



MEASURE K SCHOOL BONDS
Building for 21st Century Learning

Long Beach Unified School District
Measure K Bond Citizens' Oversight Committee
Annual Report

May 1, 2012

To the Board of Education and residents of the Long Beach Unified School District:

The Measure K Bond Citizens' Oversight Committee ("COC" or "Committee") is pleased to present its third annual report. This annual report covers the activities of the Committee during the 2011 calendar year.

- Our second annual report was presented to the Board of Education at its regular Board Meeting on May 3, 2011 and covered the activities of the Committee from January 2010 through December 2010.
- We held five (5) regular meetings including a construction site tour of the new Jessie Elwin Nelson Middle School. Members also attended the ground breaking ceremonies for the Ernest S. McBride, Sr. High School project.
- At each of the regular meetings, the Committee reviewed and discussed the quarterly financial reports and was provided with project status reports.
- One member declined to renew their participation for a second term and a new member was appointed to fill the Community-at-Large seat.
- Four (4) members were reconfirmed for one additional two-year term.
- The Committee re-elected Chair (Karen Hilburn) and Vice-Chair (Julie Jackson).

Audits

The independent auditing firm of Vincenti, Lloyd & Stutzman LLP completed a performance audit and a financial audit during the past calendar year. The audits covered fiscal year 2010-2011 for Measure K Bond activities from July 1, 2010 through June 30, 2011. In March, the Committee met with the audit team prior to the start of their work. In December, the Committee received, reviewed and discussed the audit reports with the audit team. There were no findings related to the performance and financial audits. In addition, the audit report addressed the prior year finds as follows:

Prior Year Audit Findings:

- Finding 10-1 – Separation of Measure K and Measure A Expenditures: Implemented.
- Finding 10-2 – Funding Payroll Changes for Measure K Personnel: The District will continue to assess the feasibility of charging employee's compensation to the Measure K bond fund where appropriate.
- Finding 10-3 – Internal Audit Department Oversight: Substantially implemented.
- Finding 10-4 – Fraud Hotline: Implemented.

Financial Summary

The Committee received and reviewed expenditures through October 31, 2011, summarized as follows:

Bond Issued Fiscal Year 2008/2009	\$260,000,000
Bond Issued Fiscal Year 2010/2011	\$75,426,686
Interest Earnings	\$6,299,273
Bond Issuance Cost	(\$479,467)
Pre-existing 11/2008 Debt Retirement	(\$51,250,000)

Expenditures by Site through October 31, 2011:

▪ Measure K Program Expenses	(\$12,857,273)	
▪ Jessie Elwin Nelson Middle School New Construction	(\$33,085,295)	
▪ Ernest S. McBride, Sr. High School New Construction	(\$6,418,656)	
▪ Roosevelt Elementary School New Construction	(\$781,248)	
▪ Cabrillo High School Pool	(\$785,520)	
▪ Jordan High School Major Renovation	(\$856,622)	
▪ New High School #2 at the Former Browning Site	(\$242,247)	
▪ Newcomb K-8 AB300/New Construction	(\$754,120)	
▪ DOH Portable Removal Project Phase 1	(\$395,292)	
▪ Lakewood DOH Portable Removal	(\$16,312)	
▪ Portable Removal Phase 1	(\$35,703)	
▪ Boiler Replacement Phase 1	(\$284,272)	
▪ Lighting & Ceiling Replacement Phase 1	(\$705,763)	
▪ Core Switch and UPS Replacement Phase 1	(\$235,716)	
▪ ADA Improvements Phase 1	(\$86,876)	
▪ DSA Certification	(\$121,558)	(\$57,662,472)
Expenditures Subtotal		(\$109,391,939)
Balance Remaining on Issuance		<u>\$232,334,020</u>

Project Status as of December 15, 2011

Jessie Elwin Nelson Middle School New Construction

- Construction has progressed to 94% completion with final site work, building finishes, commissioning and testing of systems, and procurement of furniture and equipment underway.
- School is projected to open in fall of 2012.
- The District anticipates using approximately \$39,775,139 in Measure K funds towards completion of this project.

Ernest S. McBride, Sr. High School New Construction

- Construction is 100% complete on the demolition and waterline relocation projects.

- Main building construction started July 1, 2011 and has progressed to 16% completion.
- School is projected to open in fall of 2013.
- The District anticipates using approximately \$87,801,221 in Measure K funds towards completion of this project.

DOH Portable Removal Project Phase 1

- Project removed Department of Housing (DOH) portable building from 14 campuses (Addams ES, Beach HS, Grant ES, Hamilton MS, Harte ES, Keller ES, Kettering ES, McKinley ES, Robinson K-8, Signal Hill ES, Stephens MS, Webster ES, Willard ES, and Wilson HS) and was completed on September 24, 2011.
- Project close-out activities are underway.
- The District anticipates using approximately \$512,699 in Measure K funds towards completion of this project.

Lakewood DOH Portable Removal

- Project to remove Department of Housing (DOH) portable buildings at Lakewood HS has progressed from completion of design to start of bid/procurement activities.
- Removal is anticipated for the spring of 2012.
- The District anticipates using approximately \$96,106 in Measure K funds towards completion of this project.

Portable Removal Phase 1

- Project to remove portable buildings from 2 campuses (Lindbergh MS and Stephens MS) has progressed from completion of design and bid/procurement to award of construction.
- Removal is anticipated for the winter of 2011/12.
- The District anticipates using approximately \$487,570 in Measure K funds towards completion of this project.

