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Citizens' Oversight Committee Minutes
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RIVERSIDE UNIFIED SCHOOL DISTRICT
MEASURE O CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

WEDNESDAY OCTOBER 30, 2019

4:30 P.M.

Nutrition Services Training Room

6050 Industrial Avenue, Riverside, CA 92504

Call Meeting to Order:

George Frahm called the Measure O Citizens' Bond Oversight Committee meeting to order at 4:35 p.m.

Committee Chair George Frahm asked that anyone in the public wishing to speak on any particular item to fill out a speaker card and once the item on the agenda came up, they would be able to speak before any discussion on that item occurred.

Members Present:

Jason Hunter, Dale Kinnear, Tina Grande-Field, Bob Garcia, Keith Nelson, Janice Bielman, George Frahm

Members Absent:

Jose Alcala, Terry Walling, Tom Evans,

Staff Present:

Sergio San Martin, Mays Kakish, Ana Gonzalez, Nadia Zeien, Gaby Adame, Eric Walker

Consultants Present:

Tarana Alam from KeyAnalytics

Public Present:

Leticia Pepper, Rich Davis, Melody Clark, Kevin Dawson, Gurumantra Khalsa, Al Navarro

Public Comment:

Rich Davis from the Eastside neighborhood said that before Measure O passed, the Local Control Accountability Plan (LCAP) was 5 million dollars and after Measure O was passed, the deferred repair and maintenance budget was cut 4.5 million dollars and he feels it is dishonest that the public has not been told where that money has been allocated.

Leticia Pepper brought up a point of order that the speaker cards labeled RUSD and that this committee is not part of RUSD. She requested the removal of George Frahm from the committee as in her opinion, he is a vendor and no vendor can sit on the board. Jason Hunter commented that this is a discussion item to be addressed later.

Al Navarro from Casa Blanca discussed the need for a neighborhood school and commended the district board for putting a school back in Casa Blanca despite the pushback from the community.

Kevin Dawson from the University neighborhood voted for Measure O, but is very upset that two (2) new schools STEM High School at UCR and New Elementary School at Highgrove area were added after the measure was passed. He stated that the new school in the Highgrove area was originally going to be paid by a Community Facilities District (CFD) funds. He voted for expanding STEM throughout the district, not for a new elite school on the UCR college campus. He stated all property owners will be paying for these two schools and that is not right.

Action Items:

1. Approval of Meeting Minutes of May 29, 2019

Motion made by Jason Hunter and seconded by Bob Garcia to approve meeting minutes dated May 29, 2019. Vote taken. Unanimous Yes.

2. Approval of Meeting Minutes of August 21, 2019

Jason Hunter referred back to his comment from the last meeting that minutes include those who motioned and voted by name. The district will review recording and try to recreate roll call votes by name just for August 21, 2019 meeting. It was also stated that Kevin Dawson needs to be added as present in minutes since he addressed the committee. Dale Kinnear also asked that a sentence be added regarding the discussion on whether or not funds raised by local taxpayers through Measure O were appropriate use for inter-district students. Jason Hunter additionally requested that legal counsel be removed from the Consultants heading and placed under legal counsel heading. Committee further discussed that it would be helpful if discrepancies could be communicated prior to the meeting in order not to spend time reviewing them in the meeting. Motion made by Jason Hunter and seconded by Keith Nelson to table approval

of minutes until next meeting due to discrepancies in reporting. Vote taken. Carried unanimously.

Discussion Items

Public Comment:

Leticia Pepper requested the public comment be moved to after the staff report and before the committee debate. Jason Hunter made a motion to allow the public comment to move. Keith Nelson seconded the motion. Vote was taken, carried unanimously.

1. District Report on Section 5.2 of the Bylaws

The question discussed pertains to whether George Frahm working for Stater Brothers as President was creating a conflict of interest, as State Brothers is a vendor of the District. Sergio San Martin reported that their legal counsel determined that there was no conflict of interest and that there is no basis for him to step down from his position on the committee. Mays Kakish said that a contractor who benefited or could potentially benefit directly from the Measure O funds would be a conflict, and they would not want an individual in that capacity to be on the committee.

Public Comment:

Leticia Pepper disputed this conclusion citing a state law that no vendor who is being paid by the district can be on the committee.

Committee Discussion:

Discussion about the definition of a vendor in RUSD and the criteria used to determine if a vendor can be on a committee. Per the committee, the definition on conflict of interest is very vague in the bylaws. It was suggested that the COC bylaws be changed, as they are too vague. Mays Kakish said the Board of Education is not interested in amending the COC bylaws.

Independent counsel was again asked for by the committee, as the legal counsel that reviewed the COC bylaws and approved George Frahm's appointment was the district's legal counsel, not the COC's counsel, and the fact that the district selects committee members and creates bylaws does not make the COC independent. There is concern that the public will not see them as independent either.

