

**MENLO PARK CITY SCHOOL DISTRICT**  
**CITIZENS' BOND OVERSIGHT COMMITTEE - REGULAR MEETING**

**AGENDA**

Wednesday October 8, 2014  
4:00-5:00 p.m.  
District Office  
181 Encinal Ave, Atherton, CA

Regular Bond Oversight Committee meetings are open to the public. Prior to any final action being taken on any item, or prior to moving on to a new item, members of the public in attendance are invited to address the Committee regarding items under consideration.

**I. CALL TO ORDER AND ROLL CALL**

**II. REVIEW AND AMEND THE AGENDA**

Amendments to the agenda may be made at this time.

**III. COMMENTS FROM THE AUDIENCE**

Under Comments from the Audience, the public may address the Committee on any subject not listed on the agenda. An individual may only address the Committee once under this item. Three (3) minutes may be allotted to each speaker but can be extended by a Committee member, if so desired. The Committee cannot act on non-agenda items and cannot respond to issues other than to provide general information. The individual shall state his/her name and address before addressing the Committee.

**IV. CONSENT AGENDA**

Information concerning the consent items listed below has been forwarded to each Board Member prior to the meeting for study. All items on the consent agenda are routine in nature and will be acted upon in one single motion. If any member of the Board, the Superintendent, or the public so requests, an item shall be removed from the consent agenda and will be placed on the regular order of business following the approval of the consent agenda for separate discussion and action.

**Approval of Items on the Consent Agenda**

A. Approval of Bond Oversight Committee Meeting Minutes – June 4<sup>th</sup> 2014

**V. REPORTS/DISCUSSION ITEMS**

- A. Bond Program Planning and Design Update
  - 1. Laurel ES Upper Campus
- B. Contractor Selection Process for Laurel ES Upper Campus
- C. Budget Review
- D. Review/Discuss Expenditures Report to date

**VI. ACTION ITEMS**

- A. Schedule next meeting

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**VII. ADJOURNMENT**

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**MENLO PARK CITY SCHOOL DISTRICT**  
**CITIZENS' BOND OVERSIGHT COMMITTEE - REGULAR MEETING**

**DRAFT MINUTES**

Wednesday June 4<sup>th</sup>, 2014  
4:00-5:00 p.m.  
District Office  
181 Encinal Ave, Atherton, CA

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**I. CALL TO ORDER AND ROLL CALL**

The meeting began at 4:08pm. Ken Rutsky, Todd Brahma, Adam Craig, Ahmad Sheikholeslami (Director of Facilities and Operations) and Diane White (CBO) were present. Introductions were made.

**II. REVIEW AND AMEND THE AGENDA**

There were no amendments made to the agenda.

**III. COMMENTS FROM THE AUDIENCE**

There were no comments from the audience or any audience present.

**IV. CONSENT AGENDA**

There were no items to approve under the Consent Agenda.

**V. REPORTS/DISCUSSION ITEMS**

- A. Role and Duties of Citizens Bond Oversight Committee: The Director provided an explanation of how the meetings run. There are still other open positions in the Committee that need to be filled. AS to ask Tim Fox how many votes are needed to achieve quorum.
1. Proposition 39 (2000) and AB 1908  
Previously this was a general obligation bond that only required a 2/3 vote, but has since been reduced to a vote of at least 55% but with safe guards, such as CBOC requirements for example. We had 60 days from the day that the Board certified Bond to establish the Committee. AS of 4/2/14 the District received the funds.
  2. By-Laws  
Per Bylaws 3.1 and 3.2, the Committee is responsible to review Bond expenditures and to provide an annual report to the School Board. KG to provide a copy of the Measure W ballot measure. No monies shall be spent on teacher's salaries. AS and KG's salaries are ok. 50% is paid by Bond and 50% is paid by the District. Committee members are required to fill out and submit the Form 700 regarding disclosure of conflicts of interest. KG to email to Committee.  
The term of Committee membership is 2 years. The Committee will commence when the project is completed (should take about 2 ½ - 3 years) or if the Bond funds have been expended. The positions of the Chair and Vice Chair are 1 year rotations. A question was posed as to whether Committee members can meet off site; 2 members can meet, but more than two is constituted as a meeting.
  3. Ralph M. Brown Public Meeting Act  
The Committee is free to review the Brown Act.
  4. Duties
    - i. Independent Financial and Performance Audits

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Discussion was made concerning the Board acceptance of the Architect for the Laurel Upper Project. AS noted that typical project costs are estimated 80% hard versus 20% soft cost. Architect fees range from 8%-10%.

ii. Annual Reports

The Annual Report relies on an independent audit and the data that we provide. The report certifies both and are very detailed. The Board mainly relies on the audits.

iii. Regular Meetings

The question was posed as to whether the Committee has any power. The Committee should meet at least once a quarter. The job of the committee is the annual report to the Board certifying compliance with Prop 39.

