

MEETING OF PASADENA UNIFIED SCHOOL DISTRICT CITIZENS  
OVERSIGHT COMMITTEE MEETING  
WEDNESDAY, NOVEMBER 15, 2017  
351 SOUTH HUDSON AVENUE, CONFERENCE ROOM 236  
PASADENA, CALIFORNIA 91109

REPORTED BY:  
HEATHERLYNN GONZALEZ  
CSR #13646

1 P R E S E N T

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3 CLIFTON CATES

4 FRANCIS BOLAND

5 GLENN DE VEER

6 GRETCHEN VANCE

7 JAMES V. VITALE

8 JEN G. WANG

9 MIKE MOHIT

10 QUINCY HOCUTT

11 WILLIE ORDONEZ

12 NELSON CAYABYAB

13 KIMBERLY KENNE

14 MIGUEL PEREZ

15 JUDY MCKINLEY

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1 WEDNESDAY, NOVEMBER 15, 2017; PASADENA, CALIFORNIA

2 6:34 P.M.

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4 MR. CATES: IT IS 6:34. THERE BEING A QUORUM, I  
5 CALL THE MEETING TO ORDER.

6 THE FIRST ITEM OF BUSINESS IS PUBLIC COMMENT. IS  
7 THERE ANY PUBLIC COMMENT? THERE BEING NONE, I MOVE ON TO  
8 APPROVAL OF THE DRAFT MINUTES OF THE OCTOBER 2017 MEETING.  
9 IT SAYS 2018, BUT IT SHOULD SAY 2017.

10 QUINCY.

11 MR. HOCUTT: OKAY. WE DO -- THE VERBATIM  
12 TRANSCRIPT WAS RECEIVED, BUT WE DON'T HAVE THE FIRST DRAFT  
13 FROM THE DISTRICT, SO THE MINUTES HAVE NOT BEEN PREPARED  
14 FOR OCTOBER. SO THEY'RE NOT YET READY.

15 MR. CATES: WHAT WAS OUR AGREEMENT WITH THE  
16 DISTRICT BACK IN SEPTEMBER OF 2016 ABOUT THE PROVISION OF  
17 DRAFT MINUTES?

18 MR. HOCUTT: THE AGREEMENT WITH THE DISTRICT IS  
19 THAT THEY WOULD PROVIDE A DRAFT THAT WE WOULD THEN PROCEED  
20 TO EDIT AND TURN INTO THE FORM OF MINUTES. SO THE  
21 REQUIREMENT IS TO RECEIVE THAT DRAFT AT LEAST A WEEK  
22 BEFORE THIS MEETING.

23 MR. CATES: MIGUEL, WHAT HAPPENED?

24 MR. PEREZ: IT WASN'T POSSIBLE.

25 MR. CATES: WHY NOT?

1 MR. PEREZ: I'M NOT GOING TO ENTER INTO THAT  
2 DETAIL.

3 MR. CATES: PERHAPS YOU DON'T RECALL, BUT THE  
4 LAW --

5 MS. VANCE: I HAVE TO CLOSE THE DOORS BECAUSE I  
6 CAN'T HEAR. IS THAT OKAY?

7 MR. CATES: SURE.

8 THAT BOTH THE LAW AND OUR BYLAWS REQUIRE THE  
9 DISTRICT TO PROVIDE ALL NECESSARY ADMINISTRATIVE SUPPORT  
10 TO THE COMMITTEE, AND THAT WE AGREED WITH THE DISTRICT IN  
11 SEPTEMBER OF 2016 THAT THE DISTRICT WOULD PROVIDE A FIRST  
12 DRAFT OF THE MINUTES AS QUINCY DESCRIBED.

13 ARE YOU TELLING ME NOW THAT YOU'RE NOT GOING TO  
14 TELL US WHY THAT WASN'T DONE?

15 MR. PEREZ: THEY WERE NOT READY. SIMPLY THAT.  
16 I'M NOT GOING TO GET INTO THE DETAIL.

17 MS. VANCE: SO DID THEY EVER GET -- DID YOU EVER  
18 GET A DRAFT? HAVE WE GOTTEN A DRAFT YET?

19 MR. PEREZ: NO.

20 MS. VANCE: OKAY. THEY JUST HAVEN'T YET.

21 MR. CATES: ALL RIGHT. JUST SO THAT THE  
22 COMMITTEE IS CLEAR, I WILL TAKE THIS UP WITH THE  
23 SUPERINTENDENT DIRECTLY.

24 THE PERSON WHO JUST ENTERED THE ROOM IS FRANCES  
25 BOLAND.

1           OKAY. MOVING ON TO ITEM 4 BUSINESS: REPORT OF  
2 THE PUBLIC OUTREACH SUBCOMMITTEE INCLUDING SITE COUNCIL  
3 ACTIVITIES. THIS WAS PUT NEAR THE TOP OF THE AGENDA AT  
4 DIANA VERDUGO'S REQUEST SO THAT SHE COULD DISCUSS  
5 PARTICIPATION ON THE SITE COUNCIL BY MEMBERS OF THIS  
6 COMMITTEE AND RELATED MATTERS. UNFORTUNATELY, HER  
7 BROTHER-IN-LAW WAS INVOLVED IN AN AUTOMOBILE ACCIDENT THIS  
8 AFTERNOON. SHE LEFT ME A MESSAGE SAYING THAT SHE WAS ON  
9 HER WAY TO THE HOSPITAL. I DON'T KNOW ANY OF THE DETAILS,  
10 BUT SHE SAID THAT SHE LEFT MATERIAL WITH MIGUEL FOR HIM TO  
11 DISTRIBUTE.

12           I JUST GOT IT. I HAVEN'T SEEN IT. PERHAPS WE  
13 CAN TAKE A MOMENT AND REVIEW IT. I SEE REPRESENTATION OF  
14 CITIZENS OVERSIGHT COMMITTEE ON P.U.S.D. SCHOOL SITE  
15 COUNCILS, A DRAFT OF NOVEMBER 15TH, 2017.

16           MS. VANCE: I DIDN'T GET THAT. OKAY.

17           MR. CATES: NOW, DIANA SAID IN HER BRIEF  
18 VOICEMAIL MESSAGE THAT WHAT SHE REALLY WANTS IS TO MAKE  
19 SURE THAT WE COVER ALL OF THE SITE COUNCILS. I KNOW THAT  
20 SOME OF YOU HAVE ALREADY VOLUNTEERED, BUT WE REALLY DO  
21 NEED TO HAVE A REPRESENTATIVE ON EACH ONE OF THEM.

22           SO FOR THOSE PEOPLE WHO HAVE NOT SIGNED UP,  
23 PLEASE DO SO SO THAT I DON'T HAVE TO ASSIGN PEOPLE TO  
24 SCHOOLS.

25           MS. VANCE: I HAVE TWO QUESTIONS. NUMBER ONE, DO

1 WE HAVE THE INFORMATION THAT DIANA -- OR ARE YOU THE ONLY  
2 ONE THAT HAS THAT INFORMATION?

3 MR. CATES: NO. IT'S IN YOUR MEETING MATERIALS.

4 MR. PEREZ: NO, IT'S NOT.

5 MR. CATES: IT'S NOT?

6 MR. PEREZ: NO, BECAUSE SHE GAVE IT TO ME. BUT I  
7 DID NOT KNOW IF SHE WAS AUTHORIZED TO PROVIDE ME MATERIAL  
8 TO YOU. SO I GIVE IT TO YOU. AND YOU DECIDE TO  
9 DISTRIBUTE IT OR NOT.

10 MR. HOCUTT: SO THESE ARE COPIES?

11 MR. PEREZ: THAT'S WHAT SHE GAVE ME. AND EXACTLY  
12 AS SHE GAVE IT TO ME, I AM GIVING IT TO YOU.

13 MR. CATES: AM I THE ONLY ONE?

14 MR. PEREZ: YES.

15 MR. CATES: EXCUSE ME. LET ME PASS THESE AROUND.  
16 I DON'T THINK THERE ARE ENOUGH COPIES. I HAVEN'T HAD AN  
17 OPPORTUNITY TO REVIEW THESE HAVING JUST RECEIVED THESE  
18 FROM MIGUEL.

19 MR. DE VEER: BUT IN A NUTSHELL SHE WANTS TO MAKE  
20 SURE THAT EVERY SCHOOL AS REPRESENTATIVE HERE; RIGHT?

21 MR. CATES: EXACTLY. THAT'S WHAT SHE SAID ON THE  
22 BRIEF VOICEMAIL MESSAGE. I TRIED TO CALL HER BACK, BUT  
23 COULDN'T CONNECT.

24 MS. VANCE: I DO KNOW THAT THERE ARE A COUPLE OF  
25 US THAT ACTUALLY SIT ON A SCHOOL SITE COUNCILS. I'M

1 STEVEN COLE IS ON A SCHOOL SITE COUNCIL. I'M THE CHAIR OF  
2 PHS, SO -- AND I ALSO BELIEVE THAT DIANA PROBABLY WANTED  
3 TO US SHARE OUR FEEDBACK BACK FROM THE SCHOOL SITE  
4 COUNCILS. AND I KNOW WILLIE HAS SOMETHING TO SAY ABOUT  
5 THAT.

6 BUT IS THIS THE TIME, CLIFF, THAT YOU WANT TO  
7 GIVE THAT REPORT FROM THE SCHOOL SITE COUNCILS?

8 MR. CATES: I'M IN NO POSITION TO GIVE A REPORT  
9 BECAUSE I DON'T KNOW WHAT TO SAY.

10 MS. VANCE: NO. WHAT I MEAN, FOR THOSE OF US WHO  
11 ARE A PART OF SCHOOL SITE COUNCILS, IS NOW THE TIME YOU  
12 WANT US TO GIVE THOSE REPORTS SINCE DIANA IS NOT HERE?

13 MR. CATES: LET'S DO IT.

14 MR. DE VEER: BEFORE WE DO THAT, I WAS JUST  
15 LOOKING OVER THESE TWO DOCUMENTS, AND I'VE BEEN THE  
16 MARSHALL SITE COUNCIL REP FOR OVER A YEAR, AND I'M NOT  
17 EVEN LISTED ON THIS DOCUMENT.

18 MS. VANCE: CAN WE -- LET'S TAKE ONE THEN AND  
19 I'LL WRITE MASTER ON IT, AND LET'S CIRCULATE IT. AND IF  
20 YOU WANT TO CHANGE THE INFORMATION OR IT'S WRONG, CROSS IT  
21 OUT AND I'LL SCAN IT AND E-MAIL IT BACK TO DIANA. IF YOU  
22 DON'T MIND.

23 MR. DE VEER: I DON'T MIND.

24 MS. VANCE: SO IS THAT GOOD WITH EVERYONE? I'LL  
25 TAKE THAT UPON MYSELF. IS THERE TWO OR JUST ONE?

1 MR. DE VEER: TWO.

2 MS. VANCE: IS IT TWO DIFFERENT ONES? I THINK  
3 THEY'RE ALL THE SAME.

4 SO WHAT I'M GOING TO DO IS, I'M GOING TO MAKE  
5 THIS A MASTER. I'M GOING TO WRITE MASTER ON IT ON THE  
6 TOP. TAKE A LOOK AT THIS. I'M GOING TO CIRCULATE THIS  
7 AROUND. WHATEVER SCHOOL SITE YOU WANT TO BE ON OR IF IT'S  
8 WRONG, JUST SEND IT BACK THIS WAY BECAUSE I WANT TO CHECK  
9 PHS. AND THEN, CLIFF, I KNOW WILLIE HAS SOMETHING TO SAY  
10 ABOUT THIS SCHOOL SITE.

11 MR. CATES: YES, WILLIE.

12 MR. ORDONEZ: LONGFELLOW.

13 MS. VANCE: OH, LONGFELLOW. OKAY.  
14 GO AHEAD.

15 MR. ORDONEZ: I ATTENDED THE LONGFELLOW  
16 ELEMENTARY SCHOOL SITE COUNCIL LAST OCTOBER 18TH.  
17 MR. NELSON CAYABYAB REPORTED 80 PERCENT OF THE GENERAL  
18 CONSTRUCTION PHASES WERE ACCOMPLISHED AND READY FOR REVIEW  
19 AND APPROVAL BY THE DSA. HE INFORMED MS. ERICA ENGBER  
20 (PHONETIC), PRINCIPAL, AND HER STAFF OF A PERCEIVED 25  
21 PERCENT ESCALATION COST ON THE THREE MILLION CLASS  
22 BEGINNING BUDGET. NO FURTHER DETAILS MENTIONED.

23 SOME RENDERING ON THE SCREEN WAS SHOWN AND THE  
24 STAFF WERE IMPRESSED WITH WHAT THEY SAW. THEY BROUGHT UP  
25 SOME QUESTIONS ABOUT SOME OF THE DESIGN. MR. CAYABYAB



1 INFORMED THE GROUP THAT CONSTRUCTION IS TO START IN EARLY  
2 2019, AND IT WILL RUN -- OR THE COMPLETION WILL BE ABOUT  
3 12 TO 18 MONTHS. THAT'S ALL I CAN GIVE.

