

SAN MATEO UNION HIGH SCHOOL DISTRICT

Citizens' Oversight Committee

Measures M and O

Annual Report Presentation

June 21, 2018



Agenda

- Letter from COC Chair
- Bond Measures M and O
- Citizens Oversight Committee
- Bond-Funded Projects
- COC Activities
- Financial Summary 2017 - 2018
- Conclusions

Letter From COC Chair

- Citizen's Oversight Committee (COC) for Bond Measures M (2006) & O (2010)
- Met 4 times during the fiscal year to review Financial Reports, project expenditure summaries, project accomplishments/challenges/legal hurdles
- Measure M funded major construction programs including all theaters, at all comprehensive High Schools, all of which are completed
- Measure O funds were used to complete the project list, projects include the new science building at Hillsdale High School, new building at Burlingame High School, stadium sound systems and lights, nearly completed District Office and future Peninsula High School

Letter From COC Chair (cont'd)

Accomplishments:

- Recommended Deferred Maintenance Sinking Fund
- Operations and Maintenance staffing adequate to clean facilities

Letter From COC Chair (cont'd)

Concerns:

- The COC appreciated the Board of Trustees consideration of another bond measure. The COC unanimously supported the District pursuing another capital facilities bond so long as the proceeds would be used for safety, sustainability and technology projects.
- The COC understand the reason the Board of Trustees chose not to move forward and place a bond on the 2018 ballot. The COC wants to encourage the Board of Trustees to follow through with their commitment of placing another bond on the 2020 ballot.
- The COC is deeply troubled with the safety and health of the transite panels (HHS, AHS, MHS). These panels contain asbestos and are over 60 years old. They are deteriorating rapidly and there is a possibility rodents could spread asbestos.
- Just under \$2 million is remaining in Measure M funds and could be applied to mitigate the worst asbestos panels.

Letter From COC Chair (cont'd)

Concerns:

- When the COC raised the concern about their concern about the transite panels in 2009, the cost to mitigate the problem was \$15M. Due to the change with Building codes and construction escalation, the same project is anticipated to cost \$65M.
- The COC would like the Board of Trustees to conduct environmental testing on the panels manufactured with asbestos.

Letter From COC Chair (cont'd)

Health and Safety



Asbestos (Transite) panel mitigation and/or replacement

- 60+ year old panels are deteriorating
- Rodents are possibly spreading asbestos

Letter From COC Chair (cont'd)

Adequate Facilities Staffing:

- Capital Facilities Bond Measures:
 - Measure D (2000) is 18 years old
 - Measure M (2006) is 12 years old
 - Measure O (2010) is 8 years old
- 350,000 square feet of NEW facilities have been constructed and 844,500 square feet of facilities has been modernized, with fewer maintenance staff.
- Facilities are technologically sophisticated with complex systems that require highly skilled staff to operate and maintain.

Letter From COC Chair (cont'd): Conclusion

- Measures M and O are fiscally sound.
- All expenditures are compliant with Proposition 39, Article XIII A, Section 1(b)(3) of the California Constitution as applicable to the approved construction projects.

Thank you's

- **Voters** of the community, without whom Measures M and O would not exist.
- The **SMUHSD Board of Trustees** for its support of these important facility improvement projects and your responsiveness to our concerns.
- **District staff and construction team**, especially Kevin Skelly, Elizabeth McManus, Debbie Arobio, Pam Martinez and Todd Lee.
- Cindy Montgomery 2017-18 Chair

Bond Overview – Measure M

- Measure M is a Proposition 39 bond initiative and required 55% approval by registered voters in the District.
- The purpose of Measure M is to implement the Capital Facilities Plan to renovate, remodel and expand the existing school facilities to provide safe, healthy and state-of-the-art teaching facilities for academic success.
- On November 7, 2006, the voters of San Mateo Union High School District approved Measure M and an extensive list of projects by a Yes vote of 66.5%.

