

**CITIZENS' OVERSIGHT COMMITTEE  
MEETING MINUTES  
March 17, 2003**

Chairman Al Valdez called the meeting to order at 5:15 p.m. with Roger Larkin, Gerald Bruce, Michael Calta, Stuart Holland, Maurice Ayala, Geoffrey VandenHeuval and Paul Andersen present. Bob Olin with B.E. McMurray Construction was also present. Andy Anderson arrived at 5:18 p.m. and Gary Larson at 5:20 p.m. Glenn Duncan and Gary Ovitt were absent.

1. Review/Approval of Minutes, January 13, 2002

Mr. Calta thought that the motion made by Mr. Duncan on page 3 regarding the Ayala stadium should include details about the funding methods mentioned because he felt the motion as stated in the minutes wouldn't be clear to the public. He stated that "funding methods" refers to the fact that the Ayala stadium construction is being paid for out of the general fund and then the general fund will be reimbursed when the second issuance of bond proceeds is received. Dr. Andersen clarified that it was being paid for from developer fees. Mr. Ayala said the public's understanding was that the school board said that no monies were going to be spent on the stadium until the second issuance and thought that meant the stadium would not be constructed until that time, which appeased the controversy at the time. It was suggested that the Board misled the public.

Dr. Andersen said Dr. Bloch made statements at board meetings that no projects that were going to be funded under the first issuance would be held at risk because of the Ayala Stadium, essentially that was why he offered that compromise to fund it out of the second issuance because there was a concern that some project in the first issuance was going to be at risk.

Dr. Andersen explained that developer fees are collected for new residential construction at \$3.15 per square foot and for commercial/industrial construction. The current fee for commercial/industrial is 34-cents per square foot. The fee is intended to offset the impact from new residential construction because in theory they create students that impact the school district. The commercial/industrial fees are less and are assessed because as businesses develop in the community it makes the community have a need for additional employment, which causes the need for more housing, in turn creating more students. The fees are used to fund various projects that are needed to house students, for example, building facilities, administration buildings, libraries, stadiums, and swimming pools. This fund is separate from the general fund.

Mr. Ayala requested an addition to his dissenting opinion regarding the motion about the wrestling room to say that an item that is properly documented on the project list possibly will not be funded if an item not properly listed, i.e. the Ayala wrestling room, is funded first. He pointed out that when the project list was

created, his understanding is that more projects were included on the list than would be funded.

Mr. Valdez made a motion to accept the minutes as written and Mr. Calta seconded the motion. All were in favor except Mr. Larkin. He thought there were major concerns regarding some of the statements and felt the minutes should remain unaccepted until the statements could be verified and clarified.

Mr. Calta suggested making a motion that a public statement be prepared outlining the committee's concerns over the financing being used at the Ayala and bring it before the committee at the next meeting. Mr. Anderson thought this information would be included in the next quarterly report.

Mr. Valdez suggested this issue might be an election issue. Mr. VandenHeuval stated he didn't want to spend a lot of time on the issue. Clearly, people have expressed their different opinions and the opinions are reflected in the minutes. He felt the committee wouldn't make substantive progress if they beat every issue to death. He felt the effective part of the motion was that the committee made a finding that the wrestling room is part of the stadium and the reference to funding methods was an aside. Mr. Calta reiterated he wanted some clarification about the funding methods to inform the public.

## 2. Subcommittee Status Report and Recommendations

Michael Calta reviewed the document previously mailed to members entitled, "Oversight Subcommittee Discussions - January 20, 2003, February 17, 2003." The attendees were Stuart Holland, Michael Calta and Maurice Ayala. They met to discuss ways to ensure that "vigorous efforts are undertaken" to reach out and inform the public concerning the expenditures of Measure M funds within the Chino Valley School District. It included suggestions for establishing subcommittees with distinct purposes, monthly visits to PTA's and/or site councils, and proposed format outline for such visits.

Mr. VandenHeuval felt a subcommittee model might not work for this type of committee. Mr. Larson doesn't see a need and does not want to participate in subcommittees. Mr. Holland pointed out that the required reports might be timelier and more organized if a subcommittee was working on it. Mr. Ayala thought a subcommittee made up of people who have more expertise on the accounting could organize the information for better understanding by the other committee members. Mr. VandenHeuval agreed that it would be helpful to have the accounting information in a more understandable form. He commended the subcommittee for their work and agreed the work could be divided up. Mr. Bruce said the term of office (two or three years) for each member would need to be taken into consideration for subcommittee volunteers.

There was some discussion regarding the annual report and how to proceed. Mr. Valdez asked if the committee wants to review the next quarterly report before it is submitted to the Board. The committee agreed that they would like to review it ahead of time to approve it. Mr. Larson suggested emailing the report to members and faxing it to Mr. Ayala. The members will have 72 hours to respond. Fourth quarter and annual report will coincide.

Mr. Calta asked for a response to the suggestion for monthly visits to schools. Mr. Valdez said the members are not prohibited from the visits. Mr. Calta said they should be organized. Mr. Larkin suggested that members email the chairman to let him know of their interest in serving on a subcommittee.