4 MS. VANCE: OKAY.

5 MR. CATES: ANYTHING MORE ON SITE COUNCILS?

6 I ENCOURAGE ALL OF YOU WHO ARE NOT SIGNED UP TO  
7 MAKE YOUR PREFERENCES NOW. IT'S AN IMPORTANT PART OF OUR  
8 PUBLIC OUTREACH.

9 MS. KENNE: FOR EACH OF THE SCHOOLS CURRENTLY  
10 UNDER CONSTRUCTION SO FIVE; RIGHT, DO WE HAVE A LIAISON AT  
11 LEAST TO THOSE?

12 MS. VANCE: WHAT ARE THOSE SCHOOLS? CAN YOU GIVE  
13 ME THOSE REAL QUICK AND I'LL CIRCLE THEM ON THIS LIST.

14 MS. KENNE: PHS, MUIR, WASHINGTON ELEMENTARY,  
15 NORMA COOMBS, BLAIR. I KNEW THERE WAS ANOTHER ONE.

16 AND THE REASON I ASK IS AT OUR LAST -- I MEAN, IT  
17 WAS ONE OR TWO FACILITY MEETINGS AGO, BOTH THE MUIR  
18 PRINCIPAL AND THE PHS PRINCIPAL CAME TO FACILITIES. AND I  
19 JUST GOT THE IMPRESSION THAT THEY COULD USE MORE  
20 INFORMATION OR, YOU KNOW, THERE'S A DESIRE TO HAVE  
21 UP-TO-DATE INFORMATION BECAUSE THEY DO GET A LOT OF  
22 QUESTIONS FROM PARENTS AND PEOPLE.

23 MS. VANCE: SO I CIRCLED THE SCHOOLS. SO IT  
24 LOOKS LIKE CURRENTLY WE HAVE NO ONE AT NORMA COOMBS. WE  
25 HAVE -- DIANA'S AT WASHINGTON, SO THAT ONE'S PROBABLY WELL

1 COVERED. STEVE'S AT BLAIR. CAMILLE DUDLEY, SHE ON THIS  
2 COMMITTEE?

3 MR. CATES: YES. SHE WAS NOT ABLE TO ATTEND  
4 TONIGHT.

5 MS. VANCE: FOR MUIR, AND THEN I'M ON PHS. SO WE  
6 LOOK PRETTY COVERED, BUT WE'LL STILL CIRCULATE THIS.

7 MS. VANCE: WHY DON'T YOU GO AHEAD AND PUT YOUR  
8 NAME ON LONGFELLOW SINCE WE --

9 MR. CATES: BY THE WAY, FOR THE BENEFIT OF THE  
10 REPORTER, RECENTLY ENTERING, KIM KENNE, K-E-N-N-E, OUR  
11 LIAISON FROM THE BOARD OF EDUCATION AND JUST NOW NELSON  
12 CAYABYAB, WHO IS THE CHIEF FACILITIES OFFICER.

13 TONIGHT WE ARE PRIVILEGED TO WELCOME LINDSAY  
14 THORSON WITH THE FIRM ATKINSON ANDELSON LOYA RUUD & ROMO,  
15 THE DISTRICT'S COUNSEL. AND SHE'S GOING TO GIVE US A  
16 PRESENTATION ON PROPOSITION 39 BOND OVERSIGHT COMMITTEE  
17 COMPENSATION AND DUTIES. HER POWERPOINT PRESENTATION IS  
18 INCLUDED IN THE MEETING MATERIALS. AND AFTER HER  
19 PRESENTATION, THERE WILL BE A QUESTION-AND-ANSWER SESSION.

20 SO I TURN THE FLOOR OVER TO YOU.

21 MS. THORSON: THANK YOU. SO I'M GOING TO SIT  
22 HERE WITH ALL OF YOU SO THIS IS A PRETTY INFORMAL  
23 PRESENTATION. THE DISTRICT THOUGHT, SINCE THERE MAY BE  
24 SOME NEW MEMBERS AND BACK AND FORTH, IT WOULD BE GOOD JUST  
25 TO GO OVER SPECIFICALLY WHAT THE CODE SAYS THAT THE

1 COMMITTEES REQUIREMENTS ARE, WHAT THE COMPOSITION SHOULD  
2 BE, AND WHAT THE DUTIES OF THE COMMITTEE ARE. AND THEN  
3 I'M HERE TO ANSWER ANY QUESTIONS RELATED TO -- TO THOSE  
4 TOPICS.

5 SO YOU HAVE MY SLIDES, HANDOUTS IN YOUR PACKET.  
6 AND ON THE FIRST PAGE, REALLY JUST GOES OVER THE FEW  
7 THINGS THAT WE'RE GOING TO GO THROUGH THIS EVENING: WHAT  
8 THE REQUIREMENTS ARE, WHY WE HAVE THE COMMITTEE, YOUR  
9 PURPOSE, THE ALLOWABLE ACTIVITIES, YOUR RESPONSIBILITIES,  
10 THE DISTRICT'S RESPONSIBILITIES, AND THEN COMPOSITION OF  
11 THE COMMITTEE.

12 SO THE REASON THAT WE HAVE THIS COMMITTEE IS  
13 BECAUSE PROP 39 ALLOWED FOR CERTAIN TYPES OF BONDS TO BE  
14 PASSED AS LONG AS A COMMITTEE WAS FORMED, WHICH IS YOU, TO  
15 MAKE SURE THAT THE DISTRICT USED THOSE BOND FUNDS  
16 PROPERLY. AND SO IN THE BROADEST SENSE, THE DUTY OF THIS  
17 COMMITTEE IS TO MAKE SURE, LOOKING AT HOW THE DISTRICTS  
18 SPENDS THEIR FUNDS, THAT THOSE BOND FUNDS HAVE BEEN  
19 EXPENDED CORRECTLY AND AS OUTLINED IN THE BOND. SO YOUR  
20 PURPOSE, AS SET OUT IN THE CODE ON THE NEXT PAGE UNDER  
21 PURPOSE OF THE COMMITTEE, ONE, IS TO INFORM THE PUBLIC  
22 ABOUT THE EXPENDITURES; SO MAKING SURE THAT THE PUBLIC IS  
23 AWARE OF HOW THOSE FUNDS ARE BEING USED. SECONDLY, TO BE,  
24 YOU KNOW, ACTIVELY RENEWING -- OR REVIEWING AND REPORTING  
25 AND MAKING SURE THAT THE COMMUNITY KNOWS WHETHER THE

1 EXPENDITURES ARE PROPER EXPENDITURES OR IF THEY'RE NOT.  
2 SO IT'S REALLY AN INFORMATIONAL DUTY TO MAKE SURE THE  
3 COMMUNITY KNOWS WHAT'S HAPPENING WITH THE FUNDS.

4 AND THEN CONTINUING WITH THAT, THIS JUST GOES  
5 INTO A LITTLE MORE DETAIL, MAKING SURE THAT, ONE, THE  
6 FUNDS ARE EXPENDED AS THEY SHOULD BE AND AS THEY'RE LAID  
7 OUT IN THE CODE AND IN THE BOND; BUT THEN, TWO, MAKING  
8 SURE FUNDS AREN'T USED FOR THINGS THAT THEY'RE  
9 SPECIFICALLY NOT ALLOWED TO BE USED FOR. IN THIS CASE,  
10 TEACHER AND ADMINISTRATIVE SALARIES, GENERAL OPERATING  
11 EXPENSES.

12 AND THEN GOING ON TO THE ALLOWABLE ACTIVITIES OF  
13 THE COMMITTEE, HERE WE HAVE LISTED OUT IN THE CODE A  
14 SPECIFIC SET OF WHAT THE LEGISLATORS FELT WOULD BE YOUR  
15 DUTIES AS PART OF THIS. SO SAYS YOU MAY ENGAGE IN ANY OF  
16 THE FOLLOWING ACTIVITIES. SO THESE AREN'T MANDATORY  
17 NECESSARILY, BUT JUST THE TYPES OF THINGS THAT WOULD BE  
18 ENGAGED IN. SO, AGAIN, IT'S RECEIVING AND REVIEWING  
19 COPIES OF THE AUDITS. IT'S INSPECTING SCHOOL FACILITIES  
20 AND GROUNDS TO MAKE SURE THAT, WHEN BOND FUNDS WERE  
21 EXPENDED THERE, THAT THEY WERE EXPENDED FOR WHAT WE WERE  
22 TOLD THEY WERE GOING TO BE EXPENDED FOR AND DONE PROPERLY.  
23 AND THEN ON TO THE NEXT PAGE, LOOKING AT DEFERRED  
24 MAINTENANCE PROPOSALS AND PLANS. AND THEN, LASTLY,  
25 LOOKING BACK AT THE EFFORTS OF THE DISTRICT TO MAXIMIZE

1 BOND FUNDS AND MAKE SURE THAT, WHEN POSSIBLE, THAT COST  
2 SAVING MEASURES ARE IMPLEMENTED AS WELL.

3 AND THEN ON TO WHAT THE RESPONSIBILITIES OF THE  
4 DISTRICT ARE. SO IN ORDER TO SUPPORT THIS COMMITTEE, THE  
5 DISTRICT HAS TO PROVIDE YOU BOTH WITH TECHNICAL ASSISTANCE  
6 AND ADMINISTRATIVE ASSISTANCE IN ORDER THAT YOU CAN BE A  
7 FUNCTIONING AND EFFICIENT COMMITTEE. SO IT'S PROVIDING  
8 THE MEETING SPACE, THE KIND OF BEHIND-THE-SCENES  
9 ASSISTANCE TO MAKE SURE YOU HAVE THEM.

10 AND AS YOU CAN SEE WITH YOUR AGENDAS AND THE  
11 MEETING AT THE DISTRICT OFFICE NOTICES ALL OF YOUR  
12 MEETINGS ARE MEETINGS THAT ARE BE TO BE OPEN TO THE PUBLIC  
13 AND BE NOTICED SO THAT ANYONE IN THE COMMUNITY THAT'S  
14 INTERESTED IN WHAT'S HAPPENING WITH THE BOND FUNDS IS  
15 AWARE, KNOWS THEY CAN COME TO THE COMMITTEE MEETINGS, AND  
16 HEAR WHAT'S BEING DISCUSSED.

17 ALONG WITH THAT, A REPORT HAS TO BE ISSUED AT  
18 LEAST ONCE A YEAR BY THE COMMITTEE TO GO OVER WHAT YOUR  
19 ANALYSIS OF THE DISTRICT'S USE OF THE FUNDS WILL BE. AND  
20 IN ADDITION TO THAT, ON THE DISTRICT'S WEB SITE WE HAVE TO  
21 INCLUDE THE MINUTES OF THE COMMITTEE MEETINGS, DOCUMENTS  
22 THAT YOU RECEIVE AT MEETINGS, SO SUCH AS MY REPORT WILL BE  
23 UP THERE AND ANY OF THE OTHER REPORTS THAT YOU RECEIVED  
24 TODAY, SO THAT THE COMMUNITY HAS AS MUCH INFORMATION AS  
25 POSSIBLE.

1           AND THE COMPOSITION DECISION OF THE COMMITTEE IS  
2     DESIGNED TO MAKE SURE THAT VARIOUS PARTS OF THE COMMUNITY  
3     ARE REPRESENTED ON THE COMMITTEE. SO WE WANT TO HAVE --  
4     WE NEED TO HAVE AT LEAST SEVEN MEMBERS, BUT THERE CAN BE  
5     MORE THAN THAT. SO YOUR COMMITTEE IS A LITTLE LARGER THAN  
6     THAT. AND OF THE COMMITTEE MEMBERS THAT WE WANT TO HAVE,  
7     SOMEONE ACTIVE IN A BUSINESS ORGANIZATION, A MEMBER ACTIVE  
8     IN A SENIOR ORGANIZATION, ONE IN A TAXPAYER ORGANIZATION,  
9     AND THEN A PARENT, AND ALSO A PARENT WHO'S ACTIVE IN PTA  
10    OR SCHOOL SITE COUNCILS TYPE OF DEALS.