Bond Overview – Measure O

- Measure O is a Proposition 39 bond initiative and required 55% approval by registered voters in the District.
- The purpose of Measure O is to complete the Board approved Capital Facilities Plan.
- On November 2, 2010, the voters of San Mateo Union High School District approved Measure O and an extensive list of projects by a Yes vote of 61.9%

Proposition 39 Requirements

- A list of projects was provided to the voters in the ballot measure.
- A Citizens' Oversight Committee was established and will continue to be operational during the life of Measures M and O.
- An annual report is made by the COC to inform the Board of Trustees and community about Measures M and O expenditures and compliance with Proposition 39 requirements.
- An annual financial audit is conducted of the funds until all funds have been expended.
- An annual performance audit is conducted to ensure that funds have been expended only on the projects listed.
- COC membership includes a minimum of seven members with at least one from each of following categories:
 - Parent
 - PTO member
 - Member of a taxpayers' organization
 - Business organization representative
 - Member of a senior citizen organization
- Members can serve up to three, two-year terms.

Purpose of Citizens' Oversight Committee

- Verify bond proceeds are expended on approved projects specified on the project list.
- Inform the public concerning the expenditure of bond proceeds.

Oversight Responsibilities include:

- Report to the Board of Trustees annually on the expenditure of Measure M and Measure O funds.
- Inspect school facilities to validate that the bond funds are expended accordingly.
- Verify that no funds are expended on teacher or administrator salaries or other school operating expenses
- Review annual independent financial and performance audits

2016-2017 Citizens' Oversight Committee Members

Committee Members as of June 30th:

- Cindy Montgomery, Chair 2nd term
- Dan Freeman 3rd term
- Patricia Griffin Lifetime member
- Mike Loy Lifetime member
- Kerry Hyman 1st term
- Simon Mazzola 1st term
- Sherry Haber 1st term

Aragon High School Approved Project List

Measure M

Completed Projects:

- Columbine locks
- Air conditioning for classrooms
- Stadium field artificial turf and all-weather track
- Stadium field bleachers
- Stadium field restrooms
- Student services building expansion
- Kitchen renovation
- Roof replacement and solar photovoltaic Phase I
- Swimming pool replacement
- 600 seat theatre
- CTE building (Industrial Arts, Video Production)
- Locker room, gyms renovation, weight room modernization
- CTE Building for Biotechnology
- Civil Projects



Aragon High School Approved Project List

Measure O

Completed Project:

- Drainage improvements project
- Stadium field light and audio system

Projects Underway:

- 10 years technology hardware upgrade, seven years have been completed



Aragon High School CTE Phase 1

Before the CTE Phase 1 Addition



After



Aragon High School Gym and Locker Room

Before



After



Aragon High School CTE Building Phase 2



Aragon High School Stadium Field Lights and Audio



Burlingame High School Approved Project List

Measure M

Completed Projects:

- Kitchen and cafeteria renovation
- Modernized small and large gym and locker room renovation
- New gym lobby
- Stadium field artificial turf replacement
- Stadium field restrooms
- Columbine locks installed
- Theatre renovation
- New industrial arts building
- Civil projects
- Solar phase I
- Swimming pool pump
- Bleacher replacement



Burlingame High School Approved Project List

Measure O

Completed Projects:

- New two story classroom building (4 classrooms, 2 CTE classrooms)

Projects Underway:

- New stadium field audio system
- 10 years technology hardware upgrade, seven years have been completed

