

Measure Q Citizens' Bond Oversight Committee
Wednesday, March 28, 2018
City Council Chambers
600 East A St., Dixon, CA 95620

Adopted Minutes

I. Call to Order-

A. Roll Call:

1. Robert Strong, Chair – P
2. Tad Smith, Co-Chair – P
3. Jack Caldwell, Member – A
4. Jorjet Potier, Member – P
5. Andrea Kett, Member – P
6. Gary Riddle, Member – P
7. Julie Mustard, Member – P

B. Adoption of the Agenda:

A move was made to adopt the agenda from Member Kett and second by Co-Chair Smith.

The motion was carried by the following vote:

AYES: Strong, Smith, Potier, Kett, Riddle, Mustard

NOES:

C. Reading and Approval of Minutes

1. A motion was made by Member Riddle and second by Member Potier to approve the September 13, 2017 minutes.
2. A motion was made by Member Riddle and second by Co-Chair Smith to approve the February 28, 2018 minutes.

II. Agenda-

A. Follow Up on Audit- Melissa Mercado

Ms. Mercado provided the Committee with 2 financial documents. They were financial transactions that she wanted to convey to the Committee. She pointed out that on the first statement the interest was improperly posted. This interest was posted to fund 25 which is the Developer Fees fund; the statement shows the correction to this posting. On the second form, is the Fiscal 99 revenue snapshot. She said that it was the actual interest revenue (after the correction mentioned above).

Ms. Mercado also mentioned that per the CBOC's request, she had looked into changing the audit. In order for this to happen, the CBOC would need to convey their concerns to the Board and if action would be taken, it would be taken by Governing Board. She went on to say that the auditor will not be able to make any changes unless requested by the Governing Board and not by the CBOC.

B. Project Updates- John Calise

1. Silveyville School Site/Montessori Charter School -

The entire fire alarm system; all call system and bell system needs to be replaced. DUSD is in the process of collecting fee proposals from the two architects that the Governing Board has approved.

2. Gretchen Higgins Site-

There are classrooms on the North end on Bell Dr. that open up to the parking lot and are outside of the gates of the campus. There are also the two kindergarten classrooms that open up to the street of Pembroke Dr. Mr. Calise said that this prevents them from locking down the school campus. They are in contract with Architectural Nexus who will be doing the designs. He will be taking the conceptual design to the Governing Board for approval.

3. Tremont Site-

There are two major issues, one of which is access control. There are several entry points to that campus. Furthermore, the front entry point does not go through the office so they are looking at changing the entry and limiting the other access points. Additionally, there is also a retaining wall issue that needs to be dealt with on the North side campus which is a safety concern. Mr. Calise is currently consulting with architects and engineers regarding this potential project.

Public Comment:

There was a question by the public whether Dixon USD applied for Prop 51 money. Mr. Calise responded by saying that DUSD has no projects pending for funding because there are no approved plans at this time.

C. Budget Update (DMS Project)- John Calise

In April of 2016, there was a facility assessment done for the Dixon Middle School before the bond was passed. For full modernization and a 21st century learning environment, the total program cost developed by DUSD, LPA & Cumming would be \$29,813,000. Due to an unrealistic budget, DUSD decided on going on an alternative approach which involves a targeted modernization. This approach involves an initial focus on creating a safe and effective learning environment. Additionally, the District is looking at its internal capacity with its own construction services division. The consideration of this cost saving method has resulted in the use of internal manpower to perform the following construction and modernization projects:

Existing Home Economics Rooms

- Convert to staff lounge
- Convert to staff work and meeting room
- Central kitchen
- Stage area
- Multi-purpose room
- Some exterior dry rot
- Small gym

The refined budget is as follows:

- Furnishings and Equipment \$1,500,000
- Re-roof of A wing \$ 500,000
- Construction costs \$9,625,000
- Soft Costs (29% of total project Including F&E Design) \$3,375,000

Total bond funding for the Dixon Middle School Project: \$15,000,000

Some of the soft costs of expenses that are not considered direct construction costs:

- Architectural fees
- Engineering fees
- Inspection services
- Testing labs
- Legal fees
- Consultants

Mr. Calise also took care to remind the CBOC that the soft costs that he discussed (listed above) is not an all-inclusive list but rather some of the more major and typical ones.