11           AND YOU AS A COMMITTEE ARE VERY IMPORTANT BECAUSE  
12    THERE'S CONSEQUENCES TO THE DISTRICT IF THERE'S NOT A  
13    COMMITTEE IN PLACE. AND THOSE ARE LISTED OUT ON THESE  
14    LAST TWO PAGES, AND A CITIZEN THAT'S PAYING TAXES IN THE  
15    COMMUNITY CAN ACTUALLY FILE A COMPLAINT AND MOVE FORWARD  
16    SO THAT BOND EXPENDITURES CAN ACTUALLY BE HALTED IF THE  
17    PROPER USE OF THE FUNDS ISN'T BEING -- ISN'T BEING  
18    PERFORMED BY DISTRICT. SO YOU SERVE A VERY VALUABLE  
19    FUNCTION AND THE OVERALL FUNCTION IS REALLY TO LOOK BACK  
20    AT WHAT THE DISTRICT HAS DONE AS FAR AS EXPENDING FUNDS,  
21    AND THEN MAKING SURE YOUR ANALYSIS OF THAT, WHETHER IT WAS  
22    DONE PROPERLY OR NOT, IS COMMUNICATED TO THE PUBLIC SO  
23    THAT THEY CONTINUALLY, YOU KNOW, ON AN ANNUAL BASIS AT  
24    LEAST KNOW WHAT'S HAPPENING WITH THE DISTRICT'S MONEY AND  
25    HAS YOU AS THE COMMUNITY MEMBERS TELLING THEM THAT IT'S

1 BEING EXPENDED PROPERLY OR IF THERE'S A CONCERN.

2 SO THAT IS THE COMMITTEE IN A NUTSHELL. AND I'M  
3 AVAILABLE TO ANSWER ANY QUESTIONS THAT YOU MAY HAVE ABOUT  
4 THAT.

5 YES.

6 MR. CATES: JAMES, YES.

7 MR. VITALE: FIRST OF ALL, ON PAGE 1,  
8 CONSEQUENCES OF FAILURE TO COMPLY.

9 MS. THORSON: YES.

10 MR. VITALE: WHAT ARE THE CONSEQUENCES IF THE  
11 DISTRICT FAILS TO COMPLY WITH THE MINIMUM REQUIREMENTS  
12 THAT ARE CONTAINED WITHIN THIS DOCUMENT?

13 MS. THORSON: IT'S THE CONSEQUENCES OF FAILING TO  
14 COMPLY WITH FORMING THE COMMITTEE. IT WOULD BE -- AND  
15 THOSE ARE LISTED ON THE LAST TWO PAGES. SO THEY CAN'T --  
16 SOMEONE FROM THE COMMUNITY, IF THEY SUE THE DISTRICT,  
17 COULD GET AN ORDER RESTRAINING AND PRESENTING THE  
18 EXPENDITURE OF BOND FUNDS.

19 MR. VITALE: IF THE COMMITTEE CANNOT PERFORM ITS  
20 SERVICES IN THE MANNER THAT THEY ARE DIRECTED TO DO SO  
21 BECAUSE OF A FAILURE OF THE DISTRICT TO PROVIDE THE  
22 NECESSARY SUPPORT SERVICES IN A TIMELY FASHION, WHAT IS  
23 THE PENALTY FOR THEIR FAILURE TO DO SO?

24 MS. THORSON: WELL, THAT WOULD REFER SOMEONE FROM  
25 THE COMMUNITY --

1 MR. VITALE: WE ARE THE COMMUNITY; ARE WE NOT?

2 MS. THORSON: YOU ARE THE COMMUNITY. SO IF THE  
3 DISTRICT -- IF THERE WAS A LAWSUIT, IF SOMEONE TRIED TO  
4 SEEK A RESTRAINING ORDER STOPPING THE FUNDS, THEN THAT'S  
5 WHAT WOULD GO FORWARD AND ULTIMATELY IT TO WOULD BE A  
6 JUDGE'S DECISION.

7 MR. VITALE: ARE YOU SUGGESTING THEN, IF I  
8 UNDERSTAND CORRECTLY, THAT THE ONLY POLICE POWER THAT WE  
9 AS A COMMISSION HAVE IN ORDER TO ENFORCE UPON THE DISTRICT  
10 THEIR RESPONSIBILITIES TO ADHERE TO THE MINIMUM  
11 REQUIREMENTS OF THIS IS BY LEGAL ACTION?

12 MS. THORSON: WELL, YOU CAN WORK WITH THE  
13 DISTRICT TO TRY AND SEE IF THERE'S SOMETHING THAT'S  
14 HAPPENING THAT THE COMMITTEE FEELS LIKE YOU NEED  
15 ADDITIONAL SUPPORT, THEN WOULD I SAY MANY OF THE INITIAL  
16 STEPS WOULD BE TALKING ABOUT WITH THE DISTRICT OR --

17 MR. VITALE: AND THAT HAS BEEN ATTEMPTED TO HAVE  
18 BEEN DONE, WHICH ALSO FALLS BACK TO, HOW TIMELY WAS THIS  
19 COMMISSION TO HAVE BEEN CREATED ONCE THE BOND HAS BEEN  
20 APPROVED?

21 MS. THORSON: I DON'T KNOW WHEN THIS COMMITTEE  
22 WAS FORMED. I WASN'T INVOLVED AT THAT TIME.

23 MR. VITALE: FROM WHAT I CAN UNDERSTAND, THERE  
24 WAS AS MUCH AS A THREE-YEAR DELAY BETWEEN THE BEGINNING TO  
25 EXPEND FUNDS FROM THE BOND TO THIS COMMITTEE COMING INTO



1 PLACE, AND ONLY IN THE PAST TWO YEARS HAS THE COMMITTEE  
2 REALLY BEEN FULLY STAFFED AND BROUGHT UP ISSUES UNDER NOT  
3 THE ORIGINAL SUPERINTENDENT OF SCHOOL OR THE ORIGINAL  
4 FACILITIES DIRECTOR, BUT LATER SUPERINTENDENTS AND  
5 FACILITIES DIRECTORS COMING INTO THE MIX. SO THERE'S BEEN  
6 A DISJOINTED TRANSFER OF AUTHORITY THROUGHOUT THE TERM OF  
7 THE COMMISSION.

8 MS. THORSON: I DON'T KNOW THE BACKGROUND OF THE  
9 COMMITTEE, SO I CAN'T SPEAK TO YOU WHETHER OR NOT --

10 MR. VITALE: NO DISRESPECT INTENDED, BUT IS IT  
11 NOT YOUR RESPONSIBILITY AS LEGAL COUNSEL TO THE DISTRICT  
12 TO HAVE SOME PREPARATION AND UNDERSTANDING OF WHAT THIS  
13 COMMITTEE IS ABOUT?

14 MS. THORSON: I CAME TODAY JUST TO GIVE A GENERAL  
15 OVERVIEW OF THE RESPONSIBILITIES OF THE COMMITTEE. SO  
16 THAT'S THE AGENDIZED ITEM. BUT IF THERE'S OTHER  
17 QUESTIONS, THEN YOU CAN FOLLOW UP WITH THAT TOO.

18 MR. CATES: QUINCY.

19 MR. HOCUTT: I HAVE ONE. MAYBE JUST A QUESTION  
20 FOR CLIFF.

21 THE DAY THAT YOU PRESENTED, ISN'T THAT IN THE  
22 CONTAINED IN OUR WEB SITE AND THE DOCUMENTS WE POSTED  
23 THERE PUBLICLY. I MEAN, IS THIS ANYTHING NEW THAT THE  
24 COMMITTEE DOESN'T KNOW ABOUT?

25 MS. THORSON: THERE HAD BEEN A REQUEST, I BELIEVE

1 TO HAVE A REFRESHER ON THE COMMITTEE REQUIREMENTS AND  
2 OBLIGATIONS ITSELF. THAT IS WHY I'M HERE TONIGHT.

3 MR. CATES: WELL, QUINCY, IN ANSWER TO YOUR  
4 QUESTION, YES. ALL OF THE MATERIAL THAT MS. THORSON JUST  
5 SUMMARIZED HAS BEEN POSTED ON OUR WEB SITE FOR SOME TIME.  
6 I THINK -- I HOPE THAT THE COMMITTEE MEMBERS ARE FAMILIAR  
7 WITH IT. THE REASON WE INVITED MS. THORSON IS BECAUSE  
8 FRANCES BOLAND REQUESTED IT.

9 MR. BOLAND: THANK YOU FOR COMING. I HAVE A  
10 QUESTION FOR YOU. WHAT IS THE MECHANISM FOR DISPUTE  
11 RESOLUTION BETWEEN THE COMMITTEE AND THE SCHOOL DISTRICT  
12 WITH THE SCHOOL BOARD? FOR INSTANCE, THIS COMMITTEE IS  
13 STUCK ON THE QUESTION OF LEGAL FEES THAT, YOU KNOW, HAS  
14 BEEN ASKED AND ASKED AND ASKED AND ASKED. AND SOMEWHAT  
15 ANSWERED BY THE SCHOOL DISTRICT AND BY THE AUDITOR WHO  
16 ACTUALLY SAID THE EXPENDITURE WAS OKAY, BUT THEY DISAGREE  
17 WITH THE AUDITOR AND NOW THEY WANT TO AUDIT THE AUDITOR OR  
18 HAVE A FORENSIC AUDIT.

19 IS THERE SOME MECHANISM TO RESOLVE THESE TYPES OF  
20 DISAGREEMENTS? THEY'RE BOUND TO HAPPEN.

21 MS. THORSON: WELL, AGAIN, THE COMMITTEE'S ROLE  
22 IS TO LOOK AT EVERYTHING THE DISTRICT HAS DONE AND SAY, WE  
23 THINK IT WAS DONE PROPERLY OR IT WAS DONE IMPROPERLY, AND  
24 PUT THAT REPORT OUT TO THE PUBLIC. SO THE COMMITTEE'S  
25 ROLE IS AN INFORMATIONAL ROLE, NOT AN ENFORCEMENT ROLE.

1 SO IF YOU PUT OUT A REPORT AND YOU SAY, WE FEEL THAT THERE  
2 ARE DISCREPANCIES OR THERE'S ISSUES THAT AREN'T RESOLVED,  
3 THEN IT WOULD BE NOT THE COMMITTEE'S ROLE TO ENFORCE THAT,  
4 BUT JUST TO MAKE THAT INFORMATION AVAILABLE TO THE PUBLIC.

5 MR. BOLAND: SO THERE'S NO ENFORCEMENT MANDATE?

6 MS. THORSON: ON THE COMMITTEE THE.

7 MR. BOLAND: RIGHT.

8 MS. THORSON: NO. THE COMMITTEE IS JUST  
9 INFORMATIONAL.

10 MR. BOLAND: NO ENFORCEMENT MANDATE AND THERE'S  
11 NO ENFORCEMENT POWERS OTHER THAN AS A CITIZEN GETTING AN  
12 INJUNCTION.

13 MS. THORSON: YEAH. IF SOMEBODY FELT THAT THE  
14 BOND MONEY WAS NOT BEING USED PROPERLY, THAT COULD BE --

15 MR. BOLAND: ANYBODY COULD DO THAT; RIGHT?

16 MS. THORSON: RIGHT. IT'S NOT A POWER OF THE  
17 COMMITTEE.

18 MR. BOLAND: BUT THE COMMITTEE COULD DO IT, TOO.

19 MS. THORSON: I'VE NOT HEARD OF THAT HAPPENING.

20 MR. BOLAND: I'M NOT SUGGESTING IT WOULD HAPPEN.

21 MR. CATES: I CAN ANSWER THAT QUESTION. YES, IT  
22 HAS, IN THE SAN DIEGO CASE.

23 MR. BOLAND: OKAY.

24 MR. CATES: WHICH I'LL BE HAPPY TO PROVIDE TO  
25 YOU.

1 BY THE WAY, FRANCES, I WANT TO CORRECT ONE  
2 MISSTATEMENT YOU MADE. THE AUDITOR HASN'T SAID ANYTHING  
3 YET. AND WE'LL GET TO THAT IN A MOMENT.

4 MR. BOLAND: I SEE.

5 MR. CATES: OKAY. I HAVE A COUPLE OF QUESTIONS.

6 MR. BOLAND: DON'T CUT ME OFF. I WASN'T  
7 FINISHED. BUT THANKS FOR THAT UPDATE.

8 THE AUDITOR I WAS REFERRING TO, THE TRANSCRIPTS  
9 THAT I READ SAID THE AUDITOR DID SAY SOMETHING AND IT'S IN  
10 A PUBLIC TRANSCRIPT. SO THAT'S WHAT I REFERRED TO. AND  
11 THEY SAID THAT THE LEGAL EXPENDITURES WERE OKAY. I HEARD  
12 HER SAY IT. I DON'T MEAN TO CORRECT YOU.

13 MR. CATES: I AM WELL FAMILIAR WITH THE  
14 TRANSCRIPT. WE'RE STILL AWAITING THE AUDIT REPORT. IT  
15 WAS PROMISED FIRST IN OCTOBER, THEN BY NOVEMBER 1ST, THEN  
16 BY NOVEMBER 15TH. IT IS NOVEMBER 15TH. WE HAVE NOTHING.  
17 GO AHEAD.

