



**CUPERTINO UNION SCHOOL DISTRICT**  
**Citizens' Measure H Bond Oversight Committee**

**February 5, 2014 Minutes**  
**(Approved 5.28.14)**

**MEMBERS PRESENT:**

Mark Burns (Chair)  
Daniel Nguyen (Vice-Chair)  
Benaifer Dastoor  
David Fung  
Randall Shingai  
Rajeev Singh

**MEMBERS ABSENT:**

Orrin Mahoney  
Liz Brockman  
Lavanya Noor

**NON-MEMBERS PRESENT:**

Rick Hausman, CUSD, Chief Business Officer  
Pam Mackey, CUSD, Administrative Secretary to Rick Hausman  
Mary Ann Duggan, CUSD, Director-Facilities Modernization  
Mark Newton, Kitchell CEM  
Patrick Gaasch, Swinerton Management Consulting  
Jeff Scogin, Ann Kennedy Group (AKG)  
Mike Chegini, Ann Kennedy Group (AKG)

**CALL TO ORDER:**

Mark Burns called the meeting to order at 7:30 p.m.

**ADOPTION OF AGENDA:** Agenda was approved unanimously.

**APPROVAL OF MINUTES OF AUGUST 14, 2013:** Benaifer Dastoor made a motion to approve the minutes; Daniel Nguyen seconded the motion; minutes were approved unanimously.

**PUBLIC COMMENTS:** None

**2012 MEASURE H BOND PROGRAM UPDATE (\$220M OVER 6 YEARS)**

**A. 2012-2013 CBOC ANNUAL REPORT**

Mike Chegini, with AKG, reviewed the 2012-2013 Annual Report prepared by subcommittee members Orrin Mahoney, Daniel Nguyen and Mark Burns. (Report can be viewed online at <http://cusdbond.org/AR1213/>)

- The lease of our District Office located at 1309 S. Mary Avenue in Sunnyvale is paid for with bond funds. The Board approved the lease effective April 15, 2013 for five years (in fixed five-year increments) with a review in year four. Cost: \$29,000/month
- Program Costs - \$4.9M total for the life of the bond. Approximately \$1.6M has already been spent.
  - Bond Program Administration funds pay for the salaries of Mary Ann Duggan and her assistant Rosa Li.
  - Bond Program Planning – much has already been expensed.
  - Legal and Bond Sale Costs.
- Suggestions for the Annual Report: 1) Under Featured Projects, expand the descriptions of some projects, i.e. Blue Hills and McAuliffe. 2) Have online report viewed fully on iPad screens. (The online report has a “Printed Copy” tab which may make viewing easier.)
- Customary features for K-12 Bond Annual Reports:

- Report is available on the website. (Our web format can track visitors)
- Postcards are made available at libraries and school sites. There is no need to mail them to the community which can be very expensive and must be paid for by the District's General Fund.
- Committee members receive copies to hand out personally.
- It was agreed that each CUSD school will receive 20 postcards as handouts and the postcards will be also posted for public viewing. Libraries will be included.
- Tuesday, February 25, 2014, Mark Burns will present the Annual Report to the Board of Education at their 6:30 p.m. meeting.
- A motion was made by Daniel Nguyen to approve the Annual Report with edits as discussed; David Fung seconded the motion; report was approved unanimously.

**B. PROGRESS REPORT** (*PowerPoint Handout dated February 5, 2014*)

Mary Ann Duggan reviewed completed projects, projects in progress as well as program developments.

- It was suggested that committee members visit the sites in late May.
- Concerns addressed:
  - Is CMS and Lawson on target to start school in August 2014
  - Is District seeking good bid coverage to bring about best pricing
  - Market conditions for contractors/labor costs
  - Need to watch potential cost overruns

**C. FINANCIAL REPORT**

Mary Ann Duggan and Jeff Scogin of AKG reviewed the Measure H Bond Program Quarterly Report dated 2.1.14

- Master Project List Report (Pages 1-14) has not changed since the last meeting.
- Whole Program Summary Report (Page 15) has not changed since the last meeting. Note: \$5.2M has been spent through 12.31.13, with \$40,000 in accrued interest not yet allocated. Eventually these funds will be moved into Contingency.
- Project Summary Report (Pages 16-26) The column entitled "BLR Change" indicates new and prior changes to budget/scope. Under column entitled "Project Cost to Complete", red indicates project is over the Board approved budget. You can compare figures by looking at the column "Bond Budget" to see previous estimates. Any amounts in red will need Board approval. Green shows cost savings. EXCEPTION: Tech funds, which are held in a District-wide bucket, will be moved into individual school budget lines that are indicated in red on the report. Therefore, a red indication is not necessarily alarming.
- Project Summary Report (Page 27) Indicates District-wide figures. The total project cost to complete is under budget, and we have a healthy \$16.8 Contingency.
- Measure H Cash Flow – Helps determine when the next Bond sale should be. Series B should fund March 24, 2014. (District must spend 85% of Bond funds within three years.)
- Project Sequence – Shows overall project start dates from 2013 through 2018.

**NEXT MEETING DATE:** Wednesday, May 28, 2014 at 7:00 p.m. at Cupertino Middle School. Members can join Mary Ann Duggan for a tour of the CMS campus at 6:30 p.m. that day, just before the meeting.

**ADJOURNMENT:** 8:35 p.m.