

LEMON GROVE SCHOOL DISTRICT
OFFICIAL MINUTES OF THE
MEETING OF THE INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE

INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE MEETING — SEPTEMBER 17, 2014 – The regular meeting of the Independent Citizens' Oversight Committee of the Lemon Grove School District was held at the Lemon Grove Academy (Middle), Administration Office Training Room, 7866 Lincoln Street, Lemon Grove, California, on Wednesday, September 17, 2014. Cary Demaree (Chair) called the meeting to order at 5:04 p.m.

Committee Members Present:

Cary Demaree (Parent, PTA, At-Large Community Member – Chair)
Norberto Gonyea (Parent)
Mark Gracyk (Business Community – At-Large Community Member)
Ilse Hanning (At-Large Community Member – Vice Chair)
Jon Pettis (Parent, At-Large Community Member)
Toni Shaw (At-Large Community Member)

Committee Members Absent:

William Baber (Taxpayers' Organization)
Gerard Selby (Parent, PTA, At-Large Community Member)

District Staff Members Present:

Larry Loschen, Official Board Representative
Gina Potter, Deputy Superintendent
Bret Felix, Projects & Facilities Supervisor
Michelle Flores, Account Technician

Attorney Present:

Sophie Akins, Best Best & Krieger

PLEDGE OF ALLEGIANCE – Cary Demaree led the Pledge of Allegiance.

AGENDA – It was moved by Hanning seconded by Gracyk to approve the agenda as presented. The motion was called for with the following results: Ayes – Demaree, Gonyea, Gracyk, Hanning, Pettis, Shaw; Nays – none; Absent – Baber, Selby. The motion carried.

MINUTES – It was moved by Hanning, seconded by Gracyk to approve the Minutes of the regular meeting of June 25 2014 as presented. The motion was called for with the following results: Ayes – Demaree, Gonyea, Gracyk, Hanning, Pettis, Shaw; Nays – none; Absent – Baber, Selby. The motion carried.

HEARING OF CITIZENS FOR ITEMS NOT ON THE AGENDA – None

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NEW MEMBERS - Dr. Potter introduced two newly appointed ICOC members, Mr. Norberto Gonyea and Mr. Jon Pettis. Mr. Gonyea is a parent of a student in the District and is retired military. While in the military he was assigned as the funds appropriation manager. Mr. Gonyea also carries a bachelor's degree in business management.

Mr. Pettis is a parent of a kindergartener in the District and notes that his daughter is most precious to him. As a homeowner in Lemon Grove he graduated from UCLA School of Law, has been a trial attorney for the last 18 years, and has lived in Lemon Grove for 34 years. Mr. Pettis stated that being a member of the ICOC is another way he can give back to the community.

ELECTION OF VICE CHAIR - Mark Gracyk nominated Toni Shaw for the Vice Chair position and she respectfully declined. Sophie Akins explained that when the Chair is not available the Vice Chair would work with Dr. Potter and Michelle Flores to coordinate meetings. Mr. Gracyk nominated Ilse Hanning and she accepted the nomination of Vice Chair. It was moved by Pettis seconded by Gracyk to elect Mrs. Hanning as the Vice Chair of the ICOC. The motion was called for with the following results: Ayes – Demaree, Gonyea, Gracyk, Hanning, Pettis, Shaw; Nays – none; Absent – Baber, Selby. The motion carried.

PROPOSITION W GENERAL OBLIGATION BOND EXPENDITURE REPORT - Dr. Potter explained to new members that fiduciary oversight is their primary duty and the new members can see the summary of projects to get a good idea of all existing projects and their status. Mr. Pettis mentioned that a lot of the funds appear to be completely spent however, some projects are not complete. Only \$18 million of the \$28 million in Proposition W funds have been issued to date in the form of Series A, B and C. The District has expended the vast majority of the \$18 million on Proposition W approved projects. Dr. Potter added that the District also received approximately \$4 million in State Allocation Board (SAB) that was deposited into the Proposition W account in order to fund projects currently in the queue or recently completed.

Mr. Gracyk asked for detail on particular charges: Dental Clinic - Mr. Felix shared that the closet reached a heat range of 105 plus degrees. In an effort to be safe, the District added the sensor monitored by security to alert the District. When the District is alerted we will check out to make sure there are no problems. Districtwide Wireless: Soltek is the contractor assuming the Districtwide wireless project. When Soltek assumed their contractor role with this project the District closed the Infinity Communications and Consulting (Infinity) contract for project management and Soltek contracted directly with Infinity for engineering and design services. Mr. Pettis clarified that Soltek assumed the contract for the design engineering and asked if there were any cancellation fees. There were no fees assessed to the District. Members asked about the new Information Technology Director (Simon Abejo) and if he is involved to refine the design of the wireless project. Dr. Potter stated that funds are finite in nature. We will invite Mr. Abejo and Joanne Branch to the next meeting for an update.

Mr. Pettis asked about the District's relationship to Palm Middle School's media center. The District still owns the Palm Middle School facility and land. Literacy First Charter has a joint occupancy agreement to utilize about 2/3 of the campus. The District chose to retain one wing that includes the media center and kitchen area, about 1/3 of the campus. Our District provides quite a robust professional development in the media center for teachers weekly (i.e. Common Core, technology, math adoption, Smarter Balanced Assessment Consortium (SBAC) online state testing.

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There was discussion about the cost for Colbi Account-Ability software licensing and additional capacity. Dr. Potter explained that this is a construction accounting software program for school projects. Account-Ability is recommended by SDCOE FAC JPA, our District's project management service provider. SDCOE FAC JPA provides discounted pricing for Account-Ability for school Districts. Pricing is based on the amount of funds accounted for within the software system. Thus, when each issuance occurs there is an increased charge for this construction software accounting system. Committee members requested a copy of SDCOE Level III Outreach/Account-Ability agreement. The district will send a copy of the agreement to members.

Michelle Flores presented the expenditure report through August 31, 2014. Ms. Flores shared with committee members there was an increase of funds/budget in the amount of \$12,804 for interest.

It was moved by Gracyk seconded by Hanning to approve the expenditure report as presented. The motion was called for with the following results: Ayes – Demaree, Gonyea, Gracyk, Hanning, Pettis, Shaw; Nays – none; Absent – Baber, Selby. The motion carried.

PROJECTS UPDATE - Mr. Felix welcomed the new members and provided a project handout (see attached). He apologized that Ms. Branch wasn't able to make it. This is the list the District's Governing Board approved identifying the project order preference.

Central Kitchen upgrade: Broke ground a week or so before school started. Repairs to serving kitchen; multi purpose room shares the central kitchen. The last few weeks have been mostly demolition leaving a shell. We've identified some unforeseen dry rot however, we are optimistic that we'll move forward with no delays or extra expenditures. Our SDCOE FAC JPA project manager, Joanne Branch is very knowledgeable and works side by side with contractors. At this time the contractors are about 10% into the project. Temporarily the main kitchen is at Palm Middle School campus with auxiliary kitchen services diverted to Lemon Grove Academy - Elementary. The project timeline estimates construction to conclude around winter break. The biggest concern is the fire wall that divides the central kitchen from other area; many factors. The project has been walked and the fire wall concern won't impede on overall project timeline. Mr. Gonyea would like to see the project and wanted to know if Mr. Felix anticipates change orders. The ventilation hood could be an issue as there is a steel beam in the way. The structural engineer was present this past week. Mr. Loschen recognized how important it is to this group to know that Mr. Felix's District facilities team did most of demolition for this project in order to keep costs down.

Districtwide Wireless: The final scope of work and project criteria are complete. Soltek is in the design process and Cisco is helping to determine the best solution. This project is to install a wireless network at six school sites. The project is scheduled to be completed mid-February 2015 with a preliminary budget estimated at \$1.53 million. The District's new director of technology and network has been a key member of the project team.

Replace Domestic Water System: This project is to replace the domestic water system at Vista La Mesa Academy in summer 2015. Throughout the District the plumbing infrastructure is aging due to the fact that most of the school buildings are now over 40 years old.

