

**Tustin Unified School District
Citizens' Oversight Committee
Measure G**

MINUTES

August 12, 2009

Bill Pevehouse, President, called the regular meeting of the Citizens' Oversight Committee "COC" to order at 6:03 p.m. in the Board Conference Room, Tustin Unified School District, 300 South C Street, Tustin, CA.

Members Present

Bill Pevehouse, President
Jim Cronn, Vice President (arrived at 6:04 p.m.)
David Albus
Chris Cummins (absent)
Merlin L. Henry Jr.
Jill Leach
Simon Russek
Amy Tanaka

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

Bill Pevehouse led the Pledge of Allegiance to the Flag of the United States of America.

Adoption of the Agenda

It was moved by Jill Leach, seconded by Amy Tanaka, and carried unanimously to adopt the agenda.

General Functions Consent Item:

It was moved by Merlin L. Henry, Jr., seconded by Jill Leach, and carried unanimously to adopt the Minutes of May 14, 2009.

Public Comments

None.

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Staff Presentation and Information

1. FHS Phase III and Expenditure Report Update

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

1. California Department of Education (CDE)
2. Office of Public School Construction (OPSC)
3. State Allocation Board (SAB)
4. Division of State Architect (DSA)
5. Department of Toxic Substances Control (DTSC).

Construction of 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. It was noted that the COC is entrusted by the Tustin Community to oversee project expenditures and report any deviations from Measure G's intended purpose.

COC Member, David Albus inquired as to the following FHS science center expenditures:

- Increase of Construction Manager General Conditions/Construction Support Costs (staff responded that actual costs for support services was greater than the estimated project costs prepared prior to the actual bid opening)
- Reduction of Construction Costs (staff responded that costs is lower due to current economic competition)
- Testing Fees (staff responded that testing fees were related to design issues and should have been posted under the design category column)
- Reduction of Contingency Costs (staff responded that contingency costs is based on projected costs of the project)

COC Member, Jim Cronn inquired as to the project funds designated for Foothill and Tustin high schools. It was discussed that the Board allocated \$25 million to Tustin High and \$25 million to Foothill High School as part of Measure G. Tustin High School's \$25 million allocation will cover the recent stadium renovations, the quad upgrade, and the new science center. Any remaining funds from its allocation will be used on the next phase of projects to be determined by the Board. Foothill High School's \$25 million included the infrastructure/quad upgrade project and the soon to be completed science center. Any remaining funds from its \$25 million allocation will be used on the Foothill swimming pool replacement project. The remaining balance of the swimming pool budget will be covered under Foothill's portion of Measure L.

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2. Foothill and Tustin High Schools Master Plans

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.

3. Measure G Bond Issue Update – Qualified School Construction Bond Program (QSCB)

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 California Department of Education (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. In order to apply for a QSCB allocation, the Board of Education of the District must adopt a resolution and file a CDE QSCB 2009 Application (Application) with the CDE no later than August 25, 2009. 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.

Brock Wagner discussed the \$25 million QSCB process and the Board's commitment to stay within the \$39/\$100,000. The bond market is currently unstable and the Board is looking at other avenues of funding. 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. On August 3, the Board passed a special resolution to apply for these funds.

4. General Obligation Bond II (SFID 2008-1) Measure "L" Future Bond Issues

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.

5. COC Meeting Dates for 2009-10

COC President, Bill Pevehouse shared the following 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

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6. New Business

A tour of school sites under Measure G construction is to be scheduled.

Adjourn

It was moved by Jill Leach, seconded by Amy Tanaka, and carried unanimously to adjourn the meeting at 7:06 p.m.