300,000	\$ 40,000		\$ 340,000	\$ 93,533	\$ 246,467	
Mar Vista HS - Proj 2				\$ -	\$ 1,800,000			\$ 1,800,000	\$ -	\$ 1,800,000	
Montgomery HS - Proj 2		\$ 23,000,000	\$ BAN	\$ 23,000,000	\$ 2,000,000	\$ 21,000,000		\$ 23,000,000	\$ 318,574	\$ 22,681,426	
Montgomery MS - Proj 1				\$ -	\$ 29,619,657	\$ (3,100,621)		\$ 26,519,036	\$ 23,839,034	\$ 2,680,002	
Sweetwater HS Synthetic Track and Field		\$ 400,000	\$ [2.1]	\$ 400,000	\$ 2,200,000	\$ 919,492		\$ 3,119,492	\$ 877,282	\$ 2,242,210	
SMALL AND ADDED PROJECTS - See page 2	\$ -	\$ -	\$ -	\$ -	\$ 4,072,351	\$ 396,000	\$ -	\$ 4,468,351	\$ 715,881	\$ 3,752,470	
COMPLETED PROJECTS - See page 2	\$ -	\$ -	\$ 768,288	\$ 768,288	\$ 820,565	\$ (192,578)	\$ -	\$ 627,987	\$ 627,987	\$ -	
MISCELLANEOUS - See page 2	\$ -	\$ -	\$ 7,553,639	\$ 7,553,639	\$ 18,862,158	\$ (2,166,233)	\$ -	\$ 16,695,925	\$ 6,945,744	\$ 9,750,181	
Program Contingency			\$ 2,113,651	\$ 2,113,651	\$ 3,000,000	\$ 664,839	\$ 971,196	\$ 4,636,035		\$ 4,636,035	
TOTALS	\$ 180,000,000	\$ 61,659,868	\$ 63,382,710	\$ 305,042,578	\$ 266,152,950	\$ 37,533,908	\$ 1,355,720	\$ 305,042,579	\$ 228,923,809	\$ 76,118,770	

NOTES:

- [1] State funding includes \$4,435,821 in Career Technical Education Grants that were accounted for in Fund 35.
- [2] Other Funding: BB=Prop BB, BAN=Estimated Bond Anticipation Notes, QEIA=Quality Education Investment Act, CFD=Mello-Roos CFD, QZAB, and [2.1]= funding from National City and the San Diego Chargers.
- [3] Original Budget is the budget established at the beginning of the project, the final Lease/Leaseback guaranteed maximum price, interest earned, or funding received.
- [4] Budget revisions approved by the Board.
- [5] QZAB Reimbursement increased over last month by \$1,355,720 and CPH Title IX increase to cover dugout and water service improvements
- [6] Project Budget and Funding is from Interest.



PROPOSITION O - Projects

Financial Analysis - August 2013 - Page 2

	"A" "A"	"B" "B"	"C" "C"	"E" "E" = "A" + "B" + "C" + "D"	"F" "F"	"G" "G"	"H" "H" = "F" + "G"	"I" "I"	"J" "J"	
	CURRENT FUNDING				BUDGET				ACTUAL COSTS	
Site	Prop O Bond Funding	State Funding [1]	Other Funding [2]	Total Available Funding	Original Budget [3]	Approved Revisions [4]	Proposed Revisions This Month [5]	Revised Budget	Total Expenditures thru 6/30/13	Remainder
SMALL and ADDED PROJECTS										
Fire Alarm Upgrades at Various Sites				\$ -	\$ 2,662,351			\$ 2,662,351	\$ -	\$ 2,662,351
Granger Jr HS Clinic 2				\$ -	\$ 160,000			\$ 160,000	\$ 1,488	\$ 158,512
MAAC Charter School				\$ -	\$ 250,000			\$ 250,000	[6] \$ 51,305	\$ 198,695
Montgomery HS Gym Structural Upgrades				\$ -	\$ 200,000			\$ 200,000	\$ -	\$ 200,000
Mar Vista HS Title IX				\$ -	\$ 200,000	\$ 396,000		\$ 596,000	\$ 548,180	\$ 47,820
Palomar HS Science				\$ -	\$ 100,000			\$ 100,000	\$ -	\$ 100,000
Power Purchase Agreement				\$ -	\$ 500,000			\$ 500,000	\$ 114,908	\$ 385,092
TOTALS	\$ -	\$ -	\$ -	\$ -	\$ 4,072,351	\$ 396,000	\$ -	\$ 4,468,351	\$ 715,881	\$ 3,752,470
COMPLETED PROJECTS										
Bonita Vista HS Bleachers		\$ 451,291	BB	\$ 451,291	\$ 451,291	\$ (142,169)		\$ 309,122	\$ 309,122	\$ -
Granger Jr HS Health Clinic		\$ 316,997	BB	\$ 316,997	\$ 316,997	\$ (48,868)		\$ 268,129	\$ 268,129	\$ -
Smartboards-CPH & MVM				\$ -	\$ 28,577	\$ (1,541)		\$ 27,036	[6] \$ 27,036	\$ -
Hilltop MS Science Design				\$ -	\$ 23,700			\$ 23,700	[6] \$ 23,700	\$ -
TOTALS	\$ -	\$ -	\$ 768,288	\$ 768,288	\$ 820,565	\$ (192,578)	\$ -	\$ 627,987	\$ 627,987	\$ -
MISCELLANEOUS										
BAN Repayment				\$ -	\$ 3,500,000	\$ 2,887,406		\$ 6,387,406	\$ -	\$ 6,387,406
iPad Initiative				\$ -	\$ 1,800,000	\$ -		\$ 1,800,000	[6] \$ 1,800,000	\$ -
Technology & Infrastructure				\$ -	\$ 1,500,000			\$ 1,500,000	\$ -	\$ 1,500,000
Long Range Facilities Master Plan - Update				\$ -	\$ 300,000			\$ 300,000	\$ -	\$ 300,000
Planning & Operations				\$ -	\$ 4,208,519	\$ 2,500,000		\$ 6,708,519	\$ 5,145,744	\$ 1,562,775
SDG&E Rebates Received		\$ 174,551		\$ 174,551	\$ 174,551	\$ (174,551)		\$ -		
Interest Total		\$ 7,379,088		\$ 7,379,088	\$ 7,379,088	\$ (7,379,088)		\$ -		
TOTALS	\$ -	\$ -	\$ 7,553,639	\$ 7,553,639	\$ 18,862,158	\$ (2,166,233)	\$ -	\$ 16,695,925	\$ 6,945,744	\$ 9,750,181

NOTES:

- [2] Other Funding: BB=Prop BB, BAN=Estimated Bond Anticipation Notes, QEIA=Quality Education Investment Act, CFD=Mello-Roos CFD, QZAB, and [2.1]= funding from National City and the San Diego Chargers.
- [5] QZAB Reimbursement increased over last month by \$1,355,720 and CPH Title IX increase to cover dugout and water service improvements
- [6] Project Budget and Funding is from Interest.

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 originally planned to provide over 5 megawatts of clean solar power on ten campuses has now been expanded to include 22 campuses. Construction is complete on the first six sites: Bonita Vista High, Castle Park High, Chula Vista High, Montgomery High, Otay Ranch High and Southwest High.

Construction is nearly complete at the next 6 sites: Castle Park Middle School, Otay Ranch High School (Phase 2), Mar Vista High School, Sweetwater High School, Olympian High School, and San Ysidro High School.



ACTIVE PROJECTS

Active Projects

This section of the annual report provides an update on the status of the projects that are active in the design or construction phase. Completed projects are listed in the next section.

BONITA VISTA HIGH SCHOOL

Artificial Track and Field – This project includes replacement of the grass practice football field and dirt track with a new artificial track and field. It also includes a new restroom/concession building, ticket booth, scoreboard, metal home bleachers to replace the existing wood bleachers. Stadium lighting will be added for practices. Design work continues. Funding for construction has not been identified and completion of the design will be in the fall of 2013. Architect: NTD Architecture, Inc.



