

MEMBERS OF THE BOARD

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MEG JETTÉ
Assistant Superintendent of
Business Services

Citizens' Bond Oversight Committee Measures I and J Monday, March 15, 2021 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
- Mike Barnick, SBUSD parent / PTA representative
- VACANT, bona-fide taxpayers' representative

CBOC committee members absent: None

Santa Barbara Unified School District (SBUSD) staff present:

- Meg Jetté, assistant superintendent of business services
- Steve Vizzolini, director of facilities and operations
- Angela Wells, administrative assistant

Public Comment

None.

2. Review Process

No changes. Nothing to add.

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

Margie Yahyavi will continue, Frank Stevens (undetermined) and Lang Sligh will not be continuing.

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 Dec. 7, 2020 Citizens' Bond Oversight Committee (CBOC) Draft Minutes

No changes. Motion to approve the CBOC Dec. 7 2020 draft minutes by committee members:
Ayes: 5 (Stevens, Morinini, Sligh, Liechti, Yahyavi, Barnick). Noes: 0. Abstention: 0 and Absent: 0
Motion passed: 5:0:0

Dec. 7, 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

Completed and /or 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	Complete	9/1/2017	8/14/2020
SBHS	S-5843	ADA Restroom upgrades	Complete	Summer 2020	Fall 2020
SMHS	S-5844	ADA Restroom upgrades, Phase 2	95%	Summer 2020	Fall 2020
SBJHS	S-5806, S-5807	Locker room, MPR, kitchen	In construction	4/1/2019	8/29/2021
DPHS	S-5820	CTE Pavilion	In construction.	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	LLB Contractor Selected	January 2021	Winter 2022
SBHS	S-5822	Window replacement/rehabilitation	Community Input, HLC Pending	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	GMP to Board	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 information regarding the District's solar project.

Excerpted from the January 12, 2021 Board Meeting Agenda Item/Action:

In December 2019 the Board approved a contract with Sage Energy Consultants and the Clean Coalition to perform feasibility studies related to the Solar Plus Energy Resiliency Project, and to help guide the district toward a successful solar 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.

During negotiations with Engie we identified documents that will act as templates to be used across the district. There will be a separate PPA for each of the fourteen sites designated to receive solar shade structures that will also include easements. There will also be a Performance Service Agreement that applies to all six sites receiving battery storage and Micro Gids. Attached are the templates for your consideration.

During the September 22, 2020 Board meeting, staff was directed to identify the funding source for the up-front costs included in the PPA. Since solar energy was included in the language for Bond Measures I and J, we plan to fund the up-front costs for the elementary sites from Measure J, and the secondary sites from Measure I.

Some good financial news has emerged from the negotiations with Engie. 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. The 4217 Resolution is attached and will need to be adopted by the Board to move forward with the project. Exhibit A identifies all of the sites included in the project and the energy analysis for each.

If the Board approves this Resolution, District staff, legal counsel, and consultants will finalize the site-specific details of the PPA contract documents, execute the Agreements, and issue a Notice to Proceed (NTP) to Engie Services U.S. to commence engineering design and finalize site due diligence.

Excerpted from January 12, 2021 Board Meeting Agenda Item/Consent:

Purchasing met with the District energy consultant SPURR, in December 2020 to discuss the District energy contracts expiring at the end of January 2021. SPURR is a joint powers authority of over 300-member public school districts (including SBUSD), county offices of education, and community college districts. The new factors discussed was a projected completion of solar installations targeted for December 2021 and energy usage fluctuations due to the pandemic restrictions. Usage is down by about 20% from historical levels, but the District intends to bring more students on campus as soon as safely possible this calendar year. This year SPURR and Purchasing recommend contracting our current grid power supplier, Shell Energy, to provide our service needs with a fixed rate using the District's pre-pandemic usage history. The fixed rate will provide the District a predictable expense during an unpredictable year. However, a fixed rate - rate quote can only be held open for a day, so we must provide a target signing date in mid-January for review and signature within one day. Therefore, we are asking the Board to approve the contract by ratification on February 9th meeting after the contract is reviewed by SPURR for accuracy and consistency with market pricing and then authorized by the Assistant Superintendent of Business Services.

Fiscal Impact: Estimated \$400,000 based on the 2019-2020 year expense of \$477,026, prorated for 10 months

It was recommended the Board of Education ratify the fixed rate energy contract during the February 9, 2021 Board meeting.

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