



Citizens' Bond Oversight Committee

DRAFT Minutes for Monday, January 29, 2018
Santa Barbara Unified School District Admin. Building
720 Santa Barbara St.

1. Call to Order

The Citizens' Bond Oversight Committee meeting was called to order by Chair Knecht at 5:35 p.m.

Pledge of Allegiance

Led by Chair Knecht.

Roll Call

Sign-in sheet was distributed.

Citizens' Bond Oversight Committee (CBOC) members present:

- Cyndie Young, community at-large representative
- Frank Stevens, senior citizens' organization representative
- Greg Levin, SBUSD parent and PTA representative (arrived at 6:00 p.m.)
- Margie Yahyavi, business organization representative
- Sandra Wood, SBUSD parent representative
- Chair Sarah Knecht, SBUSD parent and PTSA member representative
- Vice-Chair Taryn O'Neil, bona-fide taxpayers representative

CBOC committee members absent:

- Chris Morgan, business organization representative
- Lang Sligh, community at-large representative

Santa Barbara Unified School District (SBUSD) staff present:

- Alma Flores, administrative assistant
- David Hetyonk, director of facilities and operations
- Meg Jetté, asst. supt. of business services

Public Comment

None

2. Review and Approval of September 11, 2017 Citizens' Bond Oversight Committee (CBOC) Draft Minutes

Motion to approve the CBOC September 11, 2017 draft minutes by committee member (CM) Young. Second by CM O'Neil.

Ayes: 6 (Knecht, Stevens, Young, Wood, Yahyavi, O'Neil). Noes: 0. Abstention: 0 and Absent: 3 (Morgan, Levin, Sligh).

Motion passed: 6:0:0:2

September 11, 2017 CBOC minutes approved.

CM Young requested it be noted that the December 11 CBOC was cancelled and rescheduled to 1-29-2018.

3. Financial and Performance Audit Reports for 2016-17

Asst. Supt. of Business Services Meg Jetté presented the financial reports and accompanying communication letters for Measures Q and R 2010 and Measures I and J 2016. The reports and letters were presented to the Santa Barbara Unified School District Board of Education on January 9, 2018 for review and formal acceptance. The documents were also sent to the committee via email on January 9. Ms. Jetté indicated that the auditors, Vavrinek Trine Day & Co. reported zero findings and no internal control issues.

CM Levin arrived at 5:45 p.m.

Motion to accept the audit reports was made by CM Young. Second by CM Levin.

Ayes: 7 (Knecht, Stevens, Young, Wood, Yahyavi, O'Neil, Levin. Noes: 0. Abstention: 0 and Absent: 2 (Morgan, Sligh). Motion passed: 6:0:0:2

Director of Facilities & Operations David Hetyonk, reviewed the detailed and summary reports for Measures Q and R 2010 and Measures I and J 2016. The data in the Q and R active project expenditure reports are through October 31, 2017 and contain only active projects. Per Mr. Hetyonk, all identifiable projects are either complete or in progress. Any Q and R projects not completed and any remaining funds will be moved to I and J. Ms. Jetté clarified that the funds for Q, R, I and J will be kept separate.

CM Stevens stated that all board approved Q and R projects were completed and asked if there were any voter approved projects that were not completed. Mr. Hetyonk noted the projects were either completed or remained in progress. Chair Knecht asked if all of the Q and R funds were spent. Mr. Hetyonk indicated they were either spent or encumbered. Ms. Jetté indicated there was a three year requirement to expend the funds and added that Santa Barbara High School's (SBHS) Peabody Stadium may not be completed by April 15, 2019 because of lost construction days due to the mud slide in Montecito. The information will be made available to the public.

Ms. Jetté reminded the CBOC members that the I and J reports did not contain much information because the bonds were just sold in April of 2017.

CM Stevens noted his concern about the possibility of student's learning/educational time being affected by all the construction project. Mr. Hetyonk indicated that students were not being affected.

Ms. Jetté will provide a list of future, phase two, projects at next CBOC meeting.

Mr. Hetyonk continued his reporting for remaining Q and R projects and new I and J projects.

Chair Knecht asked about the \$9M remaining in Measure Q funds. Mr. Hetyonk noted that number was incorrect. The report does not contain the most current information. The remaining balance is approximately \$1M and most funds will be expended on the remaining projects.

The full financial, construction projects and audit reports are available on-line.

4. Overview of Current Construction Projects

Construction projects review was covered under item three.

5. Update on National Guard Armory Property

Mr. Hetyonk indicated the State of California has yet to provide an appraisal. There's clean-up in process for lead contamination. The district's appraiser was able to lower the value of the armory due to the lead contamination, flood zone, and liquefaction concerns, but that is not the appraisal that the State will use. Ms. Jetté added that the State of California is taking an "as is" stand. They are not taking into account any of the findings, such as lead, liquefaction, flood zone. The board approved \$20M from Measure I for the purchase and repair/upgrade of the armory.

6. Update on Santa Barbara High School's Peabody Stadium

Mr. Hetyonk directed the CBOC to the SBUSD's website. The facilities and operations department page contains pictures and updates from the contractor. He noted that the work slowed for a bit due to the unhealthy air quality resulting from the Thomas Fire and the freeway closure from the Montecito mud slide. A lot of the materials and employees come in from south Santa Barbara. Also, FEMA requested that all trucks and excavators be moved to assist in Montecito. It is very likely that the completion date will be pushed back due.

7. Phase Two Projects

Item was moved to the March CBOC meeting.

8. Review Draft Annual Board Reports

Mr. Hetyonk distributed draft reports for Measure Q, Measure R and a combined report for Measures I and J. The three reports were prepared by Julie Avnit from Spectrum Management Solutions. Mr. Hetyonk indicated the reports are standard and are presented annually to the board of education. If the committee approves the reports he will add it to the February SBUSD Board of Education agenda. Mr. Hetyonk asked if someone from the CBOC could be present; Chair Knecht volunteered.

Chair Knecht asked to amend the reports so that it is clear which bonds are elementary or secondary. CM Levin asked that the wording in the paragraph in the Executive Summary of all of the draft reports be changed from "We identified that no proceeds were spent on teacher salaries, administrative salaries or on operational expenses.." to "We identified no proceeds that were spent on teacher salaries, administrative salaries or on operational expenses."

CM Wood left at 6:45 p.m.

Motion to approve the draft reports as amended made by CM Levin. Second by CM Stevens.

Ayes: 6 (Stevens, Levin, Yahyavi, O'Neil, Knecht, Young). Noes: 0. Absent: 3 (Sligh, Morgan, Wood).

Motion passed: 6:0:3

9. Future meeting dates:

The next confirmed meeting dates are:

- March 12, 2018 at 5:30 in the SBUSD administration building
- June 11, 2018 at 5:30 at SBHS' Peabody Stadium (Lundgren Management Construction trailer)

10. Future Agenda Items

- Update on National Guard Armory Property
- Update on Phase Two Projects (including a list of projects)
- CBOC term renewals (Wood and Stevens)

11. Adjournment

Meeting adjourned at 6:50 p.m.

Minutes submitted by Alma Flores.

Minutes approved: