

NATOMAS UNIFIED SCHOOL DISTRICT

Citizens' Bond Oversight Committee - Measure J

**Location: Two Rivers Elementary School
301 W. River Drive (Library)**

Monday, April 24, 2017 - 7:15 p.m.

MEETING AGENDA

I. ROLL CALL

II. COMMUNICATIONS

- a) Welcome/Introductions

III. PUBLIC COMMENTS

Presentations from the public are limited to two (two) minutes regarding any item that is within the Committee's subject matter jurisdiction. Please note that Government Code Section 54954.2(a) limits Committee Members responses to public comments.

IV. INFORMATION ITEMS

- a) Committee Membership
- b) Form 700
- c) Board of Trustees (Items from Board Meetings)
- d) Measure J Projects and Financial Update

V. ACTION ITEMS

- a) Approve January 23, 2017 Meeting Minutes
Moved by: _____ Seconded by: _____ Roll Call Vote: _____
- b) Election of Officers: Chair (1-year term)
Moved by: _____ Seconded by: _____ Roll Call Vote: _____
- c) Election of Officers: Vice Chair (1-year term)
Moved by: _____ Seconded by: _____ Roll Call Vote: _____
- d) Assign Members to Standing Sub-Committees
Moved by: _____ Seconded by: _____ Roll Call Vote: _____
- e) Approve Meeting Dates for 2017-18
Moved by: _____ Seconded by: _____ Roll Call Vote: _____
4th Monday 2017-18 School Year:
August 28, 2017, October 23, 2017, January 22, 2018, April 23, 2018

VI. NEW BUSINESS

VII. FUTURE AGENDA ITEMS

VIII. ADJOURNMENT

Next Meeting: Pending approval of schedule: August 28, 2017 Location: _____

Note: Assistance for the Disabled: Please contact the Deputy Superintendent's Office at (916) 567-5457 at least 24 hours before the scheduled Citizens' Bond Oversight Committee meeting to request disability-related accommodations in order to participate in the public Citizens' Bond Oversight Committee meeting.

Natomas Unified School District
General Obligation Bonds
Citizens' Bond Oversight Committee

MEASURE J

Board Approved (January 11, 2017)

		Business	Senior	Taxpayers'	Parent	Parent	Community	Appointment by
Committee Members:		Community	Citizens	Organization	of NUSD Student	and PTO Member	Member At-Large	Board of Trustees
1	David Kawada				X		X	2015 March 11
2	Anita Lopez				X		X	2015 March 11
3	Danielle Marshall	X			X	X	X	2015 March 11
4	Christopher McGreal				X	X	X	2015 March 11
5	Robert Moreno			X				2016 Sept 14
6	Jennifer Slay				X		X	2015 March 11
7	Eric Stern				X		X	2015 March 11

Terms - Expiration Dates

		FIRST	SECOND	THIRD
1	David Kawada	March 2017	March 2019	March 2021
2	Anita Lopez	March 2017	March 2019	March 2021
3	Danielle Marshall	March 2017	March 2019	March 2021
4	Christopher McGreal	March 2017	March 2019	March 2021
5	Robert Moreno	March 2018	March 2020	March 2022
6	Jennifer Slay	March 2017	March 2019	March 2021
7	Eric Stern	March 2017	March 2019	March 2021

Regular Board Meeting

Natomas USD

March 08, 2017 5:45PM

EDUCATION CENTER - BOARD ROOM 1901 Arena Blvd., Sacramento, CA 95834

Closed Session: 5:45 p.m. Open Session: 6:15 p.m.

XV.g. Approve Re-appointments and One Resignation to Measure J Citizens' Bond Oversight Committee

Quick Summary / Abstract: William Young, Deputy Superintendent

Recommended Motion: The Board is asked to approve five re-appointments and one resignation to the Measure J Citizens' Bond Oversight Committee.

Rationale: Committee members are permitted to serve three 2-year terms and at this time, David Kawada, Danielle Marshall, Christopher McGreal, Jennifer Slay and Eric Stern have completed their first term. Each have agreed to serve a second two-year term on the Measure J CBOC.

Member Anita Lopez (appointed by the Board on March 11, 2015) has submitted a resignation effective after the April 24, 2017 meeting. Ms. Lopez is currently serving her second term on the Measure D CBOC and will continue her membership on that Committee.

The committee member list is attached showing current member terms and designations. Staff and committee members continue recruitment efforts to fill a vacancy specifically for the Senior Citizens Organization category. Applications and vacancy postings are advertised on the District website and the Education Center bulletin board.

Regular Board Meeting

Natomas USD

March 22, 2017 6:00PM

EDUCATION CENTER - BOARD ROOM 1901 Arena Blvd., Sacramento, CA 95834

Open Session: 6:00 p.m.

VII.b. Present and Approve Bond Fund Allocations for Measures D & J ⚠️

Quick Summary / Abstract: William Young, Deputy Superintendent

Recommended Motion: The Board is asked to receive a presentation and approve allocation of funds for Bond Measures D and J.

Rationale: On October 14, 2015 the Board approved the initial allocations for Measure J bond funds and reallocation of Measure D Funds. As projects on both bond lists conclude, reallocation of bond funds remaining becomes necessary to pay for current and future projects. The following projects completed under the current budget allocation include: STAR Academy, Bannon Creek Two Story Building, Leroy Greene Academy Science and Classroom Upgrades, Two Rivers Library Upgrades, and Natomas High School CTE /Science Upgrades.

Additionally, the second issuance of Measure J was sold in January 2017, creating the need for a realignment of Facility Master Plan projects and allocations. By approving the Measure J allocation plan, it will provide the authority to eliminate one existing Certificate of Participation (COP) and the need to acquire one more COP, which are both contingent upon updated facility use agreements with two Charter schools.

Citizen's Bond Oversight Committee

Measure J Funding

Local Bond

Fund 21 Resource 9359

Data as of

October 14, 2015 Allocation

Starting Balance		Starting Balance	
Issue#1	\$69,500,000.00	Issue # 1	\$69,500,000.00
B of A Discount	\$1,649,088.50	B of A Discount	\$1,649,088.50
Cost	-\$1,822,088.50	Cost	-\$1,822,088.50
Interest Earned	\$221,736.46	Interest Earned	\$300,766.19
Current Issuance		Current Issuance	
Funding Balance	\$69,548,736.46	Funding Balance	\$69,627,766.19
Future Funding		Future Funding	
Issue #2	\$38,800,000.00	Issue # 2	\$39,000,000.00
Issue #3	\$20,700,000.00	Issue # 3	\$20,620,000.00
Cost of Issuance (estimate)	-\$1,559,917.49	Cost of Issuance # 2	-\$120,000.00
Future Interest		Future Interest	
	\$57,940,082.51		\$59,500,000.00
Total Project Funding	\$127,488,818.97	Total Project Funding	\$129,127,766.19
Total Measure J Allocation October 14, 2015	\$127,267,082.51	March 22, 2017 Allocation	\$126,973,908.83
Total Unallocated Measure J Balance	\$221,736.46	Total Unallocated Measure J Balance	\$2,153,857.36

