

BERKELEY UNIFIED SCHOOL DISTRICT
Construction Bond Oversight Committee

AGENDA

March 6, 2014

6:00 – 7:30 PM

Small Conference Room

1720 Oregon Street

Berkeley, CA 94703

(510) 644-6066

1. Call to Order
2. Public Comments (limited to 10 minutes)
3. Approval of Meeting Minutes
4. Staff Report
 - Solar Projects: Installed and Planned
5. **Action:** Review and Approve the Financial Audits for Measure I General Obligation Bonds for the Year Ended June 30, 2013
6. **Action:** Review and Approve the Performance Audits for Measure I General Obligation Bonds for the Year Ended June 30, 2013
7. **Action:** Approve Annual Report
8. Discussion of the Seismic Mitigation Program
9. Committee Member Comments
10. Monthly Report from Subcommittees
11. Future Meeting Date: April 17th
12. Adjournment

Enclosures:

Minutes (Draft) including attachments

February 6, 2014

Outline of Annual Report

February 28, 2014

Solar Projects Installed and Planned

March 6, 2014

Berkeley Unified School District

FACILITIES PLANNING DEPARTMENT

1720 Oregon Street, Berkeley, CA 94703 (510) 644-6066 Fax: (510) 644-8703

Draft Minutes of the Meeting of February 6, 2014

Members Present: Stephanie Allan Carl Bridgers Susi Marzuola
Nicolie Bolster-Ott Alan Nudel

Staff Present: Lew Jones, Director of Facilities
Chanita Stevenson, Administrative Coordinator

1. *Call to Order:* The meeting was called to order at 6:01 PM. Item #3 was moved up on the Agenda.
2. *Discussion with the Auditor:* Mr. Charles Raibley, from Crowe Horwath, presented the draft Measure I Financial and Performance Audit Reports to the Committee for review. At this time, the drafts are being finalized and a copy will be provided to the Committee once it is available. Mr. Raibley started with the performance audit. In this report, the firm checks to see if Measure I is in compliance with Proposition 39 guidelines for the 2013 year. Page 3 of the performance audit shows the review done for the current year. There were \$19.6 million in total expenditures for Measure I. Twenty-five individual items were sampled. Samples were chosen based on the firm's internal methodology. The items sampled totaled \$11.5 million which represents 59% of the total bond expenditures. There were no exceptions or issues found. The Auditor was able to provide all supporting documentation needed. Documented under conclusion on page 3 of the audit, they state that the results of their tests identified no exceptions and compliance with Proposition 39. For the financial audit, also required by Proposition 39, page one and two summarizes that the Auditor gave an unmodified opinion for the financial statements of Measure I. Their process included a risk assessment of all the higher risk areas involved with the financial statements of the bond funds. The auditors identified areas of focus and designed an approach for specific areas to test. The report summarizes the statements and the notes from page 5 and later provide additional information. The last two pages show the reporting for the District related to Governmental Compliance for accounting standards. All items in Measure I expenditures were reconciled back to the building fund of the District. The building fund also includes expenditures for Measure AA. These expenditures were covered in District audit. The auditor found no errors from a financial reporting perspective related to these funds. There were subsequent questions to the Auditor from the Committee related to the report.
3. *Public Comments:* There were no public comments.
4. *Approval of Meeting Minutes:* The following section of the Committee Member Comments was changed from: *Co-Chair Allan encouraged anyone who has an opinion related to camera systems to go to the January 15th Board Meeting. She believes that it is a bad expenditure of funds and that is misleading to families and parents. She believes it is wrong ethically and financially to* "Co-Chair Allan encouraged anyone who has an opinion related to camera systems to go to the January 15th Board Meeting. She believes that it is a bad expenditure of funds and that is misleading to families and parents. She believes it is wrong ethically and financially *because cameras have no way of being monitored in real time so they are not preventative and that they are expensive to maintain and many concurred.*" For item 5 where it says: Member Bolster-Ott asked if the Committee could take some time to look at the cost benefits of installing solar at our sites. It will be changed to say: *Member Bolster-Ott asked if the Committee could take some time to look at the cost benefits of having had solar installed at some of BUSD sites.*" The minutes were approved unanimously as amended with Member Bolster-Ott moving and seconded by Secretary Weaver.

5. *Staff Report*

Project Updates

- **Safety Audit:** The Board did not approve cameras as a part of the Safety item. The Board did approve the installation of cameras as a part of the Facilities Allocations board item. The Board will have to determine how the installed cameras will be used.
- **Educational Specifications:** The Board discussed this item. It was approved but it will not begin until the fall. It was approved as a part of the Facilities Allocations item.