HVAC Project – This project includes replacing the existing heating/cooling systems with new rooftop units Building 600 (classrooms), the administration building, gym, multi-purpose building (cafeteria/kitchen), library and ASB room. Construction documents were submitted to the Division of State Architect on June 28, 2013 for approval. 25 percent of the funding for this project is from Mello-Roos Community Facilities District funding. Engineer: Bender Dean Engineering.

CASTLE PARK HIGH SCHOOL

Title IX Improvements – The work included the following:

- **Team Rooms** – four existing portables were relocated and upgraded for team rooms. A new restroom building and ramp to the lower campus were also completed. Architect: Lord Architecture Inc. Contractor: GEM Industrial.
- **Dugouts** – Design and bidding was complete for new dugouts for the softball field. Completion expected in fall 2013. Architect: Lord Architecture Inc. Contractor: Fordyce Construction, Inc.



ACTIVE PROJECTS

CHULA VISTA HIGH SCHOOL

ORG 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. The remaining work necessary to complete Project 1 and comply with the ORG funding rules includes the following projects:

- Removal of the final six portables and creation of additional on-site parking was completed in April 2013. Architect: Reyes Architects, Inc. Contractor: Whillock Contracting, Inc.
- Upgrades to 6 classrooms in the 100 building is under construction. The improvements include painting, flooring, ceiling fans and blinds. Completion will occur before the start of school in July. Architect: Reyes Architects, Inc. Contractor: Grahovac Construction Co. Inc.
- Replacement of the varsity baseball field backstop to protect the new performing arts center. Title IX requires equity between softball and baseball and therefore this project also includes a new backstop for the softball field and upgrades to site fencing. The project will be bid in late 2013 and complete in 2014. Architect: Reyes Architects, Inc.
- Title IX also requires equitable team rooms and therefore this project also includes relocating a portable classroom and converting it into a team room (identical to the Mar Vista High School Title IX project). The project is in design and will be submitted to DSA for approval in 2013-14. Architect: Roesling Nakamura Terada Architects.
- This project also includes removal of leased interim housing portables after cosmetic upgrades to classrooms in the 100 and 500 buildings. The project will be complete in 2014. Architect: Roesling Nakamura Terada Architects.



GRANGER JUNIOR HIGH SCHOOL

Health Clinic Upgrades – In order to expand operation hours from part-time to full-time, the Operation Samahan Clinic needs to add an office, utility room and upgrade electrical outlets and HVAC filtering. The project was designed, approved and bid. Construction is scheduled to start July 17th and will be complete in Fall 2013. Architect: Matalon Architecture & Planning. Contractor: Kinsman Construction, Inc.

HILLTOP HIGH SCHOOL

Artificial Track and Field – This project includes replacement of the grass practice football field and dirt track with a new artificial track and field. The project is in design. Funding for construction has not been identified and completion of the design will be in the fall of 2013. Architect: NTD Architecture, Inc.



ACTIVE PROJECTS

MAAC CHARTER SCHOOL

Kitchen – Design was completed but only one bid was received and it exceeded the budget. The project was put on hold. Architect: Michael Burke & Associates Architects.

MAR VISTA HIGH SCHOOL

Modernization Project 2 – This project will address special education needs. A request for qualifications for architectural services has been prepared and design will begin later this year.

MONTGOMERY HIGH SCHOOL

Modernization Project 2 - Design was completed and construction began on a new 18,450 square foot two-story classroom/office building and a new 51,280 square foot gymnasium. The classroom/office building will include state of the art instructional technology replacement classrooms for outdated classrooms which will be demolished, as well as new special education facilities and a new science laboratory. The gymnasium will house physical education support areas including: three athletic courts, a classroom, weight room, multipurpose room, locker rooms, and storage. The new buildings will be occupied in spring 2014. Additional project scope includes: upgrades to two science labs and the woodshop, resurfacing of the student parking lot, installation of permanent dining structures for approximately 300 students, improvements to the tennis courts, softball field, and baseball field, development of a plaza adjacent to the gymnasium, and landscaping enhancements along the south classrooms. This project is being constructed through an agreement with the K-12 Public School Districts and Community Colleges Facility Authority (FAC JPA) administered by the San Diego County Office of Education. The design-build team is Zagrodnik + Thomas Architects and Soltek Pacific Construction.