Measure J Open Projects

Project Numbers	Description	10-14-15 Board Approved Allocation	03-22-2017 Allocation	Difference
201	Star Academy new Campus	\$15,510,000.00	\$15,360,000.00	-\$150,000.00
	2015 COP		\$9,500,000.00	\$9,500,000.00
202	Westlake Charter K-8	\$21,320,885.00	\$31,620,885.00	\$10,300,000.00
207J	Security Cameras	\$425,000.00	\$0.00	-\$425,000.00
208	Bannon Creek Upgrades	\$7,907,000.00	\$6,107,000.00	-\$1,800,000.00
210	Lighting Upgrades	\$271,431.00	\$271,144.32	-\$286.68
211	Leroy Greene Academy	\$2,015,159.00	\$1,544,159.00	-\$471,000.00
212	Heron	\$8,105,870.00	\$8,105,870.00	\$0.00
215	Two Rivers	\$405,000.00	\$190,000.00	-\$215,000.00
214	Natomas High School	\$3,847,500.00	\$3,247,500.00	-\$600,000.00
217	Discovery High	\$1,829,250.00	\$3,241,250.00	\$1,412,000.00
218	Natomas Park	\$7,560,000.00	\$8,505,000.00	\$945,000.00
219	Hardscape Repairs	\$129,905.00	\$0.00	-\$129,905.00
	Jefferson Modernization		\$8,311,527.00	\$8,311,527.00
	Project Management J projects Internal/external		\$1,706,574.00	\$1,706,574.00
222	NP3 New 2 Story building		\$7,643,000.00	\$7,643,000.00
216	Paso Verde Softcosts		\$1,000,000.00	\$1,000,000.00
Current Project Total	Current Project Total	\$69,327,000.00	\$106,353,909.32	\$37,026,909.32

Measure J Closed Projects

Project Numbers	Description	10-14-15 Board Approved Allocation	03-22-2017 Allocation	Difference
Closed Project Total	Closed Project Total	\$0.00	\$0.00	\$0.00

Measure J Future Projects

Project Numbers	Description	10-14-15 Board Approved Allocation	03-22-2017 Allocation	Difference
	Remaining Projects from the April 1, 2015 Board Approved FMP List			
		\$47,940,082.51	\$20,619,999.51	-\$27,320,083.00
A	Safety and Security	\$196,196.00	\$196,196.00	\$0.00
B	Improving Accessibility for Students with Disabilities	\$10,800.00	\$10,800.00	\$0.00
C	21st Century Learning Classroom Improvements	\$4,272,750.00	\$2,672,750.00	-\$1,600,000.00
D	Repair and Upgrade Classrooms, Labs and Schools	\$1,884,945.00	\$1,400,817.00	-\$484,128.00
E	Classroom , Lab and School Construction	\$12,334,750.00	\$529,250.00	-\$11,805,500.00
F	Basic Infrastructure and Utilities	\$2,211,346.00	\$388,747.00	-\$1,822,599.00
G	Landscape and Hardscape Improvements and Repairs	\$3,406,371.00	\$3,406,371.00	\$0.00
H	Student and Staff Support Facilities	\$519,750.00	\$519,750.00	\$0.00
I	District/City of Sacramento Joint use Aquatics Facility	\$0.00	\$0.00	\$0.00
J	Acquisition of New School Sites and construction of new elementary school (2/3)	\$19,100,000.00	\$7,992,144.00	-\$11,107,856.00
Ja	Acquisition of New School Sites and construction of new elementary school (2/3)			
K	Inderkum High	\$1,215,000.00	\$1,215,000.00	\$0.00
uu	Reserve for addressing immediate needs	\$2,788,174.51	\$2,288,174.51	-\$500,000.00
vv	Reserve to (COPS Payments)	\$10,000,000.00	\$0.00	-\$10,000,000.00
Future Project Total		\$57,940,082.51	\$20,620,000	-\$37,320,083.00
Grand Totals		\$127,267,082.51	\$126,973,908.83	-\$293,173.68

Bond Allocations

March 22, 2017



Presented By:
William Young, Deputy Superintendent

VISION

Vision

All NUSD
students
graduate as
college and
career ready,
productive,
responsible,
and engaged
global citizens