Original Basis of Design Budget:

Building A	\$1,953,062.80
Building B	\$1,004,245.00
Building C	\$2,264,033.24
Gymnasium (Entry, Bleachers and RR Only)	\$1,801,749.56
MPR	\$602,531.40
Music	\$427,826.88
Quad Restrooms	\$186,679.28
Site Work	\$1,429,301.84
Cost Estimate for Original Basis of Design	\$9,669,430.00

How Much is it Going to Cost?

Cost Estimate for Original Basis of Design	\$9,669,430.00
Convert Locker Rooms to Restrooms in Small Gym	\$319,500.00
New HVAC System on the Large Gym	\$248,145.00
Consolidate Administration Area in A-Wing to Entry	\$322,833.00
Modernize Locker Rooms (Large Gym)	\$1,025,790.00
Total- Scope Increases	\$1,916,268.00
MPR HVAC	\$1,093,888.00
Sport Court Flooring (Small Gym)	\$183,303.00
Total- Deductive Alternatives	\$1,277,191.00
TOTAL CONSTRUCTION COST ESTIMATE THROUGH 12/18	\$12,862,889.00

How Do We Fund It?

- Developer Fees?
- Fire/Life, Safety, ADA Contribution?
- General Fund Contribution?
- One-time money?
- Facility Hardship Program?

These are some of the different mechanisms on how to fund the 3 million dollars for the Dixon Middle School project. These mechanisms are just some initial suggestions which the Governing Board can consider.

Mr. Calise said the original plan was that the school site would be open August of 2019. DUSD had several months of discussions regarding delivery methods and citizen concerns surrounding the project. What that did was stop the process with the architects. He went on to say that if we have approved plans by November 2018, we should be bidding in January 2019 which would put us in roughly project completion in February/March of 2020 and looking at moving in on August of 2020 in the beginning of the school year.

Mr. Calise went on to say the portables were going to be removed. There will be capacity for 750 students to be housed without sharing classrooms. The new Dixon Middle School will have 27 brick and mortar classrooms, 2 gymnasiums, stage, multipurpose room and also the music building. He said if the District was to grow with more students, then they would consider modular construction.

Mr. Calise presented a spreadsheet showing a breakdown by trade by building to show what is being spent which is being based on a 100% design level. Member Potier asked about what was being worked on right now and Mr. Calise responded with the following items:

- The reroof of A wing
- The construction document phase of the middle school
- The conceptual design of Gretchen Higgins elementary
- Gathering fee proposals for design for the Montessori project as well as the Tremont project

Additionally Mr. Calise spoke about the name of the Dixon Middle School. For the purposes of plan check and review, the project and campus has been named the Dixon Middle School. If the District chooses to rename the school, this is a process that will be done by the Governing Board once the project is complete and fully closed out.

Member Potier asked Mr. Calise if next time he does a project update, if he can do a snapshot of the timeline for scheduled projects and he agreed.

Mr. Calise told the CBOC that they can do a walk through on the Dixon Middle school campus but waivers will need to be signed and there will be some rooms that they will not be able to enter due to the air quality.

D. Committee Report to Citizens- Member Gary Riddle

Member Riddle stated that it's time to think about the report to the citizens. He said that the interim reports can be done any time but the annual report should be done after the conclusion of the District audit. He said that there are some things that the committee should start on such as making some notes. The Ed Code gives some suggestions of areas to look at and on how to write some positive things into the report. He said that at this point, they have not really documented anything and he feels that the report should be concise and it should be a consolidated input from the entire Committee because everyone will be making the approval. He suggests looking at other school districts such as Vacaville who has a big project going on right now and looking at their reports to get some ideas. He went on to say that the requirement according to Ed Code says the report needs to be done once a year but they also encourage interim reports. The idea is to take the interim reports and consolidate them into an annual report. Member Riddle read off some things that can be included on the report:

- Receiving and reviewing copies of any deferred maintenance proposals
- Review efforts by a school district to maximize bond revenues by implementing cost saving measures including but not limited to the following: mechanism design to reduce cost of professional fees, mechanism design to reduce the cost of site preparation, mechanism design to reduce cost by incorporating efficiency in school site design and recommendations regarding the use of cost effective and efficient reusable facility plans.

