



Measure "R" Citizens' Oversight Committee
ANNUAL REPORT
for 2013-14 Fiscal Expenditures
& Committee Activities 2014-15

Submitted to the

Banning Unified School District

Board of Trustees

Alex Cassadas, Board President

Larry Ellis, Vice President

Jan Spann, Clerk

Martha Bederio

Ray Curtis

Measure "R" Citizens' Oversight Committee

Richard Krick, Chairperson

Kerri Mariner

Carole Ranney-Davies *(Through February 4, 2014)*

Susan McQuown

Diana Benhar

Veronica Topete

Chris McCallum

Statement of Compliance

This Annual Report is submitted to the Board of Trustees by the Banning Unified School District Measure "R" Citizens' Oversight Committee.

The Committee advises that, to the best of its knowledge, the Banning Unified School District is in compliance with the requirements in Article XIII A, Section 1(b)(3) of the California Constitution. In particular, bond revenue has been expended only for the purposes so described in Measure "R". As prohibited by Article XIII A, Section 1(b)(3)(a) of the California Constitution, no funds were used for any teacher or administrative salaries or other operating expenses.

Respectfully Submitted:



Richard Krick, Chairperson

Measure "R" Citizens' Oversight Committee

Date:

JUNE 2, 2015

Summary of the Committee's Proceedings and Activities for 2013-14

There were six meetings during Fiscal Year 2013-14. The Committee met on October 9, 2013, October 22, 2013, December 10, 2013, February 3, 2014, April 2, 2014 & June 4, 2014. Banning High School Athletic Facilities, Phase II was completed in July of 2014.

Summary of the Committee's Proceedings and Activities for 2013-14

The Banning Unified School District was successful at the election conducted on November 7, 2006 in obtaining authorization from the District's voters to issue up to \$63,000,000 in general obligation bonds for capital improvements as listed in the ballot language. The election was conducted under Proposition 39 (chaptered as the Strict Accountability in Local School Construction Bonds Action of 2000, Education Code Section 15264 *et seq.*)

The Board of Trustees adopted Board Policy 72141.1 Bond Oversight Committee, setting forth the duties and rights of the Committee at a meeting held on November 14, 2002. Pursuant to Education Code Section 15278, the District established the Citizens' Bond Oversight Committee at a meeting of the Board of Trustees held on December 12, 2002, in order to satisfy the accountability requirements of Proposition 39.

The Board of Trustees adopted the current Citizens' Bond Oversight Committee Members listed below with their respective term information. The following Committee Members were approved at Board meetings of the Board of Trustees held on September 26, 2013, October 3, 2013, April 17, 2014 and December 11, 2014.

Member	Current Term Ends
Chris McCallum	April 2016*
Kerri Mariner	December 2016**
Carole Ranney-Davies	February 2015*
Richard Krick	September 2015***
Susan McQuown	September 2015*
Diana Benhar	October 2015*
Veronica Topete	October 2015*

*First term, option to extend for two additional two-year terms

**Second term, option to extend for one additional two-year term

***Third term (final)

October 9, 2013

Banning Unified School District Board Room

161 W. Williams

Banning, CA 92220

Presentation of Measure R Expenditure Information

Superintendent of Schools, Robert Guillen provided expenditure information regarding the current Measure R funded projects.

Presentation of Measure R Project Information

Superintendent of Schools, Robert Guillen provided information regarding the current Measure R funded projects.

Review Tentative Meeting Schedule for COC 2013-14 School Year

Bi-Monthly meetings in-between Regular meeting dates of the Board of Education.

October 22, 2013

Banning Unified School District Board Room

161 W. Williams

Banning, CA 92220

Presentation of Measure R Expenditure Information

Superintendent of Schools, Robert Guillen provided expenditure information regarding the current Measure R funded projects, including explanation of Encumbrances shown on spreadsheet in packet given to members at 10/9/13 meeting as well as BUSD salary %s coming out of Measure R Funds.

Presentation of Measure R Project Information

Roger Clarke from Ruhnau, Ruhnau & Clarke and an Joe Ledesma from Ledesma & Meyer Construction provided information regarding the current Measure R funded project.

Growth Project Information – Non-Measure R item, entitled “Restroom”

Superintendent, Robert T. Guillen provided an update on the “Restroom” portion of the Banning High School Athletic Facilities, Phase II project.

Award of Lowest Apparent Bidders for BHS Athletic Facilities, Phase II

Inland Building Construction Companies, Inc. – Base Bid: **\$1,939,000.00**

Kincaid Industries, Inc. – Base Bid: **\$254,760.00**

Construction Electric, Inc. – Base Bid: **\$338,250.00**

Total Construction: **\$2,532,010.00**

Total with Alternates 1, 2, 3, 5, 6 and 7 – **\$2,198,720.00**

Subtract cost of "Restroom"

Review Tentative Meeting Schedule for COC 2013-14 School Year

Bi-Monthly meetings in-between Regular meeting dates of the Board of Education.

December 10, 2013

Banning Unified School District Board Room

161 W. Williams

Banning, CA 92220

Updates from Project Architect & Construction Manager

Roger Clarke and Joe gave updates and answered questions related to the BHS Athletic Facilities, Phase II Project

Updated Lowest Apparent Bidders List for BHS Athletic Facilities, Phase II

Updated spreadsheet(s) were presented

Inland Building Construction Companies, Inc. – Base Bid: **\$1,714,900.00**

Kincaid Industries, Inc. – Base Bid: **\$247,660.00**

Construction Electric, Inc. – Base Bid: **\$255,460.00**

Total Construction with Alternate deductions: **\$2,218,020.00**

Total cost to Measure R (after deducting "Restroom" costs): **\$2,018,761.00**

Tracker Expenditure Reports from Vavrinek, Trine, Day & Co.

Copies of expenditure Reports showing how money was spent from Measure R Funds during 2012/13 were presented.

Auditor's Assistance Regarding Validity of Current COC

Superintendent Robert Guillen's Memo to the Board of Education on the Auditor's findings on the validity of the current COC Membership was presented. Superintendent, Robert T. Guillen addressed the matter of members satisfying the 5 qualifications specified in California Ed Code §15282.

Search for Member Active in Bona Fide Taxpayers' Organization

Member, Jerry Heimann's COC term ends January 2014, the District is actively seeking to fill the upcoming Committee vacancy with a new Member active in a bona fide Taxpayers' Organization. To date, no responses have been received.

February 5, 2014

Banning Unified School District Board Room

161 W. Williams

Banning, CA 92220

Updates from Project Architect & Construction Manager

Roger Clarke and Joe Ledesma provided updates and answered questions raised during the December 10th meeting related to the BHS Athletic Facilities, Phase II Project.

- Tennis Court Surface – The design is a 3,000 PSI 6" PCC slab over 2" of sand with rebar reinforcing #5's 12" on center each way. Sub grade compaction to be 90%
- Feasibility of Adding Drinking Fountains at Tennis Courts – Ledesma & Meyer have issued an RFI indicating the need for a design. The architect has provided a location for the drinking fountain. Plans are being completed for the contractor
- Possible Higher Model of Tennis Court Poles/Fixtures – FBA (electrical engineer) has reviewed the current specifications and determined that an upgrade is not necessary; more expensive fixtures would not increase quality of light
- Tennis Court Separation Fencing – All court fencing is at 12' with the exception of the short fencing to keep ball chasing at a minimum. That fence is 3' high.
- Reminder to push back Entrance Gate (north drive approach) – This is not a requirement from Caltrans. Architect recommends either no move, or to move only the North (entry) Gate
- Review North Slope behind retaining wall for possible options for soil stabilization – Approximately 4,200 square feet (that is the entire slope even east of the tennis courts). Pricing for the Rip Rap:
 - 4,200 x \$3.50 = \$14,700.00 – per current contractors' Schedule of Values
 - 4,200 x \$7.00 = \$29,400.00 – LMCCI estimating per guidelines – Cal Trans

- Benches – There are benches at each court with a 14 seat capacity (21 feet in length)
- Power – There is one power receptacle at each tennis court

BHS Classroom Expenditure Report from 2012/13

Expenses By Date and Fiscal Year for BHS Classroom Legal Expenses: The bottom line dated 6/30/2013 for Fagen, Friedman, Fulfrost shows "Gym" in the Description column. The Gym was paid for out of Measure "L" funds and so Legal issues regarding the Gym should not be paid for out of Measure "R" funds. Upon reconciliation of the data entry in the Tracking system and the Fagen, Friedman, Fulfrost file, it was found that the entry in the Description column was made in error, as the payment entered on that line was actually related to the Solar Panel issue on the 2-story classroom structure, built with Measure "R" funds. Copies of the invoice for this entry were included in the agenda packet.