5. District Support

The District will provide copies of anything that is requested. The Director will work with the Chair on the meeting agendas.

B. Bond Program Planning and Design Update

1. Laurel ES Upper Campus

The new school will be 5.9 acres and have 16 classrooms and be similar to and work in connection with Laurel. It will be a 2 story interior building and very secure. Tinsley buses will enter from a controlled gate area from Oak Court. A shuttle may run between the two schools in the afternoon to reduce auto traffic. The layout has been reviewed and it will be a collaborative and forward looking, modern and warm school site.

The question was asked what the biggest cost risks are. Increasing square footage would be the largest cost risk. The Director is working with the Construction Manager to do updated estimating and make sure that all aspects balance evenly and that everything is up to code. The question was asked whether the new school would have solar. The new school will not have solar, but will be solar prepped as required by Title 24. In February, the Board approved the site scheme. There are regular meetings with the Site Design Committee. We are 30-40% done with the plans. The Construction Management team will perform an initial estimate, which also depends on market conditions.

The construction of the new school will be a lease leaseback arrangement as time is of the essence. The Contractor will also conduct preconstruction services. The work will start on May 15<sup>th</sup> 2015 and the Contractor should be able to get competitive subcontractor bids. A traffic study showed no impact. The City is responsible for the right of way improvements in the streets.

C. Sales of School Bonds

CBO White reviewed the market overview and pricing results of general obligation funds from March 2014. The District received a strong AAA rating. There is assessed value tracking. There were changes in regulations and a new treasurer.

D. Budget Review

The budget shown in the Consolidated Expenditure Detail is more than 23M because it includes interest earnings and other District funds allocated for facilities. There are restrictions on the use of the interest earned from the Bond funds, for example, they cannot be used towards teachers' salaries.

RDA Dissolutions reside in the Funding code 40 as special reserve for facilities. If there is money leftover in the budget, they can be used for other projects. This is approved by the Board. Developer fee funds are earned through expansions and remodels of the properties within the District.

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Expenditures will work within the scope of the work budget, and then through project contingency. There are site costs and CEQA requirements for receiving state funding which fall into code 6150 and 6173 for DTSC which shall be resolved soon. Code 6270 includes change order contingencies for issues that could arise during construction. After the construction management team makes their estimates, the 19M figure will change. Temporary housing/portables are under code 6276. Code 6285 is for inspections. DSA requires a full time inspector on site. Code 6999 is contingency monies for design, escalation, and general unforeseen issues.

E. Review/Discuss Expenditures Report to date

**VI. ACTION ITEMS**

- A. Establish schedule and Elect Chair and Vice Chair  
 The Committee voted for Ken Rutsky as Chair and Todd Brahama and Vice Chair.  
 The next two meetings are scheduled for 9/10 & 12/10.

**VII. ADJOURNMENT**

The meeting adjourned at 5:28pm.

**APPROVED:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

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# Budget Adjustment Request

*Account-Ability*



Internal Controls Document - Review/Approval Transmittal for Budget Changes

Project: <b>O'Connor - O'Connor</b>		Account Code: nn-0000-0-0000-8500-nnnn-006-0000		<b>Routing List</b>	
Budget: Working Budget		Duration: 10		<b>Review / Approval</b>	
Start: 7/1/08		Aging: By Year		<b>Date</b>	
Notes:				<b>Initials / Signatures</b>	
				Originator / /	
				Construction Manager / /	
				Program Mngr / /	
				Accounts Payable / /	
				Originator / /	

