

**Tustin Unified School District
Citizen's Oversight Committee
Measure L**

MINUTES

August 12, 2009

George Jeffries, Chairperson, called the regular meeting of the Citizen's Oversight Committee to order at 7:20 p.m. in the Board Conference Room, Tustin Unified School District, 300 South C Street, Tustin, CA 92780.

Members Present

George Jeffries - Chairperson
Tran Hong – Vice Chairperson
Bruce Junor (absent)
Cesare Lunetto
Ross Robbins
Susan Stalzer, M.D.
William Teter (absent)

Staff Present

Brock Wagner, Deputy Superintendent, Planning and Operations
Tony Soria, Chief Financial Officer
Peter Burns, Senior Director, Maintenance, Operations, and Facilities
David Miranda, Facilities Coordinator/Planner

Guests

George Jeffries led the Pledge of Allegiance to the Flag of the United States of America.

Adoption of the Agenda

It was moved by Cesare Lunetto, seconded by Susan Stalzer, and carried unanimously to adopt the agenda.

General Functions Consent Item:

It was moved by Cesare Lunetto, seconded by Susan Stalzer, and carried unanimously to adopt the Minutes of May 14, 2009.

Public Comments

None

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Staff Presentation and Information

1. Expenditure Report

In order for school districts to receive funds for construction under Prop 39 from the State of California, a Citizens Oversight Committee (COC) must be in place. The construction process consists of staff gathering information, prioritizing projects, presenting them to the Board, securing Board approvals, and staff following through with the project objectives. The COC is entrusted by the Tustin Community to oversee project expenditures and report any deviations from Measure L's intended purpose.

Brock Wagner provided an overview of the following State agencies and the role they play in the construction process:

- California Department of Education (CDE)
- Office of Public School Construction (OPSC)
- State Allocation Board (SAB)
- Division of State Architect (DSA)
- Department of Toxic Substances Control (DTSC)

The Foothill swimming pool replacement project will be built in part by Measure L funds. The District will receive approximately \$750,000 from the County of Orange towards the project. The pool design is currently in the Department of State Architect's office for review.

The District is currently responsible for approximately \$150 million of construction projects (including Measure G projects), oversight of 100 subcontractors, and expenditures of approximately \$3 million per month.

COC Member, Ross Robbins, requested a list of completed Measure G projects to date.

2. General Obligation Bond (SFID 2008-1) Measure "L" Future Bond Issues
(Measure "L" - Possible Projects List)

Staff is moving forward with the first projects for Measure L. i.e., modernization of the multipurpose rooms at the middle schools (C.E. Utt, Currie, Columbus Tustin, and Hewes middle schools). Staff is in the process of selecting an architect to present to the Board, who will provide a multi functional room prototype design, i.e., small stage, basketball courts, mondo floor, etc. This design will be implemented at all the middle schools and will take approximately 9 to 12 months to build. Other Measure L projects include the continued renovation of Foothill and Tustin High schools.

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The process of identifying and prioritizing future construction projects is time consuming due to preliminary testing of sites, mapping out the entire process, selecting qualified architects and consultants, coordinating the work while schools are in session, estimating project budgets and schedules, financing, and seeking site and community input. In addition, there are certain protocols that must be followed. In funding construction projects, IRS guidelines require that funds borrowed for construction must be spent within three years. Therefore, the District cannot borrow the entire Measure L amount of money approved by the voters for construction at one time.

The bond process was discussed and the District has one of the best ratings in the State. However, at this time the bond market is currently unstable and the Board is looking at other avenues of funding. On August 3, 2009, the Board passed a special resolution to apply and file a California Department of Education (CDE) Qualified School Construction Bond (QSCB) 2009 Application (Application) with the CDE no later than August 25, 2009.

QSCB's are bonds, or other types of securities issued as tax credit bonds that provide federal income tax credits to investors, and thus, eliminate or substantially reduce the interest cost associated with financing public school facilities. In order to issue QSCB's, the District must apply for a QSCB allocation with the CDE, which is the agency responsible for administering the Qualified School Construction Bond Program within the State of California and allocating QSCB financing to school districts within the State. The District's QSCB Application is proposed to be in the amount of Twenty Five Million Dollars (\$25,000,000). Based on the proposed QSCB Program, it is possible that the District would pay less in interest, therefore, saving tax dollars. The Feds currently have special tax credit bonds of \$700 million and school districts are put in a lottery for funding, but there is a possibility the District may not be selected in the first round.

George Jeffries noted that both Measure G and Measure L passed by a 2/3 vote and that the Board and District are doing a good job. The Measure G Committee communicated to the public where tax dollars were spent at different sites, including: ADA upgrades, deferred maintenance, and additional retrofits throughout the District as part of Measure G. The original Master Plan wish list for Measure G was completed. Tran inquired as to the technology infrastructure within construction projects.

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3. Foothill and Tustin High Schools Master Plans

Under Measure G, the Foothill High School science center project is approximately 95% complete and scheduled for turnover at the end of October/beginning of November 2009. Two ribbon cutting ceremonies will be scheduled for the Foothill High School science center, with one of them being a community open house. Tustin High School's first phase of its \$25 million Measure G allocation includes: stadium renovations, the quad upgrade and the new science center, with the quad slated for a late 2009 completion.

On August 24, staff will present to the Board the next sequence of modernization projects, i.e., scope of work, timelines, course of action, budgets, etc. NTD Architecture met with the high schools, student representatives, staff, and the community to refine each respective master plan and seek input with regard to prioritization and sequencing of projects.

4. COC Meeting Dates for 2009-10

The following are the 2009-10 COC meeting dates:

- September 9, 2009
- November 18, 2009 (date change due to Veteran's Day)
- January 13, 2010
- March 10, 2010
- May 12, 2010

Adjourn

It was moved by Susan Stalzer, seconded by Tran Hong, and carried unanimously to adjourn the meeting at 8:34 p.m.