

INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
OF THE SANTEE SCHOOL DISTRICT

(Proposition R - Approved by District Voters on November 7, 2006)
June 5, 2013 – 6:00 to 8:00 pm

Meeting Location:

Pepper Drive School Media Center
1935 Marlinda Way, El Cajon CA 92021

AGENDA

- 1) **CALL TO ORDER.**
- 2) **ROLL CALL** (Establishment of a Quorum).
- 3) **REVIEW AND APPROVAL OF MINUTES FROM MARCH 6, 2013.**
- 4) **PUBLIC COMMENTS**
 - Persons wishing to make comments to the Independent Citizens' Oversight Committee on non-agendized items may do so at this time. Each speaker is requested to limit their comments to no more than three (3) minutes. Please notify the Chair if you wish to address the Committee.
- 5) **ICOC COMMUNICATIONS:** Discussion of any community comments
- 6) **FINAL ANNUAL REPORT:** Acceptance
- 7) **CIP PROGRAM UPDATE:** Christina Becker
 - Pepper Drive School 10-Classroom Addition Project -- Construction Tour
- 8) **COMMENTS FROM COMMITTEE MEMBERS/TOPICS FOR NEXT MEETING**
- 9) **BOARD ACTIONS SINCE LAST MEETING:** Handouts
- 10) **ADJOURN:** To Next ICOC Meeting September 4, 2013, from 6:00 to 8:00 p.m.

INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
OF THE SANTEE SCHOOL DISTRICT

Wednesday, March 6, 2013

Unadopted Minutes

Members Present: Eid Fakhouri, Gina Jackson, Lesha Montoya, Kai Ramer, Beth Selbe, and Rick Weeks

Excused: Janna Schoenborn

Guest: Jim Montague

Attendees Present: Christina Becker, Karl Christensen, Dianne El-Hajj and Nancy Stasch

- 1) **Call to Order at 6:01.** Presented handouts and their placement into ICOC binders. Christina Becker presented Jim Montague with a Certificate of Appreciation and thanked him for his services over the past 6 years.
- 2) **Established a quorum** with 6 members in attendance to begin the meeting.
- 3) **Reviewed Minutes of December 5, 2012.** Kai Ramer motioned to approve the minutes as amended. Seconded by Eid Fakhouri.
- 4) There were no public comments.
- 5) **ICOC Communications: Discussion of any community comments:** Beth asked each member if they had anything to share from the community. Rick Weeks asked about security entrances at the school sites. Christina said that the School Board approved security solutions to enter through gates to the office to check in at Carlton Oaks and Rio Seco, similar to how Hill Creek was modernized recently. Karl mentioned that our District has been involved in a lot of discussion at the Board meetings, and that the Santee Sheriff's office has been involved with the safety issues. Rick wanted to know if parents get emailed or text or phoned when there is a real emergency. Christina said that our District can do an "all call" to parents when needed. Lesha said a lady in our community mentioned that she was very impressed with our modernization. Eid asked if our District has safety meetings. Christina said that the Facilities and the Safety meetings are now combined, and that the Sheriff's office has been proactive and greatly involved in our District's safety concerns. The Sheriff's department has visited all of our sites and given recommendations for improvements. The sites have also increased their lock-down drills.
- 6) **Annual Bond Audit:** Karl said that for the last few years, the annual financial audit has been combined with the performance review. Karl shared the findings with the committee. Karl showed how the balance of the G.O. Bond funds will be depleted after the Pepper Drive 10-classroom addition is completed. He said there are some funds still allocated to Phase 1 for final DSA close-out fees. Karl shared that the auditors found that

all the funds were spent appropriately. Eid asked what the differences are between the 'current interest bonds', and the 'capital appreciation bonds'. Karl said that the current interest bonds have principal and interest paid out each year, and the capital appreciation bonds have the principal and interest payments deferred to future years. Eid mentioned to the committee that Prop 39 states that the ICOC's biggest responsibility is to make sure that the public receives this information and that the ICOC has accepted this audit. The audit is posted on the District's website. The District could also forward the audit to the San Diego County Taxpayer's Association. Motion to accept the annual financial and performance audit was motioned by Kai Ramer, and seconded by Gina. All approved.

