

**BOARD OF DIRECTORS
MEASURE T CITIZENS OVERSIGHT COMMITTEE
MINUTES OF REGULAR BOARD MEETING**

Souza Student Support Center
Conference Room B
708 South Miller Street
Santa Maria, CA 93454
February 9, 2017

CALL TO ORDER: The Measure T Citizens Oversight Committee Meeting was called to order by John Raymond at 5:30 p.m.

COMMITTEE MEMBERS PRESENT: John Raymond, Dave Cross, Nancy Felton

COMMITTEE MEMBERS ABSENT: Ibett Martinez, Luis Silveira

STAFF PRESENT: Luke Ontiveros, Matt Beecher, Kristyn Cornejo

I. PUBLIC COMMENT

None reported.

II. OLD BUSINESS

None reported.

III. APPROVAL OF MINUTES FROM THE NOVEMBER 10, 2016 MEETING

Mr. Raymond motioned to approve minutes from the November 10, 2016 meeting. Mr. Cross seconded the motion. *Ayes: All.* Motion approved.

IV. REVIEW OF PROJECT SPENDING/ANTICIPATED PROJECT SPENDING

Mr. Beecher presented a slide presentation on the Oversight Committee and reviewed the evening's agenda. Current spending was discussed along with review of spreadsheet packets, noting in particular the expenditure section.

At the bottom of page 2, Mr. Beecher reviewed the larger expenditures listed and led discussion on the following projects:

Adam had costs for their arrival/dismissal project. A portable was moved out of the way to gain more space and draw traffic off the street. Mr. Cross asked how many campuses were working on arrival/dismissal projects and what the order was. Mr. Beecher stated that we took on the connected portables (such as at Adam, Miller and Oakley). These sites are all doing portable projects and these are generally less complicated if we connect the arrival/dismissal with the portables. It is more effective and it will go through DSA faster. Safety and curb appeal first as these are visible. Mr. Raymond asked if the flow of things has been working out well. Mr. Beecher stated that the number of spaces have increased which is a benefit. Having the families of 900 children coming to get them can be a challenge. It has improved, but we are still working on this. Adam has increased the width of driveways and minor alterations such as these have made things better, but we haven't completely addressed everything yet. Mrs. Fulton asked if we will have to go back to DSA. Mr. Beecher replied we would not as it is connected to the project.

Mr. Beecher mentioned that the Committee is always welcome to view expenditure files in the interest of transparency. He noted that we have spent about \$1.4 million so far, and continue to make headway through the projects.

Summer projects will include two portables at Ontiveros and one at Miller, as well as arrival/dismissal at Adam, Miller, and Oakley. The storage/shade structures at Arellanes are still pending due to DSA not finding accessible restrooms to approve the drawing. We will wait hoping campus is cleared for the summer, but it likely will take place in the fall. Sanchez shade structure was installed over winter break. HVAC at Bonita also completed over winter break and it was all finished on time.

Mr. Cross asked how things were budget wise. Mr. Beecher replied that it has been way more expensive. The architects estimate was \$180,000, but it has been \$334,000 total plus another \$80-\$100,000 for design work. He added that some of it is DSA and code issues, but most of the work was conducted over 6 feet and there were ladders involved. In others words, it was very time consuming. He also noted that the electrical and structural work was also quite expensive. The principal has been very satisfied with the outcome.

Mrs. Fulton asked about summer work and other portables (non-Measure T), and inquired where this money comes from. Mr. Beecher explained it comes from our developer fees, COP funds, and general fund money as well, adding that the Measure T portables came with specific intentions.

Mr. Beecher continued reviewing the spending to date on the following:

Adam changed a little of the work done. Alvin came close to the whole building – fire alarm and intercom. Alvin still has a revamp of playground project, but presently is out of money for this. There will possibly be money after the new school project, however we want to see all of the Measure T spending first. At Ontiveros, their portable is \$47,000 allocated. Mr. Cross asked if they have a lot of outstanding projects. Mr. Beecher replied that they do.

Mr. Beecher reviewed Battles and the 3 portables there. Mrs. Felton commented on the expense of the portables. Mr. Beecher added that they are purchased at \$36-\$53,000 refurbished. Connecting them is the expense, including the sprinkler costs of \$18,000 which are DSA required. Rice hasn't started yet, they want a track up and running there. Fesler, Rice and Kunst – we are trying to work on them all together. Kunst has some outstanding work and we are presently putting a bid package together for it. Miller has arrival/dismissal work and a bus pull out – they have been very satisfied with the work. We are still working on the play field there (non-Measure T) and they are content with the progress to date. Taylor is still waiting, and they do have some construction coming up. Tunnell is a similar situation to Taylor. Oakley has 1 portable outside (Measure T) but that is all. Also arrival/dismissal work - the car flow here is in the same driveway and people get concerned they won't get back out. Parking has since expanded though. Sanchez has installation of shade structures. Work at Bruce hasn't occurred yet, but is planned on this year including arrival/dismissal and lots of tree removal and increased parking. Liberty is the same thing, and their bid was just opened tonight. Fairlawn has a sizable arrival/dismissal and their open space needs to be more usable. They were one classroom short last year and again this year. Bonita has an HVAC project. There are 180 students with no a/c and this is being taken care of this winter. They want a/c in every classroom. Mr. Beecher stated that about 62% of classrooms are air conditioned. There are 650 classrooms and 40% are not air conditioned. This is about \$120,000 per classroom, or somewhere around \$50 million. Mrs. Felton commented that she was surprised we were already this far along. Mr. Beecher added that there are now about 180 portables in the District that are all air conditioned.

