CUPERTINO UNION SCHOOL DISTRICT

Measure Z Citizens' Bond Oversight Committee Regular Meeting

06/03/2026 - 07:00 PM
Staffroom (left of the main office)
West Valley Elementary School
1635 Belleville Way, Sunnyvale, CA 94087

MEETING MINUTES

There will be an optional site tour of the blacktop and Tk/K playgrounds at West Valley Elementary School prior to the meeting from 6:30 PM - 6:50 PM at 1635 Belleville Way, Sunnyvale, CA 94087. Please meet at the blacktop.

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A. CALL TO ORDER

Meeting Called to Order at 7.01 PM.

1. Roll Call

Staff conducted Roll Call to establish Quorum:

- Chair Sanjay Tandon - absent
- Vice Chair Ramon Juraboev - present
- Committee Member Bhavani Shankar Garikapati - present
- Committee Member Christina Chu - absent
- Committee Member Deb Stoddard - absent
- Committee Member Maribel Wallace - present
- Committee Member Mariia Tkachenko - present
- Committee Member Mark Burns - absent
- Committee Member Nicholas Marcott - absent
- Committee Member Peter Huang - present
- Committee Member Santosh Rao - present

Staff Present:

- Todd Shimada, Bond Program Administrator, CUSD
- Nicole Meschi, Senior Director, Nutrition Services and Chief Operations Officer (eff. July 1, 2026)
- Kavitha Lakshmanan, Administrative Secretary to CBO, CUSD
- Jeff Scogin, Ann Kennedy Group
- Tony Kanastab, Project Director, Brailsford & Dunlavey
- Mark Newton, Bond Program Manager, Brailsford & Dunlavey
- Travis Kirk, TBK Construction Management Corp

B. OPENING ITEMS

1. Approval of the June 3, 2026 Meeting Agenda

Motion: Approve the June 03, 2026 Measure Z CBOC regular meeting agenda.
Motion made by: Peter Huang
Motion seconded by: Maribel Wallace
Voting:

Bhavani Shankar Garikapati - Yes
Maribel Wallace - Yes
Mariia Tkachenko - Yes
Peter Huang - Yes
Ramon Juraboev - Yes
Santosh Rao- Yes

Motion passes

2. Approval of the March 18, 2026 Regular Meeting Minutes

Motion: Approve the March 18, 2026 Measure Z CBOC regular meeting minutes.
Motion made by: Peter Huang
Motion seconded by: Maribel Wallace
Voting:

Bhavani Shankar Garikapati - Yes
Maribel Wallace - Yes
Mariia Tkachenko - Yes
Peter Huang - Yes
Ramon Juraboev - Yes
Santosh Rao- Yes

Motion passes

C. PUBLIC COMMENT

No public comments

D. INFORMATION/DISCUSSION

1. Bond Program Update and Staffing Update

Todd Shimada presented an update on the Bond Program:

- The District is kicking off summer projects, starting with a review of asphalt that is scheduled for repair and replacement before the end of summer. The site tour goal for this evening was to look at the before condition, with an opportunity to return in the fall to see the completed improvements.
- Playgrounds for Transitional Kindergarten (TK) are being upgraded at West Valley, Stevens Creek, Eisenhower, and Stocklmeir. These are the final four schools; all District sites with a TK program will then be fully compliant. (Meyerholz is currently on hold as they do not have a TK program).
- Asphalt repair and replacement is moving along at West Valley, Montclaire, Lincoln, and Nimitz.
- Hyde Middle School Roofing: A shingle-only roof replacement is scheduled for Hyde.
- The roofing, HVAC replacements, and the addition of restrooms to six classrooms at the Stocklmeir TK complex have been postponed to 2027. The Board did not approve the recommended general contractor for this project.

