

**San Mateo Union High School District  
Proposition 39 Capital Facilities Programs**

**Sixth Measure M Citizens Oversight Committee Annual Report**

**Third Measure O Citizens Oversight Committee Annual Report**

**June 30, 2014**

To: The Board of Trustees and Citizens of the San Mateo Union High School District  
From: The Measure M and Measure O Citizens Oversight Committee  
Date: June 30, 2014

As Chair of the Citizens Oversight Committee, it is my pleasure to present the Measure M and Measure O Annual Report to the Board of Trustees of the San Mateo Union High School District (District). Upon passage of Measure M in 2006, the Board of Trustees established a Citizens Oversight Committee in compliance with Education Code Section 15278 and Proposition 39. The original Measure M Citizens Oversight Committee was consolidated into the new Measure M and Measure O Citizens Oversight Committee (Committee) after passage of Measure O in 2010. The first meeting of the new Committee was held on December 8, 2009; since then to date the Committee has met 29 times. As the Board of Trustees is aware, the Committee membership has changed as of July 1, 2013. The Committee has been pleased to welcome new members Brian Beswick and Lori Whitney, and we wish to express our appreciation and thanks to outgoing members Mark Jones and Julie Hoffman.

As in the past, the meetings of the Citizens Oversight Committee have been well-organized, well-attended and substantive. Information presented and reviewed at each meeting includes the most recent financial reports, current project expenditure summaries, and general project construction and legal updates, as well as unique circumstances that impact the issuance of bonds, such as the long term financial commitment needed to provide the resources to maintain the facilities. District staff and administrators have been very helpful in providing timely information to the Committee as well as responding to the Committee's questions. As a Committee, we are excited about the projects completed and those currently under construction, as well as those that are planned for the future. The Committee would like to again express its gratitude to the voters of the community, without whom the Measure M and Measure O bond construction programs would not exist.

It is the Committee's opinion, based upon information presented to the Committee by District staff, the Committee's oversight activities and the Committee's review of the independent financial and performance audits, that the District is in compliance with the requirements of Article XI11A, Section 1(b)(3) of the California Constitution, which outlines accountability requirements for school districts that incur bonded indebtedness. With the presentation of this Annual Report, the members of the Committee assure voters that the Measure M and Measure O Bond expenditures have been properly made and have been utilized for projects consistent with those identified in the bond measures. It is our sincere hope that you will find this Annual Report informative and comprehensive.

Sincerely,

Don Freeman  
Chair, Measure M and Measure O Bond Citizens Oversight Committee

**San Mateo Union High School District  
Proposition 39 Capital Facilities Programs  
Citizens Oversight Committee  
Activities for Measure M and Measure O  
between July 1, 2013 and June 30, 2014**

## **Executive Summary**

The final Measure M projects were completed in 2013-14. Construction has begun for some Measure O projects and others have been developed through the planning and design process. The following summary presents updates on projects that have been completed or are under construction, several of which have also been featured in previous years' Annual Reports, as well as information on new and upcoming projects.

2013-14 Bond projects include:

## **CONSTRUCTION PROJECTS:**

### **Burlingame High School**

#### *Measure M*

- Stadium Bleacher Replacement
  - The bleacher project construction is currently underway.

#### *Measure O*

- New Classroom Building

The new Classroom Building construction drawings were approved by the Division of the State Architect on January 8, 2014. The project was advertised as a design, bid, build construction project and it was divided into two components. The first project was for the demolition of the existing building and soils remediation and the second project was for construction of the new building. The building will have 4 regular classrooms and 2 laboratories. The entire project is scheduled to be completed by July 31, 2015.

### **Capuchino High School**

#### *Measure M*

- The Renovation and Expansion of Gyms and Locker Rooms was substantially completed in July 2013. However, the punch list remains outstanding.
- The Theaters and Music Classroom modernizations were substantially completed in September 2013.
- The Civil Improvements Project was completed in August 2013.
  - Civil Improvements Project includes repaving, site lighting, handicapped ramps and removal of portable classrooms.

## **Hillsdale High School**

### ***Measure M***

- Theater and Gyms Renovation/ Expansion projects were completed in October 2013.

### ***Measure O***

- The programming for the new Classroom Building prescribed a facility with 20 classrooms inclusive of 10 laboratories. The architect will complete the construction drawings by the end of June 2014 and they will be submitted to the Division of the State Architect. Because this is a new building that exceeds 10 classrooms a California Environmental Quality Act (CEQA) response is required and is anticipated to be completed in six months. The District intends to use the lease - leaseback construction delivery method. The targeted completion date is August of 2016.

## **Mills High School**

### ***Measure M***

- Civil Improvements Project was completed in August 2013.
  - Civil Improvements Project includes paving, landscaping, site lighting and resurfacing athletic courts.
- Large Theater Renovation and Expansion and Modernization of Gyms and New Courtyard were completed in September of 2013.

## **San Mateo High School**

### ***Measure M***

- The Civil Improvements Project was completed in August 2013.
  - Civil Improvements Project includes repaving parking lot and site lighting.
- The Greenhouse for Biotech Building was completed in February 2014.
- The design for the Bleacher Project was approved by the Division of the State Architect in May 2014. A contract has been awarded using lease-leaseback and construction is scheduled to begin in June 2014

### ***Measure O***

- The design for the modernization and renovation of the brick classroom building was recently approved by the Division of the State Architect in May 2014. A contract has been awarded using lease-leaseback construction method and construction is scheduled to begin in July 2014.

## **District-wide Projects**

### ***Measure O***

- 5<sup>th</sup> Year Technology Replenishment was funded at \$500,000 and laptops, routers and wireless equipment were purchased with these funds.

During 2013-14, there were five Committee meetings, at which ongoing and upcoming projects were presented. In addition, Committee members made two tours, visiting all sites to see the

progress of the projects first-hand. The Committee is pleased with the progress to date and looks forward to completion of the projects currently underway. The Committee also welcomes members of the public to its meetings (dates and times are published on the COC website at [www.smuhd.org/COCagendas](http://www.smuhd.org/COCagendas)), and encourages continued support of the District and Measures M and O through completion of the projects and beyond.

The Committee remains committed to the success of the District and will continue to monitor and provide reports on the status of the bond programs. Through the judicious use of Measure M and Measure O funds, the bond program will allow San Mateo Union High School District to continue to educate students and prepare for the future by replacing and supplementing existing facility infrastructure.

## **BOND MEASURE OVERVIEW**

### **Measure M**

On November 7, 2006, the voters within the geographical boundary of the District approved Measure M, a \$298 million Proposition 39 bond election to fund the continued renovation and rehabilitation of 45 to 83 year-old buildings and facilities on District campuses. The purpose of Measure M is to ensure safe and healthy teaching and learning environments; further upgrade fire safety, accessibility, electrical, security, and sewer systems; repair, remodel, expand, and replace old and inadequate classroom buildings and other facilities; and build new classroom buildings and other facilities.

### **Measure O**

On November 2, 2010, the voters within the geographical boundary of the District approved Measure O, which is a \$186 million Proposition 39 bond election to fund classrooms and laboratories for science, math, and job-training; update educational facilities to meet current safety codes; provide modern classroom technology and computers; support academic programs and teachers; repair, construct and acquire equipment, sites, schools and facilities; and eliminate debt.

## **The Role of the Citizens Oversight Committee**

As outlined in Education Code Section 15278, a Measure M Citizens Oversight Committee was formed by the District's Board of Trustees on January 18, 2007. In June of 2011, the scope of the Citizens Oversight Committee was expanded to include Measure O. An Education Code change this year allows Committee members to hold up to three terms consisting of two years each. The Committee is composed of members who represent the business community, senior citizens, taxpayers, the Parent Teachers Organization, and parents of students.

The purpose of the Committee is to inform the public concerning the expenditure of Measure M and Measure O bond revenues. The Committee's charge is to actively review and report on the proper expenditure of taxpayers' money for school construction. The Committee is also charged with advising the public on the District's compliance with the expenditure requirements.

Other responsibilities also include providing oversight in the following areas:

- (1) Ensure bond revenues are expended only for the purposes of construction, reconstruction, rehabilitation or replacement of District facilities as outlined in the ballot language.
- (2) Ensure no funds are used for teacher or administrator salaries or other District operating expenses.