Tracker Expenditure Reports from Vavrinek, Trine, Day & Co.

Copies of Expenditure Reports showing Measure R Funds spent during the current fiscal year through January 27, 2014 were presented.

Search for Member Active in Bona Fide Taxpayers' Organization

The District is no longer seeking a new Member active in a bona fide Taxpayers' Organization, as Susan McQuown has joined the Howard Jarvis Taxpayers' Association to fulfill the requirement. To date, we have not received any applications to fill the current Committee vacancy of a seventh member but are following up on referrals.

Letter (email) of Concern from COC member McQuown

Superintendent Robert Guillen and Facilities Consultant, Peggy Reyes, addressed the three areas of concern raised in Mrs. MQuown's email.

- *Annual Reports advising the Public of BUSD compliance with Measure R Funds*
 - Have we advised the Public?
 - How is this done? (*President Krick*)
 - Reviewing previous Committee Reports
 -
- *Bond revenues and administrative salaries*
 - Is the District allocating Administrative salaries (or have they in the past) to be expended using Bond revenues?
 - See packet copy of 2008 Letter from Legal & Attachment "A"
 -
- *Legal expenses using Bond revenues*
 - If we continue to spend Measure R funds on Legal fees, will there be enough to finish the Project?

April 2, 2014

Banning Unified School District Board Room

161 W. Williams

Banning, CA 92220

Conflict of Interest Form 700 2013/2014

Form 700 was emailed to all of you by Monica O'Brien, the Superintendent's Confidential Secretary. She requested that the Form be returned to her by March 14, 2014 so that they can be available at the Auditor's request during the Spring Audit. Please contact either Monica or Kookie if you have not yet completed the form.

Search for New Measure "R" Oversight Member

The District is actively seeking a new Member to fill the current Committee vacancy. To date, we have not received any applications even after following up on referrals and handing out two applications. A letter inviting applicants is posted in public view at the District Offices, as well as on the Home Page of the Banning USD website (where all Facilities links have been conveniently posted) and has been sent to the local Library and Record Gazette.

Updates from Project Architect & Construction Manager

Roger Clarke, Ruhnau, Ruhnau & Clarke Architects (RRC) and Kris Meyer, Ledesma & Meyer Construction (L&M) are scheduled to attend this meeting to give updates and answer questions related to the BHS Athletic Facilities, Phase II Project.

- Feasibility of Adding Drinking Fountains at Tennis Courts – At the February 5, 2014 meeting, members asked for a follow-up in reference to deleting one of two fountains from the Concession building area and moving it to the Tennis Court area.
- Dying vegetation due to broken sprinkler main, loose wires, etc. – Members specifically asked for update after viewing and discussing pictures of the site

COC Purpose of Informing the Public of District Expenditure Compliance

Peggy Reyes, Facilities Consultant researched Oversight Committee Annual Reports and drafted a Sample Report for this Committee to review (in this meeting's packet):

- *Sample Draft of Annual Report (Notify Kookie in order to have it put on Board Agenda when ready – see example: item 10.8., page 10.1.(6))*
- *Also see Banning USD Board Policy #7214.1(10.4)- Presentation of Reports*
 - Resolution No. 06-07-21 (Board Approved January 18, 2007)

PROPOSITION 39 MEASURE R CITIZENS' OVERSIGHT COMMITTEE ANNUAL REPORT FOR 2014

BHS Classroom Expenditure Report from VTD 2012/13 (tabled 2/5/2014)

Expenses By Date and Fiscal Year for BHS Classroom Legal Expenses: The bottom line dated 6/30/2013 for Fagen, Friedman, Fulfrost shows "Gym" in the Description column. The Gym was paid for out of Measure "L" funds and so Legal issues regarding the Gym should not be paid for out of Measure "R" funds. Upon reconciliation of the data entry in the Tracking system and the Fagen, Friedman, Fulfrost file, it was found that the entry in the Description column was made in error, as the payment entered on that line was actually related to the Solar Panel issue on the 2-story classroom structure, built with Measure "R" funds. Copies of the invoice for this entry are included in your packet for this meeting.