Natomas
Unified School District

Core Beliefs

Core Belief

Every
student can
learn and
succeed


Natomas
Unified School District

Core Belief

Disparity
and
disproportionality
can and must be
eliminated


Natomas
Unified School District

Core Belief

Our
diversity
is a
strength


Natomas
Unified School District

Core Belief

Staff must be
committed,
collaborative,
caring, and
exemplary


Natomas
Unified School District

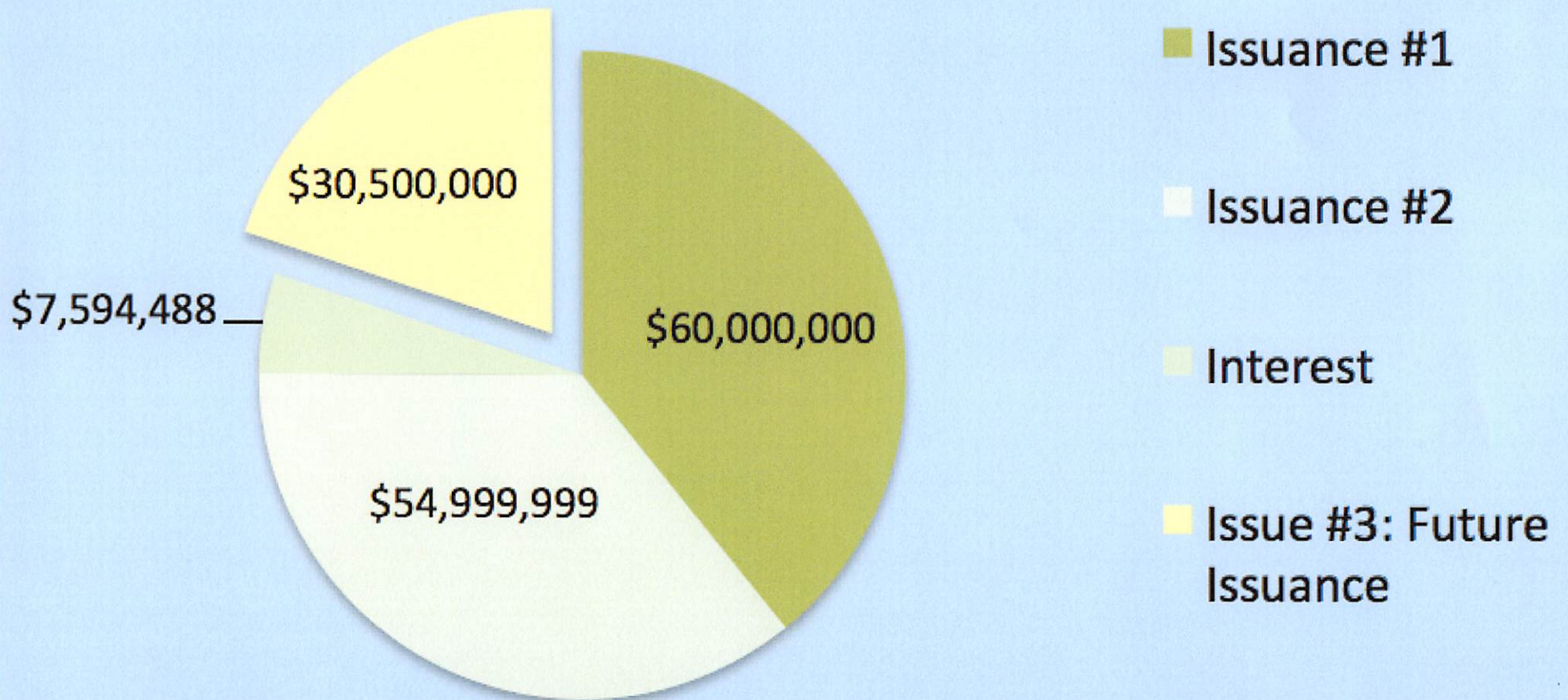
Objective

- **Present and approve Bond Fund Allocations for:**
 - **Measure D**
 - **Measure J**

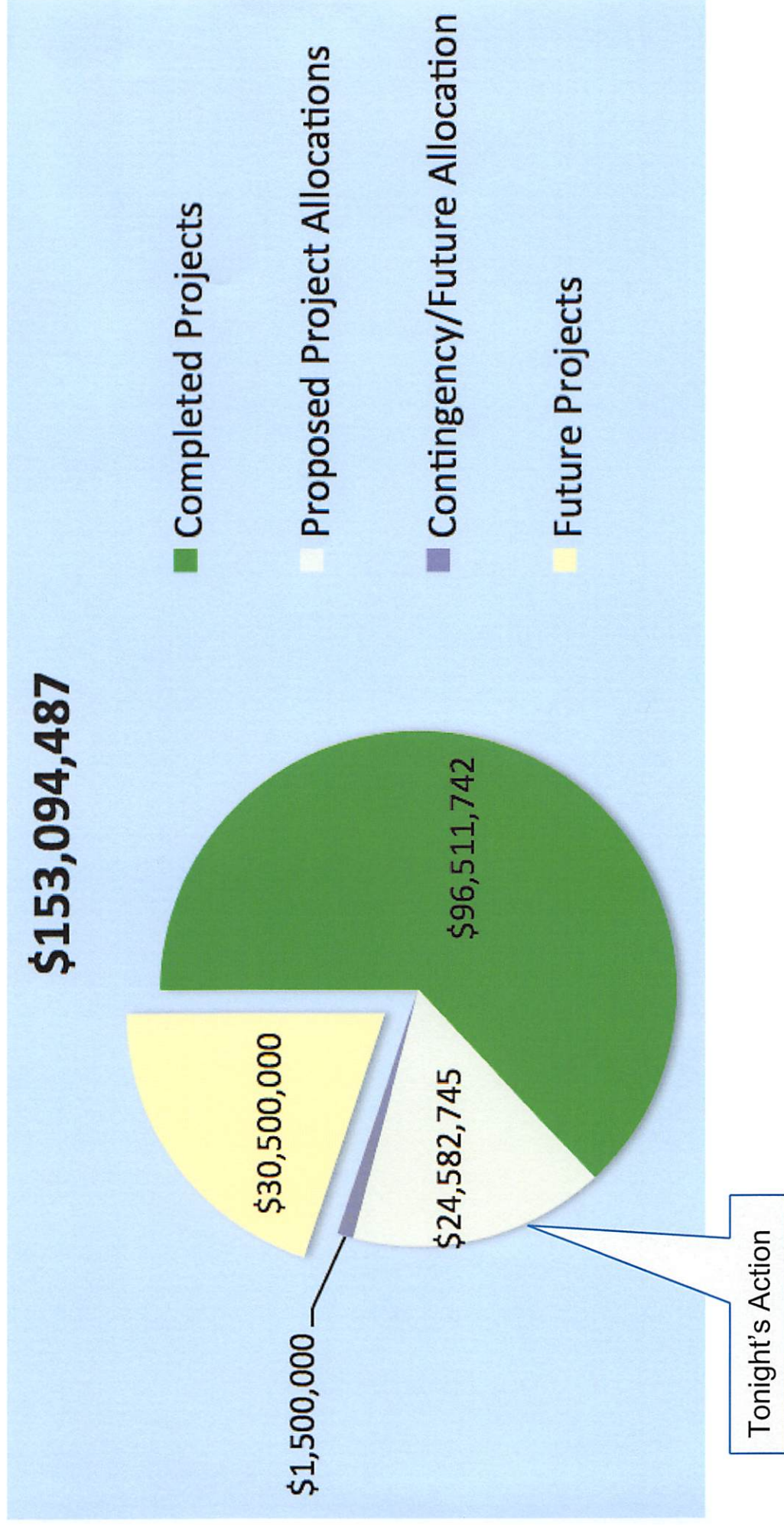
Measure D Revenue

(\$145,500,000 Bond Measure)

