CHULA VISTA ELEMENTARY SCHOOL DISTRICT

84 EAST "J" STREET • CHULA VISTA, CALIFORNIA 91910 • 619 425-9600

EACH CHILD IS AN INDIVIDUAL OF GREAT WORTH

MINUTES

CHULA VISTA ELEMENTARY SCHOOL DISTRICT
INDEPENDENT CITIZENS OVERSIGHT COMMITTEE
(MEASURE VV and MEASURE M)

September 6, 2023 – 6 P.M.

1. Called to Order at 6:01 pm by Vice Chair, Gloria McKearney

2. Welcome and Introductions

Gloria McKearney opened the meeting and welcomed everyone. All present introduced themselves. Ms. McKearney thanked everyone for taking the time out of their busy schedule to be here tonight.

MEMBERS PRESENT
Jade Bautista
Diane Deugan
Nancy Kerwin
Gloria McKearney
James Moffat
Leticia Munguia
Heather Rubio

MEMBERS ABSENT
Minnie Tandy

OTHERS PRESENT
Kristin Armatis, CVESD Director of Fiscal Services and Support
Bernadette Faustino, CVESD Accounting Manager
Ann Marie Pering, Purchasing Manager
Jovanim Martinez, CVESD Director Facilities, Maintenance, and Operations
Esmeralda Ayon, CVESD Facilities Planning Manager
Michelle Reiner, VP of Operations, Balfour Beatty Construction
Jesus Cruz, Balfour Beatty Construction
Reed Glyer, Stradling Yocca Carlson & Rauth
Lisa Brannen, Business Services & Support Specialist

3. Approve Minutes of the March 1 and May 17, 2023, Regular Meetings of the CVESD ICOC

March 1, 2023: MSCU Rubio/Kerwin to approve March 1 Minutes as presented.

May 17, 2023: MSCU Rubio/Kerwin to approve May 17 Minutes as presented.

4. Overview of the CVESD Independent Citizens Oversight Committee

Reed Glyer, District Bond Counsel, was present to provide an overview to the ICOC. Materials for Items 4.a. through 4.e. were provided to members for their review in advance of tonight's meeting.

a. Measure VV and Measure M Bond Language

Mr. Glyer stated that the bond language provided to voters (identified as Exhibit "A" and made a part of these minutes) is of significant importance to the ICOC. The ICOC's role is to compare the list of projects with the bond language to ensure the projects align with the bond language.

b. Role and Responsibilities of the Committee Under Proposition 39

Mr. Glyer reviewed the requirements of Proposition 39 which allows school bonds to pass with a 55 percent approval vote. One of the safeguards of Prop 39 is the requirement for a citizens oversight committee with its composition of community representatives.

The ICOC's role is to review expenditures and ensure that the funds authorized under Measure VV and Measure M are spent as presented to voters. Bond funds cannot be used for overhead or employee salaries.

The ICOC will receive and review a minimum of two audit reports each year. One will be the District's annual performance audit for Measure VV and Measure M, which will state what facilities and projects were financed during the year. The second will be the District's annual financial audit, which will verify fund balances and the financial position of the District. These audits will be performed by an independent (third party) auditor.

The ICOC will meet at least once every three months and provide an annual report to the Board of Education at a public meeting. The ICOC and the District will collaborate on the annual report prior to its presentation at the June Board meeting.

Mr. Glyer emphasized that the role of the Committee is an oversight committee not a decision-making body. The committee does not determine the priority of projects or how much money is spent on each one.

c. Mission Statement, Bylaws, and Annual Reports

Mr. Glyer summarized the ICOC Second Amended Bylaws (identified as Exhibit "B" and made a part of these minutes) and the duties of the ICOC pursuant to the Bylaws. The District will provide project progress reports and copies of the annual independent performance audit and annual independent financial audit. The ICOC will present a report to the Board of Education at least once annually at a regularly scheduled Board meeting. Mr. Glyer reiterated that decisions regarding bond projects will remain with the Board and/or Superintendent. The ICOC's role is simply to review and report.

Ms. Rubio asked who prepared the Bylaws and whether they can be amended. Mr. Glyer replied yes, and that the Bylaws have been amended twice. Ms. Brannen explained the original Bylaws were prepared by District legal counsel, and the reasons for the previous revisions which were simply to allow members to serve three consecutive terms instead of only two, and to add oversight of Measure VV and Measure M to the original Committee to avoid having multiple ICOCs. Ms. Rubio wanted to go on record as disagreeing with Section 5.5. giving the Superintendent the ability to appoint Committee members. She also questions Section 5.8(c) which limits which reports the Committee can request. Mr. Glyer was unclear why Section 5.8(c) was in the original Bylaws.