- 7) **Assessed Valuations:** Karl Christensen shared a handout to answer the question that was asked at the previous ICOC meeting regarding assessed valuations. Karl contacted the County Assessor's Office and they do not provide projections of future assessed valuations. Proposition 13 is the law governing assessed valuation determinations. An escalator is applied each year but is capped at 2% each year, but other factors are also looked at. For example, change in ownership, construction upgrades to property, such as add-on, etc., proposition 8 adjustments, market values dipping below property values, and homeowners reassessing their properties. There is also a catch up provision to get to a particular benchmark, and appeals that people can request. Over the last 20 years, there has been an average annual change of 7% in assessed valuations in Santee. Our debt service is fixed at issue. The assessed valuation growth used for debt service calculations when Series E was issued to stay within the Prop 39 threshold for tax rate per \$100,000 of AV was 5%. Eid asked where the money would come from if the assessed valuations do not rise. Karl said that the Assessor must levy taxes sufficient to pay the bonds. Eid said he had heard that the rate to use should be the 2% projection analysis. Karl said the District did their modeling based on historical references. Eid said that the 7% growth must have come from development, i.e., new housing. Kai stated he believes the growth will exceed expectations in the long term future.
- 8) **Finance Report:** Karl Christensen shared the Pepper Drive 10-classroom addition budget sheet and how the District is also working towards eventual construction of the LRC/Administration addition at Pepper Drive. He showed how the estimated costs for the 10-classroom addition will be close to the amount of funds available. The original GMP was much higher. The exciting thing to mention is that with this addition, every Santee School will have received substantial benefit from the Prop R funds. If there is remaining contingency after the construction, the District may be able to proceed with the parking lot for the Pepper Drive Phase 2 completion.
- 9) **Annual Report:** The draft annual report was presented and discussed. Revisions will be made and shared via email for final approval in June.

10) **Term Limits & Member Terms/Changes:** The revisions to the term limits were approved by the Board and the final determination was that each member could serve no more than three terms. Jim Montague was termed out because his 1st term was only for one year when lots were drawn at the 1st meeting. All of the other original members will be allowed to complete their third term which will end on June 30, 2014. Moving forward, our ICOC members can serve up to three 3-year terms.

11) **CIP Program Update:**

- **Pepper Drive School 10-Classroom Addition Project:** Construction for the addition of the 10-classroom building at Pepper Drive School was awarded on February 19, 2013, and began on March 4, 2013. The estimated completion date is November 2013. This building is the same as the structure at Hill Creek School, but also has an elevator bridge because it is located in the upper field. Christina was hoping to do the LRC/Administration addition at the same time, but the power system upgrades would have been difficult to accomplish within the short time frame and the expenses for this made the LRC bid too high. By doing the projects separately, the LRC/Admin addition will have a smoother transition and more time to construct.

12) **Comments from Committee Members/Topics for Next Meeting:**

- Final Annual Report Acceptance
- Schedule June ICOC meeting to be held at Pepper Drive School, the last school that has not been modernized, possibly in the teacher's lounge.

13) **Board Actions Since Last Meeting:** Handouts were presented. Christina commented on each item.

14) **Adjourned at 7:25 p.m.** to next regular ICOC meeting, June 5, 2013, 6:00 to 8:00 pm.

Discussion and/or Action Item F.2.1.
Prepared by Karl Christensen
June 4, 2013

Approval of Change Order to Add Construction of
Parking Lot to the Pepper Drive 10-Classroom
Addition Project Contract with Balfour Beatty
Construction Inc.

BACKGROUND:

At its February 19, 2013, meeting the Board of Education initiated the Pepper Drive 10-classroom addition project. Due to financial constraints, completion of the parking lot was postponed until the amount of contingency funds remaining could be determined. At this time, the project team feels confident that the project is far enough out of the ground to dedicate the owner's contingency towards the cost of the parking lot. The value of the change order for adding the parking lot completion is \$221,921 using the owner's contingency and remaining balances for project allowances. A final project cost with change orders will be presented to the Board at the project's final contract approval and completion.

