



CUPERTINO UNION SCHOOL DISTRICT
Citizens' Measure H Bond Oversight Committee (CBOC)

Minutes of the February 2, 2022 Meeting 7pm

1. CALL TO ORDER:

Tony called the meeting to order at 7:03 p.m. Quorum was met.

2. ROLL CALL

Committee Members present: Jean Bedord, Wil Fluewelling, Tony Guan (left at 8:07pm), Stewart Kelly, Jennifer Rapuano, Sonia Sandu, Erik Walukiewicz, Bin Zhou.

Non-Committee Members present: Tina Bernal (CUSD), Mike Chegini (AKG), Chris Jew (CUSD), Jeff Scogin (AKG), Todd Shimada (AKG).

3. ADOPTION OF AGENDA:

The committee had no questions on this item.
There were no public comments on this item.

Motion by Jean Bedord, second by Stewart Kelly.

Yes: Jean Bedord, Wil Fluewelling, Tony Guan, Stewart Kelly, Jennifer Rapuano, Sonia Sandu, Bin Zhou

Abstentions: Erik Walukiewicz

4. CONTINUATION OF ELECTRONIC (VIRTUAL) MEETINGS

The committee had no questions on this item.
There were no public comments on this item.

Chris recommended that the CBOC approve to continue to meet via electronic (virtual) meetings for the next 30 days.

Motion by Wil Fluewelling, second by Erik Walukiewicz.

Yes: Jean Bedord, Wil Fluewelling, Tony Guan, Stewart Kelly, Jennifer Rapuano, Sonia Sandu, Erik Walukiewicz, Bin Zhou.

5. APPROVAL OF MINUTES OF SEPTEMBER 22, 2021 MEETING:

The committee had no questions on this item.
There were no public comments on this item.

Motion by Erik Walukiewicz, second by Sonia Sandhu.

Yes: Jean Bedord, Wil Fluewelling, Tony Guan, Stewart Kelly, Jennifer Rapuano, Sonia Sandu, Erik Walukiewicz, Bin Zhou.

6. NON-AGENDA PUBLIC COMMENTS

There were no non-agenda public comments.

7. CHAIRPERSON ELECTIONS

Motion to nominate Stewart Kelly for Chair by Stewart Kelly, second by Erik Walukiewicz & Jean Bedord.

Yes: Jean Bedord, Wil Fluewelling, Tony Guan, Stewart Kelly, Jennifer Rapuano, Sonia Sandu, Erik Walukiewicz, Bin Zhou

There were no public comments on this item.

Thank you to Tony for running the meeting tonight and Stewart Kelly took the gavel from Tony.

8. CUSD STAFF REPORTS:

Modernization Update - Todd Shimada

- Final Modernization Project at Blue Hills Elementary School. Construction started January 3, 2022 and is finishing up demolition and abatement by February 9, 2022. Next up will be plumbing, carpentry, mechanical, electrical.
- Finish date on target first week of August
- Blach Construction is general contractor

The committee had a question about seeing inflationary costs with the projects? Todd said it started last summer with the fire alarm project and saw typical procurement items were taking 3 months and now are 6-9 months out. Been able to stay within budget. General contractor planned well for longer lead items.

There were no public comments on this item.

9. 2012 MEASURE H BOND PROGRAM

9.1 Review of Financial & Performance Audit Reports 2020-2021 - Charles Raibley, Crowe, LLC

Charles reviewed the financial report. Page 1 reviewed the auditor's report as a stand alone entity of Measure H. Management is ultimately responsible. Auditor's role and responsibility reviewed. Page 2 Opinion, clean opinion over Measure H is the highest level of assurance. Good results this year. Requirements of standards reviewed. Page 3 Balance Sheet as of June, 2021. Fund Balance Restricted \$12,901,345 net available for future expenditures. Page 4 Revenues, Expenditures, and change in fund balance. Want to see larger expenditures in capital outlay and the majority was related to capital outlay in this example. Additional pages outlined as definitions. Page 11 and 12 showed no findings were reported.

Committee had a question regarding staff paid from bond money. Staff are happy to provide more detail on staff paid if requested. Committee then asked to confirm expenditures are audited and Crowe confirmed it is an unmodified, clean opinion provided.

