

Colton Joint Unified School District

Commitment to Equal Opportunity



Minutes December 3, 2012

The Measure G – Citizens’ Oversight Committee met on Monday, December 3, 2012 at 5:30 p.m. at the Student Services Center in the Board Room, 851 South Mt. Vernon Avenue, Colton, CA 92324.

Opening – Mr. Suchil called the meeting to order at 5:34 p.m.

I. CALL TO ORDER – Roll Call – by Raquel Rios, Secretary

Members Present (*absent)

| | |
|---------------------------------------|---------------------------------------|
| Ms. Elsa Aguilar | Mr. William Hussey |
| Mrs. Christina Benjamin* | Mr. Frank Quezada * |
| Mr. Douglas Duncan | Ms. Raquel Rios |
| Mr. Daniel Flores (<i>Resigned</i>) | Mr. Paul Russell |
| Mrs. Maria Fraser * | Ms. Rosemary Speer |
| Ms. Linda Gonzalez | Mr. Isaac Suchil - Chair |
| Mr. Gary Grossich | Mr. Daniel Ybarra (<i>Resigned</i>) |
| Mr. Matthew Hernandez | |

Staff Members Present

| | |
|--------------------|-------------------|
| Mr. Jaime R. Ayala | Mrs. Katie Orloff |
| Mrs. Joanne Medina | Mr. Darryl Taylor |

II. APPROVAL OF MINUTES

June 18, 2012 meeting minutes were reviewed and approved, motion by Mr. Hernandez, and seconded by Mr. Russell, and carried. No opposition.

III. PUBLIC COMMENT

Mr. Suchil opened for public comment. No public comment. Mr. Suchil closed public comment.

IV. OLD BUSINESS

Mr. Suchil inquired about RDA funds from the city of Colton and Grand Terrace. Mr. Ayala responded the District has received approximately \$700,000 from Colton and approximately \$1 million from Grand Terrace in RDA money. No specific project has been attached for those particular funds. A bridge project was discussed. Superintendent Almendarez expressed interest to rejuvenate the fields at CMS. Furthermore, the District has engaged in preliminary discussions with the cities to join forces regarding our facilities.

Mr. Suchil expressed concern regarding the area North of Main Street and no sidewalks for the walking students who attend Grand Terrace High School. Mr. Taylor responded at the intersection of Main Street & Michigan Street a three way cost was shared

with the City, County, and the District for sidewalks. The improvements on the other side of the railroad tracks is a City issue. The tracks at Taylor Street were addressed. The District is in constant talks with the city. The District provided the necessary requirements around the parameter of the school.

Mr. Suchil expressed concern since the school has not taken on the full impact of students. The students should have a safe route to walk to school. Mr. Grossich stated it could be developers' obligation to provide sidewalks on Main & Iowa.

Mr. Grossich inquired if the District received all the funds they were owed from Colton. Mr. Ayala responded all were in agreement with the calculation and no other funds are owed to the District.

V. NEW BUSINESS

Tax Payer Member –Mr. Taylor

Mr. Taylor explained the District has not been successful in finding a member to fulfill the role of a bona-fide taxpayer. The District has advertised and reached out to local organizations. If the committee is in consensus we can proceed with the current make-up of the group and continue to advertise and reach out to other groups. Mr. Ayala discussed a recent Business Services Conference that he attended last month which he learned from an attorney that a 'good faith' effort must be made.

Membership –Mr. Taylor

Mr. Taylor explained the following members will be terming out: Linda Gonzalez, Gary Grossich, William Hussey, Frank Quezada, Paul Russell, and Isaac Suchil. The members have completed 2 -2 year terms. The memberships will expire in March 2013.

If the other members which include: Elsa Aguilar, Christina Benjamin, Douglas Duncan, Maria Fraser, Matthew Hernandez, Raquel Rios, and Rosemary Speer would like to be re-appointed, an action item would be presented to the Board at the March 2013 Board meeting re-appointing the members for another 2 year term.