Jason Hunter made a motion that the committee request that George Frahm step down now from the board effective immediately and reapply in 2 days after he retires from Stater Brothers. Dale Kinnear seconded the motion. There was discussion that the COC board does not

have the authority to add or remove a COC board member. There was continued discussion on whether or not George Frahm's continuing presence on the committee may be breaking the law. Committee further discussed the need of legal representation to answer these questions, and since they don't have legal counsel they can't resolve issue.

Vote taken:

Yes: Jason Hunter, Dale Kinnear, Keith Nelson

No: Tina Grande-Field, Bob Garcia, Janice Bielman, George Frahm

Motion did not pass.

2. District Report on Legal Opinion

The item discussed is whether Measure O funds can be used to build new schools. A second opinion on this topic was presented at the last meeting by districts legal counsel. Legal counsel confirmed the Measure allows to "acquire, construct and renovate" schools within district. Mays said that the district is willing to pay for third opinion from the general fund to answers committees questions regarding use of Measure O funds. Legal counsel can be chosen by the committee if the committee as a whole can decide on a short list and as long as it is vetted by the district confirming the firm's legal experience.

Public Comment:

Kevin Dawson explained his understanding of how different bonds are passed and that having an independent oversight committee that only meets four times a year is not very good oversight for \$400 million. He asked why new schools such as STEM are being built if enrollment is declining and if the new schools will be taking funding away from the older schools that need renovations.

Melody Clark read the part of the Measure ballot summary authorizing spending money on new schools and asked why the item is still being discussed. She stated that there are flyers at some schools particularly at North High School inciting frustration about the criteria used to determine the order of projects. She thinks the flyers are intended to put schools against each other, which can be dangerous.

Leticia Pepper said that in order to use money taxpayers voted for, they need to have an independent oversight committee. The list of schools using Measure O funds that were certified did not include the new schools.

Committee Discussion:

Committee continued with the topic of independent counsel for the COC and independence of the committee. What is the role of the COC? To oversee expenditures, not the budget and not the prioritization of projects. To inform the public whether the expenditures align with the

Measure O language. Mays said that if people are not happy with the way the money is being spent, they should go to the district board meeting and voice concerns there. The committee does not have that authority.

Committee discussed third opinion option, whether the COC is qualified to select a legal advisor. It was stated that with the Board of Education overseeing choices, they are not independent. Additionally, committee discussed funds used from the general funds takes money away from students. Talking about the same things over and over that have been voted down in the past.

Jason Hunter made a motion to have a vote to have an outside legal opinion by a firm chosen by the COC to answer three (3) items:

- 1) Does the committee have the independence to create own bylaws?
- 2) Are the new school sites included in the specific project list?
- 3) Is George Frahm a vendor?

Dale Kinnear seconded motion.

Vote taken:

Yes: Jason Hunter, Dale Kinnear, Keith Nelson

No: Tina Grande-Field, Bob Garcia, Janice Bielman, George Frahm

Motion not carried.

3. Committee Annual Report to Board of Education

Staff provided the committee a copy of the draft report at the last meeting. Committee submitted comments/changes to the report prior to the meeting. Committee made various changes to the report. The following motions were made by the committee:

Remove box on cover page regarding compliance with the requirements of Article XIII A, Secoin 1(b)(3) of the California Constitution. Committee as a whole does not feel comfortable with language since committee has not read entire Article.

Keith Nelson made a motion to remove box. Jason seconded.

Vote taken:

Yes: Jason Hunter, Dale Kinnear, Keith Nelson, Bob Garcia, Janice Bielman, George Frahm

No: Tina Grande-Field

Motion Carried.

Public Comment:

Leticia Pepper feels Board of Education is not giving the committee a lot of information that they should have including sample bylaws.

Committee Discussion re Item Three (3) Continued:

Jason made a motion to remove the first sentence under findings section regarding the purpose of the COC. Sentence is also under Purpose of the Committee heading in page 1. Bob Garcia seconded. Vote taken, passed unanimously.

Remove site visits from findings and place under recommendation. Dale Kinnear motioned to move this from findings to recommendations. Jason Hunter seconded. Vote taken, passed unanimously.

A motion was made to edit sentence regarding Measure O expenditures. Committee voted to change sentence to state that committee finds that “on a 4-3 vote expenditures or monies on the new schools in the expanded projects list were appropriate. Based upon all the information presented in its review of Measure O expenditures, funds are committed to eligible Measure O projects.” Dale Kinnear made the motion. Keith Nelson seconded.

Vote taken:

Yes: Jason Hunter, Dale Kinnear, Keith Nelson, Bob Garcia, Janice Bielman

No: Tina Grande-Field, George Frahm

Motion carried.

