

**APPROVED MINUTES
ALUM ROCK ELEMENTARY SCHOOL DISTRICT
2930 Gay Avenue
San Jose, CA 95127**

**MINUTES OF A SPECIAL BOARD MEETING & BOARD TRAINING
BOARD OF TRUSTEES
of the Alum Rock Union School District
Held on Tuesday, January 21, 2020, 6:30 p.m. at the Alum Rock Union School
District Office Board Room, 2930 Gay Avenue, San Jose, CA 95127
Meeting #10-19/20**

1. OPEN SESSION

1.01 Call to Order / Roll Call

President Ernesto Bejarano welcomed everyone in the audience. President Ernesto Bejarano called the Board Meeting to order at 6:33 p.m. followed by Roll Call.

Board Members Present:

Ernesto Bejarano	President
Corina Herrera-Loera	Vice-President
Andrés Quintero	Clerk
Dolores Marquez-Frausto	Member
Linda Chavez	Member

Administrative and Support Staff Members Present:

Dr. Hilaria Bauer	Superintendent
Rene Sanchez	Assistant Superintendent, Instructional Services
Carlos Moran	Assistant Superintendent, Human Resources
Kolvira Chheng	Assistant Superintendent, Business Services
Maribel Carrillo	Sr. Executive Assistant, Superintendent's Office

1. OPEN SESSION *(continued)*

1.01 Call to Order / Roll Call

President Ernesto Bejarano said there was a quorum and he read the agenda to the audience.

2. PUBLIC MEMBERS WHO WISH TO ADDRESS THE BOARD

2.01 Requests to Address the Board

There were no public comments from the audience at this time.

3. Board Trustees—Topic of Study And Consideration [NO ACTION]

3.01 Review and discussion regarding District Facilities Assessment and facilities planning issues.

Superintendent Bauer introduced Assistant Superintendent Chheng and Mr. Matt Anderson, RA of The Bureay Veritas Group Company.

Assistant Superintendent Chheng said the Assessment was done during the spring of 2018 and things might have changed since.

Mr. Matt Anderson said there are different reports to get data out differently.

Mr. Matt Anderson provided a presentation on the District Facilities Assessment and some of the highlights included the following:

Facility Condition Index

- 1) FCI is a metric for overall building condition
- 2) FCI= Cost of needed repairs divided by the current replacement value of the building, as a percentage:
 - 0-5% = Good
 - 5-10% = Fair
 - 10% plus = Poor

Board Trustees—Topic of Study And Consideration [NO ACTION] (continued)

Categorization of Repair Needs

- 1) Safety- An observed or reported unsafe condition that if left unaddressed could result in an injury; a system or component that presents a potential liability risk.
- 2) Performance/Integrity- Component or system has failed, is almost failing, performs unreliably, does not perform as intended, and/or poses a risk to overall system stability.
- 3) Accessibility- Does not meet ADA, UFAS, and or other handicap accessibility requirements.
- 4) Environmental- Improvements to air or water quality, including the removal of hazardous materials from the building or site.
- 5) Modernization/Adaptation- Conditions, systems, or spaces that need to be upgraded in appearance or function to meet current standards, facility usage, or client/occupant needs.
- 6) Lifecycle/Renewal- Any component or system in which future repair or replacement is anticipated beyond the next several years and/or is of minimal substantial early-term consequence.

Repairs By Plan Type

1) Safety	\$418,596
2) Performance/Integrity	\$14,368,126
3) Accessibility	\$803,768
4) Environmental	\$3,745
5) Modernization/Adaptation	\$22,046,072
6) Lifecycle/Renewal	\$120,150, 482

President Ernesto Bejarano asked Mr. Anderson if the emergency services look at the district signs.

Mr. Anderson replied that the fire department is trained to know the location but the ambulance may not know.

Member Dolores Marquez-Frausto said a few years ago the water faucets were bad and the district was taking water bottles to the schools.

Superintendent Bauer replied that some of the water faucets were replaced and the district does provide water bottles to the schools when there is a heatwave.

Board Trustees—Topic of Study And Consideration [NO ACTION] (continued)

Superintendent Bauer said to the Board that there are 5 million dollars for facilities. She said eventually the administration will need direction on how to use the funds.

Member Linda Chavez said she would like to see the facilities to see how bad they are.

Mr. Anderson replied that it could be arranged.

Clerk Andrés Quintero asked Mr. Anderson if in his experience working with other school districts has there been some that may have safety issues but cannot address them because the budget does not allow them to spend.

Mr. Anderson replied some schools have safety issues and cannot address them because of the budget.

Member Dolores Marquez-Frausto requested to have a modernization sheet all by itself.

Mr. Anderson replied that yes he could do that.

President Ernesto Bejarano asked auditor about whether our current panels could handle solar energy or if they would need to be replaced in order to accommodate solar inputs. He asked whether solar companies would cover the cost of installation of electrical panels.

Mr. Anderson said it would depend on conversations with the solar company.

President Ernesto Bejarano said in terms of assessment is there any value to going to each site knowing we can do that on our own.

Mr. Anderson replied that the Board can do it on their own but there are reoccurring things. He said it is electrical for the older schools and the play area there are cracks on the pavement.

President Ernesto Bejarano asked of the Board members had any questions.

Member Dolores Marquez-Frausto commented this is the first time that she has seen this packet. She said she would like to have more time to study it.

Member Linda Chavez asked if Mr. Anderson tell the Board which is the worse school that needs to be addressed in terms of safety.

Mr. Anderson said he could break down the safety costs and the electrical is the worse.

Board Trustees—Topic of Study And Consideration [NO ACTION] (continued)

Member Linda Chavez asked what is the worse school that needs to be addressed.

Mr. Anderson replied at the time he did the assessment Chavez was the worse but since then there have been repairs done and in terms of electrical it is Ryan.

President Ernesto Bejarano directed staff to engage with solar companies that have approached us to inquire whether their installation costs could include the installation of new electrical panels.

Superintendent Bauer said eventually the Board can direct the staff to bring a program manager to handle all these pieces of raw data. She commented to the Board whomever they decide to bring us a program manager can guide the staff and set up timelines.

Clerk Andrés Quintero said he appreciated the information given regarding the schools. He said there is a large asset that became the property of Alum Rock years ago, the MACSA building. He commented it is falling apart every single day and deteriorating. He asked staff how deep did the district get into the MACSA building.

Superintendent Bauer said she was turning it over to Assistant Superintendent Chheng for him to give the new Board members information about the MACSA building.

Member Dolores Marquez-Frausto asked Superintendent Bauer what direction did she hear from the Board.

Superintendent Bauer replied to bring an RFQ to the Board for a program manager, hopefully in February 2020.

Assistant Superintendent Chheng said in terms of the MACSA building the district has gone through many phases identifying things that need to be done. He said DSA bid out the cost of the repairs and when the bids came back the cost was close to 7 million dollars. He said the work needed to stop the project because there were no finances to finish the project. He commented the district spent 630 thousand on the MACSA building alone.

Clerk Andrés Quintero said the district has 5 million dollars to work with. He asked if the district can go with the entire work or can it begin with phases and will DSA negotiate with the district.

Assistant Superintendent Chheng said there is a couple of options to consider. He said the district would need to go with an architect. He said after speaking to other CBO's there are options to do it in phases.

Clerk Andrés Quintero said theoretically it should be less than 400 hundred thousand.

Board Trustees—Topic of Study And Consideration [NO ACTION] (continued)

Assistant Superintendent Chheng said the district needs an architect to come in and review the original design from the original proof and what has changed due to the vandalism.

Member Dolores Marquez-Frausto asked Assistant Superintendent Chheng what kind of damage has been made. She commented she cannot picture what the damage is that there is a need for an architect. She said she does not understand why to move forward on something when we do not have money. She said unless you can tell me the district is going to sell bonds or do an issuance. She asked can the district do that.

Assistant Superintendent Chheng replied it is at the Board's discretion.

Member Dolores Marquez-Frausto asked Assistant Superintendent Chheng to respond to what his recommendation is.

Assistant Superintendent Chheng replied he thinks there need to be precautionary things that need to be looked at. He said there is a certain step before the district issues bonds. He said the district needs to work with a National Advisor and a Bond consultant.

Superintendent Bauer said as a staff they cannot assure the Board that there are not going to have cost. She said that there are 5 million dollars in the bank and the district needs to be mindful of the budget. She commented there are several things before the Board that need to be considered and the MACSA building needs to be included.

Clerk Andrés Quintero said the State of California handed the MACSA building to the district and the district spent money on the gym. He said now it is the district's responsibility to take care of the MACSA building.

Vice-President Corina Herrera-Loera said she agrees to take care of the safety items first and to hold off on the electrical panels.

Clerk Andrés Quintero said East Side Union High School District did a deal with Chevron incorporating panels.

Counsel Rogelio Ruiz said East Side Union High School District owns solar pods heating system. He said it was a specifically negotiated deal that included some infrastructure into the electrical systems. He said the government allows school districts and government agencies to entry in energy conservation what is called Energy Conservation Contracts. He said the government gives a lot of discretion on how to design those contracts there are public hearings requirements. He commented if the vendor shows that the district came meet the threshold level of savings then the Board can authorize that type of contract.

