



Lake Tahoe Unified School District

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CITIZENS' BOND OVERSIGHT COMMITTEE (CBOC)

REGULAR MEETING MINUTES

Wednesday, August 31, 2011 at 6:00 PM

CBOC Members Present: Dr. Patrick Martin, Kelly Lancellotti, Joy Curry, Rick Angelocci, Ginger Nicolay-Davis, and Jody Boles

CBOC Members Absent: David Kelly, Mike Berg, Casey Blann

LTUSD Staff Members Present: Debra Yates, Dr. James Tarwater, Angie Keil, Ivone Larson, Steve Morales, and Linda Jordan.

Consultants / Contractors Present: None.

Guests Present: None.

1. Call to Order

Dr. Patrick Martin called the meeting to order at 6:06 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was said.

3. Introductions

Debra Yates introduced Linda Jordan, who has been hired by LTUSD as the Bond Finance Project Manager. She said that the services of Premier Management Group will be phased out. Linda has been in the school business for 28 years; 15 of which have been in school construction. She has spent the past seven years at Black Oak Mine School District and has held the position of CFO twice. Ms. Yates said that money was a factor in the decision to hire a full time bond manager. When PMG was originally contracted, the charges were about \$8-10,000 monthly, but when it began to get to almost \$27,000/month it had to be reevaluated. Debra explained the bond reporting requirements and consultant, Curt Pollock's role.

Joy Curry informed the committee that Mike Berg is no longer at the Carpenters Union and that his email address has changed.

4. Approval of Agenda

Rick Angelocci made a motion to approve the agenda as submitted. Joy Curry seconded the motion. Unanimously approved.

5. Communications From The Public

There were no comments from the public.

6. Approval of Minutes of June 8, 2011

Joy curry made a motion to approve the minutes as submitted. Jody Boles seconded the motion. Unanimously approved.

7. Set Quarterly Meeting Schedule for 2011/12

The Committee reviewed the suggested dates and approved them. The 2011/12 meetings will be held on 11/30/11, 4/4/12, 6/20/12, and 9/19/12.

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9. Review of Measure G Projects, Budgets and Expenditure Reports

Debra Yates reviewed the Budgets and Expenditure reports, saying that there was not much changed from the last report in June. \$4.3 million has been spent since then; mostly on construction costs for TADA, the Student Union, Blue & Gold Gyms and technology. Fees to PMG, LPA, and DSA accounted for more. The total revenue is estimated at \$97 million and Ms. Yates said that, if we meet all of our obligations, we might have \$3.37 million left. They don't spend for the sake of spending, but also don't want to have to give back any matching funds either. There is currently about \$2-3 million in the bank.

Dr. Tarwater said that things are looking good for the Sports Medicine Project. Prop 1D was approved by voters and if the legislature approves the State Controller to sell \$1.6 billion in bonds by November, we should get the \$2 million in matching funds. He explained that, because assessed values are down, it is not prudent to sell the remaining Measure G bonds right now, but we could do a BAN (Bond Anticipation Note) and then sell five years. This would keep construction moving and not lose the momentum. Dr. Tarwater said that there are a lot of reasons to do it to build early and save on construction costs. The cost of issuance for the BAN is the expense.

Rick Angelocci asked if there were many change orders throughout the construction process. Steve explained how the changes in scope were made to maximize the match for the CTE/ORG. He said that TADA should be within the GMP. However, about \$350,000 will have to be added to the GMP for the gyms because of what they found when they went in. This includes about \$100,000 for the addition of showers in the boys' and girls' locker rooms which were not in the original GMP.

A discussion was held regarding the use of local contractors such as Keith Kaczmar Painting, Kelly Moore Paints, Aspen Hollow, Elliott Construction, McGee Plumbing, Bill Higgenbotham, and Mary's Drapery. Steve Morales said that it becomes a problem when you need fifty stone masons or the skilled workers to install massive amounts of steel. Jody Boles asked about "prevailing wage". She said that some locals are "throwing all of their eggs in the high school and lose out on their regular customers". Steve Morales said that, for a local contractor, we retain 10% of their wage until the project is done. That's tough on small contractors.

10. Update on Viking Stadium Renovation Project

The project is not part of Measure G, but the Committee viewed the upgraded field from SV 107 and Dr. Tarwater briefly addressed the construction project.

11. Tour of (TADA) Tahoe Arts & Design Academy and the Performing Arts Bldg.

Bob Grant and Ivone Larson led the Committee on a tour of the TADA building, which officially opened on August 26th. They also received information on the new two-story sixth grade wing at STMS and the 20,000 square foot student union, which is a "Joint Use" project with the City. Matching funds of \$4 million have been received for that project. The Committee also took a quick tour of the Blue & Gold Gyms.

12. Next Meeting

Wednesday, November 30, 2011 at 6:00 p.m.

13. Adjourn

Dr. Martin adjourned the meeting at 7:53 p.m.