Jason motioned to add to the Findings that the committee on a 4-3 vote decided not to adopt the bylaws recommended by the ad hoc bylaws committee. Dale Kinnear seconded.

Vote taken:

Yes: Jason Hunter, Dale Kinnear, Keith Nelson, Bob Garcia, Janice Bielman, George Frahm

No: Tina Grande-Field

Motion Carried.

Tina Grande-Field made a motion to remove all the recommendations on page three (3). Dale Kinnear seconded.

Vote was taken:

Yes: Jason Hunter, Dale Kinnear, Tina Grande-Field, Bob Garcia, Janice Bielman,

No: Keith Nelson, George Frahm

Motion Carried.

Jason Hunter motioned to add “One committee member was an employee of RUSD and voluntarily resigned from the committee” to Committee Membership section. Bob Garcia seconded. Vote taken. Motion carried unanimously.

On page 4, Jason motioned to leave paragraph 1 as is, remove 2nd paragraph regarding compliance of Article XIII A, Section 1(b)(3); remove bullet point 1 and move bullet point 2 regarding review of financial audits to activities. There was a second motioned, but name was not provided.

Vote taken:

Yes: Jason Hunter, Dale Kinnear, Keith Nelson, Bob Garcia, Janice Bielman,
George Frahm

No: Tina Grande-Field

Motion carried.

On Page 5, Measure O projects A,B,C listed, but not expanded projects. Dale Kinnear motioned to eliminate page 5. Jason Hunter seconded. Vote taken, carried unanimously.

Jason motioned to change first sentence under 2016 Ballot Measure heading from “full proposition” to “ballot measure summary” on page 1 and add a link to the full ballot measure. Bob Garcia seconded. Vote taken, carried unanimously.

Jason suggested on Page 1 Purpose of Committee paragraph 3, change wording from “ shall perform only the duties set forth in the CBOC bylaws as listed below” to “shall perform the duties set forth in the education code”. Keith made a motion to take out the word “only” instead of rewording the paragraph completely. Jason Hunter seconded. Vote carried unanimously.

Jason wants to add the word “some” to the sentence about being invited to board meetings under page 3. Jason made a motion, Dale Kinnear seconded. Vote taken, carried unanimously.

Five minute Recess

Reconvened at 8:37 p.m.

4. Measure O Project Updates

Tarana Alam gave update on expenditures through October 15. Some acquisition costs were questioned. Measure O funds can be used to buy land without having designated funds to build the school. Mays and Sergio explained that new schools are eligible for State matching funds and are projecting funds to be received by the State.

Jason Hunter questioned how construction signs at schools under construction being funded and whether Measure O dollars being used to pay for the signs.

Group A projects updates were given by staff: Harrison, Highgrove and Jefferson, Madison, Sierra. Committee discussion about the difference between capital facility funds and maintenance funds and whether they overlap. Committee also suggested site visits.

Public Comment:

Gurumantra Khalsa commended the committee for sticking it out for 7 hours but is unhappy about the communication between the Board of Education and the COC and the communication with the public. He further said the district will have a hard time getting more money next time if they do not improve.

Leticia Pepper cited the 2016 Master plan for Measure O projects and what the California constitution says Measure O can be spent on.

5. Update on CBOC Member Status

There are currently three (3) openings on the committee. Half of the committee members have expired terms. Members with expired terms will go to the December board for approval. The recruitment process for open vacancies is under way, and recommendation from the board will be provided December.

Public Comment:

Leticia Pepper stated new members need to be aware of their liability when they take a seat on the committee. Committee should have own legal counsel to advice new members.

6. Formation of Ad Hoc Committee for New CBOC Members

It is felt that if new members should receive training on basic information before they take their seat on the committee. This could help them get up to speed and allow the meetings to move more quickly. It was also suggested that an ad hoc committee would be formed to create criteria for training. Sergio suggested training could occur during COC meeting. Committee asked that staff bring back recommendations on trainings and materials to be provided to new members.

7. Formation of Ad Hoc Committee for IBOC website presentation and maintenance

An ad hoc committee should be formed to discuss ways to keep the website current for public view. Committee decided to table item and bring back to next meeting as discussion item and have presentation at following meeting.

Public Comment:

Leticia Pepper says it is the COC's duty to inform the public and the district is supposed to give the committee a website and assistance to do so. They should be able to put whatever they want on the website.

Committee Discussion:

The current website is cumbersome. Mays said that staff will be able to help them make updates.

Next Meeting

The next committee meeting will be January 29, 2020 at 4:30 at Highgrove.

Committee Comments

Bob asked whether staff has any workshops for committee members and legal counsel should be brought regularly to each meeting.

Adjournment

The meeting was adjourned at 10:50 p.m.