

SAN MATEO UNION HIGH SCHOOL DISTRICT

Citizens' Oversight Committee Measures M and O Annual Report Presentation August 22, 2013



Agenda

- Letter from COC Chair
- Bond Overview – Measures M and O
- Proposition 39 Requirements
- Purpose of COC
- Citizens' Oversight Committee Members
- Approved Project Lists
- Summary of COC Activities
- Financial Summary 2012 - 2013
- Conclusions

A Letter from the Citizen's Oversight Committee Chair

To: The Board of Trustees and Citizens of the San Mateo Union High School District

From: The Measure M and Measure O Citizens Oversight Committee

Date: June 28, 2013

As Chair of the Citizens Oversight Committee, it is my pleasure to once again present the Measure M and Measure O Annual Report to the Board of Trustees of the San Mateo Union High School District (District). Upon passage of Measure M in 2006, the Board of Trustees established a citizens oversight committee in compliance with Education Code Section 15278 and Proposition 39. The original Measure M Citizens Oversight Committee was consolidated into the Measure M and Measure O Citizens Oversight Committee (Committee) after passage of Measure O in 2010. The first meeting was held on December 8, 2009; to date, the Committee has met 23 times. As the Board of Trustees is aware, the Committee membership has changed as of July 1, 2012. I am pleased to welcome new members Dan Freeman and Jonathan Ng, and I wish to express my appreciation and thanks to outgoing members Richard Bojack, John Doyle and Sheila Surmanek.

As in the past, the meetings of the Citizens Oversight Committee have been well-organized, well-attended and substantive. Information presented and reviewed at each meeting includes the most recent financial reports, current project expenditure summaries, and general project construction and legal updates, as well as unique circumstances that impact the issuance of bonds, such as the long term financial commitment needed to provide the resources to maintain the facilities. District staff and administrators have been very helpful in providing timely information to the Committee as well as responding to the Committee's questions. As a Committee, we are excited about the projects completed and those currently under construction, as well as those that are planned for the future. The Committee would like to express its gratitude to the voters of the community, without whom the Measure M and Measure O bond construction program would not exist.

It is the Committee's opinion, based upon information presented to the Committee by District staff, the Committee's oversight activities and a review of the independent financial and performance audits, that the District is in compliance with the requirements of Article X111A, Section 1(b)(3) of the California Constitution, which outlines accountability requirements for school districts which incur bonded indebtedness. With the presentation of this Annual Report, the members of the Citizens Oversight Committee assure voters that the Measure M and Measure O Bond expenditures have been properly made and have been utilized for projects consistent with those identified in the bond measures. It is our sincere hope that you will find this Annual Report informative and comprehensive.

Sincerely,

Patricia L. Griffin

Chair, Measure M and Measure O Bond Citizens Oversight Committee

Bond Overview – Measure M

- Measure M is a Proposition 39 bond initiative and requires 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 requires 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 specific 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 two, two-year terms

Purpose of Citizens' Oversight Committee

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

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

2013 Citizens' Oversight Committee Members

Committee

- John Doyle
- Dan Freeman
- Patricia Griffin, Chair
- Julie Hoffman
- Mark Jones
- Mike Loy
- Lee Manus-McNutt
- Jonathan Ng

Board of Trustees

- Robert Griffin
- Linda Lees Dwyer

Administration

- Elizabeth McManus, Deputy Superintendent
- Pam Chavez, Executive Assistant

Aragon High School Approved Project List

Measure M

Completed Projects

- Computer equipment replacement
- Columbine locks installed
- Air conditioning
- Stadium field artificial turf
- Stadium field bleachers replacement
- Stadium field restrooms
- Student services building expansion
- Kitchen renovation
- Roof replacement and solar
- Swimming pool replacement
- 600 seat theatre
- CTE building
- Locker room and gym renovation
- Civil projects



Measure O

- Technology

Aragon High School CTE Building

Before CTE Addition



After



Aragon High School Gym and Locker Room

Before



After



Burlingame High School Approved Project List

Measure M

Completed Projects

- Kitchen and cafeteria renovation
- Gym and locker room renovation
- New gym lobby
- Stadium field artificial turf replacement
- Stadium field restrooms
- Columbine locks installed
- Computer equipment replacement
- Theatre renovation
- New industrial arts building
- Civil projects
- Solar panels