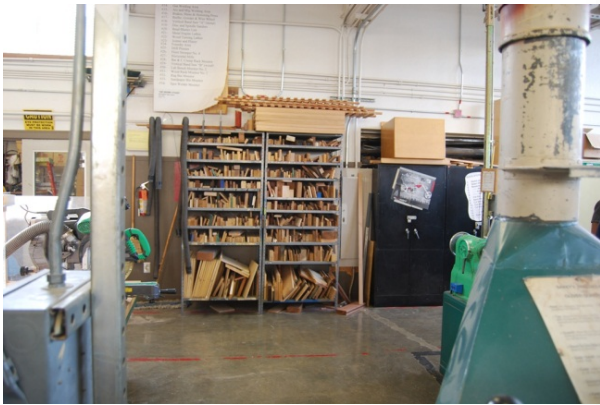


Burlingame High School Industrial Arts Building

Before



After



BHS/SMHS Bleacher Project



Burlingame High School Cafeteria

Before



After



Burlingame High School Theater

Before



After



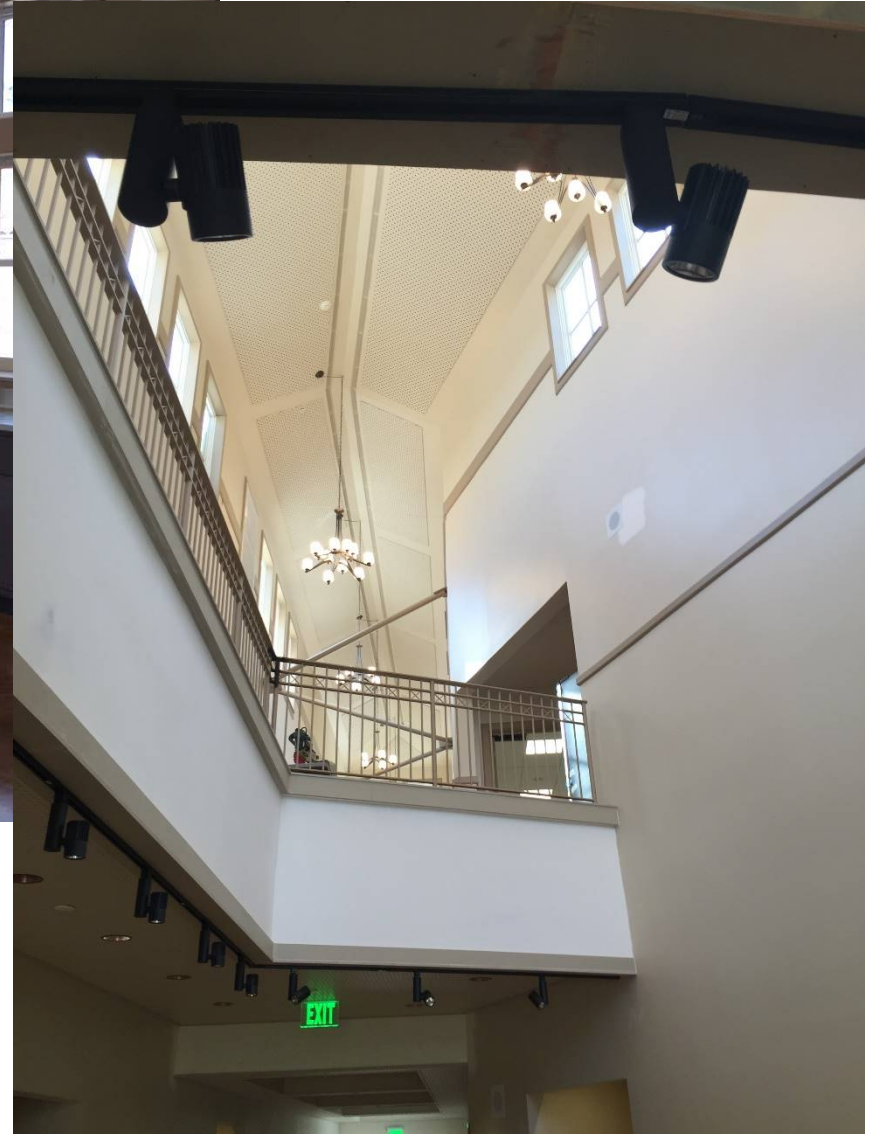
Burlingame High School 2-Story Classroom Building



Burlingame High School 2-Story Classroom Building



Burlingame High School 2-Story Classroom Building



Capuchino High School Approved Project List

Measure M

Projects Completed:

- Science building roof and windows
- Columbine locks installed
- Computer equipment
- Stadium field modernization, new turf, all weather track, new bleachers, new restroom building
- Child development facility
- Swimming pool replacement
- CTE satellite humanities building
- New classroom building
- Gyms, locker rooms, court yard renovation
- Solar pv parking structures phase 2
- Theatres and music classrooms
- New main electrical Service
- Replace switchgear
- Civil projects



Capuchino High School Approved Project List

Measure O

Completed Project:

- Stadium light and audio system

Projects Underway:

- 10 years technology hardware upgrade, seven years have been completed



Capuchino High School New Classroom Building

Before



After



Capuchino High School Stadium Field Lights and System



Hillsdale High School Approved Project List

Measure M

Projects Completed:

- Columbine locks installed
- Computer equipment
- Complete air conditioning of classrooms
- Replace fire line and gas line
- Student locker replacement
- Install artificial turf, all weather track
- New bleachers, restroom building and parking lot
- Renovate gyms, wrestling room and dance room
- Replace HVAC piping and controls
- New roof and solar photovoltaic panels phase 1 and phase 1.5
- Swimming pool replacement
- Cafeteria/multi-use room renovation
- Industrial arts building, special education classrooms and fine arts modernization
- Small theater renovation
- Large theater renovation
- Civil Projects



Hillsdale High School Approved Project List

Measure O

Projects Completed:

- New 25 classroom building
- Stadium field lights and audio system
- Convert 9 old science classrooms into standard classrooms

Projects Underway:

- 10 years technology hardware upgrade, seven years have been completed



Hillsdale High School Cafeteria

Before



After



Hillsdale High School Theaters

Before



After



Hillsdale High School Other Improvements



Art Studio



Band & Recording Studio



Special Education



Dance Studio

Hillsdale High School New 20 Classroom Building



Hillsdale High School New 20 Classroom Building



Hillsdale High School New 20 Classroom Building



Mills High School Approved Project List

Measure M

Projects Completed:

- Completed air conditioning of classrooms
- Columbine locks installed
- Technical classrooms (biotech, art, industrial arts, video production and video broadcast studio)
- Kitchen and cafeteria renovation
- Skylight replacement
- Student locker replacement
- Renovated team room, weight room and locker rooms
- Stadium field renovation with new turf, all weather track, restroom building
- Swimming pool replacement
- New nine-classroom building
- Boiler, HVAC piping replacement
- New theatre / gyms renovation and expansion
- Roof replacement and solar photovoltaic system phase I installation
- Civil projects



Mills High School Approved Project List

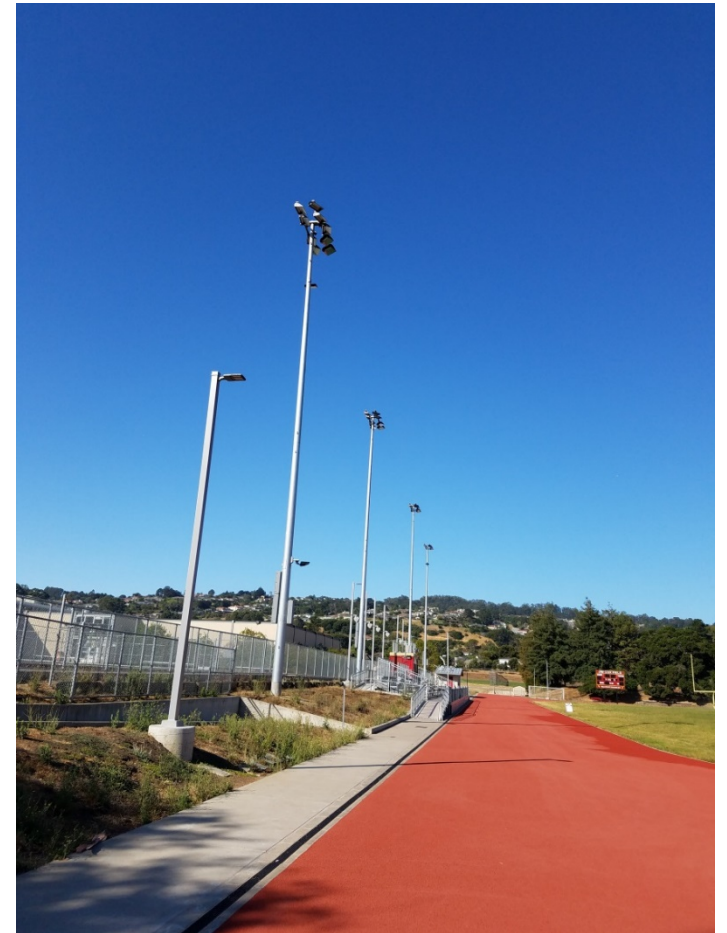
Measure O

Projects Completed:

