

Minutes for the Bond Oversight Committee Meeting South/Central

January 12, 2004

**District Office Boardroom
292 Green Valley Road
Watsonville, CA 95076**

5:00 PM – 7:00 PM

Attending Members:

Rodney Brooks/Victor Kimura/Doug Mattos/Antonio Rivas/Peter Stoll

Absentee Members:

Tom Alejo/Roberto Garcia/Sonia Garcia/Aurelio Gonzalez/Blanca Mendoza
Jeff Swedlund

Non-Committee Members:

Brian Rasmussen, BMR Construction
Terry McHenry, Associate Superintendent
Rhea DeHart, Board of Trustees President
Darlene Insley, Administrative Assistant

Victor Kimura called the meeting to order at 5:15 pm. The members and non-members introduced themselves and a discussion ensued about the lack of attendance by some of the members of the committee. After reviewing the attendance history of the absent members and noting that two members had resigned, the members present decided that letters should be sent to those not present, that they have been removed from the committee. If they wish, they may reapply for membership.

The committee also decided that the matter should be referred to the Board of Trustees as to how, or if, to replace any of the members. The consensus of the committee was they were willing to function with a smaller number, if that was acceptable with the Board. The committee was also willing to have the Board replace all the members who had resigned or had been removed.

The minutes from the previous meeting were moved, seconded and approved.

Terry McHenry asked Brian Rasmussen of BMR Construction Management, Inc. to give an update on the five South/Central projects beginning with Pajaro Valley High School.

Brian's brief overview indicated that the Cafeteria for Pajaro Valley High School is currently at Division of the State Architect (DSA) for plan review and is expected to go out to bid in March and hopefully start construction in April.

Terry reviewed the status of Pajaro Valley High School indicating that there are five buildings there, the library is close to being finished and the two story classroom next to it is ready to put the roof on it. The Gym is beginning to take shape and the other classrooms are being worked on. The opening date is still expected to by January 04.

We have the same architect, HBFL out of Salinas for the two projects at Mintie White and EA Hall. The construction plans for the new multipurpose room at Mintie White are in development and the gymnasium at EA Hall has been undergoing a structural analysis to allow DSA to determine what they will require structurally when doing the addition. We are going through a Relocatable shuffle in order to allow room for the new multipurpose room at Mintie White. If everything goes as plans, we will get the bids out in early spring, so that we can move the Relocatables over the summer and the contractor will be able to start building late summer, or early fall on these projects.

Watsonville High School is progressing with the development of the construction documents for the new gymnasium and sports fields. The renovation of the science rooms and the old gymnasium will be a subsequent phase and the scope of work in these areas is still being determined.

We are looking at how soon we can start work on the play field and the parking lots with the earliest appearing to be January 05. The concern is that the Bond passed over a year ago and still no construction has started. Some Board members are concerned that we do this in a timely manner. It's a matter of sequence, which do we do first? We do need to make sure that the Watsonville staff knows what is going to happen and approximately how long it will take.

The Annual Financial Report, prepared by **Vavrinek, Trine, Day & Company, Inc. (VTD)** was presented. This is a fiscal year audit for the last fiscal year ending June 30, 2003. Each of the sections of the documents were reviewed. Further detail of the actual expenditures was provided by the District and reviewed. A short discussion and a questions and answer session took place during the presentation of these documents.

The next document presented was the "2002 Measure J General Obligation Bond Fund June 30, 2003 Performance Audit", also prepared by, **VTD**. Again, an explanation of the documents was provided. There was a short discussion with the committee on what a performance audit was and where the money was being spent. The Committee specifically asked about \$153,319 for Services and operating expenditures. Brian explained that part of that money went to him as Construction Manager and that he oversees all of the construction that goes on for the Bond Projects, the committee understood and felt comfortable with it.

Terry then explained to the committee that the law requires a financial audit and a performance audit. The financial audit is straight forward but the performance audit is a new concept. This audit is expected to verify that the bond funds are spent on qualified projects and not on district staff. The committee was asked about their preference on performance audits whether they would like to see something different in the future.

The committee voted to accept the financial audit and performance audit as presented.

The last item on the agenda was the schedule for future meetings.

It was decided that meeting twice a year to review the financial information for half a year at a time would be preferable, over trying to deal with a an entire year of financial information.

Based on this, it was established to have a meeting on April 26, 2004 to review cost data from July 1 to December 31 and a meeting on October 25, 2004 to review cost data from January 1 to June 30. Both meetings are scheduled to be held in the District Office Boardroom from 5:00 pm to 7:00 pm.

All material will be mailed one week prior to meeting.

Chair Member Vic Kimura adjourned the meeting at 6:44 PM.