18 MR. BOLAND: I WAS PRETTY MUCH FINISHED AT THAT  
19 POINT, BUT --

20 MR. HOCUTT: CAN I ASK ONE?

21 COULD YOU GIVE US A DEFINITION OF, IN YOUR VIEW,  
22 WHAT IS AN ADMINISTRATIVE EXPENSE? WHAT DOES THAT MEAN?

23 MS. THORSON: AS TO WHAT AN ADMINISTRATIVE  
24 EXPENSE? AS TO WHAT WOULD NOT BE --

25 MR. HOCUTT: I FORGET EXACTLY WHERE IT IS IN

1     HERE.

2             MR. CATES:  IT SAYS ADMINISTRATIVE SALARIES IN  
3     EDUCATION CODE 15278(B)(2).  TT FUNDS CANNOT BE SPENT  
4     AMONG OTHER THINGS ON ADMINISTRATIVE SALARIES.

5             MR. BOLAND:  YOU SAID YOU CAN'T THINK OF A BETTER  
6     USE OF TT FUNDS THAN A FORENSIC AUDIT.

7             MR. CATES:  WAIT A SECOND.  WE'RE GETTING TO A  
8     FORENSIC AUDIT.  QUINCY POSED A QUESTION.

9             MR. HOCUTT:  MY QUESTION IS JUST DEFINITIONAL.  
10    WHEN THE BOND WAS VOTED ON IN 2008, IT HAD A PHRASE ON THE  
11    YES-OR-NO VOTE THAT SAID NO MONEY WOULD BE SPENT FOR  
12    ADMINISTRATIVE SALARIES.

13            SO CAN YOU DEFINE WHO FALLS UNDER ADMINISTRATIVE  
14    SALARIES?

15            MS. THORSON:  SO THAT ACTUALLY IS TO HOW THE  
16    DISTRICT DEFINES, AND THE SPECIFIC USE OF BONDS FUNDS  
17    WOULD BE SOMETHING THAT THE DISTRICT'S BOND ATTORNEY WOULD  
18    NEED TO ADVISE ON RATHER THAN OUR OFFICE.  OUR OFFICE  
19    ADVISES ON THE COMMITTEE ITSELF AND WHAT THE ALLOWABLE  
20    SORT OF THE STEPS OF THE COMMITTEE AND THE PURPOSE OF THE  
21    COMMITTEE WOULD BE.  BUT THE DISTRICT'S BOND ATTORNEY  
22    WOULD BE THE ONE THAT WOULD ADVISE ON WHAT BOND FUNDS  
23    COULD BE.

24            MR. HOCUTT:  COULD YOU TELL US WHO THAT BOND  
25    ATTORNEY IS SO WE COULD ASK THAT QUESTION?

1 MS. THORSON: I WOULD HAVE TO ASK YOU WHICH FIRM  
2 YOU USE FOR THAT. IT WOULD BE A DIFFERENT FIRM THAN OUR  
3 FIRM.

4 MR. CATES: IF I ASKED YOU THE SAME QUESTION;  
5 THAT IS, WHAT IS YOUR UNDERSTANDING OF THE TERM "SCHOOL  
6 OPERATING EXPENSES," WHAT WOULD YOUR ANSWER BE?

7 MS. THORSON: THAT WOULD BE THE SAME, THAT THE  
8 BOND ATTORNEY WOULD DEFINE THOSE AND ASSIST WITH WHAT  
9 WOULD BE PROPER AND IMPROPER USE OF BOND FUNDS.

10 MR. CATES: AND I PRESUME, THEREFORE, THAT YOU  
11 CAN'T TELL US HOW YOU WOULD DISTINGUISH LEGITIMATE TT  
12 EXPENDITURES FROM ADMINISTRATIVE SALARIES OR OPERATING  
13 EXPENSES?

14 MS. THORSON: NO.

15 MR. CATES: THIS IS NOT SOMETHING ON WHICH YOUR  
16 FIRM PROVIDES ADVICE?

17 MS. THORSON: NO. OUR FIRM DOES NOT PROVIDE  
18 ADVICE ON THAT PART OF THE BONDS.

19 MR. CATES: HAS THE DISTRICT IN THE PAST TWO  
20 YEARS ASKED FOR YOUR ADVICE ON PROPRIETY OF SPECIFIC  
21 TT EXPENDITURES?

22 MS. THORSON: THAT WOULD BE SOMETHING THAT I  
23 WOULDN'T SHARE AT A PUBLIC MEETING BECAUSE THAT WOULD  
24 BE --

25 MR. CATES: I'M NOT ASKING FOR THE SUBSTANCE OF

1 THE ADVICE. I'M ASKING WHETHER OR NOT THE DISTRICT HAS  
2 CONSULTED YOU FOR AN OPINION EVER ON THE PROPRIETY OF TT  
3 EXPENDITURES.

4 MS. THORSON: AND MY ANSWER WOULD BE THE SAME.

5 MR. CATES: YOU'RE NOT GOING TO DISCLOSE?

6 MS. THORSON: YES, THAT'S NOT SOMETHING I'M --

7 MR. CATES: GO AHEAD, MIKE.

8 MR. MOHIT: I JUST NOTICED SOMETHING ON THERE THE  
9 FULL -- TAKES OFF BELL IN BALLOT MEASURE TT EXHIBIT A.  
10 AND THE VERY LAST PART OF THAT INDICATE THAT THE PROCEEDS  
11 OF THE BONDS MAY BE USED TO PAY OR REIMBURSE THE DISTRICT  
12 FOR THE COST OF DISTRICT STUFF WHEN PERFORMING WORK ON A  
13 NECESSARY INCIDENTAL TO THE BOND PROJECT.

14 SO I'M ASSUMING THAT -- THAT ADMINISTRATIVE PART  
15 OF THE SALARY -- PORTION OF THE SALARY CAN BE PAID THROUGH  
16 THE TT BONDS.

17 MR. CATES: WELL, TO THE EXTENT DIRECTLY RELATED  
18 IN PERFORMANCE OF TT WORK. AND IN THAT REGARD, I COMMEND  
19 YOU, MIKE, TO THE STANDARDS FOR THE EXPENDITURE OF TT  
20 FUNDS THAT THIS COMMITTEE PREVIOUSLY ADOPTED. WE'LL GET  
21 TO THAT A LITTLE BIT LATER. YES.

22 HAVE -- HAS THE DISTRICT EVER ASKED YOUR FIRM TO  
23 OPINE ON THIS COMMITTEE'S CONCLUSION THAT SPECIFIC TT  
24 EXPENDITURES ARE CONTRARY TO LAW?

25 MS. THORSON: AGAIN, THE SAME ANSWER; IS THAT I

1 WON'T DISCUSS WHAT THE DISTRICT ASKS OUR FIRM FOR ADVICE  
2 REGARDING OR NOT REGARDING, AND ALSO THE AGENDIZED ITEM IS  
3 THE SPECIFIC ROLE OF THE COMMITTEE. SO IT'S NOT REGARDING  
4 -- SOME OF THESE TOPICS ARE GETTING BEYOND ROLE OF THE  
5 COMMITTEE.

6 MR. CATES: I DON'T MEAN TO ARGUE, BUT THERE WAS  
7 A QUESTION-AND-ANSWER SESSION INCLUDED WITH YOUR  
8 PRESENTATION.

9 GRETCHEN.

10 MS. THORSON: REGARDING THE TOPIC. YES.

11 MS. VANCE: I HAVE A QUESTION ON THE -- I DON'T  
12 KNOW THE PAGE NUMBER, BUT UNDER ALLOWABLE ACTIVITIES OF  
13 THE COMMITTEE CONTINUED. NUMBER 4, IT STATES THAT  
14 RECEIVING AND REVIEWING COPIES OF ANY DEFERRED MAINTENANCE  
15 PROPOSALS OR PLANS, DEVELOPMENTS, INCLUDING ANY REPORTS  
16 REQUIRED BY SECTION 17584.1.

17 DO YOU HAVE A LIST OF THOSE REPORTS THAT ARE  
18 REQUIRED IN THAT SECTION THAT ARE LISTED IN THAT SECTION?

19 MS. THORSON: NOT WITH ME. BUT THAT SECTION  
20 ACTUALLY -- EVEN THOUGH THE CODE STILL REFERS TO THAT  
21 SECTION, THE DEFERRED MAINTENANCE FUNDS ARE DIFFERENT NOW  
22 THAN THEY USED TO BE. SO THIS ALMOST WOULD BE MORE  
23 REVIEWING AND RECEIVING COPIES OF ANY DEFERRED MAINTENANCE  
24 PROPOSALS OR PLANS. BUT THE REPORTS REQUIRED BY THAT  
25 SECTION -- I DON'T BELIEVE THAT THOSE ARE REQUIRED ANY



1 LONGER.

2 MS. VANCE: OKAY. WAIT, WAIT. SO YOU'RE SAYING  
3 THAT THIS IS NOT TRUE? YOU'RE SAYING THAT WHAT THIS SAYS  
4 IS NOT TRUE?

5 MS. THORSON: NO. THAT'S NOT WHAT I'M SAYING.

6 THE LAW STILL HAS THIS WORDING IN IT. THERE USED  
7 TO BE A REQUIREMENT THAT THE DISTRICT CREATE SPECIFIC  
8 REPORTS REGARDING DEFERRED MAINTENANCE AND THERE WAS  
9 FUNDING AVAILABLE. THAT NO LONGER IS THE CASE BECAUSE IT  
10 CHANGES IN OTHER PARTS OF THE LAW. AND SO NOW THIS STILL  
11 IS WHAT THE LAW SAYS REGARDING BOND OVERSIGHT COMMITTEES.  
12 BUT NOTICE IT SAYS, INCLUDING ANY REPORTS REQUIRED BY THIS  
13 SECTION. THERE'S NO LONGER REPORTS REQUIRED BY THAT  
14 SECTION. SO IT'S JUST GOING TO BE ANY DEFERRED  
15 MAINTENANCE REPORTS OR PLANS THAT THE DISTRICT CREATES.

16 MS. KENNE: IT'S GONE.

17 MS. VANCE: IT'S GONE.

18 MS. THORSON: YES. SO THE SECTION THAT USED TO  
19 REQUIRE THAT REPORT, THAT HAS CHANGED AS FAR AS HOW  
20 DEFERRED MAINTENANCE HAPPENS.

21 MS. KENNE: IT'S MORE OPTIONAL NOW.

22 MS. THORSON: SO YOU WOULD READ THIS AS ANY  
23 REPORTS THE DISTRICT HAS ON DEFERRED MAINTENANCE.

24 MS. VANCE: MAYBE KIM CAN ANSWER THIS QUESTION  
25 BETTER, BUT DO WE EVEN CARE ABOUT DEFERRED MAINTENANCE

1 PROPOSALS OR PLANS BECAUSE THAT DOESN'T HAVE ANYTHING TO  
2 DO WITH BOND FUND; RIGHT?

3 I UNDERSTAND DEFERRED MAINTENANCE IS A SEPARATE  
4 CATEGORY. SO WHY -- I MEAN, I DON'T KNOW WHY IT WOULD SAY  
5 THAT WE HAVE ACCESS TO DEFERRED MAINTENANCE. WHY WOULD WE  
6 CARE?

7 MS. THORSON: SO, AGAIN, THIS IS A, MAY ENGAGE  
8 ANY OF THE FOLLOWING. SO THAT COULD BE IN A SITUATION  
9 WHERE A BOND WAS PUT OUT AND SOME OF THOSE BOND FUNDS WERE  
10 MAYBE GOING TO BE USED FOR SOMETHING LIKE THAT, IN WHICH  
11 CASE THAT COMMITTEE WOULD WANT TO LOOK AT THAT.

12 MR. VITALE: IF I MAY?

13 MR. CATES: JAMES.

14 MR. VITALE: SO IF I UNDERSTAND CORRECTLY, YOU  
15 ARE HERE TO OPINION TO THE DISTRICT ON CONTRACTUAL ISSUES  
16 BUT NOTHING TO DO WITH THE OPERATION OF THE MEASURED TT  
17 COMMITTEE. IS THAT CORRECT?

18 MS. THORSON: I'M NOT SPEAKING ON ANYTHING AS FAR  
19 AS CONTRACTUAL ISSUES.

20 MR. VITALE: LET ME REPHRASE THAT THEN. YOUR  
21 ROLE AND RESPONSIBILITY TO THE DISTRICT AS FAR AS YOUR  
22 SCOPE OF WORK DEFINITION IS WHAT?

23 MS. THORSON: IT IS TO COME HERE TONIGHT AND  
24 PROVIDE AN OVERVIEW OF WHAT THE CODE SAYS REGARDING THE  
25 COMMITTEE'S RESPONSIBILITIES AND ANSWER QUESTIONS AS TO

1 THE COMMITTEE'S RESPONSIBILITIES.

2 MR. VITALE: AND BEYOND THAT, WHAT ELSE DO YOU DO  
3 FOR THE DISTRICT?

4 MS. THORSON: PROVIDE OTHER ADVICE AS REQUESTED.

5 MR. VITALE: YOU ARE THE ADVISOR TO THE DISTRICT  
6 ON LEGAL MATTERS AND AT CERTAIN POINTS WOULD DETERMINE  
7 THAT CERTAIN OF THOSE LEGAL MATTERS NEED TO BE HANDLED BY  
8 SPECIALIZED COUNSEL AS OPPOSED TO YOU SPECIFICALLY GIVING  
9 THEM A DIRECTION AS TO WHAT TO DO. IS THAT CORRECT?