Board Trustees—Topic of Study And Consideration [NO ACTION] (continued)

Member Dolores Marquez-Frausto asked Counsel Rogelio Ruiz if he could tell her how the taxpayer would know what the cost is.

Counsel Rogelio Ruiz replied it is a transparent process, the government requires that there will be a public hearing on this and the notice of public hearing needs to be issued a couple of weeks before the hearing.

Member Dolores Marquez-Frausto asked what did Counsel Rogelio Ruiz estimate the cost to have solar panels installed would be for the schools K-8.

Counsel Rogelio Ruiz replied it was way beyond his scope of work to estimate the cost. He said if the district would be interested in solar panels, he suggested the district pursue an RFQ. He said the district could invite firms to submit proposals.

Member Linda Chavez said Engie submitted a proposal for solar panels for 20 years. She said in 20 years the equipment would be obsolete why not get something for 10 years.

Counsel Rogelio Ruiz said at East Side Union High School District they did the solar first and it was based on energy savings cost. He said solar panels have a useful life of 25 years.

Member Linda Chavez asked how much did the system cost East Side Union High School District.

Counsel Rogelio Ruiz replied the total combined cost was in two separate phases two years apart. He said the cost was between 40 to 42 million dollars but it was for 11 sites. He said at that time when the solar panels were installed there were 25 to 26 thousand students twice the size of Alum Rock School District.

President Ernesto Bejarano asked if we were able to set up a contract with a solar company to include the upgrade of our electrical panels, if we would essentially be saving that money for repairs from our budget. The auditor confirmed that if a contract like that was set up, then that would be 1.4 million dollars of our own money that we would not have to spend on repairs.

Mr. Dave Baldwin Director of Engie stated that we would not pay a dime for the system, we would save approximately \$400k annually, and if there are high priority (safety) electrical systems that we needed to be replaced, that is something that their company knows how to do and that they would replace them

Board Trustees—Topic of Study And Consideration [NO ACTION] (continued)

Mr. Baldwin said the difference is that East Side Union High School District purchased their system and what Engie is proposing is a power service arrangement. He said the district does not need to pay a dime for the system and the district's electric rate enables you to save 400 hundred thousand.

Member Dolores Marquez-Frausto said the Board should focus what was posted for the community and not to speak on something that has not been posted.

Vice-President Corina Herrera-Loera said she agreed that there should not be a conversation about the solar right now but she is open to hearing about the solar panels because she does not know anything about solar panels.

Clerk Andrés Quintero said he felt comfortable getting information about the solar panels and the decisions made should be based on obtaining more information.

Member Linda Chavez said there was a proposal last year where the district was going to go into debt for 37.7 million and Santa Clara County Office of Education turned it down. She said after a year the cost has gone up 6 to 7%.

President Ernesto Bejarano asked Member Linda Chavez to be more specific to what she is talking about.

Member Linda Chavez said she had a meeting with Superintendent Bauer and Assistant Superintendent Chheng where she was asked if Engie's proposal could be put on the agenda. She said the district could not afford it and Santa Clara County of Education had turned it down.

Member Dolores Marquez-Frausto said to Counsel Rogelio Ruiz that solar was not on the agenda. She asked if the Board could have this discussion in a public meeting.

Counsel Rogelio Ruiz replied according to the Brown Act a general description does not have to be specific or precise. He said the facilities assessment does include electrical issues which are a safety issue.

President Ernesto Bejarano asked Counsel Rogelio Ruiz if it was fine to ask general questions to Mr. Baldwin.

Counsel Rogelio Ruiz replied that it was fine as long as it is related to the electrical issues that are in the facility assessment.

Board Trustees—Topic of Study And Consideration [NO ACTION] (continued)

President Ernesto Bejarano asked Mr. Baldwin if there is differentiation on solar panels and electrical panels.

Mr. Baldwin replied one-way panels are necessary to be replaced when a solar system goes in but if there is a need.

Member Linda Chavez asked if the district could provide the paperwork given by Engie regarding solar because she was the only one that saw it.

Assistant Superintendent Chheng said Engie provided several presentations but he can look. Member Linda Chavez replied this was not a presentation it was paperwork shown to her regarding solar.

President Ernesto Bejarano said if this could be brought offline because there is a lot of confusion.

Vice-President Corina Herrera-Loera said the Board needs to go down the list and regardless the children's safety comes first.

Superintendent Bauer said the intention for the Board Study Session is to become familiar with the situation of the sites and she appreciates the questions about the MACSA building. She said now the Board knows how things are. She said the district does need a program manager.