\$153,094,487



Measure D Project Allocations

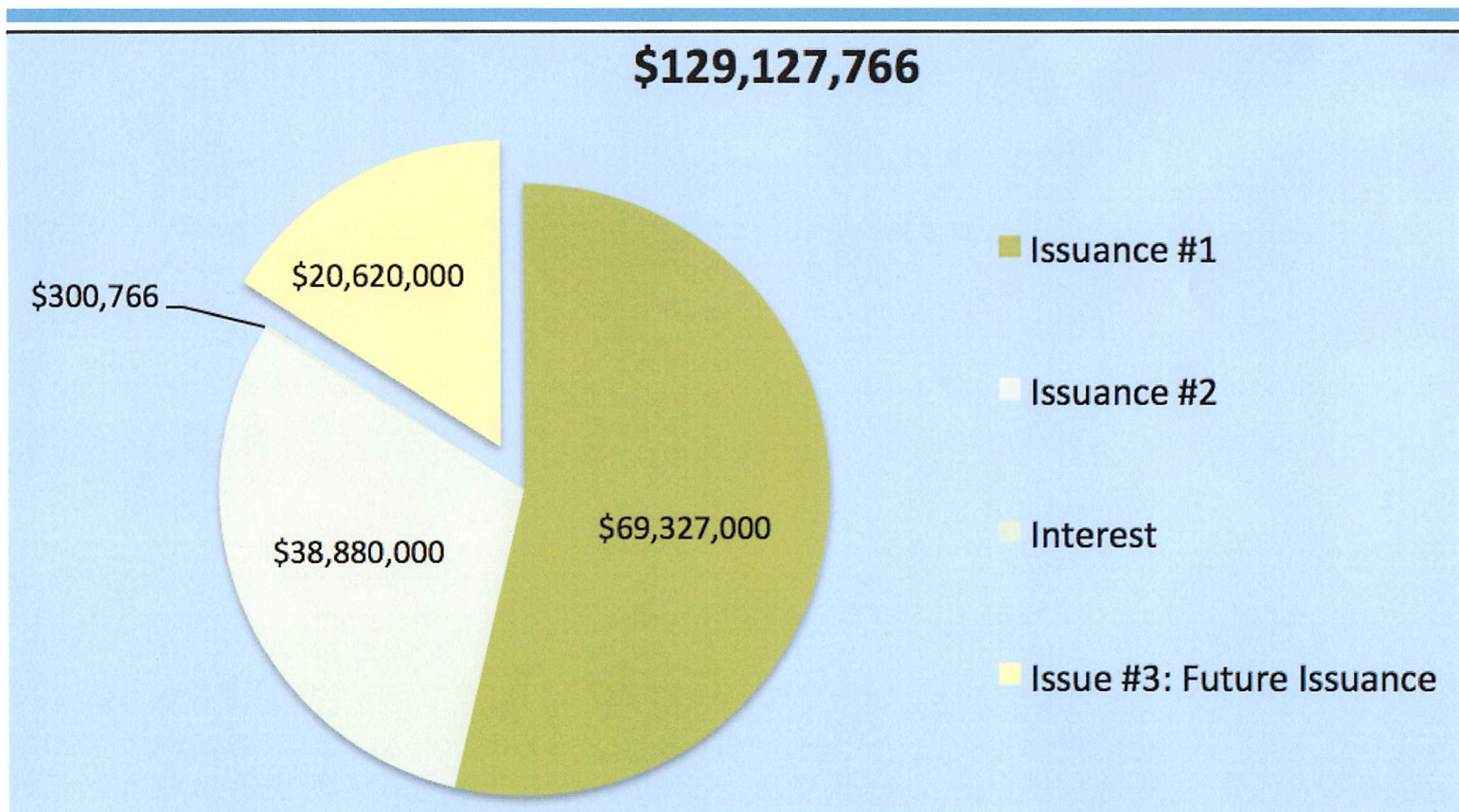


Measure D Proposed Project Allocations

Description	10-14-15 Board Approved Allocation	March 22, 2017 Board Request	Difference
Annual Independent Audit	\$233,780.00	\$233,780.00	\$0.00
Cost of Issuance	\$1,328,536.05	\$1,355,068.41	\$26,532.36
Bannon Creek Conversion	\$7,755,431.05	\$7,325,652.49	-\$429,778.56
Playground Improvements	\$1,764,441.50	\$1,504,665.50	-\$259,776.00
Project Management	\$896,650.00	\$1,161,091.50	\$264,441.50
Paso Verde Site Prep	\$1,479,115.10	\$1,479,115.10	\$0.00
Westlake Charter K-8 Campus	\$1,557,500.00	\$1,817,276.07	\$259,776.07
Star Academy new Campus	\$1,100,000.00	\$1,100,000.00	\$0.00
Security Systems	\$4,074,252.76	\$2,309,811.26	-\$1,764,441.50
Tech Refresh-computer/support infrastructure	\$6,039,874.00	\$6,046,284.52	\$6,410.52
Buses and service Vehicles	\$250,000.00	\$250,000.00	\$0.00
Total Open Projects	\$26,479,580.46	\$24,582,744.85	-\$1,896,835.61

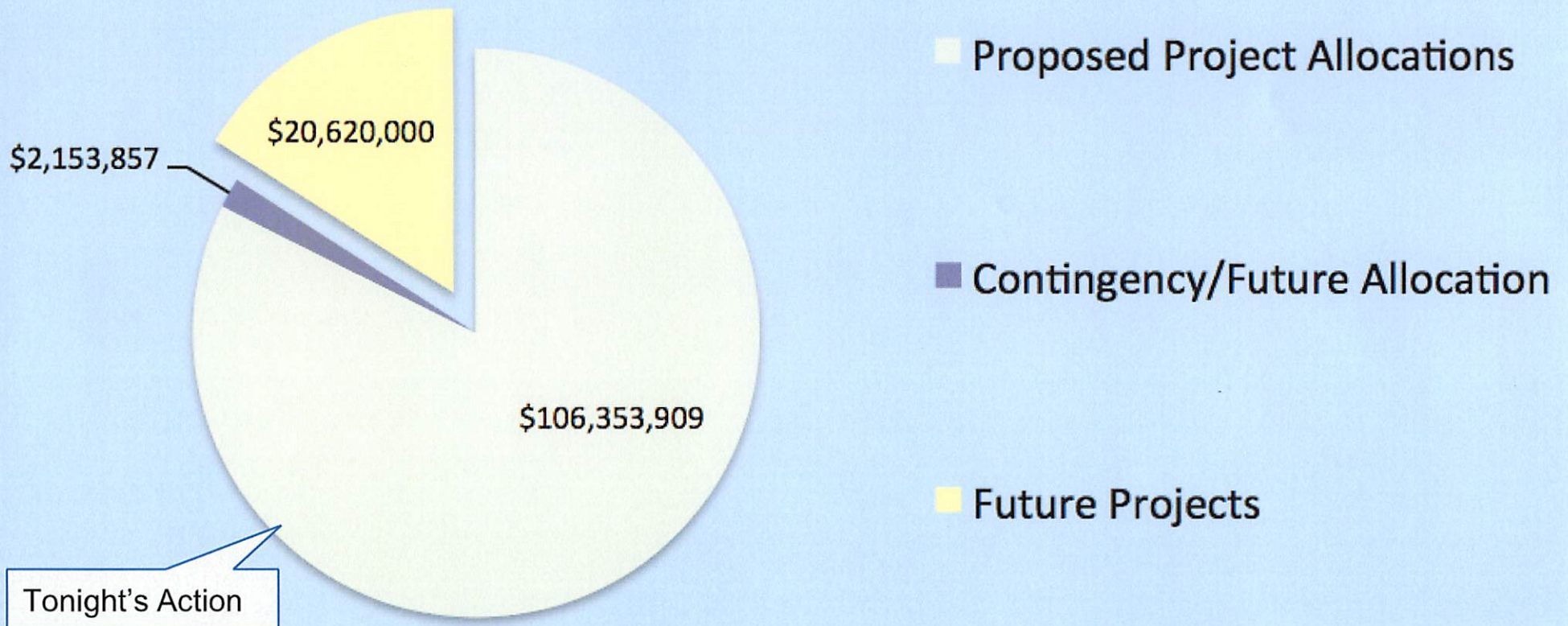
Measure J Revenue

(\$129,000,000 Bond Measure)



