

Board of Education: President Darrell Cherf; **Clerk** Susan Walsh; Gene Stamm; Adam Cox; Jessica Kazakos
District Superintendent: RoseMary Parga Duran, Ed.D.

**MERCED CITY SCHOOL DISTRICT
MINUTES OF THE CITIZENS' BOND OVERSIGHT COMMITTEE
Rivera Middle School Library
Tuesday, March 17, 2015
4:00 PM**

CALL TO ORDER: The Citizens' Bond Oversight Committee (CBOC) meeting was called to order officially at 4:35pm. The Committee met at 4:00pm at the Rivera Elementary Construction site for a tour.

MCSO STAFF PRESENT: District Superintendent, Dr. RoseMary Parga Duran, Associate Superintendent, Greg Spicer, Director of Facilities, Dr. Ken Testa, Chief Fiscal Officer, Linda Jordan, Supervisor of Maintenance, William Rains, Supervisor of Operations and Grounds, Juan Mendoza, Account Technician, Julio Rodriguez-Rivera, Facilities Department Secretary, Sherry Munday, Catherine Puckett, Principal, Rivera Elementary School.

MEMBERS PRESENT: Birdi Olivarez-Kidwell, Steven Bottjer, Jeff Pennington, Sharon Spinardi, Michelle Symes-Thiara, and Keith Ensminger.

PLEDGE OF ALLEGIANCE: Birdi Olivarez-Kidwell led us in the pledge at the construction site. One of the new buildings had a large United State flag attached to the outside wall.

APPROVAL OF AGENDA: M/S/C To approve the agenda for today's meeting with addition of agenda item Membership to be addressed after agenda item 5.

APPROVE MINUTES: M/S/C The minutes of the December 16, 2014 meeting were approved.

INTRODUCTIONS/OPENING REMARKS:

Ken Testa welcomed and thanked everyone for coming to the meeting as well as touring the construction site. The new Principal of Rivera Elementary, Catherine Puckett, was introduced and welcomed to our meeting. Project Superintendent, Matt Negely, and John Hill, Inspector of Record, were introduced as well and joined the tour.

GENERAL OBLIGATION BONDS REPORT

Dr. Testa presented the Financial and Performance Audit for FY 2013/2014 ending June 30, 2014. Vavrinek, Trine, Day & Co., LLP reported that there were no findings. This annual report needs to be presented to the school Board at the March 24, 2015 meeting by members of this committee. The meeting will be held at Fremont Elementary School at 7PM. President, Birdi Olivarez-Kidwell will present the information at the Board meeting; however other members are encouraged to

attend. This report is for Measure S not Measure M. Next year, the report will contain information regarding both Bond Measures. The format for the board will change slightly from the bound report handed out to each member but dollar amounts and information will stay the same. Sharon Spinardi made a motion to present the report to the school Board at the next Board meeting and Steve Bottjer seconded the motion. Dr. Testa discussed that in planning for next year, the March meeting may need to be moved up in order to have more time to prepare for the presentation to the school Board.

QUARTERLY FINANCIAL REPORT:

President, Birdi Olivarez-Kidwell thanked Julio Rodriguez-Rivera for preparing the financial report and doing a fantastic job with the accounting for the Bond Measures. Julio Rodriguez-Rivera explained the quarterly financial report with expenditures through March 6th, 2015.

Measure M Expenditure Report: Expenditures must be in line with our Bond Language. The Measure M Revenue total is \$11,364,88, with an encumbrance of \$567,614.51. The available balance for Measure M is \$10,797,266.79.

Measure S Expenditure Report: Total revenue is \$28,853,034. Total expenses paid are \$23,503,108.34. The available balance of Measure S is \$5,349,925.66, all but \$40,961.55 is encumbered for the Rivera Elementary New Construction. The \$40,961.55 will be reserved for professional services, audits, and general expenses related to the Bond Measure, or it can be allocated to the Rivera Project.

Keith Ensminger asked about using money from both bond measures. Dr. Testa explained we can use both bond funds depending on the explicit allowance as expressed in the bond resolution language. Per Linda Jordan, we have monies left over from other state projects that can be used for priority projects. There is around \$400,000 to \$500,000 that can be used for these projects.

M/S/C to accept the Measure M and Measure S quarterly financial report that was reported by Julio Rodriguez-Rivera.

MEASURE S & MEASURE M BOND PRIORITY PROJECT REPORT:

Rivera K-8 update:

Rivera Elementary School update took place during the tour. Dr. Testa discussed the construction. The construction is on schedule and coming together quickly. The new Central Administration and Elementary Library building will be the next large piece to the project. A six classroom building is going to be modernized and converted into the new administration and elementary library. This project will not be completed until late November at the earliest. For the new construction project, there have been some change orders that have been approved by the Board. The largest change order was for \$41,000 and was for a fire hydrant line that was not drawn in the plans correctly and had to be re-routed. There was a Domestic Water line change order for \$12,000, one for computer data lines, and one for the redrawing the plans for the metal awning decking. Jeff Pennington asked about the architect errors and if we are able to get any of that money back. Jeff Pennington asks if we are tracking these changes and if some of them may be charged back to the architect. Dr. Testa stated we are tracking the changes and that information will be reviewed toward the end

of the project. He further explained that some of the change orders are included in the allowance which is part of the contract price. Birdi Olivares-Kidwell asked about how the allowance amount is calculated. Dr. Testa explained that the law states that no more than 10% of the original approved contract amount can be established as an allowance. We are in line with the three-to-four percent norm for change orders for new construction. Modernization is harder to estimate as far as change orders.

District Priority Projects:

There was a handout given to the committee with the District's priority projects. Dr. Testa explained there is no particular order to this list. By the next meeting the list of projects and time frame and dollars allocated will be clearer. The STEAM center is not included on this list. Possible locations for the STEAM center could be Muir, Givens, or Burbank. The STEAM center is not necessary funded by bond money. We have other monies to allocate to this project.

Greg Spicer explained that the LEA plan was creating many of the items are in response to national safety. The Security plan, fencing, lighting, parking, exit/entry, site safety plans, District safety plan, and fiber optic lines tied into Merced Police Department are all a component of such priority projects. Rivera, Hoover and Tenaya will be first schools to receive surveillance camera system improvements and the system will grow from there.

BYLAWS/MEMBERSHIP

The Bylaws of the CBOC were handed out and the role of the committee was reviewed by Birdi Olivarez-Kidwell. It was mentioned that correspondence was received from both Julie Thurman and Marti Garcia that they will no longer be able to participate on the Citizens' Bond Oversight Committee. Steven Bottjer's term has ended and was thanked for his service on the committee. The bylaws require that there are seven members and that they fulfill various roles. Membership was reviewed and roles noted as followed: Keith Ensminger-member of business organization; Sharon Spinardi-member of retirement organization, Birdi Olivarez-Kidwell and Michelle Symes-Thiara-parents and members of PTSC. We need to fulfill the Bona Fide tax organization participant membership role. The group discussed what exactly a Bona Fide Tax Organization is and some research will need to be done. To get more members we need to have a plan for recruitment. Sharon Spinardi suggested that emails be sent to the Principals to spread the word. At the Board Meeting we will let the Board Members know that we are recruiting for more members.

OPEN DISCUSSION/QUESTIONS

Sharon Spinardi thanked Sherry Munday for getting the agenda, minutes, and other information emailed to the committee members.

NEXT MEETING

June 16, 2015 at 4:00 P.M. in our Board Room at the District Office.

ADJORNMENT:

M/S/C Symes-Thiara/Spinardi to adjourn the Citizens' Bond Oversight Committee at 5:37 P.M.