



SAN MATEO-FOSTER CITY SCHOOL DISTRICT

BOND OVERSIGHT COMMITTEE MEASURE X

May 8, 2018- Meeting Minutes

1) Call to Order:

- a) Bond Oversight Committee (BOC) called to order at 6:00 P.M. on May 8, 2018 at the District Office, Bowditch Conference Room.

2) Roll Call:

Bond Oversight Committee Measure X Members Present: Fred Baer, Board approved 2 year term expiring 4/20/19; Ryan Nobrega, Board approved 2 year term expired on 4/20/18*; Julie Scanlon, Board approved 2 year term expired on 4/20/18*; Susan Totaro, Board approved 2 year term expired 4/20/18*

Bond Oversight Committee Measure X Members Not Present: Carole Groom, Board approved 2 year term expired 4/20/18*; Eric Holm, Board approved 2 year term expired 4/20/18*; Wayne Pitcher, Board approved 2 year term expiring 4/20/19.

Joel Cadiz stated that SMFCSD will advertise for new vacancy committee members and if any of the members whose term has expired and are interested in signing up again and who are eligible may do so by submitting a new application. Ryan Nobrega and Julie Scanlon expressed interested in continuing on as committee members.

Public

Sheldon Chavan, District Independent Auditor

District and Facilities Staff Present

Joel Cadiz, Director of Facilities, Maintenance, Operations and Transportation
Carolyn Chow, Chief Business Official

Alex Kristal, Senior Facilities Project Manager

Bob Price, Facilities Project Manager

Emma Oh, Facilities Financial Analyst

Mark Sherrill, Facilities Project Manager

Corey Fong, Construction Facilities Planner

3) Public Comment:

No public comments.

4) Review of Agenda handed out for information purposes only since there was no quorum.

5) Approval of Minutes:

- a) Since a quorum of BOC members were not present, Joel informed the committee that the minutes from the meeting on February 6, 2018 were being provided as an FYI and the committee could not take a vote to approve.

6) Review of the Financial Expenditures:

7) Joel handed out a packet listing all Measure X expenses to the committee:

- i) First 6 pages in packet lists administrative costs to run Measure X Bond
- ii) New School in Foster City Measure X commitment is \$17M, Abbott \$18M and Borel is \$18M and Bayside is \$18M
- iii) North Central is a phase 2 school, but we put it here because in order for us to build a new school it has to be certified as a clean site. So we are starting the process early, because the certification process with the Dept of Toxic and Substance Control is a lengthy process. We started by hiring Rowe Associates to do Environmental site analysis and preliminary site analysis for North Central and that's why it's here and we've budgeted \$50k.
- iv) Next pages are staff salaries
- v) 3rd page are consultants and school advisors that are checking on our funding ability with the state and also includes advertising costs. Bay Area News group is who we use to advertise when soliciting for new CBOC members, bid ads, and prequalification ads.
- vi) On the last page is the encumbrance report shows that all expenditures as of April 1, 2017: Barker Blue is our printing, Box.com is our cloud service that we upload files to so that our partners have access to them, CFS is the company we upload our data to who ensure compliance, Chavon Associates are our auditors, Christy White was our auditors before we hired Chavon, ECS imaging scans our existing drawings, Grainger Supplies, Golden State Overnight, Home Depot, Christine our previous AA's mileage.

Julie Scanlon asked for clarification on a line item. Joel clarified specific line item were our legal counsel who we consult with every time we have issues with contractors who want to protest bid or questions we have regarding our contracts.

8) Joel gave floor to Sheldon Chavon from Chavon & Associates, the School District's independent auditor to present their findings from June 30, 2017.

- a) Full Scope Audit Report: Includes balance sheet, Statement of revenues & Expenditures and change funds and note disclosures.
 - i) Report also includes a Program Statement, showing project expenditures by site for the fiscal year that Chavon & Associates audited.
- b) Audit followed generally accepted government auditing standards and United States of America auditing standards.

- c) The opinions we issue in the report have 3 purposes: 1) Independent auditors report tells you whether are not the financial statements included in the report and audit were presented fairly and without material misstatements. Result was there were not any modifications in the financial statements. 2) The government auditing standards is about internal controls. We define what a significant deficiency is and we define what a material weakness is and whether or not we found any significant deficiencies or material weaknesses. And the answer is, we did not find any significant deficiencies or material weaknesses in Measure X. 3) The 3rd audit report is specific to compliance. We list most important procedures we followed for Measure X. In that opinion letter there aren't any exceptions.
- d) The final audit report tested 83% of the Measure X bond expenditures for the 2015-16 fiscal year.
- e) \$73.5 Million as of June 30, 2017 left to be spent in Measure X bond.
- f) Sheldon asked if anyone present had questions, before ending his presentation. No questions were asked by the Oversight Committee.

