



Berkeley Unified School District

Facilities Division
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Draft Meeting Minutes of February 25, 2016

Members Present: Stephanie Allan Susi Marzuola Eric Weaver
David Goldin Allen Nudel

Board Directors Present: Josh Daniels

Members of the Public Present: David Kirwin Charles Raibley

Staff Present: Timothy E. White, Executive Director of Facilities
Chanita Stevenson, Administrative Coordinator

1. **Call to Order:** The meeting was called to order at 6:03 PM.
2. **Presentation by the Auditor:** Mr. Charles Raibley from Crowe Horwath LLP presented the Measure I Financial Statements and Performance Audit Reports of 2015 to the Committee for review. Mr. Raibley provided the Committee with a brief description of each report. The financial audit looks at the presentation and disclosure of the bond expenditures, cash and fund balance. The performance audit reviews the individual expenditures to ensure they were made in accordance with Proposition 39 as well as the Measure I bond language. Mr. Raibley started with the financial statements. 25 individual items were sampled. The total population of expenditures was \$10.5M. The total sample amount was \$921,000. There were no exceptions identified in the financial statements and there were no issues with internal control processes as a part of the performance audit. Mr. Raibley informed the Committee that the auditors will return in the spring to review the internal controls and test expenditures.

Questions/Comments:

1. *Secretary Weaver inquired about the amount of bonds that have been sold. Secretary Weaver believes that \$125M in bonds have been sold with \$85M remaining to be sold. Mr. Raibley and Executive Director White confirmed these amounts are correct.*
2. *Board Director Daniels asked about the fund balance as of June 30, 2015. Mr. Raibley responded that the balance was \$59,542,965 in cash and county treasury.*
3. *Co-Chair Allan asked Secretary Weaver to remind the Committee about the process for Measure AA. Secretary Weaver explained that the Committee reviewed a separate financial and performance audit for Measure AA a few years ago. (The Measure AA audit is part of the District audit and it does not require a separate audit) The Committee agreed that they will review a separate financial and performance audit for Measure AA once all*

expenditures are completed. Mr. Raibley will work with Business Services to determine the timing of this report.

The Committee will place an action item on the next agenda to approve the reports.

Refunding/Refinancing of the General Obligation Bonds:

Executive Director White stated that the Business Services Division went to the Board on February 24th to refund (refinance) the General Obligation Bonds. The refunding is expected to save the District \$2.2M over the life of the Bond.

3. **Approval of Meeting Minutes:**

Member Goldin moved to approve the minutes. Member Nudel seconded the motion. The minutes were approved unanimously.

4. **Public Comments:** There were no public comments.

5. **Staff Report**

Timothy White, Executive Director of Facilities gave the staff report.

- **Timeline for Future Projects**

Executive Director White stated that the Facilities team has been reviewing the timeline for future projects and he estimates that there is a total of \$125M left in the Bond to accomplish these projects. He is reviewing the projects at each site to determine if the budgets should be combined to roll out one larger project. Facilities received Board approval to combine the project budgets for the upcoming John Muir Modernization. Facilities plans to request approval to combine project budgets for an upcoming project at Malcolm X. Both projects were bid in 2015 and were significantly over budget. Facilities anticipates saving both hard and soft costs by bidding larger projects at once versus bidding smaller projects.

Co-Chair Allan asked if there are any plans to add another project management firm to handle upcoming projects. Executive Director White responded that Facilities plans to send out a Request for Proposals for project management services soon.

- **Educational Specifications Update/New School Exploration:** On February 24th, Staff presented to the Board an update on the educational specifications process. The report included an overall assessment of district capacity including an update on the potential need for a new school facility. The Board has requested that Staff return to the Board with information on costs and potential facility locations to house a new school in March. Executive Director White and Board Director Daniels led a discussion on the potential variables, including classes and use of flex spaces that impact the capacity of the district's elementary schools.

Co-Chair Allan asked Board Director Daniels for an update on the renewal of BSEP. Board Director Daniels noted that upcoming Board activities include the review of class size. Secretary Weaver and Member Goldin requested clarification on the placement of a new school. Executive Director White explained that the District

would repurpose a current facility to house a new school and not purchase land to build a new school.

Additional Comments/Updates:

- **Future funding for Projects:** Board Director Daniels requested that the Committee consider placing a discussion item on the September agenda regarding funding options for future projects.
- **Developer Fee Justification Study:** Staff noted that the Request for Proposals for Developer fees were returned and that consultant will be approved in an upcoming Board meeting.
- **City of Berkeley Board Room Negotiations:** Co-Chair Allan stated that last night the Board approved a pilot agreement for the City of Berkeley to hold eight meetings in the Board Room. Executive Director White, Co-Chair Allan and Co-Chair Marzuola have been charged with negotiating a long term agreement regarding future board room use.
- **Update on the Community Theater:** Co- Chair Allan noted that planning is moving forward on the Stagecraft curriculum. She expressed an interest in creating meetings to plan the process before hiring the architect. Staff responded that Facilities is planning to hire a consultant to assess the building and program. Co-Chair Marzuola asked if the assessment will include review of the historical landmark information, seismic, accessibility and building systems of the community theater. She noted that this information will help Facilities prioritize the program elements that will capture all the building system improvements. Staff noted the suggestion and stated that they are working with Berkeley High School to schedule a meeting to start the process. Member Goldin asked if Facilities is going to hire an architect outside of the current architect pool. Staff responded that Facilities plans to request proposals from architects that specialize in theaters.
- **Future Project Consolidation:** Executive Director White updated the committee on the Division's new process for reviewing sites and their current allocated budgets. He noted that sites with multiple projects could potentially be consolidated into one project to address the needs of the site versus fitting scope into an assigned budget.

6. **Monthly Report from the Subcommittees:** There were no reports.

7. **Next Scheduled Meeting Date:**

- The next CBOC meeting will take place on Thursday, March 17, 2016.

8. **Adjournment:**

- The meeting adjourned at 7:18 PM.