He went on to say that these are just some things that can be included in their review. He feels that a comprehensive report has to be written and it should be a committee effort. He would like to see that on the next agenda and also have people come up with some suggestions.

Public Comment:

A member of the public read about what Ed Code 15280(b) says regarding reports to the citizens: Citizens' Oversight Committees shall issue regular reports on the results of its activities. A report shall be issued at least once a year.

III. Reports of Officers and Subcommittees-

A. Reply to James Marta Regarding Acceptance of Financial & Performance Audits-

Member Riddle wrote a letter regarding the audit being amended. Member Kett pointed out that with her having worked on school district's audits, she's aware that once that report has been changed, it has to be resubmitted to all of the agencies and because it's not a "material" change but a "language" change, she suggests that they should do more of a recommendation for future audits for the footnotes to have more clarity. She went on to say that they would have to find out if there would be a concern with the state and federal agencies with making changes to the already approved audit report because that would all have to be resubmitted and if that would put up red flags since we're not talking numbers. Member Riddle stated that if the Committee is going to be doing a comprehensive report, they can't ignore that there has been two violations of the Ed Code in the audit. A few members agreed that those audit finding should be on their Committee report to the citizens.

B. Letter to School Board Regarding Contract Documentation Review-

Member Riddle talked about what Mr. Calise said at the end of the meeting which was that he would provide all documents that the CBOC requested. He said that what bothered him was that the District was concerned about the increase in scope so he wanted to get it clarified that they would receive any documents related to Measure Q and it would be up to the CBOC what they did with them and he didn't want to get into any discussion down the road so that is why he wrote the letter to the Board. He just wants some clarification that they will receive documents up front. Mr. Calise replied by saying that the concern was that a lot of the things being asked for simply did not match up with what the CBOC is supposed to do. He went on to say that an example of that is one of the things that the CBOC asked for was that they wanted to do a contract review on the Prop. 39 energy contract. As he pointed out, the Prop. 39 Energy contract is the Prop. 39 Energy Grant and has absolutely nothing to do with the Prop. 39 Bond. Also the CBOC needs to understand that their job is to look at how DUSD is spending the money and to make sure they are spending it appropriately and making sure that the District is exercising cost measures, so it's just to keep the District on track. He went on to say that documents are all public records and the District is in the process of uploading them all on the website. Member Riddle said his rationale was just to look at the contracts. He said there's a process and they simply want to look at the process and to ensure there was competitive proposals that were considered and that there is a system in place. They were very concerned about a large design contract that was a done deal before the Committee was even formed. Mr. Calise responded by saying he had no issues by him looking at the process. He went on to say that as far as looking at the qualifications and the price or with the price, he said it depended on the type of contract. He said that in regards to the architects, there was no RFP issued at the beginning and that it was simply an RFQ. He said that when they did the interview process, when they selected their architectural firm, they knew that LPA was the right fit for the Dixon Middle School project as a whole. Member Riddle stated that questions and requests were emailed to Mr. Calise. Mr. Calise agreed on getting documents emailed to the CBOC before the end of next week.

IV. Public Comment:

A comment was made stating that there are members of the public that are reconsidering their votes and that they are probably anxious for some information about what's going on. She said she had a conversation with a person who was very irate over the bond.

V. Unfinished Business-

Member Kett and Mustard met with John in regards with the website. They made a few suggestions on the look of the website which some changes have been made already. They added a link so that it would link directly to the CBOC site. Also when you link on to the Committee site, it now has all of the member's names but it's still a work in progress. The email addresses will also be up on the website so if a member wants a separate email address, notify either Member Kett or Mustard. There are more changes coming to the site. Member Kett told the committee to send her or Member Mustard any suggestions, concerns and/or recommendations regarding the website. Member Riddle stated that he would like District correspondence, minutes, agendas, to have the proper term used. "Citizens' Bond Oversight Committee".

Public Comment:

There was a suggestion by the public regarding using a personal email address. She said if you use your own personal email address and someone files a complaint, then everything in your personal email will be served. She also said that according to the Ed. Code, the District is supposed to maintain the CBOC website. She went on to say that it also says it in the CBOC bylaws.

She added that she gave out information on the California League of Bond Oversight Committee's conference (CaLBOC).

- VI. New Business-
Next meeting: May 16, 2018

- VII. Adjournment: 9:27pm