d. Ethics Policy

All ICOC members received a copy of the Ethics Policy Statement (identified as Exhibit "C" and made a part of these minutes), which is designed to ensure transparency. Mr. Glyer explained the requirements are to avoid conflicts of interest of Committee members.

e. Brown Act: Introduction, Guidelines, and Rules

Mr. Glyer stated that the Brown Act, also known as the Sunshine Law, is open meeting law that applies to the ICOC. ICOC members should not communicate via email. All communication must be open and transparent. No one-on-one "serial meetings." Discussion about ICOC business should be limited to open meetings. Mr. Glyer emphasized the following points:

- A member can meet or talk with one other member about ICOC business outside a Committee meeting. However, the member cannot contact another member, then another, and continue contacting members individually to reach consensus. This process is known as a "serial meeting" and is prohibited.
- A member with an item that needs to be discussed with more than one other member should present the issue at an ICOC meeting.
- There will be opportunities for closed session. For example, closed session would be used to discuss litigation that arises out of construction. While

decisions in this example would be made by the Board of Education, the ICOC may discuss the litigation in closed session.

- Multiple members can attend a social event as long as ICOC business is not discussed.

He added that records generated for the ICOC are public records and that meetings are open to the public, which provide transparency for ICOC business. This includes email or other electronic correspondence.

5. Election of Chair and Vice Chair (Action)

Ms. Brannen explained the roles of Chair and Vice-Chair and Ms. McKearney asked ICOC members for nominations for the positions of Chair and Vice Chair.

Ms. McKearney nominated Ms. Rubio for Chair, and Ms. Rubio nominated Ms. McKeanrey for Vice Chair. There were no other nominations from the floor.

MSCU McKearney/Duegan that Ms. Rubio be elected Chair of the ICOC.

MSCU Kerwin/Duegan that Ms. McKearney be elected Vice Chair of the ICOC.

Ms. Rubio took over the running of the meeting.

6. Report: Summary of District General Obligation Bond Projects

Kristin Armatis and Bernadette Faustino reported on the PowerPoint attached. Ms. Armatis reviewed the two Measures (VV and M).

The report covered the recent bond issuances in July 2023 and future anticipated issuances.

Ms. Armatis reviewed the scope of the two bond measures. Ms. Faustino reviewed the bond issuance schedules and current status of expenses.

Measure VV – In 2019, GO Bond Anticipation Notes (BANs) in the amount of $59,998,285.10 were issued. The only remaining pending projects to be paid from the 2019 BANs are the Maxwell Transportation Center and Security System.

The District recently broke ground on the Maxwell Transportation Center Project (Maxwell Project). Actual costs as of 7-31-23 on the Maxwell Project are $799,969. Estimated total cost for the Maxwell Project is $16,618,000. The anticipated completion date on the Maxwell Project is August 2024.

Measure VV Series A bonds were issued in July 2023 in the amount of $100 million. $63,830,000 of the Series A bond funds will be used to repay the 2019 BANs. Additional facilities improvement projects totally $39,620.729 are in the planning stages.

Measure M Series A bonds were issued in 2020 in the amount of $50 million. Most projects are complete or nearly complete, with final HVAC and Relocatable Replacements still pending. Mr. Martinez explained that the Solar Project is in the final phases with only final costs to be determined based on change orders required due to additional DSA requirements and approval. Mr. Martinez further stated that so far all costs are coming in on target or under budget. Ms. Brannen interjected the Education Services and Support Center transitioned over to the final solar array and microgrid in early July 2023. All District sites are now operating with solar power.

Measure M Series B bonds were issued in July 2023 in the amount of $62.5 million. All projects are in the planning process.

Measure M Series C, D, and E bonds are projected to be issued in 2026, 2029, and 2032, respectively.

Ms. Rubio had questions about the staff housing piece of the Measure M bond measure. Ms. Faustino will research the answers and bring them to the next meeting. Discussion ensued and Ms. Armatis let the committee know that decisions have not yet been made.

7. Information: San Diego County Taxpayers Association Annual Report Card

Ms. Brannen explained that a Report Card has not yet been issued this year and that last year it was released on September 13th. Ms. Rubio explained what the SDCTA Report Card is and that the District has been working to satisfy one requirement that would move the District from an A- to an A+ with SDCTA.

8. Approve Proposed Meeting Dates for 2023-24 (All meetings are at 6pm, unless otherwise noted):

Ms. Brannen explained that the February and May meeting dates are marked tentative depending on the Board of Education dates for 2024, which will be determined at the December 13 Board Meeting.

MSCU Moffat/McKearney to approve 2023-24 Meeting dates as follows:

- *December 6, 2023*
- *February 28, 2024 (Tentative)*
- *May 8, 2024 (Tentative)*

9. Other Items / Open Discussion

Ms. Rubio would like more detail of the proposed staff housing project when it is available.

10. Adjournment

Meeting was adjourned by Ms. Rubio at 7:10 pm