

Oxnard Union High School District
Measure H Citizen's Bond Oversight Committee
Minutes of the Meeting

Date: December 5, 2011

Time: 7 pm

Place: OUHSD Board Room

220 So K St., Oxnard, CA 93030

<u>Members Present</u>	<u>Members Absent</u>	<u>Staff Present</u>	<u>Guests</u>
William Belcher	Sandy Bieler Rao	Randy Winton	Steve Stocks
Sol Chooljian	David Rodriguez	Sup. Gabe Soumakian	
Fred Ferro	Rebecca Pecsok		
Patricia Lerner			
Nancy Lindholm			
Norma Maidel			
Adolfo Murillo Jr.			

Call to Order

Patricia Lerner called the meeting to order at 7:03 pm.

Bill Belcher moved to adopt the agenda, seconded by Sol Chooljian. Motion carried.

Nancy Lindholm moved to accept the minutes from the November 7 meeting, seconded by Bill Belcher. Motion carried.

Public Comments- none

Status Report: 1. Audit- Patty Lerner reported she did attend the public comments section only of the Board of Trustees meeting, in which the audit was later approved. She asked staff if the Trustees had asked any questions regarding this committee's questions to the auditors. Randy Winton replied they asked only regarding the different funding sources for the capital expenditures on a spreadsheet provided in the audit. Dr. Soumakian added the Board had approved the scope of the audit and not the Committee's questions outside of the scope of the audit. Mr. Winton added that 2 of the 4 questions were answered by the audit itself and the others were legal questions. He added that re; question no. 2, he had asked the bond counsel at the time to separate the GOB's from the Measure H expenditures

because the bonding capacity of the PVSD area was less than its 33% portion of the OUHSD enrollment and it would protect PVSD homeowners from unfair allocation of the debt should the Camarillo unification effort succeed. Mr. Belcher asked if the response to question no. 2 was brought up to the OUHSD board and Mr. Winton indicated yes, bond counsel's answer was that BAN notes should have had oversight by the Committee of the expenditures at that time. Since it was not, the practical remedy was to include them in the audit.

Chair Lerner asked if the Committee had any other questions of staff. Dr. Soumakian asked if there was any other information the Committee needed. Ms. Lerner replied that note 5 on p.11 of the Audit was not clear on the remaining committed dollars vs. monies already spent. Mr. Chooljian replied that minutes of the Board of Trustees meeting would be helpful to understand the context of their audit approval. Mr. Chooljian commented that the Committee should report to voters on the addition of cold storage facilities at Pacifica HS in connection to Measure H bonds since the perception might be that it was monies spent not connected to the bond. Mr. Winton replied that it was a legally permissible expenditure under the bond and reiterated that the bond measure language assumed two schools could be built at the time with the addition of matching state funds.

Mr. Chooljian commented that expenditures for solar project seemed like a good idea but how did it "map" to the bond measure? Mr. Winton replied that only \$6 million of the \$25 million being spent on solar projects was coming from the bond measure and thus \$19 million was coming from other sources.

Norma Maidel commented that in a meeting in her living room with others present, former Sup. Gary Davis stated that under Meas. H the monies would only be spent on new schools, without a word on other types of projects. Nancy Lindholm then stated the Measure H ballot language mentions repairs also so that it was also covered. Both Mr. Chooljian and Chair Lerner then added that we needed to include that in the annual report. Mr. Winton pointed out that excluding the new swimming pools the district had spent less than \$10 million to date of the approved \$135 million bond issuance and was moving ahead with two new schools design and site acquisition. Mr. Chooljian then said that in the name of transparency the committee needed to explain what Mr. Winton "just said" in its report. Mr. Murillo added that we add in the report that solar projects were covered by the ballot language and produced cost savings that could offset some bond costs. Mr. Chooljian pointed out that the district provided spreadsheets gave factual data but that Mr. Winton's comments gave context to why certain expenditure decisions were being made at the time.

Chair Lerner stated she wanted to delay item 6, approval of the audit by the committee, until the district provided a revised audit with Table 5 changed to be more clear as to what the Measure H expenditures were for the various capital projects. The current table listed the overall expenditures for the various facilities projects without breaking out the Measure H portion of those expenditures. She asked Mr. Winton if the numbers were final and correct in the Facilities Project Matrix dated Nov 30, 2011. He replied that no, Dave Polzin had updated it but that Mr. Winton had not done a final review yet. Dr. Soumakian asked if the Committee's annual report was for expenditures through the year ended June 30 what else needed to be added? Chair Lerner said that if the audit was cleared up then everything else would too. It was determined that for the annual report, we need to include just those expenditures through June 30, 2011. It is believed that the Facilities project Matrix contained expenditures past that date.

The issue of completion of conflict of interest forms was then taken up and whether forms signed in 2004 by the Committee met Prop. 39 rules. Chair Lerner asked if Form 700's now had to be completed and Mr. Winton stated that advisory committees did not have to, but he was checking with County's attorney to see if the regulations had changed to affect oversight committees.

Annual Report-The outline and format of various samples of other districts annual reports was discussed briefly. Mr. Chooljian liked the Contra Costa county format but felt the "pool decision" need to be addressed. Dr. Soumakian asked what he meant by "pool decision"? Chair Lerner replied, whether a new pool at Camarillo HS. met the definition of an "upgrade" as opposed to a new facility in Measure H. When the committee was starting to be re started, the group had asked for and received a legal opinion from bond counsel concerning the pool at ACHS. She then asked rhetorically whether the definition of a "comprehensive high school" relative to the proposed school to be built in Camarillo needed to be addressed in this or next year's annual report due to the June 30 cutoff date. Mr. Winton stated a "comprehensive high school" was defined as anything other than a continuation school, which Mr. Chooljian commented the Camarillo facility design committee had learned legal counsel's opinion was that "anything" (expended) was covered. Dr. Soumakian asked if the Committee felt it needed a legal opinion of its scope under prop. 39. Chair Lerner replied no, we have it already in p. 14-15 of the guidelines. Dr. Soumakian asked if the committee was to look at Meas. H expenditures prospectively or retroactively in its report. Ms. Lerner stated retroactively but that some districts allowed its oversight committees to report beyond the letter of Prop. 39. Nancy Lindholm asked who decides that, and the chair replied – "the board of trustees". Dr. Soumakian commented that if what the monies were spent for was beyond the committee's purview in Prop. 39, why couldn't the committee agree now to not include prospective expenditure comments in the annual report?

The timeline for the annual report preparation was discussed and the Chair asked to appoint a subcommittee to expedite it and avoid Brown Act issues arising if the full committee was involved. The volunteers for the subcommittee were the Chair, Sol Chooljian, Fred Ferro, and Bill Belcher.

School Visits- Pending school site visits dates and times were then discussed and who would attend.

New Schools- An update on the progress of new high schools was given by the staff, who reported on their meeting with the LAFCO commission regarding the proposed Oxnard site's constraints and need for annexation, as well as the city of Camarillo's tentative support for annexation of that site. The Camarillo site was further ahead with a CEQA consultant contract going out for bid soon.

The Chair reported that she had just received the resignation of Sandy Bieler Rao.

Next Meeting- to be held on January 23, 2012 at the district office.

Adjournment- the Chair adjourned the meeting at 8:50 pm

Respectfully submitted by Fred Ferro, Secretary for the meeting.