



**PASADENA UNIFIED SCHOOL DISTRICT (PUSD)
CITIZENS' OVERSIGHT COMMITTEE (COC) MEETING
Meeting Minutes of May 17, 2017**

Location: Pasadena Unified School District Education Center, Room 229, 351 S. Hudson Ave., Pasadena, CA. 91109

Date & Time of meeting: May 17, 2017 at 6:30 p.m.

Present: Clifton Cates, Quincy Hocutt, Glen DeVeer, Diana Verdugo, Willie Ordonez, Jen Wang, Joelle Morisseau-Phillips, Mikala Rahn, and Gretchen Vance

Absent: Geoffrey Commons.

Pasadena Unified School District (PUSD) Board Member Board Liaison: Kimberly Kenne

Pasadena Unified School District (PUSD) Facilities Committee Liaison: Steven Cole

PUSD Staff: Nelson Cayabyab, Chief Facilities Officer.

(Abbreviations used in these minutes: PUSD - Pasadena Unified School District and COC – Citizen's Oversight Committee.)

I. CALL TO ORDER

Mr. Cates

The meeting was called to order at 6:30 PM

Mr. Cates acknowledged the courtesy of the District's decision to provide a professional stenographer for the production of the meeting's verbatim transcript to assist in the preparation of the minutes of the Committee.

II. Approval of minutes of the February, March and April, 2017 meetings

Ms. Wang

The February 15, March 15 and April 19, 2017 meeting minutes were unanimously approved by the COC members.

III. BUSINESS

A. Preparation of meeting minutes.

Mr. Cates

- i. *District's plan to use a private stenographer.*

Mr. Cates noted the COC's good fortune of having a stenographer to provide a verbatim transcript of the meeting.

- ii. *Cost of Stenographer*

- iii. *Source of funding.*

Mr. Cates noted that the cost of the stenographer's service would be paid for by the District from the remaining Measure Y funds. Mr. Cates refrained from issuing an opinion on whether or not payment for the stenographer services from Measure Y funds was appropriate, as the COC only has oversight responsibility for Measure TT funds, not over Measure Y funds that may be still unspent.

B. Proposition TT Financial Report.

Mr. Cates

- i. *District's response to outstanding requests for information.*

A discussion ensued in which the request for 10 key items of information in a useful format was reiterated. The Board Liaison added that a report that could be largely produced via the existing systems was preferable to alleviate the workload of both the COC and District Staff. Ms. Kenne also noted that it would be useful to have information regarding the construction status of the projects, perhaps prepared separately from the financial report. Mr. Cayabyab noted that much of the information being asked for was available. It was agreed that Ms. Kenne would present at the June 2017 meeting two separate reports with much of the information the COC is asking for.

The objective of the COC's requested report is to provide a high-level summary of the status of projects at each school showing what progress is being made both financially and physically.

C. COC letter to Superintendent re outstanding requests for information and administrative support of the COC by the District

Mr. Cates

Mr. Cates noted that both of these matters were discussed in item III.B. Ms. Wang asked if an answer to the COC's letter had been received, Mr. Cates read his letter to Superintendent McDonald of May 11, 2017 and the Superintendent's response. Both of these letters are posted on the COC website at: <https://www.pusd.us/Page/6054>

D. Other outstanding requests for information

Mr. Cates

- i. *How the numbers contained in April 2017 "Spend-out Plan" were derived and reconciliation with last approved budget.*

- ii. *Norma Coombs project information, including reconciliation with numbers shown on the "Spend-out Plan"*

Mr. Hocutt stated that a new "spend-out plan" had been developed by Facilities Staff and presented to the Board requesting a prioritization of projects. This plan notes that \$126 million remains to be spent from the original bond amount of \$350 million. Much of the \$126 million is already earmarked on existing contracts but a priority is needed for remaining projects. Facilities staff provided a suggested priority and it is awaiting Board reprioritization. It was noted during the discussion that this new plan differs significantly from the budget plan currently posted on the COC website.

The COC discussed the difficulty of understanding how a budgeted item can increase or decrease without adequate explanation. The new proposed budget for Norma Coombs is now higher than the old budget by approximately \$2 million and the COC has requested an explanation of the difference, how it was determined, and what the extra money would be spent on. It is within the purview of the COC to ensure that funds are spend on items that are allowed under the restrictions of Measure TT. The Board Liaison agreed that it is important to be transparent about changes begin made to commitments that were made in 2012.

Ms. Vance made a request for the Board to vet the new proposal carefully with the affected schools and to be very open about the changes that will be made.

Mr. Cayabyab noted that construction costs are rising and that if bids come back for a project higher than expected, that extra money could reduce the funds available for projects at the bottom of the priority list. He also noted that there might be other sources of money for certain projects rather than having to utilize Measure TT funds. Ms. Vance noted that promises of transparency and accountability made under Measure TT called for updating a Facilities Master plan quarterly and annually. But the last time it was updated was in 2012 and voted upon by the Board at that time. Ms. Kenne noted that the Facilities Master Plan must also take into account demographic changes and how that affects facilities needs within the district.

Mr. Cayabyab noted that the priority list was developed with building code compliance as the number one priority, the second was fire-life safety issues and the third priority was classroom related issues.

Mr. Cayabyab explained that the increase in construction costs since 2012 is the main reason why the 2012 budget amounts are not valid for construction projects to be contracted from 2017 on.

Mr. Cates clarified that the Facilities proposal in the spend-out plan (priority list) was not something the COC members were criticizing. Mr. Cates also stated that Mr. Cayabyab had done all that he can do by essentially saying “we have 126 million left, and we have to finish nine projects that are substantially under way, and here's my recommendation for spending the rest”. The COC noted that what it requests at this point is for the Board to act on the spend-out plan so that we will have a new tracking mechanism.

Mr. Cayabyab noted that a consolidation and boundary committee had already started working, which might recommend school closings.

In closing the discussion it was noted that the first 9 of 27 projects on the spend-out plan list consume about 80% of the remaining funds within Measure TT.

iii. *Law requiring separate bids for 3 similar athletic tracks (promised by Facilities on March 15, 2017).*

Mr. Cates stated that there was no need to continue asking for a copy of a law requiring 3 completely separate design fees (at a full architectural charge for each one) for 3 similar athletic tracks, as there did not appear to be one. Mr. Cayabyab noted that Facilities is working on a special purchase agreement with the vendor to install just the tracks, each of which are slightly different.

Mr. Hocutt noted that the proposed spend out plan does not contain the architectural fees for these tracks, but only the construction costs. He also noted that the plan does not contain money to cover Facilities’ administrative salaries.

E. Uniform standards for Proposition TT expenditures

Mr. Cates

i. *Member-recommended changes.*

Mr. Cates informed the COC that new comments received from COC members would be incorporated into the draft Standards, and a consideration for approval of the Standards would be included in June’s agenda.

F. Uniform procedures to insure timely Committee and Board review of proposed Proposition TT expenditures.

Ms. Kenne, Mr. Cole

i. *Immediate report by the COC liaison to the Facilities Committee.*

The COC desires to place COC recommendations on approval or non-approval of Board Reports as a standing agenda item in the Facilities meetings, or in the public comments at the beginning of the Facilities meeting. *(The “Facilities meeting” is a monthly meeting of a sub-committee of the Board of Education comprised of three members of the Board, plus the Chief of Facilities. Its purpose is to vet facilities issues and make recommendations for the entire Board of Education to vote upon.)*

ii. *Current status.*

Ms. Kenne stated that she is now on the Facilities Committee and can ensure the COC representative on that committee will have an opportunity to present the COC’s recommendations.

G. Review of newly proposed expenditures of Proposition funds: Board Reports 1184-F through 1193-F and 114-B.

Mr. Cates

Board Reports 1184 - 1193 were approved (8 in favor, 1 opposed). Board Report 114-B was disapproved unanimously.

The majority of the Board Reports were to continue the existing contracts for the Project Managers overseeing the school construction projects. The salaries for these managers are charged to Measure TT.

Board Report 114-B was a request to fund various attorney fees * from Measure TT, although many of these activities appear to be general administrative costs. The Committee needs further breakdown information to determine whether all of these costs meet the pre-requisite requirement for utilization of Measure TT funds. Mr. Cole was asked to bring up this request in the next day’s Facility Committee meeting.

(* “General legal services, informative newsletters, training opportunities, and conferences to help with daily legal concerns.”)

H. Expenditure of Proposition TT funds on “needs assessments” and new Facilities Master Plan

Mr. Cates

Mr. Cates read parts of the COC’s independent counsel’s response regarding the COC’s inquiries as to the legalities of the charging of “needs assessments” to Measure TT. The main points in counsel’s response were:

- i. “A needs assessment focused on the construction of a new school facility that cannot be funded from Proposition TT due to limited funds or timing constraints would be ineligible for Proposition TT funds.”
- ii. “The expenditure of Proposition TT funds for a new facilities master plan would seem to be outside of the language of the proposition.”

These attorney insights will be incorporated into the proposed guidance Standards to be considered at the next COC meeting.

(A “needs assessment” is a contracted study by architects and construction specialists as to the current conditions of a property resulting in recommendations for needed work.)

I. Report by the Chief of Facilities

Mr. Cayabyab

Mr. Cayabyab had nothing to report regarding construction activity at any of the school sites.

J. Committee membership

Ms. Vance

i. *Current status of solicitation and appointment of new members.*

Ms. Vance informed the COC that there are 5 applicants who will be interviewed by Mr. Hocutt, Mr. Cates and Ms. Kenne before submitting their candidacy for approval to the Board of Education.

ii. *New member orientation package.*

Ms. Vance informed the COC that the Membership sub-committee of the COC had prepared a PowerPoint presentation, but due to the lack of a projector it could not be shown, but she offered to e-mail it to the members. She reviewed the contents of the presentation, noting that it provided a framework for new members to understand the work of the COC, and contained references for the obtaining of the governing documentation relating to the COC's work. Dr. Rahn suggested we project this orientation PowerPoint presentation and review it at the next COC meeting.

Mr. Cates noted that Mr. Commons is no longer a member of the committee, due to three consecutive meeting absences, which per the COC's by-laws results in an automatic removal.

K. COC Subcommittees

i. *Existing and new.*

Mr. Cates listed the existing sub-committees as: Audit, Membership, Minutes, Website, Financial Support, Facilities Committee liaison, and the just created Public Outreach Sub-Committee headed by Ms. Verdugo.

Ms. Rahn offered to be in charge of following up with the COC requests and actions.

ii. *Participation by all COC members.*

Mr. Cates requested all members to increase their participation level in the activities of the COC, as the workload is increasing.

L. Report by Board liaison to the COC

Ms. Kenne

A report was not presented at this time.

M. Report by COC liaison to Facilities Committee

Mr. Cole

A report was not presented at this time.

N. Report from site council representatives

Ms. Verdugo

Ms. Verdugo informed the COC that Roosevelt Elementary School is "jubilant" about the cafeteria work scheduled to start in June; at Washington they are "happy with what has been going on" with no negative comments about Facilities.

Mr. Cayabyab announced that Facilities will be briefing the Site Council at Longfellow on the school's upcoming modernization, and that similar briefings had already taken place at Don Benito and Norma Coombs. Mr. Cayabyab stated that on May 25, 2017 there would be an instructional meeting with the neighborhoods at San Rafael and Linda Vista.

Ms. Vance noted that the Pasadena High School (PHS) Site Council was very happy with the progress being made on PHS' gym and locker room.

IV. Public Comment

Ms. Ruthann Aull noted that the meeting had been very informative. She also thanked Mr. Cayabyab for his attendance. Ms. Aull asked to place the Public Comments section at the beginning of the meeting. Mr. Cates granted her petition.

V. Future meeting agenda items, dates, and locations

The next COC meeting will be held on Wednesday, June 21, 2017 at 6:30 P.M. at the PUSD Education Center on Hudson Avenue.

VI. Adjournment

The meeting was adjourned at 9:10 PM.

Action Items:

- Ms. Kenne will present two separate TT Financial reports with much of the information the COC is asking for at the June 2017 meeting.
- The financial report will be based on the proposed spend-out plan.
- New comments received from COC members would be incorporated into the draft Standards, and a consideration for approval of the Standards would be included in June's agenda. Also, attorney insights will be incorporated into the proposed guidance Standards to be considered at the next COC meeting.
- 5 new COC applicants will be interviewed by the next meeting.
- Gretchen will send COC members a draft of New Member Orientation PowerPoint.
- Ms. Aull asked to place the Public Comments section at the beginning of the meeting which Cliff agreed to.