

GUSD 2008 MEASURE P CITIZENS' OVERSIGHT COMMITTEE  
REPORT TO THE BOARD OF TRUSTEES AND GUSD RESIDENTS  
May 28, 2015

### **Legal Foundation for the Committee**

The Gilroy Unified School District Citizens' Oversight Committee ("COC") submits this report to the Board of Trustees and residents of the Gilroy Unified School District ("GUSD"). This report is issued in conformance with the Strict Accountability in Local School Construction Bonds Act of 2000 ("Proposition 39") and Assembly Bill 1908 ("AB 1908") requiring that the School District Board of Trustees form an independent citizens oversight committee and that this committee inform the public about the expenditures of bond funds.

The COC wishes to thank the GUSD staffs – Alvaro Meza, Assistant Superintendent of Business Services and James Bombaci, Director of Facilities - who have assisted us with ongoing support for the activities of the committee. We appreciate the opportunity to serve as the "citizens' watchdog" for residents of GUSD, verifying that Bond proceeds are expended only for the school projects on the ballot in conformity with guidelines established with Proposition 39 and AB1908. We want to acknowledge the service of three members who have fulfilled three terms on this committee since they were appointed in March of 2009 and will be ending their service in this capacity—Matt Morley, who has served as Chair, Jane Howard and Phil Taves.

### **Formation of the Committee and Charges**

The Measure P COC was formed in May 2009 as a result of the passage of GUSD Bond Measure P under Proposition 39 rules which allowed for the passage of the bond measure with a 55% vote as opposed to 2/3 vote required under Proposition 13. The school district must adhere to strict accountability guidelines in the execution of the bond spending per Proposition 39 and AB 1908 including the formation of the COC. Bond Measure P, a \$150 Million Bond authorization, was passed by the voters in the GUSD in November 2008, for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities.

The COC is appointed by the Board of Trustees and is charged by State law to review the School District's use of Measure P funds and to inform the public about those uses. The committee continues to see turnover in members, but currently retains the appropriate community representation.

### **Executive Summary – Citizens Oversight Committee**

On May 15, 2014, the COC reported to the Board of Education at their regularly scheduled Board meeting. Matt Morley, Chairman of the COC, provided the Board and the public with an overview of the Committee activities. Mr. Morley informed the Board of the Committee's responsibilities and shared the Measure P related projects which the COC was tracking.

Since the May 2014 report, the COC has met three times, receiving updates from District staff regarding District facilities activities. The Committee has reviewed specifically the expenditures from Measure P to ensure that they are consistent with and in compliance with the Measure P ballot language. Additionally, the committee has received regular project updates for the work scheduled through the program, including site visits to see first-hand the projects at several locations, including Gilroy High School, Rucker Elementary School, Gilroy Early College Academy, Glen View Elementary School and the Gilroy Prep School to review the current projects in progress. In its January 23<sup>rd</sup> 2014 meeting, the committee approved the 2013/14 annual financial audit specific to the Measure P bond activities. This report, prepared by an independent third party, provides additional assurance that the district is expending bond funds appropriately.

Through fiscal year 2014, the following has been spent on Measure P projects:

<u>Completed Projects</u>	<u>Dollars Spent</u>
Brownell Middle School Upgrades	\$ 1,226,958
Brownell MS Servery	\$ 15,660
Christopher High School Phase I	\$ 47,930,507
Christopher High School Phase II	\$ 23,644,713
CHS Soccer Field Repairs	\$ 40,000
Christopher High School Track and Field	\$ 289,017
District Office Roofing, Carpeting	\$ 146,960
District Wide Phone System	\$ 277,650
District Wide Technology, PI Support	\$ 2,068,148
El Roble ES & Glen View ES Fencing	\$ 458,827
Facilities Master-plan	\$ 127,900
GECA New Construction	\$ 798,842
Gilroy High School Modernization (Phases 1, 1A, 2A, 2B)	\$ 6,714,226
Gilroy High School Modernization (Phases 2B, 2C)	\$ 2,288,078
Gilroy High School CTE	\$ 1,147,065
Gilroy High School-HVAC	\$ 706,789
Gilroy High School-Bio-Tech Academy	\$ 30,765
Gilroy Prep School Phase 1 Additional Portables	\$ 72,476
Gilroy Prep School Phase 2 Additional Portables	\$ 192,080
Glen View Elementary School (site-work and modular)	\$ 5,203,659
Las Animas New Wing	\$ 1,358,901
Maintenance and Transportation Facilities	\$ 882,560
Mt Madonna Safe School Locks, Fire Alarm Upgrade	\$ 29,735
Rod Kelley Computer Lab	\$ 633,885
Rod Kelly Library	\$ 2,444,660
Rod Kelley MPR	\$ 2,280,638
Rucker East Parking Lot	\$ 1,549,686
Rucker New MPR	\$ 6,409,125
Rucker Admin/Library Remodel and West Parking Lot	\$ 434,795
Solorsano MS & Luigi Aprea ES Shade Structures	\$ 25,236
Solorsano Restrooms and Portables	\$ 678,321
South Valley MS Improvements	\$ 1,627,135