Charles reviewed the performance report. Describes how they tested the expenditures on a sample basis in accordance with Prop 39. Last page scope section \$1,840,061. Methodology 19 expenditures totaling about \$900k and reviewed if they were compliant to Prop 39 and ensured they were acceptable. Conclusion: no issues reported. Good result.

Committee had no additional questions at this time.

There were no public comments on this item.

Motion to accept the audit reports by Erik Walukiewicz, second by Jean Bedord.

Yes: Jean Bedord, Wil Fluewelling, Tony Guan, Stewart Kelly, Jennifer Rapuano, Sonia Sandu, Erik Walukiewicz, Bin Zhou

Review of Annual Report Draft to the Board and Community for 2020-2021 - Mike Chegini (AKG)

Mike reviewed the annual report draft for 2020-2021. Thank you Erik and Sonia for reviewing early draft reports. Title page letter from committee chair including compliance statement. Link to audit reports at bottom of page. Bond Expenditures by total expenditures, by category, and by

school. Link to audit reports at bottom of page. Featured projects page with photos. Print link will be active after finalized.

Committee asked about Elementary, smallest sliver Collins. Committee had a question about the total expenditures numbers and requested a double check on elementary and middle school and district wide. AKG confirmed an update was made, duplicate technology item, browser might need refresh. Committee asked once it is approved tonight, when does it go to the Board and be released to the public? Chris confirmed it will be on the Board agenda for Feb. 3, 2022 to share with the Board of Education. Committee asked if the Committee Chair would attend and present and Chris/AKG confirmed that the current chair can attend and speak to it at the Board Meeting if possible. Chair Kelly confirmed he can attend Feb. 3, 2022 to present. AKG will provide a script and Tina will provide login information. Committee mentioned the project budget highlighted does not match the overall site budget, which can be confusing. Maybe an asterisk highlighting the project is only part of the overall budget. Committee requested some pictures be switched out on the featured projects section for Lawson.

There were no public comments on this item.

Motion to approve the Annual Report with requested edits by Jean Bedord, second by Jennifer Rapuano.

Yes: Jean Bedord, Wil Fluewelling, Tony Guan, Stewart Kelly, Jennifer Rapuano, Erik Walukiewicz, Bin Zhou

Abstentions: Sonia Sandu

Progress Report & Financial Report - Jeff Scogin (AKG)

- Jeff Scogin presented the progress report. The information presented was current to the end September 30, 2021.
- Page 1 - Project List as of September 30, 2021 Quarter 1. Bond project list was reviewed with the Committee. Any modifications approved by the Board of Education.
- Page 14 - Bond List Revision #22 was presented to the Board on September 23, 2021. Every revision list posted here: www.CUSDbond.org. Eaton was highlighted to show budget augmentation of \$200,000 added to the project from District Wide - Programs Contingency fund.
- Page 25 - Program Contingency outlined with details in reason.
- Page 27 - Program Report highest level. Authorization \$220M, interest earned \$3.1M, interest earned not allocated to a specific project \$23k. Cost Status in budget group. All bonds have been sold at this time.
- Page 28-38 Project Summary Report. All financial data imported directly from the District's financial system. Early on Committee requested a key indicator highlighting when a change occurred (e.g. Eaton page 29 box around icon). Start/End date defined on the last page of this section.
- \$1.8M spending in the entire fiscal year 2020-2021, During this quarter alone (July-Sept), \$1.6M spent, starting to see construction activity. Q1 expenditures: Blue Hills \$429k, Eaton \$792k, District Office lease \$135k, Lawson \$201k.

Committee had a question about vacating the district office? Chris said lease up April 2023 and will be relocating the district office at that time. New location has not been identified yet. Going through discussion with the 7-11 Surplus Committee looking at a closed school site as a potential location for the district office.

There were no public comments on this item.

Motion to accept the Progress & Financial Reports by Jennifer Rapuano, second by Erik Walukiewicz.

Yes: Jean Bedord, Wil Fluewelling, Stewart Kelly, Jennifer Rapuano, Erik Walukiewicz, Bin Zhou

Abstentions: Tony Guan, Sonia Sandu

FUTURE AGENDA ITEMS MEETING DATES

- March 16, 2022 time 7-8pm
- June 1, 2022 time 7-8pm

Committee asked if a site visit would be done at the June meeting, maybe at Blue Hills. Chris said we can revisit that at the next meeting.

There were no public comments on this item.

ADJOURNMENT: Stewart Kelly adjourned the meeting at 8:18 pm.