MEETING MINUTES
MEASURE E CITIZENS’ OVERSIGHT COMMITTEE
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2
TAHOE TRUCKEE UNIFIED SCHOOL DISTRICT

Thursday, February 6, 2020 – Rideout Community Center

MEASURE E CITIZENS’ OVERSIGHT COMMITTEE (COC) MEMBERS PRESENT:
Susan Griffith (Chair), Jim Phelan, Kirsten Keim, Jenn Ragan, Sydney Earley

MEASURE E CITIZENS’ OVERSIGHT COMMITTEE (COC) MEMBERS ABSENT:
Johanna Monforte, David Shelton

IN ATTENDANCE FROM TTUSD:
Todd Rivera, Executive Director of Business Services; Jorge Rojas, Director of Facilities, Maintenance and Operations; Amy Sanders, Administrative Secretary – Bond Projects

PUBLIC IN ATTENDANCE:
Deedee Driller

1.0 Call to Order
Susan Griffith, Measure E COC Chair, called the meeting to order at 5:02 p.m.

2.0 New Member
We have a new member on the Measure E COC, David Shelton, a local professional engineer who was previously on the Education Specifications Committee back when the District did the North Tahoe upgrade project. David has replaced former committee member Warren Wagner, who chose not to serve another term on the Citizens’ Oversight Committee.

3.0 Public Comment
No public comment.

4.0 Approve Minutes from September 30, 2019 Meeting
On a motion by Jim Phelan and a second by Kirsten Keim, the Measure E COC members unanimously approved the minutes from the meeting on September 30, 2019.

5.0 Measure E Project Overview Updates
Jorge Rojas, Director of Facilities, Maintenance & Operations, gave a presentation on the progress of the Measure E projects. The biggest Measure E project completed to date is the Kings Beach Elementary School Addition & Modernization project. Other completed Measure E projects include the Kings Beach Elementary boiler replacement, and the Tahoe Lake Elementary parking lot, fire panel upgrade, and boiler replacement.
The Tahoe Lake Elementary Modernization project is moving along nicely largely due to our construction manager, CORE Construction, who we brought on board in May 2019. They’ve gotten us through many challenges and were able to get the building enclosed by winter with temporary heat running; this has allowed us to continue working on the interior.

Classroom walls have been painted and tackable wall panels have been installed at Tahoe Lake Elementary. Ceilings and overhead installations are complete. Lighting and mechanical utilities are currently being installed. Elevators will go in after that. Interior finishes will be wrapping up within the next few months and, shortly thereafter, new flooring will be installed.

We’ve kept the historical factor of the school by maintaining the Little Auditorium. Although we tried to do minimal work, large sections of dry rot were uncovered beneath the building and we ended up having to remove the existing concrete, build new footings and new walls, and repour the concrete. All of this was costly but necessary in order achieve the end product that we wanted.

Sydney Earley asked Mr. Rojas if the District thinks we will find more issues with the building? Mr. Rojas said we’ve done a lot of testing and feels we have addressed everything. He does not foresee any new major challenges.

At Kings Beach Elementary School, we accomplished a great deal over the summer of 2019 and were able to finish this project in the fall of 2019. There are different color patterns on the walls and floors. The school received fun, 21st century flexible furniture and accessories. Technology was upgraded with top cat units that amplify the teacher’s voice, and 21st century learning TV carts with Apple TV and Chromecast that replaced the old projectors and screens. Both staff and students are happy with the results.

At North Tahoe Middle School and High School, a roofing project was recently completed. These schools also received new furniture and technology upgrades. We are currently in the process of prioritizing what these sites need and determining if the original project plan is still valid or needs to be revised.

6.0 Measure E Project Financial Updates
Todd Rivera, Executive Director of Business Services, provided the Measure E project financial updates. All numbers reported are through January 23, 2020. Since we last met, the District has continued to identify additional issues at Tahoe Lake Elementary in the amount of $3.5 million. This is in addition to our revised budgets we presented at the last meeting. The District has this funding available to cover the overages.

Funding to date for Measure E projects is $76.8 million which reflects bonds that we issued, interest earnings we received, and developer fees that were allocated. Expenditures to date are just under $67 million. Encumbrances to date are $13.4 million, which is what we have left on contract values on the Kings Beach Elementary and Tahoe Lake Elementary projects. The budget balance available is $6.8 million, which will eventually be spent on additional encumbrances and change orders that have not yet been applied to the contracts.