Measure J Project Allocations

\$129,127,766



Measure J Proposed Project Allocations

Description	10-14-15 Board Approved Allocation	03-22-2017 Allocation	Difference
Star Academy new Campus	\$15,510,000.00	\$15,360,000.00	-\$150,000.00
2015 COP		\$9,500,000.00	\$9,500,000.00
Westlake Charter K-8	\$21,320,885.00	\$31,620,885.00	\$10,300,000.00
Security Cameras	\$425,000.00	\$0.00	-\$425,000.00
Bannon Creek Upgrades	\$7,907,000.00	\$6,107,000.00	-\$1,800,000.00
Lighting Upgrades	\$271,431.00	\$271,144.32	-\$286.68
Leroy Greene Academy	\$2,015,159.00	\$1,544,159.00	-\$471,000.00
Heron	\$8,105,870.00	\$8,105,870.00	\$0.00
Two Rivers	\$405,000.00	\$190,000.00	-\$215,000.00
Natomas High School	\$3,847,500.00	\$3,247,500.00	-\$600,000.00
Discovery High	\$1,829,250.00	\$3,241,250.00	\$1,412,000.00
Natomas Park	\$7,560,000.00	\$8,505,000.00	\$945,000.00
Hardscape Repairs	\$129,905.00	\$0.00	-\$129,905.00
Jefferson Modernization		\$8,311,527.00	\$8,311,527.00
Project Management J projects Internal/external		\$1,706,574.00	\$1,706,574.00
NP3 New 2 Story building		\$7,643,000.00	\$7,643,000.00
Paso Verde Softcosts		\$1,000,000.00	\$1,000,000.00
Current Project Total	\$69,327,000.00	\$106,353,909.32	\$37,026,909.32

**NOT ENOUGH TO FUND
PASO VERDE
CONSTRUCTION
- BRIDGE FINANCING
REQUIRED**

Project Updates

- **Certificates of Participation** - Approval of the proposed Measure D and J Bond Funds Allocations, will provide the authority to eliminate one existing Certificate of Participation (COP) and eliminate the need to acquire one more COP, saving associated interest costs. This is contingent upon updated facility use agreements with two Charter schools.
- **Paso Verde School construction** will require a determined delivery method and bridge financing until a future local bond measure is passed or future Measure D & J Series 3 bonds are sold.
- **Any State matching school construction funds** received will help offset bridge financing and fund future Facility Master Plan project costs.

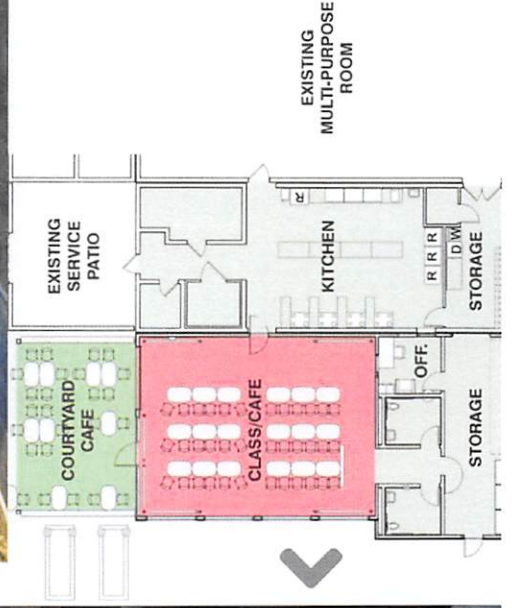
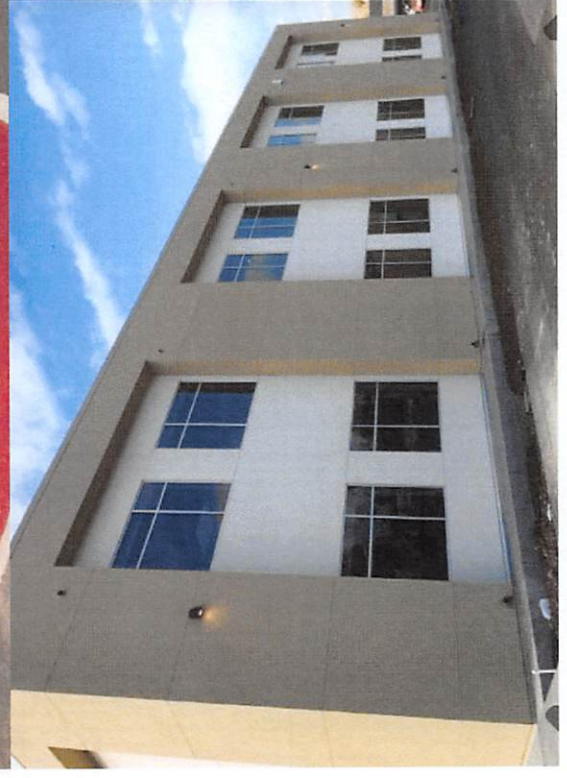
Facilities and Strategic Planning Website

Facilities and Strategic Planning Website

includes:

- **Current Project Information**
- **Citizen's Bond Oversight Committee Information**
- **Project Fact Sheets and Photos**
- **Facility Master Plan**
- **Prequalification Process**

Projects



Regular Board Meeting

Natomas USD

March 22, 2017 6:00PM

EDUCATION CENTER - BOARD ROOM 1901 Arena Blvd., Sacramento, CA 95834

Open Session: 6:00 p.m.

VII.c. Present and Approve Lease-Leaseback as Delivery Option for Paso Verde School

Quick Summary / Abstract: Doug Orr, Associate Superintendent

Recommended Motion: The Board is asked to receive information and approve Lease-Leaseback delivery method for Paso Verde School.

Rationale: Based on bond fund allocations, timelines, and receiving “best value”, and a guaranteed maximum price for completion of the school, the Board is asked to approve Lease-Leaseback as the delivery method for Paso Verde school.

Lease-Leaseback as the Delivery Method for Paso Verde School

March 22, 2017

Presented By:
Doug Orr
Associate Superintendent



VISION

Vision

All NUSD
students
graduate as
college and
career ready,
productive,
responsible,
and engaged
global citizens

Natomas
Unified School District

Core Beliefs

Core Belief

Every
student can
learn and
succeed


Natomas
Unified School District

Core Belief

Disparity
and
disproportionality
can and must be
eliminated


Natomas
Unified School District

Core Belief

Our
diversity
is a
strength


Natomas
Unified School District

Core Belief

Staff must be
committed,
collaborative,
caring, and
exemplary


Natomas
Unified School District

Objective

- **Present and Approve Lease-Leaseback as the delivery method for Paso Verde School**

