



Measure "R" Citizens' Oversight Committee
ANNUAL REPORT
for 2012-13 Fiscal Expenditures
& Committee Activities 2013-14

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

Susan McQuown

Diana Benhar

Veronica Topete

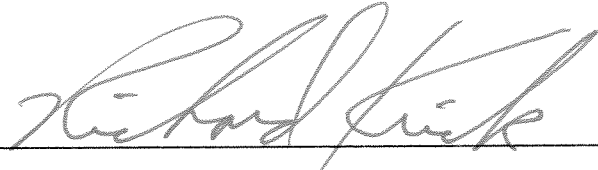
Chris McCallum

JAN 19 2014

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: 6/4/2014

Summary of the Committee's Proceedings and Activities for 2012-13

There were no meetings during Fiscal Year 2012-13. Although a meeting was planned for August 23, 2012, the Committee was unable to take action due to lack of a quorum. Banning High School Athletic Facilities, Phase I was completed in the Spring of 2011 and no construction occurred between that time and the beginning of Phase II. The Committee met again on October 9, 2013 when plans to begin Phase II were ready to go before the Board of Trustees.

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.*)

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. These Committee Members were approved at Board meetings of the Board of Trustees held on December 15, 2012, September 26, 2013, October 3, 2013 and April 17, 2014.

Member	Current Term Ends
Chris McCallum	April 2016*
Kerri Mariner	December 2014*
Carole Ranney-Davies	September 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)

PROPOSITION 39 MEASURE R CITIZENS' OVERSIGHT COMMITTEE ANNUAL REPORT FOR 2013

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.

2013-14 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)

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, Fulfroost 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, Fulfroost 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. McQuown'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?

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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 2013

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, Fulfroost 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, Fulfroost 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*).

PROPOSITION 39 MEASURE R CITIZENS' OVERSIGHT COMMITTEE ANNUAL REPORT FOR 2013

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, 2013, as of which date, Measure "R" restricted Capital projects funds totaled \$2,919,988.