Measure R Tracker Expenditure Reports from Vavrinek, Trine, Day & Co. (VTD)

1. Expenditure Reports showing all Measure R Funds spent during the current fiscal year through January 27, 2014. *(tabled 2/5/2014)*
2. Expenditure Reports showing Measure R Funds spent since the last COC meeting, through March 2014 *(along with table showing all Measure R \$ currently Expended/Encumbered by Resource, and spreadsheet showing only BHS Athletic Facilities, Phase II Project Costs to date).*

June 4, 2014

Banning Unified School District Board Room

161 W. Williams

Banning, CA 92220

Information/ Discussion

5.1 Citizens' Oversight Committee Annual Public Report

Board Policy #7214.1 – 9.0 (f), "The Oversight Committee shall issue written regular reports of the results of its activities. The Oversight Committee must issue at least one (1) report each year or fiscal year, as may be applicable.

To be safe, the Report should be "issued" before the end of the fiscal year for which you are reporting. If, at this June 4th meeting, COC Members agree to use the Sample Draft Annual Report, Kookie Williams will need to scan the signed document for the Board Agenda for the June 26th Board Meeting. (The June 12th meeting has been cancelled) An up-to-date draft of the Report will be available to everyone at this meeting.

New Measure "R" Oversight Member

Chris McCallum was approved by the Board of Education as Banning Unified School District's seventh Citizens' Oversight Committee member for Measure "R" on April 17, 2014.

Updates from Project Architect & Construction Manager

Peggy Reyes and Roger Clarke of Ruhnau, Ruhnau & Clarke Architects (RRC) and Joe Ledesma, Ledesma & Meyer Construction (L&M) are scheduled to attend this meeting to give updates and answer questions related to the BHS Athletic Facilities, Phase II Project.

BHS Project and other Measure "R" Reports

Tables showing all Measure R \$ currently Expended/Encumbered by Resource, and a spreadsheet showing only BHS Athletic Facilities, Phase II Project Costs to date.

Potential Appreciation Bond Sale, and/or Refinancing of Measure "R" Bond

Robert Guillen, Superintendent, will address findings on the possibility of the District obtaining further Construction funding. *(Report by Mark Farrell at May 30 Board meeting)*

BHS Athletic Facilities, Phase 1 Equipment list

Susan McQuown requested a list of what equipment the High School Athletics are supposed to have from Phase 1 of construction, along with an inventory of what they do have now, and where it is.

- Wish list *(Roger Clarke)*
- Actual list
- Inventory (Incomplete – BHS portion not yet received)

2014-15 Meetings of the Measure "R" Citizens' Oversight Committee

The Committee conducts its meetings in accordance with provisions of the Ralph M. Brown Public Meetings Act, Government Code Sections 54950 *et seq.* Meeting notices and agendas are sent to members of the Committee within the required period of time, posted at the Banning Unified School District Administration Building and are sent to the local newspaper and Library. Meeting notices, agendas, minutes and all documents and reports received by the committee members are a matter of public record and made available on the Banning Unified School District Website: (www.banning.k12.ca.us)

August 6, 2014

Banning Unified School District Board Room

161 W. Williams

Banning, CA 92220

Information/ Discussion

Citizens' Oversight Committee Annual Public Report

Veronica was not able to attend the June 26th Board meeting to present the Report. The Report was presented by Robert Guillen, Superintendent.

Project Update

BHS Athletic Facilities, Phase II Project is complete. Ribbon-cutting ceremony held August 4, 2014 at 9:00 a.m. at the tennis courts.

Measure R COC Member site walk at BHS on June 19, 2014

Present at the site walk were:

- **Ledesma & Meyer (L&M)** – Joe Ledesma and Charlie Arredondo
- **DSA Inspector of Record (IOR)** – Al Hoyt
- **Ruhnau, Ruhnau & Clarke (RRC)** – Dan Goon
- **COC** – Kerri Mariner, Susan McQuown and Veronica Topete
- **BUSD** – Robert Guillen, Kookie Williams, Marcia Cole-Anderson and Lois Miller

Among the many questions asked during the site walk was one of equipment needed for maintenance of the new tennis courts. Kookie Williams spoke with Debbie Douglas, the District's Maintenance Supervisor about this. Because the MOT Department has been taking care of the tennis courts at Nicolet for some time now, they do have the necessary equipment already.