Member Dolores Marquez-Frausto said the district should not plan anything until they speak to a financial advisor. She commented the community should have input in this and it should be transparent.

President Ernesto Bejarano said it becomes an issue of prioritizing among the other stuff a limited budget. He said the panels are identified as a high priority. He said there should be more time to explore those costs.

Member Linda Chavez said once the district has a project manager they would be able to tell the Board better what is a high priority. She said first the district should start with the RFQ and how soon can that be out.

Clerk Andrés Quintero said first of all Board President he would like to speak about transparency. He said publicly agenda meeting is available to any member of the public whether they live or do not live in the Alum Rock School District. He said the public can speak if they choose to.

Mr. Anderson said there is some electrical that is old but is still working. He said he did not see any problems with the panels.

Board Trustees—Topic of Study And Consideration [NO ACTION] (continued)

Clerk Andrés Quintero said if the Board does not address this because they are holding off then the district can be in a worse situation because of the safety issues. He said he understands staff is saying not to move too fast but if the Board layouts their priorities safety is the priority. He said the district cannot do anything without a project manager. He commented MACSA is one of our assets.

Assistant Superintendent Chheng said 879 thousand was spent on repairs for the MACSA building.

Clerk Andrés Quintero said the cost of the repairs of the MACSA building was close to a million dollars so it behooves the district to make sure of it. He said the MACSA building needs to be stabilized and it should be accessible to the district's kids.

President Ernesto Bejarano said that is has become clear a program manager is key. He said the Board does not have that level of expertise.

Member Dolores Marquez-Frausto said that taxpayers should be included. She asked Superintendent Bauer if she layoff the prior program manager.

Superintendent Bauer replied that the Director of Facilities Mr. Louie Moran's contract was terminated.

Counsel Rogelio Ruiz said the 39 month rehire list is the consideration of the position he las held but according to Superintendent Bauer he was the Facilities Director and he was not an employee. He said if the district decides to hire a project manager that would be different than a facility director. He said he recommends an RFQ or an RFP for a project manager.

Member Dolores Marquez-Frausto said the program manager will be paid out of the 5 million dollars that would bring the money further down. She said that is how the district got into a 14 million dollar deficit and now the 9 million dollar deficit.

President Ernesto Bejarano said the direction has been given to staff to look hiring a program manager and counsel does not seem to see a problem with it. He said he does not see why the Board should not continue with the path they are in now.

Clerk Andrés Quintero said the direction has been given to staff to obtain an RFQ and the district should ask how to move forward with the MACSA building.

Superintendent Bauer said the guidance that was given tonight Assistant Superintendent Chheng can do some research in regards to DSA.

Board Trustees—Topic of Study And Consideration [NO ACTION] (continued)

Assistant Superintendent Chheng said the district would need direction from the Board at some point in terms of the process the Board would like to interview the company itself.

Member Lind Chavez said it would be better to have the staff interview the companies and then bring a recommendation to the Board.

Member Dolores Marquez-Frausto said for the record this is Board business and the Board should select the companies.

Public Comment

- 1) Flor De Leon said the school knows what is a priority.

Director Dan Flores from MOT said last year 5 schools were supposed to get air conditioning units last summer and it did not happen. He said he knows safety is first but this is for the comfort of the students. He mentioned that Assistant Superintendent Chheng has been working on this but when the Board makes those decisions if they can make this a priority.

Vice-President Corina Herrera-Loera said she saw this on the report and asked what are the 5 schools that need air conditioning units.

Director Dan Flores replied that Cureton, Ryan, and Russo were 90% done but the ones that need it are McCollam, Adelante II, Arbuckle, and Ocala. He said Ocala does not have any heating or air conditioning.

President Ernesto Bejarano asked Mr. Anderson if air conditioning is classified as safety.

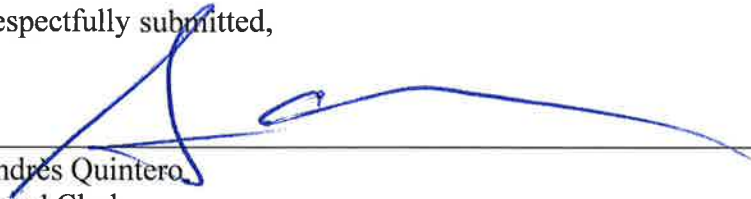
Mr. Anderson relied not on safety but short term repairs but if there are plugin heaters could be a safety issue.

4. Adjournment

4.01 President Adjourns the Meeting

President Ernesto Bejarano adjourned the meeting at 8:39 p.m.

Respectfully submitted,



Andrés Quintero
Board Clerk
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