

Berryessa Union School District (BUSD)
Citizen's Bond Oversight Committee (CBOC)
For Construction Bond Measure L

Annual Report to the Board of Trustees of BUSD, March 12, 2019

SUMMARY

The Measure L projects are winding down with projects in 6 schools remaining to be completed. The construction and financial aspects of Measure L continue to be well managed. The current construction schedule is expected to be completed by mid-August 2019 and should result in underspending the \$77M budget by \$2.5M to \$3.0M.

What do we mean by '*well managed*'?

- 1- Effective leadership. We have a competent Bond Director who effectively manages the big picture as well as the individual details and cost of each design/construction project.
- 2- A good plan. Not cast in stone, the plan is modified as required as unforeseen circumstances arise, keeping our schedule, construction quality, and budget always in mind.
- 3- A rigorous review process. This takes place with the Bond Director 1-2 times per month at the BUSD board meetings, quarterly at each CBOC meeting, and on an as needed basis with the Deputy Superintendent.

OVERSIGHT COMMITTEE MEMBERSHIP ISSUE

The CBOC continues to function with five members which, according to our bond council, is compliant with Proposition 39 as long as our two vacancies continue to be advertised. This is done through our monthly District's newsletter.

OVERSIGHT COMMITTEE MEETINGS

The CBOC has met quarterly twelve times since its inception in 2015. The primary presentation and discussion topics have been the detailed design/construction completion plan and financial budget compliance. The District's management has been cooperative with the CBOC in all respects, with identified issues resolved or in process of being resolved. The Deputy Superintendent and Bond Director, or their representatives, have actively participated in our meetings. The meetings have been held at the various school sites within the District so the committee member may view the construction progress and completion first hand.

THE ENVIRONMENT

The planning/construction environment in Santa Clara County continues to be constrained by a shortage of skilled labor and rising costs. This directly impacted the paving project at Piedmont. Also, project approvals by the Division of State Architect (DSA) are mostly, but not always, predictable. This impacted the elevator replacement project at Cherrywood.

CONTROLS AND EXTERNAL AUDIT

The CBOC has also reviewed the results of the annual external financial audit of Measure L. There were no deficiencies or weaknesses of financial reporting noted by the auditor. The CBOC was pleased to see that a significant number (51.4%) of the Measure L paid invoices were successfully audited, which strongly suggests that the BUSD is getting what it paid for. Also, all purchase orders and purchase order changes are presented for review and approval at each BUSD Board meeting.

FUTURE

The CBOC would like to see:

- 1- A spending plan and schedule for the expected \$2.5M to \$3.0M budget underspending.
- 2- An apples-to-apples cost comparison for the pre and post solar implementation project.
- 3- An assessment of how well the completed FIS projects have been perceived by both teachers and students. This should also include current school utilization data for each completed FIS.
- 4- A strategy to more fully staff the CBOC for future bond measures to avoid having to scramble for quorums for each quarterly meeting.

SUMMARY

The Measure L program is complex, with multiple elements occurring at the same time. There were scheduling and cost issues as the projects progressed. However, BUSD Measure L management has effectively addressed those issues. The CBOC continues to have confidence in the BUSD management's ability to address any future issues properly and in a timely manner which will result in the success of the Measure L Bond Program.

Marty Michaels

Frank Cancilla

Amy Chen

Adrienne O'Leary

Susan Fowle