Action Plan: Where are we

Action already taken/Decisions made	Possible Action Tonight	Decisions to come
<ul style="list-style-type: none"> • Selection of Initial Architect to begin planning of the school • Boundary approval • Designated focus for school programs as IB and STEAM • Name Principal, Tonja Jarrell • Approve recommendation to open the school as a K-8 • Approve recommendation to start the school as a TK-5 in 2017-2018 • Approved Paso Verde as the school name • Presented site placement options for review 	<ul style="list-style-type: none"> • Approve LLB as delivery method 	<ul style="list-style-type: none"> • Selection criteria for LLB team • Selection of an architect and general contractor for the LLB team • Configuration of a site placement on the property • Finish the design for the permanent site with building specifications

Paso Verde: Delivery and Funding Methods

Delivery Options:

- **Design, Bid, Build**
 - Design a school with the architect, independent of the contractor
 - Bid the project
 - Build the project
- **Design, Build**
 - Select architect and contractor on one contract
 - Determine a guaranteed maximum price
 - Build the project
- **Lease-Leaseback**
 - Select the architect, then the contractor but on separate contracts
 - Determine the guaranteed maximum price
 - Collaboratively design and build the project

Previous Action by the Board of Trustees

In alignment with recent changes to law, the Board recently approved updates to our Board Policies and Administrative Regulations including:

3311 – BIDS

Contains board policy (BP) and administrative regulation (AR)

3311.1 – CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING AND EMERGENCY CONTRACTING PROCEDURES

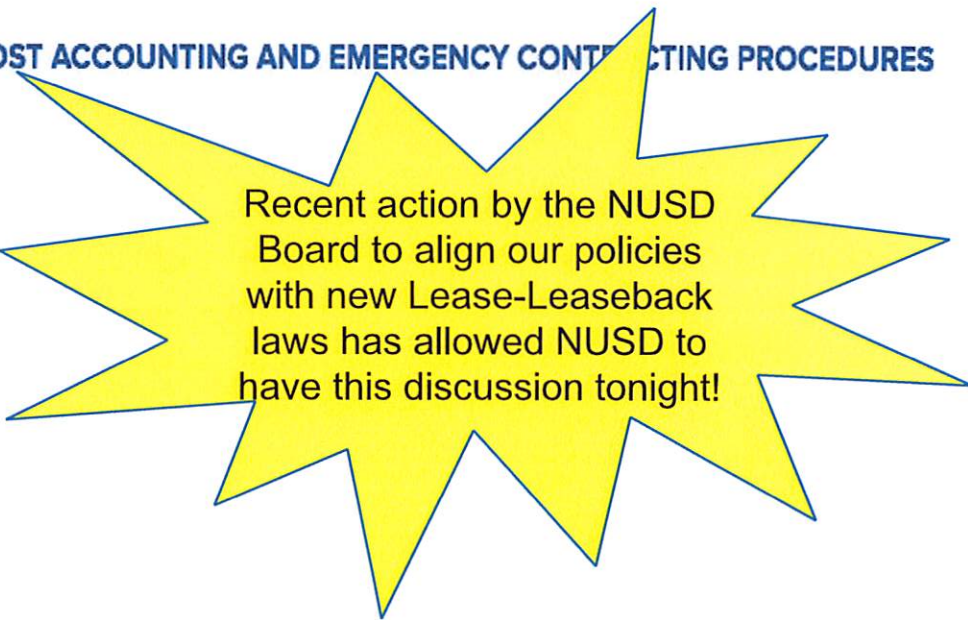
Contains board policy (BP) and administrative regulation (AR)

3311.2 – LEASE-LEASEBACK CONTRACTS

Contains administrative regulation (AR)

3311.3 – DESIGN-BUILD CONTRACTS

Contains administrative regulation (AR)



Recent action by the NUSD Board to align our policies with new Lease-Leaseback laws has allowed NUSD to have this discussion tonight!

Design, Bid, Build

Advantages:

- One point of responsibility
- Potentially larger pool of trade contractors

Disadvantages:

- Contractor selection determined by price
- Significant change orders
- Timelines may be stretched out as compared to other options
- Does not build long term relationships

Design, Bid, Build

With this option, we will not have a guaranteed maximum price

- **Based on the Bond Allocations considered tonight, funds are not available to NUSD at this time to provide certainty to complete the project**
- **Design, Bid, Build is not a preferable option for Paso Verde School**

Design, Build

Advantages:

- Protected by a guaranteed maximum price
- Collaborative project delivery
- More control over contractor selection

Disadvantages:

- Some loss of control over specifics of building design
- One contract instead of two, which provides less risk allocation

Design, Build

With this option, NUSD does not have the same extent of control over design, risk allocation or financing options as we would with Lease-Leaseback

- **Design, Build is not a preferable option for Paso Verde School**

Paso Verde: Delivery and Funding Methods

Delivery Options:

- ~~Design, Bid, Build~~
- ~~Design, Build~~
- Lease-Leaseback

Lease-Leaseback

Advantages

- Allows the District the potential to explore alternative financing strategies not available with the other options
- Protected by a guaranteed maximum price and provides a constructability review
- More control over the contractor selection in that a “best value determination” is used
- Collaborative project delivery
- Timelines are sped up due to collaboration, with potential time savings calculated in months

To Be Aware of:

- It's a re-emerging concept and despite the new law it is to some extent still taking shape

Lease-Leaseback

Previous successful use of LLB in NUSD

- Inderkum High School
- Various other projects

Staff Recommendation

Staff recommends Lease-Leaseback as the delivery method for the following reasons:

- **Funding Available:** The funding needed for the project exceeds our available resources due to the items outlined in the allocation presentation which provides the authority to eliminate one existing Certificate of Participation (COP) and eliminates the need to acquire one more COP which are both contingent upon updated facility use agreements with two Charter schools.
- **Total Cost:** Lease-Leaseback provides a guaranteed maximum price which will help control costs that may be normally incurred, including many change orders.
- **Timelines:** The Lease-Leaseback timeline is expected to be shorter than other methods due to the collaboration between the architect and the contractor.
- **Constructability Review:** Lease-Leaseback has a built in review that establishes a cost analysis and allows NUSD to plan accordingly.

Action Tonight

Action Tonight:

- Approval of Lease-Leaseback as the delivery method for Paso Verde School

Next Steps

- Present Draft selection criteria for the Lease-Leaseback in alignment with law, our updated Board Policies and Administrative Regulations
- Prepare an RFP for a Lease-Leaseback team
- Make “best value determination” selection based on RFP results for LLB team members
- Ratify and execute a Lease-Leaseback contract

Questions



NATOMAS UNIFIED SCHOOL DISTRICT

Citizen's Bond Oversight Committee 2014 Measure "J" Financial Report

Measure J Funding

Local Bond

Fund 21 Resource 9359

Data as of

4/1/2017

Starting Balance	
Issue#1	\$69,500,000.00
B of A Discount	\$1,649,088.50
Cost	-\$1,822,669.96
Interest Earned	\$393,991.51
Current Issuance Funding Balance	\$69,720,410.05
Future Funding	
Issue #2	\$39,000,000.00
Issue #3	\$20,620,000.00
Cost of Issuance #2	-\$120,000.00
Future Interest	
	\$59,500,000.00
Total Project Funding	\$129,220,410.05

