

**NEWPORT-MESA UNIFIED SCHOOL DISTRICT
MEASURE F CITIZENS OVERSIGHT COMMITTEE**

**MINUTES AND REPORT OF THE MEETING OF
October 16, 2013**

The Citizens' Oversight Committee met on Wednesday, October 16, 2013, at the Roderick H. MacMillian Board Room, Education Center, 2985 A Bear Street, Costa Mesa, CA 92626

Members Present:

Tristan Aley, At-Large Representative
Colleen Barney, Newport Harbor High School Zone
Cindy Brahs, Corona del Mar High School Zone
Kimberly Claytor, Newport Mesa Federation of Teachers (N-MFT) Representative
Guy Olguin, Newport Mesa Administrators Association (NMAA)
Tony Premer, Corona del Mar High School Zone
Eleanor Rebard, Classified, California School Employees Association (CSEA)
Tod Ridgeway, At-Large Representative (Business Organization – active member)
David Stiller, Board Appointee (Senior Citizens Organization – active member)

Members Absent:

Judy Berry, At-Large Representative (Bona Fide Taxpayer's Organization – active member)
Sharon Comer, Board Appointee (Business Organization – active member)
Suzanne Gauntlett, Harbor Council Parent Teachers Association (HCPTA)
Judy Mader, At-Large Representative

Also Present:

Paul Reed, Deputy Superintendent and Chief Business Official
Patty Dreher, Executive Assistant
Tim Marsh, Administrative Director - Facilities, Maintenance and Operations
Jim Lamond – Director Facilities Development, Planning and Development

Project Management Team:

Andrew Raufi, Director
Craig Scaringi, Project Manager

Handouts: Measure F Expenditures-to date Report
Measure F Budget Allocation Summary Report
Timeline graph for Corona del Mar High School and Costa Mesa High School Projects

WELCOME AND INTRODUCTION

Deputy Superintendent and Chief Business Official Paul Reed opened the meeting at 7:15 p.m. and welcomed the committee. Self-introductions were done for the benefit of the new members in attendance. Mr. Reed introduced Andrew Raufi, project director for McCarthy Building Companies, Inc.

ADOPTION OF THE AGENDA AND APPROVAL OF MINUTES

Agenda for October 16, 2013 meeting was adopted as presented.

APPROVAL OF MINUTES

The minutes from the May 7, 2013 meeting were unanimously approved.

SELECTION OF A CHAIRPERSON

Mr. Reed reported that the committee would need to replace the former Chair, who termed out of the committee on June 30, 2013. Mr. Reed further explained that the duties of the Chair were to run the meetings according to the Brown Act and give a report once a year to the Board of Education at a public meeting to report back to the community.

It was moved and seconded that Colleen Barney be the new Chair and she was unanimously chosen by acclamation.

DISTRICT REPORT

Mr. Reed explained the structure for the Measure A and Measure F bonds for the benefit of the new members of the Citizens Oversight Committee. When the Board campaigned for the Measure F bond in 2005 promises made to the community became legal covenants in the structure of Measure F. The covenants are the building blocks of Measure F and to understand Measure F, one has to understand the Building Blocks.

Building Block #1 – Covenant to the Community – The “Cap”

No bonds would be sold unless the tax rate charged for all NMUSD bonds would not exceed what the voters were paying for the Measure A bonds in 2005. The “cap” promised to the community under the covenant turned out to be \$18.87 per \$100,000 of assessed valuation (AV).

In 2006 (\$70 million) and 2011 (\$95 million) Measure F bonds were sold from the \$282 million dollars authorized by the voters in 2005. Due to the “Great Recession” and the unstable tax rate, it may not be possible to sell the remaining approximately \$100 million until approximately 2020. Although the tax base is recovering, property will need to turn over before the District will see an increase in the property taxes.

Building Block #2 – Pledge to Take Care of the Schools

The Board of Education pledged in both Measure A and Measure F to maintain a budget commitment of four percent annually for facilities and maintenance to the schools. A pledge of four percent annually was required by 2006-07. This budget is assessed annually and adopted by the Board in the All Funds Budget each year.

