



## Nevada Joint Union High School District Independent Citizens' Bond Oversight Committee, Regular Meeting Minutes

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March 4, 2019

5:00 p.m.

Nevada Joint Union High School District, District Office Conference Room  
11645 Ridge Road  
Grass Valley, CA 95945

### 1. CALL TO ORDER

Committee Chairperson (Acting) Nikolai called the meeting to order at 5:02 p.m.

### 2. ROLL CALL

Chairperson Nikolai called roll. The following committee members were present: Ms. Julie Barnum, Mr. Bob Branstrom, Ms. Eva Nau, Mr. Heino Nicolai and Mr. Andrew Wilkinson. Ms. Janet Blake, prospective committee member awaiting approval by the Board of Trustees, also was present. Upon arrival, Mr. Wilkinson mentioned he needed to leave at 5:30 p.m. because of another commitment. (Ms. Irene Frazier arrived at 5:06 p.m.)

Others present: Superintendent Brett W. McFadden, CBO Laura Flores, Director Jordan Kohler, Ms. Trisha Delaney and District Auditor, Ms. Michelle Hanson.

### 3. APPROVAL OF AGENDA

Because of Mr. Wilkinson's need to depart early, Mr. Nicolai requested the Committee approve a revised agenda with items 6.2, Elections, and 6.3, Measure B Annual Audit Report Review and Approval, be placed ahead of item 6.1, Superintendent's Welcome. Ms. Nau motioned, Mr. Branstrom seconded, and the Committee approved the revised Agenda 5-0.

### 4. PUBLIC COMMENT

There was no public comment.

### 5. CONSIDERATION OF MINUTES

The minutes from the November 5, 2018 meeting were reviewed by the Committee. Mr. Branstrom motioned, Ms. Nau seconded, and the Committee approved the meeting minutes 5-0.

### 6. DISCUSSION/ACTION ITEMS

#### 6.1 Elections

- A. Committee members were silent when Acting Chairperson Nicolai requested nominations for the Committee Chairperson so he nominated himself, which was seconded by Irene Frazier, with the Committee approving his selection 6-0.
- B. Mr. Branstrom nominated Ms. Barnum for the position of Vice-Chairperson, which she accepted and seconded, and the Committee approved her selection 6-0.

#### 6.2 Auditor's Presentation

- A. Superintendent McFadden introduced District Auditor and CPA, Michelle Hanson, to the group. He explained the financial portion of the audit focuses on proper accounting for expenditures while the Performance portion focuses on whether expenditures were handled according to voters' approval of the projects listed in Bond. Ms.

Hanson presented the results of her Measure B Bond Building Fund audit to the Committee and then answered two questions about her audit cover letter and report:

- (1) Financial statements are reported at Fair Market Value because of the cash book value maintained by the Nevada County Office of Education.
- (2) The statement regarding litigation is standard and customary – there is no litigation pending against the District in regards to its Bond program.

Mr. Branstrom motioned to approve and forward the auditor's report to the Board, which was seconded by Ms. Barnum, and approved by a vote of 6-0.

### **6.3 Superintendent's Welcome**

- A. Superintendent McFadden mentioned many of the Committee members are part of the Special CBOC / Facility Advisory Committee (FAC) along with District administrators and community leaders. There also has been some discussion and analysis in regards to the District's Bond fund and developer fee program. The District is required to levy the maximum amount in developer fees allowable in order to qualify for state match money for construction projects.
- B. Construction project costs have risen dramatically, leading the District to reprioritize its Bond projects with the help of the FAC. The Nevada County Contractors' Association has stated construction costs are rising 1% per month. The listing in your packet contains upcoming Bond projects sorted first by campus and then by District-wide priority. The District will present to the Board the eight priorities shown below:
  - (1) Silver Spring HS: Construction Technology CTE
  - (2) Nevada Union HS: Full Modernization of Music Building (Bldg. L)
  - (3) Nevada Union HS: HVAC Upgrades to Ali Gymnasium
  - (4) Bear River HS: Modernization of Multi-Purpose Room / Kitchen
  - (5) Bear River HS: HVAC for Multi-Purpose Room / Kitchen
  - (6) Silver Springs HS: Reconfiguration for Student Services
  - (7) Bear River HS: Addition of Restrooms and HVAC to McCrory Gymnasium
  - (8) Nevada Union HS: Reconfiguration of A Wing

Ms. Barnum and Mr. Branstrom asked about the construction costs and timing, in particular, construction scheduled when school is in session. Director Kohler explained that construction costs outside of the summer construction "season" are 15% lower, and that the fall construction currently scheduled—Nevada Union HS Culinary Arts and Silver Springs HS Construction Technology CTE—both involve classroom spaces that aren't now currently occupied. There will be minimal impact to the two school sites during construction. Removing asbestos at Silver Springs HS is an important component of modernizing that site.

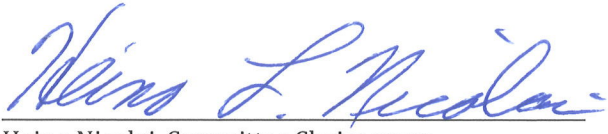
- C. Superintendent McFadden mentioned if we're racing against time, it's possible to hire a construction manager to assist the District, but it would take the firm time to get up to speed on our school sites; there is a learning curve and training required, so we prefer to use in-house staff. Director Kohler also discussed the future hiring and use of internal staff for renovation projects. The staff wouldn't be paid prevailing wage, which would reduce costs, and we can manage internally.
- D. Mr. Branstrom stated he appreciates the District including the CBOC in the FAC process, and Mr. Nicolai thanked him for bringing that up. Superintendent McFadden stated the FAC is valuable in its advisory role while the Board of Trustees has a statutory role.

### **6.4 Review of Bond Expenditures, Overall Budgets and Period Statement of Revenues and Expenditures by Project**

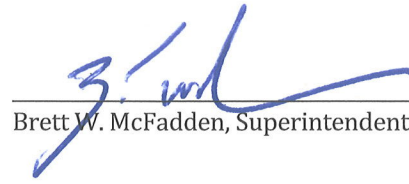
- A. The Committee had no questions regarding these documents.

7.0 Chairperson Nicolai mentioned he would be attending the Board of Trustees meeting on Wednesday, March 13<sup>th</sup> and encouraged other Committee members to attend.

8.0 The meeting was adjourned at 5:53 p.m. after a motion by Ms. Frazier, which was seconded by Ms. Nau.



Heino Nicolai, Committee Chairperson



5/8/19

Brett W. McFadden, Superintendent / Committee Secretary