

Hermosa Beach Bond Measure J
Citizens' Oversight Committee Meeting Minutes
June 1, 2005

1. Call to Order

Sam Abrams called the meeting to order at 5:35 PM. The meeting was held at the MPR at Valley School.

2. Roll Call

Members present: Jim Hausle, Sam Abrams, Lisa Arnett, Cindy Smet, and Jim Caldwell

Guests present: Lance Widman, Pres. School Board, Sharon McClain & Angela Jones, HBCSD, and Ben Benasherov & Robert Stewart (PCM3).

3. Minutes

Jim Hausle moved approval of the Minutes from March 30, 2005. Seconded by Lisa Arnett and approved without objection.

4. Committee Re-appointment

The district is advertising for the senior citizen opening on the COC. Sam Abrams may qualify as the senior member and we could choose a new member who does not have to be a senior. Cindy Smet nominated Sam Abrams to continue as Chairman; Jim Caldwell seconded the motion and it passed unanimously. Cindy Smet nominated Gary Wayland to continue as Vice Chairman; Jim Caldwell seconded the motion and it passed unanimously.

Sam Abrams reviewed the COC activities. See the hand out in the board package.

Dr. McClain reviewed the Measure J list of projects and talked briefly about the lawsuit that has been filed by a group of neighbors, the Committee for Responsible School Expansion. The lawsuit alleges CEQA violations specifically with 1) traffic mitigation and 2) noise mitigation. Additionally the plaintiffs claim that the district cannot build the projects that were not listed in the voter pamphlet. Exhibit B, the longer list that included the media center and the gymnasium, was the list that went to the county registrar. Exhibit A, a shorter list, was in the pamphlet. Representatives for the CRSE are set to meet with the District for mediation on Friday June 3, 2005.

Sam Abrams requested that the District and/or their lawyers confirm that we are correct in using Exhibit B in our oversight duties. Dr. McClain said the District is sure that Exhibit B is the correct list to use.

5. Old Business

Dr. McClain reported that the Valley and View modernization projects are *final*. On the new construction the bids have come in at a level higher than our available funds.

Modernization/New Construction Program Budget prepared by PCM3 dated 5/26/05 (in millions):

Cost of <u>all</u> Measure J work	\$17.237
<u>Available Funds</u>	14.625
Shortfall	\$2.612

See attached report by PCM3.

Total funds status (in millions):

Funds approved by Measure J = \$15.6

Current Estimated Cost = \$18.2

Shortfall = \$ 2.6

In order to bridge the shortfall the District may use the following (in millions)

☐ Joint Use funds BCHD	\$1.5
☐ Refinancing of A Bonds	.2
☐ Developer's Fees Fund 25	.204
☐ Sale of Property Reserve Fund 40	1.3
☐ Contingencies in the bids	.5

The School Board has reached an agreement for a joint use arrangement with the Beach Cities Health District and have filed an application for \$1.5 Million with the state. We should hear the state's decision by mid July. The proposed gym is in the coastal plain and the Coastal Commission is reviewing our plans. We expect to hear in June or July if our plans are acceptable to the Commission.

The bids for the new construction were opened on May 24th and they increased from an expected level of \$6.3 million to \$7.55 million (the bids include an allowance of \$515 million.) The bids are higher than expected because 1) material costs have escalated, 2) we had to make two changes as directed by the Department of State Architects, and 3) "fear factor" on the retaining wall, so the contractor bid high. The new construction includes 4 classrooms, 2 teaching stations in the gym, the gym, and the library media center. The gym is 8,300 square feet. The construction bids are good for 60 days so if we are going to act on this bids the District must "pull the trigger" by July 24, 2005. The costs went from \$215 to \$400 per square foot.

6. New Business

- ☐ Auditors Report—The District is compliant with Measure J through June 30, 2004.
- ☐ Valley Tour-Dr. McClain will schedule the tour for the last week of June.
- ☐ Newsletter-Mr. Abrams encouraged the COC to produce another newsletter.
- ☐ Internet-COC items are now on the District's website.
- ☐ Newspaper coverage- the COC was mentioned in an "Easy Reader" article May 12, 2005

7. Communications

There were no written communications to the COC.

8. Next Meeting

Wednesday, August 24, 2005 @5:50 p.m. in the MPR of Valley School.

9. Adjournment

Mr. Hausle moved adjournment at 6:40 PM; Ms. Smet seconded and there were no objections.

Prepared by: Cindy Smet

Reviewed by Sam Abrams