MEETING MINUTES
MEASURE E CITIZENS' OVERSIGHT COMMITTEE
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2
TAHOE TRUCKEE UNIFIED SCHOOL DISTRICT

Wednesday, January 30, 2019 - Rideout Community Center

MEASURE E CITIZENS' OVERSIGHT COMMITTEE (COC) MEMBERS PRESENT:
Susan Griffith (Chair), Jim Phelan, Warren Wagner, Jenn Ragan, Sydney Earley, Johanna Monforte
MEASURE E CITIZENS' OVERSIGHT COMMITTEE (COC) MEMBERS ABSENT:
Kirsten Keim

IN ATTENDANCE FROM TTUSD:
Todd Rivera, Executive Director of Business Services; Thomas Kleffman, Bond Program Fiscal Contract Analyst; Jorge Rojas, Director of Facilities, Maintenance & Operations, Amy Sanders, Administrative Secretary – Bond Projects

1.0 Call to Order
Susan Griffith, Measure E COC Chair, called the meeting to order at 5:01 p.m.

2.0 Public Comment
No public comment.

3.0 Approve Minutes from October 24, 2018 Meeting
On a motion by Sydney Earley and a second by Warren Wagner, the Measure E COC members unanimously approved the minutes from the meeting on October 24, 2018.

4.0 Measure E Project Overview Updates
Jorge Rojas, Director of Facilities, Maintenance & Operations, gave a presentation on the progress of the Measure E projects. It included an overview of current projects, upcoming projects, and projects that are completed.

At Tahoe Lake Elementary, the new kindergarten wing is progressing. Insulation has been installed and the building is nearly ready for drywall and paint. In the lower building (Area A), beams are in place for the new structure. The big push right now is to enclose this building as soon as possible so that crews can continue working through the winter. We hope to complete the roof and deck within the next week. Although we are still finding issues with existing conditions on the modernization side at this site, our goal is to complete this project over the summer of 2019 and move the kids back to the school in August.

At Kings Beach Elementary, one of the biggest milestones we've had was opening the new administration area. This is now the main single-point entry into the school site and into the Boys &

Girls Club. Over the summer of 2018, we focused on the portables, modernization of all the classrooms, and the expansion. All this was accomplished before the kids returned to school in the fall.

A great deal of work has been done in the six-room kindergarten wing expansion including framing, overhead installations, and ductwork. We hope to finish this area by the end of May. The project will continue over the summer when the kids are on break.

Once construction at Kings Beach Elementary School is complete, we will be replacing the grass in the contractors' staging area and inspecting the existing sprinklers. Part of the contingency for this project was allocated for this particular area back when the budget was done.

Over the summer of 2018, we did a roofing project at North Tahoe. Portions of the roof over the gym were deteriorating, so we decided to move forward with this rather than wait until later. Currently, we are working on development plans and budgets for the remainder of the North Tahoe project to get it lined up for 2022.

5.0 Measure E Project Financial Updates

Tom Kleffman, Bond Program Fiscal Contract Analyst, gave the Measure E project financial updates. All numbers reported are through December 31, 2018. Funding to date is $64.6 million. Expenditures to date are $37.8 million. Encumbrances remaining are $28.6 million. Budget balance available is $194,000.

We've received all $62 million of the Measure E funds. Financial Implementation Plan (FIP) budgeted interest earnings was $993,000, which we have exceeded by $434,000 to date. We applied an additional $1 million in developer fee allocation to the Tahoe Lake Elementary project to help with change orders associated with additional lead and asbestos remediation that was done at that site. We also allocated additional money from Prop 51 state bond funding eligibility for the Tahoe Lake project.

Encumbrances for the total bond measure and the projects have decreased by $5.8 million as we move through our construction contracts. We had expenditures of $7.5 million since our last Measure E COC meeting in October.

The Measure E program budget encumbered amount increased slightly by $13,000 and we've had $256,000 in expenditures. The majority of these expenditures went to legal fees dealing with mitigating the lead issues at Tahoe Lake Elementary, $68,000 of these expenditures went to payroll, moving one of our project managers from Measure U over to Measure E to work on the Kings Beach project, and $79,000 went to the District-wide server project we've just completed. This project covered the 21st century IT upgrades with the cost split between Measures E and U.

Todd Rivera said the District is aware that more money is needed for the Measure E projects based on overages and lead issues at Tahoe Lake Elementary. It's just a matter of getting a better handle on the approximate dollar amount we need so that when it's time to implement the financing plan, it will be similar to a long-term loan funded by multiple sources such as developer fees, redevelopment agency fees, and the general fund. The District is looking into the Facility Hardship Grant application through the Office of Public School Construction (OPSC), attempting to get funding for the cleanup piece.

Jim Phelan asked if Superfund has any programs that deal with this type of thing, which could benefit the District. Superfund is a U.S. federal government program designed to fund the cleanup of sites

contaminated with hazardous substances and pollutants. Mr. Rivera is unfamiliar with this program and intends to look into it further.

6.0 Measure E Proposition 39 Performance Audit & 7.0 Measure E Financial Statements

Todd Rivera combined the discussion on these items, as they are interrelated. A requirement of our general obligation bonds, which we issued under a special provision called Proposition 39, allowed us to gain voter approval with just 55% of the voters. With that came stipulations: (1) we are required to have a Citizens' Oversight Committee, and (2) we are required to have an annual performance audit of the bond funds and expenditures. The audit is done by an external auditor who reviews our expenses and makes sure we are in compliance with the law and with what we promised voters in our ballot language. The numbers in the audit are as of June 30, 2018.

The *Measure E Financial Statements* report shows the revenues we received, our expenditures, and remaining balances. Last year, our assets were $41,181,632 and our liabilities were $3,671,812, leaving a final Measure E fund balance of $37,509,820.

The *Measure E Proposition 39 Performance Audit* report goes into detail of expenditures by school site and project type. The auditors defined their methodology and tested our expenditures using random samples of our documents. They concluded that we are in compliance and the audit was clean.

8.0 Measure E COC Annual Report to the Board

As part of the requirements and bylaws of Proposition 39, the Citizens' Oversight Committee is required to present an annual report to the Board of Education. Todd Rivera would like the Measure E COC to present this report at the March 6, 2019 board meeting, if possible. If none of the members are available that day, the report can probably be presented at the March 20, 2019 board study session if someone is available then. Tom Kleffman will put together a draft of the report and send it to the Measure E COC members, who can give their input with comments and/or changes.

9.0 Other Items

Jorge Rojas suggested that we hold the next Measure E COC meeting at Kings Beach Elementary School, so the members can see first-hand the progress of this project. Everyone present liked that idea. The next meeting will most likely be held around late May/early-mid June. Amy Sanders will send out a Doodle Poll to determine which day works best for everyone.

Todd Rivera mentioned that, every August, the Board does a Facilities Bus Tour, visiting all the school sites in Truckee and lakeside where major projects are underway. Measure E COC members are invited and encouraged to join if they are interested. Mr. Rivera will let the Measure E COC members know when this tour is scheduled and get a head count of those who plan on attending.

10.0 Adjourn

Susan Griffith, Measure E Citizens' Oversight Committee Chair, adjourned the meeting at 5:46 p.m.

Todd Rivera	Susan Griffith
Executive Director of Business Services	Measure E Citizens' Oversight Committee
Tahoe Truckee Unified School District	Chair SFID No.2