

March 28, 2003  
Bond Oversight Committee Meeting  
Minutes

Dr. Mary Anne Mays began the meeting by asking the committee members to introduce themselves.

(Not in order)

Mike Barsi	Chamber/Government Law
Fred Fischer	Parent
Juan Carlos Fonseca	Represents Voters in Corralitos
Jim Miller	Represents Aptos Community
Barbara Palmer	Chamber of Commerce
Mary Reed	Senior Citizen
Kathy Ruiz-Goldenkranz	Parent
Mike Theriot	Farm Bureau
Tom Alejo	Latino Community/Hope Ministries
Rodney Brooks	Chamber of Commerce
Dan Hernandez	Parent
Eric Frost	Chamber of Commerce
Roberto Garcia	Latino Chamber
Aureilo Gonzalez	Parent
Victor Kimura	Retired SIR
Doug Mattos	Parent
Antonio Rivas	City Council Member
Peter Stoll	School Site Council/Active Parent
Terry McHenry	Associate Superintendent
Mary Anne Mays	Superintendent
David Casnocha	Bond Council

Mr. McHenry thanked all the committee members for their comments and turned the meeting over to our Bond Counsel, David Casnocha to review with the committee the first topic of the agenda, the Bylaws and the Role and Operation of the Bond Committee.

Mr. Casnocha explained about Independence of the Committee, not an “Out of Power Governing Board”; and that the principal duties of the committee are first and foremost, to inform the public that the District has spent bond moneys for projects that the voters had approved and second, to make sure they did *not* spend the money on teacher or administrative salaries. He went on to explain that the committee was *not* assembled to approve contracts, construction bids, etc., rather, it was an after the fact review, to make sure the money that was

spent, was spent in accordance to Exhibit B, referring to the Resolution in the election to the Voter Information Pamphlet.

The discussion changed when a question was asked regarding two lines from pg. 15 Role of the Committee section of binder, which states, Mechanisms designed to reduce costs by incorporating efficiencies in school site design; and Recommendations regarding the use of cost-effective and efficient reusable plans. The question was, that it would be “after the fact”. Counsel explained, all plans, blueprints, etc. would be available for review and if anyone felt adverse to those plans, etc. they could voice their opinion in the minutes of a meeting, which would be reported to the board or public. The power given to the committee is not to implement a change, that’s only with the Board.

The question was asked, what is the chain of command? The answer is, Terry McHenry, Dr, Mary Anne Mays, then the School Board.

What to do if you feel you are not getting something, you have asked for in good faith?

You ask the Staff for an item, you do not receive it, you complain to next higher up. No help?

Appearance to the Board; You say, “We come to the Board as Members of the Committee, and would like to bring to the Board’s attention, that we have asked for copies of documents, which to the best of our knowledge, are public records and available to the community at large. We have asked for these documents to be available to the Committee and we feel as if we are not getting them. We’d like to let you know our feeling and give the Board an opportunity to talk to the staff to see if that condition exists.” Wait for the feed back, if not acceptable, enter into minutes, the collective disappointment of not having been given access to public records and then, post on website.

Mr. Casnocha went on to say that the Committee’s responsibility is to ask questions, gather information, and follow up on the projects process, as the year unfolds.

A question arose leading to the possibility of setting up a tour of the Aptos High School site every two weeks. This will allow the Committee to visualize how the master plan will look and where each of the new or remodeled facilities will be placed on campus.

Dr. Mays brought up the fact that we do have committees that do this already and that Mr. McHenry works with them at other sites. Then asked Mr. McHenry to talk about those committees.

Mr. McHenry said, “ In terms of involvement of this process so far, I guess we’re all learning at the same time. With the new laws we have to think in terms of how they function.”

He spoke about the Facilities Committee and that was put together 2 ½ years ago, that assessed all the schools and found out which ones were most needy and what their needs were; went to the Board and recommended they put a Bond on the ballot to facilitate these schools needs. The Board did that. These members were made up of Community members from each zone, including Parents and Administrative Staff.

We now have Design Committees that are made of Community, School Staff and parents, which meet regularly at the school sites to discuss a master plan, on how we're going to put the projects on the property. How and where do we place them on the campus and what will they look like when they are there? Once we do that, we come back to this group and show it to you, for the Bond Committees review. But, it still goes back to the School Board for approval.

There was a question regarding minutes on these meetings. Someone spoke up and said that prior to the Facilities Committee there was a Master Plans Committee at Aptos High School. This was a three-year Master Plan.  
End of tape

**NEW TAPE/FROM DIFFERENT RECORDER**

Mr. Casnocha was apparently asked about liabilities and answered he wasn't sure how our School Board would react, but typically most School Boards deny requests to hire independent counsel. He went on to explain, that the Committee's function is to determine that Bond monies are spent on the projects voters approved and to inform the public of those conclusions.

