

**Measure Q Citizens' Bond Oversight Committee**

Wednesday, March 27, 2019 6:30pm

City Council Chambers

600 East A St., Dixon, CA 95620

**Unadopted Minutes**

**NOTICE TO PUBLIC**

Persons wishing to speak to agenda items may present their written request at this time. While the written request is optional, those making a written request will be recognized first. Persons wishing to introduce a subject not on the agenda may also present their request at this time. The Chair will recognize you for the discussion at the appropriate time.

Non-scheduled agenda items will be introduced under the Public Comment agenda section. Speakers will be allowed five minutes per topic.

**I. CALL TO ORDER**

**A. Roll Call: Tad Smith, Chairperson**

1. Tad Smith, Chairperson – P
2. Gary Riddle, Vice-Chairperson – P
3. Jorjet Potier, Member – A
4. Andrea Kett, Member – P
5. Julie Mustard, Member – P
6. Jack Caldwell, Member – P
7. Robert Strong, Member – A

**B. Adoption of the Agenda**

Member Caldwell moved to approve the agenda and Member Kett second the move. All were in favor.

**C. Reading and Approval of Minutes**

Motion by Member Caldwell to adopt the minutes as presented and it was second by Member Mustard.

**D. Consent of Calendar- None**

**II. AGENDA**

**A. Update from DUSD Superintendent, Brian Dolan**

**Measure Q-**

- Middle School Project- Bid opening date of April 2<sup>nd</sup> and going to the Board on April 18<sup>th</sup>. District has met all of the legal obligations under notifications and posting for the prequalification documents and bidding. Construction start date is May 6<sup>th</sup>.
- Gretchen Higgins Elementary – Doing security fencing to get all of the classrooms behind an eight foot high iron fence. The work has been completed on the front side of the campus. On the back side there were some design issues that emerged in the later part of December. The issues were around a utility location that required an alteration in the initial plan. Crusader Fencing will be coming by during the spring break to finish up the project.

- Silveyville Fire Life Safety- In need of replacing the entire fire alarm system. The intercom communication system is not very functional at all. In hopes of having that project completed this summer.
- Tremont Elementary- In the early stages of the front office reconfiguration. Not under contract with an architect yet. This would be done in the summer of 2020. The office will be reconfigured so there will be one point of entry into the campus.

#### Project Financing-

- In the process of attempting to qualify for state modernization matching dollars. Filed in early January with the office of Public School Construction (OPSC). Just learned last week that the state allocation board approved the batch of disbursements and our \$3.37 million was included in that so the District is now confirmed that we will get those modernization dollars.
- Due to perhaps not receiving funds until October of 2020, we had some gap between funding on hand and projected costs and so we have explored with Cooperative Strategies, our financial consultants some financing options. We were focused on Option B2 and B3 but pursuing Option B3.
  - Option A1
    - Issue COPs
    - 10-year term
    - 3-year interest only
  - Option B1
    - Issue GO Bonds
    - 25-year term
    - \$3 million project fund
    - Maintain tax rate
  - Option B2
    - Issue GO Bonds
    - 25-year term
    - Measure Q balance
    - Maintain tax rate
  - Option B3
    - Issue GO Bonds
    - 25-year term
    - Measure Q balance
    - Increase tax rate

#### Public Comment-

Mrs. Riddle stated that she wanted to clarify about a question to why we didn't sell the whole 30 million instead of 19 million. She went on to say that the evaluation is almost 3 billion dollars at \$36.75 figure given in the resolution when Measure Q was put on the ballot and will provide about 1.1 million of money to pay the bond payment. The debt service for the 19 million that is due on 2018 will be 2 million dollars therefore the school has no bonding capacity to sell anymore bonds.

#### Chief Business Official Status-

- The Board unanimously appointed Ms. Monique Stovall as our new Chief Business Official. Her start time will not be until early to mid-May. Monique comes with experience from San Juan Unified School

District. At this point in time, she does not have any facilities experience so Mr. Dolan will continue working with the CBOC for the indefinite future. She will attend the meetings and be part of doing the presentation on the monthly financial reports.

Coordination with School Site Solutions-

- District Liaisons/Weekly Meetings- John Dominquez is the president of the firm. Mr. Dolan is the primary liaison with School Site Solutions and Adam Devin, Maintenance & Operations Manager is assisting him with this project. The process around communication and organization is weekly meetings. Leigh Cooper is also assisting with some management functions in the facilities and business office.

