

Los Gatos-Saratoga Union HSD Minutes

Created: January 26, 2015 at 10:15 AM

LGSUHSD Measure E Bond Oversight Committee

January 20, 2015

Tuesday, 03:30 PM

District Office

17421 Farley Road West, Los Gatos, CA

Call to Order

Minutes

The meeting was called to order at 3:30 p.m.

Welcome

1. Welcome and Introductions by Ms. Shirley Cantu, Committee Chairperson (D)

Minutes

Ms. Cantu welcomed those attending. Attending were: Committee members James Axline, Shirley Cantu, Bob France, Kristin Gagnola, Chin Chai Low, Cathie Thermond, Rick Tinsley, Jill Van Hoesen, Mark von Kaenel.

Staff: Jane Marashian, Greg Medici, Bob Mistele

Presenters: David Casnocha, Philip English, Rick Kramer

Approval of Agenda

1. Meeting Agenda, January 20, 2015 (V)

Minutes

Approve the Agenda, Measure E Bond Oversight Committee, January 20, 2015

MOTION: Mr. Tinsley, Seconded by Ms. Thermond

MOTION PASSED 9:0

Public Comment

1. Members of the public are welcome to address the members of the Bond Oversight Committee regarding items under consideration at the time the agenda item is being discussed. Oral communication regarding items not on the agenda may be made during the Public Comment opportunity as agendized. Committee members would appreciate it if you would identify yourself by name and address when addressing the Committee and limit your comments to three (3) minutes. Individuals requiring special accommodations should contact the Superintendent's Office at least two (2) working days prior to the meeting date.

Minutes

There was no public comment.

Information Items

1. Review of Measure E Oversight Committee Bylaws (D)

Mr. David Casnocha, Stradling, Yocca, Carlson & Rauth, P.C., will provide an overview of Bond Oversight Committee Bylaws.

Minutes

Mr. Casnocha reviewed the committee bylaws, summarizing the history of bonds and outlining the roles and responsibilities of the committee; noted differences between "oversight" and "advisory", noted necessary adherence to the Brown Act; noted everything should be in public; serial meetings are not permitted; meeting discussion must be limited to items on the agenda and therefore, we need a process that allows members to place items on the agenda. Noted committee is only charged with reviewing expenditure of Measure E monies; will be reviewing expenditure reports not pre-approving expenditures. Will determine whether the expenditures meet the terms of Measure E (per resolution #13-19. Noted a project is legitimate if it fits as one of the "types" of project, the exact definition of which may be impacted by the passage of time. Does not need to explicitly match the language. Mr. Chin Chai Low asked about using bond proceeds to supplant funds earmarked for general fund planned projects. Mr. Casnocha noted that Measure E funds can be used moving forward for lawful expenditures even if it frees up general fund dollars. Ms. Van Hoesen asked who makes expenditure decisions; Mr. Casnocha noted that is a decision of the board. Bond monies cannot be used for teacher or administrator salaries; Ms. Cantu noted it could be used for staff to administer bond. Mr. Casnocha noted any staff costs must be accounted for. No bond funds can be used to support the CBOC. Mr. Mistele noted it's not the district's intent to charge current administrator salaries to the bond; possibly new staff may be. Mr. Axline asked about efficiency in terms of project management; Mr. Casnocha noted committee may note concerns but recourse is limited. Mr. France asked that referenced documents (Master Plan and Tech Plan) be made available. If, when reviewing expenditures, there are concerns, members of the CBOC should address concerns to the superintendent or, then, the Board of Trustees. If the CBOC feels bond funds were inappropriately spent, they cannot bring suit against the district - only a private tax payer may. The committee can vote to send the Chair to the superintendent, board or ultimately make a public statement on behalf of the CBOC. Mr. Casnocha notes the CBOC has a responsibility to keep the community informed, e.g., website, newsletters, letters to the editor, Annual Report. The Annual Report is submitted to the board by the CBOC chair. CBOC will decide calendar vs. fiscal year; do we want to wait until we get independent audit reports? If so, January 2016 will be first one for the period ending June 30, 2015. Based on current plan, projects will be completed in five years; therefore CBOC will be in existence for approximately six years. If the CBOC is not unanimous in its determination that the expenditures were not in compliance with the language of Measure E, the report could reference dissension. The CBOC can request information regarding Change Orders; but they do not approve them. Audits should be presented to the CBOC at the same time they are received by the BOT. Auditors could be invited to CBOC meeting to review methodology. Mr. Kramer clarified that deferred maintenance refers to a project that is planned for the future; Mr. von Kaenel asked if any Measure E funds have been set aside for deferred maintenance - yes, per Mr. Medici and Mr. Kramer. In response to Mr. Axline's question, Mr. Casnocha clarified that the CBOC reviews but does not approve bidding processes, contract approvals, etc. The CBOC cannot vote to change by-laws but can present any recommended changes to the Chair and ultimately to the board. Mr. France asked about funds encumbered for future deferred maintenance; Mr. Kramer noted deferred maintenance projects funded by Measure E will be completed within five years; longer term deferred maintenance projects will be funded by other sources. Mr. Axline asked for clarification re: serial meetings; Mr. Casnocha noted that committee business should not be conducted by group email - recommended emailing the Chair. Mr. Mistele noted goal is to provide meeting information approximately two weeks ahead of time. Mr. Axline asked about state matching funds; Mr. Medici noted district would work to lay foundation; however none currently available. Big "take away" - CBOC is not the governing board nor the spokesperson for the bond. Mr. von Kaenel asked about liability; Mr. Casnocha noted that, since the CBOC is not a "decider," it is limited but suggested district look into it. Mr. Casnocha encouraged CBOC members to refer public to contact district staff/web site if they receive questions.

2. Bond Project Update (D)

Mr. Philip English, Kramer Project Development, will provide an overview of Measure E projects, to date.

Minutes

Mr. English and Mr. Kramer (Kramer Project Development) presented an update regarding current projects. Noted "Relocation of Tennis Courts" at LGHS will be replaced by "Relocation of Maintenance." LGHS ground breaking for new buildings scheduled for approximately end of 2015; SHS buildings for approximately beginning of 2016. Mr. Low asked for timeline and budget. Ms. Cantu will be meeting with Mr. Medici to identify useful reports for the group. Next wave of projects to be scheduled per timeline to be provided. Mr. Medici noted different projects will utilize different delivery models.

Action Items

1. Election of Officers (D) (V)

Minutes

Elect Mr. Mark von Kaenel Vice Chairperson for the Oversight Committee for 2015

Motion: Rick Tinsley, Seconded by Cathie Thermond

Motion Passed 9:0

2. Appointment of Members for an initial One-Year Term (D) (V)

Minutes

Select Mr. James Axline and Mr. Chin Chai Low to serve initial one-year term on the CBOC.

MOTION: Mr. von Kaenel; Seconded by Ms. Thermond

MOTION PASSED: 9:0

3. Identify Date of Next Meeting (D) (V)

Minutes

Schedule the next meeting of the CBOC for April 14, 2015 at 3:30 p.m.

MOTION: Mr. Axline; Seconded by Mr. von Kaenel

Motion PASSED 9:0

DISCUSSION:

The Committee requested that the auditors be invited to an upcoming meeting; the committee will meet no more than quarterly; the next meeting will include a discussion re: format of report to the Board and content of web page.

Future Meeting Schedule

Minutes

The next meeting will be on April 14, 2015 at 3:30 p.m.

Adjournment

Minutes

The meeting was adjourned at 5:40 p.m.

Secretary to the Board

Clerk to the Board