A concern was brought up on the fact that the public may find fault with the committee and they be named on any lawsuit, as individuals or as a group, along with the School Board.

Mr. Casnocha explained, that although he is not the District's counsel, he is here as the Bond Counsel and suggested that the Committee go to the Board and ask if they will defend and hold the Committee harmless for the carrying out it's functions.

Dr. Mays said she would check with our District Counsel on the matter.  
Mr. McHenry added we would also check with our insurance carrier on the liability aspect.

A statement made regarding the material that was given the Committee. That the Committee has very little power and all they have to do is report to the general public, on whether or not the money was spent on the projects that were approved on the Bond Measure. So where could we go wrong?

Inaudible response.

Dr. Mays raised the issue that we allow Bond Counsel to continue to go thru the bylaws and reserve questions until later. Mr. Casnocha reiterated the first two duties, Inform the Public, Review Expenditures and then went on to discuss Annual Reports.

He explained that the Committee has to present to the Board, in session, a minimum annual written report summarizing what you have done and what your completions have been.

Counsel was asked for a copy of the California Constitution and Mr. Casnocha said he would get a copy to Mr. McHenry by the next meeting or put them on our Website.

Mr. Casnocha discussed section 3.4 and 3.5 on page two and that was designed for the Governing Board, not for the Bond Committee, that the Committee is just about the bond.

Regarding authorized activates; Mr. Casnocha stated the committee could ask for all of the elements listed.

A discussed took place regarding the term years for the committees. The decision was a lottery would take place with thirteen Tokens for each Bond Committee. Six tokens with the number one and seven tokens with the number two.

1= one year term

2= two year term

The question was asked how long it would take to spend the Bond money? Mr. McHenry said, "Right now our Bond projects are scheduled to finish early to the middle of 2006."

You're talking about 3 ½ years, that's for all projects.

A discussion went on about the bonds being put into the bank and when the projects will begin. Mr. McHenry said major construction wouldn't begin for about a year because of construction and design approval.

A discussion regarding the design of the different sites and meeting with the staff, architects, engineers, etc. (some inaudible conversation)

The discussion about architectural plans, general square footage, average cost per square footage, projects to be constructed, estimated costs on these constructions and general demographics of the projects.

There was concern about the cost over runs, or the costs of today are different than yesterday.

Mr. McHenry assured everyone, that the one thing that was designed into this project was contingencies within the cost estimates. Keeping Architectural and Production Management within the budget and make all the pieces fit.

At this time, Mr. Casnocha said, "Is there a contractual obligation to everyone of the projects that the voters approved?" "And the answer is no". There may not be enough money to go around. Then he read the last paragraph on page B-2 from "Measure J" in the Committee book. (Voter Information Pamphlet) Then stated, if something doesn't get done, that's not grounds for recourse.

A member asked to have Section I Item No. 5.6, Removal; Vacancy, more clearly defined.

Mr. Casnocha went on to explain. You are assisting the Board. You are not here to advance your career. Show up, be an active participant, be reasonable, advance the interest of the District, don't make this a forum for a witch hunt for your own personal agenda and let the political process govern the fact that it would really be a big step for a governing board to remove a member for reasons other than gross inattention to the responsibilities of the Committee.

Another question asked by a member, "But it can be done?" Mr. Casnocha, "Yes, it can be done, but not done recklessly."

There was a brief conversation regarding the "Brown Act" that took place about posting the meetings. Dr. Mays mentioned that the meetings will be posted and anyone wanting to come and *listen* to these meetings can come and *listen*.

Mr. Casnocha stated that there is really only one committee.

**The Citizen Bond Oversight Committee, with two Sub-Committees.**

Those are: Oversight Committee, North and Oversight Committee, South/Central.

All meetings will be held within each of sub committees within the District boundaries. North Sub-Committee, will meet in a room at Aptos High School in Aptos.

South/Central Sub-Committee, will meet in a room at the School District Office in Watsonville.

Mr. McHenry brought up the subject of organization of the committees with Mr. Casnocha. Mr. Casnocha felt the committee should have Co-Chairs from each Sub-Committee, so they could share equally with respect to the responsibilities. Dr. Mays and Mr. McHenry, both added same with a Vice Chair and Mr. Casnocha agreed and added, a Vice Chair from each Sub-Committee to fill in if the Co-Chair is unavailable.

Mr. Casnocha reminded everyone there is still only one Committee, two Sub-Committees that will meet and report together.

Dr. Mays asked how often do Oversight Committees generally meet? Mr. Casnocha said, "Usually, between three and six months. Some districts go as long as a year, but he doesn't recommend this."

(Something about e-mail. Couldn't make it out.)

A question about liability that I could not understand, nor hear was asked.

Mr. Casnocha answered several questions that were asked.