B. Presentation from Auditor Representation James Marta & Co. LLP, Certified Accountants-

- Jesse Deol gave a brief overview on the financial results which were as of June 30, 2018. For the financial audit their opinion was unmodified which means the financials were fairly stated so there were no material weaknesses. The performance audit basically entails testing expenditures to make sure they are aligned with the bond text. They didn't have any findings and the District is expending the funds in accordance with the provisions of Measure Q.

Public Comment-

Mr. Ceremello asked if the audit was already presented to the school board and has the school board already approved the audit. Mr. Dolan responded by saying that the audit was presented to the school board on February 7, 2019 and yes, the Board did approve the audit on the evening after Mr. Deol's presentation. Mr. Ceremello then asked when did the school district submit the audit to the CBOC. Mr. Dolan said it would have been the Friday previous to that meeting which went out in an email to the CBOC members. Mr. Ceremello said that these audits would be much better served if this Committee could weigh in before the school district approves it.

C. Review of Recent Financial Statements-

- Since the format of the Financial Statements are not very user friendly; a more readable, usable document will be provided for both the CBOC and the Community.
- Leigh Coop from School Site Solutions stated that they are looking at changing how the reports are viewed. A template will be proposed for the CBOC to look at which is a template sorted by project. The budget and expenditures will be seen and what is envisioned to be spent on this project and how the expenditures happen. Not only is this a tool for the CBOC but for the construction folks as well.

Public Comment-

Mrs. Riddle had a question regarding the clerical salary. She said that when John Calise was here he had someone in his office that was paid from the Measure Q Bond and she said she still saw the salary on the Financial Statements as of February 1, 2018. She is questioning the legality of that salary and whose salary it is. Mr. Dolan said he would check to see whose salary it is that shows up on the financial statement.

III. REPORTS OF OFFICERS AND SUCOMMITTEES-

Vice-Chair Riddle said there were still some open items on what the Committee should be doing and what the District thinks they should be doing. A clear response is needed on that issue.

Public Comment-

Mr. Ceremello wanted to address that this is an independent committee. He went on to say that reserving the City Chambers for the CBOC meeting is the Committee's duty and it should go through the school district. He also said he doesn't feel that Mr. Dolan or anyone who is sitting in his chair needs to be making presentations. The only reason he should be at the meetings is to answer the Committee's questions or to provide information that

has been requested. He added that the Committee is also in non-compliance with their duties because they have not issued the CBOCs annual report and its way overdue and there is another one due in May. He was asking what was going to happen when they start spending money but they're bogged down by the bureaucracy. He felt that this was not doing any service to the community or to the citizens who are paying for the \$30 million bond.

IV. PUBLIC COMMENT-  
None

V. UNFINISHED BUSINESS-  
A. Measure Q Website-

Mr. Dolan stated that he spoke to Mr. Monachello and knowing the concerns from the Committee in regards to the current website, it is the District's intent to bring the website in-house. At the last Board meeting, the District was provided direction by the Board to adopt a new website design format that's going to take a number of months to cross over. In the meantime, Mr. Monachello would like to meet with the website subcommittee to talk about what the Committee's needs are and be able to know exactly what it is they are looking for. Members Mustard and Kett, along with Chairperson Smith will meet with the District's IT Dept.

Public Comment-

Mrs. Riddle said that she is uploading Ed. Codes, newspaper articles, documents, etc. onto the MeasureQoversight.com website.

B. Follow-up on Requested Financial Documents-

The District staff will be making sure that they are providing the Committee with what they need and with Ms. Cooper's comments earlier; will give the Committee a sense of some clear direction.

VI. NEW BUSINESS-  
Future Meeting Schedule-

- May 15, 2019
- July 17, 2019
- September 18, 2019
- November 20, 2019
- January 15, 2020

VII. OLD BUSINESS-  
CBOC Report to the Community-

Chairperson Smith said that the Committee will work with Marc Monachello, IT Director to put updates and such up as soon as possible. The Committee should start drafting the newsletters and then when the website goes live the items can get posted.

Public Comment-

Mrs. Riddle said she was a little confused about the Committee's Annual Report. She said that the report for the 2017-18 should have been issued before the beginning of this year. She also went on to say that she will be glad to post any newsletters on to the Measure Q Oversight website.

Public Comment-

There was a comment regarding the social media. She said that often times it's a source of misinformation and so if people are becoming turned off, they are not going to see what you're putting out there. She said that they have had a lot of conversation in the community about the newspapers and whether some columns are negative but also seeing the same thing with social media.

VIII. ANNOUNCEMENTS-

IX. ADJOURNMENT-