Debt Financing –Mr. Ayala

Mr. Ayala discussed a recent article in the Los Angeles Times in which school districts were slammed for issuing capital appreciation bonds (CAB's). The article included a spreadsheet of approximately 500 school districts and CJUSD was listed. A general rule is not to exceed 25 years and not exceed 4 times the amount. There are questions and Mr. Ayala plans to discuss the issue more in detail at the Board meeting on Thursday.

A CAB allows a district to postpone or defer the payment on the interest of a bond and the interest accrues over time. Mr. Ayala explained the article sensationalized the matter stating some districts may have to pay 10-20 times the amount of the bond. Of the 540 bond issuances beyond the 25 year payment 33 school districts fell under this category. Our Districts multiplier is 6.2 not 10. The District has had 3 issuances: A, B, & C amounting to approximately \$103 million with the authority to issue \$225 million. Of the \$103 million 27% is a CAB. Our District has been careful and has not committed to any big projects and will wait for at least 3 years. Other Districts committed to construction projects and could not sell any more bonds which led to bridge financing.

For Series B we issued \$41.9 million and of that \$28 million was a CAB with a 6.2 multiplier. Mr. Ayala will go into more specifics at the Board meeting on Thursday. Additionally the District's financial advisor, Mike Williams will be present at the Board meeting.

Mr. Grossich asked who makes such decisions to sell bonds. Mr. Ayala responded executive cabinet, Mike Williams the Districts financial advisor, legal counsel, and the Districts underwriters, Piper Jaffray are all key members who take part in meetings/conference calls.

Status on State Program-
No discussion.

VI. FINANCIAL REPORT

Mr. Taylor distributed and reviewed the most recent consolidated budget status report. (Exhibit A). Mr. Taylor discussed the projects that facilities is currently working on and interim housing. Mr. Taylor explained there may not be enough money to complete big projects at the present time, however designs & layouts can be obtained so in the future when more bonds are sold we can proceed with such projects.

Mrs. Rios inquired why contracts are still open for Grand Terrace High School and Joe Baca since the schools are now complete and open. Mr. Taylor explained there is still administrative contracts that have to be completed and submission of final paperwork still needs to be submitted. There is a process of close out documents that have to be submitted to the State and the State has 5 years to finalize such documents.

Mr. Hussey inquired if the new schools could have awnings installed to protect the students from the sun/rain. Mr. Taylor stated the awnings were not on the facilities scope of projects however the site has the option to purchase awnings with the existing FF&E budget. Mr. Taylor stated JBMS has a shelter-like cafeteria and Grand Terrace High School has indoor space with the gym and theatre available.

Mr. Hussey inquired if the tennis courts at Grand Terrace High School were up to standard. Mr. Taylor responded the tennis courts are to standard.

Mr. Grossich asked if the projects at JBMS, Colton High, Bloomington High, and Grand Terrace High school came in on budget. Mr. Taylor stated for Bloomington High school math/science building it is under budget for furniture, fixture, & equipment. For the Colton High math/science project there were many issues that arose that included abatement and unexpected material found underground. For JBMS the FF&E budget was just under budget however it was not a significant amount. Additionally administrative paperwork is still getting wrapped up. For Grand Terrace High School, facilities is working with the contractors to finalize some items. Additionally, Mr. Taylor explained the spreadsheet is a snapshot in time which includes State match funds. The figure for Grand Terrace High school includes retention and some work is still in the process of being completed.

Mr. Suchil inquired why money is being put into Slover when Slover will be moving. Mr. Taylor explained Washington & Slover will be moving to the BMS. The Slover/Washington move are to be funded from Fund 01 or one time lease savings.

Mr. Taylor discussed the planned modernization projects.

Mr. Suchil inquired about Davis Demographics. Mr. Taylor explained facilities has a two year contract with Davis Demographics and there service is on-going.