Measure R COC Member site walk at BHS on July 17, 2014

PROPOSITION 39 MEASURE R CITIZENS' OVERSIGHT COMMITTEE ANNUAL REPORT FOR 2014

Present at the site walk were:

- **Ledesma & Meyer (L&M)** – Joe Ledesma and Ruben Mejia
- **Ruhnau, Ruhnau & Clarke (RRC)** – Dan Goon
- **COC** – Kerri Mariner, Susan McQuown, Chris McCallum and Richard Krick
- **BUSD** – Robert Guillen, Kookie Williams, Mark Kline and Lois Miller

COC Member site walk, 5.4 (continued)

Among the questions asked during the site walk was one of whether the draining scheme at the southernmost edge of the tennis courts would be effective during heavy rains.

It was also mentioned that 8 trees throughout the athletic facility appeared to be dead. Robert Guillen spoke with Debbie Douglas about this and she stated that the trees died as soon as they were planted.

BHS Project and other Measure “R” Financial Reports

Tables showing BHS Athletic Facilities, Phase II Project Costs to date. July 2014 (final) invoices have not yet been received by the District for payment.

Bond Refinancing Update

Robert T. Guillen, Superintendent will give an update on progress of refinancing.

BHS Athletic Facilities, Phase 1 Equipment list

Susan McQuown requested a list of what equipment the High School Athletics are supposed to have from Phase 1 of construction, along with an inventory of what they do have now, and where it is. Inventory sheets are complete from BHS and MOT staff and are included in this meeting’s packet.

November 5, 2014

Banning Unified School District Board Room

161 W. Williams

Banning, CA 92220

Information/ Discussion

BHS Project and other Measure “R” Financial Reports

Tables showing all Measure “R” \$ currently Expended/Encumbered by Resource, and a spreadsheet showing only BHS Athletic Facilities, Phase II Project Costs fiscal year to date.

BHS Athletic Facilities, Phase 1 Equipment list (*was tabled August 6th*)

Susan McQuown requested a list of what equipment the High School Athletics are supposed to have from Phase 1 of construction, along with an inventory of what they do have now, and where it is. Inventory sheets were included in last meeting’s packet. MOT has installed two new storage units – one for tennis and one for baseball. Patricia Ford will attend to answer inventory questions.

Community Use of Athletic Facilities

In this meeting's packet, there will be:

- Board Policy and Procedure
- Board Approved Schedule of Fees
- Forms and Instructional Checklists

Morongo Donation Procedure Update

Letter drafted to Morongo Band of Mission Indians October 2014 will be available for review in this meeting's packet.

February 4, 2015

Banning Unified School District Board Room

161 W. Williams

Banning, CA 92220

Information/ Discussion

BHS Project and other Measure "R" Financial Reports

Tables showing all Measure "R" \$ currently Expended/Encumbered by Resource, and a spreadsheet showing only BHS Athletic Facilities, Phase II Project Costs fiscal year to date.

Committee Concerns from November 5, 2014 Meeting

- Speakers at Football Stadium
 - Debbie Douglas, Maintenance and Operations Supervisor was contacted and responded that in the past there have been problems with the wind turning the speakers away from the stadium. She had Jerry Maples check the speakers to see if this is the problem. Jerry reported that it was not the problem and that there had been no other complaints. No further action was taken.
- Students not wearing gloves in the concession stand while handling food for sale
 - Karen Sanchez-Wright, BUSD Nutrition Services Director responded to this saying that anyone working in the concession stand is to be wearing gloves at all times.

BHS Athletic Facilities, Phase 1 Equipment list (*was tabled November 5th*)

Susan McQuown requested a list of what equipment the High School Athletics are supposed to have from Phase 1 of construction, along with an inventory of what they do have now, and where it is. Inventory sheets were included in the August meeting's packet, and an updated spreadsheet was in November 5th's packet.

MOT has installed two new storage units at BHS – one for tennis and one for baseball.