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DSA Monterey Heights: This project has been deferred to a later time so as to allow for unanticipated increased costs of the central kitchen modernization project. The amount of work required for Americans with Disabilities Act (ADA) requires at least four ramps at this site. The largest is going to the lower playground. We have to go back to the architect and plans need to be rewritten. The District will come back to this when additional funding is available. Recently our Governing Board heard from Ms. Branch that the central kitchen project is going to exceed the \$1 million allocation. They decided to completely defer the DSA Monterey Heights ramp project and shift the funds to the central kitchen project. The Governing Board did not want to reduce the scope of work to the central kitchen.

Lemon Grove Academy (Middle) – P.E. Athletic Field: The District is in the design phase of this project. The team has identified the existing space of the softball field around to the tennis courts for the renovations. There may be more changes if enrollment increases; it may encroach on space. This project is tentatively scheduled for summer 2015. At this time the budget allocation for the project is \$313,042.

Playgrounds: LGA-E & VLMA received new playground equipment this summer. The old equipment was replaced for safety due to dilapidated and outdated equipment.

Shade Structures: SA is in dire need for shade. The District is still in the preliminary stages. Soltek Construction walked the site and there are slope issues which may prompt the need for ADA construction needs. At this time there is no delineated budget for this project.

Replace Window Systems: At Monterey Heights school there is a set of buildings with windows so bad that the framing is peeling because the sun beats up the wood. The plan is to replace these window systems. The window systems will be replaced with aluminum frames. Ms. Hanning stated that the windows will still need painting to maintain. She mentioned that vinyl holds up well. This project is slated for summer 2015.

Committee members requested a copy of Ms. Branch's project update. The district will send a copy of the project update to members.

MEASURE R - Dr. Potter handed out Frequently Asked Questions and PowerPoint from Dale Scott (see attached). The county of San Diego Registrar of Voters have identified general obligation bonds as measures rather than propositions. They're one in the same general obligation. This measure takes the balance of \$10 million in Proposition W general obligation bonds and reauthorizes it under Measure R. It will not increase the total \$28 million. Proposition W in Lemon Grove had one of the highest votes (73%). To pass at 73% is a sweeping win and is indicative of how Lemon Grove voters feel about supporting schools.

Ms. Hanning asked how the District will promote Measure R. Dr. Potter stated that a campaign committee will determine the extent and affordability of campaigning for Measure R. Limited campaign funds will likely result in a small campaign. With Measure R, the SDCOE FAC JPA conducted the vast majority of the bidding on behalf of the District for construction project.

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Committee members asked questions about the Governing Board approved Measure R resolution. Dr. Potter explained that the Board took great note of recommendations made by the ICOC to the originally approved resolution which included a project list with components of educational technology bonds. Due to the fact that the Governing Board had previously taken action to approve the resolution despite similar dialogue surrounding the project list, the Governing Board felt it was important to maintain their original decision to approve the resolution without amendments. Ms. Hanning asked what the Governing Board thought about the taxpayer's association representative's suggestions. The Governing Board respects the taxpayer's association neutral position with regards to educational technology bonds. Board member Loschen invited ICOC members to attend the Board meetings and provide public comment. During the Board meeting wherein the Measure R resolution was deliberated there were no public comments provided on the matter.

There has not been a statewide school facilities bond since 2006, thus the number of local school facility bonds have grown. During the November 2014 election there were a total of 108 local school facility bonds of which 85 passed which reflected a passage rate of 78.7%.

Dr. Potter appreciates the ICOC's dedication and continues to strive to keep the ICOC abreast of what current events.

Committee members requested more information on the cost of issuance for Measure R. The district will follow up with Dale Scott, financial advisor and send to members.

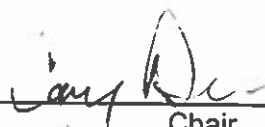
ITEMS FOR SUBSEQUENT MEETING

- Projects update - Include central kitchen modernization and wireless network
- SBAC
- Measure R update

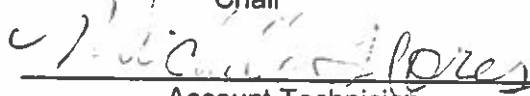
UPCOMING MEETING REMINDER:

- Wednesday, March 4, 2015 at 5 p.m.
- Wednesday, April 22, 2015 at 5 p.m.
- Wednesday, June, 24, 2015 at 5 p.m.

ADJOURNMENT – Meeting was adjourned at 6:25 p.m.



Chair



Account Technician