



PASADENA UNIFIED SCHOOL DISTRICT

MEASURE TT CITIZENS' OVERSIGHT COMMITTEE

MINUTES of the Citizens' Oversight Committee held on August 19, 2010 at the Education Center, 351 S. Hudson Avenue, Pasadena, CA 91101, in room 240.

PRESENT:

Committee: Jon Fuhrman, Carolyn Ellner, Joanna Bauer, Gregory Barna, Paul Hunt, Sid Tyler, Augustin Zuniga, Ed Barnum

Board Member: not present

Staff: Steve Brinkman, Wendy Childress

Guest: Gerald Schober, Owners Representative

Absent: Joel Sheldon, James Kossler, George Fatheree, Lee Johnson, Charles Bryant, Kenneth Hargreaves, Rita Turner

A. CALL TO ORDER

Chairman Jon Fuhrman called meeting to order at 5:02 p.m.

B. PUBLIC COMMENT

None

C. APPROVAL OF MINUTES OF May 20, 2010 MEETING

Motion by Gregory Barna to approve May 20 meeting minutes as submitted, seconded by Carolyn Ellner was approved by majority. Sid Tyler abstained due to not being present at the May 20th meeting.

D. WELCOME TO NEW MEMBERS

Ed Barnum – Altadena
Rita Turner – Pasadena
Augustin Zuniga – Pasadena

E. ADMINISTRATIVE ITEMS

School Assignments: Carolyn explains the purpose of being assigned to a particular school and schools are assigned to the new members.

Jefferson – Ed Barnum
Rose City – unassigned
Jackson – Rita Turner
Mckinley – Augustin Zuniga

Subcommittee Interests

Committee member expressed desire for the COC to be added to the PUSD distribution list in order to receive communications/email blasts

Ed Barnum noted that his name is not listed on the PUSD website under COC members

Action: Staff, Wendy Childress, is to speak with the Communications Dept. regarding adding the entire COC group to their email distribution list as well as make sure that Mr. Barnum's name is placed on the PUSD website as a member of the COC.

F. DISCUSSION//PRESENTATION/ACTION ITEMS

1. Update on Financial Audits

Mr. Brinkman reported that the District received proposal from 2 audit firms. He and Dr. Papalardo did research on two firms. Firm selected was Vavrinek, Trine, Day & Co., LLP. The SACS report, with the final expenditures for the 2009-2010 fiscal year, will not be submitted until September 15th and the audits cannot be finalized until that report is complete. When the audited financial statements are complete, they will be shared with the COC and Board.

Mr. Brinkman explained why there is a difference in general ledger vs. AccountAbility, citing EMCOR's work. He stated, rebates came in and were placed in revenue not posted against capital cost making it look as if District had overspent. He noted everything is tracked by expenditure. Committee members expressed concern about how this would be reflected in the audit report. There is a need to do reconciling. The Committee would like it noted somehow in the auditors' report. The Committee would also like some sort of follow-up response at the end of the year explaining what happened. The question was raised whether the auditors could present the final report to the group. Mr. Brinkman said this is normally presented by staff and that a representative of the COC presents it along with its annual report to the Board.

Conclusion: Prior to the November meeting (assuming it is ready) copies will be given to the Committee. Once the Committee receives the report and reviews it then the group can report on their findings.

2. Process and timeline for drafting Annual Report to community

District will not have final audits until October/November so work on the report will be based on this.

3. Representation on School Consolidation Committee
Chairman Fuhrman informed the Committee that this was formed by District's Superintendent to help with identifying potential school closings. The committee will be comprised of approximately 18 individuals from various organizations. There will be a total of 8 meetings over a period between September 8 – October 15th. The potential meeting times are:

Monday 5:30 – 8:30 p.m. and Saturday 8:30 a.m. – 12 p.m. or Or
Friday 5:30 p.m. – 8:30 p.m. and all day Saturday

There will be a facilitator for this committee and all meetings are open to public. There was a lot of discussion around having an all-day meeting on a Saturday. Jon Fuhrman informed the group that he has the time to commit to either of the time schedules selected. He used his name as a placeholder for the COC to sit on the committee. The COC needs to choose a representative and an alternate to sit on the newly formed School Consolidation Committee.

Motion by Carolyn Ellner to appoint Jon Fuhrman as representative for the COC, seconded by Sid Tyler and was approved by majority, Ed Barnum abstained. Joanna Bauer selected as the alternate.

Question was raised as to how closing schools will save money and be a plus. How should representatives report?
Decided: Minutes will be shared weekly with the entire COC and commentary provided by the representative(s).

G. REPORTS FROM PUSD FACILITIES DIRECTOR

1. Measure TT Consolidated Expenditure Report - 7-31-10
Staff reminded Committee members that the figures on this report is Measure TT only, the other 2 are all encompassing.
Committee member questioned the 30 million allocated to Career Technical Education Projects noting that it should only be 15 million. Staff responded that grant dollars are reported in the 30 million. In addition, it was noted that the District should not proceed with a CTE project unless grant is received.