9) Current Measure X Project Updates

- a) Fourth Elementary School Project Update
- b) Plans & specifications submitted to DSA late november 2017
- c) DSA plan check review
 - i) Access compliance - complete
 - ii) Fire life safety - complete
 - iii) Structural safety - complete
- d) DSA backcheck/approval
 - i) May 21 – June 8 DSA additional structural review
 - ii) June 12 – June 15 DSA fire life safety and access backcheck
 - iii) June 19 – June 22 structural backcheck

Julie Scanlon asked about the current over budget issue. Joel explained SMFCSD is currently still trying to overcome over budget issue by meeting with architects attempting to value engineer plans to reduce costs in order to overcome over budget issue. Carolyn Chow went on to further explain that In January there was a series of value engineering items presented to the school board. And it was decided in the last school board meeting to wait until estimated costs come through before hard decisions are made on value engineering items that were presented to the board. Bids from subcontractors have come in since last January school board presentation. Most likely the next presentation of estimated costs will be presented to the school board in May. At that point the board will be compare value engineering items, and estimated costs in order to make decisions on value engineering items in order to make up the difference in the budget and the impacts and consequences of each valued engineering items.

10) Abbott Middle School Modernization- (Joel presented a diagram and pictures of Abbott Middle school detailing the modernization project)

- a) Re-purposing rooms in the existing gym, library, staff
- b) Lounge, mechanical work
- c) DSA plan check review & bidding
 - i) DSA submittal – 24 January 2018
 - ii) DSA approval – 30 April, 2018
 - iii) Bid Advertisements – 3 May & 8 May, 2018
 - iv) Bid Walks – 9 May & 16 May 2018
 - v) Bid Opening – 29 May 2018
 - vi) BOARD APPROVAL – 7 JUNE 2018

11) Borel Middle School – Increment 1 is Site Work Grading. Increment 2 is modular buildings. Increment 3 is Gym Building.

(Joel presented a diagram and pictures of Borel Middle school detailing the modernization project)

- i) Increment 1- site work/grading portion, increment 2
- ii) Modular buildings, increment 3 – gym building
 - (1) DSA submittal increment 1 – 2 February 2018
 - (2) DSA submittal increment 2 – 18 April 2018
 - (3) DSA submittal increment 3 – appointment scheduled for 23 May 2018
 - (4) DSA comments have been received for increment 1
- iii) Majority of DSA comments came from access compliance
 - (1) Verification of existing path of travel
 - (2) Verification of toilet room accessibility on path of travel

12) Bayside Gymnasium

- i) DSA submission
- ii) Second week of May 2018 – submit to DSA
- iii) DSA review – end of October (anticipated date)
- iv) DSA approval – late November 2018 (anticipated date)

Julie Scanlon expressed concern over if the city has already agreed with the specific location of the Gymnasium Building. Joel explained, although a formal agreement with the city has yet to be reached, there have been closed door conversations with the city and the city is indicating that they agree that the proposed site is the best and most logical location for the Gymnasium building and that risk is low in spending time and effort with planning.

13) Questions and Comments

- a) Julie Scanlon asked if any of the 3 Gymnasium buildings have been bid yet. Joel explained the Bayside Gymnasium was submitted to DSA May 1st, and the other 2 Gymnasium buildings are still in design phase and we will be seeing bids for the other new Gymnasiums in the Fall.
- b) Julie also asked how the Architect and estimator feel about the reality of budgets. Joel explained we are still in value engineering process that would not affect DSA review.
 - i) Julie suggested, since the 3 Gymnasiums are nearly identical structures that instead of evaluating each building for value engineering would it be possible to evaluate one building and apply them to the other 2 in order to save on time and money. Joel agreed there is a balance to be struck between identifying value engineering items and conferring with each school to ensure each Gymnasium fulfills the needs of each school site.

14) Set Field Trip Date – Date was set for August 9, 2018 @ 9am and meet at the District Office

15) Set next CBOC Meeting – Next Meeting set for July 31, 2018 @ 6:30pm

16) Future Agenda Items

- a) Advertise for new CBOC members for both Measure X and Measure L
- b) If there isn't enough members for both Measure X and Measure L, we will discuss combining Measure X and Measure L committee members and meetings. There after the board will be able to come to a resolution combining the 2 committees and meetings.

Meeting adjourned @ 7:15pm