You really can be carrying the message out to the public. If you think the District is doing a good job, then you should tell the public. If you are happy with what is going on, tell the public. On the other hand if you think bad things are happening and that the District is doing something wrong, first you go to the Superintendent, then to the Board and then to the public.

Mr. McHenry thanked Mr. Casnocha for attending the meeting and started speaking about Measure J and the improvements to Aptos High School. Then he went to the Cost Estimate of Bond Projects in the book to the second page and started going through the upgrades. There were questions asked about the abbreviations and Mr. McHenry said he would find out. He noted at the bottom of the page there is an escalation factor of 3½ % per year. These costs are based on current costs we've seen at other properties.

A member asked, "So that's how you can do it within your budget." Dr. Mays said, "Yes, good planning."

## **SECOND SIDE OF SECOND TAPE**

Mr. McHenry was explaining that once we received the input from the Community and staff from each of the areas covering, fine arts, performing arts and aquatics on the basic design to meet our needs at the next meeting there will be a presentation from the architects on the master plan for Aptos High School.

Then he discussed that Watsonville High School will have a new gymnasium, shower and locker room, a student center, upgrades in a science building, those are the major issues, along with a swimming pool complex, moving the new pool next to the new gym by the field and placing buildings where the existing pool is now. Again we did the same thing as we did with Aptos.

Now, one of our smaller projects is Mintie White Elementary School. It is the only elementary school without a cafeteria. The students have to walk across the street to the Middle school for lunch. We are adding a Multi Purpose Room and a Library.

Then at E.A. Hall Middle School, the only Middle School with a very small Gymnasium.

Four years ago there was a fire in the Gymnasium and the insurance re-built it. At the time, we didn't have the money to expand it, but what we did do, was designed it so we could knock out the back wall and double the size of the Gym. So, what this is, is a half of a Gym, not a full Gym. Now, E.A. Hall will have a full size Gymnasium.

Last item is a permanent cafeteria for our new high school, Pajaro Valley High School. Right now, we have a Relocatable cafeteria, due to a shortage of money and this allows us to build a permanent structure.

The District has a policy that says we will competitively select architects. Following this policy we sent an RFP out before Christmas and we received 15 letters in response and we interviewed 6 of those. The interview team included, community, staff and our technical staff from the District, from each of the areas. We had Watsonville and Aptos local community members as well as staff and our technical staff. So we were well represented. We interviewed 6 architects and by the time they were finished we ended up with 3.

The committee from Aptos selected LPA to do Aptos High School. The committee from Watsonville selected WLC to do Watsonville High School and we combined and selected HBFL to do the two small projects Mintie White Elementary and E.A. Hall Middle Schools. The one that's doing Pajaro Valley High School we farmed back to WLC who is currently the architect on the new high school and is the most cost effective way to go.

The next thing we have done is Construction Management. Construction Management allows us to get what we want, at a price we can afford to pay. It is our representative on a day-to-day basis. There is a CM built into all of these costs. We wanted the Bond Committee to be aware that this was part of the budget.

So, we did the same thing on the Construction Management Company. We sent out our RFP, interviewed the management firms screened it down to 3 firms and last week the Board approved BMR Construction Management. This way the Construction Manager and the Architects can work together.

Then Mr. McHenry and Dr. Mays began discussing the schedule and when each of the committees should set their next meetings and products for review. The first product should be the Master Plan and the second should be the detailed design.

It was asked if it was time to break into the sub-committees.

Dr. Mays answered, "Yes, actually I'm a little uncomfortable, because what I had intended, doesn't seem to be appropriate." There appear to be 7 members of the North Committee present and 8 of the South/Central if I have counted correctly.

What I has intended was to identify an initial chair who would then have the committee vote for the Co-chair and Co-Vice chairs. Does the Committee feel comfortable with that, or would you rather postpone it until June, when more of your committee will be here? You have a quorum, but it's up to all of you. There was a discussion on who called and said they weren't going to show up. Terry said he would have those names by the next meeting.

The group decided they would split up and vote on Co-chair Members and Co-Vice chair Members.

Dr. Mays instructed the divided committees, that their tasks today, *only* were to take nominations and select a Chair. The Interim Chair for the North is Barbara Palmer and the Interim Chair for the South/Central is Eric Frost.

Both groups elected a chair and decided to meet quarterly.

For the North Sub-Committee they, elected Barbara Palmer as Co-Chair and decided to wait until the meeting on June 17, 2003 to select other officers.

For the South Sub-Committee, they elected Vic Kimura as Co-Chair, Peter Stoll as Vice Chair and Roberto Garcia as Recorder. Their next scheduled meeting will be June 30, 2003.

**Unfortunately, the sound on tapes, were not of the best quality. At times, I found I was unable to transcribe them. However, if you would like to come by my office and listen to them, please call me so that I may set up a time for you. (approx. 3 ½ hrs.)**