Conclusion: Clean-up this report and remove any dollar figures that are not Measure TT. Use footnotes to explain differences

Committee member expressed concern about Project(s) 100% complete. Noted that in Column F of this report projects completed seems to be significantly under budget and there was concern as to why and how the excess funds will be used. Mr. Schober, Owners Representative, explained that projects were coming in under budget due to the bidding climate.

Committee member noted that if the District continued with the original FMP numbers that there will be a surplus and question if the Board had made any decisions regarding this surplus. Mr. Brinkman informed the Committee that all

of the surplus dollars go back into a pool and that there is no reallocation without approval of the Facilities Subcommittee.

2. Cumulative Bid List - 7-31-10

Committee members wanted clarification on the interim Housing Project and Mr. Schober explained it is the portables to be used to house the students until school is ready. Committee member wanted to know if the District had considered using one of the schools it may close for interim housing. Staff responded that, while this is possible in some cases, it would not logistically work in the case of Sierra Madre and Blair.

3. Other developments of Significance to C.O.C.

Pg 8 on PowerPoint "The Bottom Line."

Committee had questions about pages 8-10. Mr. Brinkman informed the Committee that the District was expecting the Bottom Line to change by fall and that they should reference the Capital Financial Summary. In addition, he pointed out that the original cost for the Bond was 40.33/\$100,000 Assessed Valuation; however, it came in at 38.83/\$100,000 AV.

Pg 9

Mr. Brinkman informed the Committee that the Blair Project noted on this page has had a steel subcontractor that has not done the best job. The subcontractor has delayed the project about three weeks. He assured the Committee that the District has no plans on paying for the below standard work and have temporary housing in place for the returning students if the project is late.

The Culinary Academy/Central Kitchen will be housed in what is now the warehouse. A total of \$15 million dollars was taken from the sites in order to fund this full service kitchen. Committee questioned if there had been a complete financial analysis conducted. Staff responded yes, that \$9 million in capital cost reduction vs. the Facilities Master Plans due to not needing a full modernization of kitchens and \$220,000 in annual operating savings was forecast. He pointed out that it includes a café, test kitchen, and teaching classroom for Career Technical Education. Committee member expressed concerns about the need for healthy meals to be provided. Staff noted that improved meal selections would come out of the cafeteria fund as an objective of the central kitchen plan.

Pg 10

Staff reported that after this summer there will be no money left in the 2010 Energy Conservation Measure Project. This project will save \$700 - \$900,000 in operating funds.

Longfellow, Madison, and Marshall are the 3 schools having windows and paint work this summer. Windows will be double-pane.

Question about "Field Mod". Staff explained that it included making Field ES ADA compliant, addressing water issues in classrooms, and issues with the drinking fountains.

Committee questions the 5.2 million dollars that was lost in Deferred Maintenance. Also questioned the monies to be raised for the fields at Muir and PHS. Asked where the \$500,000 will come from. Staff responded that the District was expecting \$150,000 in grants and noted that the plan to have a big kickoff fundraiser when the fields were installed was delayed by the Facilities Subcommittee because they were concerned about pursuing a parcel tax.

Mr. Brinkman took some time to introduce Mr. Schober, informed group that he is retiring, and explained why. His last day is October 1, 2010 and he noted that Mr. Schober will attend the meetings until either an interim or replacement is hired. Mr. Brinkman explained the Owners Representative model and expressed that he thought it was best for the District mentioning that all dollars are allocated to the sites except \$7.7 million and this model costs approximately 6% of construction costs. However, with the Construction Management Model the firm would cost 10-12%, the Program Management would cost 2-4% and all money allocated to sites will have to be reallocated to cover the costs of the Construction Management and Program Management if used. Mr. Brinkman emphasized that the maximum dollars are placed at the sites using the Owner Representative Model.

Committee asked if he has put his recommendations in writing and he said he shared them with Mr. Diaz and the Facilities Subcommittee.

H. REPORTS FROM COMMITTEE CHAIRS

1. Report from Outreach Sub-committee – Ms. Ellner “already reported”
2. Report from Liaisons to Facilities and Capital Subcommittee – Mr. Fuhrman/Mr. Hargreaves

Discussion regarding new liaisons for this subcommittee took place. Mr. Barnum expressed his interest in serving as a liaison. He also wanted to express a complaint regarding the original plan which he said was to have plumbers, mechanics etc...teach practically however, at last meeting it was noted that the students would learn in a computer tech lab that is done via computer. He expressed that the hands on training would be better that something done via computer.

I. REPORT FROM BOARD LIAISON – Mr. Honowitz

Not present

J. REPORTS FROM SITE VISITS - No site visits

K. NEXT MEETING DATE AND ADJOURNMENT

Next meeting September 16th; Note next meeting might have to be pushed back to 5:30 p.m. *Please be sure to read the agenda for the September 16th meeting as the start time will be noted there.*

Following two meeting, dates are October 21st and November 18th

Meeting adjourned at 7:02 p.m. by Chair, Jon Fuhrman