



**TO: Board of Education**  
**Susan E. Miller, Interim Superintendent**

**FROM: Bond Oversight Committee Members**

**SUBJECT: 2008 Annual Report**

**Site Visit Report – 2008**

Sub-Committee Chair: Bob Blymyer

Kennedy High School – This school was visited on May 21, 2008. Kennedy is an old school, built in the late 1960's, and needed

approximately 1800 students. The school is really impressive in layout and design, particularly when compared to several of the much older campuses the District maintains. Even though the school is large, it still seemed to not take a long time to walk from one point to another.

Rosemont High School is certainly an outstanding addition to the east city neighborhoods it serves.

Sacramento Charter High School – The former Sacramento High School campus was visited on October 15, 2008. Although originally built on the site of the old State Fairgrounds in 1856, more modern buildings were first constructed at the current site in 1939, with some new structures added in 1976. Currently, the school is getting a major remodel, with modernization of HVAC, lighting, floors, wall finishes and in some cases, brand new walls. The end result is an old school that has a 'new' feel to it, both in design and materials. One of the highlights is the use of soft purple (one of the school's colors) for trim work inside and out. Half the work site is complete, the other half in mid-construction phases.

Sacramento Charter High School has just under 270,000 sq. ft. of buildings space, on 26.12 acres of campus. In addition, there are



3. Update district standards continually in an attempt to create standardization across systems which should allow for increased maintenance efficiencies, ideally reducing DM needs in the future.
4. Create a “lessons learned” process that combines the experience of the Maintenance personnel with the experience of the Planning and Construction Department; the goal being improved projects, both bond and DM.
5. In future bonds consider including funds for the Deferred Maintenance match along with funding for maintenance projects into the overall Bond program.

### **Audit/Finance Subcommittee Report**

Year Ending: June 30, 2007

Sub-Committee Chair: Karin Shine

Attached Perry Smith Auditor Report to Annual Report

Perry Smith, LLP completed the audit and provided an Independent Accountant’s Report, reporting separately on Measures E and I. SCUSD staff provided copies of the audit reports at the request of the Bond Oversight Committee Audit/Finance Subcommittee. The reports are attached to this Subcommittee report.

The auditor verified the following:

- That the costs expended were for valid expenditures under Measures E and I;
- That the costs expended were properly charged to the locations indicated;
- That the costs expended were properly coded; and
- That all expenditures represented school improvements, rather than District salaries or administrative expenses.

### **Recommendations**

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negotiated project with a small number or even a single team, there is now a much larger pool of candidate partners for the District to work with. Going beyond what was required, District staff put out a request for qualifications that drew in over a dozen respondents. From this list a rather healthy eight qualified bidders were invited to submit proposals. This significant increase in competition should be enough to calm any fears that the benefits offered by guaranteed maximum price (GMP) do not come at the expense of an inflated contract value.

A second area where staff continues to improve from 2007 is the area of single source specifications. As noted in previous reports, the Bond Oversight Committee had questions regarding the value to the District of certain types of single source specifications. In response the District has taken steps which must be publicly commended. Specifications often tend to “fossilize” over time: once they are put in they are rarely reviewed or questioned later. Like most institutions this was the case several years ago when the Bond Oversight Committee looked into SCUSD specification processes.

Since that time, District staff and management have looked into many different sole source specifications and subjected them to review. In some cases the specifications are found to be outdated. When this is the case, and the specifications have been opened, considerable savings for the District have been realized without compromising the long term needs of the District. In other cases the District has found that the current sole source specifications are appropriate and in the District’s interest.

The area which continues to concern the oversight committee is the Project Stabilization Agreement (PSA). When approved in 2005, the PSA was designed to be enacted for two years prior to allowing an evaluation of its performance. Over the last year, the Bond Oversight Committee has not had an opportunity to meet with district staff to obtain information on the performance of the PSA. The Bond Oversight Committee calls on District staff to conduct an evaluation of these agreements and review the performance of those agreements.

The 2007 report asked several of the below questions regarding the performance of the PSA. As of the date of this report’s submittal, the following questions are answers provided to 7(i)1(sing the rn recm.

The Bond Oversight Committee continues to recommend monitoring the performance of the PSA. Given the downturn in the economy, it might also be necessary to measure the cost of the work performed given any cost reductions in materials, supplies or labor with the impact from the PSA. The Bond Oversight Committee should be tasked with continuing to monitor these areas.

The value assessment sub-committee again wishes to thank SCUSD staff for continuing to acknowledge our concerns and to improve the processes by which bond dollars are spent.

### **Summary**

The Bond Oversight Committee wishes to thank district staff, PCM3 and other stakeholders in the bond oversight process for their continued work in providing updates as well as continuing to be responsive to the requests by the Bond Oversight Committee for information related to the committee, as well as the bond projects. The Bond Oversight Committee wishes to recommend this spirit of cooperation continue into 2009, and also in the future, should another Bond Oversight Committee in the SCUSD be enacted for a future bond program. The Bond Oversight Committee is committed to ensuring continuous improvement occurs on bond projects in the future. The Bond Oversight Committee will also continue to ensure the taxpayers of the SCUSD are having bond funds properly authorized and spent for bond projects, consistent with the language of Measures E and I.