10 MS. THORSON: THAT COULD BE THE CASE, YES.

11 MR. VITALE: AND AS FAR AS THE ISSUE OF CONTRACTS  
12 ENTERED INTO BY THE DISTRICT WITH REGARD TO THE  
13 EXPENDITURE OF MEASURED TT FUNDS, THAT AGAIN IS THE  
14 SPECIALIZED COUNSEL'S RESPONSIBILITY OR IS IT YOUR  
15 RESPONSIBILITY?

16 MS. THORSON: IT WOULD DEPEND ON THE SITUATION.  
17 SO THE DISTRICT MAY USE DIFFERENT COUNSEL FOR DIFFERENT  
18 REASONS. BUT AS FAR AS WHAT OUR FIRM ADVISES ON, WE DON'T  
19 ADVISE ON THE USE OF BOND FUNDS.

20 MR. VITALE: OKAY.

21 MR. CATES: MS. THORSON, ARE YOU AWARE THAT A  
22 SIGNIFICANT PORTION OF YOUR FIRM'S FEES ARE PAID OUT OF TT  
23 FUNDS?

24 MS. THORSON: AGAIN, AS TO WHAT THE FUNDS ARE  
25 USED FOR IS OUTSIDE OF THE SCOPE OF THIS AGENDA ITEM. SO

1 IF THERE'S ANOTHER AGENDA ITEM WHERE YOU --

2 MR. CATES: EXCUSE ME. IT'S OUR AGENDA. YOU  
3 APPEARED TO MAKE A PRESENTATION AND PART OF THAT IS A  
4 QUESTION-AND-ANSWER SESSION. SO YOU DON'T HAVE TO ANSWER  
5 BUT IT'S FAIR TO ASK THESE QUESTIONS.

6 MS. THORSON: SO THIS WAS AGENDIZED UNDER THE  
7 BROWN ACT WITH THIS AS THE TOPIC AND QUESTIONS RELATED TO  
8 THAT SUBJECT. SO THAT'S JUST MY THOUGHTS ON -- ON  
9 QUESTIONS REGARDING USE OF FUNDS.

10 MR. CATES: AND WHAT ABOUT THE QUESTION I JUST  
11 ASKED, WHICH IS, ARE YOU AWARE THAT A SIGNIFICANT PORTION  
12 OF WHAT IS PAID TO YOUR FIRM IS PAID OUT OF TT FUNDS?

13 MS. THORSON: I DON'T HAVE ANY COMMENT ABOUT WHAT  
14 FUNDS ARE PAID OR HOW MUCH. THAT IS NOT SOMETHING THAT  
15 I'M HERE TO DISCUSS.

16 MR. VITALE: LET'S REPHRASE THAT, IF I MAY. IN  
17 YOUR BILLINGS TO THE DISTRICT, THEY ARE ITEMIZED; ARE THEY  
18 NOT.

19 MS. THORSON: AGAIN, QUESTIONS REGARDING THE  
20 DISTRICT'S LEGAL BILLS ARE ATTORNEY/CLIENT PRIVILEGE AND  
21 NOT SOMETHING TO DISCUSS WITH SOMEONE NOT FROM THE  
22 DISTRICT.

23 MR. CATES: MS. THORSON, IF I SHOW YOU THOSE  
24 LEGAL BILLS, WHICH WE HAVE, THE DISCLOSURE OF WHICH WAIVED  
25 ANY ATTORNEY/CLIENT PRIVILEGE, WOULD YOU THEN BE PREPARED

1 TO DISCUSS THEM?

2 MS. THORSON: NO, I WOULD NOT DISCUSS THEM THIS  
3 EVENING.

4 MR. CATES: OKAY. FRANCES.

5 MR. BOLAND: THE REASON I ASKED FOR THIS  
6 PRESENTATION IS TO HELP THE COMMITTEE FOCUS ON WHAT ITS  
7 PURVIEW IS. IT'S BEEN DEFINED CLEARLY. YOU HAVE TWO  
8 CHOICES IN REGARDS TO YOUR LEGAL FUNDS QUESTION, YOUR  
9 LEGAL FEES QUESTION. YOU CAN GO FILE AN INJUNCTION  
10 AGAINST THE SCHOOL DISTRICT AS A PRIVATE CITIZEN. MAKE UP  
11 YOUR MIND WHETHER YOU WANT TO DO THAT. YOU CAN PUT IT IN  
12 YOUR REPORT. THOSE ARE YOUR OPTIONS.

13 SO NOW YOU CAN MOVE ON AND CAN QUIT SITTING HERE  
14 FOR THREE AND A HALF HOURS TALKING ABOUT SOMETHING THAT  
15 WAS ANSWERED MONTHS AGO.

16 MR. CATES: THANK YOU FOR YOUR LEGAL ADVICE.

17 MS. THORSON, IS NOT ONE OF OUR REMEDIES TO BRING  
18 IN THE STATE'S ATTORNEY GENERAL'S OFFICE TO INVESTIGATE  
19 THE EXPENDITURE OF TT FUNDS? THAT IS ABOVE AND BEYOND  
20 FILING THE LAWSUIT AS YOU DESCRIBED.

21 MS. THORSON: YOUR ROLE AS A COMMITTEE IS JUST TO  
22 INFORM THE PUBLIC. SO AS TO ANYTHING BEYOND THAT THAT YOU  
23 WOULD WANT TO ENFORCE AGAINST THE DISTRICT, I UNDERSTAND  
24 YOU HAVE YOUR OWN COUNSEL AS WELL.

25 MR. CATES: WE DO HAVE OUR OWN COUNSEL. BUT WE

1 APPRECIATE YOU COMING TO MAKE YOUR PRESENTATION.

2 KIM.

3 MS. KENNE: I DIDN'T SEE ANYTHING HERE THAT  
4 REALLY TALKS ABOUT THE RELATIONSHIP OF THE COMMITTEE TO  
5 THE BOARD. HOW WOULD YOU -- I MEAN, IT TALKS ABOUT THE  
6 BOARD ESTABLISHING AND APPOINTING.

7 MS. THORSON: YES.

8 MS. KENNE: AND THE REPORT, YOU DO SEE THE ANNUAL  
9 REPORT IS TO THE BOARD? I MEAN, IN OTHER WORDS, DOES THIS  
10 COMMITTEE ADVISE THE BOARD OR REALLY IT'S JUST ABOUT GOING  
11 STRAIGHT TO THE PUBLIC AND REPORTING AND THEN LET THE  
12 CHIPS FALL WHERE THEY MAY?

13 MS. THORSON: TYPICALLY THE WAY THAT IT'S DONE IS  
14 THE REPORT IS PROVIDED TO THE BOARD, BUT DONE IN AN OPEN  
15 SESSION BOARD MEETING SO THAT THE COMMUNITY KNOWS  
16 EVERYTHING THAT'S INCLUDED IN IT. AND THEN THAT REPORT  
17 ITSELF WOULD BE AVAILABLE TO THE PUBLIC. SO THE  
18 RELATIONSHIP BETWEEN THE TWO IS THE BOARD ESTABLISHES THE  
19 COMMITTEE AND THEN REALLY UNTIL THOSE, YOU KNOW, KIND OF  
20 OVERVIEW OR THE COMMITTEE'S RECOMMENDATIONS ARE PUT  
21 TOGETHER, THERE'S A BIT OF DISTANCE BETWEEN THE TWO  
22 BECAUSE THE COMMITTEE REALLY IS LOOKING AT HOW THE BOARD  
23 WAS VOTING AND WHAT THEY'RE APPROVING AND GIVING THEIR  
24 OPINION ON WHETHER THAT'S LAWFUL OR IF THERE'S ANY  
25 CONCERNS AND THEN BRINGING THAT BACK IN A PUBLIC SESSION

1 OR MEETING SO THAT EVERYBODY KNOW THE COMMITTEE'S OPINION.

2 MR. BOLAND: BUT IN THE CASE WHERE THE COMMITTEE  
3 ABSOLUTELY DISAGREES WITH WHAT THE BOARD SAYS AND DOES, IS  
4 THERE A MECHANISM TO RESOLVE THAT DISPUTE OR DOES IT JUST  
5 GO ON LIKE THIS ENDLESS GRINDING THING THAT WE'VE GOT  
6 GOING ON NOW?

7 MS. THORSON: ONCE THE COMMITTEE PROVIDES WHAT  
8 ITS RECOMMENDATION OR OPINION, ITS ANALYSIS OF WHAT'S BEEN  
9 DONE CORRECTLY OR INCORRECTLY, ONCE YOU'VE DONE THAT, THE  
10 ROLE OF THE COMMITTEE IS INCOMPLETE. SO THE COMMITTEE'S  
11 ROLE AS DEFINED IN THE CODE IS NOT TO ENFORCE. SO  
12 ANYTHING BEYOND THAT WOULD BE SOMETHING OUTSIDE OF WHAT  
13 THE ROLE OF THE --

14 MR. BOLAND: EVEN THE CASE OF THE UTMOST  
15 DISAGREEMENT, IT'S EITHER FILE AN INJUNCTION, PUT IT IN  
16 YOUR REPORT. THAT'S IT.

17 MS. THORSON: THE COMMITTEE WOULD PUT IT IN THE  
18 REPORT, WE AGREE/DISAGREE. AND THEN WHATEVER HAPPENED  
19 FROM THERE WOULD BE THE DECISION OF THE INDIVIDUAL  
20 MEMBERS.

21 MR. BOLAND: WHO WERE ELECTED TO MAKE THOSE  
22 DECISIONS; RIGHT? THAT'S THE WAY I SEE IT.

23 MR. VITALE: AND, FRANCES, FROM YOUR PERSPECTIVE,  
24 WE ARE A FINDER AND A PUBLISHER OF FACT, PERIOD, WHATEVER  
25 NEEDS TO BE --

1 MR. BOLAND: I DON'T THINK IT'S MY PERSPECTIVE.

2 MR. VITALE: YOU DON'T SEE THAT AS YOUR  
3 PERSPECTIVE? WE ARE A FACT FINDER.

4 MR. BOLAND: THE FACT THAT I AGREE WITH THE  
5 CALIFORNIA LAW AS IT DEFINES THESE COMMITTEES? I AGREE  
6 WITH THE CALIFORNIA LAW THAT DEFINES THESE COMMITTEES.  
7 I'M TRYING TO EDUCATE YOU TO THAT FACT.

8 MR. VITALE: I FULLY APPRECIATE THAT. AND WHAT  
9 SHE READ I'M FULLY IN ALIGNMENT WITH. I DON'T SEE WHERE  
10 THERE IS A DISCREPANCY BETWEEN OUR FINDING FACT AND ASKING  
11 QUESTIONS --

12 MR. BOLAND: I DON'T EITHER.

13 MR. VITALE: GOOD. WE'RE ON POINT ON THAT. AND  
14 ONCE WE HAVE DONE THAT, IT SAYS THAT WE HAVE A  
15 RESPONSIBILITY MANDATED BY THE LEGISLATURE TO MAKE THE  
16 PUBLIC AWARE IN WHATEVER MEANS WE FIND NECESSARY. THIS IS  
17 WHERE WE GOT OFF BASE.

18 MR. BOLAND: IF WE DO THAT AS A COMMITTEE, THAT'S  
19 FINE.

20 MR. VITALE: YEAH, AS A COMMITTEE.

21 MR. BOLAND: YOU'RE TALKING ABOUT THE ARTICLE.

22 MR. VITALE: EXACTLY. WE'RE BOTH IN AGREEMENT --

23 MR. BOLAND: -- I WOULD HAVE BEEN FINE.

24 MR. CATES: EXCUSE ME, BOTH OF YOU. THE REPORTER  
25 CANNOT RECORD PEOPLE TALKING OVER EACH. SO ONE AT A TIME



1 PLEASE.

2 MR. VITALE: YEAH. SO WE ARE IN AGREEMENT ON  
3 THAT AS TO WHAT OUR DUTIES AND OUR ROLES ARE, AND IT'S  
4 ONLY THE METHODS AND MEANS BY WHICH WE MAKE THE PUBLIC  
5 AWARE, EITHER BY CONSENSUS, HOPEFULLY, WHICH IS WHAT WE  
6 DO, AS OPPOSED TO ONE INDIVIDUAL MAKING THAT DETERMINATION  
7 OR IT BEING PERCEIVED THAT AN INDIVIDUAL MADE THAT  
8 DETERMINATION WHEN MAYBE THAT WASN'T THE INTENT BUT THAT'S  
9 THE WAY IT CAME ABOUT.