### 3. Ayala Stadium Concession Stand Bid

Bob Olin, from B.E. McMurray Construction Company, distributed paperwork to the members. Dr. Andersen explained that one of the committee members requested clarification and information regarding the recent bid for the Ayala Stadium concession stand. Mr. Olin explained that as time goes on, a huge amount of money is going to be poured into school construction. There are advantages of going out to bid on the stadium project as soon as possible and not delaying because prices would start to increase; one year from now stadium costs would be 10-15% higher. Construction management encouraged the district to get as many bids out as possible to take advantage of the existing good bid environment. Contractors can only do so much work because they have bonding limits. As they approach those limits, they start bidding higher on projects.

Mr. Olin explained items on the handout that might appear high and why they were high. On page two, the last four items are not part of the Ayala stadium bid and will not be paid for out of Measure M funds. They are smaller projects to be paid for from the Deferred Maintenance fund for Dickson and Cortez lunch shelters, which were included as part of the Ayala bid to get a better price. If they had been bid separately, he said they would have cost considerably more.

Some items that appeared higher than might be expected:

- Item 4, Demolition: there is large amount of demolition in this project, more than building on vacant land. Demolition includes retaining walls, electrical conduit and ducting, retaining walls and concrete at the wrestling room area, trenching and utilities.
- Item 5, Grading: Soil at Ayala is clay and very unstable and requires over-excavation. Need to dig down 6' below grade and re-compact the soil back up to a stable surface.
- Item 6, Utility Allowance: There were a lot of underground utilities, didn't know exactly where they were, some as-builts from the district were available but weren't complete. The estimate was \$25,000, but went over

about \$10,000 so far. Time and material sheets are available to document the labor as well as an inspector and a superintendent.

- Item 9, Fire Line & Hydrants: Ordinarily wouldn't have fire hydrant, but the State Fire Marshal required a fire hydrant, 350' of 6" fire line with 4" hydrant.
- Item 32, Toilet Partitions and Accessories: Number is high because vandalism is anticipated. A high grade of partition is required to deter vandalism, plumbing fixtures all stainless steel to avoid having to replace due to vandalism.
- Item 38, Electrical: Includes PA system for stadium, tying into press box, bleachers, concession stands, etc.
- Mr. Olin feels it is a good bid or wouldn't have recommended accepting it.

Mr. Valdez asked if, so far as Mr. Olin was aware, they were only \$10,000 over at this time, and asked if they anticipated any more. Mr. Olin stated they were pretty much through the ground and shouldn't see any more. Mr. Bruce asked if all the items on the handout were only for the field house. Mr. Olin explained there were several other bids or phases: the wrestling building bid was given to Modtech; the bleachers, Southern Bleachers; and K.A.R. Construction was awarded the bid for mobilization, hooking up utilities for the wrestling room and the bleachers, site work, utilities and building the concession stands.

Mr. Calta distributed a sheet entitled, "Ayala Stadium Cost Review as of March 17, 2003," that he had developed with costs for all of the bids awarded for the Ayala Stadium so far. There was further discussion about the different costs and scope of work on the Ayala Stadium regarding Mr. Calta's cost review and the architect's conceptual estimate. No decision has been made regarding the addition of a weight room at Ayala. Mr. Olin explained the need for two concession stands in the stadium to keep the opposing sides apart during games. Dr. Andersen said the plan has always been basically the same. Mr. Olin explained that the concession stands are basically equal. A request was made for a breakdown of cost for each concession stand. A point was made that having concession stands on both sides will bring in additional revenue. Mr. Bruce asked if all items relative to the stadium, with the exception of the weight room, have been finalized in the existing bids or are there more to come. Mr. Olin said to his understanding they were finalized. There was some discussion regarding wood framing and metal framing.

#### 4. Progress of Modernization Design Work

Dr. Andersen introduced a document entitled, "Project Progress Report" dated March 5, 2003, that gives an update on the projects currently in progress with WLC Architects. The Don Lugo and Walnut projects are furthest along and may be ready to bid this spring, for construction in spring and summer. He explained a new requirement that the district is subject to called AB 1506, Labor Compliance

Program. The district is trying to ascertain whether this requirement will be fulfilled internally or whether a third party will be necessary to confirm that workers are being paid prevailing wages because it's required under the State School Building Program. It's always been a requirement that prevailing wages be paid. Now closer scrutiny by a third party and the Department of Industrial Relations is being required. Dickson and Cortez Elementary Schools are eligible for complete modernizations and will be some of the next projects to be started. Marshall Elementary School's enrollment will be expanded next year, and the district may be bringing a recommendation to the committee to move forward with some of Marshall's Measure M projects.

Mr. Anderson asked when actual work would start at Don Lugo. Dr. Andersen said input was still being gathered from the major departments at the school and the new construction plans had not received DSA approval. Mr. Anderson asked what had been done since the presentation by Jim DiCamillo from WLC Architects. He felt at the time of the presentation, it was already known how the school would be organized. Now it appears the plans are still at question and there's still ongoing input being obtained to try and come up with some final plan. He felt it doesn't provide much in the way of assurance that hammers are going to be hitting the job anytime quick. Dr. Andersen said they probably wouldn't be hitting quickly.

