

**MINUTES OF THE BOND OVERSIGHT COMMITTEE  
SPECIAL ORGANIZATIONAL MEETING  
GUSTINE UNIFIED SCHOOL DISTRICT  
THURSDAY, JUNE 8, 2017  
MINUTES**

**TIME AND PLACE**

The meeting of the Gustine Unified School District Bond Oversight Committee was held on Thursday, June 8, 2017. The meeting was held in the Board Room, 1500 Meredith Avenue, Gustine, California.

**CALL TO ORDER**

The meeting was called to order at 9:01 a.m. by Debbie Lopes.

**MEMBERS PRESENT**

Debbie Lopes-Chair, Andrew Bloom-Vice Chair, Sherri Marsigli, Robert Borba, Dennis Brazil, John Lawrence and Jennifer Pacheco.

Absent: Joe Oliveira and Camille Alamo

District Staff present: Lizett Aguilar and Sara Gomez

Others Present: None

**PUBLIC COMMENT**

None

**APPROVAL OF MINUTES**

Sherri Marsigli made a motion to approve the minutes of the last meeting held on June 1, 2017, seconded by Jennifer Pacheco. Motion carried, 7-0.

**ANNUAL REPORT**

Jennifer passed out the draft report so that the committee could look it over. She mentioned that the format she used is similar to other reports used across California school districts. Debbie asked if the total costs were going to be included in the report. Jennifer said that she didn't include them but she could add them to the report. She mentioned that most reports that she had seen didn't include any totals. Dennis mentioned that that's the purpose of the oversight committee to report that to the committee. Andrew said that more so it to make sure the money is being spent where it's supposed to, not the amount, since it's constantly changing. Dennis asked if there is mention of what the total bond money itself when the Bond was passed in those reports. Jennifer replied no but some included that information in the minutes or the original bond where the public could look it up. The committee agreed to include the amount of the bond in the history section. Andrew suggested that in the findings page, fourth paragraph should include that the report doesn't include the construction of the Gustine High School locker room and stadium repairs.

There was a question of whether there should have been an annual report done last year but Debbie replied that it wasn't necessary because no bond funds were spent in 2015. You could say that in 2015, they had an organization meeting but during that meeting they lost three of the first members because of conflict of interest. The committee could have done one but no laws were broken because they didn't do it. Andrew clarified that the first expenditure was done on

June 11, 2015. Robert clarified that what Andrew was trying to say was that if you read the report you don't pay attention to the year (2016); people might think that the locker rooms were included in this audit.

Sherri mentioned that she looked at the binders containing all the invoices pertaining to the Measure P. She questioned why Technicon was paid \$970 for a hotel on 1-6-17. It seems like a very high amount for hotels around this area. She also wanted the committee to know they have already sent checks on 2-6-17 to CDW made out to DSA for the amounts of \$40,450.00 for the multipurpose building and \$24,250.00 for the GHS science building. They have been holding these checks since the beginning of February and it would be really nice to get those plans submitted. Her concern is that out of the twelve invoices from AALLRR, for legal services, there was only a copy of the statement that goes with the bill that they send the District. It didn't contain any backup. She asked Lizett if there was a way to get additional details listed on the invoices. Lizett said that they have made that request to AALLRR to bill all of Measure P invoices separately so they aren't mixed with personnel information. Dennis commented that transparency is everything. Having to ask for detailed billing from anybody is unacceptable. That is AALLRR's responsibility to do that and there shouldn't be a fee for having them go back and do it correctly since this bond started. The committee is not going to spend Bond monies for something they should have done since the beginning. There's been a lot of mistakes made and we have all learned from them. Moving forward there shouldn't be none of these mistakes ever happening again. We still have to repair the stuff that has happened in the very beginning of this bond. In this report, we need to show the public that we are doing our job. Debbie stated that the committee needs to stay within the scope of their job.

Jennifer asked if there was still information that the District hasn't provided after the public request was been made. Dennis replied that there are still issues with the Lease Lease Back from the beginning of the bond. He and Andrew researched it and they still don't agree with what the District did. There is a very strict law for the Lease Lease Back and it was not followed. So for them that hasn't been resolved. Andrew stated that everything that wasn't fulfilled by the District was clarified by outside sources so for now he is ok.

Debbie believes that the report should end with the committee acknowledging that no Measure P money was used for any teacher, administrative or operating costs under the requirements of Article XIII A, Section 1 (b) (3). Andrew replied saying that to him that was too strong of a statement. He doesn't agree saying that we are completely compliant because there are questions. Debbie clarified that the requirement only talks about salaries. Andrew replied that it also says that no money was spent on projects not listed on the bond and he isn't in agreement with that. He believes that the GHS locker rooms nor the Science Wing is on the project list. Dennis agrees with Andrew. The project was listed at 1.5 million and we are now at 3.1 million. So, he cannot agree that they are in compliance. Robert would like to know where the Board will categorize the Science Wing under. Sherri stated that she believes the science wing belongs under bullet point "Other improvements required to comply with existing building, codes, including the Field Act, and handicapped access requirements of the Americans with Disabilities Act." If the state comes in it could potentially shut down. Debbie mentioned that that's where the Ad Hoc Advisory Committee would help the Board. Sherri continued to say that they get their information after the fact and when they questioned some Board Members, they replied that the Board hasn't approved anything yet. Dennis doesn't agree that their responsibilities are only to see that the funds are not spent on salaries. Their job is to make sure that the monies spent was the money agreed upon. That's the bottom line. In June 18, 2015, there was a \$200,000 expenditure that Dr. Estes included for a portable with no approval from the Board nor any information given to the committee. They asked for it to be removed and it was. His point is

that the previous superintendent wanted to spend bond money knowing he couldn't. One thing to keep in mind is that the District presented a bond that was presented to the public and was voted on. The public did not vote to change the project list. Keep I mind that there are changes that come about. Their scope is to make sure the money is being spent on projects at hand; it does not say that they have to agree with the format on how it was put together. Meaning if projects were listed, an estimation was given, and it already had doubled that, it is their responsibility to call that out. Dennis continued to say that he would not take any of the advice of the legal counsel because they have steered this District 100% the wrong way. This committee is put together by members of this community to have a diversified view on everything. He doesn't care what the District's legal counsel says because their word to him means nothing. He has been at board meetings and watched their conduct and they do not know what they are doing. It would be in the best interest of the District to remove them from the district counsel. He will be recommending this to the Board at the next Board Meeting. He wants to make it clear that their job is to oversee this money. He understands what Debbie is saying about their scope is but their scope is the money and if the Board isn't being transparent then they have every right to speak up about it. We need to get this resolved to be able to move forward so that we could make this District a better District. There is no question that they could add one hundred projects to the list of all the schools in the District that need repaired. Mostly at the high school which is over one hundred years old. How do we go about that? Everyone needs to be transparent.

Robert encourages everyone to attend the Board Meetings. He stated that some Board Members are just doing what the superintendent says. The Board isn't doing their job.

John brought up the point about the Project List saying that it couldn't be followed completely because it was created in 2012 and the bond was passed in 2014. There has been many changes and there should be justifications for the changes. Sherri asked if they were specifically told that the list couldn't be changed. Andrew replied saying that the Board could amend it.

After much discussion on what should be on the annual report the committee came to an agreement to include verbiage that the audit does not include the construction of the GHS locker room and stadium repairs and that there are discrepancies in the District's categorization for current and future projects. Because of the broad explanation in the matching of the Measure P Project List and the District's expenditure report, the committee members are currently awaiting clarification from the Gustine School Board Trustees.

## **ADJOURNMENT**

The meeting was adjourned at 10:52 a.m.