- Stadium field light and audio system

Projects Underway:

- 10 years technology hardware upgrade, seven years have been completed



Mills High School Cafeteria

Before



After



Mills High School Locker Rms. & Weight Room

Before



After



Mills High School Theater, Gym, Lobby & Quad

Before



After



Mills High School New Classroom Building

Before



After



Peninsula High School

Measure M

Projects Completed:

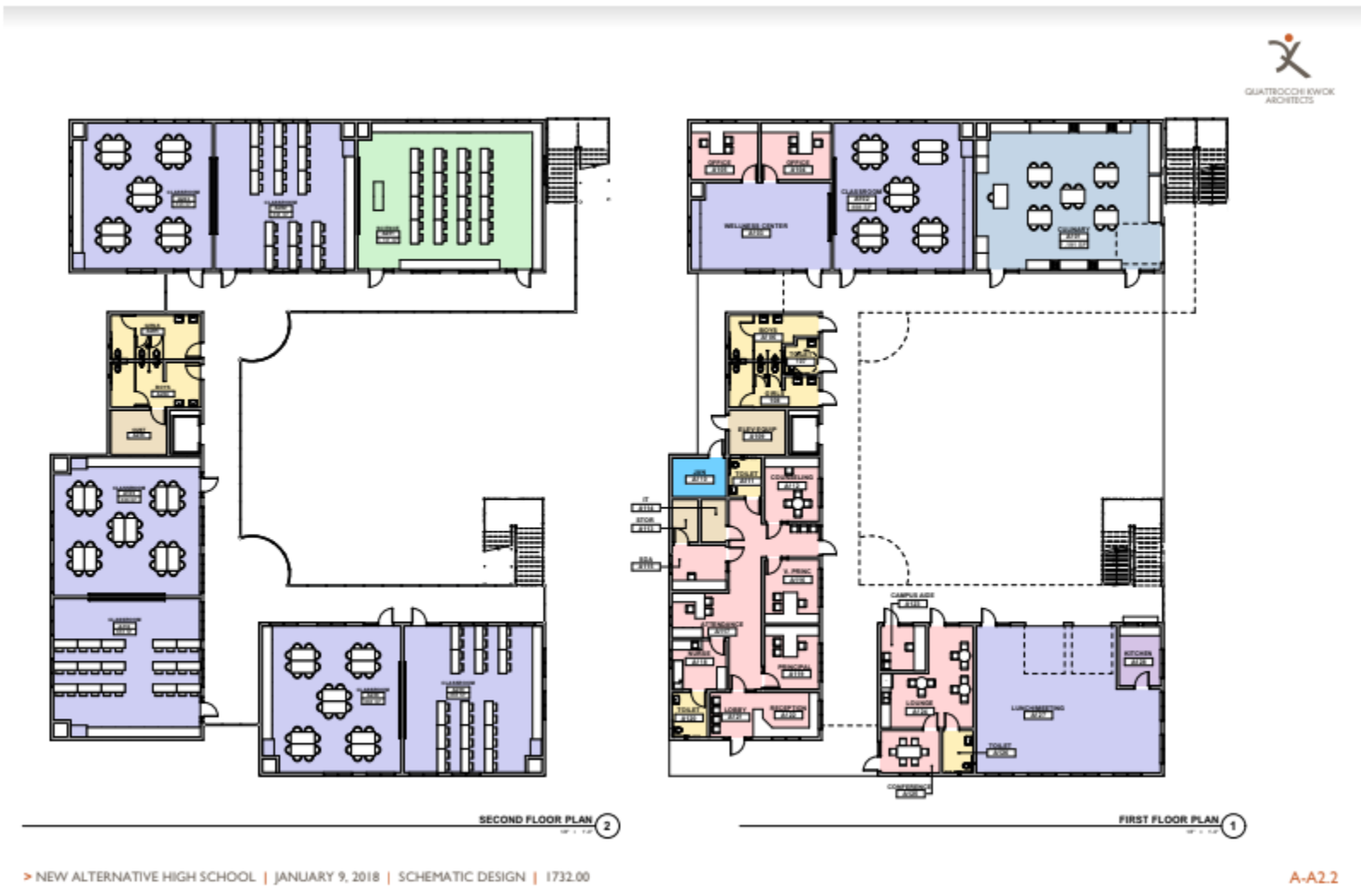
- Security lock installation
- Fire life safety

