

RIVERSIDE UNIFIED SCHOOL DISTRICT
MEASURE O CITIZENS' BOND OVERSIGHT COMMITTEE MEETING MINUTES

Thursday, March 2, 2023

5:00 P.M.

Fremont Elementary School

Members Present: Keith Nelson, Martin De Campos, Terry Walling, Tina Grande-Field, Chani Beeman, Lara E. Martin, Sandra Roy, Cheryl Tavaglione, Douglas Kroon, Beiwei Tu, Art Alcaraz

Member Absent: Jessica Gomez and Bob Garcia

Staff Present: Sergio San Martin, Ana Gonzalez, Samir Arreola, Rene Castro, Tim Walker, Nora Lopez, and Matthew Cash, Principal

Consultants Present: Tarana Alam and Alicia McHenry from KeyAnalytics; Jennifer Broadlee from Best Best & Krieger; Jeff Nigro from Nigro & Nigro; Jason Howarth from Tilden-Coil Construction

A. Call Meeting to Order

The Measure O Citizens' Bond Oversight Committee (CBOC) meeting commenced at 5:02 p.m.

B. Welcome and Introductions of Members

Welcome and Introduction of Members

C. Public Comment for Items Not on Agenda

None

D. Consent Items

1. **Approval of December 7, 2022, Committee Meeting Minutes**

Dr. Nelson asked for a motion to approve the minutes. A motion was made by Mrs. Grande-Field, and seconded by Mrs. Martin.

A vote was taken via roll call vote per the Brown Act. The vote was as follows:

Keith Nelson, Martin De Campos, Terry Walling, Tina Grande-Field, Chani Beeman, Lara E. Martin, Sandra Roy, Cheryl Tavaglione, Douglas Kroon, Beiwei Tu

Mrs. Beeman abstention.

The motion carried.

E. Fremont Elementary School Tour

Mr. Castro explained the improvements made to the school, and then led the Committee on a tour of the site.

1. Reports/Discussion CBOC Chair Update to the Committee

Dr. Nelson shared that after his presentation to the Board of Education, there was concern from the Board that the appointment process be more transparent and fine-tuned as soon as possible to prevent vacancies in CBOC.

Dr. Nelson also stated the Board wanted to change the bylaws to include ad hoc Committees for specific purposes and would entertain listening to the Committee's suggestions towards bylaws. The Board likes that the Committee can have the Chairman or designee report any Committee concerns to them instead of waiting for annual reports. Mrs. Roy questioned the attendance issue, to which Dr. Nelson said they will review the related Bylaws to prevent attendance issues. Mr. San Martin addressed that the Committee holds the responsibility of its attendance and attendance requirements.

Community Input: None

2. Measure O Independent Performance and Financial Audit

Mr. Nigro introduced himself, explained his role with the District, which is to conduct an annual performance and financial audit on the financial statements of the building fund of the District, in his presentation, he explained what a financial and performance audit is to the Committee, how the District financial statements were reviewed to ensure they are accurate and comply with the Bylaws, and his firm's process to do so which includes understanding the District's internal controls and to check for any inefficiency's, non-compliances, or weaknesses. Mr. Nigro explained that an Auditor can give opinions, such as his unmodified

“clean” opinion, which is good for an audit, and explained what the details are to the information found within the financial audit.

Committee Discussion

Mr. De-Campos questioned the Board’s term “oversight” and its definition of it as it relates towards the Committee oversight and if it needs to be more general or more in-depth, and asked Mr. Nigro’s opinion of that -- to which Mr. Nigro stated he did not have an opinion to share but it would be up to the Committee’s and District comfort level. Mr. De-Campos then asked if there were “red flags” found within the District audits, to which Mr. Nigro confirmed there were none and that it would have been reported.

Mrs. Roy questioned the “standard” samples process that Mr. Nigro explained as part of the firms auditing process, and how large the sample sizes are for expenditures, and Mr. Nigro addressed that without reexamining his work papers he could confirm the standard is a lengthy and complex sample sizing of roughly 25 – 30 expenditure samples used from different vendors per project. Mrs. Roy then questioned what the 25-30 examples are, if they are invoices from different vendors and if selected randomly, to which Mr. Nigro confirmed they are.

