

MEMBERS OF THE BOARD

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Citizens' Bond Oversight Committee Measures I and J Monday, Dec. 07, 2020 3:00 p.m. (Remote Virtual Participation Only)

1. Call to Order

The Citizens' Bond Oversight Committee meeting was called to order at 3:03 pm by Frank Stevens.

Roll Call

Citizens' Bond Oversight Committee (CBOC) members present:

- Frank Stevens, Chair, senior citizens' organization representative
- Lang Sligh, Vice-Chair, community at-large representative
- Deanna Morinini, community at-large representative
- Margie Yahyavi, business organization representative
- Ron Liechti, SBUSD parent / PTSA member representative
- VACANT, bona-fide taxpayers' representative

CBOC committee members absent:

- Mike Barnick, SBUSD parent / PTA representative

Santa Barbara Unified School District (SBUSD) staff present:

- Steve Vizzolini, director of facilities and operations
- Angela Wells, administrative assistant

Public Comment

None.

2. Review Process

The role of the Committee was described as being macro as opposed to being micro. According to the Bylaws (excerpted below), the purpose and duties of the Oversight Committee has been defined as:

Section 2. Purposes. The purposes of the Committee are set forth in Prop 39, and these Bylaws are specifically made subject to the applicable provisions of Prop 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the *Ralph M. Brown Public Meetings Act* of the State of California and shall conduct its meetings in accordance with the provisions thereof. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes, as set forth in Prop 39.

The proceeds of general obligation bonds issued pursuant to the Prior Measures and Measures J and I are hereinafter referred to as "bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under the Prior Measures and Measures J and I (the Prior Measures, Measure J and Measure I are collectively referred to as the "Measures"). Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee's review.

Section 3. Duties. To carry out its stated purposes, the Committee shall perform only the duties set forth in Sections 3.1, 3.2, and 3.3 hereof, and shall refrain from those activities set forth in Sections 3.4 and 3.5.

3.1 **Inform the Public.** The Committee shall inform the public concerning the District's expenditure of bond proceeds. In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.

3.2 **Review Expenditures.** The Committee shall review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in the respective Measures; and (b) no bond proceeds were used for teacher or administrative salaries or other operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.

3.3 **Annual Report.** The Committee shall present to the Board, in public session, an annual written report for Measures which shall include the following:

- (a) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and
- (b) A summary of the Committee's proceedings and activities for the preceding year.

3.4 A summary of the Committee's proceedings and activities for the preceding Duties of the Board/Superintendent. Either the Board or the Superintendent, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

- (i) Approval of contracts,
- (ii) Approval of change orders,
- (iii) Expenditures of bond funds,
- (iv) Handling of all legal matters,
- (v) Approval of project plans and schedules,
- (vi) Approval of all deferred maintenance plans, and
- (vii) Approval of the sale of bonds.

3.5 **Bond Funded Projects Only.** In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the Board has not charged the Committee with responsibility for:

- (a) Projects financed through the State of California, developer fees, redevelopment tax increment, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property without bond proceeds shall be outside the authority of the Committee.
- (b) The establishment of priorities and order of construction for the bond projects, which shall be made by the Board in its sole discretion.

- (c) The selection of architects, engineers, soils engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are required to complete the project based on District criteria established by the Board in its sole discretion.
- (d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) which shall be determined by the Board in its sole discretion.
- (e) The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the activities of the Committee.
- (f) The appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion as part of carrying out its function under Prop 39.

3. Bond Committee membership

The following Committee Members' term expire as follows:

Name:	2-year Term Number	Term Expires
Frank Stevens – Chair	Third	March 2021
Lang Sligh – Vice-Chair	Third	March 2021
Margie Yahyavi	Second	March 2021

The following guidelines has been excerpted from the Citizen Bond Oversight Committee's Bylaws:

BYLAWS; Section 5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, commencing as of the date of appointment by the Board. No member may serve more than three (3) consecutive terms. At the Committee's first meeting, members will draw lots or otherwise select a minimum of two members to serve for an initial one (1) year term and the remaining members for an initial two (2) year term.

Members whose terms have expired may continue to serve on the Committee until a successor has been appointed.

Members who served on the Committee for Measures Q and R may continue to serve on the Committee, and if reappointed by the Board, shall be entitled to serve new three new terms of two years each.

4. Review and Approval of Sept. 14, 2020 Citizens' Bond Oversight Committee (CBOC) Draft Minutes

No changes. Motion to approve the CBOC Sept. 14 2020 draft minutes by committee members:

Ayes: 4 (Stevens, Morinini, Sligh, Liechti, Yahyavi,). Noes: 0. Abstention: 0 and Absent: 1(Barnick).

Motion passed: 4:0:1

Sept. 14, 2020 CBOC minutes approved.

5. Overview of Current Construction Projects and Finances

Mr. Vizzolini detailed project updates and provided a correlating handout.