Existing Gym Structural Upgrades - The project consists of upgrades recommended in the seismic review that was completed to investigate cracking in the concrete walls. The cracks are cosmetic but the review recommended upgrades to some structural systems to comply with current codes. This project will start in 2013-14.



ACTIVE PROJECTS

MONTGOMERY MIDDLE SCHOOL

Modernization Project 1 - 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.

The project includes a new two-story building with 18 classrooms and single story buildings containing a library, counseling center, food service area, covered eating area, stage, and parking



improvements. The project was designed to meet LEED platinum requirements, the highest level of sustainability. The project features the first installation of a “displacement ventilation” HVAC system in the District. This system is quieter than typical systems and should provide greater comfort. The roof is designed for future installation of solar panels. Construction is nearly complete with occupancy expected for the start of school. Architect: LPA, Inc. Lease-leaseback Contractor: Balfour Beatty plc.



NATIONAL CITY MIDDLE SCHOOL

Modernization Project 2 - A new two-story building will be attached to Project 1 and utilize the same elevator. It will house 11 new classrooms, a TV production classroom, and an ASB classroom. Also included are demolition of three old maintenance intensive buildings and the creation of a new quad which will enhance the learning environment. Completion is planned for 2014. Architect: LPA, Inc. Lease-Leaseback Contractor: McCarthy Building Companies, Inc.



ACTIVE PROJECTS

SOUTHWEST MIDDLE SCHOOL

Modernization Project 1B, Increments 1, 2 and 3 – This second phase of work has been broken into increments. Take-over Architect: Roesling Nakamura Terada Architects.

- **Increment 1** includes renovation of 13 relocatable classrooms. Work began in June 2013 and is expected to be complete in summer 2013. Contractor: APR Construction Inc.
- **Increment 2** will transform old shops into state-of-the-art science classrooms. Design drawings are nearing completion.
- **Increment 3** will include renovations of buildings for the music program, the after school program, and the auditorium if funding allows.



SWEETWATER UNION HIGH SCHOOL

Modernization Project 1 - Welding

Building – Part of the modernization project includes a new Welding Building funded in

part by Career Technical Education grants. The 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.

- **Welding Building** – Most of the project was constructed in 2012-13, however, design errors led to delays and incomplete work that required a new bid package to complete the work. The architect was terminated. Architect: BCA. Contractor: Grahovac Construction Co. Inc.
- **Welding Building 2** – A completion bid package was created by a new architect and the project was bid. Construction will start in the summer. Take-over Architect: Reyes Architects, Inc. Contractor: APR Construction, Inc.

Modernization Project 1 – Site Restoration and Parking Lot Improvements – After removal of 21 portables from the campus, the site requires some restoration and renovation of the parking lot. The new lot will include accessible parking, improved drainage, and security fencing. Demolition of large concrete foundations under some of the portables is complete. Architect: Reyes Architects, Inc. Foundation Demolition Contractor: APR Construction Inc.

Track and Field – With partial funding from the NFL (through the San Diego Chargers) and Community Block Development Grant Funding from the City of National City, a new artificial track and field is being constructed. The existing track was not level (one side was two feet higher than the other) and the improved facility will be a great community and school asset. Completion is expected by the end of September. Architect: Roesling Nakamura Terada Architects. Contractor: Byrom-Davey, Inc.



COMPLETED LARGE PROJECTS

Completed Large Projects

The first round of Proposition O projects modernized ten campuses. The major projects that are complete and occupied are listed here. Some project may still be going through the certification process through the Division of State Architect (DSA) and this close-out process can be lengthy. The smaller projects such as interim housing are summarized in the next section.