Attached are the original project GMP, including an estimate of the parking lot, the proposed parking lot Guaranteed Maximum Price (GMP), which includes an additional asphalt allowance for petro mat disposal and the additional layers of asphalt requiring demolition, and an estimate of the contingency usage and funding available.

RECOMMENDATION:

It is recommended that the Board of Education approve the Change Order to add Construction of the Parking Lot to the Pepper Drive 10-Classroom Addition Project contract with Balfour Beatty Construction Inc. and authorize use of owner's contingency and remaining project allowances for funding.

This recommendation supports the following District goals:

Learning Environment

- Provide a safe, engaging environment that promotes creativity, innovation, and personalized learning.

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The fiscal impact of the change order is \$221,921 and will be funded from Capital Improvement Program funds using the owner's contingency and remaining allowances from the 10-Classroom Addition project.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion		Second		Vote		Agenda Item F.2.1.
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**SANTEE SCHOOL DISTRICT
PEPPER DRIVE SCHOOL - 10 CLASSROOM ADDITION
GUARANTEED MAXIMUM PRICE (GMP)**

	DESCRIPTION	Original	Final per CCD 11R	NOTES
1	BID PACKAGE #1 - SURVEY	\$1,500	\$1,500	
2	BID PACKAGE #2 - DEMO	\$6,840	\$24,840	(Added 7" of asphalt and (3) layers of petromat: \$18,000 allowance)
3	BID PACKAGE #3 - GRADING	\$2,660	\$2,660	
4	BID PACKAGE #4 - ASPHALT	\$83,440	\$83,440	
5	BID PACKAGE #5 - LANDSCAPE & IRRIGATION ALLOWANCE	\$15,000	\$0	(From 10 CR Allowance)
6	BID PACKAGE #6 - CONCRETE	\$51,060	\$63,317	Added curb & gutter and walkway - south side of lot
7	BID PACKAGE #22 - ELECTRICAL	\$12,685	\$12,685	
8	BID PACKAGE #23 - SWPPP (ALLOWANCE)	\$5,000	\$0	(From 10 CR Allowance)
10	SUBTOTAL CONSTRUCTION HARD COSTS	\$178,185	\$188,442	
11	CONTRACTORS CONTINGENCY @ 3.5% OF HARD COSTS	\$6,236	\$6,595	
12	SUBTOTAL CONSTRUCTION HARD COSTS W/CONTRACTORS CONTINGENCY	\$184,421	\$195,037	
13	GENERAL CONDITIONS WITH FEE, BONDS, INSURANCE (10% OF CONST. COSTS W/CONTR. CONT. SUBTOTAL)	\$18,442	\$19,504	
14	SUBTOTAL CONSTRUCTION HARD COSTS, CONTRACTORS CONTINGENCY & GENERAL CONDITIONS	\$202,864	\$214,541	
15	COC INSURANCE - CONTRACTOR'S SHARE AT 1/3 OF ACTUAL COC COST	-\$118	-\$125	
16	SUBTOTAL GMP (OWNER'S CONTINGENCY NIC)	\$202,746	\$214,416	
17	OWNER CONTINGENCY @ 3.5% OF HARD COSTS	\$7,096	\$7,505	
18	TOTAL GUARANTEED MAXIMUM PRICE INCLUDING OWNER CONTINGENCY	\$209,842	\$221,921	