## **Citizens Bond Oversight Committee Members**

To fulfill its collective role, the Committee has:

- (1) Received and reviewed copies of the annual independent performance audit.
- (2) Received and reviewed copies of the annual independent financial audit.
- (3) Inspected school facilities and grounds to view completed projects, projects in process and location of future projects.
- (4) Reviewed efforts of the District to maximize bond proceeds by applying for matching funds and/or implementing cost effectiveness in the construction schedules.

Of necessity, over time the membership of the Committee changes. Some members' terms are extended beyond the initial term. The Education Code change permits members to hold up to three two-year terms. After the three two two-year terms, a member's membership automatically expires. In some cases unanticipated events transpire which require a member to resign during a term or at the end of one term.

The current COC Bylaws state that the Committee must be composed of at least seven members serving terms of two years without compensation and for no more than two consecutive terms. The Committee will take a request to the Board in 2014 to change its Bylaws to increase the number of member terms to three, as now allowed by the Education Code. The Committee must be composed of members with different backgrounds and qualifications, including those who are:

- (1) Active in a business organization.
- (2) Active in a senior citizens organization.
- (3) Active in a bona fide taxpayers' organization.
- (4) A parent or guardian of a student enrolled in the District.
- (5) A parent or guardian of a student enrolled in the District and active in a parent-teacher organization.

The members of the Committee during the past fiscal year included:

<b>ACTIVE MEMBERS As of 6/30/14</b>	<b>First Term Start Date</b>	<b>First Term End Date</b>	<b>Second Term End Date</b>	<b>NOTES</b>
Dan Freeman (chair)	11/15/12	11/14/14		
Pat Griffin	9/28/2011	9/27/2013	9/27/2015	
Lee Manus-McNutt	9/28/2011	9/27/2012	9/27/2014	
Mike Loy	11/17/2011	11/16/2013	11/16/2015	
Jonathan Ng	11/15/2012	11/14/2014		
Brian Beswick	2/13/2014	2/12/2016		
Lori Whitney	6/19/2014	6/18/2016		
<b>PREVIOUS 13/14 MEMBERS</b>				
Julie Hoffman	9/28/2011	9/27/2013	9/27/2015	Resigned 6/13/14
Mark Jones	9/28/2011	9/27/2013		Did not opt for second term

## **Citizen Oversight Committee Meetings**

The Committee is required by law to meet a minimum of once a year to review the annual performance and financial audits. The Committee has determined it is prudent to meet minimally at quarterly intervals. The Committee met five times during fiscal year 2013-14. The Citizens Oversight Committee has met on:

2014

- January 11, 2014 (Tour)
- March 6, 2014
- June 4, 2014

2013

- February 27, 2013
- May 15, 2013
- June 8, 2013 (Tour and Meeting)
- October 8, 2013
- December 5, 2013

2012

- February 15, 2012
- April 18, 2012
- June 23, 2012 (Tour and Meeting)
- September 18, 2012 (Tour and Meeting)
- December 5, 2012

2011

- January 25, 2011
- March 16, 2011
- June 1, 2011
- September 28, 2011
- November 5, 2011
- December 7, 2011

2010

- March 3, 2010
- September 7, 2010
- October 9, 2010 (tour and meeting)
- December 14, 2010

2009

- January 20, 2009
- March 11, 2009
- April 25, 2009 (tour and meeting)
- May 26, 2009
- August 26, 2009
- December 8, 2009

## **Capital Construction Project Status**

The Committee members and District staff have had candid and open discussions on financial, technical and transparency issues relating to the expenditures of Measure M and Measure O capital facilities funds, progress in bond projects, and other pertinent topics. The Committee is informed of any substantive information that may impact the program or may be useful to the members. The Committee also receives all Board of Trustees items affiliated with the Measure M and Measure O bond programs and these are posted to the Board of Trustees meeting website. The District has been cooperative and responsive to the Committee's requests for information, questions, comments and concerns.