Dr. Nelson asked how long a firm can remain a District’s auditor, to which Mr. Nigro explained that the education code doesn’t require a change in audit firms, but a firm cannot do more than six consecutive years. Mrs. Roy confirmed they were the same auditor for a prior audit, to which Mr. Nigro confirmed it true. Dr. Nelson then asked who recommended auditors, to which Mr. Nigro answered that it is typically District management makes recommendation to the Board.

Mrs. Roy then addressed Education Code 15286, recited code language, and that the audit should be presented to the Committee at the same time as the Board, and expressed concern it was not, and at the prior Board meeting she commented that staff indicated it was shared with the Committee beforehand, and she wanted this on the record.

At his point, after asking if there were any more questions, Mr. Nigro left the meeting.

Dr. Nelson requested that, going forward, this report be provided to the Committee beforehand to make comments to the Board, and Mr. San Martin said the Board was clear that the report would be provided early next year.

Community Input: None

3. Construction Delivery Method Presentation

Mr. San Martin introduced Mr. Jason Howarth from Tilden-Coil Construction (TCC) to provide an overview of the subject and the background of TCC, work experience, and the relationship with the District.

Mr. Howarth explained the various delivery methods for construction and how it works, advantages and disadvantages, the process of programming, and pre-construction. He also explained the role of the Construction Manager. Mr. San Martin added that the District does not practice Lease-Leaseback.

Committee Discussion

Mrs. Tu inquired about the size of a multi-prime project, and Mr. Howarth confirmed it could be all sizes in terms of construction cost, but this is based on client or Board preference. Mrs. Roy then asked how to know the best Construction Manager option to taxpayers, to which Mr. Howarth explained the Request for Proposal (RFP) process to hire a Construction Manager. Mrs. Roy asked how it's assured that the Construction Manager hires all contractors not just those part of the coalition. Mr. Howarth explained that a Construction Manager has to follow public contract code and proceeded to explain this process. Mrs. Gonzalez further added by explaining the District uses a software called PQ Bids for selection of Contractors and she walked through the process of how this is done. Mrs. Gonzalez also confirmed the District

hires the Contractors, for Mrs. Roy's clarification. Mr. San Martin said Construction Managers have no authority to select contractors.

Mrs. Roy requested the ed code for Mr. Howarth's process, to which he answered government codes 4525. Mrs. Roy requested all additional government codes for this process, to which Mr. Howarth explained he follows public contracting code 17406, PCC, and government code, not an Ed Code typically. Mr. Howard explained they typically follow public contract code. Dr. Nelson asked if a District employee is who the Construction Manager reports to, to which Mrs. Gonzalez confirmed and explained the District's process that every project gets a District Project Manager that works with Construction Manager to complete the job. The Community had the opportunity to comment on this item.

Community Input: None

4. CBOC Discussion on Committee Attendance

Dr. Nelson explained the issue requiring a quorum and the need for members to be present. He added the importance for members to report to the District so the Committee is informed if there will be a quorum. He read section 5.6 of the Bylaws. Dr. Nelson requested that staff should keep a record of who doesn't attend without notification or reasonable absence, so he can add to the agenda for the next meeting to remove the member.

Mrs. Bradlee clarified that only the Board has the authority to remove members and not the Committee, but the Committee can recommend to the Board. Dr. Nelson requested the Committee decide after a meeting the recommendation to remove a member due to lack of attendance.

Mr. San Martin added as clarification the staff's support provided, the Committee's role as an independent Committee, and that as members are absent that the Chair and Committee can make a note of these absentee's and can ask staff if it is an excused absence or not, the staff will make note, but if the Chair notices a member is not honoring their commitments then the

Committee can have discussions amongst themselves if someone should be removed, as it is their own responsibility to monitor themselves and not the staff; however, in terms of vacancies, Mr. San Martin confirmed the Board heard the Committee's concern, which was provided to the Superintendent, and the Board agrees the Committee must monitor themselves and their commitment to attend; however, if two or more absences occur, this Committee can make this recommendation, according to Bylaws.