Mr. Taylor stated on Thursday at the Board meeting, Steinberg Architects will present to the Board the design for the CHS multi-purpose cafeteria. Once it is approved by DSA and the Board, the project will sit in a holding status. It will not be for approximately 3-5 years until we can sell bonds. The indicator is positive with the country looking economically better.

Mr. Ayala commented a tour of the modernization projects could be arranged for Crestmore, Grant, Lewis, and Lincoln. Mr. Taylor agreed stated our next meeting could be arranged at one of the sites and a tour could be conducted of the remaining sites.

VII. MEMBER COMMENT

- Mrs. Rios commented on the CHS beautification project. It is up to the principal's discretion how to use the beautification funds for CHS. Mr. Grossich added CHS has raised approximately \$9,000. The students are also involved. A recycling program will also be established.
- Mr. Taylor commented on the BHS & CHS curb appeal projects. Painting is underway. Soon the stadium architects will be on board.
- Mr. Grossich commented the morale at CHS is better.
- Mr. Ayala commented how clean the campus is at CHS.
- Mr. Taylor commented portables are in the process of being removed and repairing the spaces.
- Mrs. Rios commented on the tree at the CHS math/science building. It was explained the tree is a historical tree and the building was built around the tree.
- Mr. Ayala commented the BHS gym floor will soon be replaced.
- Mrs. Aguilar commented on the bathrooms at CHS. Mr. Taylor stated the bathrooms would have to be part of a stadium renovation. Due to ADA codes, 1 bathroom could not be fixed.
- Mr. Suchil commented on the CHS marquee donated by the class of 2012. Mr. Taylor stated the school site choose the marquee.
- Mr. Hussey inquired about the June audit report from 2010. Mr. Taylor stated in February with the transition in membership an audit committee could be formulated.
- Mr. Grossich congratulated Mr. Suchil for his recent appointment to City Council. Mr. Suchil will be sworn in tomorrow.

VIII. NEXT MEETING – (Quarterly)

- The committee will meet again in February 2013 at one of the modernization sites.

IX. ADJOURNMENT

- There being no further business, the Measure G Citizens' Oversight Committee meeting was adjourned at 6:56 p.m. Motion by Mr. Suchil and seconded by Mr. Russell.



Consolidated Budget Status Report

Budget versus Commitments and Expenditures for Multiple Projects (created 11/27/2012 2:41 pm)

