

Centinela Valley Union High School District

Measure CV08 Bond Program

Citizens' Bond Oversight Committee 2011 Annual Report

Submitted to the Centinela Valley Union High School School District Board of Education
April 26, 2011

Citizens' Bond Oversight Committee

Gary Cook, Chairman
Rusty Roten, Vice Chairman
Roger Banuelos, Member
Lenore Bemis, Member
Otis Genoza, Member
Ninette Riley, Member
Alex Vargas, Member
Charles Beamer, Member
Janice Givens, Member
Jan Vogel, Member

This Annual Report is submitted to the Board of Education by the Centinela Valley Union High School District Measure CV08 Citizens' Bond Oversight Committee.

1. The Committee advises that, to the best of its knowledge, the Centinela Valley Union High School District is in compliance with the requirements of Article XIII A, Section 1 (b) (3) of the California Constitution.
2. The Committee has reviewed the annual financial audit and the annual performance audit produced by the District.
3. Furthermore, the Committee has reviewed expenditure reports produced by the District.
4. The Committee has determined that:
 - 4.1. Bond proceeds have been expended only for the purposes set forth in the ballot measure;
 - 4.2. Bond proceeds have not been expended for any other purposes, including teacher and administrative salaries and other school operating expenses; and
 - 4.3. Bond proceeds have been maximized.
5. A summary of the Committee's proceedings and activities for the 2010/2011 year is provided below.

Gary Gook, Chairman

Summary of the Committee's Proceedings and Activities for 2010/2011

The Centinela Valley Union High School District was successful at the election conducted on November 4, 2008, in obtaining authorization from the District's voters to issue up to \$98 million aggregate principal amount of the District's general obligation bonds, pursuant to a greater than 66.666% vote.

Pursuant to the desire of the Board of Trustees at the Centinela Valley Union High School District, the District established a Citizens' Bond Oversight Committee (the "Committee") and bylaws at a regular meeting of the Board of Education.

The Committee has met quarterly and reviewed expenditure reports, been updated on the Bond Program's progress (planning, design, and construction) and visited project sites to verify work progress.

Meetings of the Citizens' Bond Oversight Committee

The Committee conducts its meetings in accordance with provisions of the Ralph M. Brown Public Meetings Act, contained in Section 54950 et seq. of the Government Code. Meeting notices and agendas are sent to members of the Committee, local newspapers, within the required period of time and posted at the Centinela Valley Union High School District Office. Meeting notices, agendas, minutes and all documents and reports received by the committee members are a matter of public record and are available at the Centinela Valley Union High School District Office.

April 14th 2010, Meeting 1 – District Office Board Room

- Roles and Responsibilities of the Citizens Oversight Committee (COC)
- COC to issue regulatory reports once a year
- District Advisory Committee (DAC) was set up to create the Guiding Principles for the District's schools.
- Update on Measure CV08 Bond Program: \$23M bonds have been sold. Telacu Construction Management (TCM) will do accounting for funds. TCM is creating site master plans to identify the projects lists as they were not detailed in the Bond.
- Emergency Repair Projects (ERP): Centinela District was awarded \$38M of ERP funds. ERP work was completed at Lawndale and will start at Hawthorne and Leuzinger.
- Solis Group presentation on community outreach and the Project Labor Agreement (PLA). The PLA covers both Bond and ERP projects. The Solis Group will administer and enforce the PLA and the local hiring.

July 12th 2010, Meeting 2 – District Office Board Room

- Gary Cook assumed the position of Committee Chair, as specified in the Bylaws
- Update on Measure CV08 Bond Program: Groundbreaking event, August 3rd at Leuzinger HS for forty-four classroom building. New heating and air conditioning

systems in the main administration building at Leuzinger HS to go in September. The third large project is a new Student Services building at Lawndale HS which has been designed to the scale and intensity of the Performing Arts.

- Review of Expenditure Reports and Program Budget: Total estimated amount of work is \$400M. District has \$98M with state matching dollars and other funding that Centinela is eligible for. Will look at a future bond for additional funding.
- Planning Update: The master plans for all three sites were presented to the Board on June 8th were approved. The master Construction schedule was presented to the COC which listed all projects to date, Phase I/ Phase II construction and cost breakdown.
- Project labor Agreement: The Solis Group will assist contractors on PLA documentation and requirements. For the Local Hire program, the Solis group is working with the local Union and will utilize the labor pool on these projects. They are also working on community outreach, an eight week pre-apprentice training program and OSHA safety training.
- Environmental Review and DTSC Involvement discussed
- Second sale of bonds discussed
- Scheduled 2010/ 2011 meeting dates/times: October 11th, January 10th at 6pm.
- Documents Received During Meeting:
 - Current Expenditure Report (Summary of costs per site)
 - Bond Finance Update
 - Master Construction Schedule

October 11th 2010, Meeting 3 – Lawndale High School Library

- Approval of minutes from the July 12th, 2010 meeting was postponed to give the committee some time to review.
- Committee Member Roger Banuelos was voted into the Vice Chair position, as specified in the Bylaws
- Review of Expenditure Reports and Program Budget: TCM presented financial summary of Measure CV. The next ban/bond combination would be around \$300M.
- Project labor Agreement: The Solis group presented success with contractors and unions on hiring local journeymen and apprentices.
- Update on Measure CV08 Bond Program: Building 7 at Lawndale HS was demolished after engineers determined the building unsafe. Demo was included in the Master plan and did not affect other Phase 1 plans. Construction has begun on the new classroom building at Leuzinger HS and is scheduled to be completed August 2011. ERP funds were used to clean up inefficient storm and sewer drains.
- Site visit to the Performing Arts Center at Lawndale High School
- Documents Received During Meeting:
 - Current Expenditure Report (Summary of costs per site)
 - Bond Finance Update
 - Master Construction Schedule

January 11th 2011, Meeting 4 – District Office Board Room

- Approval of minutes from the October 11, 2010, meeting

- Update on Measure CV08 Bond Program: The Performing Arts Center is scheduled to be completed march 2011. \$400K of additional electrical work has to be completed which will be a change order to the Board. The plan is to claim this money back from the original contractor. At Leuzinger, the new classroom building has all its exterior walls up. Phase 1, at Hawthorne HS will be a new building at Inglewood and El Segundo.
- Review of Expenditure Reports and Program Budget: ERP funds are used to build infrastructure and bond funds to build/ renovate new buildings. The 2008 bond was to create permanent buildings and transition from portable buildings. The 2010 bond is to implement the master plan.
- Site visit to the New Classroom building at Leuzinger High School was scheduled for April 11th.

April 26, 2011, Meeting 5 – District Office Board Room

- Scheduled meeting of April 11, 2011 was rescheduled to April 26, 2011 due to lack of Quorum.
- Approval of minutes from the January 11, 2010, meeting .
- Draft of COC Annual Report to be emailed to COC members for review.
- Superintendent Jose Fernandez presented plaques to each of the COC members in recognition for their time and service on the committee.
- Project labor Agreement: The overall project as of February 2011 had a 29% local hire participation rate. The local hire boot camp held by Laborers Local 802 was successful with 14 local residents being offered membership in the union.
- Review of Audit report for the fiscal year ending June 30, 2010.
- Construction Update: Upcoming Sumer projects the three campuses, with details on each phase of the master plan at each campus. The committee recommended that this information should be provided to surrounding Middle schools.
- Documents Received During Meeting:
 - Project Labor Agreement: Current Activities
 - Audit report for June 30, 2010
 - Current Expenditure Report (Summary of costs per site)
 - Master Construction Schedule