Continuing with Arellanes, some design work has been done here. This may be done anywhere from this summer to a year from now. Tommie Kunst has additional work which will be done this summer. Mr. Beecher added there is a teacher there that is very interested in seeing this work completed before she retires. This work includes a shotput range and a track. Fesler is still waiting. They want to revamp the field so it is more level and durable to run in a straight line. They are not interested in a track, just going across the fields (gophers have been a big problem there). El Camino track was put across the back. He added that the first thing we did with Measure T was to refigure irrigation there. Arellanes Jr. High has been a little tied up with DSA – last summer plus winter break remediation. Measure T School has had environmental work – we had a public hearing and shared with the Board findings of favorable conditions. Ground does not rise to a level of harm. Mr. Cross asked if this was the location on Enos. Mr. Beecher replied

that it was. Mr. Raymond asked if we are paying for land out of Measure T. Mr. Beecher replied that we are, but do not have an exact figure yet. Mr. Cross asked what the amount of acreage was. Mr. Beecher stated that it is 10.67 acres, and noted that the detailed bills show charges from the contractor. The site does have ag ground, but it is low and safe. There are water and national gas pipelines, and everything is acceptable. He added that we have had conversations with the CDE and Toxic Substance Control as well, and that it will be finalized in the next 2-4 weeks.

Mrs. Felton asked how many classroom the new school would have. Mr. Beecher replied it will have approximately 24-30, and they are smaller than average, but depending on land cost we will be staying close to our budget. Mrs. Felton asked if that would be around 750-800 students, and Mr. Beecher concurred. Mrs. Felton asked how big the open areas would be (playfields, future portables, etc.). Mr. Beecher stated he requested this space be drawn in the original plans, so when we need an additional building we can place it in that space. He added that we will defend space for open portables is possible. Mrs. Felton mentioned that the school would only give 1.5 years of growth though. Mr. Beecher agreed, but mentioned that growth is also declining, adding that this year growth was at 291, whereas it was 558 the year we opened Jimenez. Mrs. Felton asked if this means growth is leveling off. Mr. Beecher stated that it is, and we are now in manageable numbers that are in the 100's. He mentioned that we look at birth rates at Marian Hospital, which peaked in 2009/10. Those students came in bursts, and that was 8 years ago. After that came a leveling period. Mr. Beecher added that out of all the projects we have spent a little over 10% total.

Mr. Beecher reviewed the Measure T report, which is a subset of the major audit. Fund 25 – building fund only. The auditors look at enough of the report to say it is acceptable – they want to make sure there is nothing incorrect and there are no red flags.

He also stated that internal control reporting on performance and expenditures were the only ones approved by the voters, and this is one of the main subjects Mr. Raymond will need to present at a future Board meeting. Mr. Raymond requested to do this in May.

V. REVIEW OF FINAL AND PERFORMANCE AUDITS

Mr. Beecher reviewed the main portion of the audit, noting the auditors' conclusion with a clean opinion in financial statements. Mrs. Felton asked about the money we have already received being invested in the Santa Barbara Investment Pool, and whether it spreads risk across entities. Mr. Beecher replied that it is low risk and managed out of the County Treasurer's office. It brings all municipal agencies together, and underlying is Bank of America for accounting purposes. The Treasurer's office manages the money. Community services, colleges, etc. – they are all are invested in the pool.

Mr. Beecher stated the audit report includes everything the Board is responsible for (disclosures, commitments, etc.) and that the auditors are clear about what they need.

Mrs. Felton commented about the line item on page 7, indicating net pension liabilities going up 50% in one year. Mr. Beecher stated the pension liability is a hot topic. When GASB 68 came through, pension reporting and reform required underlying agencies to disclose their estimated share of that unfunded pension liabilities, like PERS/STRS. It is about responsibility and where the benefit is. We are a lucky District to maintain positive equity as other districts have not.

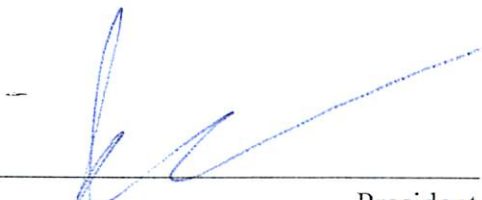
VI. OTHER BUSINESS


Mr. Cross asked if there were any additional questions, and thanked Mr. Beecher for the presentation.


Mr. Beecher stated that the next meeting will be May 11th at 5:30.

VII. ADJOURNMENT

Mr. Raymond called the meeting adjourned at 6:24 p.m.

Signed  _____
President

Signed  _____
Secretary

Date:  _____