10 SO IF WE AS A CONSENSUS AGREE THAT THERE ARE  
11 CERTAIN THINGS THAT WE HAVE HIGHLIGHTED THAT WE FIND  
12 DIFFICULTIES WITH AND WE ALL AGREE THAT THE METHODS AND  
13 MEANS BY WHICH WE PUBLISH OR MAKE PEOPLE AWARE IS EITHER  
14 ON OUR WEB SITE OR THE NEWSPAPER OR THE TV OR WHATEVER IT  
15 IS WE THINK IS APPROPRIATE TO DO SO, AS LONG AS WE  
16 TOGETHER MAKE THAT DETERMINATION, THEN YOU'RE FINE WITH  
17 THAT; CORRECT?

18 MR. BOLAND: I AM FINE WITH.

19 MR. VITALE: GOOD. ALL RIGHT. SO WE'RE COOL  
20 THEN.

21 MR. BOLAND: I'M ALSO FINE IF YOU -- IF ANY OF  
22 YOU CAN CONVINC ME THAT YOU'RE CORRECT WITH THE FACTS IN  
23 A REASONABLE ARGUMENT IN A PROFESSIONAL TONE. I'LL  
24 SUPPORT YOU.

25 MR. VITALE: GOOD. GOOD. THEN WE'RE MAKING

1 HEADWAY.

2 MR. BOLAND: THAT'S NOT THE CASE RIGHT NOW.

3 MR. VITALE: WELL, AND THAT'S BECAUSE THERE HAS  
4 BEEN A DELAY, UNFORTUNATELY, IN OBTAINING CERTAIN  
5 REQUESTED INFORMATION.

6 MR. BOLAND: I DON'T MEAN TO BE DISRESPECTFUL. I  
7 THINK THERE'S A CONFUSION AS TO WHAT THIS COMMITTEE'S  
8 REALLY SUPPOSED TO BE ABOUT. AND I'LL BE HONEST, WHAT I  
9 SEE IT HAS BECOME RIGHT NOW -- THE VOTERS, WHEN THEY  
10 APPROVED A COMMITTEE LIKE THIS, IT WAS MEANT TO BE HELPFUL  
11 TO MY CHILDREN WHO GO TO THESE SCHOOLS. BUT IT'S BECOME  
12 SAND IN THE MACHINERY. IT'S INJECTED ITSELF INTO THE  
13 PLANNING PROCESS AND IT DOESN'T SEEM TO REALLY WANT  
14 ANSWERS TO ITS QUESTIONS. WHEN IT GETS AN ANSWER, IT --  
15 IT EITHER KIND OF MOVES AROUND OR REPHRASES IT. THE  
16 QUESTION HAS BEEN ANSWERED AND YOUR ROLE HAS BEEN  
17 ANSWERED. IT'S A DONE DEAL. AND YOU JUST WON'T LET IT  
18 GO.

19 MR. CATES: YOU'RE ENTITLED TO YOUR OPINION.

20 ANY OTHER QUESTIONS FOR MS. THORSON?

21 KIM.

22 MS. KENNE: JUST REAL QUICK. SO, FRANCES, YOU  
23 SAID THE ROLE OF COMMITTEE IS FOR THE KIDS IN THE SCHOOLS  
24 NOW. AND I THINK THAT'S WHY WE PASSED THE BOND AND THAT'S  
25 WHY THE SCHOOL DISTRICT'S HERE.

1 MR. BOLAND: WHAT DO YOU MEAN NOW? YOU SAID KIDS  
2 IN THE SCHOOLS NOW.

3 MS. KENNE: YOU SAID KIDS IN THE SCHOOLS.

4 MR. BOLAND: MY KIDS GO TO THE -- IT'S FOR THE  
5 KIDS, ALL OF THEM.

6 MS. KENNE: BUT THE OVERSIGHT COMMITTEE IS FOR  
7 OVERSIGHT, NOT PICKING WHICH PROJECTS SHOULD BE DONE FOR  
8 THE KIDS OR THINKING --

9 MR. BOLAND: NOTHING LIKE THAT.

10 MS. KENNE: RIGHT. SO ITS JOB IS OVERSIGHT,  
11 WHICH IS FOR THE TAXPAYERS.

12 MR. BOLAND: UH-HUH.

13 MS. KENNE: NOT FOR THE KIDS. I JUST WANTED TO  
14 DISTINGUISH --

15 MR. BOLAND: YEAH. BUT IT'S SUPPOSED TO BE  
16 HELPFUL IN THE OVERALL PROCESS. THAT WAS MY POINT. I  
17 AGREE WITH WHAT YOU'RE SAYING.

18 MS. KENNE: I DON'T KNOW IF AN OVERSIGHT  
19 COMMITTEE IS ABOUT BEING HELPFUL; IT'S ABOUT PROVIDING  
20 OVERSIGHT.

21 MR. BOLAND: OVERSIGHT IS SUPPOSED TO BE HELPFUL  
22 BECAUSE IT'S SUPPOSED TO PREVENT MALFEASANCE. THAT'S  
23 HELPFUL.

24 MS. KENNE: BUT THAT'S NOT -- SOMETIMES NOT  
25 PERCEIVED AS HELPFUL TO THE PEOPLE WHO ARE BEING OVERSEEN.

1 MR. BOLAND: I DIDN'T SAY HELPFUL TO THE PEOPLE  
2 WHO ARE BEING OVERSEEN.

3 MS. KENNE: OKAY. I JUST WANTED TO DISTINGUISH.  
4 I JUST DIDN'T WANT TO LET IT SIT THAT IT WAS JUST FOR THE  
5 KIDS IS REALLY --

6 MR. CATES: FURTHERMORE, IT'S RUDE TO TALK OVER  
7 SOMEBODY ELSE.

8 MR. BOLAND: I APOLOGIZE.

9 MS. KENNE: NO. NO. NO.

10 MR. CATES: ALL RIGHT. ARE THERE ANY OTHER  
11 QUESTIONS FOR MS. THORSON?

12 THANK YOU VERY MUCH. YOU'RE WELCOME TO STAY IF  
13 YOU WANT.

14 MS. THORSON: THANK YOU VERY MUCH. I THINK I'M  
15 GOING TO HEAD HOME.

16 MR. CATES: OKAY. ALL RIGHT. MOVING ON.

17 THE FINANCIAL AND PERFORMANCE AUDITS FOR THE  
18 FISCAL YEAR JUST ENDED. THIS IS ITEM 4C. I ALREADY  
19 MENTIONED THAT WE DON'T HAVE ANYTHING YET. NOTHING. NOT  
20 A DRAFT, LET ALONE A FINAL REPORT. UNTIL TODAY, I HAD  
21 HEARD NOTHING FROM CJ GUANDER SINGH WHO IS THE AUDIT  
22 PARTNER, ABOUT THE AUDIT SINCE SHE ADDRESSED THE  
23 COMMITTEE. BUT TODAY I DID IN RESPONSE TO AN E-MAIL THAT  
24 I SENT HER THAT INCLUDED AN E-MAIL SENT BY SHIRLEY BARRETT  
25 THAT LISTED UNDER HER SIGNATURE ALL OF THE FUNCTIONS SHE

1 PERFORMS. AND THERE'S PROBABLY EIGHT OR TEN OF THEM. AND  
2 I SAID IN EFFECT, LOOK AT THESE. MOST OF THESE ARE NOT TT  
3 FUNCTIONS.

4 AND MS. GUANDER SINGH REPLIED IMMEDIATELY AS  
5 FOLLOWS. I WILL READ IT TO YOU. OBVIOUSLY, I COULDN'T  
6 GET THIS IN THE MEETING MATERIALS. THIS IS IN REFERENCE  
7 TO SHIRLEY BARRETT. I SKIPPED THE BEGINNING, WHICH IS  
8 HISTORY BEFORE 2016. AND READ VERBATIM. THEN ON JULY  
9 19TH, 2016, ANOTHER PR -- THAT IS PERSONAL -- PERSONNEL  
10 REQUISITION FORM WAS DONE FOR HER TO BE CHARGED 100  
11 PERCENT TO FUND 21.1 EFFECTIVE JULY 1, 2016. THE ONLY  
12 THING I WOULD COMMENT ON IS THE CHANGE IN JULY 2016 WAS  
13 APPROVED AND SIGNED BY NELSON CAYABYAB AND SHOULD HAVE HAD  
14 ANOTHER APPROVAL ON IT, EITHER FROM THE SUPERINTENDENT'S  
15 OFFICE OR FROM THE CBO'S OFFICE. THIS WOULD BE AN  
16 EXCEPTION I WILL NOTE.

17 AND HERE IS THE SUBSTANCE OF MY RESPONSE TO HER.  
18 ACTUALLY, THIS IS THE ENTIRE RESPONSE TO HER.

19 DEAR CJ. THANK YOU FOR YOUR PROMPT RESPONSE.  
20 WHAT MATTERS IS NOT HOW THE FACILITIES DEPARTMENT ACCOUNTS  
21 INTERNALLY FOR HER COMPENSATION. WE ALREADY KNOW THE  
22 ANSWER TO THAT. THE FACILITIES DEPARTMENT CHARGES 100  
23 PERCENT OF HER COMPENSATION TO PROPOSITION TT. WHAT  
24 MATTERS FOR HER AND ALL THE OTHER EMPLOYEES ANY PORTION OF  
25 WHOSE COMPENSATION IS CHARGED TO TT IS THE NATURE OF THE

1 WORK SHE ACTUALLY DOES AND THE PERCENTAGE OF THAT WORK  
2 THAT IS RELATED TO TT ACTIVITIES. HOW CAN ONE DETERMINE  
3 THAT? TWO WAYS COME IMMEDIATELY TO MIND. YOU CAN  
4 INTERVIEW HER AND ASK HER WHAT SHE DOES. YOU CAN LOOK AT  
5 HER WORK PRODUCT.

6 NO ONE IS CLAIMING THAT MS. BARRETT IS, QUOTE,  
7 UNALLOWABLE TO MEASURE TT FUNDS, CLOSE QUOTES. WE ARE  
8 CLAIMING BACKED BY HARD EVIDENCE THAT WE HAVE PROVIDED TO  
9 YOU THAT SHE AND OTHER FACILITIES STAFF DO NOT SPEND 100  
10 PERCENT OF THEIR TIME WORKING ON TT MATTERS AND,  
11 THEREFORE, THAT 100 PERCENT OF HER COMPENSATION IS NOT  
12 PROPERLY CHARGEABLE TO TT. AND THAT IS WHERE THINGS STAND  
13 RIGHT NOW.

14 NOW, WITHOUT AN AUDIT REPORT -- ACTUALLY AUDIT  
15 REPORTS, PERFORMANCE AND FINANCIAL, WE CAN'T WRITE AN  
16 ANNUAL REPORT BECAUSE THE AUDIT IS A SIGNIFICANT PORTION  
17 OF THAT. IT'S UNFORTUNATE YEARS AGO GRETCHEN AND I PUSHED  
18 VERY HARD TO GET THE AUDITS COMPLETED MORE PROMPTLY THAN  
19 THEY HAD BEEN. THERE HAD BEEN AN 11-MONTH DELAY. UNDER  
20 GRETCHEN'S TENURE, THE AUDITS WERE PROMPTLY COMPLETED  
21 EITHER THE BY THE END OF THE SEPTEMBER OR EARLY OCTOBER SO  
22 THAT WE COULD -- OR SO THAT GRETCHEN COULD WRITE THE  
23 REPORT AND PRESENT IT TO THE BOARD OF EDUCATION IN  
24 NOVEMBER. THAT, UNFORTUNATELY, IS NOT POSSIBLE.

25 THE EARLIEST THAT CAN BE DONE NOW IS DECEMBER AND

1 PROBABLY JANUARY BECAUSE WE'LL NEED TO DISCUSS AND APPROVE  
2 AND THEN DISPROVE THE ANNUAL REPORT AT OUR NEXT MEETING  
3 WHICH IS IN DECEMBER. I THINK IT'S PROBABLY MORE  
4 IMPORTANT THAT THE AUDITOR GET IT RIGHT THAN SHE GET IT  
5 QUICK. BUT THAT'S WHERE WE STAND. I HAVE NOTHING MORE TO  
6 REPORT ON THE STATUS OF THE AUDIT.

7 GRETCHEN.

8 MS. VANCE: HAS CJ GIVEN ANY EXPLANATION AS TO  
9 WHY -- BECAUSE I REMEMBER HER BEING HERE AT OUR LAST  
10 MEETING -- WHY THE TIMING HAS CHANGED SO SIGNIFICANTLY  
11 BECAUSE SHE -- FROM WHAT I RECALL, SHE SAID THAT SHE MIGHT  
12 HAVE A DRAFT TO US LIKE -- IT WAS LIKE END OF OCTOBER --  
13 OR LIKE MAYBE MID OCTOBER OR END OCTOBER. AND NOW WE'RE  
14 MID NOVEMBER. HAS SHE GIVEN ANY EXPLANATION AS TO WHY THE  
15 DELAY?