Proposition 39 requires the sponsoring school district to establish a website dedicated to the bond program activities. All documents received by the Committee or issued by the Committee are a matter of public record and are available on the website, as follows:

- District Measure M Personnel Contacts
- Citizens Oversight Committee Members
- Citizens Oversight Committee Agendas
- Citizens Oversight Committee Minutes
- Measure M Project List
- Measure O Project List
- Construction Quarterly Updates
- Architect Schematic Project Designs

- Measure M Performance and Financial Audits
- Green Policies and Projects
- Measure M Program Stabilization Agreement
- Contractor's Prequalification Questionnaire
- Citizens Oversight Committee Annual Report
- Citizens Oversight Committee Application Form

## **Citizen Oversight Committee Activities**

On January 11, 2014, the Committee toured Aragon, Hillsdale and Mills High Schools. The Committee observed serious or significant issues that affect health and safety and need to be addressed either with funds remaining from Measure M or funds yet-to-be determined from Measure O. A letter was drafted, outlining the specific areas of concern, and was sent to the Board of Trustees. The letter was placed on the May 8, 2014, Board agenda and discussed. The letter is attached to this report as Attachment A.

At its meeting on February 27, 2013, the Committee requested that an analysis be conducted on the Phase I Solar Photovoltaic project, comparing the actual solar production levels with the actual performance levels. Sage Renewable Energy Consulting Company (Sage) conducted a review of calendar year 2012 performance of all Phase I PV systems and on May 15, 2013, reported to the Committee:

- Phase I systems produced 3.7% more energy than anticipated in 2012.
- CSI PBI incentives received were 3.7% greater than anticipated.
- PG&E energy cost offset of 9.5% was less than anticipated.
- Overall, energy savings plus incentives received were 1.75% less than anticipated, largely due to the fact that PG&E costs have not risen as much as originally expected.

In August 2014, the Committee requested a solar update from Sage for the 2013 – 2014 school year and they reported that they expect the solar PV systems to generate approximately \$1.18M in CSI incentives plus \$836,000 in energy cost reduction for a total of approximately \$2.02M in General Fund savings for the year. This is generally in line with expectations despite some issues with production data reporting at both Capuchino and San Mateo high schools. Data loss was largely offset by better than expected insolation and production at the other sites. Production data at San Mateo High School was lost in June, July and August of 2013 due to an IP network outage. PG&E has agreed to extend the CSI reservation period for that site approximately three months to make up for the lost production data. Production data for Capuchino High School has also not been recorded for the latter half of June, 2014 due to an IP network issue. Sage anticipates that this data will be backfilled when the network issue is fixed. The systems at Aragon, Burlingame, Hillsdale and Mills continue to outperform anticipated production overall.

The Committee, recognizing that 128,000 additional square feet were added to District facilities under Measure M, requested District staff conduct an analysis of the appropriate level of operational and maintenance support needed to adequately maintain all facilities and prevent their deterioration. In late 2012, District staff authorized a report which was then reviewed with

the Committee at its February 27, 2013, meeting. As a result of this report, the School Plant Manager positions were approved to be reinstated at the September 26, 2013, Board meeting. The Committee was also informed at its October 8, 2013, meeting that the District had posted for seven new custodians. In early 2014 an Auditorium Manager and two Auditorium Technicians were also added. The staffing needs of the District for proper maintenance of all District facilities will be regularly reviewed by the Committee.

During the 2010/11 school year, the Committee raised concerns about what measures the District intended to take to ensure that the modernized facilities are maintained in the future. The Committee identified a need for a long-term deferred maintenance plan that included identifying resources to fund it. District staff conducted an analysis and the findings were presented to the Committee and on February 10, 2011 to the Board of Trustees. The Board of Trustees concurred with the need for a long term deferred maintenance plan and a policy was drafted and approved on February 9, 2012, to fund the plan on an annual basis.

**Bond Issuances**  
**Measure M:**

<u>Date</u>	<u>Financing</u>	<u>Amount</u>
7/2011	Series 2011A Bonds	\$35 million
2/2012	Series 2012A Bonds	\$10.9 million
2/2012	2012 Bond Anticipation Notes	\$40.15 million
12/2013	Series 2013A Bonds	\$94.4 million

The Series 2011A and Series 2012A bonds utilized an optimum combination of current interest, capital appreciation, and convertible capital appreciation bonds that allowed the District to receive bond proceeds while minimizing the cost to taxpayers.

Over the course of the financing process, the District’s stellar credit ratings of Aa1/AA with Moody’s and Standard & Poor’s were reaffirmed. These top-notch ratings were instrumental in achieving aggressive interest rate pricing on the bonds.

The 2012 Bond Anticipation Notes were also issued with a very favorable interest rate (1.35% for a three-year term). For this financing, the District received the highest short-term credit rating possible from Standard & Poor’s, a SP-1+.

The District issued its Election of 2006 General Obligation Bonds, Series 2013A (“Series 2013A Measure M Bonds”) in the principal amount of \$94,400,575.55, where 11.46% of the financing consisted of capital appreciation bonds. The total debt service for the Series 2013A Measure M Bonds was approximately \$148 million resulting in a repayment ratio of 1.57 to 1. The all-in cost of the financing was 3.77%.

## Measure O:

<u>Date</u>	<u>Financing</u>	<u>Amount</u>
6/2011	Series 2011A	\$90 million
12/2013	Series 2013A Bonds	\$40 million

The first series issued from Measure O (Series 2011A) was issued on June 15, 2011 in the amount of \$90 million. The Series 2011A bonds also received stellar credit ratings of Aa1/AA from Moody's and Standard & Poor's, thereby allowing the District to obtain a very low cost of borrowing.

The District issued its Election of 2010 General Obligation Bonds, Series 2013A (Series 2013A Bonds) in the principal amount of \$39,999,940.75, where 23.81% of the financing consisted of capital appreciation bonds. The total debt service for the Series 2013A Bonds was approximately \$86 million resulting in a repayment ratio of 2.16 to 1. The all-in cost of the financing was 4.77%.

The District developed a list of potential Measure O projects for the Board of Trustees to consider for approval. Unfortunately there is more need than funds available. The majority of the bond proceeds were used to eliminate Certificate of Participation (COP) debt<sup>1</sup>. The District then refined the initial project list and the Board of Trustees to date has authorized the District to proceed with five construction projects. The Board of Trustees continues to analyze options for placement of Peninsula High School and a new District Office facility. All options are being reviewed, including using existing sites or purchasing land. In its most recent meeting the Committee expressed its concern that unnecessary delays will result in a reduced project cost as construction escalation begins to aggressively creep upward.

### **Maximizing Taxpayers Bond Funds and Matching Funds**

The District continues to explore funding opportunities to obtain matching revenues from other sources. Funds were applied for from the State Office of Public School Construction for Career Technology Education Grants (CTE). As a result, additional funding of \$13M was awarded to the District under this program.

### **District Achieves 0% Borrowing Through Federal Bond Program**

During the era of the American Recovery and Reinvestment Act (ARRA), the federal government introduced the Qualified School Construction Bond (QSCB) program, which allowed school districts to issue taxable bonds with a subsidy from the federal government. The amount of the subsidy was set daily by the United States Treasury. Numerous districts across the nation and in California took advantage of the program, issuing bonds through public offerings and achieving extremely low costs of borrowing. The District explored both public and private offerings. In comparing the two options, the District determined that the private offering would allow the District to achieve 0% borrowing, once the subsidy was factored in, while the public

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<sup>1</sup> The 2007 Certificates of Participation (COP) were issued as part of Measure D, which was approved by voters in November of 2000. The defeasance of this COP has generated additional funds to support educational programs and reduce maintenance.

offering did not match this percentage. On July 14, 2011, the District issued \$25 million of QSCBs at a 0% interest rate to taxpayers.

## **Capturing Savings for District Taxpayers**

On November 7, 2012, the District refinanced \$35.275 million of its Measure D bonds, saving taxpayers over \$3.1 million in interest cost. The refinancing decreased the interest rate on these particular bonds from 5% to 2.63%. The District was able to garner aggressive interest rate pricing due to its continued maintenance of stellar credit ratings with both Standard & Poor's and Moody's Investor Service.

