



# Albany Unified School District

Albany Unified School District  
Measure E  
Bond Oversight Committee

District Office-Board Room  
904 Talbot Avenue  
Albany, CA 94706

**MINUTES OF:**

Regular Meeting  
August 7, 2008

**MEETING CALLED TO ORDER:**

Superintendent, Marla Stephenson, called the Regular meeting on August 7, 2008 to order at 7:07 P.M.

**MEMBERS PRESENT:**

Member, Peggy Thomsen; Member, Bob Jacobs; Member, Allen Riffer;  
Member, Greg Lunkes; Member, Jesse Nawy

**MEMBERS ABSENT:**

Member, Chris Donahue; Member, Dave Clahan; Member at Large,  
Annie Tilt

**OTHERS PRESENT:**

Marla Stephenson, Superintendent; Laurie Hardin, Asst.  
Superintendent of Business Services; Dave Burke, Bollo  
Construction; Jennifer Walsh, Capital Program Management

**PUBLIC COMMENT PERIOD:** None

**APPROVAL OF MINUTES:**

None

**OLD BUSINESS:**

None

**NEW BUSINESS:**

**Superintendent's Introduction:**

Superintendent, Marla Stephenson introduced herself and her goal of this project. Her first project as superintendent would like it to go as smoothly as possible and to come in at budget or under budget.

All the members and attendees introduced themselves.

Superintendent's Expectation:

The superintendent's expectation of the Bond Oversight Committee is consistent participation and ability to seek out any problems before they become problems. To recognize that this is the taxpayer's dollars and to make sure those dollars are spent accurately and wisely.

Introduction of Prop 39:

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities", upon approval by 55% of the electorate.

In addition to reducing the approval threshold from two-thirds to 55%, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in Education Code sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b) (3) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.
2. The school district must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction and information technology needs in developing the project list.
3. Requires the school district to appoint a citizen's oversight committee.
4. Requires the school district to conduct an annual independent financial audit of the bond proceeds until all of the proceeds have been expended.
5. Requires the school district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

Select Members of the Committee:

The committee shall consist of at least seven (7) members to serve for a term of two (2) years without compensation and for no more than two (2) consecutive terms. The legislation is silent on how and under what conditions a committee member may be removed prior to expiration of his or her term.

The Committee must include:

- One member who is active in a business organization representing the business community located within the school district;
- One member active in a senior citizens' organization;
- One member who is the parent or guardian of a child enrolled in the school district;
- One member who is both a parent or guardian of a child enrolled in the school district and active in a parent-teacher organization; and
- One member who is active in a bona fide taxpayer's organization. [Education Code §15282(a)]

In addition to the above minimum requirements, the Committee may include additional member. The Committee may not include any employee or official of the school district or any vendor, contractor or consultant of the school district. [Education Code §15282(b)]

Explanation of the Committee Charge:

At the first meeting of the committee, explain the purpose and activities of the Committee. The purpose of the Committee shall be to inform the public concerning the expenditure of the bond proceeds. The committee shall engage in the following activities to carry out this purpose:

- Actively review and report on the proper expenditure of taxpayers' money for school construction;
- Advise the public as to whether the school district is in compliance with the requirements of article XIII A, Section 1(b)(3) of the California Constitution; and
- Convene to provide oversight for, but not limited to:
  - Ensuring that bond revenues are expended only for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities;

It is the express intent of the Legislature that the members of the Committee "promptly alert the public to any waste or improper expenditure of school construction bond money." [Education Code §15264]

The Committee shall at least annually issue regular annual reports of the results of its activities. [Education Code §15280(b)]

Pool Status:

The AUSD pool problem came to the District's attention;

- Mechanical Problem
- Roof leaks
- Roof dry rot
- Structural problem to the roof

- Pool water leak
- Out of date facilities

The District did not have the funds to repair or replace the items out of the reserved general fund. The former Superintendent presented to the Board the idea of shutting down the pool, or constructing a new pool. A new pool would mean the District would go out for a new bond. The Board decided to go out for the new bond in February instead of June. The former Superintendent received a general number he thought was accurate for \$10 million that would fund 5 classrooms, a redesign of the current cafeteria, reconfiguration of the multipurpose room and 2 indoor pools, one for instruction and the other for competition.

District received the preliminary numbers and discovered the original \$10 million was not enough to cover what was stated. The preliminary figures did not include demolition cost, and soft cost associated with the project.

A pool committee was created to work on a design for the project that will come in at \$10 million.

A presentation went to the Board the last week of June to inform they could not construct 2 covered pools; we could construct one inside pool (instruction) and one outside pool (competition).

The Board asked for a general business plan that staff provided with help from Dave Burke (Bollo Construction). The Board found out that the District is subsidizing the pool.

The pool cost the District an estimated \$130,000.00 to \$170,000.00 a year.

The Board directed the District to hire a firm (Sports Management) to analyze the pools operation and the cost of running it. Sports Management has confirmed that the District is subsidizing the pool at an estimated cost of \$180,000 a year. Sports Management reported to the District that it would always be subsidizing the pool. If the District chose to build one pool, the District would subsidize at a rate of 70% a year, if they chose two pools it would be less, at a rate of 30-40% a year.

The Board has not made a decision as to what direction they want to go with the pool project. A Board meeting is scheduled for Tuesday August 19 to decide whether to go forward with the pool project or not. Once decided, they will also make a decision on the design plan.

#### Bylaws:

A Committee should also wish to adopt its own set of operational bylaws to assist it in carrying out its functions pursuant to the policy. Adopting its own set of operational bylaws may allow a Committee to perform its functions more efficiently. In no event,

however, should the Committee's operational bylaws contradict or provide more authority than the applicable state statutes or the school district's policies and regulations.

A copy of the bylaws from the Measure A Bond Committee was presented. Peggy Thomsen volunteered to draft a set of operational bylaws and bring it to the next meeting for review.

Election of Officers:

Member Peggy Thomsen described how the elections of members were established for the Measure A Bond Committee.

The members proposed to have the Bylaws established before the election of the officers. Voted and passed.

Description and Status of the Project

Mr. Dave Burke introduced a projected budget for the Measure E Project. Mr. Burke explained the amount of money in each of the line items and described the meaning of Soft cost and Hard Cost. Soft costs are costs that do not involve the actual construction. Soft cost includes Site costs, Agency fees, Consultant costs, Bid costs, Furniture and equipment. Hard cost is the cost associated with the actual construction of the pool. Furniture and equipment was not included in the projected budget.

Member, Peggy Thomsen brought up the concern of the contract for the full time inspector costs. The inspector is required to be at the construction sight during construction.

Expenditure to date has been for A/E fees, Topographical survey, Program & Planning fees, Project Management, and Hazmat fees.

The recommendation from the pool committee brought to the Superintendent was to build 2 pools, one indoor pool for instructional use, and one outdoor pool for competition. The Committee recommended the outdoor pool design so that at a later date the District could enclose the pool when funds were available.

The projected length of the project from design to completion is expected a total of 19 to 21 months.

**NEXT MEETING:**

Superintendent, Marla Stephenson will email available October dates out to members.

**OTHER BUSINESS:**

It was recommended a few of the Bond Members attend a pool committee meeting for informational purposes.

**ADJOURNMENT:**

8:40 P.M.

DATE OF APPROVAL: