



# CITIZENS' BOND OVERSIGHT COMMITTEE (CBOC)

## MEETING MINUTES

**Wednesday, July 26, 2023**

*Tour: 6:00 p.m.*

*Meeting: 6:30 p.m.*

**Independence High School (Conference Room N101A)**

*617 N Jackson Ave.*

*San Jose, CA 95133*

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*The following were in attendance:*

### **CBOC**

Harkins, Cody

Hermange, Debbie

Nair, Rajani

Pefley, Carol

Pham, Paul (Khoa)

Roberts, Christopher

Schimmel, Barry

Traynor, Patrick

### **ESUHSD**

Diaz-Luna, Sergio

Huntoon, Michele

Lucas, Julio

Magaña, Gloria

Nguyen, Cathy

Nguyen, Nhu

Nguyen, Sandy

Phelps, Randy

Soto, Moises

Tran, Shelby

### **Board of Trustees**

Le, Van

### **Guest(s)/Community Member(s)**

Morrison, Alex (Gilbane)

Rivera, Kevin (Gilbane)

**CBOC Member(s) Not Present**

## **1. CALL TO ORDER/ROLL CALL**

### **1.01 Call to Order/Roll Call**

Roll call was taken at 6:47 p.m.

## **2. PUBLIC COMMENT**

### **2.01 Public Comment**

No general public comments at this time.

## **3. APPROVAL OF MINUTES OF PREVIOUS MEETING**

### **3.01 Action to Approve the Meeting Minutes of April 26, 2023 Meeting**

Motion to approve the April 26, 2023, Meeting Minutes was made by Christopher Roberts and seconded by Carol Pefley. Motion was carried (8 – 0). Aye.



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Member Cody Harkins suggested that when an item got moved up on the meeting agenda, it should also get moved up on the agenda in the meeting minutes. Nhu Nguyen to revise the minutes and route it to Chair Barry Schimmel for signature.

### 4. UPDATED ITEM(S) FROM CBOC CHAIR

#### 4.01 Introduce New CBOC Members for Fiscal Year 2023-2024

Barry Schimmel welcomed and introduced new member Rajani Nair to the committee. Rajani Nair then introduced herself and briefly shared her professional and personal background. She mentioned that she had worked with the District in the past on the City Wifi project. Rajani Nair is interested in learning about how the District plans on protecting water waste. She shared that she is a new resident in San Jose, grew up in Texas, and had also lived in New York City prior to moving to California.

Chair Barry Schimmel noted that we have a diverse group of members, with background and knowledge in different fields, which is very important and fortunate for the committee.

#### 4.02 Action to Approve the Final Draft of the CBOC Annual Report Fiscal Year 2021-2022

Motion to approve the Final Draft of the CBOC Annual Report Fiscal Year 2021-2022 was made by Christopher Roberts and seconded by Debbie Hermange. Motion was carried (8 – 0). Aye.

The annual report will be presented to the Board at the August 17, 2023 Board meeting for the Board to accept and receive.

#### 4.03 Review Upcoming CABOC Conferences

- August 19th Conference for New CBOC Members
- October 14th 3rd Annual Statewide Conference

Chair Barry Schimmel briefly went over the CABOC conference flyer and recommended members to attend if they can. They are zoom workshops and up to 15 people can attend per registration. Staff and board members can also attend.

### 5. REPORTS

#### 5.01 Information on FTE Requested From April's Meeting – Michele Huntoon, Associate Superintendent of Business Services

Per the committee's request from the previous meeting, Michele Huntoon shared two documents and briefly went over additional information regarding items on the Financial Statement that was presented by the external auditor:



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1. Bond Full Time Equivalent (FTE) positions and salaries:

The report shows the FTE by departments and positions. Bond positions are approved by the governing board before positions are recruited and hired. Some positions are full FTE and some are pro-rata shares. The total reported salary is not based on the number of people but rather the number of FTE.

2. The bond measures, series, and interest rate:

For this question, Michele Huntoon found one particular document from the financial audit that is helpful in giving the committee a full picture to the question being asked. She also gave brief context on how the information comes together annually and where the committee might be able to find the information.

C: The printout did not specify which bond measures that each of the series is coming from. (Cody Harkins)

A: Correct. This printout does not specify the bond measures. (Michele Huntoon)

C: The audit reports presented at the last meeting have the schedule of bond sales for each of the bond measures. (Paul Pham)

#### **5.02** Presentation on the Information Technology Updates – Randy Phelps, Chief Technology Officer

Barry Schimmel asked Randy Phelps to comment and share his perspective on the article about Chromebooks in the Mercury News. The article's viewpoint is that Chromebooks are bad because they timed out after four to five years. Randy Phelps explained that Chromebook software times out after five years and they can no longer run the latest version for testing. The inability of students taking the test due to test version and software incompatibility is not controlled by Google but by the testing company for the state of California. The reason Chromebooks aged out is because the chips, the design, the actual engineering of the device are best available at the time of production. Technology always improves and better things come out. Therefore, the anticipated life cycle of electronic devices is four to five years. What we do at East Side is that when the Chromebooks age out, students can just bring them back in to swap out for the new ones. We also learned that most students do this only when they need it.

In this article, they gave examples of school districts like Oakland Unified whose purchasing plan went down the wrong path, the scope was not well thought out. They were looking for the lowest prices and purchased brand new devices with older technology, which reduced the life cycle of these devices to half. East Side's practice, even before tech bond was available, is that we always purchased the newest devices with the latest technology that can carry our students through their four years of high school.

Q: When the District gets the equipment, do they do it on a consignment-type basis? Are they making a lot of purchases? Are there returns? Taking back old devices and getting some value for that?



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A: No, we do not do it on a consignment basis.

Christopher Roberts shared his positive experience with the community Wifi and expressed his appreciation and support for tech bond, which has provided the opportunity for equality in access to the technology and the devices for every student throughout high school.

Q: How much is it [Chromebooks] per student? (Carol Pefley)

A: About \$317 a unit and that includes everything (licenses and software). (Randy Phelps)

In the summer, we have a crew coming out to clean the rooms, the equipment and make sure the technology and equipment are in good condition and ready for the new school year. We put in seven fresh new labs this Fall.

Q: Do you have a drop dead date on student equipment? (Patrick Traynor)

A: We give our freshmen new devices and they usually take them through four years of high school. When the devices age out, we put them through the recycling program. (Randy Phelps)

Randy Phelps presented an update on project progress, planning and implementation for the IT Division, including but not solely part of the Tech Bond (I).

COMMUNITY WIRELESS: The idea of this project is to provide the community free Wifi through partnership with the city and Smartwave. The scope has been completed. The project did a good job serving the kids. The affected high schools are: James Lick, W.C. Overfelt, Yerba Buena, Oak Grove, Silver Creek, Mt. Pleasant, Independence neighborhoods. The goal was to hit 75% but we hit 80%. The average usage is at 5 terabytes a month.

Our feeder school districts are coming in this Fall. Their students will get East Side IDs and full access to the applications in our system with a single sign-on. They will need an esuhd.org email in order to get all the benefits.

Randy Phelps mentioned the link at the bottom of the slide of a video that the District did with Smartwave on the community Wifi project and encouraged the members to watch it to see all the amazing people behind the project. We are the only large city that has anything like this.

MUNIS: Our Enterprise Resource Planning (ERP) system. We have been live for more than a year. We have learned new things and done a lot of cleaning throughout this process and will continue to clean up for the next two years. Employee self service will come online in September. This system allows the employees to check their vacation time, salary, and pay check information. We are decommissioning the old system QSS next week. Robert Chen (System/Programming Supervisor) had saved the District about a million dollars in conversion of the old system to the new system. We are working on online



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timecard for part-time workers. East Side is first to break ground on the online timecard. We have 7 employees attending the MUNIS national training.

**SAFETY:** Bell and Paging systems have been in pilot the last couple of years at Calero and Oak Grove high schools. The system offers a unique sound to the charter schools, flashing for Special Education and other alternative alert mechanisms for different needs. District wide Installation is in progress. Our pilot Smart Card door entry system has been completed and installed at various sites. New staff ID cards functioning as both entry cards and copier cards have been implemented.

The Annunciation System we are modernizing works with our network and allows us to add people within seconds. It is tied to the employee's card and alarm system.

**SOFTWARE RESOURCES:** Anyone of our users who has an esuhd.org email has access to the Google Suite, full Pro version of Zoom, MS Office including 365, Adobe Suite, major magazines and research tools, more than 140 software titles for niches and needs.

**CANVAS IMPLEMENTATION:** CANVAS is a communication tool for teachers and students. We adopted it last Fall (2022). It was a huge transition for a lot of people. The key is for parents to have one place to get the information. Parent connection has increased almost 20% since the initial implementation. There was a cost reduction of \$200,000 for the District.

As the time allotment for Randy Phelps' presentation ran out, and with a lot of good information to share still, Barry Schimmel invited Randy Phelps to come back to the next meeting in October to continue and finish the rest of his presentation. Randy agreed to come back.

**5.03 Presentation on the Capital Construction Project Updates – Julio Lucas, Senior Manager of the Bond Program**

- **Foothill - Modernization of Building G**

Schedule: Fall 2024 – Estimated Total Cost: \$4,935,054

Area: 6,690 square feet – Construction Team: Gilbane Building Company (CM), TBD

Today is the graduation for summer school. The field and Hooper Hall were used for the event. This adjacent building (building G) is meant for food service type, career tech class. There is a shower for the unhoused student population as well as a counseling area. The project is in motion, trending well, tracking well, on budget and on schedule.

- **Mt. Pleasant - Modernization of Building 500**

Schedule: Spring 2025 – Estimated Total Cost: \$18,444,202



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Area: Approximately 11,500 square feet – Construction Team: Van Pelt Construction Services (CM), Rodan Builders/SVA Architects DBE

We are currently working through the pricing for the design build. This is the place for food to be made, served, and enjoyed. We had an issue with the PG&E line that ran underneath the building but we found a way to get around that issue and are now back on track. We are looking to take this agreement with this contractor to the board in November.

- **Piedmont Hills - Performing Arts Building with Classrooms**

Schedule: Fall 2024 – Estimated Total Cost: \$17,871,012

Area: Approximately 10,500 square feet – Construction Team: Van Pelt Construction Services (CM), Gilbane Building Company/Perkins Eastman DBE

We recently had the ground breaking ceremony. They are now working on the foundation. Julio Lucas suggested a tour of this site in the near future.

- **Oak Grove - Modernization of Building K**

Schedule: Spring 2025 – Estimated Total Cost: \$19,356,870

Area: Approximately 12,000 square feet – Construction Team: Van Pelt Construction Services (CM), Alten Construction/SVA Architects DBE

Like Mt. Pleasant, this is a place for people to eat indoors. In server format, a different format from window service at school sites that have not gone through this process.

- **Silver Creek - Building K**

Schedule: Fall 2023 – Total Cost: \$23,200,000

Area: 17,810 square feet – Construction Team: Gilbane Building Company (CM), Rodan Builders, Inc./Cody Anderson Wasney DBE

This job will be open this August. We went through the punch list last week. The building has ten classrooms, five on the first floor and five on the second floor. The trade off is that we removed ten portable classrooms at this site. We now have some freed up real estate which we are working with the Silver Creek administration on how to best program the space.

Q: I noticed some orange cones and some improvements being done at the intersection. Are these improvements part of this project? (Barry Schimmel)

A: No, it is not part of the project. The improvements are being done by the city. It is good timing. (Julio Lucas)

- **Yerba Buena - Performing/Fine Arts Classrooms and Theater Building**



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Schedule: Spring 2025 – Estimated Total Cost: \$25,039,127

Area: Approximately 19,430 square feet – Construction Team: Gilbane Building Company (CM), BHM Construction, Inc/HED DBE

We are currently working through drawings with the design builder to go into DSA soon. The project is trending well and tracking well. The building has a series of art classrooms with a theater at the back of the building.

- **Yerba Buena - Ball Field Improvements**

Schedule: Fall 2023 – Estimated Total Cost: \$9,500,000

Area: 298,000 square feet – Construction Team: Gilbane Building Company (CM), Robert A. Bothman Inc./Lloyd Engineering DBE

We are on time, on schedule, and will be done by December 2023.

- **Independence - New Student Union**

Schedule: Winter 2023 – Total Cost: \$27,076,792

Area: 35,000 square feet – Construction Team: Gilbane Building Company (CM), Alten Construction/SVA Architects DBE

We just toured the student union. The progress of the project went well. The building will be ready in December 2023.

- **Santa Teresa - New Building**

Schedule: Spring 2024 – Total Cost: \$13,477,277

Area: 9,450 and 9,654 square feet – Construction Team: Gilbane Building Company (CM), BCA Architects, DL Falk Construction

This is the job that the District had some difficulties with the contractor in the past. The team is managing well how far back behind schedule we are. The contractor changed their superintendent, which is a positive move on their part. We had a meeting today at the site regarding the availability of the construction material and why the contractor is in the position they are in. This job has a lot of struggles. The District spent twice as much time managing this project due to the challenges. It is important to keep a reasonable, good relationship with the contractor but also know when to put them in the position they need to be in.

Q: Are you having more security issues on this project? (Carol Pefley)

A: We are doing better with the security issue. Once all the underground electrical work passes, the ability to pull and take away wires for resale will significantly reduce.

C: We have to take the lowest bid, most of the time it works out okay. There are particular contractors who are experts at low bid change order. When you do that, you get what you pay for, for example, the



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District has spent twice as much time on a smaller project, and that is not management. If legal action needed to be taken in order to have the contractor perform, it would cost somebody money. Usually, this kind of project does not work out for the lowest bid at all. Therefore, lowest bid is not always the best way to go about it. (Barry Schimmel)

C: And that is true in most cases in everything from furniture to other purchasing decisions. (Julio Lucas).

C: I usually take the mid bid and do not take the lowest bid. (Carol Pefley)

Julio mentioned that this project is a design-bid-build and that is part of the complication here. The other projects that are double the value go through the design-bid process where we select the contractor based on best value. The relationship, process and end result are better in those projects.