**SANTEE SCHOOL DISTRICT
PEPPER DRIVE SCHOOL - 10 CLASSROOM ADDITION
GUARANTEED MAXIMUM PRICE (GMP)**

	DESCRIPTION	BASE BID	ALT 2 - BUILD OUT 2ND FLR OF ADDITION	ALT 3 - DELETE DEMO OF LOCKER BLDG	ALT 4 - DELETE DEMO OF UPPER ASPHALT COURTS	ALT 5 - DELETE LOCKER AND BENCHES	TOTAL BID W/ALTERNATES	VALUE ENGINEERING	TOTAL GMP BID FOR 10 CR w/VE	Estimated Parking Lot Value	GMP (Not Including Parking Lot)	NOTES
1	BID PACKAGE #1 - SURVEY	\$14,675					\$14,675	\$0	\$14,675	\$1,500	\$13,175	
2	BID PACKAGE #2 - DEMO	\$49,800		-\$26,000	-\$6,600		\$17,200	\$0	\$17,200	\$6,840	\$10,360	
3	BID PACKAGE #3 - GRADING	\$262,000					\$262,000	-\$22,500	\$239,500	\$2,660	\$236,840	
4	BID PACKAGE #4 - ASPHALT	\$113,290					\$113,290	\$0	\$113,290	\$83,440	\$29,850	
5	BID PACKAGE #5 - LANDSCAPE & IRRIGATION ALLOWANCE	\$100,000					\$100,000	\$0	\$100,000	\$15,000	\$85,000	
6	BID PACKAGE #6 - CONCRETE	\$806,310					\$806,310	-\$36,725	\$769,585	\$51,080	\$718,525	
7	BID PACKAGE #7 - STEEL	\$837,593					\$837,593	\$0	\$837,593	\$0	\$837,593	
8	BID PACKAGE #8 - CARPENTRY	\$0					\$0	\$0	\$0	\$0	\$0	
9	BID PACKAGE #9 - CABINETS	\$56,526	\$49,464				\$106,000	\$0	\$106,000	\$0	\$106,000	
10	BID PACKAGE #10 - SHEET METAL	\$205,000					\$205,000	-\$5,100	\$199,900	\$0	\$199,900	
11	BID PACKAGE #11 - ROOFING	\$37,216					\$37,216	\$0	\$37,216	\$0	\$37,216	
12	BID PACKAGE #12 - DOORS	\$0					\$0	\$0	\$0	\$0	\$0	
13	BID PACKAGE #13 - GLAZING	\$49,100					\$49,100	\$0	\$49,100	\$0	\$49,100	
14	BID PACKAGE #14 - FINISHES	\$1,321,124	\$247,690		-\$24,134	-\$61,912	\$1,480,768	-\$23,080	\$1,457,678	\$0	\$1,457,678	
15	BID PACKAGE #15 - FLOOR COVERINGS	\$26,925	\$27,450				\$54,375	\$0	\$54,375	\$0	\$54,375	
16	BID PACKAGE #16 - CERAMIC TILE	\$48,612					\$48,612	\$0	\$48,612	\$0	\$48,612	
17	BID PACKAGE #17 - SPECIALTIES	\$0					\$0	\$0	\$0	\$0	\$0	
18	BID PACKAGE #18 - ELEVATOR	\$104,825					\$104,825	\$0	\$104,825	\$0	\$104,825	
19	BID PACKAGE #19 - PLUMBING	\$358,000	\$26,000				\$384,000	-\$13,800	\$370,200	\$0	\$370,200	
20	BID PACKAGE #20 - HVAC	\$291,363	\$158,455				\$449,818	\$0	\$449,818	\$0	\$449,818	
21	BID PACKAGE #21 - FIRE SPRINKLERS	\$41,111	\$5,500				\$46,611	\$0	\$46,611	\$0	\$46,611	
22	BID PACKAGE #22 - ELECTRICAL	\$503,000	\$186,000				\$689,000	-\$26,675	\$662,325	\$12,685	\$649,640	
23	BID PACKAGE #23 - SWPPP (ALLOWANCE)	\$80,000					\$80,000	\$0	\$80,000	\$5,000	\$75,000	
24	MISC. HARDSCAPE PATCH	\$5,000	\$2,500				\$7,500	\$0	\$7,500	\$0	\$7,500	
25	MISC. NOT IN TRADE SCOPE	\$5,000	\$2,500				\$7,500	\$0	\$7,500	\$0	\$7,500	
26	TEMPORARY POWER/WATER	\$2,000					\$2,000	\$0	\$2,000	\$0	\$2,000	
27	ALLOWANCE FOR LRC COORDINATION	\$50,000					\$50,000	\$0	\$50,000	\$0	\$50,000	
28	SUBTOTAL CONSTRUCTION HARD COSTS	\$5,368,480	\$705,559	-\$26,000	-\$30,734	-\$63,912	\$5,953,393	-\$127,800	\$5,825,593	\$178,186	\$5,647,318	
29	CONTRACTORS CONTINGENCY @ 3.5% OF HARD COSTS	\$187,897	\$24,695	-\$910	-\$1,016	\$2,237	\$208,369	-\$4,476	\$203,893	\$8,236	\$197,656	
30	SUBTOTAL CONSTRUCTION HARD COSTS W/CONTRACTORS CONTINGENCY	\$5,556,377	\$730,254	-\$26,910	-\$31,810	-\$66,149	\$6,161,762	-\$132,306	\$6,029,399	\$184,421	\$5,844,974	
31	GENERAL CONDITIONS WITH FEE, BONDS, INSURANCE (10% OF CONST. COSTS W/CONTR. CONT. SUBTOTAL)	\$555,620	\$73,025	-\$2,891	-\$3,183	-\$6,611	\$616,176	-\$13,237	\$602,949	\$18,442	\$584,497	
32	SUBTOTAL CONSTRUCTION HARD COSTS, CONTRACTORS CONTINGENCY & GENERAL CONDITIONS	\$6,112,014	\$803,279	-\$29,601	-\$34,993	-\$72,764	\$6,777,938	-\$145,603	\$6,632,335	\$202,864	\$6,429,472	
33	COC INSURANCE - CONTRACTOR'S SHARE AT 1/3 OF ACTUAL COC COST	\$3,555	\$467	\$17	\$20	\$42	\$3,642	\$85	-\$3,857	-\$118	-\$3,739	
34	SUBTOTAL GMP (OWNER'S CONTINGENCY NIC)	\$6,108,460	\$802,812	-\$29,584	-\$34,970	-\$72,721	\$6,773,996	-\$145,518	\$6,628,478	\$202,746	\$6,425,732	
35	OWNER CONTINGENCY @ 3.5% OF HARD COSTS	\$213,788	\$28,088	\$1,035	\$1,224	-\$2,545	\$237,090	-\$5,093	\$231,997	\$7,096	\$224,901	
36	TOTAL GUARANTEED MAXIMUM PRICE INCLUDING OWNER CONTINGENCY	\$6,322,256	\$830,910	-\$30,619	-\$36,194	-\$75,267	\$7,011,086	-\$150,611	\$6,860,475	\$209,842	\$6,650,633	