Measure O

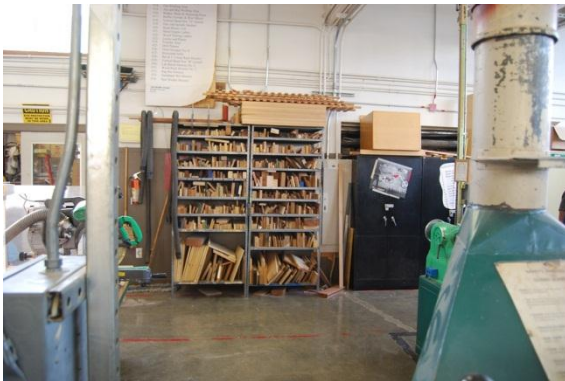
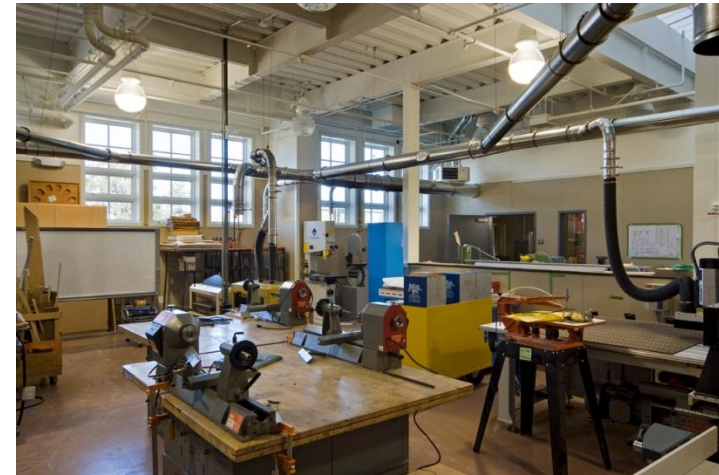
- Technology hardware
- Special education classroom building
- Stadium bleachers

Burlingame HS Industrial Arts Building

Before



After



Burlingame High School Cafeteria

Before



After

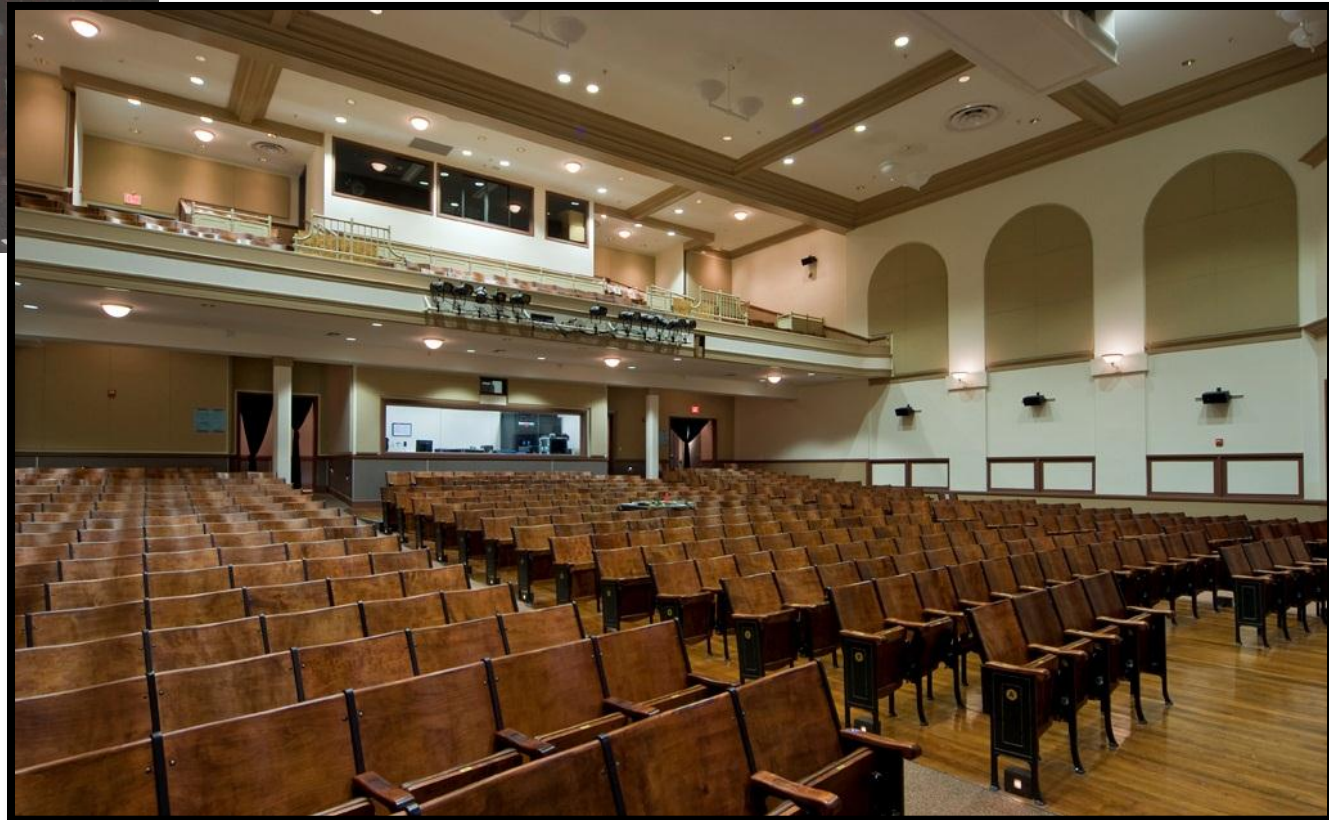


Burlingame High School Theater

Before



After



Capuchino High School Approved Project List

Measure M

Projects Completed

- Science building roof and window replacement
- Columbine locks installed
- Computer equipment replacement
- Stadium field modernization
- Stadium field restrooms
- Child development facility replacement
- Swimming pool replacement
- CTE satellite humanities building
- New humanity arts building
- Gyms and locker rooms renovation
- Solar panel parking structures
- Civil projects