Q: Do you give out a summary such as cost expenditures or change order and cost over run to the committee at some point over the year? (Rajani Nair)

A: I have not and here is the reason why. We have a model at East Side where the sites get a bond fund distribution through a formula called site allocation. Within the site allocation we devise projects. The contract amount on the slide is not the program cost. It is only the committed contract cost with the contractor. Within the program cost, we have the construction management cost, special inspections, fees on legal advice. There are built-in contingency allowances that if I go over this budget and need more money, I would need to inform the board and provide an explanation on how we got there. I am happy to say that we have not gone over the program budget for all of our projects. (Julio Lucas)

Julio Lucas continued to give an example of one of the past projects that ran into similar issues and the steps that were taken by the bonding company to ensure the project was completed.

C: The point is the lowest bid is not always lowest in terms of time and frustration. (Barry Schimmel)

Q: Is getting a better pool of contractors the reason why you want to go for Design-Build? (Rajani Nair)

A: Yes. The pool is more sophisticated and more capable. (Julio Lucas)

Q: Is there an issue with having the same pool of construction teams over and over again? (Rajani Nair)

A: All of our teams have been selected through a request for qualification/request for proposal (RFQ/RFP) process through our online bidding system called PlanetBids. There are other teams that proposed, but we selected the teams based on our specific criteria. Our current construction management teams are Gilbane Building Company and Van Pelt Construction Services. These teams were selected because they met our criteria.

- **Evergreen Valley - New Student Union**

Schedule: Spring 2023 – Total Cost: \$23,559,518

Area: 33,000 square feet – Construction Team: Gilbane Building Company (CM), Rodan Builders/SVA Architects DBE

The project is completed but there are still post-occupancy needs and adjustments to be made. One of the things that is coming to the Evergreen project is the perimeter fence for safety near the student drop off area, giving them the front plaza to use during lunch.





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#### **5.04** Information on the Capital Program Budget Adjustment Report – Sandy Nguyen, Construction Bond Program Controls Manager

Sandy Nguyen provided the Board approved Capital Program Budget Adjustment Report for the period of March 2023 thru May 2023. These reports show board approved changes to a project budget within the last three months.

Q: Is column #3 the budget that Julio has to work with? (Cody Harkins)

A: Yes. (Sandy Nguyen)

Q: Does the money have to stay within the same fund? (Rajani Nair)

A: Yes, the money has to stay within that fund. (Sandy Nguyen)

#### **5.05** Presentation and Action to Receive and Approve the Budgets and Expenditures Report – Cathy Nguyen, Capital Budget Manager

Cathy Nguyen presented and provided an update of the Board Approved Budgets and Expenditures on all bond measures (Measure G, E, I, I-Technology, and Z) through May 31, 2023. A summary of the overall budget, including the total current encumbrance balance, total expenditures/disbursements, and total remaining budget balance, was presented.

Q: Have we sold Measure N? (Barry Schimmel)

A: No, Measure N has been authorized but not sold. (Cathy Nguyen)

Q: Is there any project in deep trouble, surprising? (Barry Schimmel)

A: Oak Grove project is within the budget. That is surprising. (Julio Lucas)

Motion to accept the Budgets and Expenditures Report was made by Cody Harkins and seconded by Christopher Roberts. Motion was carried (8-0). Aye. The motion passed unanimously.

Q: Some of the line items [on the report] said "CLOSED". How long will they stay on [the report]? (Cody Harkins)

A: Project will remain on the report for project reporting purposes. (Julio Lucas)

## **6. COMMITTEE COMMUNICATIONS / COMMENTS**

### **6.01** Opportunity for Committee Members to Share Additional Comments

Members suggested the tour should start at 5:30 p.m. instead of 6:00 p.m. and that the meeting should go from 6:00 – 8:00 p.m. Both the Committee and District staff were in agreement of the new timeline.



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### 7. CONFIRMATION OF NEXT MEETING LOCATION

7.01 Confirmation of Meeting Location for Next Meeting: Wednesday, October 18, 2023

The next meeting will be on Wednesday, October 18, 2023 at Yerba Buena High School at 6:00 p.m.  
The tour of the site will start at 5:30 p.m.

### 8. ADJOURNMENT

8.01 Adjournment

Chair Barry Schimmel adjourned the meeting at 8:38 p.m.

Motion to adjourn the meeting was made by Christopher Roberts and seconded by Cody Harkins.

Minutes approved by: BARRY SCHIMMEL

Print Name



Signature

Oct 19, 2023

Date






# 2023 0726 CBOC Meeting Minutes

Final Audit Report

2023-10-19

Created:	2023-10-19
By:	Nhu Nguyen (nguyennq@esuhsd.org)
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