

Report to the Pacific Elementary School District Governing Board

by Citizens' Bond Oversight Committee Vice-chair, Andy Wilson

The committee met on Tuesday, December 15, 2015 with three duly-appointed members, one prospective member, the superintendent, and Trustee Roger Knapp. We expect to meet again with more members on January 26, 2016, at which point we hope to hammer-out and approve a report to the board regarding our review of the bond project expenditures.

Based on our preliminary discussion, we recommend that the non-bond proceeds that have been deposited in Fund 21 be transferred to another Fund to facilitate tracking the expenditure of only the bond funds.

It appears that expenses for the multi-purpose room will fall under the umbrella of the projects permissible under Measure M. However, the replacement of the Grade K-1 Independent Study classroom, while doubtlessly a worthy goal, is not listed in the text of Measure M, which explicitly calls out the preschool classroom for replacement with bond funds.

Unlike many school construction projects, there is a large amount of money available for this project that was not raised through sale of bonds. Because of this, it remains possible that the board can accomplish the construction project, while remaining true to Measure M for the funds that were raised from Measure M.

We recognize that much of the expense of the construction project will easily be divided between the Measure M-approved multi-purpose room and the non-Measure M-approved IS classroom (e.g., the cost of the individual modular buildings). However, much will not easily and cleanly divide (e.g., the architectural work, plan review by the Division of the State Architect, site-work and underground utility placement which will benefit both buildings and for which it would make no sense, or may not be possible, to contract separately). We propose that these co-mingled costs can be reasonably apportioned between the two structures by a simple floor-square-footage ratio between the two buildings unless a more appropriate measure would apply based on common sense. This will allow the costs to be apportioned between the Measure-M-approved costs from bond proceeds in Fund 21, and non-Measure M-approved costs from the district reserve fund, Moore Family Foundation grant, or other sources in a different Fund.

In the end, the oversight committee does not dictate the expenditure of funds on these projects. That is the board's job. The CBOC mandate is to report to the public whether or not the funds raised through the sale of bonds were used for the purposes outlined in Measure M. We expect the board to use its best judgment to do the right thing, and we will do our best to accurately report it to the public.

Please note that this is not a report from the CBOC, which has not vetted and approved it. This is a report from one member of your CBOC based on discussions of the committee. I submit it to you in an attempt to help you move forward with construction in the most expeditious way possible while complying as much as possible with the requirements of Measure M.