

Minutes for the Bond Oversight Committee Meeting South/Central

January 30, 2006

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

5:00 PM – 7:00 PM

Attending Members:

Rodney Brooks - Aurelio Gonzalez – Dan Hankemeier
Victor Kimura - Steve Ponzio - Antonio Rivas

Absentee Members:

Doug Mattos - Peter Stoll

North Bond Committee Liaison:

Non-Committee Members:

Brian Rasmussen - Rhea DeHart - Doug Keegan - Willie Yahiro - Darlene Insley

Chair Victor Kimura called the meeting to order at 5:12 pm, noting there was a quorum and acknowledging the new committee member, Steve Ponzio and Board of Trustees, Rhea DeHart, Doug Keegan and Willie Yahiro and requested the committee introduce themselves.

Aurelio Gonzalez moved to approve minutes of September 26, 2005 and Victor Kimura seconded the motion. All agreed.

Victor requested the committee reply to Darlene when notified on upcoming meetings. Thus saving the District money on copies made for the meetings.

Report and discussion on Bond Fund 21 Summary Sheet and Bond Warrants

Brian Rasmussen explained that the Warrant documents were in alpha-order by vendor and brought the totals up through December 31, 2005. Noting the other document being handed out was the Financial Audit dated June 30, 2005 and was from the District's Accountants, Vavrinek, Trine, Day & Co., LLP, adding that the Performance Audit was missing and would be e-mailed to the Committee.

The question of Certificates of Participation (COPS) was discussed and that a portion of them were required to be paid off by the Bond money and was April 2003.

An expenditure of \$222,430.52 worth of construction funds on E.A. Hall's sheet was brought to Brian's attention. Brian noted it was in the wrong project and should be placed in Mintie White Elem. School warrants and would be corrected.

Division of State Architects (DSA)

Brian explained the Division of State Architects (DSA) and their function. He stated that schools don't go through a local building department, that they do not have jurisdiction on school sites. Schools are considered state property and all state properties are routed through (DSA) which is similar to a building department as far as fees and permits.

Misprinted Financial Summary Sheets

It was noted that several Financial Summary Sheets were incorrect, so the Committee asked Brian for a verbal progress report on each of the school site projects.

Verbal account of projects

Beginning with the two Aptos bids awarded to two separate contractors, Soltek Pacific, awarded the contract for the building project and Western Water Features, awarded the contract for the pool project.

Construction of the building is to begin April first with the pool construction beginning 45 days after, due to the fact demolition of the existing pool is done by the building contractor.

The schedule of completion on the pool is the end of the year and the scheduled date of completion on the building will be late September next year. He added that even with the improvement in insurance rates the budget was over approximately \$350,000.00. The board approved this budget, supplementing it with District Developer Fees, with a caveat stating if any monies are saved out of the 5% contingency for construction change orders the fees will be paid back to that fund.

Some concern on the E.A. Hall Project and Terry is exploring options.

A contract has been awarded for the bulk of the work for Watsonville High School for \$13.4 million and is committed along with a 5% contingency for construction changes. In 30 days the bid will go out for the "All Weather Track and Field", the budget is \$1.2 million with contingency. There is a \$600,000.00 budget for the Science Labs, with a 10% contingency for renovations. Modernizing the Art Building and old gymnasium with the \$2 million received from the State by showing the matching funds with the allocated bond money.

Report and explanation on the interest

There is \$923,000.00 worth of interest for the Aptos projects and \$733,000.00 for the Watsonville projects. All funds are in the County Treasury accumulating interest and pro rated by the balance that is in there.

Discussion on AHS cuts, WHS cuts, and using Developer Fees

Trustee Willie Yahiro remarked that if there are any more cuts with Watsonville and they do not make the bid, would Watsonville receive any Developer Fees for their projects as Aptos did and if so, the first site should be E.A. Hall Gymnasium.

Brian mentioned that the Board does not want to set precedence by using Developer Fees for this means.

Overview on projects progress

Completion of Mintie White is scheduled for April first. PVHS's cafeteria is completed other than the approval and the purchase of a few items by Sue Brooks. For Watsonville High School, the contract was awarded to Fedcon General Contractors for the Gymnasium, locker room and pool. They broke ground in October, running into a few soil issues, which are being dealt with. Completing all of the documents with the "first" all weather field surface in the District, will be out to bid in a few weeks, awarded by the end of March, start the first of April and finished by first of August for the beginning of school.

Discussion with Committee addressing the running track, bleachers and soccer field

Brian relayed the coaches' decision from their last meeting, which was to go with the 8-lane track, pushing the soccer field close up to track, creating some limitations. Money is not budgeted for new bleachers and (DSA) is now requiring wheelchair access with elevators to the Press Box. Possible use of a "Stair-glide" was mentioned.

Discussion on the bid package and the finish date on the gymnasium and locker room

The track and field will be bid as one package with a sub-contractor for each. Estimated completion date on the gymnasium and locker room is February 2007. Renovation of old gym will begin after the new one is completed.

Watsonville High School Soccer Field

Antonio Rivas stated that Watsonville is becoming well known because of their soccer teams and should have a professional soccer field, because it would attract State and National teams and would be important to the city.

Brian added that due to the budget, the bleachers cannot be moved; therefore the soccer field must stay 65 yards wide, or lose a few lanes off the track. The field being built now meets all high school requirements. As of last week, the architect was given the direction to proceed with the finalizations.

Report and discussion on WHS schedules of the new gym, renovation of old gym, field and track

Brian stated the track and field is a four-month project and will begin this April, ready the beginning of the next school year. New gym will be ready the middle of the school year 2007 and remove the old gym and three science rooms will begin February 2007 and completed by the beginning of that school year.

Report on schedule and time line for E.A. Hall

Brian stated the plans are in progress and should be submitted to (DSA) within six weeks, then out to bid this September, with a nine-month construction time line. The decision was to place the new gym on the basketball court, eliminating three of the outdoor basketball courts, leaving four. There is a covered walk between the two gymnasiums. Completion scheduled to be June 2007.

Report on the General Obligation Bond Fund Financial Report by Vavrinek, Trine, Day & Co., LLP (VTD)

Brian explained that VDT does the bond audit. This document is as of June 30, 2005 whereas the Bond Warrants was as of December 31, 2005 thus shows a discrepancy of \$4,229,756 due to the six-month time frame. He briefly went over the figures.

Rodney Brooks moved to approved the audit and Victor Kimura seconded the motion. All agreed.

Chair Member Victor Kimura adjourned the meeting at 6:55 PM.

Next meeting on August 28, 2006 in the Board Room