Update on Staffing:

- Significant changes are occurring within the District's executive team due to multiple retirements, including the Superintendent, the Chief Business Officer, and the Assistant Superintendent of HR.
    - Instead of replacing the Chief Business officer, a new Chief Operating Officer (COO) position has been created, to be filled by Nicole Meschi. The new COO will oversee business operations (Maintenance, Operations, Transportation, Nutrition Services, and the Bond Program). The fiscal/finance responsibilities will shift to the incoming Superintendent, requiring the District to recruit a Superintendent who is both instructionally and fiscally minded.
    - The Bond Program Administrator position is being eliminated due to a "lack of work and lack of funding" and Todd Shimada will not be returning next year. The bond oversight duties will be absorbed by the new COO position.

Member questions and comments:

- Do we know why the Board did not approve the recommended general contractor for the Stocklmeir project?
    - There was some financial or technical concern with the general contractor. Staff followed the Board-approved protocol and delivery methods for reviewing documentation and conducting interviews, and they put forward a recommendation. However, the Board ultimately rejected it, pushing the project to next summer (2027).
    - It is an exception. We have never had a project recommendation not get approved before.
    - The entire process will start over, including gathering RFQ documentation, paper screening, identifying general contractors to interview based on our criteria, and running through the selection process again.
- Is the nutritional services director position being back filled, or is that going to be covered by existing staff?
    - It will be back filled. The Board has approved hiring a Director to replace Nicole Meschi in that capacity.
- The new COO position, is this a net new position which did not exist previously?
    - No, it is a change in position rather than a net-new addition. The District CBO role is essentially becoming the COO role.
- Is that the COO salary in the language of the bond program?
    - Yes, it is. The COO position will be 50% paid for from the bond program. This is similar to the current Bond Program Administrator position, which was funded 80% by the bond and 20% by the general fund.
- Comment- It was stated that there is "lack of work," right, but there *is* work. I think operationally we are concerned that things will be impacted, even if this falls outside our exact scope.
- We want to make sure the bond administrator duties are actually staying with Nicole, and it's not transitioning to a contractor. What exactly happens?
    - As far as oversight from the district, the district staff member who is going to be overseeing the bond program is Nicole. While we will still have construction management firms working on our projects to support the district, there will always be a district employee—in this case, Nicole—providing internal oversight of the bond program.
- Given we fund this role, do we have any sort of input on making sure that conflict does not arise? Should that be a Board decision, or what sort of input do we have? Do we have some input given the bond dollars fund the role, ensuring there wouldn't be a conflict between who administers the program versus the recipient of funds from the program?
    - The recommendation for the change in roles and responsibilities came from the Superintendent's Executive Cabinet. Ultimately, the Board of Trustees has to approve it, just like all the other positions that were either eliminated or modified going into next year. Decisions regarding the internal workings of the district—whether program-wise or staff-wise—are made by our executive team.
- In the context of this committee—given that this committee oversees funds being used to pay the headcount—what oversight or controls do we have to ensure that conflict does not occur?
    - Nicole is in place to provide oversight for the district.
- As a COO, would she be actually running the role that Todd ran, or would she oversee a contractor that happens to run those roles?
    - It is both. She is going to be overseeing the bond program just like I [Todd] was. In previous years, whether it was the Chief Business Officer (CBO), a director of facility modernization, or a bond program administrator, you always had district staff providing direct oversight of everything from general contractors and construction managers to the overall program. That structure remains in place.
- Is there any segregation of duties between the oversight versus the execution?

- Yes, Nicole has full responsibility separate from the general contractor. We have a construction management team that runs and oversees the physical construction of a project. It is our responsibility as district employees to ensure that they are doing the work we have assigned to them through the bond process.

- Specifically, the bond administrator will not be subcontracted out to that construction management firm?
  - No. It is strictly the responsibility of the district to make sure that the consultants we hire are performing the duties we paid them to do.
- Just as an information point, if such a thing like, subcontracting the role were to happen, would we be informed, and what is our purview on such a decision?
  - As far as committee's purview over the decision itself, that is something they would have to express by going to a Board meeting to share your comments, questions, or concerns.
- Comment- Committee requested that if something like that were to happen, the committee should be informed that it could be included in the minutes. The segregation of duties should be perfectly clear and if it changes, the committee needs to be informed so they can take action.

2. Review of 2025-26 FY Q3 Financials

Jeff Scogin presented: Q3 Financial overview (period ending March 30, 2026)

- Based on previous committee requests, the "Percent Complete Construction" column has been renamed to "percent complete" to reflect that not all bond projects are brick-and-mortar (e.g., technology and program management).
- Staff highlighted the significant expenditures, which included recreational equipment at Eaton, fencing for Lincoln and Montclaire, District-wide technology infrastructure, expenditures for security badges and check-in systems and combined costs for legal fees, project management, and district salaries allocated to Measure Z implementation.
- As bond series are sold to back up agreements, the cash sitting in the county bank earns interest. There is currently **$1.5 million** sitting in a holding bucket of unallocated interest. This must eventually be spent on projects that strictly align with Measure Z ballot language.
- Per the committee's past requests, staff established clear tolerance levels for the Green (On Track), Yellow (Caution), and Red (Problem) project markers.
- Problem project example: The district-wide technology project was flagged as a "problem project" because its budget was out of alignment. This occurred because the initial project list only allocated a portion of Measure Z funds, with the intention of securing the full allocation later. A budget augmentation approved by the Board on May 28, 2026, has already resolved this issue.

Member questions and comments:

- A recent medical emergency at a school site resulted in an accidental, full-scale police response and school lockdown. Can you please explain?
  - It was due to a staff member misclicking their emergency badge.
  - The badges buzz and give cues when activated. Three clicks signals a localized request for help (e.g., someone falling on the playground), while eight clicks triggers an active shooter alert that automatically dispatches the police and locks down the school. Every employee has been formally trained on the badges, but panic and lack of routine use led to the error. The Executive Cabinet has already planned refresher training protocols for staff when they return for the new school year.
  - Everyone has to watch a training video before they are issued their badge. A lot of training has already gone into it.
- Is it loud enough that in a lunch hour with all the kids running around, they could actually hear?
  - It signals through visual indicators as well; little square devices will turn colors based on what is happening. The main office controls the alerts if it becomes a shelter-in-place or an evacuation.
- Does the spend on Centegix include training for staff?
  - The bond program can typically pay for the initial training and warranty period for device implementation, but subsequent, ongoing training for following years is not bond-eligible and must come from other funds. Staff will pull the specific contract.
- Does the unallocated interest have to be spent in the same time frame?
  - It has to be spent based on specific bond sale rules. For example, Series A was sold under a three-year tax-exempt sale guidelines. This means 85% of that sale, plus the accrued interest, must be expended within three years, with any remainder covered by a documented, reasonable intent to spend.
- What is the mechanism to verify the supplemental expenditure details that we don't review here? What is the mechanism to verify it?
  - The reports presented to this committee are directly reconciled against the district's books. Program and project staff continuously review all expenditures and purchase orders (POs) being charged against individual projects. Additionally, an external auditor takes a sampling of all these expenditures at the close of the fiscal year to test them against the ballot language.
  - The detailed packet was provided about 5 days prior to the meeting. Most oversight committees look at the high-level ballot language against the approved project list, receive staff updates, and look at the sub-project summary report to see if things are aligned. If you want detail beyond this supplemental report, you would be looking at individual warrants and contract documents.
  - It reports all expenditures during the specific reporting period (January, February, and March). It represents data running on a reporting lag. The district closes the quarter, reconciles the books, and corrects any coding errors before publishing.

3. Two Refunding Bond Resolutions

The district recently executed a bond refunding process. While this occurred entirely outside of the current committee's purview because it involved older bond programs (such as Measure H and Measure A), the documentation was included in the packet as an information-only item.

- The item was shared to demonstrate to the committee that district staff are actively monitoring older loans; when opportunities arise to refinance and create tax savings for the community, staff take advantage of them.
- Under the current Measure Z program, only Series A has been sold to date. There will be opportunities later in the lifecycle of Measure Z to refund these bonds as well, which would provide additional financial savings back to the district and taxpayers.

- For previous programs like Measure H, the final remaining dollars have been spent. That committee has issued its final annual report and presented it to the Board of Education, meaning those past oversight committees are now officially disbanded.

Member questions and comments:

- Is the oversight committee still active for those?
    - No. The last dollars for Measure H were spent, and that committee issued its final annual report. Upon presenting that report to the Board of Education, they were effectively disbanded. There is no active committee or company still covering those older measures.

4. Bond List Revision #1

The total authorization for the Measure Z bond is approximately $347 million. The initial approved project list did not utilize this full amount, leaving approximately $248 million in a "future projects" holding bucket. Staff have been working alongside the Board of Education's Facility Planning subcommittee to fully build out the scope of the program.

- Following a 2006 lawsuit (*Foothill-DeAnza CCD v. Emer*), which center-staged the alignment between voter-approved ballot language and active project lists, the District adopted a formal Bond List Revision (BLR) process. Any change to a project's name, scope, or budget must be reviewed and approved by the Board before staff can act on it.
- The oversight committee's role is to verify that actual expenditures tie directly back to what voters approved. Reviewing these revisions allows the committee to audit the District's intent *before* funds transition into active purchase orders.
- Large, 47-page overhauls like this one (which added 137 individual projects to the active roster) are rare and will not be the norm. Moving forward, typical revisions will only feature 3 to 4 moving parts and occur just a couple of times a year—usually driven by budget augmentations (e.g., bids coming in higher than projected) or shifting post-project savings back into District-wide contingencies.
- Specific project updates:
    - The budget for a planned security fencing project ($427,000) was reduced to zero. This scope was not canceled; the District successfully secured alternative funding from the state's School Facility Program (OPSC), allowing them to complete the fence while returning the Measure Z dollars to the program's contingency funds.
    - Descriptions were revised to clarify a division of funding. State grant funds are legally restricted to student classrooms and spaces utilizing Pelican controls and CO2 monitors. Measure Z bond dollars are stepping in to cover the HVAC upgrades for areas the grant excluded, such as administrative and office buildings. No school-level funding was compromised for this adjustment.

Member questions and comments:

- There was $25,000 spent that was allocated to central kitchen and operations and the ballot language does not authorize operations. Does the ballot language authorize spending on the central kitchen?
    - Yes, it absolutely does. The ballot language explicitly authorizes spending to construct a new central kitchen facility. It is the District's responsibility to provide the physical space for meal preparation, even if state and federal funds handle the ongoing food program.
    - It is a wording distinction, not an operational expenditure. The title should have been worded "Central Kitchen *at* Operations" because it is located physically at the District's operations yard complex. It has nothing to do with funding the operations of the yard itself.
- Why were security fences canceled?
    - They were not canceled; the scope has been completed. Two summers ago, the Board initially approved funding these fences using general fund reserves, with the intent of backfilling it with Measure Z bond money. However, the District subsequently received matching state funding from the School Facility Program (OPSC). The District chose to pay for the fencing using those state funds instead, allowing us to keep that money in Measure Z and route it back into program contingencies.
- There were some changes in HVAC spending that went from classrooms to administrative buildings. Was there a shift to administrative buildings at the expense of the schools?
    - No, administrative building upgrades were always part of the original bond plan. The change in description was purely for clarity. The state provided grant money specifically for classroom Pelican controls and CO2 monitors but barred its use in administrative areas. The bond is simply picking up the tab for the non-classroom office spaces that the state grant could not cover.
- For the buildings where there is administrative spending, are those buildings leased or owned?
    - Not currently. There were talks a couple of years ago about potentially repurposing Meyerholz, but the current plan is to lease out Meyerholz and continue to lease our facility on Mary Avenue. The administrative buildings receiving the HVAC spend are all permanent, District-owned buildings.
- The program management spend went up by nearly $10 million (to $10.7 million). Was that not done initially? What was the percentage of the project management cost? What was the total? Is it the same now or is it increased?
    - Although we knew it would not be enough, the initial allocation was a small amount just meant to get the bond program off the ground and implement the first round of projects. As we began allocating the remaining $240-plus million out of future projects, we backfilled the true program management projection to sustain the full, long-term timeline of Measure Z.
    - The total program management cost is capped at 4% of the full $347 million bond program. That percentage ceiling has not increased and is based on historical trends from Measure H.
    - The basic scope of that project has not changed. However, over a 13-year bond life cycle, District leadership has the authority to adjust management strategies—such as moving all consulting in-house or outsourcing entirely if hiring staff is difficult—which can cause these internal line-item balances to fluctuate over time.
- Is Ann Kennedy Group affiliated with the contractor in any way?
    - AKG is an independent consultant brought on to handle compliance tracking, reporting, and auditing for Measure Z. No one representing the District is affiliated with the general contractors. B&D provides the overarching program management services, and TBK handles construction management.
- This $9.7 million—is that going to be paying for the bond administrator salaries or the COO salaries?