PEPPER DR. CONTINGENCY ANALYSIS

MAY 24, 2013

	<u>Original Amt</u>	<u>Utilized</u>	<u>Total Projected **</u>	<u>Est. @ Completion</u>	<u>Notes</u>
1 Owner's Contingency	\$224,901	(\$0,000)	(\$224,901)	\$164,901	** Projected as total estimation error
2 Owner's portion of Contractor's Contingency	\$131,771	(\$4,000)	(\$125,771)	\$106,000	
3 Landscaping Contingency	\$85,000		(\$85,000)	\$0	
4 SWPPP Contingency	\$75,000	(\$40,000)	(\$35,000)	\$31,000	
5 Allowance for LRC Coordination	\$50,000	(\$10,000)	(\$40,000)	(\$20,000)	Over by \$20k
	<u>\$566,672</u>	<u>(\$50,000)</u>	<u>(\$244,771)</u>	<u>\$281,901</u>	
			Parking Lot Cost	(\$221,521)	Estimate from O&M
				\$59,580	Surplus

Consent Item D.3.1.
Prepared by Karl Christensen
May 7, 2013

Approval of Agreement with Webb-Cleff
Architecture & Engineering to Provide
Architectural Services for Closeout of Phase 1
and Phase 2 Capital Improvement Program
Projects

BACKGROUND:

At the August 7, 2012, meeting, the Board approved use of Webb-Cleff Architecture & Engineering Inc. ("Webb-Cleff") to provide architectural services for certain projects.