CHULA VISTA HIGH SCHOOL

Modernization Project 1 - A new 25,000 square foot multi-purpose building was built to accommodate the creative arts program at CVH. The 680 seat auditorium is the largest south of Highway 54. A new 5,735 square foot library was also built and the gymnasium, boys' locker room and girls' locker room were updated and modernized. The project was complete in 2010 and certified by DSA on April 25, 2012. Architect: BCA. Lease-leaseback Contractor: Turner Construction Company.

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. The project was complete in 2010 and closed without certification by DSA on 8/29/12 and was certified on 8/27/13. Architect: Ruhnau Ruhnau Clarke. Contractor: Edge Construction.

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 was completed in late 2012 and the facility was open for school following the winter break. Architect: Ruhnau Ruhnau Clarke. Contractor: G.A. Dominguez.

COMPLETED LARGE PROJECTS

HILLTOP HIGH SCHOOL

Modernization Project 1 – The project included a new two-story 16,147 square foot classroom facility, a new 5,896 square foot shop/industrial technology facility housing a photo lab and wood shop, replacement of four major classroom buildings (including science labs) (8,690 square feet). The project was complete in 2011 and certified by DSA on June 25, 2013. Architect: Ruhnau Ruhnau Clarke. Contractor: Pacific Building Group



COMPLETED JULY 2011

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) was completed in March 2013. Architect: Ruhnau Ruhnau Clarke. Contractor: Western Rim Constructors, Inc.

COMPLETED MARCH 2011



MAR VISTA HIGH SCHOOL

Interim Housing – The installation of temporary portables was complete in 2009 and certified by DSA on October 27, 2009. Architect: LPA, Inc. Contractor: GEM Industrial.

Modernization Project 1 – The project included 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 administration 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. Also, the 2,200 square foot parent center building was modernized. Architect: LPA, Inc., Contractor: The Augustine Company.



Title IX Field and Restroom – Construction of a new team room, dugouts, backstop, and fencing for the girls' softball team was completed in March 2013 in time for the start of the softball season. The project is in DSA closeout pending approval of one final change order. Architect: Roesling Nakamura Terada Architects. Contractor: Nuera Contracting and Consulting LP.

COMPLETED LARGE PROJECTS

MONTGOMERY HIGH SCHOOL

Modernization Project 1 – The project included a new two-story classroom and library complex (19,226 square feet) that 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. A 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. The original contractor could not finish the project and was terminated. The project was certified by DSA on June 11, 2013. Architect: Ruhnau Ruhnau Clarke. Track and Field Contractor: Byrom-Davey, Inc. Take-over lease-leaseback Contractor: Swinerton Builders.



COMPLETED JUNE 2010



COMPLETED AUGUST 2011

NATIONAL CITY MIDDLE SCHOOL

Modernization Project 1 – This project included a new 17,734 square foot two-story classroom building that included a new food service area and covered lunch shelter. Special education classrooms are included in the project. The new elevator will also serve the new building planned under Project 2. Architect: LPA, Inc. Contractor: RC Construction Services Inc.



COMPLETED JULY 2012



COMPLETED JUNE 2012

SOUTHWEST HIGH SCHOOL

Modernization Project 1 – This project included a new 29,231 square foot two-story classroom building including classrooms, science labs, an ASB room and media production room. New shade structures for lunch were built. Pictured is the ribbon cutting ceremony. The original contractor was terminated and construction resumed in January 2012 and

COMPLETED LARGE PROJECTS

was completed in time for school in July 2012. The portable removal project is also complete including turf restoration in the area formerly occupied by the portable buildings. The original contractor, HAR, was terminated on June 21, 2011 and the project was completed by a different contractor. DSA certification and closeout of the project was achieved on August 23, 2013. Architect: LPA, Inc. Take-over Contractor: Soltek Pacific Construction.



SOUTHWEST MIDDLE SCHOOL

Modernization Project 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. The original contractor, HAR, was terminated on June 21, 2011 and the project was completed under a number of separate contracts. Architect: BCA. Take-over Contractor: GEM

SWEETWATER UNION HIGH SCHOOL

Modernization Project 1 - 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. The project was completed in 2012 and certified by DSA on 12/3/13. Architect BCA. Contractor: Sundt Construction Inc.