Current Construction

- **Berkeley High School:** This project is going well. The move to the classroom building will occur the first weekend of March. The fitness center will be available a few weeks later. The portables will be placed in storage, BOC demolition and softball field work will begin. The overall construction will be completed in August.
- **Berkeley High School Tour:** A few committee members toured the new building and while they were impressed with the new building, they were concerned about the central campus focus on the Donahue Gym. The Design Review committee will take a look at the building.
- **West Campus Charter:** This project is scheduled to be completed on or near March 12th.
- **Demographic Study:** The demographic study went to the Board. There was some discussion regarding the impact of transitional kindergarten and the anticipation of more students attending public school. Staff added that as a part of the study, the District will not have to utilize Hopkins for Transitional Kindergarten this year. The District may have to consider it the following year. This information is going to the next board meeting.
- **Educational Specifications:** There was further discussion on this topic. The Committee is interested in understanding this subject better. Staff will invite Arturo Taboada to discuss Educational Specifications at a future meeting.
- **Upcoming Projects with some outreach:** John Muir, LeConte, Willard, King Gym and Donahue Gym modernization. These projects will include some outreach.
- **Technology purchases:** There is a request to accelerate technology purchases for this year.
- **Change in PM firms:** Turner has decided that our projects are too small and will no longer be accepting new projects. Since the Committee was involved in the last interview process, staff is providing information. The District plans to go out and solicit a new firm, but will utilize Van Pelt in the meantime.

6. Committee Member Comments:

- Co-Chair Marzuola had questions related to items in the Lessons Learned section. She noted that huge priority non-program maintenance items drop off in the grounds projects. She stated that she is interested in a process to track how these problems can be addressed. Staff responded that there was discussion on how to carve out budget to take care of maintenance items.

- Co-Chair Allan requested a report on solar projects on what has been planned and projected. This item will be added to the next agenda.

7. Additional Items on the Agenda

- Co-Chair Allan requested that Agenda item 6 be shifted to the next meeting.

8. Future Meeting Dates:

- Our next scheduled meetings are March 6th and April 17th.

9. Adjournment.

- The meeting adjourned at 7:29 PM.

REPORT TO BOARD - 2014

1. We held 10 monthly meetings with the Facilities Director for the past year.
The members are:

Stephanie Allan, Co-Chair
Susi Marzuola, Co-Chair
Eric Weaver, Secretary
Nicolie Bolster-Ott
Carl Bridgers
David Goldin
Allen Nudel

2. We formed a design review sub-committee that looks at design matters as they relate to cost, efficiency and facility plans and to assist in the design review of the many new upcoming projects and previously designed projects currently being implemented.

The design review sub-committee began its work with the BUSD Facilities Director by developing a rubric for identifying and reviewing projects, and for reporting back to the committee about those designs.

The committee selected projects for review, attended meetings regarding those projects, attended video presentations of projects and asked questions and provided input.

3. The design review committee proposed, and we adopted, a consistent process for notifying school communities and neighborhoods about significant proposed construction projects at each school. This process allows for better public input during the initial schematic design phase. We developed a template that was accepted by the Facilities Director and the Board.
4. We reviewed the various types of bonds that the BUSD is entitled to issue. We focused on when it is, or is not, advisable to issue CABS or 40 year bonds in general. Ultimately, the increase of assessed value in Berkeley has put off the potential need for lengthy bonds for at least several years.
5. We received monthly staff reports for all ongoing construction projects.
6. We reviewed the annual audit for year 2012-2013 and met with the auditor about the audit. We posed questions to the auditors and are satisfied with the results of the audit. At our March 6, 2014, we voted to approve the audit.

6. Summary/evaluation:

To date, we are satisfied that the District's Projects are in compliance with

Measure AA and Measure I. We believe that developing a consistent notification process will reduce complaints about lack of opportunities to provide input from both the school communities and neighborhoods.

AGENDA ITEM - MARCH 6, 2014

1. Motion: Approve the Financial Audits for Measure I General Obligation Bonds for the Year Ended June 30, 2013.
2. Motion: Approve the Performance Audits for Measure I General Obligation Bonds for the Year Ended June 30, 2013.
3. Motion: Approve outline of annual report.

SOLAR PROJECTS

The following is a list of completed and planned solar projects. If the date listed is in the past, the project is completed; if the date is in the future it is planned.

Washington	Summer 2008
Emerson	Summer 2011
BAM	Summer 2012
Malcolm X	Summer 2012
Rosa Parks	Summer 2013
Cragmont	Summer 2015
BHS Donahue Gym	Summer 2015
Community Theater	Spring 2018
Oxford	Summer 2019
Adult School	Late 2020 or early 2021