Mr. Larkin asked if the committee could obtain information on what specifically is being done at a site, i.e., building classrooms, building auditoriums, cafeterias, restrooms, playgrounds, major items. For instance, can they receive a list of all the modernization items submitted to DSA to be done at Don Lugo? He requested the past and future lists of items on the DSA submittals for all projects under Measure M. Mr. Bruce asked if DSA submittals include cost information. Dr. Andersen said DSA is interested in three factors: structural integrity of the buildings, fire/life/safety, and ADA compliance issues.

Mr. VandenHeuvel made a motion that the progress reports submitted to the committee include the major components of Measure M projects to be done at all sites. Mr. Larkin seconded the motion and all members were in favor. Mr. Larkin clarified the request to include past and future DSA submittals.

Mr. Holland asked what the line saying, "Require District input on Measure M list" meant under Dickson and Cortez modernization on the progress report. Dr. Andersen said he hadn't received a request from the architect. He speculated that they might need ongoing population figures for planning purposes, as was the case for Walnut. He explained that planning staff will look at the projected population, figure out what staffing is and extrapolate the number of teaching stations or classrooms needed and the district will build for that figure.

Mr. Bruce asked for an update regarding the trusses at Rhodes and Wickman. Dr. Andersen said he would see if he could get the answer. Mr. Anderson asked if the

committee could obtain a timeline on modernization and renovation at Don Lugo. Dr. Andersen said dealing with DSA could take three to six months and the district needs to find a DSA inspector for the project. Inspectors are hard to find at this time. Mr. Anderson commented that there didn't seem to be much progress going on. Mr. Calta said the presentation put on by Mr. DiCamillo may have led the members to believe the project was further along than it is. Mr. Larkin asked if there is a normal amount of time that the DSA takes to approve a project. Dr. Andersen said he has seen projects take as short as a month to as long as eight months. It also depends on the volume of requests received at DSA. Right now the district is told it's taking three to six months on new construction. He said there is a manpower shortage there as well. Even our construction management firm does not have a project manager available for the project. He said the fact that the district is involved in a great number of construction projects at this time is stretching its resources and manpower very thin.

#### 5. Fund 21 Measure M Activity Report

The Measure M financial activity report had previously been distributed to the committee members. Dr. Andersen explained the report is divided project by project with various categories set aside for architectural fees, new construction building inspections, etc. It is a year-to-date report and includes all information previously shared in earlier activity reports. It has a total summary at the beginning and each site has its own section. Dr. Andersen recommended that if committee members have specific questions about any items that they email them to him so he can prepare responses for the next meeting.

Mr. Bruce asked if any renovation projects are included in this report. There did not appear to be any yet. He asked if once those sites start showing up on the report, is there a way to map these balances into the stated objectives for those schools or a way to tie figures to an item. Dr. Andersen stated the district is looking at a software package that would give them that capability, but at this time it wasn't available.

There was discussion about how the schedule of values will provide a breakdown of the work to be done within a contract and can be used to itemize the costs for comparison.

#### 6. Other Topics/Public Comments

The next meeting was scheduled for May 19th at 5:00 p.m.

Mr. Anderson asked if there had been any correspondence from the public since the last meeting. Mr. Valdez said he had communicated with a woman who wanted to come to the meeting with approximately 25 parents from Chino Hills High School to talk about the pool completion. He explained to her that priorities and scheduling of construction is not a function of the committee. He suggested

they make a presentation to the board at the next meeting. Dr. Andersen said he hadn't received any requests or communications from community members about Measure M projects.

The meeting was adjourned at 6:58 p.m.

## **Requests for Information, COC Meeting 3.17.2003**

1. A request was made for a breakdown of cost for each concession stand.
2. Marshall Elementary School's enrollment will be expanded next year, and the district may be bringing a recommendation to the committee to move forward with some of Marshall's Measure M projects.
3. For instance, can they receive a list of all the modernization items submitted to DSA to be done at Don Lugo? He requested the past and future lists of items on the DSA submittals for all projects under Measure M. Mr. Bruce asked if DSA submittals include cost information. Dr. Andersen said DSA is interested in three factors: structural integrity of the buildings, fire/life/safety, and ADA compliance issues.
4. Mr. VandenHeuval made a motion that the progress reports submitted to the committee include the major components of Measure M projects to be done at all sites. Mr. Larkin seconded the motion and all members were in favor. Mr. Larkin clarified the request to include past and future DSA submittals.
5. Mr. Bruce asked for an update regarding the trusses at Rhodes and Wickman. Dr. Andersen said he would see if he could get the answer.
6. Mr. Anderson asked if the committee could obtain a timeline on modernization and renovation at Don Lugo.
7. Mr. Bruce asked that once renovation projects start showing up on the report, is there a way to map these balances into the stated objectives for those schools or a way to tie figures to an item.
8. There was discussion about how the schedule of values will provide a breakdown of the work to be done within a contract and can be used to itemize the costs for comparison.