Measure O

- Property for new school campus selected and Board approved
- New facility programming and schematic design complete
- 10 years technology hardware upgrade, seven years have been completed

Peninsula High School

Floor Plan



San Mateo High School Approved Project List

Measure M

Projects Completed:

- Columbine locks installed
- Music building renovation
- Computer equipment replacement
- New Biotech classroom building
- Bus wash rack and fuel tank replacement
- Stadium field restroom building
- Solar photovoltaic (parking structures) phase 2
- Greenhouse addition
- Modernized and extended Performing Arts Theater
- Civil projects



Measure O

Projects Completed:

- Modernize brick building (26,197 sq. ft.)
- Stadium field lights and sound system
- 10 years technology hardware upgrade, seven years have been completed

Projects Underway:

- Air conditioning for modernized brick building

San Mateo High School Performing Arts Center

Before



After
Theater Under
Construction



San Mateo High School Old Brick Building

Before



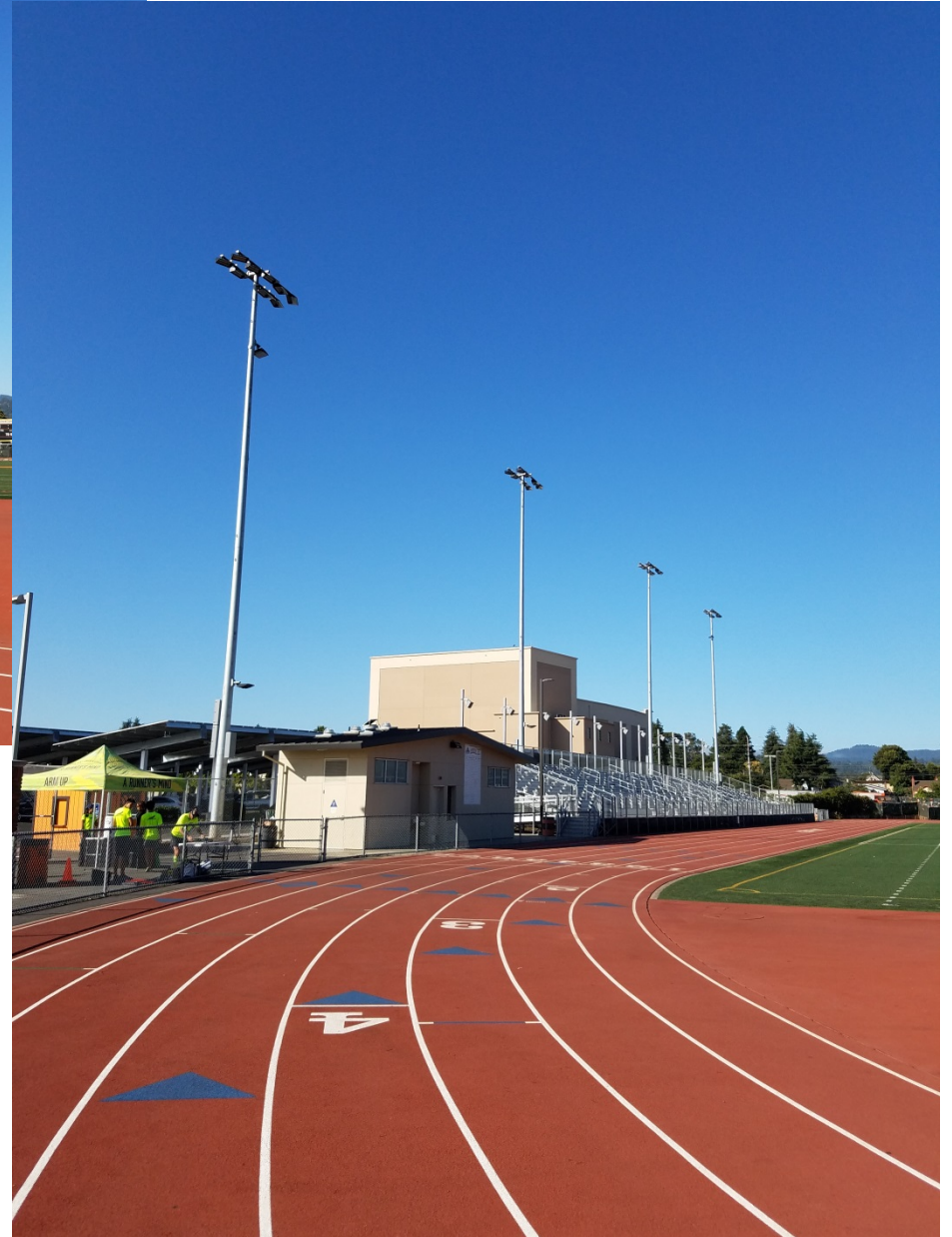
After
In Design



SMHS Brick Building Modernization



SMHS Stadium Field Lights and Audio System



District Office Project List

Measure O

Projects Completed:

- Paid off \$86M Certificate of Participation
- Purchased 839 Hinckley for Maintenance, Operations, Student Nutrition and Technology. Currently being used as a swing facility for the District Office

Projects Underway:

- District Office
- Maintenance, Operations and Student Nutrition Facility

District Office-Delaware Street



District Office-Blending With Performing Arts Center



District Office-Student Services



District Office-Lobby



District Office-Lunch Room



District Office-3rd Floor Deck



District Office-Cabinetry



Current Year Citizens' Oversight Committee Activities

- Annual independent financial audit found the District to be fully compliant
- Annual independent performance audit found the District to be fully compliant
- COC has been on on-site visits to observe completed projects, projects under construction and future projects at all comprehensive high schools
- Special topics on the COC agenda included:
 - Bond refinancing for taxpayer savings
 - Employee housing project
 - Property and recommendation for the Location of Peninsula High School
 - Maintenance Operations and Student Nutrition Building