Total Measure J Allocation March 22, 2015	\$126,973,908.83
Total Unallocated Measure J Balance	\$2,246,501.22

Measure J Open Projects

Project Numbers	Description	March 22, 2017 Board Approved Allocation	Year to Date Spending	Total Project Expenditures	Project Balance
201	Star Academy new Campus	\$15,360,000.00	\$5,789,454.26	\$15,350,248.79	\$9,751.21
aa	2015 COP	\$9,500,000.00		\$0.00	\$9,500,000.00
202	Westlake Charter K-8	\$31,620,885.00	\$11,519,305.21	\$13,964,731.32	\$17,656,153.68
207J	Security Cameras	\$0.00	\$0.00	\$0.00	\$0.00
208	Bannon Creek Upgrades	\$6,107,000.00	\$3,321,683.01	\$5,530,146.32	\$576,853.68
210	Lighting Upgrades	\$271,144.32	\$40,804.32	\$271,144.32	\$0.00
211	Leroy Greene Academy	\$1,544,159.00	\$1,238,710.02	\$1,512,891.80	\$31,267.20
212	Heron	\$8,105,870.00	\$842,573.21	\$1,396,948.95	\$6,708,921.05
215	Two Rivers	\$190,000.00	\$156,796.13	\$185,588.90	\$4,411.10
214	Natomas High School	\$3,247,500.00	\$2,397,817.44	\$2,989,087.29	\$258,412.71
217	Discovery High	\$3,241,250.00	\$591,395.56	\$753,965.32	\$2,487,284.68
218	Natomas Park	\$8,505,000.00	\$1,272,875.89	\$2,141,386.96	\$6,363,613.04
219	Hardscape Repairs	\$0.00		\$0.00	\$0.00
235	Jefferson Modernization	\$8,311,527.00		\$0.00	\$8,311,527.00
bbb	Project Management J projects Internal/external	\$1,706,574.00	\$11,338.26	\$82,350.76	\$1,624,223.24
bbb217	Discovery High Project Management		\$35,862.50		
bbb218	Natomas Park Project Management		\$35,150.00		
222	NP3	\$7,643,000.00		\$0.00	\$7,643,000.00
216J	Paso Verde Softcosts	\$1,000,000.00	\$25.92	\$25.92	\$999,974.08
Current Project Total	Current Project Total	\$106,353,909.32	\$27,253,791.73	\$44,178,517	\$62,175,393

Measure J Future Projects

Project Numbers	Description	March 22, 2017 Board Approved Allocation	Year to Date Spending	Total Project Expenditures	Project Balance
	Remaining Projects from the March 22, 2017 Board Approved FMP List	\$20,619,999.51			\$20,619,999.51
Future Project Total		\$20,619,999.51	\$0.00	\$0	\$20,620,000
Grand Totals		\$126,973,908.83	\$27,253,791.73	\$44,178,516.65	\$82,795,392.18

Measure J Standing Sub-Committees

Open Projects	Project No.	Member 1	Member 2	Member 3
Star Academy	201	Jennifer Slay	David Kawada	
Westlake Charter K-8	202	Danielle Marshall	Bob Moreno	
Security Cameras & Lighting Upgrades	207J, 210	Anita Lopez	Christopher McGreal	
Bannon Creek Upgrades	208	Jennifer Slay	David Kawada	
Leroy Greene Academy	211	Jennifer Slay	David Kawada	
Heron	212			
Two Rivers	215	Eric Stern	Christopher McGreal	
Natomas High School	214	Anita Lopez	Eric Stern	Bob Moreno
Discovery High	217	Christopher McGreal	Danielle Marshall	
Natomas Park	218			
Hardscape Repairs	219			
Annual Report & Audit		Anita Lopez	Eric Stern	
Finance (approved 8-22-16)		Eric Stern	Danielle Marshall	Bob Moreno

NATOMAS UNIFIED SCHOOL DISTRICT
Citizens' Bond Oversight Committee Meeting – Measure J

**Location: Natomas High School
3301 Fong Ranch Road
Engineering Lab Room
Monday, January 23, 2017 – 7:15 p.m.**

I. ROLL CALL

Present: David Kawada, Danielle Marshall, Christopher McGreal, Bob Moreno, Jennifer Slay, Eric Stern

Absent: Anita Lopez

Staff Present: Bill Young, Brenda Monson, Mark Covington, Jen Mellor, Paul Anderson, Vina Guzman

Meeting called to order by Chair, Eric Stern at 7:40 p.m. and established a quorum with 6 members in attendance.

Members had a guided tour before start of the meeting. Members have enjoyed meeting in different locations and the opportunity to see completed projects. Eric Stern thanked Bill Young for tonight's tour.

II. COMMUNICATIONS

a) Welcome/Introductions

- Associate Superintendent Doug Orr introduced himself. He informed the group he will oversee Facilities & Strategic Planning (F&SP) and still has Human Resources under his responsibility. His background includes 16 years with NUSD as a teacher, Assistant Principal, Principal, Human Resources administrator and now Associate Superintendent. He reported that Jen Mellor in F&SP was recently promoted to Facilities & Planning Technician. Doug looks forward to working with the F&SP team and CBOC members.
- Chair Eric Stern introduced Jamie Matthews who will present the Performance Audit report.

III. PUBLIC COMMENTS - none

IV. INFORMATION ITEMS

a) Committee Membership

- Term 1 expires for members David Kawada, Anita Lopez, Danielle Marshall, Christopher McGreal, Jennifer Slay and Eric Stern. David, Danielle, Christopher, Jennifer and Eric confirmed they intend to serve continue on Measure J for Term 2. Staff will contact Anita Lopez. At the March 8, 2017 the Board of Trustees will be asked to confirm reappointment for members continuing to serve Term 2.
- Bob Moreno asked what is needed to qualify to represent the Senior Citizens' Organization. Staff look into dual roles and report back at the next meeting.
- Bill Young explained that committee membership minimum is 7 members, but more members are welcome; we continue to seek more applicants.

b) Receive 2015-16 Performance Audit Report

- Budget & Accounting Director Vina Guzman explained that the District had 3 responses to the RFP for audit services to perform the Proposition 39 Bond Performance Audit for fiscal years ending June 30, 2016, 2017 and 2018. In May 2016, the Board of Trustees approved selection of Gilbert Associates, Inc. She invited Jamie Mathews from Gilbert Associates, Inc. to walk through the report and answer questions.
- Ms. Mathews said the audit received a clean unmodified opinion which is the best opinion given on Performance Audits. She gave an overview of the report and highlighted several areas.
- She referred to the objectives and scope of the audit indicating this is the very first Measure J Performance Audit. The scope of work included examination of prior year meeting agendas and minutes as well as Board of Trustee bond related items. They selected samples of expenditures, reviewed bid process and confirmed projects were approved by the Board of Trustees.
- The financial review reconciled expenditures and confirmed everything was reported as Measure J expenditures appropriately. The Gilbert Associates team confirmed that transfers from Measure J to other funds were allowable and noted that beginning this year, the District has changed the way it accounts to avoid transferring between funding accounts.
- Reviewed committee activity/internal controls including CBOC Bylaws, meeting minutes and agendas.
- Ms. Mathews added that District staff were well prepared, knowledgeable and helpful.
- Chair Eric Stern asked how the District tracks Measure D and Measure J to keep things separate. Paul Anderson explained that specific account code strings designate each expenditure and identifies the project and bond fund.
- Chair Eric Stern thanked Ms. Mathews for the presentation noting the importance of this report as a core function.

