



**MEETING MINUTES**  
**MEASURE U CITIZENS' OVERSIGHT COMMITTEE**  
**SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1**  
**TAHOE TRUCKEE UNIFIED SCHOOL DISTRICT**

**Regular Meeting No. 11**  
**Wednesday, February 13, 2019 – District Office, Conference Room B**

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**Measure U Citizens' Oversight Committee (COC) Members Present:**

Matt Hippler (Chair), Karen Mazur, Mary Brown, Patricia Gibbons-Johnson

**Absent:** Glennis Jones, Gail Stephens

**In Attendance from TTUSD:**

Todd Rivera, Executive Director of Business Services; Jorge Rojas, Director of Facilities, Maintenance & Operations; Thomas Kleffman, Bond Program Fiscal Contract Analyst; Amy Sanders, Administrative Secretary – Bond Projects

**1.0 Call to Order**

Matt Hippler, Measure U COC Chair, called the meeting to order at 5:08 p.m.

**2.0 Public Comment**

No public comment.

**3.0 Approve Minutes from October 9, 2018 Meeting**

On a motion by Mary Brown and a second by Karen Mazur, the Measure U COC members unanimously approved the minutes from the Measure U COC meeting on October 9, 2019.

**4.0 Measure U Project Overview Updates**

Jorge Rojas, Director of Facilities, Maintenance & Operations, presented the progress of the Measure U projects. He gave an overview of current projects, upcoming projects, and those completed last year.

At Truckee High School, the design is coming together for Increment 2. This portion of the project encompasses the modernization of the building and includes the expansion of the library and administration area, modernization of existing classrooms, girls' locker room, and band room.

With Truckee High School Increment 1, we used the Construction Management Multi-Prime (CMMP) delivery method to run that portion of the project. For Increment 2, we are transitioning over to the Lease-Leaseback delivery method. Under the CMMP delivery method, it's difficult to determine what the final cost of the project will be, whereas with Lease-Leaseback, you have a guaranteed maximum price so you know exactly what the job will cost at the end of the project. Allowances for unknowns such as unsuitable soils and hazardous materials, and contingencies for unforeseen issues will be built into this price. The District will choose a general contractor based on

the best value system, and that contractor will select and manage their subcontractors. We have a resolution to the board which includes evaluation criteria to help us select a contractor via a scoring system. It is an open and transparent process. It's a collaborative delivery method that is a partnership between the District and the contractor. Interested contractors will be submitting their RFQs (Request for Qualifications) for Increment 2 on February 28; interviews will be held on March 21.

The Truckee Elementary School Modernization project will continue under the CM Multi-Prime delivery method. Our construction manager for this project has done a great job figuring out how to continue working with all the inclement weather we've had so far this winter.

Last summer at Truckee Elementary, we completed the administration area. Currently, we are working on the kindergarten expansion. This coming summer, we will be focusing on the modernization of the classrooms, the new kitchen/cafeteria, and possibly other areas as well. Some of the portables will remain at Truckee Elementary while several will be removed over the summer to make room at the site.

### **5.0 Measure U Project Financial Updates**

Tom Kleffman, Bond Program Fiscal Contract Analyst, reported the Measure U project expenditures. All numbers are as of December 31, 2018. Measure U total funding to date is up to \$121.9 million. Expenditures to date are \$75.9 million. Encumbrances to date have been reduced to \$21.5 million, a decrease of \$7.5 million since our last meeting. The budget balance available is \$29.2 million to finish out the bond program.

The Truckee High School project is about 55% complete, and the Truckee Elementary School project is about 50-55% complete. Coldstream is 90% complete. Once Tahoe Lake Elementary moves out of the Rideout facility, we will purchase furniture and 21<sup>st</sup> century upgrades to complete the Coldstream project.

Additional funding allocated to Measure U projects outside of the bond fund include \$925,000 in developer fees, \$2,374,751 in Prop 51 state bond fund eligibility, \$450,000 in DROPS Grant funding allocation, and \$1,241,719 from Career Technical Education Incentive Grant (CTEIG). The total amount from additional funding allocated to Measure U projects is \$4,991,470.