Dr. Nelson asked if one is removed, can staff have list of options to take to Board to replace these terminations, to which Mr. San Martin explained that if the Board takes action to remove members, then there are certain days of time to replace them – he added, in terms of recruitment, it is District staff responsibility to avoid vacancies for too long, and Mr. San Martin ensures redundancies now exist in the Committee to avoid vacancies of representation, but also the District's task is to fill any existing or resulting vacancies within 90 days.

Mrs. Bradlee adds that items cannot be added to the agenda that do not fall under the Brown Act Citizen's Bond Oversight Committee subject matter jurisdiction such as, a vote to remove someone, but she suggested if the Chair notices a person isn't attending and asks staff if this absence is excused or not, and take the matter to the Board, however it cannot be agenzized in the Committee agenda to take a vote to remove a member. Dr. Nelson asked if the Committee needed to vote if he should go to the Board to remove someone. Mrs. Bradlee answered he could take it upon himself to take this matter to the Board. Dr. Nelson asked if a member has more than one representaion on the committee, to which Mrs. Bradlee explained this is a "gray area" as it's not litigated but there needs to be seven members.

Mrs. Martin suggested at the end of each meeting in the member comments section, that this be the perfect timing to address if anything needs to be addressed to the Board. Mrs. Roy added, to Mr. San Martin's earlier response, that the vacancy Bylaws should be reviewed and 90 days vacancy language, was an issue in the past and therefore requested a cleanup of the language that the 90 days means the vacancies be filled in this timeframe and not just sought to be filled in this timeframe -- and she further recommends any issues discussed that the

Committee put them on the agenda otherwise she felt the Board will not act on recommendations.

Dr. Nelson asked if he has a Citizen's Bond Oversight Committee Report and a matter to report, he can take this with him to the Board without any issue, to which Mrs. Bradlee confirmed. Mrs. Grande-Field stated her understanding that the Committee was going to let the Chair know what concerns they have, and the Chair can independently relay the attendance – to which Mr. San Martin clarified that it's agreed by this Committee that the Chair would report to the Board during public comments on any concerns from the Committee. Dr. Nelson recommended a standing last item on the agenda for Committee members to address any matter or item that the Committee would like the Chair or designee to present to the Board. Mr. San Martin added if something occurs to prevent attendance, to contact staff or the Chair to excuse the absence, so if the question arises, staff and the Chair can provide answers.

5. Measure O Project Updates and Staff Report

Mr. San Martin elaborated on the progress and details of all Measure O projects that are active, the report with these details was provided to each Committee and proceeded to explain the Capital Facilities Project list, focusing on the progress and status of projects, as well as updated timeframes.

Mrs. Alam is introduced and elaborated on the financial section of the Measure O projects, explained the expenditure information shown in this report and how it mirrors the financial system of the District as all financial activity is reconciled to reflect the district financial reports, as well as showcases the projects that are utilizing the various funds towards these projects, these project's current budgets, and expenditure progress to date. Mrs. Alam also stated the recent issuance of bonds, though this is not stated as the date of last transaction in the financial section dates before these funds were received.

Mrs. Martin questioned a STEM academy's small payment amount, and how this differed between STEM Education Center, and STEM Academy, to which Mrs. Gonzalez explained the STEM Academy Mrs. Alam is referring to is an existing school that conducted surveys,

and Mrs. Alam is reporting the expenses on this period even though this project was postponed.

Dr. Nelson inquired about the protocol to ask questions about this financial report and how to question it, to which Mr. San Martin explained that there is time to review these prior to the meeting from when this is provided to the Committee, and questions can be asked via email prior to an upcoming meeting. If during the meeting, he proceeded to further explain, a member can ask Mrs. Gonzalez questions and she will follow up with the Committee, to which Mrs. Bradlee confirmed this would be a proper protocol or during Committee comments.

6. Next Meeting

The next meeting is scheduled for June 14th at 5:00 p.m. at Sierra Middle School.

7. Committee Member Comments

The Chair will bring concerns of vacancies to the Board, to which Mrs. Grande-Field reiterated the suggestion to inform the Board that the Committee will agendaize items to bring to the Board.

8. Meeting Conclusion

The meeting adjourned at 7:22 p.m.