Measure M utilized capital appreciation bonds (CABs) for overall tax rate management. They further allowed the District to take full advantage of special bond programs (Build America Bonds and Qualified School Construction Bonds) made available by the Federal Government. Significant portions of the interest expense would be subsidized by using these programs. Because the Federal bond programs stipulated that those bonds must be issued as current interest bonds only, the District created capacity for them by issuing other tax-exempt bonds as capital appreciation bonds. Had the District not utilized a blended bond structure for this specific issuance, it would not have been able to participate in the Federal programs and the local taxpayers would have incurred increased bond expense.

## **Financial and Performance Review and Audit**

Under the provisions of the California Constitution as amended by Proposition 39, the 2008 Measure M School Facilities Bond Program must undergo an annual financial audit and performance audit by an independent auditing firm. The District utilized the certificated public accountant firm of Nigro and Nigro PC to perform the required financial and performance audits for the fiscal year ending June 30, 2013. In December 2013, Nigro and Nigro presented the audits to the Board. The financial and performance audits were subsequently reviewed by the Citizens Oversight Committee with the auditor in attendance. The District was found to be in compliance with all requirements. The audit report is available on the District's web site.

## **Measure M Capital Facilities Projects**

Measure M construction projects have been designed with input from the District staff, District architects, a construction management firm and District administration. The projects that have been completed have been submitted and approved through the Division of the State Architect (DSA) review process, with the current exception of the San Mateo High School Civil Improvement Project. That project consisted only of lighting and paving and did not need DSA approval, however it was publically bid, like all the other construction projects.

The Solar Photo Voltaic Systems at Aragon, Hillsdale, Mills and Burlingame High Schools, Phase 1, were commissioned in January 2012. The District has received Performance Based Incentive (PBI) payments beginning in late 2011. All of the systems underwent enhanced

commissioning by independent consultants to verify they are working properly and installed per the contract.

The Solar Photo Voltaic Systems at Capuchino and San Mateo High Schools, Phase 2, were commissioned in January 2013. The CSI Incentive Claim Form package was submitted to PG&E for all sites and the District recently received its first Performance Based Incentive (PBI) payment. All of these systems have undergone enhanced commissioning by independent consultants to verify they are working properly and installed per the contract.

**The following bond projects were completed through June 2014:**

**Measure M Projects**

District-wide

- Columbine-style classroom locks for improved security.

Aragon High School

- Solar Phase 1 and roofing projects
- Kitchen modernization
- Student Services Building modernization /expansion
- Renovated stadium field including new artificial turf, all-weather track and new restroom building and bleachers
- Swimming pool replacement
- Gyms construction and modernization including a new weight room and locker room modifications

Burlingame High School

- New Industrial Arts Building
- Modernized Theater
- Bleacher replacement
- Modernized Small and Large Gyms and Locker Rooms
- Swimming pool pump
- Solar Phase 1
- Civil projects

Capuchino High School

- New Career Technical Education (CTE) humanities arts classroom building
- New Child Development Center
- Renovated stadium field, all-weather track and new restroom building and bleachers
- Swimming pool replacement
- Classroom building (punch list not completed)
- Theaters and music classrooms
- Civil projects
- Electrical upgrade

### Hillsdale High School

- Little Theater modernization
- Cafeteria/Multi-use Room modernization
- Industrial Art Building modernization
- Modernized Gyms, Wrestling and Dance Rooms
- Student locker replacement
- Installation of chillers and chilled water piping to complete heating, ventilation and air conditioning (HVAC) systems
- Solar photovoltaic, Phase 1 and 1.5
- Swimming pool replacement
- Renovated stadium field with new artificial turf, all-weather track and new restroom building and bleachers
- Heating hot water pipe replacement
- Civil projects
- Large theater

### Mills High School

- Re-roofing and solar photovoltaic system
- Skylight replacement
- Arts Building/Cafeteria renovation
- Modernization of Locker Rooms
- Student Locker replacement
- New classroom building
- Swimming pool replacement
- Renovated stadium field, all-weather track and new restroom building and bleachers
- Solar photovoltaic, Phase 1
- Boiler and HVAC piping replacement
- Installation of chillers and chilled water piping to complete HVAC systems
- Civil projects
- New theater
- Gyms modernization
- New courtyard

