



MINUTES

GJUESD Citizens' Bond Oversight Committee

December 3, 2018 | 6:00 – 7:30 pm | *Meeting called to order by* Lois Yount

In Attendance

Lois Yount, Kevin Sellstrom, Thomas Silva, Melissa Pruitt, Carissa Cathey, Lorri St. Claire, James St. Claire, Brian Villanueva and Bonnie Rodriquez.

Minutes

The August 20, 2018 minutes were shared with committee members via email.

Introduction of New Committee Members

Lois Yount introduced new committee members Carissa Cathey and Lorri St. Claire.

Ms. Yount informed the committee that Marie Williams, Administrative Assistant, has taken a medical leave of absence.

New Chairperson

Committee Chairperson, Tom Silva, stated this would be his last meeting as he has been appointed to the GJUESD Board of Education. He shared the responsibilities of the chairperson with the committee. He indicated district office staff provides support as needed and assists in creating the agenda.

Lois Yount affirmed the responsibilities of the chairperson.

Lorri St. Claire was selected unanimously by the committee to serve as chairperson.

Bond Project Updates

Lois Yount provided Bond project updates. She shared the Measure K facilities improvement priorities: Multi-year roll-out timeline. She indicated the district is getting ready to issue the 2nd and final series of bonds totaling \$10 million. Ms. Yount invited committee members to attend the sale of bonds at the office of Government Financial Services on December 11th. She indicated the sale event is an opportunity to see in action how bonds are sold.

Lois Yount shared a Road map of measure K projects that includes priority status, approval status and funding timelines for school construction or modernization with State funds. She indicated the spreadsheet begins with project design followed by California Department of Education (CDE) and Office of Public School Construction (OPSC) approval status. Additionally, Department of State Architect (DSA) review and approval. Ms. Yount indicated the next step is the funding application process.

Ms. Yount reported that the district has received DSA approval for all school projects except at Greer due to previous projects with outstanding permits that have not been completed. She indicated the district has worked through the process to clear the permits at Greer and expects final clearance from DSA soon.

Lois Yount reported that a full site inspection at Marengo Ranch elementary was needed due to outstanding permits also. This holds up the building approval process and adds additional costs. She indicated that in the future, the district can withhold a 5-10% retainer until projects are complete and signed off on.

Ms. Yount addressed California Proposition 51, Public School Facility Bonds. She indicated the district is preparing to apply for these funds for the district's three oldest schools, Valley Oaks, Greer and River Oaks elementary. The schools qualify for up to 7.8 million in funding. Ms. Yount stated that Marengo Ranch elementary may also qualify for funding due to structural damage at the site.

Kevin Sellstrom shared that Marengo Ranch was built by two different contractors as the first contractor filed for bankruptcy half way through the building process. This posed significant challenges to the second contractor.

Lois Yount stated that PBK Architecture is doing analysis of the site to assist the district in applying for hardship funds from the state.

Lois Yount shared a list of completed bond projects. They include upgraded phone systems, security cameras, paving, playground equipment and HVAC & roofing project at Valley Oaks.

Bonnie Rodriguez asked if all bond funds are included on the roadmap.

Lois Yount indicated they were except the HVAC and roofing project. Some of the project was funded with Proposition 39 funds.

Lois Yount shared Increment Project details. She indicated Increment 1 projects are currently active projects under construction as of November 2018. Increment 2 is projects in design and Increment 3 and 4 are projects with unknown funding at this time.

Committee member discussed possible disposal of portables.

Lois Yount indicated that disposal depends on school board approval, enrollment numbers and costs.

Lois Yount reviewed the status of work at Marengo Ranch. She indicated the structure of the school will look different when repairs are complete. She indicated the school needs veneer replacement, wood/dryrot repair, stucco/masonry repair, painting, drain/downspout repair and replacement of HVAC and BS systems.

Kevin Sellstrom stated the appearance at Marengo Ranch will be more modern and easier to maintain. Spoke to the rotting in the walls due to water damage from the brick veneers and awnings.

Lois Yount stated that S&B James has been selected to work on the Marengo Ranch project. They will start during winter break and anticipate this will be a 14 month project.

Committee members asked for the definition of a Lease Lease Back agreement. Ms. Yount shared that this type of an agreement authorizes a school district to lease a school site to a contractor for a token amount (\$1), if the lease contract requires the contractor to construct, or provide for the construction of, a building to be used by the school district, so long as the title to the building would vest in the school district at the end of the lease. The contractor will then build the school and lease it back to the district. After the lease period, the property's ownership will revert back to the district.

Melissa Pruitt asked why Greer's roof replacement and repair is under Increment 3. Ms. Yount responded that funds were moved to Marengo Ranch due to safety issues.

Kevin Sellstrom stated that the district has made temporary short-term repairs at Greer and the structure is sound at this point.

Thomas Silva inquired about the reimbursement process if Marengo Ranch receives hardship funds.

Lois Yount indicated the district would continue work on facilities priorities with any funds reimbursed from the Marengo Ranch project.

Lois Yount spoke to the process of paying for architect plans and the benefit of using them as the district moves forward.

Melissa Pruitt asked if this was one reason the district implemented the parent survey regarding K-8 schools.

Lois Yount indicated that was one consideration.

Carissa Cathey asked how long the district has to start a project once it is approved.

Lois Yount stated that once DSA approves a project, the district has one year with a possible 6 month extension. She indicated there would be additional fees to extend it further because sometimes building codes and laws change, etc.

Lois Yount shared the cash flow analysis.

Bonnie Rodriguez asked where the interest from the bond money goes prior to the district spending it.

Thomas Silva stated that when the committee received the audit in June they explained that the interest is held in an interest bearing account with the Sacramento County Office of Education.

Bonnie Rodriguez asked if those funds can go towards the fees associated with Measure K.

Lois Yount stated she would bring that information back to the committee. She indicated the bond capacity is \$10.1 million and the district expects to receive 9.5 million. The remainder goes to fees, etc.

Lois Yount stated that in 2017/18 the district earned \$123,000 in interest and in 2018/19 \$5,000 was earned.

Lois Yount spoke to the process for hiring contractors. She indicated the district is saving funds wherever it can. An example is by not paying a consultant to upgrade the cashflow analysis or multi-year rollout spreadsheets.

Lois Yount shared information on the upcoming Valley Oaks grand opening.

Next Meeting Date

March 7, 2018 | 6:00 pm, Marengo Ranch Elementary School

Lois Yount and Kevin Sellstrom shared project photos of Valley Oaks multi-purpose room.

Adjournment

7:32 pm