Projects Under Construction

- Theatre renovation

Measure O

- Technology hardware
- Electrical panel upgrade



Capuchino High School New Classroom Building

Before



After



Hillsdale High School Approved Project List

Measure M

Projects Completed

- Columbine locks installed
- Computer equipment
- Air conditioning
- Fire line replacement
- Book locker replacement
- Artificial turf stadium field
- Stadium field bleachers
- Stadium parking lot
- Stadium field restrooms
- Gym, wrestling and dance room renovations
- HVAC piping and controls replacements
- New roof and solar panels
- Swimming pool replacement
- Cafeteria renovation
- Industrial arts and special education classrooms
- Small theater renovation
- Civil projects



Projects Under Construction

- Large theater renovation

Measure O

- Technology hardware
- New classroom building

Hillsdale High School Cafeteria

Before



After



Hillsdale High School Theaters

Before



After



Completed Little Theater



Hillsdale High School OTHER Improvements



Art Studio



Band & Recording Studio



Special Education



Dance Studio

Mills High School Approved Project List

Measure M

Projects Completed

- Air conditioning
- Columbine locks installed
- Technical classrooms (bio tech, art, industrial arts, video production)
- Kitchen and cafeteria renovation
- Computer equipment replacement
- Skylight replacement
- Book locker replacement
- Team, weight and locker room renovations
- Stadium field renovation
- Stadium field restrooms
- Swimming pool replacement
- Nine-classroom building
- HVAC piping and controls replacement
- Theatre / Gyms renovation and expansion
- Roof replacement and solar panel installation
- Video broadcast studio
- Civil projects



Measure O

- Technology hardware

Mills High School Cafeteria

Before



After



Mills High School Locker Rms. & Weight Room

Before



After



Mills High School Theater, Gym, Lobby & Quad

Before



After
Theater & Quad
Under Construction



Mills High School New Classroom Building

Before



After



San Mateo High School Approved Project List

Measure M

Projects completed

- Columbine locks installed
- Music building renovation
- Computer equipment replacement
- New Biotech building
- Bus wash rack and fuel tank replacement
- Stadium field restrooms
- Solar parking structures
- Civil projects

Projects in Construction

- Greenhouse addition
- Performing Arts Theatre renovation

Measure O

- Technology hardware
- Modernize brick building
- Stadium bleachers



San Mateo High School Performing Arts Center

Before

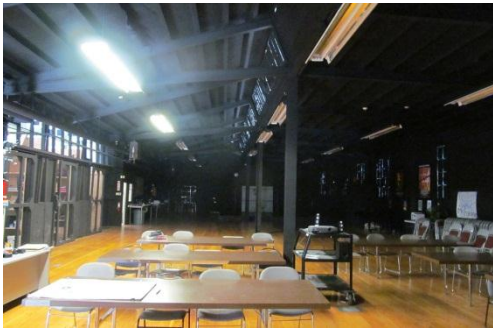


After
Theater Under
Construction



San Mateo High School Old Brick Building

Before



After
In Design



Current Year Citizens' Oversight Committee Activities

- The required annual independent financial audit was reviewed and the District was found to be fully compliant
- The required annual independent performance audit was reviewed and the District was found to be fully compliant
- The committee conducted two site visits to observe completed projects, projects under construction and future projects at all comprehensive high schools
- Special topics on the COC agenda included: solar; design-build; capital appreciation bonds; current adversarial construction market conditions; potential legal issues and Measure O project list to date
- Capital facilities plan for deferred maintenance was recommended to the Board of Trustees for consideration, approved and was implemented
- Revisions to the Citizens' Oversight Committee Bylaws were recommended to the Board of Trustees for consideration and were approved
- Additional responsibilities for Measure O were absorbed by the existing COC
- 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, 2013

Measure M

- Measure M was approved for \$298 million
- It is estimated \$269,554,415 (91%) will be expended by June 30, 2013
- 2012-13 ending balance projected at \$31,554,403
- \$12,971,147 is scheduled to be expended in 2013-14

Measure O

- Measure O was approved for \$186 million
- It is estimated \$82,789,920 (45%) will be expended by June 30, 2013
- 2012-13 ending balance projected at \$103,661,619
- \$17,784,944 is scheduled to be expended in 2013-14

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 Capital Facilities Plan remains fiscally sound
- Approved Measure O Capital Projects remain fiscally sound
- All 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 to its recommendation for a funded capital facilities deferred maintenance plan
- The COC is pleased with the excellent cooperation of the District's staff and construction team and wishes to express its thanks to:
 - Scott Laurence
 - Elizabeth McManus
 - Pam Chavez
 - Debbie Arobio
 - Todd Lee
 - Adam Coll