Exhibit A

Budget vs. Commitments and Expenditures

| Project No. | Project Name | Budget | Commitments | | Expenditures | | |
|-------------|---|--------------|-------------------|--------------------|--------------------|----------------|--------------------------|
| | | Total Budget | Total Commitments | % Budget Committed | Total Expenditures | % Budget Spent | Remaining Against Budget |
| Admin G | **Program Costs for Measure G | 12,878,934 | 4,181,148 | 32.5% | 4,084,967 | 31.7% | 8,793,967 |
| 47 | Birney Elementary - Birney Bus Drop/Parking (complete) | 337,365 | 312,285 | 92.6% | 305,572 | 90.6% | 31,793 |
| 3A | Birney Elementary - Birney Modernization | 951,000 | 28,600 | 3.0% | 28,600 | 3.0% | 922,401 |
| 1Q | Bloomington High School - BHS Kitchen & Multipurpose Renovation | 7,652,418 | 770,232 | 10.1% | 516,705 | 6.8% | 7,135,713 |
| 1E | Bloomington High School - BHS New Construction Interim Housing | 1,569,837 | 1,472,887 | 93.8% | 1,472,859 | 93.8% | 96,978 |
| 1E | Bloomington High School - BHS New Math & Science Bldg. | 13,451,813 | 12,840,240 | 95.5% | 12,782,914 | 95.0% | 668,899 |
| 1N | Bloomington High School - BHS Stadium Renovation & Expansion | 5,600,000 | 321,718 | 5.7% | 321,718 | 5.7% | 5,278,283 |
| 3G | Bloomington Middle School - BMS Modernization | 5,802,000 | 277,880 | 4.8% | 277,880 | 4.8% | 5,524,120 |
| 1R | Colton High School - CHS Kitchen & Multipurpose Renovation | 8,308,956 | 990,025 | 11.9% | 545,686 | 6.6% | 7,763,270 |
| 1F | Colton High School - CHS New Const. Interim Housing | 767,228 | 585,793 | 76.4% | 585,793 | 76.4% | 181,435 |
| 1F | Colton High School - CHS New Math & Science Bldg. | 17,871,431 | 15,718,290 | 88.0% | 15,478,530 | 86.6% | 2,392,901 |
| 1M | Colton High School - CHS Stadium Renovation & Expansion | 4,325,000 | 251,838 | 5.8% | 251,838 | 5.8% | 4,073,162 |
| 3I | Colton Middle School - CMS Modernization | 5,195,000 | 664,754 | 12.8% | 664,754 | 12.8% | 4,530,246 |
| 3K | Colton Middle School - CMS New Construction | 9,980,000 | 277,063 | 2.8% | 277,063 | 2.8% | 9,702,937 |
| 2E | Cooley Ranch Elementary - Cooley Ranch Modernization | 1,268,000 | 129,838 | 10.2% | 95,951 | 7.6% | 1,172,049 |
| 2A | Crestmore Elementary - Crestmore Modernization | 4,765,000 | 1,195,412 | 25.1% | 958,071 | 20.1% | 3,806,929 |
| 2B | D'Arcy Elementary - D'Arcy Modernization | 1,233,000 | 122,790 | 10.0% | 117,251 | 9.5% | 1,115,749 |
| 3B | Grand Terrace Elementary - Grand Terrace Modernization | 1,166,000 | 27,064 | 2.3% | 27,064 | 2.3% | 1,138,936 |
| 11 | Grand Terrace High School - GTHS - New High School # 3 | 151,373,055 | 141,949,682 | 93.8% | 137,851,577 | 91.1% | 13,521,478 |
| 2F | Grant Elementary - Grant Modernization | 3,731,000 | 934,119 | 25.0% | 784,280 | 21.0% | 2,946,720 |
| 3E | Grimes Elementary - Grimes Modernization | 454,000 | 27,747 | 6.1% | 27,747 | 6.1% | 426,253 |
| 27 | Joe Baca Middle School - New Middle School #5 | 49,162,432 | 44,228,362 | 90.0% | 41,102,391 | 83.6% | 8,060,041 |
| 2C | Jurupa Vista Elementary - JV Modernization | 728,000 | 403,749 | 55.5% | 360,035 | 49.5% | 367,965 |
| 35 | Jurupa Vista, Reche Canyon, Wilson, BMS - Fire Alarm & Low Voltage Upgrades | 2,167,851 | 1,908,147 | 88.0% | 1,908,147 | 88.0% | 259,704 |
| 2D | Lewis Elementary - Lewis Modernization | 3,213,000 | 753,107 | 23.4% | 630,766 | 19.6% | 2,582,235 |
| 2G | Lincoln Elementary - Lincoln Modernization | 3,787,999 | 858,110 | 22.7% | 729,184 | 19.2% | 3,058,816 |
| 3C | McKinley Elementary - McKinley Modernization | 569,000 | 24,812 | 4.4% | 24,812 | 4.4% | 544,188 |
| 2H | Reche Canyon Elementary - Reche Canyon Modernization | 965,000 | 151,339 | 15.7% | 127,915 | 13.3% | 837,085 |
| 2J | Ruth Harris Middle School - RHMS Modernization | 1,761,700 | 202,185 | 11.5% | 201,335 | 11.4% | 1,560,365 |
| 2I | San Salvador - San Salvador Modernization | 3,320,000 | 300,048 | 9.0% | 267,163 | 8.0% | 3,052,837 |
| 34 | School # 30 - Cedar/Santa Ana Ave. | 60,000,000 | 6,782 | 0.0% | 6,782 | 0.0% | 59,993,218 |
| 3N | Slover Mt. High School - Slover Mtn. Modernization | 663,000 | 31,347 | 4.7% | 31,347 | 4.7% | 631,653 |
| 3F | Terrace Hills Middle School - THMS Modernization | 510,000 | 191,615 | 37.6% | 191,615 | 37.6% | 318,385 |
| 3L | Terrace Hills Middle School - THMS New Construction | 4,821,000 | 194,232 | 4.0% | 194,232 | 4.0% | 4,626,768 |
| 4J | Terrace View Elementary - Terrace View Fire Alarm & Intercom | 1,216,622 | 84,500 | 6.9% | 52,400 | 4.3% | 1,164,222 |
| 1J | Terrace View Elementary - Terrace View Modernization | 5,260,000 | 337,528 | 6.4% | 337,528 | 6.4% | 4,922,472 |