PROPOSITION 39 MEASURE R CITIZENS' OVERSIGHT COMMITTEE ANNUAL REPORT FOR 2014

This item was tabled for a second time in hopes that Patricia Ford will attend the February meeting to answer members' inventory questions. Kelly Daly, BHS Athletic Director will attend to update members on the storage units and keys.

Shelving, Refrigerator and Ice Machine for Newest Concession Stand

Invoices and/or Purchase Orders for these items will be in the packet for this meeting. The shelving has been installed. The rest of the items listed below were ordered 1/13/2015 but had not arrived as of 1/30/2015.

- Shelving costs: \$357.23 – 3 sets; 18"Wx48"L; 4 shelves each
- Refrigerator cost: \$9,271.50
- Ice Machine cost: \$7,228.00
- Warming drawer cost: \$2,018.00
- Microwave cost: \$445.00
- Food pan warmer (for nachos): 3 @ \$415.00 each

Morongo Donation Request Update

On January 27th, the District received a phone call from a Morongo representative who had questions about the request. She didn't have a yes or no answer and said that she would "let us know".

Annual Report of Expenditure of Measure R Funds

A Draft copy is in the packet for this meeting, along with the Financial and Performance Audits for Measure "R" as of June 30, 2014.

» The Report as of June 30, 2015 and for fiscal year 2013/2014 is due no later than June 30th, so must be submitted by the June 25, 2015 Board Meeting. Kookie Williams will need to have the Report approved and signed by the June 3rd Citizens' Oversight meeting in order to submit it on time for the June 25th Board Agenda.

» Who will present the report at the Board meeting?

June 2, 2015

Banning Unified School District Board Room

161 W. Williams

Banning, CA 92220

Information/ Discussion

BHS Project and other Measure "R" Financial Reports

Tables showing all Measure "R" \$ currently Expended/Encumbered by Resource, and a spreadsheet showing only BHS Athletic Facilities, Phase II Project Costs fiscal year to date.

Committee Concerns from February 4, 2015 Meeting

- Cracks in the new tennis courts.

PROPOSITION 39 MEASURE R CITIZENS' OVERSIGHT COMMITTEE ANNUAL REPORT FOR 2014

- Letter from Ruhnau, Ruhnau & Clarke Architects
- Joe Ledesma has visited the courts with tennis court experts. A contractor is proposing a fix for center court and to re-patch discolored areas. Experts say outer cracks are normal within tolerance of the concrete. Goal is to complete fix this summer
- Cameras at the concession stand.
 - The \$2,567.81 left in Measure "R" funds will be applied to this Purchase Order. The remainder of the cost is budgeted for 2015/2016. Cameras will be ordered and installed after July 1, 2015 to keep work and receipt of merchandise in same fiscal year as payment.

Equipment for Concession Stand

Equipment was successfully installed as of May 20, 2015. A curb platform and roof jack had to be built on the roof before the ice machine's condensing coil unit could be installed. The District's maintenance staff built them (see Work Order #51488).

- Purchase Orders for necessary work prior to installation, & installation
 - Bell Roof Co. – PO # 11396 for \$1,945.00
 - Arrow Restaurant – PO #11350 for \$3,520.00

Morongo Donation Request Update

Update (Kerri Mariner) on meeting with Tribal Director regarding the District's letter of donation request. The District has not heard anything further to date.

Annual Report of Expenditure of Measure R Funds

Review Draft copy of the "Report as of June 30, 2015 and for fiscal year 2013/2014"

- » Report is due no later than June 30th, so must be submitted by the June 25, 2015 Board Meeting. *Kookie Williams will need to have the Report approved and signed by the June 3rd Citizens' Oversight meeting* in order to submit it on time for the June 25th Board Agenda.
- » Will Richard Krick present the report at the Board meeting? Does he want the Presenter's cheat sheet?

PROPOSITION 39 MEASURE R CITIZENS' OVERSIGHT COMMITTEE ANNUAL REPORT FOR 2014

Financial Report of the Citizens' Oversight Committee

Bonds have been sold in the amount totaling \$37,499,287.50: \$13,500,000 in Series A and \$23,999,287.50 in Series B, leaving \$25,500,712.50 of the \$63,000,000 unsold.

This annual report is for the fiscal period ending June 30, 2014, as of which date, Measure "R" restricted Capital projects funds totaled \$228,168.

