

Minutes for the Bond Oversight Committee Meeting South/Central

March 9, 2009

**District Office – Board Room
292 Green Valley Road
Watsonville, CA 95076
5:00 PM – 7:00 PM**

Attending Members: Dan Hankemeier, Rodney Brooks, Victor Kimura, Antonio Rivas, Aurelio Gonzalez, Doug Mattos

Absentee Members: Steve Ponzio

Non-Committee Members: Willie Yahiro, Mary Hart, Rick Mullikin, Brian Rasmussen, Kathy Fuentes

Minutes from the prior meeting on October 13, 2008 were reviewed and approved.

Brian Rasmussen reported on construction status of the various projects. He said that Aptos High had finished the Performing Arts Center and modernization of the cafeteria. He added that there are some DSA issues with the platform in the orchestra pit but they are close to finalizing the project. There is approximately \$120,000 left in the budget that needs to be spent on modernization (likely the handicap ramps) to justify the dollar match with state funds and not have to return the unused portion. Other projects such as the PV High cafeteria and Mintie White have been completed.

At Watsonville High School they are finishing work in the science and art rooms; the tennis courts are done. The punch list is just being finished up and the building is occupied. The final piece of the project is the renovation of the old gymnasium. We are carrying \$1.2 million in the budget to complete it. Brian said that DSA is currently holding up approval of the renovation plans because an old modernization project done in the late 1980's was never closed out. He hopes it can be resolved soon and the work finished over the summer.

The one outstanding project is the E.A. Hall gymnasium. Rodney Brooks asked if we were still approximately \$1,000,000 short for funding. Brian replied that the architect had estimated \$2.4 million and the project bid at \$3.1 million two years ago. Due to the favorable construction climate and some value engineering, they will try rebidding in 30 to 60 days to see what happens. Brian said that jobs appear to be bidding 15 – 20% lower currently but it will depend on the bid as to what can be done.

The gym will be approximately 8400 square feet situated 20 feet behind the existing gym to be considered separate buildings for fire regulations. Willie would like to see the bathrooms open from the outside, similar to Watsonville High so softball players can use them. Brian said that at E.A. Hall there are two “staff bathrooms” which can open to outside on the cafeteria side.

Anna Caballero is having lunch at E.A. Hall this Friday and a suggestion was made to ask for her help in securing any stimulus or state funds to help pay for the E.A. Hall or the Watsonville High gym renovation. Antonio Rivas suggested Willie also meet with Sam Farr and request help.

The Financial and Performance audits were discussed. Ahmad Gharaibeh introduced himself as the auditor from Vavrinek, Trine, and Day. He explained that two audits are required when bond money is generated. The Financial Audit is a snapshot of bond revenues and expenditures reported as of 2008. The Performance Audit is used to determine whether projects were done in compliance with the bond language. Both audits were clean audits with no findings and the committee approved them.

Willie asked if there was a time limit for spending bond money, in case we were unable to get the stimulus funds for the E.A. Hall gym. Brian said he understood, there was a three year - 60% rule from the time the bonds are sold off to encumber a percentage of them but we are well past that. He also asked if the Bond Committee could change directions and decide to put left over money towards other projects such as soccer or football fields rather than the E.A. Hall gym. He said it would be a Board decision like diverting money from the Watsonville High project to the E.A. Hall project. The only restriction is that money can't be diverted from the North Zone to the South/Central Zone and visa versa.

Brian reviewed the financials through Dec. 31, 2008. He said there is approximately \$486,000 still showing in the Aptos account. Most of it is encumbered for payments to DSA, architect, contractor, etc. Approximately \$120,000 of the total needs to be spent on modernization. He mentioned there is now a retention pond at Aptos High. Planting for the migration path of the salamander still needs to be done.

Small fund balances remain for Mintie White (\$447.00) and Pajaro Valley High (\$762.00) plus an unaccounted for \$13,000 not allocated to any project. Willie asked if \$447 left in the account for Mintie White could be used for a sound system. Brian answered that the Board can direct the administration to use the money for a sound system as part of furniture and equipment. Mary Hart said balances could be transferred to E.A. Hall and the projects zeroed out. Watsonville High is still showing a balance of \$1.2 million. Some of it is money owed to the contractors and for the gym renovation.

The Committee would like to be updated once the E.A. Hall bid is finished. The meeting adjourned and the next meeting date was set for September 14, 2009.