The total funding is \$127.6 million; a majority of this we've received to date. The FIP (Facilities Implementation Plan) budgeted interest earnings was \$1.1 million budgeted. As of this report, we have additional interest earned of \$1.1 million, which we have not yet allocated to a project. We may have another \$250,000-300,000 in interest to be earned on bond funds available over the next 1-1/2 to 2 years, estimated at 1.5%.

There is still \$1.6 million in developer fees that we need to allocate. We have already collected and distributed developer fees for the Measure U projects and will likely contribute a little more for financing any shortfalls and cost overruns we encounter, particularly with Increment 2 of the Truckee High School project. We will also cover shortfalls and cost overruns with redevelopment agency funds that we receive annually on a regular basis.

Matt Hippler asked, "Do we feel like with the \$5 million variance that it's something that is still within the range of what was expected?" Tom Kleffman said he didn't think so, not when we first

started with the additional cost of construction. We were always looking at how other funding sources would be used in the future and decided how we would apply them.

Recently, we completed a server project that supports all of the schools in our District. The server itself resides at Truckee High School. The cost for this was split between Measure U and Measure E. Some of the funding for the 21<sup>st</sup> century TV carts that we purchased came from Measure A, which had a budget allocated for technology upgrades. This was a one-time deal.

#### **6.0 Measure U Proposition 39 Performance Audit & 7.0 Measure U Financial Statements**

Todd Rivera combined the discussion on these items. As a requirement of our general obligation bonds, we issued our bonds under a special provision called Proposition 39, which allowed us to gain voter approval with just 55% of the voters. With that came additional stipulations: (1) we are required to have a Citizens' Oversight Committee with representative of the community, and (2) we must have an annual performance audit of the bond funds and expenditures; this is done by an external auditor who reviews our expenses and makes sure we are in compliance with the law and with what we promised voters in the ballot language. Tom Kleffman worked with the auditors and said there were no findings; the money is being used appropriately and as promised. These reports were approved by the Board of Education this past January.

The *Measure U Financial Statements* report shows the revenues we received, our expenditures, and remaining balances. Last year, our assets were \$69,934,253 and our liabilities were \$4,176,927, leaving a final Measure U fund balance of \$65,757,326.

The *Measure U Proposition 39 Performance Audit* report goes into detail of expenditures by school site and project type. The auditors defined their methodology and tested our expenditures using samples of our documents. They concluded that we are in compliance and the audit was clean.

#### **8.0 Measure U COC Annual Report to the Board**

As part of the requirements and bylaws of Proposition 39, the Citizens' Oversight Committee is required to present an annual report to the Board of Education. Todd Rivera would like the Measure U COC to present this report at the March 6, 2019 board meeting, if possible. Matt Hippler is available on that day to present the report. Tom Kleffman will put this report together and send it to the Measure U COC members to review. Committee members can contact Mr. Kleffman individually with comments and/or changes, and he will then redistribute the document once it is finalized.

#### **9.0 Seeking One New Member**

The District is still seeking one (1) Measure U Citizens' Oversight Committee member who is active in a bona fide taxpayers' organization and will continue advertising this seat until it is filled. Gail Stephens' friend Jeri Johnson submitted an application a while back. Todd Rivera reached out to her but she never responded. Mr. Rivera will try to contact her again.

Measure U COC members are interested in knowing how many terms they have served on the committee so far. Each member is allowed to serve a total of three (3) consecutive terms and each term is about two (2) years in length. Mr. Rivera will get this information for the members.

**10.0 Other Items**

The next meeting will be held sometime between late May and mid-June. Amy Sanders will send out a Doodle Poll to determine which day works best for everyone.

**11.0 Adjourn**

Matthew Hippler, Measure U Citizens’ Oversight Committee Chair, adjourned the meeting at 6:00 p.m.

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Todd Rivera  
Executive Director of Business Services  
Tahoe Truckee Unified School District

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Matthew Hippler  
Measure U Citizens’ Oversight Committee Chair  
SFID No. 1

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