The original bond issuance was $62 million. Interest earnings originally budgeted are $993,000. The original developer fee allocation was $1.7 million; last year, we allocated an additional $1
million. Total funding from DROPS (Drought Response Outreach Program for Students) is $189,113 for stormwater prevention and planning at Kings Beach Elementary.

Additional funding allocated to Measure E has come from Certificates of Participation (COP) financing in the amount of $21 million that we issued to pay off debt. This is non-voter approved debt was recently approved by the board. We issued the COPs because we had overages on the projects. We also allocated an additional $883,226 in interest earned to date. The total funding for Measure E is $87.8 million.

The budget balance available for Kings Beach Elementary School is $883,307. There are some encumbrances left with final payments. There will also be a final DSA (Division of the State Architect) fee once the project is submitted, and a final payment to the construction manager.

The budget balance available for Tahoe Lake Elementary is $2.9 million. Most of this will be absorbed by change orders for work that still needs to be done.

The budget balances for North Tahoe Middle School and North Tahoe High School are $996,000 and $1.37 million, respectively. This is the remaining balance that we have for those projects. We replenished the amount that we had borrowed from these projects for Tahoe Lake after the bids came in.

The last time we met, we had dealt with additional work and additional costs associated with the original bids, lead contamination issue, and the extension of the schedule at Tahoe Lake Elementary. We restated the budget as we identified that we needed to apply another $13.7 million to deal with these issues. In addition, a seismic separation needed to be added between Buildings C and D that was not in the original plans. Costs also increased as a result of the dry rot in the foundation that needed to be redone and was never built to code, which we did not know about when we restated the budget. There was no way to forecast these unforeseen issues. We are hoping that we caught it all, but we still need to have a contingency in case other issues arise that need to be addressed. It’s been a tough site to work at given the conditions and DSA standards and we cannot cut corners in order to get things done. While there’s no way of knowing if more problems will arise, the team has done a great job resolving these issues.

The last time this committee met, Jim Phelan asked if the District had information about Superfund. Todd Rivera recently reached out to the Placer County Environmental Health Department to see if they had any information on this program, but they did not. Mr. Rivera will contact Superfund directly and report back to the Measure E COC members in our next meeting with his findings.

7.0 Measure E Proposition 39 Performance Audit & 8.0 Measure E Financial Statements
Todd Rivera combined the discussion on these items, as they are interrelated. A requirement of Proposition 39 for our general obligation bond is to have an externa auditor inspect our records and verify that we are spending the bond money as intended and as we promised voters. The Measure E Performance Audit shows the auditor’s methodology and samples they took to test our expenditures. They concluded that we are in compliance with the ballot language and what we promised voters, and the audit was clean.
The *Measure E Financial Statements* report shows the revenues we received, our expenditures, and remaining balances. Last year, our total assets were $12.3 million, and our liabilities were $3.2 million, leaving a final Measure E fund balance of $9.1 million. Again, there were no findings and they concluded that the audit was clean.

The Measure E COC members were given a draft of these reports at this meeting, which changed before they were board approved. Mr. Rivera will obtain a final copy of the two reports and distribute them to the committee.

### 8.0 Measure E 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 E COC to present this report at the March 4, 2020 board meeting, the March 18 board meeting, or the April 1 board meeting. Susan Griffith is available to present the report on any of these dates. Mr. Rivera will put together the report and send it to the Measure E COC members to review, who can give their input with comments and/or changes.

### 9.0 Other Items

The next Measure E COC meeting will most likely be held in May at Tahoe Lake Elementary School. There will be a tour of the site for those interested from 4:30-5:00 p.m. on the selected date. The Measure E COC meeting will then begin at 5:00 p.m. and will be held in the CORE Construction trailer at the school site. Amy Sanders will send out a Doodle Poll to determine the best date for the next meeting.

### 10.0 Adjourn

Susan Griffith, Measure E Citizens’ Oversight Committee Chair, adjourned the meeting at 6:22 p.m.

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<tr>
<th>Todd Rivera</th>
<th>Susan Griffith</th>
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<tbody>
<tr>
<td>Executive Director of Business Services</td>
<td>Measure E Citizens’ Oversight Committee Chair</td>
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<tr>
<td>Tahoe Truckee Unified School District</td>
<td>SFID No.2</td>
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