### San Mateo High School

- Music Building modernization
- New Biotech Classroom building
- Green house

## Measure O Projects

### District-wide

- Retired \$75 M Certificate of Participation (COP)
- Technology upgrade (5th year)
- Digital radio upgrade

## **Selected Citizens Oversight Committee Activities**

- Reviewed project updates
- Reviewed project financial statements
- Reviewed design build delivery method
- Reviewed project schedules
- Reviewed contractor prequalification requirements
- Reviewed project construction financials
- Reviewed, discussed and provided feedback on project stabilization agreement
- Reviewed responsibilities of the Committee
- Reviewed sale of series of general obligation bonds and federal bonds updates
- Reviewed and discussed Bloomberg article of cash-back refunding
- Reviewed membership status
- Reviewed status of CTE Grants
- Reviewed request for qualification for architects
- Reviewed architects' selection
- Reviewed updates from Division of State Architect
- Reviewed solar photovoltaic project updates
- Discussed methods to improve external communication
- Reviewed performance and financial audits
- Reviewed Measure M revised bond issuance schedule, cash flows and project schedules
- Reviewed construction delivery methods
- Reviewed/deliberated District deferred maintenance plan
- Reviewed custodial staffing analysis
- Discussed District use of Capital Appreciation Bonds
- Reviewed production of solar arrays
- Identified incomplete projects that need to be addressed to improve energy efficiency, secure premises, ensure safety and enhance facility longevity, should unspent monies remain.

## **Information**

More detailed information about the District's bond projects, timelines and expenditures-to-date are available on the District's Citizens Oversight Committee website page <http://www.smuhsd.org/COCinfo>

Members of the Committee can be contacted at [Pchavez@smuhsd.org](mailto:Pchavez@smuhsd.org).

The San Mateo Union High School District Citizens Oversight Committee invites community members to attend its meetings, held at the District Office, Conference Room A, 650 North Delaware Street, San Mateo, CA 94401. All meetings are open to the public. Meeting dates and agendas are posted on the District web site.

San Mateo Union High School District  
Citizen Oversight Committee: Measures M & O  
April 24, 2014

Recommendation to Board of Trustees  
Authorization of High Priority Construction Projects

The Citizens Oversight Committee has been monitoring the completion of construction projects under Measure M & O. Measure M projects are nearly complete and, to this date, most of the projects have been brought in on time and on or under budget. We are very pleased with overall management as old facilities were replaced with modern buildings and technology.

The entire COC recently hosted and toured three District High Schools with two members of the Board of Trustees (Mrs. Dwyer and Mr. Griffin), The Superintendent (Mr. Laurence) and the Deputy Superintendent (Ms. McManus). Our Committee members observed serious or significant issues that, we believe, affect health and safety and need to be addressed either with funds remaining from Measure M or funds yet-to-be designated from Measure O. We respectfully submit for your consideration three District High Schools, listed in the order of magnitude and seriousness, with remaining building issues:

Hillsdale High School

- Transite Panels (containing asbestos) are evident throughout the school, inside and outside.
- There is pervasive evidence of deterioration of the Transite panels.
- Gaps in the buildings are missing flashing so it creates large water intrusion into the interior corridors.
- Ivy is growing inside the Administrative building.
- There is evidence of rat incursion and infestation in some buildings.
- Interior/exterior glass windows are old style – not shatter proof.

Mills High School

- North wall has deteriorating Transite panel walls (containing asbestos) that are showing serious signs of wear, including dents and holes which pose potential health risks. A giant gap exists where the North wall connects to the brand new pool area, exposing Transite paneling.
- One interior wall of four in the new pool area was left intact from its' original construction. It is now an eyesore.
- Moisture issues are causing algae to grow on Transite panels.
- Transite panel interior walls are in better condition than exterior Transite panels, but need paint.
- The whole issue of leaving Transite panels in-tact at Mills HS should be evaluated.

Aragon High School

- Transite panels have been better maintained and/or most weather-protected of the three schools we visited.

Thank you for your consideration of our recommendations,

Measures M & O Citizen Oversight Committee  
Respectfully submitted by Dan Freeman, Chair