Building Block #3 – Identify the Projects

It was recognized that it would be impossible to specifically identify all the projects that would be built over an envisioned twenty year period of Measure F. Consequently, the immediate projects were named, such as the Robins-Loats buildings at Newport-Harbor and the stadium at Estancia, and future projects were describe in broad categories as follows:

- School Libraries and Technology
- Seismic Safety & Replacement – Fulfilling Measure A
- Facilities for Hands-On Science
- Redesign 7-12 Campuses for separate 7- 8 and 9-12.
- Promoting a Safe and Secure School Environment
- Physical Education Facilities for fitness and wellness.
- Expand Facilities for Before and After School Programs; Preschool
- Teacher Training Center for 21st Century Demands of Instruction & Technology
- Visual and Performing Arts Facilities; Redesign Elementary Multipurpose Rooms for Technology
- Redesigning On-Site Traffic Patterns for Increased Safety

Projects completed:

Elementary Science Classrooms – addition and/or renovation

Estancia/Costa Mesa High Schools – Jim Scott Stadium

TeWinkle Gymnasium

Newport Harbor High School – Robins Hall & Loats Theater Replacement Project

Costa Mesa High School Aquatics Center

Projects at this time:

Costa Mesa High School Performing Arts

Costa Mesa High School Enclave

Corona del Mar Performing Arts

Corona del Mar Enclave

Project next in line:

Newport Harbor High School – Davidson Field

The Board dedicated new money from the one-time Redevelopment Agency Funds received in 2013 to Davidson Field to start the project.

Estancia Performing Arts Center is also in line with the Board approved new money earmarked for initial planning from the Redevelopment Agency Funds.

Two Standing Committees:

Mr. Reed went on to explain that Measure F was built around two advisory committees for checks and balances; the Equity Advisory Committee and the Citizens Oversight Committee.

The Equity Advisory Committee (EAC), drawn from parent representatives at the schools and evenly balanced among Newport-Mesa's four zones, is charged with reviewing the facilities plan the Superintendent advances for each bond to be sold and determining whether the projects to be planned or constructed with the money is equitable across the District.

The EAC only comes together when the District prepares to sell a bond and it is required to report to the Board and the Community those projects that have been recommended by the Superintendent and proven to be equitable by the Committee. Once approved by the Equity Committee the plan is submitted to the Board of Education for authorization. Only the Board can authorize projects to be built.

Mr. Reed suggested that the Equity Committee is like a “Gatekeeper” for the Measure F program. This committee decides if the balance of projects remaining are “fair”. The Equity Committee is also charged with the responsibility to ensure that the District is maintaining its Measure A pledge to the community to expend four percent of its total annual expenditures on facilities maintenance, so that facilities built with bond money are not allowed to deteriorate due to tight budgets. The committee also reviews the covenant to the community the tax rate charged for all Newport-Mesa USD bonds would not exceed what the voters were paying for the Measure A bonds in 2005.

The second committee is the Citizens Oversight Committee. The Board of Education, in putting the Measure F Bond Program on the ballot, set forth the structure and potential membership of the Citizens Oversight Committee. There are up to 31 members eligible. Most of the members are to be appointed by specific school and community organizations. A Citizens Oversight Committee is required by law for any bond program that was authorized by the voters using a 55% threshold criteria. The Newport-Mesa USD COC is more broadly constructed than what is legally required.

There are a few requirements under the Prop 39 Bond Measure and Section 15282 of the California Education Code which specifically ensures that of the 31 eligible members, the Oversight Committee must consist of at least seven members with required representation from the following:

- One member active in a business organization
- One member active in a senior citizens organization as appointed by the Board
- One member active in a bona fide taxpayer’s organization
- Four representatives At-Large as appointed by the Board

The Citizens Oversight Committee is charged with ensuring to the community that the expenditure of bond monies authorized by the voters is consistent with the purposes approved by the voters in November 2005. Oversight means just that: reviewing what the District is doing with the Measure F bond proceeds to make sure what is being done is what the voters authorized. Specifically, the COC is charged by law with the following:

- a) to ensure expenditures are consistent with the voter-approved authorization;
- b) to review the annual, independent financial audit;
- c) to review the annual, independent performance audit;
- d) to review the planning, scheduling, and budgeting of the projects funded by the Bond proceeds; and
- e) to represent the interests of the community through participation and advice.