Due to the recent permanent closing of the offices of the Architect of Record for already constructed Phase 1 and Phase 2 Capital Improvement Program projects, the District is in need of Webb-Cleff's services to complete the closeout process with Division of State Architect.

RECOMMENDATION:

It is recommended that the Board of Education approve the agreement with Webb-Cleff for Architectural and Engineering Services for the close out and certification process through DSA for various phase 1 and 2 CIP projects.

This recommendation supports the following District goals:

Learning Environment

- Provide a safe, engaging environment that promotes creativity, innovation, and personalized learning.

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The fiscal impact of \$69,117.49 to be funded from CIP funds. The amount remaining unpaid on the previous Architect of Record's contract for this work is \$35,531.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion:		Second:		Vote		Agenda Item D.3.1.
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Consent Item E.3.1.
Prepared by Karl Christensen
April 16, 2013

Authorization to Utilize the California Uniform Public
Construction Cost Accounting Act Informal Bid
Process for Chet F. Harritt School Snack Bar and Site
Apparatus

BACKGROUND:

On September 4, 2012, the Board approved a resolution to utilize the California Uniform Public Construction Cost Accounting Act (CUPCCAC) for purchases over the \$15,000 formal bid processing limit. Staff has developed an approved vendor list following the procedures of the CUPCCAC process.

On February 5, 2013, the Board and administration discussed the options for providing a snack bar, batting cages, and bleachers at Chet F. Harritt for the relocation of the Pioneer National Little League. Staff is requesting Board approval to call for informal bids for moving relocatable #PS3 and installing a new foundation, utilities, various site work; and to set up a new snack bar at Chet F. Harritt for the sports fields.

RECOMMENDATION:

It is recommended that the Board of Education authorize utilizing the CUPCCAC process to seek informal bids for construction work associated with the Chet F. Harritt Sports Field project. Another Board item will be brought forward at a future meeting for awarding the contract.

This recommendation supports the following District goals:

Learning Environment

- Provide a safe, engaging environment that promotes creativity, innovation, and personalized learning.

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The estimated cost of the project is \$270,000 to be paid from Capital Improvement Program funds.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion:		Second		Vote		Agenda Item E.3.1.
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Consent Item D.3.1.
Prepared by Karl Christensen
March 19, 2013

Acceptance of 2011-12 General Obligation Bonds
Building Fund Financial and Performance Audit

BACKGROUND:

In November 2006, Proposition R was passed by the voters of Santee authorizing \$60 million in General Obligation Bonds (GO Bonds) to be issued to finance a portion of the District's Capital Improvement Program (CIP), currently valued at \$140 million. The District's GO Bond is subject to the regulations of Proposition 39 (Prop 39) which was passed by California voters November 7, 2000. Prop 39 allows passage of a local GO Bond with 55% approval of the voters and requires operation of an Independent Citizen's Oversight Committee (ICOC) and preparation of annual financial and performance audits.

Until January of 2011, the performance audit component of Prop 39 requirements lacked specificity of standards for the audit. On September 24, 2010 then Governor of California, Arnold Schwarzenegger, signed into law Senate Bill 1473 (SB1473) which took effect January 1, 2011. SB1473 stipulates that performance audits for Prop 39 bonds must be conducted in accordance with Government Auditing Standards (also known as "Yellow Book Standards") issued by the Comptroller of the United States of America. Prior to SB1473, auditors elected to perform what is known as a review, which has a broad scope and lacks the depth of an audit. Generally, a review is a process where the auditors limit their procedures to inquiries of the local educational agency's (LEA's) management. In addition, procedures and reviewed and object code balances for the current year and the prior year are compared and all material differences are investigated. SB1473 now requires a more thorough process to satisfy the requirements of an audit.