16 MR. CATES: NO.

17 MR. BOLAND: THERE WAS A MENTION OF A DRAFT OF  
18 THE AUDIT IN THE TRANSCRIPTS THAT QUINCY TALKED ABOUT LAST  
19 TIME. AND YOU SAID IT WAS POSSIBLE MAYBE THAT YOU COULD  
20 START TO WRITE THE REPORT FROM THE DRAFT SINCE THE FINAL  
21 AUDIT REALLY --

22 MS. VANCE: WE HAVEN'T SEEN RECEIVED THE DRAFT.

23 MR. HOCUTT: YOU'RE TALKING MINUTES. THIS IS THE  
24 AUDIT REPORT YOU'RE TALKING ABOUT.

25 MS. KENNE: BUT YOU MIGHT HAVE MENTIONED AUDIT --

1 THE DRAFT OF THE AUDIT.

2 MR. CATES: NO DRAFT. NOTHING.

3 MR. HOCUTT: NOTHING.

4 MR. BOLAND: BUT I'M SAYING, I'M CORRECT IN  
5 SAYING THAT YOU MENTIONED A DRAFT OF THE AUDIT AT THE LAST  
6 MINUTE AND MAYBE -- THERE'S NOTHING NOW?

7 MR. CATES: THERE'S NOTHING.

8 MR. BOLAND: OKAY.

9 MR. CATES: JAMES.

10 MR. VITALE: NELSON, IF I MAY.

11 MR. CAYABYAB: SURE.

12 MR. VITALE: CAN YOU UNEQUIVOCALLY STATE, GIVEN  
13 WHAT CLIFTON JUST SAID HERE, THAT IT IS YOUR HONEST BELIEF  
14 THAT A HUNDRED PERCENT OF SHIRLEY'S TIME SHOULD IN FACT BE  
15 BILLED TO MEASURE TT AND IS NOT INVOLVED IN ANY OTHER  
16 FACILITIES RELATED ISSUE OTHER THAN MEASURE TT?

17 MR. CAYABYAB: WHEN THE CHANGE WAS MADE IS WHEN  
18 WE HIRED HER AS A CONSTRUCTION SPECIALIST. PRIOR TO THAT,  
19 USED TO BE JUST A REGULAR CEC STAFF MEMBER.

20 MR. VITALE: SO WE'RE TALKING THEN IT'S YOUR  
21 CONTENTION THAT THERE WAS A CHANGE OF JOB DESCRIPTION ROLE  
22 AND RESPONSIBILITY?

23 MR. CAYABYAB: THAT'S CORRECT. THAT'S WHEN THE  
24 PR WAS CHANGED A HUNDRED PERCENT.

25 MR. VITALE: CLIFTON, WERE YOU AWARE THAT THAT



1 WAS A CIRCUMSTANCE THAT TOOK PLACE?

2 MR. CATES: YES. BUT LET ME READ YOU SHIRLEY'S  
3 OWN DESCRIPTION OF HER ACTIVITIES. THESE APPEAR BELOW HER  
4 SIGNATURE. SHIRLEY BARRETT, CONSTRUCTION SPECIALIST,  
5 ATHLETIC FIELD HS AND MS MANAGER, CIVIC CENTER PERMIT  
6 SUPERVISOR, ENERGY CONSERVATION MANAGER, IPM COORDINATOR,  
7 LCP TRACKER MANAGER, MUIR RANCH ADMINISTRATOR, SCHOOL  
8 GARDEN DESIGN BUILDER, SCHOOL GARDEN STUDENT INTERN  
9 SUPERVISOR, VOLUNTEER COORDINATOR FOR LANDSCAPE  
10 BEAUTIFICATION PROJECTS.

11 THIS IS HER OWN DESCRIPTION.

12 MR. VITALE: ARE YOU AWARE OF THAT DESCRIPTION?

13 MR. CAYABYAB: YES. I'M AWARE OF THAT. BUT  
14 THOSE THINGS ARE OUTSIDE OF THE MTT WORK THAT SHE DOES.

15 MR. VITALE: SO YOU DO ACKNOWLEDGE THAT THOSE ARE  
16 OUTSIDE OF --

17 MR. CAYABYAB: SHE VOLUNTEERS FOR THOSE.

18 MR. VITALE: SO IT'S A VOLUNTEER NONPAID ACTIVITY  
19 THEN?

20 MR. CAYABYAB: THAT'S CORRECT. SHE DOES THAT  
21 AFTER HER EIGHT HOURS WORK ON MEASURED TT PROJECTS.

22 MR. HOCUTT: SO HER CIVIC CENTER PERMIT  
23 SUPERVISOR'S JOB IS VOLUNTARY?

24 MR. CAYABYAB: WE HAD A PROGRAM ANALYST PERSON  
25 THAT DID THAT. OKAY? AND WE WENT AHEAD AND SHE

1 TRANSFERRED TO ANOTHER JOB. WE CAN'T JUST NOT FORGO NOT  
2 DOING THAT BECAUSE IT PROVIDES INCOME TO THE DISTRICT. SO  
3 IN MAYBE FIVE PERCENT OF HER TIME THAT SHE DOES, LUNCH  
4 HOURS OR WHATEVER, IT'S BEYOND EIGHT -- OR THE EIGHT HOURS  
5 SCOPE OF WORK THAT SHE DOES FOR MEASURED TT.

6 MR. VITALE: AND SHE IS A SALARIED EMPLOYEE AS  
7 OPPOSED TO AN HOURLY-COMPENSATED EMPLOYEE?

8 MR. CAYABYAB: THAT'S CORRECT.

9 MR. VITALE: SO THE EXPECTATION THEN IS THAT SHE  
10 CAN AND SHOULD UPON REQUEST WORK IN EXCESS OF 40 HOURS A  
11 WEEK.

12 MR. CAYABYAB: YES. THAT'S CORRECT.

13 MR. CATES: RIGHT. AND HER COMPENSATION RELATES  
14 ONLY TO TT WORK, AND EVERYTHING ELSE SHE DOES IS  
15 VOLUNTARY.

16 MR. CAYABYAB: THAT'S CORRECT.

17 MR. CATES: GOT IT.

18 MR. CAYABYAB: AND SHE PROVIDED THAT RESPONSE TO  
19 CJ ALSO.

20 MR. VITALE: OKAY. THE KEY WORD THERE IS  
21 VOLUNTARY.

22 MR. CATES: UH-HUH. ONE OF THE MATTERS WE  
23 DISCUSSED AT THE LAST MEETING WAS THE PREPARATION BY THIS  
24 COMMITTEE OF AN ISSUES LIST FOR THE BOARD.

25 KIM, I THINK YOU SUGGESTED THAT. AND WHAT I AM

1 SUGGESTING IS THAT WE INCLUDE THIS ISSUES LIST IN OUR  
2 ANNUAL REPORT TO THE BOARD. MAKE IT FORMAL. PUBLICIZE  
3 IT. AND OF COURSE ALL OF YOU WILL HAVE THE OPPORTUNITY TO  
4 REVIEW IT ONCE WE CAN PUT TOGETHER A DRAFT ANNUAL REPORT.

5 MR. VITALE: SEEMS REASONABLE.

6 MR. CATES: GRETCHEN.

7 MS. VANCE: CAN YOU GIVE ME AN EXAMPLE OF WHAT  
8 WOULD BE ON THIS ISSUES LIST?

9 MR. CATES: YES. THE TREATMENT OF DUAL PURPOSE  
10 EXPENDITURES, THOSE THAT ARE PARTLY CHARGEABLE TO TT AND  
11 THOSE THAT ARE NOT. THAT'S A PRINCIPLE ISSUE. ANOTHER  
12 ISSUE IS THE DISTRICT'S OBLIGATION TO FURNISH US WITH THE  
13 INFORMATION WE NEED TO DO OUR JOB.

14 I MEAN, NONE OF THESE IS NEW. NONE OF THEM. BUT  
15 THEY WOULD APPEAR IN ONE PLACE.

16 MS. VANCE: AND -- OKAY. I -- I JUST -- I'M  
17 THINKING ABOUT THE ANNUAL REPORT AND I'M THINKING ABOUT  
18 THE TIME FRAME THAT THE ANNUAL REPORT COVERS, WHICH IS  
19 JULY TO JUNE. AND I JUST WANT TO CAUTION YOU AS YOUR  
20 PREPARING THE REPORT TO KEEP IN MIND THAT ANY ISSUES THAT  
21 WERE BROUGHT UP AFTER JULY SHOULD NOT BE INCLUDED IN THE  
22 REPORT.

23 MR. CATES: I UNDERSTAND THE REPORT IS FOR THE  
24 MOST RECENT FISCAL YEAR.

25 MS. VANCE: OKAY.

1 MR. CATES: HOWEVER GRETCHEN --

2 MS. VANCE: THAT WAS SOMETHING I WAS --

3 MR. CATES: I WILL -- I WILL TELL YOU THAT, IF AN  
4 ISSUE HAS BEEN RESOLVED OR IS THIS IN THE PROCESS OF BEING  
5 RESOLVED, I INTEND TO FOOTNOTE THE STATEMENT ABOUT WHAT  
6 HAPPENED DURING THE YEAR SAYING, THIS MATTER WAS RESOLVED  
7 IN JULY OR WHATEVER, JUST SO THAT IT ISN'T MISLEADING TO  
8 PEOPLE WHO DON'T READ IT CAREFULLY.

9 MS. VANCE: OKAY.

10 MR. CATES: YES.

11 AUDIENCE SPEAKER: WHO CREATED THIS MTT CENTRAL  
12 ADMINISTRATION EXPENSES?

13 MR. CATES: KIM. AND WE'LL GET TO THAT  
14 MOMENTARILY. BUT WE THANK KIM FOR HER HARD WORK IN  
15 PUTTING THIS TOGETHER.

16 MS. KENNE: CLIFF, JUST TO GRETCHEN'S POINT. I  
17 THINK MOST OF THE ISSUES HAVE TO DO WITH THE 16-17 YEAR.

18 MS. VANCE: OKAY. OKAY.

19 MS. KENNE: NOW THAT WE'VE HAD A CHANCE TO MOVE  
20 ON.

21 MR. CATES: ANYTHING MORE ON THE ANNUAL REPORT  
22 WHICH DOES NOT EXIST YET?

23 MOVING ON.

24 MS. KENNE: DOES NELSON HAVE ANY COMMUNICATION  
25 WITH THE AUDITOR THAT HE CAN SHARE? DID SHE SAY ANYTHING?

1 MR. CAYABYAB: NO. IT'S NOT GOING TO MATTER AT  
2 THIS POINT. WE'LL JUST WAIT FOR THE FINAL REPORT.

3 MS. KENNE: HAS SHE TOLD YOU WHEN THAT WILL BE?

4 MR. CAYABYAB: SHE SAID 15TH, BUT NOW IT'S  
5 PROPERLY ANOTHER WEEK.

6 MS. KENNE: ANOTHER WEEK. SO AFTER THANKSGIVING.  
7 SO WHEN SHE SENDS THE FINAL TO YOU, THE COPY GOES  
8 TO THE CFC; IS THAT HOW IT WORKS?

9 MR. CAYABYAB: I'LL SENT IT TO THE CHAIR AND THE  
10 FINANCE COMMITTEE TO REVIEW.

11 MS. VANCE: I THINK THE AGREEMENT WE HAD AT THE  
12 LAST MEETING WAS CJ WOULD SEND IT DIRECTLY TO BOTH CLIFF  
13 AND NELSON AT THE SAME TIME, THE DRAFT, BECAUSE SHE SENDS  
14 THE DRAFT FIRST.

15 MS. KENNE: NOW, IT SOUNDS LIKE IT'S THE FINAL,  
16 AND IT SOUNDS LIKE IT'S COMING NEXT WEEK.

17 MS. VANCE: THE FINAL IS COMING NEXT WEEK?

18 MR. CAYABYAB: THE DRAFT.

19 MS. KENNE: OH, IT IS THE DRAFT.

20 MR. CAYABYAB: FOR COMMENTS.

21 MS. KENNE: FOR COMMENTS.

22 MR. CATES: OKAY. IF WE NEED ANOTHER MEETING TO  
23 COMMENT ON THE DRAFT, THAT MEANS THAT THE FINAL WON'T BE  
24 READY UNTIL 2018 AND OUR REPORT CAN'T BE COMPLETED AND  
25 PRESENTED UNTIL FEBRUARY AT THE EARLIEST.

1 GRETCHEN.

2 MS. VANCE: I THINK WE HAVE THE AUTHORITY -- AND  
3 CORRECT ME IF I'M WRONG -- TO CALL A SPECIAL MEETING. WE  
4 WOULD JUST NEED TO KNOW WHAT THE TIMING WOULD HAVE TO BE  
5 TO CALL A SPECIAL MEETING BECAUSE I DON'T KNOW THAT.