Completed Projects (Summer 2019-Winter 2020) included, but not limited to:

School	Project #	Project	Status
Adams	E-5925	Playground pavement rehabilitation	Complete
Cleveland	E-5910	MPR	Complete
McKinley	E-5903	Boiler replacement	Complete
DPHS	S-5823	Student parking lot rehabilitation	Complete
Las Flores	E-5676	Gen7 Classroom Installation	Complete
Peabody Charter	E-5906	Heating system	Complete
SMHS	S-5831	I wing roofing rehabilitation	Complete
Washington	E-5908	MPR	Complete
Hidden Valley	E-5924	Farm School	Canceled
DPHS	S-5821	Baseball field backstops and ADA upgrades	Complete
DPHS	S-5834	Intercom and PA Replacement	Complete
GVJH	S-5833	Intercom and PA Replacement	Complete
SBHS	S-5804	Heating system replacement	Complete
SMHS	S-5805	Baseball field backstops and ADA upgrades	Complete

In-Progress Projects (Winter 2020-Winter 2021)

School	Project #	Project	Status	Start Date	End Date
DPHS	S-5809	Classroom storefront	Complete		
District Office	S-5828	HVAC replacement	Complete		
DPHS	S-5856	Sand Volleyball and Donor Plaza	Complete		
SBJHS		Heating system	Complete		
SBHS	S-5738	Peabody Stadium	99%	9/1/2017	8/14/2020
SBHS	S-5843	ADA Restroom upgrades	95%	Summer 2020	Fall 2020
SMHS	S-5844	ADA Restroom upgrades, Phase 2	75%	Summer 2020	Fall 2020
SBJHS	S-5806, S-5807	Locker room, MPR, kitchen	In construction 50%	4/1/2019	8/29/2021
DPHS	S-5820	CTE Pavilion	In construction. 10%	September 2020	September 2022
McKinley	E-5913	2nd floor maker space/elevator	In construction	November 2020	June 2021

Proposed Projects (Winter 2020-Summer 2023)

School	Project #	Project	Status	Start Date	End Date
La Cumbre	S-5841	Window replacement/rehabilitation	Pending GMP	January 2021	Winter 2022
SBHS	S-5822	Window replacement/rehabilitation	LLB Contractor Selected	January 2021	Winter 2022
SBJHS	S-5830	Window replacement/rehabilitation	LLB Contractor Selected	January 2021	Winter 2022
Adams	E-5929,E-5930	21st century classrooms and Outdoor Teaching Areas	Pending GMP	January 2021	Summer 2021
Monroe	E-5909	21st century classrooms	In DSA	March 2021	Spring 2022
GVJH	S-58GV-2	Roofing	In DSA	Summer 2021	Fall 2022
La Colina	S-58CO-2	Roofing	In DSA	Summer 2021	Fall 2022
Washington	E-5937	Roofing	In DSA	Summer 2021	Fall 2022
La Cumbre/SBCA	E-5959	Maker Space	In Design	Summer 2021	Summer 2021
Cleveland	E-5932	21st century classrooms	In Design	Summer 2021	Summer 2022
Harding	E-5933	21st century classrooms	In Design	Summer 2021	Winter 2022
Peabody Charter	E-59PE-2	21st century classrooms	In Design	Summer 2021	Summer 2022
SBHS	S-5832	New VADA building	In Design	Summer 2021	Fall 2022
Adams	E-5946	MPR	In Design	Summer 2022	Summer 2022
Franklin	E-59FR-1	Covered walkway replacement	In Design	Summer 2022	Summer 2022
DPHS	S-58DP-1	Electrical Infrastructure Replacement	In Design	Summer 2022	Fall 2023
Adelante/Parma	E-5907	New building	In Design		
Peabody Charter	E-59PE-1	Roofing	Pending		
SBJHS		Restroom Upgrades	Pending		
SMHS		New Classrooms	Pending		
GVJH		New Classrooms	Pending		
La Colina		New Classrooms	Pending		
Harding		Roofing	Pending		

For projects deemed unnecessary (e.g. McKinley-Hillside stabilization), the budget allocated for said project was moved to Program Contingency.

6. Review of Bond Expenditure Reports

The CBOC Members were each emailed the following reports to review at their leisure:

- Financial Plan
- Consolidated Budget Status by Fund
- Consolidated Budget Status Fund by Sites

There were no questions or concerns at the time of the meeting. Although, Mr. Vizzolini offered that a solar project was going to the Board for approval in the following weeks. Below is an excerpt from the Jan. 12, 2021 Board Agenda item - Approval of Resolution 2020/21-20, Approving Entering into Power Purchase Agreements and a Performance Service Agreement with Engie Services, USA, for the Santa Barbara Unified Solar Plus Energy Resiliency Project:

On September 22, 2020 the Board approved entering into contract negotiations with Engie Services, USA, for the development of a Power Purchase Agreement (PPA) for the purchase, installation, maintenance, and performance guarantees for new solar shade structures at fourteen school sites, and Solar Microgrids at six sites including the District Office and the District Warehouse. The Board also approved paying \$800,000 in up-front costs for the project. This number has increased slightly, to \$887,000. The increase is due to an added, non-solar shade structure at La Colina Jr. High, that is necessary to meet Division of the State Architect (DSA) access compliance requirements, and to a slight rearrangement of the layout of the shade structures at the San Marcos High student parking lot.

Originally, \$1.2 million in construction development costs were going to be financed in the PPA over 28 years. These are items such as construction management costs from Sage Energy Consultants, Division of the State Architect (DSA) fees, geotechnical testing, project inspector, and construction contingency. We have been able to negotiate the reimbursement of these expenditures to the district as part of the PPA. We will need to fund these costs initially, bringing our up-front costs to \$2,087,000 million, but the \$1.2 million will be reimbursed to the district at the end of construction. These funds will be encumbered equally from bond funds I and J, and will be returned to these funds upon reimbursement.

This project is being contracted under CA Government Code 4217.10-18, which allows California public agencies to enter into energy service contracts that are in the agency's best interests, as determined by the agency, with a public notice given at least two weeks in advance. The District issued the public notice of this action on 10/27/20.

7. Future Agenda Items

- Member recruitment and replacement
- Financial Audit Reports

8. Adjournment

Meeting adjourned at 4:00 p.m.
Minutes submitted by Angela Wells