Support Services	\$	2,327,260
Temporary Housing at Las Animas ES, Rod Kelley	\$	338,049
Transfer to Deferred Maintenance	\$	454,401

**The following Projects have been approved by the Board for the budgets listed:**

- Christopher High School Track and Field – Gilroy Foundation \$3,988,217 Measure P \$450,000
- Rucker Elementary School Phase 3 and 4 – Measure P \$2,684,208
- Glen View Elementary School Modernization – \$6,500,000
- GECA Campus – \$2,500,000
- Gilroy High School Phase 2C – \$2,220,300
- Gilroy Prep School Portable Classroom Placement – \$419,753
- Gilroy High School Acoustics - \$500,000
- Brownell ES Acoustics - \$500,000
- Brownell ES Building Q HVAC - \$750,000
- Gilroy High School Track and Field - \$1,400,000
- Gilroy Prep School – 813,700 (2 years)
- Gilroy Early College Academy - \$361,190
- Mt. Madonna Fence - \$66,765
- Glen View ES - \$100,000
- Rucker ES Building 200 - \$229,000
- Safety and Security - \$870,000
- ADB Multi-purpose room - \$550,000
- Design Costs, Environmental Studies for New School - \$3,000,000
- Digital Archiving - \$91,000
- Luigi Aprea ES Roof - \$345,500
- District Office Roof - \$287,500
- Project Administration - \$1,800,000

It should be noted that in 2009 the District issued Series A General Obligation bonds in the amount of \$49,986,615 and in order to continue progress in the bond program, issued Bond Anticipation Notes in 2010 in the amount of \$44,996,556 and continued the practice of issuing bond anticipation notes (BAN) in 2011 with a further issuance in the amount of \$15,385,000.

In 2015, the District issued Series A General Obligation bonds in the amount of \$30,300,000 to repay the BAN and to generate \$15 million for new facility projects. Interest from the revenue of these sales is also recorded in the fund. The District also refinanced \$35.3 million of existing Series A bonds, which resulted in tax payer savings (lower interest rates) of about \$3.8 million.

## Projects of Interest

The Rucker School Phase 3 Administration Building Renovation and the Phase 4 parking lot were completed in the 2013-14 school year. These projects began in December 2013 and were completed in September of 2014.

The Gilroy High Phase 2B project began in December of 2013 and completed in January 2014. The Gilroy High Phase 2C project began in June of 2014 and completed in August of 2014.

The Christopher High School Track and Field Project began in December of 2013 and completed in September of 2014.

The Gilroy Early College Academy Site-work Project began in May of 2014 and completed in August of 2014.

The Glen View Elementary School Site-work Project began in May of 2014 and completed in December of 2014.

The Glen View Elementary School Modular Project began in December of 2013 and completed in February of 2015.

A tour of the summer projects was conducted on September 11, 2014 for the members of the Measure P Committee. Sites toured included Gilroy High School, GECA, GPS, Christopher High School and Glen View.

The Measure P Committee has noted, on several occasions, opportunities to leverage bond projects to minimize ongoing operational costs, with the potential of positively affecting the district's cash strapped budget. Staff has acknowledged the need and the attempt to address this through the program. The Committee would like to see a continued effort in this regard.

The next meeting of the COC is scheduled for May 14, 2015 at 6:00 pm in the GUSD Boardroom. We welcome members of the public to attend our meetings.

Please do not hesitate to contact this committee if you have any concerns or questions regarding the expenditure of Measure P funds.

Respectfully submitted,

/s/

Dave Matuszak, Chair  
GUSD Citizens Oversight Committee – Measure P