ADA Improvements Phase 1

- Project for Americans with Disabilities Act (ADA) improvements at 2 campuses (Stephens MS and King ES) has progressed from design and agency approval to bid/procurement activities.
- Construction is anticipated for the summer of 2012.
- The District anticipates using approximately \$796,056 in Measure K funds towards completion of this project.

Core Switch and UPS Replacement Phase 1

- Project replaced core switch and uninterruptible power supply (UPS) at 52 campuses was completed in October 2010.
- The District used \$235,716 in Measure K funds and received \$916,896 in E-rate funds to complete this project.

Projects in the planning and design phase:

Roosevelt Elementary School New Construction

- Complete campus rebuild using approximately \$51,825,038 of Measure K funds.
- Project has progressed from completion of master planning to design development.
- Entire campus will be off-loaded to interim housing in the summer of 2012 with demolition and site grading activities anticipated for fall 2012.
- School is projected to open January 2015.

Cabrillo High School Pool

- Addition of pool and supporting facilities using approximately \$16,445,002 of Measure K funds.
- Project has progressed from completion of design to Division of State Architect (DSA) submittal.
- Pool is projected to open in the summer of 2013.

Jordan High School Major Renovation

- Major renovation using approximately \$158,270,104 of Measure K funds.
- Project is currently underway with master planning.
- Construction is projected to start in May 2014 with phased construction over several years.

New High School #2 at the Browning Site

- New small high school planned for 800 students using approximately \$63,258,636 of Measure K funds.
- Project is currently underway with master planning.
- School is projected to open in the fall of 2016.

New High School #3 at the Former Jordan Freshman Academy

- Conversion of Jordan Freshman Academy to a small high school using approximately \$5,000,000 of Measure K funds.
- Project is currently underway with facility assessment and architect selection.
- Construction is projected to start summer of 2012.

Newcomb K-8 AB300/New Construction

- Complete campus rebuild using approximately \$53,872,554 of Measure K funds.
- Project has progressed from completion of master planning to conceptual design.
- Entire campus will be off-loaded to interim housing in the summer of 2012 with demolition and site grading activities anticipated for fall 2012.
- School is projected to open in the fall of 2015.

Boiler Replacement Phase 1

- Replacement of 24 boilers at 10 sites (Bancroft MS, Beach HS, Grant ES, Kettering ES, Lakewood HS, Lowell ES, McKinley ES, Millikan HS, Tincher Preparatory School, and Wilson HS) using approximately \$3,389,720 of Measure K funds.
- Project has progressed from completion of design to agency approval.
- Construction is projected to start in the summer of 2012.

Lighting and Ceiling Replacement Phase 1

- Replacements of ceiling and lighting at 9 campuses (Addams ES, Bryant ES, Lee ES, Lincoln ES, McKinley ES, Rogers MS, Stephens MS, Washington MS and Willard ES) using approximately \$16,305,000 of Measure K funds.
- Project has progress to completion of design development and is currently on hold pending review of scope.

Core Switch and UPS Replacement Phase 2

- Replacements of core switches and UPS at 34 campuses using approximately \$850,000 of Measure K funds.
- Project is currently underway with procurement activities.

Wireless Data Communication

- Replacement of edge switches and Installation of wireless access points at 84 campuses using approximately \$18,797,388 of Measure K funds.
- Project is currently underway with facility assessment and scope development.

Telecommunication

- Replacement of phone switch and handset at 84 campuses using approximately \$7,000,000 of Measure K funds.
- Project is currently underway with facility assessment and scope development.

Intercom and Clock System

- Replacement and new installation of intercom and clock system at 84 campuses using approximately \$5,000,000 of Measure K funds.
- Project is currently underway with facility assessment and scope development.

Security Technology and Infrastructure

- Upgrade security technology and infrastructure at all High School campuses using approximately \$1,500,000 of Measure K funds.
- Project is currently underway with facility assessment and scope development.

Division of State Architect (DSA) Certification

- DSA Certification and close-out of 389 applications identified to date using approximately \$5,200,000 of Measure K funds.
- Project is currently underway with strategic planning and close-out activities.

For more detailed information, please see the Citizen’s Oversight Committee website at www.lbschools.net by clicking on Citizen’s Oversight Committee, located in the Alphabet index under the letter C.

To the best of our knowledge, the District is in compliance with the requirements of Article XIII A, Section 1 (b) (3) of the California State Constitution.

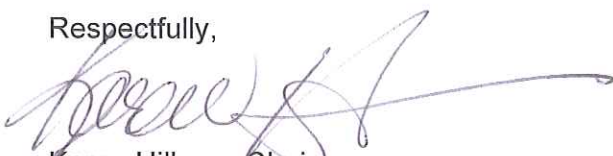
2011-2012 Committee Members

Representing:

Karen Hilburn, Chair
 Julie Jackson, Vice-Chair
 Byron Bolton
 Kristine Hammond
 Michael Noll
 Dede Rossi
 Anna Ulaszewski

*Senior Citizen Organization
 Parent with Child Enrolled in LBUSD and active in a PTO
 Taxpayer Association
 Parent with Child Enrolled in LBUSD
 Business Organization
 Community-at-Large
 Community-at-Large*

Respectfully,



Karen Hilburn, Chair