Code	Description	Initial Budget	Approved Changes	Current Budget	Proposed Changes	Revised Budget	Committed	Expended	Remaining	Budget Variance
<b>Funding Sources</b>										
<b>State</b>	<b>State</b>	-	-	-	-	-				
21	General Obligation Bonds	1,750,000	22,566,106	24,316,106	1,527,057	25,843,163				
25	Developer Fees	-	750,000	750,000	350,000	1,100,000				
40	Special Reserve for Facilities	-	1,158,314	1,158,314	6,050	1,164,364				
<b>Local</b>	<b>Local</b>	<b>1,750,000</b>	<b>24,474,420</b>	<b>26,224,420</b>	<b>1,883,107</b>	<b>28,107,527</b>				
<b>Total Funding Sources</b>		<b>1,750,000</b>	<b>24,474,420</b>	<b>26,224,420</b>	<b>1,883,107</b>	<b>28,107,527</b>				
<b>Expenditures</b>										
6140	Surveying Costs	-	35,000	35,000	456	35,456	27,456	27,456	-	8,000
6150	Site Support Costs	-	60,000	60,000	(36,000)	24,000	23,050	18,825	4,225	950
6173	Hazard Waste Removal	-	20,000	20,000	130,000	150,000	83,459	67,980	15,479	66,541
<b>A</b>	<b>Site Costs</b>	-	<b>115,000</b>	<b>115,000</b>	<b>94,456</b>	<b>209,456</b>	<b>133,965</b>	<b>114,261</b>	<b>19,704</b>	<b>75,491</b>
6210	Architect / Engineering Fees	-	1,520,000	1,520,000	134,500	1,654,500	1,306,715	944,800	361,915	347,785
6230	DSA Fees	-	135,000	135,000	-	135,000	120,250	120,250	-	14,750
6240	CDE Fees	-	13,000	13,000	-	13,000	-	-	-	13,000
6255	Geotechnical Engineering Svs	-	20,000	20,000	2,134	22,134	17,500	17,500	-	4,634
6260	Other Costs - Planning	-	159,000	159,000	30,500	189,500	8,629	8,197	432	180,871
<b>B</b>	<b>Planning Costs</b>	-	<b>1,847,000</b>	<b>1,847,000</b>	<b>167,134</b>	<b>2,014,134</b>	<b>1,453,094</b>	<b>1,090,747</b>	<b>362,347</b>	<b>561,040</b>
6270	Main Construction Contractor	-	19,950,000	19,950,000	2,869,732	22,819,732	-	-	-	22,819,732
6272	Construction Management Fees	-	760,000	760,000	25,000	785,000	265,590	102,560	163,030	519,410
6275	Other Costs - Construction	-	350,000	350,000	14,569	364,569	-	-	-	364,569
6276	Interim Housing	-	20,000	20,000	-	20,000	-	-	-	20,000
<b>C</b>	<b>Construction Costs</b>	-	<b>21,080,000</b>	<b>21,080,000</b>	<b>2,909,301</b>	<b>23,989,301</b>	<b>265,590</b>	<b>102,560</b>	<b>163,030</b>	<b>23,723,711</b>
6280	Construction Tests	-	190,000	190,000	10,000	200,000	-	-	-	200,000
<b>D</b>	<b>Construction Testing Costs</b>	-	<b>190,000</b>	<b>190,000</b>	<b>10,000</b>	<b>200,000</b>	-	-	-	<b>200,000</b>
6285	Inspections	-	340,000	340,000	-	340,000	-	-	-	340,000
<b>E</b>	<b>Construction Inspection Costs</b>	-	<b>340,000</b>	<b>340,000</b>	-	<b>340,000</b>	-	-	-	<b>340,000</b>
6410	Furniture & Equipment	-	190,000	190,000	130,635	320,635	-	-	-	320,635
6415	Technology Equipment	-	274,000	274,000	-	274,000	-	-	-	274,000
<b>F</b>	<b>Furniture &amp; Equipment Costs</b>	-	<b>464,000</b>	<b>464,000</b>	<b>130,635</b>	<b>594,635</b>	-	-	-	<b>594,635</b>
6999	Project Contingency	1,750,000	438,420	2,188,420	(1,428,420)	760,000	-	-	-	760,000
<b>G</b>	<b>Project Contingency</b>	<b>1,750,000</b>	<b>438,420</b>	<b>2,188,420</b>	<b>(1,428,420)</b>	<b>760,000</b>	-	-	-	<b>760,000</b>
<b>Total Expenditures</b>		<b>1,750,000</b>	<b>24,474,420</b>	<b>26,224,420</b>	<b>1,883,107</b>	<b>28,107,527</b>	<b>1,852,649</b>	<b>1,307,568</b>	<b>545,081</b>	<b>26,254,877</b>
<b>Balance Remaining</b>										
<b>Balance Remaining</b>		-	-	-	0	0				