- Yes, the ballot measure allows for certain District staff positions to be charged to the bond. However, because the Bond Program Administrator position is being eliminated due to District restructuring, that specific salary will completely disappear and will no longer be charged to the bond program going forward. The remaining $12 million budget is a multi-year projection representing 4% of the total bond life cycle.
- A flat 4% across the board is on the very low end for public school construction program management; many districts pay upward of 10% to 11% just for localized construction management. This line item also accounts for mandatory contractor pre-qualification services (CUPCCA compliance), legal fees regarding bidding disputes, and bond issuance fees—such as the $600,000 cost associated with our initial $75 million Series A sale via Bank of America.

- There was a transfer of $248 million from future projects to a contingency fund. Are there differences in allowed uses for the contingency fund versus future projects?
  - Legally, no. All expenditures from either bucket must strictly comply with the authorized ballot language. When the initial $98 million project list was passed, the rest of the authorized bond capital sat in "future projects." We consolidated that remaining $248 million into a primary contingency pool, and from there distributed it into specialized holding buckets: a $20 million district-wide project contingency, a $10 million catastrophic contingency, a $1 million emergency plumbing contingency (driven by teacher and student feedback), and a dedicated fencing contingency.
  - There should be zero dollars spent out of the contingency budget. They act strictly as holding buckets with zero active spending until staff or the Board formally identifies a specific project need.

E. INFORMATION

1. Member Questions/Comments

No additional questions or comments

F. AGENDA SETTING/FUTURE MEETINGS

- The initial calendar of proposed meeting dates, times, and intervals for the 2026–2027 school year has been drafted to mirror the current year's schedule. These dates are flexible proposals based on staff availability and can be adjusted by the committee as needed.
- The committee agreed to tentatively accept the proposed schedule—including the October 21st and March 17th dates—with the plan to officially re-evaluate the final June meeting date during their session in March.
- Committee member Christina Chu has requested to resign from her position due to personal family obligations. At the upcoming June 18th Board meeting, staff will formally bring forward an agenda item to accept her resignation and request approval to publicly post a call for new applications.
  - The Superintendent or the incoming COO will review the submissions and select a candidate. The newly appointed member will be brought to the Board for final approval at either the August or September meeting, ensuring they are fully onboarded before the first committee meeting on October 21st.
  - There are currently no other vacancies, and no members are facing removal due to consecutive unexcused absences.

Future Agenda items:

- Centegix agreement regarding on going training provided and their cost.
- Recap of the training associated with the Centegix badges.

G. ADJOURNMENT

Meeting adjourned at 8:03 PM.