COMPLETED SMALL PROJECTS

Completed Small Projects

Part of the first round of Proposition O projects included small projects, such as interim housing, to support the major projects, as well as individual small projects such as the Granger Jr. High Health Clinic. Closing out the remaining Proposition BB projects is also included in the Proposition O bond program. The small projects that are complete and occupied are listed here. Some projects may still be going through the certification process through the Division of State Architect (DSA) and this close-out process can be lengthy. The smaller projects such as interim housing are summarized in the next section.

Prop O Small Projects

Site	Project	Architect/Contractor	Completed	DSA Certification
BVH	Gym Bleacher Replacement	Ruhnau Ruhnau Clarke/ Fordyce Construction, Inc	2009	Certified on 10/28/09
CVH	Stadium Repairs	BCA/ Turner Construction	2009	Certified on 5/29/09
CVH	Interim Housing	BCA/ Turner Construction	2009	Close w/o 7/21/11
GJH	Health Center	Ruhnau Ruhnau Clarke/ Fordyce Construction, Inc	2010	Certified on 2/24/11
HTH	Gym Bleacher Replacement	Ruhnau Ruhnau Clarke/ Precise CM	2008	Certified on 10/28/08
HTH	Interim Housing	Ruhnau Ruhnau Clarke/ Fordyce Construction, Inc	2009	In progress
HTH	Interim Housing Removal	Ruhnau Ruhnau Clarke/ GEM Industrial	2013	Certified on 8/7/13
MOH	Field Scoreboard	Ruhnau Ruhnau Clarke/ Byrom- Davey, Inc.	2012	Certified on 10/14/13
MOH	Interim Housing	Ruhnau Ruhnau Clarke/ Symbolic	2009	Certified on 10/27/09
MOH	Interim Housing Removal & Basketball Courts	Ruhnau Ruhnau Clarke/ AEL Construction	2011	Certified on 4/29/13
MOM	Interim Housing	LPA, Inc./ Symbolic	2010	Certified on 8/10/10
MOM	Interim Housing Restroom	LPA, Inc./ G.A. Dominguez	2011	Certified on 7/15/11
MOM	Interim Housing Library	LPA, Inc./ Balfour Beatty	2012	Certified on 8/17/12
MVH	Interim Housing	LPA, Inc./ GEM Industrial	2009	Certified on 2/24/11
NCM	Interim Housing	LPA, Inc./ Haley Construction Services, Inc.	2009	Certified on 2/22/10
SOH1A	Prop O Project 1			Certified on 8/23/13
SOM	Interim Housing	BCA/ Sturgeon	2009	Certified on 7/28/11
SOM	Site Improvements	BCA/ 3D Enterprises	2011	NOC 12/12/11

COMPLETED SMALL PROJECTS

SOM	Misc Improvements	BCA/ Grahovac Construction Co. Inc.	2011	NOC 8/31/11
SOM	Field Renovation	Lightfoot/ 3D Enterprises	2012	NOC 8/15/12
SUH	Stadium Repairs	BCA/ Slater Waterproofing	2009	Certified on 5/29/09
SUH	Interim Housing	BCA/ Sundt Construction	2009	Certified on 7/21/11

Prop BB Projects

Site	Project	Architect/Contractor	Completed	DSA Certification
CPH	6 Portables		2007	Closed w/o 7/21/11
CPM	BB Modernization	gkk works/multi-prime	2007	Closed w/o 7/21/11
GJH	8 Portables	gkk works		Closed w/o 3/21/08
HTH	Stadium Scoreboard Replacement	Ruhnau Ruhnau Clarke/Dez Construction	2008	Certified on 2/6/14
HTM	Shade Structure and Modernization	Roesling Nakamura Terada Architects		Certified on 9/14/12
SOH	Rehab Adaptive PE			Closed w/o 10/13/10
SOH	Restroom Portable			
SOH	1 Portable			Closed w/o 1/15/08

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.