Consolidated Budget Status Report

Budget versus Commitments and Expenditures for Multiple Projects (created 11/27/2012 2:41 pm)



Budget vs. Commitments and Expenditures

| Project No. | Project Name | Budget | Commitments | | Expenditures | | |
|---------------|--|--------------------|--------------------|--------------------|--------------------|----------------|--------------------------|
| | | Total Budget | Total Commitments | % Budget Committed | Total Expenditures | % Budget Spent | Remaining Against Budget |
| 50 | Terrace View Elementary - Terrace View Parking/Shade Shelter | 1,311,696 | 827,573 | 63.1% | 815,592 | 62.2% | 496,104 |
| 1K | Washington High School - Washington Modernization | 4,740,000 | 251,090 | 5.3% | 251,090 | 5.3% | 4,488,910 |
| 3D | Wilson Elementary - Wilson Modernization | 1,640,000 | 29,403 | 1.8% | 29,403 | 1.8% | 1,610,597 |
| 44 | Zimmerman Elementary - Zimmerman Fire Alarm & Intercom | 1,700,000 | 182,371 | 10.7% | 140,797 | 8.3% | 1,559,203 |
| 1L | Zimmerman Elementary - Zimmerman Modernization | 5,850,000 | 313,556 | 5.4% | 313,556 | 5.4% | 5,536,444 |
| Totals | | 412,068,338 | 234,359,258 | 56.9% | 225,172,907 | 54.6% | 186,895,431 |

****Program Costs for Measure G Includes the following items:**

- AP-Mt. Vernon LLC (rent for Suite 7A) - \$122,220 (thru 2013)
 - Colbi Technologies - \$165,625 (1 time capacity increase)
 - CJUSD Bond Admin Salaries - \$255,579 (Annual salaries @ 50%)
 - Davis Demograohics - \$44,052 (2 yr contract)
 - Nigro & Nigro - \$24,000 (\$8,000 per yr @ 3 yrs)
 - NTD Architects (District wide master plan) - \$312,200 (Lump Sum Fee)
 - School Facility Consultants - \$156,080 (\$240,000 total contract, balance divided with project costs above)
 - Spectrum Communication (data cables/phones @ Ste 7A) - \$14,902 (one time fee)
 - Seville Construction Services (program management) - \$10,252,618 Authorized Fees (does not include \$3,573,765 project management cost, which is included in above budgets)
- >>Seville Construction: re-negotiated contract as of 09/2011 not to exceed \$3,557,342

Bond Cash Balance as of 12/03/2012

| | |
|--------------|----------------------|
| Measure B | \$ 1,378,112 |
| Measure G | |
| Series A | \$ 26,231,624 |
| Series B | \$ 5,103,187 |
| Series C | \$ 9,628,501 |
| TOTAL | \$ 42,341,423 |