For 2011-12, the District's Prop 39 Financial and Performance Audits were conducted by Vavrinek, Trine, Day & Co., LLP. There were no findings or restatements required for the financial component and the performance audit concluded that "in all significant respects, the Santee School District has properly accounted for the expenditures held in the Building Fund (Election 2006) and that such expenditures were made for authorized Bond projects."

The ICOC reviewed and accepted this audit report at their March 6, 2013 meeting.

RECOMMENDATION:

It is recommended that the Board of Education accept the 2011-12 General Obligation Bonds Building Fund Financial and Performance Audit.

This recommendation supports the following District goal:

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The fiscal impact is as follows:

Beginning Fund Balance = \$26,825,182
Revenue and other sources = \$2,435,012
Expenditures and other outgo = \$24,056,427
Ending Fund Balance = \$5,203,767

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion:		Second:		Vote:		Agenda Item D.3.1.
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CONSTRUCTION PROGRESS HIGHLIGHTS

Santee School District

ICOC 5th Annual Report for 2011/2012

2006 November: Proposition R Approved by Voters

2007 2008 2009 2010 2011 2012 2013 FUTURE

March: ICOC Formed

June: First ICOC Newsletter

Summer: Quick Start (QS) Projects Completed; Playground Structures Completed; Four Joint-Use Turf Fields Completed

September: ICOC Newsletter; Joint-Use Funds of \$7.8 Million Realized from State; Design for Junior High Additions Begins

December: ICOC Newsletter; Security Door Locks Begins

Security Door Locks



New Energy Efficient HVAC



March: ICOC Newsletter; Construction begins for Cajon Park Addition

April: Program Start Ground Breaking Ceremony; Completed Security Door Locks

June: ICOC Newsletter; Modernization Construction Begins at Five Schools: Cajon Park, Carlton Hills, Carlton Oaks, Rio Seco and Sycamore Canyon; ICOC First Year Program Performance Review Completed

September: ICOC Newsletter; Completed 89 Classroom Modernizations; Construction for New Additions Begins at Three Schools: Carlton Hills, Carlton Oaks and Rio Seco

October: QS Play Structures Continues at All Schools

November: ICOC First Annual Report Issued to the Board of Education

New Teaching Wall/Cabinets in Every Classroom



January: Modernization Completed at Sycamore Canyon; Construction Completed for Cajon Park 2-Story Addition

February: Dedication & Grand Opening of the Cajon Park New Addition and Modernizations

March: State-Matching Funds Halted

April: Modernization Completed at Cajon Park, Carlton Hills, Carlton Oaks and Rio Seco

May: QS Play Structures Completed at Cajon Park and Sycamore Canyon

June: Construction Completed for Junior High Science Lab/ Classroom Additions at Carlton Hills, Carlton Oaks and Rio Seco

July: Construction Begins at PRIDE Academy and Chet F. Harritt for Electrical and Infrastructure Upgrades

September: Construction Upgrades Completed at PRIDE Academy and Chet F. Harritt

December: Construction for One Ball Field Upgrade Begins at Chet F. Harritt; ICOC Newsletter Posted on District Website

April: ICOC Second Annual Report Issued to the Board

June: Construction Begins at Hill Creek for Electrical and Infrastructure Upgrades



New Entry Legacy Paths

January: \$38.5 Million State Matching Funds Received

February: Modernization Begins at PRIDE Academy; Ball Field Upgrades Second Phase Begins at Chet F. Harritt

June: ICOC Third Annual Report Issued to the Board; Modernization Begins at Chet F. Harritt and Hill Creek

August: Modernization Completed at PRIDE Academy; Construction Begins for New Addition at Hill Creek

November: Modernization Completed at Chet F. Harritt and Hill Creek; Construction Completed for Ball Field Upgrades Second Phase at Chet F. Harritt



New Play Structure at All Sites

May: Construction Completed for Addition at Hill Creek

July: ICOC Fourth Annual Report Issued to the Board



Hill Creek LRC

March: Construction Begins at Pepper Drive for the 10-Classroom Addition

July: ICOC Fifth Annual Report Issued to the Board



Pepper Drive Addition



Junior High at Hill Creek

Cajon Park Addition



Future Projects:
Pepper Drive
- Modernization
- Learning Resource Center

PRIDE Academy
- Learning Resource Center

Chet F. Harritt
- Classroom Addition
- Learning Resource Center

Sycamore Canyon
- Learning Resource Center



BOND LANGUAGE:

"In order to construct, acquire, renovate, and upgrade school facilities and provide major repairs and upgrades of existing school facilities at schools of the Santee School District, and in so doing, increase safety and educational effectiveness of classrooms for students, shall the Santee School District be authorized to issue Bonds in an amount not to exceed \$60,000,000."



Pepper Drive Construction Start, March 2013

Pepper Drive Progress, May 2013



INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE

www.santeesd.net/modernization

FUTURE ICOC MEETING DATES

Public Welcome

Location: Santee School District
Charles E. Skidmore Administration Building
District Office Conference Room
9625 Cuyamaca Street
Santee, California

6:00 PM

September 4, 2013	March 5, 2014
December 4, 2013	June 4, 2014

For more information, current schedule, and updates, visit the ICOC website at www.santeesd.net/modernization.

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- Letter from the Chair
- Construction Progress Highlights
- Prop R Bond Language
- Meeting Information

MEMBERSHIP

- Beth Selbe, Chair**
Member-at-Large
- Leshia Montoya, Vice-Chair**
Member-at-Large
- Alt. Taxpayer's Assn. Rep.
- Eld Fakhouri,**
Parent/Guardian
- Gina Jackson**
Experience in School Finance
- Kai Ramer**
Taxpayers' Association Rep.
- Janna Schoenborn**
Business Representative
- Rick Weeks**
Parent/Guardian
- Vacancy**
Active PTO/PTA, Site Counsel
- Vacancy**
Senior Citizens' Org.

ICOC Website:
www.santeesd.net/modernization

ICOC Mailing address:
9625 Cuyamaca Street
Santee, CA 92071

ICOC Fax number:
(619) 258-2260

LETTER FROM THE CHAIR

Dear Taxpayers: *DRAFT/SAMPLE*

The ICOC is pleased to submit to you the 5th Annual Report on the Santee School District's Proposition R Bond Funds. This past year, the District was able to complete additional planned projects as part of its Capital Improvement Program, (CIP) including adding security fencing for increased safety at Carlton Oaks, PRIDE Academy Pre-School and Rio Seco schools. On the inside pages are a recap of the projects completed to date as well as goals planned for the future. Pepper Drive School began construction in March 2013, for its new Junior High Addition (photos on back page).

Property values are projected to begin to improve, but it is uncertain when the remaining \$15 million in G.O. Bonds will be issued to help complete all planned improvements. The Santee School District Board of Education continues to pursue other means of funding and remains committed to complete the projects as originally planned.

Committee Findings

The 5th year Performance and Financial Audits for the fiscal year ending June 30, 2012, were conducted by Vavrinek, Trine, Day & CO., LLP Certified Public Accountants. **Results from the auditors concluded that in all significant respects, the Santee School District properly accounted for the expenditures held in the Building Fund (G.O. Bonds, Election 2006) and that such expenditures were made for authorized bond projects.** To view and/or download a copy of the Performance and Financial Audits, or for more information and current updates, visit the ICOC website at: www.santeesd.net/modernization.

Special Thanks

Once again, the ICOC would like to recognize Karl Christensen, Assistant Superintendent, Business Services; Christina Becker, Director of Facilities & Modernization; and Nancy Stasch, Senior Buyer/Logistics Specialist, for their continued support during the CIP program. The ICOC relies on their dissemination of information to remain informed on the progression of the CIP program. The ICOC feels compelled to thank them for their contributions. If you have any questions regarding the program, Christina Becker may be reached at 619-258-2323 or by email: christina.becker@santeesd.net.

"The Independent Citizens' Oversight Committee shall actively review and report on the proper expenditure of taxpayers' money for school construction."

-Prop R Ballot Language

Sincerely,

Beth Selbe, Chair