At the Citizens Oversight Committee meetings District officials and the Measure F Project Manager, the McCarthy Building Company, present reports on the physical and fiscal progress of the Measure F projects.

Both groups are advisory and report to the Board of Education and to the community.

PROJECT MANAGER REPORT

Craig Scaringi reported on the progress of the Costa Mesa High School Enclave and Theater projects with a PowerPoint presentation of the site and a status report of each of the structures from the summer phase 2013 through current construction and next summer's phasing.

Summer phase for 2013 included:

- the modernization of the administration area which includes the front area of the building, putting a mechanical screen on the roof and a new trash enclosure area off Fairview (Bid #109-13) required new curb cuts to enable trash trucks to enter directly from Fairview
- hardscape between existing buildings at the site to tie in with the new structures was done by the District
- field irrigation system
- new power connection to tie into existing gas manifold, extensive work being done for a new water meter and back flow device which necessitated closure of the site for a short time.

MVE Institutional, architects on Performing Arts project, projected a June, 2014 completion date for the theater and the enclave is approximately 50 percent completed at this time.

Anticipated Summer phase for 2014 includes:

- completion of the front parking lot, demolition of the Lyceum after the theater is completed and staff are moved into the new theater
- demolition of the photo lab and modernization of Building D and Building E, creating a new ceramic arts classroom and the digital photo lab
- modernization of the music building

Mr. Scaringi also reported on the Corona del Mar Theater and Enclave projects with a PowerPoint presentation of the site and a status report of each of the structures.

Progress on Summer projects for 2013

Foundation for the theater is being poured and the enclave building is moving towards completion of the construction towards the first part of 2014.

Mr. Reed explained the function of the Division of State Architects (DSA) as similar to a city planning department but for the State. Plans are reviewed and approved before construction can begin on a project. BIN time is the amount of time a document sits at DSA until it is reviewed which can be eight or nine months. DSA reviews for structural, fire life and safety. Each school construction project requires an Inspector of Record (IOR) hired by the District but who is charged with reporting to DSA.

Hardscape as well as landscaping should be completed by the first of the year.

Summer projects for 2014 have been sent to DSA for approval and include:

- Front entry and modernization of an existing building
- Student parking lot
- New entry and drop off zone for the transition was pointed out
- Relocatables holding the classes that have been displaced will eventually come out when the new buildings will be opened

Summer 2014 to fall 2014 for completion date of both projects at Corona del Mar. The enclave will finish earlier than the theater and staff will coordinate the move-in with site administrators.

Quarterly Budget Report was shown and expenditures identified.

Questions were asked about the Davidson Field renovation planned for Newport-Harbor High School.

Mr. Reed explained that the planning for the Davidson Field project is in the early stages. The feasibility study of the seismic safety of the bleachers has been completed and it was determined that the bleachers would not have to be replaced.

At this time, \$14.7 million is the approximate cost for Davidson Field and it will be a two phase project once it begins. Funding for this project will come from the Board approved \$8.7 million redevelopment dollars and approximately \$6 million from Measure F dollars.

Once an architect is hired for the Davidson Field project it is estimated it will take approximately two years to complete the project.

Mr. Reed responded to the question regarding program contingency that this is the funding set aside for change orders and unknown circumstance that would drive the cost up for each of the projects. Project contingency flows back to program contingency when each project is completed. The District will not know the amount of funds left in program contingency until after the theaters and enclaves are completed.

PEOPLE'S CHOICE

Next meeting will be Wednesday, January 22, 2014* at 7:00 p.m. in the Roderick H. MacMillian Board Room, Education Center, 2985-A Bear Street, Costa Mesa, CA 92626.

**Meeting date was changed to January 30, 2014 at 7:00 p.m.*

ADJOURNMENT

Chair Barney adjourned the meeting at 8:22 p.m.

These minutes are distributed to the members of the Measure F Citizens Oversight Committee and the community organizations represented in the District.