 - District Office
 - Asbestos (transite) panel replacement
 - Maintenance and Operations staffing
 - Non-general bond capital facilities projects
- The financial reports, project updates and schedules were reviewed at each meeting
- Sources of funding for the capital facilities plan for deferred maintenance and the need for sufficient operations and maintenance staff to support the modernized facilities continues to be discussed

Financial Summary (Estimated) through June 30, 2018

Measure M

- Measure M was approved for \$298 million
- It expended \$294,850 (99%) by June 30, 2018
- 2017-18 ending balance is \$2,886,124
- \$951K is scheduled to be spent in 2018-19
- \$1.9M is yet to be allocated or expended

Measure O

- Measure O was approved for \$186 million
- It is estimated \$149,873,456 (81%) was expended by June 30, 2018
- 2017-18 ending balance projected at \$36,126,544
- \$36,126,544 is scheduled to be expended in near future for the District Office, new Peninsula High School (PHS) facility and four years of technology replacement - approximately \$28.5 M is available for PHS.

Summer 2018 Capital Projects-Not Funded Using Bonds

Aragon High School

- Baseball backstop replacement
- Stadium carpet replacement

Burlingame High School

- Three relocatable classrooms
- New softball backstop
- Pool deck and plaster replacement
- Stadium Field sound system

Hillsdale High School

- Administration building remodel
- New boiler
- New roof
- Stadium carpet replacement

San Mateo High School

- Air Conditioning Brick Building
- Stair tower deck replacement

Capuchino High School

- Science classroom modernization

Conclusions

- **Strong administrative leadership**, experienced and accountable consulting team, streamlined project list and construction schedules, and rigid processes and controls have been implemented to ensure the Measure M and O Capital Facilities Plan remain fiscally sound.
- **Expenditures are compliant** with Proposition 39, Article XIII A, Section 1(b)(3) of the California Constitution and applicable to the approved construction projects.
- **The COC appreciates the Board of Trustees' responsiveness and involvement with our committee.**
- **The COC is pleased with the excellent cooperation of the District's staff and construction team** and wishes to express special thanks to:

Kevin Skelly, Elizabeth McManus,
Debbie Arobio, Pam Martinez, and Todd Lee