c) Receive 2015-16 Annual Report

Jennifer Slay moved to move the 2015-16 Annual Report to an Action Item on the agenda. Motion seconded by David Kawada. Motion carried 6-0.

d) Proposition 51, Public School Facility Bonds (Passed by Voters)

Bill Young provided the following update:

- The voter approved \$9 billion bond awaits sale at the state level.
- Governor's office has expressed concerns about issuing more bonds without changes to the existing methods for spending insuring clear process for expenditures. Debate at the State level on when to issue next bond, and whether rules are changing.
- NUSD is eligible for \$44 million in matching state funds which will help us move forward with other projects on the list. However, it is uncertain of how long things will be 'on hold'. We will continue to monitor.
- Christopher McGreal how we can use the matching funds. Bill Young explained that this could pay down STAR Academy COP, offset or prepay back this bond, pay off previous debt, offset costs incurred or could be used to offset using a COP for WCS.

e) Measure J Projects and Financial Update

Paul Anderson presented the Financial Update:

- Data covers transactions through November 30, 2016.
- Lighting Upgrades Project (210, 201A, 210B) has been moved to the completed section on the report and is ready for committee audit. Rebates received for installing LED lighting covered most of the expenses for the Bannon Creek Lighting project (201B).
- Work is complete (final invoices have not been received) on the following projects: Natomas STAR Academy (201), Leroy Greene Academy (211), Two Rivers Elementary (215) and Natomas High School (214). Projects are not considered “closed” until certified letter from DSA is received, Notice of Completion is filed and retention is released.
- Rain has caused delays on 4 projects. Sites are waiting for pads to be poured. Paul Anderson reported Discovery HS did a lime treatment for soil improvement; and Natomas Park added a top layer of lime to help with muddy site conditions. A SMUD high voltage line ran under the construction site adding to the delay. Staff is working with contractors on a recovery schedule to meet tight timelines.

f) **General Obligation Bond Updates**

- The Board has approved the sale of the second series of Measure J (\$39 million) bonds using a competitive selection process. Jennifer Slay noted that financial report presented tonight shows a different amount. Bill Young explained that the *second issuance* came in higher and will be about \$37.7 M is usable funds; and will reduce the 3rd issuance amount. Jennifer Slay asked if it’s possible to build that into the next bond measure using both Measure D and Measure J funds. Bill Young will research and report back. The increased second series will help future projects including Paso Verde School (PVS). Danielle Marshall asked what funds will be used for upgrades to the Del Paso campus that will be temporary site for PVS. Bill Young said the minor upgrades will be covered by developer fees, not Measure J funds.
- The District continues to look for property for future schools in that area of Natomas to accommodate potential growth. No developments are breaking ground yet, but the land is zoned residential. The search is more difficult because property is in the City and the County.
- Eric Stern asked if Measure J fund can be used for that site acquisition. Bill responded yes.

V. **ACTION ITEMS**

a) **Approve October 24, 2016 Meeting Minutes**

Jennifer Slay moved to approve the October 24, 2016 minutes. Motion seconded by David Kawada. Motion carried 6-0.

b) **Assign Members to Standing Sub-Committees**

David Kawada moved to approve the new assignments (shown below) to standing sub-committees. Motion seconded by Christopher McGreal. Motion carried 6-0.

(202)	Westlake Charter K-8:	Danielle Marshall, Bob Moreno
(207J, 210)	Security Cameras:	Christopher McGreal
(214)	Natomas High School:	Bob Moreno
(215)	Two Rivers:	Christopher McGreal
(217)	Discovery High:	Christopher McGreal, Danielle Marshall
	Finance:	Bob Moreno

c) Approve 2015-16 Annual Report

Jennifer Slay moved to approve the 2015-16 Annual Report. Motion seconded by Danielle Marshall. Motion carried 6-0.

VI. NEW BUSINESS - none

VII. FUTURE AGENDA ITEMS

- a) Project Allocation Update
- b) Bond Sale and Issuance Update
- c) Collect Form 700 (April)
- d) Election of Officers (April)
- e) Project Audits STAR Academy, Leroy Greene Academy, Two Rivers, Natomas High
- f) Meeting Schedule for 2017-18 (April)

VIII.

Committee Chair Eric Stern adjourned the meeting at 7:18 PM. Potential meeting locations for April: Two Rivers Library or STAR Academy. Staff will send notification about the meeting location for April.

Next Meeting: April 24, 2017

July 2017						
Su	M	Tu	W	Th	F	S
						1
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23	24	25	26	27	28	29
30	31					
August 2017						
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27	28	29	30	31		
September 2017						
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October 2017						
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November 2017						
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December 2017						
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31						

2017-2018 Student Calendar

180 Instructional Days



First Day of Class	August 9, 2017
Last Day of Class	May 24, 2018
No School	Non-Workdays
July 4	Independence Day
September 4	Labor Day
November 10	Veteran's Day (observed)
November 20	Certificated Holiday
November 21	Certificated Holiday
November 22	Local Holiday
November 23	Thanksgiving Day
November 24	Local Holiday
December 22-January 5	Winter Recess
December 24	Christmas Eve
December 25	Christmas Day
January 1	New Year's Day
January 15	Martin Luther King Day
February 12	Presidents Day (Lincoln Day)
February 19	President's Day (Washington Day)
April 2-April 6	Spring Recess
May 28	Memorial Day
Certificated Staff Development Days (3,5)	Non-Student Days
August 7	District Staff Development Day
August 8	District Staff Development Day
October 9	District Staff Development Day
May 25 (.5)	District Staff Development Day

District Wide Minimum Days:

December 21, 2017

May 24, 2018

Elementary Schools:

5 minimum days for Parent/Teacher Conferences. Check your school calendar for dates.

Secondary Schools:

December 19-20, 2017

May 22-23, 2018

1 st Quarter: 10-13-17	1 st Semester: 12-21-17	1 st Trimester: 11-9-17
2 nd Quarter: 12-21-17	2 nd Semester: 5-24-18	2 nd Trimester: 2-23-18
3 rd Quarter: 3-9-18		3 rd Trimester: 5-24-18
4 th Quarter: 5-24-18		

January 2018						
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February 2018						
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March 2018						
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April 2018						
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May 2018						
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June 2018						
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Board Approved: July 20, 2016