6 MS. KENNE: OF THE COC OR THE BOARD?

7 MS. VANCE: OF THE COC.

8 MR. CATES: OF THE COC. I KNOW YOU ALL WANT A  
9 SPECIAL MEETING IN DECEMBER JUST BEFORE CHRISTMAS. LET'S  
10 HOPE THAT WE GET THE AUDIT REPORT SOON, WHATEVER IT MAY  
11 HAPPEN TO SAY ABOUT VOLUNTARY CONTRIBUTION OF TIME.

12 MS. VANCE: WELL, CAN I STILL HAVE THAT QUESTION  
13 ANSWERED?

14 MR. CATES: THE ANSWER IS, YES, WE CAN.

15 MS. VANCE: WHAT'S THE TIMING? WHAT'S THE  
16 REQUIREMENT OF THE TIMING?

17 MR. CAYABYAB: IT'S JUST LIKE ANY REGULAR BOARD  
18 OR COC MEETING.

19 MS. VANCE: SO 48 HOURS?

20 MR. CAYABYAB: 72 HOURS.

21 MR. CATES: BY THE WAY, ANY OF YOU WHO WOULD LIKE  
22 TO SEE ANYTHING IN INCLUDED IN THE ANNUAL REPORT, PLEASE  
23 SEND ME YOUR REQUEST; NOT GENERAL, I WANT YOU TO PLAN  
24 BETTER FOR THE FUTURE, BUT I'M TALKING ABOUT THE TEXT SO  
25 THAT I CAN DEAL WITH SOMETHING SPECIFIC.

1 MR. VITALE: YOU WANT AN ITEMIZATION.

2 MR. CATES: RIGHT. SO WE CAN DISCUSS SPECIFIC  
3 CHANGES WHENEVER WE HAVE THE OPPORTUNITY, JUST AS WE NEED  
4 SPECIFIC COMMENTS ON DRAFT MATTERS.

5 MR. VITALE: SPEAKING OF SPECIFICS -- AND,  
6 NELSON, AGAIN I DEFER TO YOU. I UNDERSTAND THAT YOU ARE  
7 LIMITED WITH REGARDS TO STAFF RESOURCES AND THE AMOUNT OF  
8 WORK THAT YOU HAVE ON YOUR TABLE. WHAT, IF ANYTHING, CAN  
9 THE DISTRICT DO TO ASSIST YOU TO FACILITATE THE TIMELY  
10 PREPARATION OF THE MINUTES FOR THESE MEETINGS?

11 MR. CAYABYAB: IT'S REALLY A TYPING OF WHEN WE  
12 GET THE TRANSCRIPTS AND HOW FAST MIGUEL CAN PUT IT  
13 TOGETHER, WHICH HE HAS BEEN.

14 MR. VITALE: HE HAS BEEN, YES.

15 MR. CAYABYAB: IT'S JUST -- IT IS THE DELAY IN  
16 GETTING THE TRANSCRIPT.

17 MR. VITALE: SO THERE WAS DELAY IN YOUR RECEIVING  
18 OF THE TRANSCRIPT --

19 MR. CAYABYAB: THAT'S CORRECT.

20 MR. VITALE: -- THAT WAS A DIRECT REASON FOR WHY  
21 WE WERE NOT ABLE TO HAVE MINUTES FOR THIS MEETING?

22 MR. CAYABYAB: THAT'S CORRECT.

23 MS. KENNE: AND THE LENGTH OF THE MEETINGS LEADS  
24 TO LONG TRANSCRIPTS.

25 MR. VITALE: SURE.

1 MS. KENNE: SO SHORTER MEETINGS WOULD BE FASTER  
2 TURN AROUND.

3 MR. VITALE: WELL A LOT OF STUFF WAS COVERED IN  
4 THAT MEETING.

5 MR. CATES: RIGHT.

6 MR. VITALE: NEXT?

7 MR. CATES: ANYTHING MORE ON THE ANNUAL REPORT?

8 MR. CAYABYAB: CAN I MAKE A COMMENT?

9 MR. CATES: SURE.

10 MR. CAYABYAB: JUST A REQUEST. I'M NOT TELLING  
11 YOU HOW TO DO YOUR REPORT. BUT USUALLY IF THERE ARE  
12 ISSUES THAT ARE RAISED, SINCE YOU OPEN THAT YOU'RE GOING  
13 TO CITE IT, I WOULD ALSO INCLUDE THE CONCLUSION FROM THE  
14 AUDITS COMMENTS ON THOSE ISSUES IF THEY HAVE BEEN  
15 ADDRESSED.

16 MR. VITALE: REPEAT THAT ONE MORE TIME.

17 MR. CAYABYAB: IF THE AUDITOR HAS ADDRESSED THOSE  
18 ISSUES THAT YOU WILL BE RAISING, I WOULD LIKE TO INCLUDE  
19 THEIR RESPONSE AND THEIR -- ON THAT FINAL REPORT.

20 MR. VITALE: I AM IN COMPLETE AGREEMENT WITH YOU  
21 BECAUSE WE HAD A DISCUSSION IN REVIEWING PRIOR AUDIT  
22 REPORTS WHERE THE AUDITOR'S OPINION WAS NOT TO OPINION AS  
23 TO THE REASONS WHY OR THE CORRECTIONS NEEDED TO CLARIFY OR  
24 CLEAR UP THINGS THAT WERE NOT CLEARLY EXPLAINED OR SEEM TO  
25 INFER THAT THERE COULD HAVE BEEN BETTER PROCEDURES IN



1 PLACE THAT WOULD HAVE BETTER EXPLAINED OR PREVENTED SOME  
2 OF THESE ISSUES FROM COMING UP. SO WE ARE DEFINITELY ON  
3 THE SAME POINT ON THAT. WE DEFINITELY NEED TO SEE FROM  
4 THEM. WHAT THEIR SCOPE OF WORK IN THEIR CONTRACT,  
5 INTERESTINGLY ENOUGH, SHE SAYS ONLY REQUIRED THEM TO  
6 COLLECT THE INFORMATION AND PRESENT IT, BUT NOT TO  
7 DETERMINE CONCLUSIONS FROM IT. WELL THEN, WHAT IS THE  
8 PURPOSE OF THE AUDIT IF NOT TO DETERMINE CONDITIONS THAT  
9 WOULD LEAD TO A BETTER IMPROVEMENT OF PRACTICES AND  
10 PROCEDURES FOR THIS PROJECT? AND I THOUGHT THAT WAS A  
11 VERY NONANSWER ON HER PART. AND, HOPEFULLY, CONCLUSIONS  
12 WILL COME FROM IT.

13 SO THAT'S GOOD. THANK YOU FOR THAT.

14 MR. CATES: MOVING ALONG. TO ITEM 4E, WHICH IS  
15 THE SUPERINTENDENT'S OFFER OF A FORENSIC AUDIT OF TT  
16 FUNDS, AN OFFER THAT I THOUGHT WAS GENEROUS.

17 YES, KIM.

18 MS. KENNE: WHAT DO YOU THINK ABOUT DOING F  
19 BEFORE WE DO E?

20 MR. CATES: WITHOUT OBJECTION. ITEM 4F, ANALYSIS  
21 OF QUESTIONABLE TT EXPENDITURES AS SHOWN ON THE MTT  
22 CENTRAL ADMINISTRATION EXPENSES FOR 16-17, WHICH IS NOW  
23 15-17.

24 BY THE WAY, THIS HANDOUT WAS SUPPOSED TO HAVE  
25 BEEN INCLUDED WITH THE MEETING MATERIALS. THE WRONG

1 VERSION WAS MISTAKENLY INCLUDED. SO ANYONE WHO DOESN'T  
2 HAVE MTT CENTRAL ADMINISTRATION EXPENSES BEGINNING WITH  
3 2014 AND ENDING WITH 2017, I PASS THESE AROUND BECAUSE  
4 THAT'S WHAT KIM WILL BE DISCUSSING.

5 MR. VITALE: IF I MAY, CLIFF. THIS MAKES AN  
6 INTERESTING POINT THEN. COUNSEL WHO WAS HERE BEFORE SAID  
7 THAT THEY HAD NO ROLE IN MEASURED TT. THERE WAS ANOTHER  
8 ATTORNEY OR LAW FIRM THAT WAS RENDERING OPINIONS WITH  
9 REGARDS TO THE EXPENDITURE OF THOSE FUNDS. AND YET RIGHT  
10 HERE I SEE THAT OVER -- OVER A MILLION DOLLARS WORTH OF  
11 LEGAL FEES FROM 2014 TO 2017 HAVE GONE TO THEM  
12 SPECIFICALLY FOR SOMETHING SHE IS UNWILLING TO DISCUSS  
13 HERE AT THIS MEETING. NOW, THAT SEEMS TO ME A RED  
14 HERRING.

15 MR. DE VEER: YOU THINK.

16 MR. CATES: WELL, YOU ANTICIPATE ONE OF THE  
17 ITEMS, JIM. BUT ONE OF THE KEY BITS OF INFORMATION THAT  
18 WE STILL DON'T HAVE IS AN ALLOCATION OF STAFF SALARIES AND  
19 AN EXPLANATION OF WHAT CERTAIN OF THESE LEGAL FEES WERE  
20 FOR.

21 MS. VANCE: OKAY. I HAVE A QUESTION. SO I'M  
22 ASSUMING WE'RE REFERRING TO THIS LINE ITEM THAT STARTS,  
23 WITH 404,000 --

24 MR. CATES: RIGHT.

25 MS. VANCE: -- 2014-2015?

1 SO -- AND THIS IS JUST CLARIFICATION. IS AALR  
2 AND R HER FIRM?

3 MR. CATES: YES.

4 MS. VANCE: AND WHAT IS MARDEROSIAN?

5 MS. KENNE: IT'S A --

6 MS. VANCE: IT'S A DIFFERENT ATTORNEY?

7 MR. VITALE: MAYBE THAT'S THE TT FIRM.

8 MR. CATES: WELL, EXCUSE ME. JEFF MARDEROSIAN IS  
9 ALSO COUNSEL TO THE DISTRICT. I DON'T KNOW WHAT HIS  
10 RELATIONSHIP WITH AALR AND R IS.

11 BUT TO JUMP AHEAD A LITTLE BIT, QUINCY AND KIM  
12 AND I ARE MEETING WITH MR. MARDEROSIAN NEXT TUESDAY TO SEE  
13 IF WE CAN WORK OUT A SETTLEMENT OF SOME OF THESE  
14 CONTENTIOUS ISSUES.

15 MS. VANCE: OKAY. SO ONE MORE ITEM OF  
16 CLARIFICATION. MAYBE THIS IS FOR KIM.

17 WHY WOULD THE SCHOOL BOARD ALLOW US TO PAY A HALF  
18 MILLION DOLLARS TO AN ATTORNEY WHO JUST CAME IN AND SAID  
19 ALL -- AND MAYBE I MISUNDERSTOOD -- ALL I'M DOING IS  
20 PROVIDING INFORMATION TO TT ON THEIR ROLES AND  
21 RESPONSIBILITIES? IT DOESN'T SEEM LIKE THAT RIGHT THERE  
22 WAS A HALF MILLION DOLLARS WORTH OF WORK. BUT MAYBE  
23 THERE'S OTHER WORK THAT -- IS THAT WHAT YOU'RE GETTING AT  
24 THAT YOU'RE TRYING TO GET TO THE BOTTOM OF --

25 MR. CATES: RIGHT.

1 MS. VANCE: -- WHAT WORK IS BEING DONE AND IF IT  
2 JUSTIFIES A HALF MILLION DOLLARS?

3 IT JUST SEEMS TO ME LIKE WHY WOULD THOSE PEOPLE  
4 -- ARE THOSE THE PEOPLE THAT YOU GUYS TALKED TO IN CLOSED  
5 SESSION ABOUT OTHER THINGS LIKE -- LIKE KIDS WHO ARE SUING  
6 THE SCHOOL DISTRICT AND SPECIAL -- OKAY. MAYBE YOU CAN'T  
7 SAY.

8 MS. KENNE: SO WE HAVE A COUPLE DIFFERENT LEGAL  
9 FIRMS THAT THE FIRM USES. AND IF YOU SEE US APPROVING  
10 CONTRACTS, WE SOMETIMES USE THE SAME FIRM TO SUPPORT  
11 MULTIPLE DEPARTMENTS. THEY MIGHT SUPPORT HR AND EMPLOYEE  
12 RELATED MATTERS. AND THEY MIGHT SUPPORT SPECIAL ED AND  
13 SPECIAL ED SETTLEMENTS WITH PARENTS.

14 OKAY. SO AA -- I HATE -- THEY HAVE SO MANY  
15 LETTERS. THIS GROUP HAS SUPPORTED DIFFERENT DEPARTMENTS  
16 IN THIS DISTRICT. AND THIS IS -- I MEAN, QUITE FRANKLY,  
17 WHAT MADE THIS START WAS THE BOARD REPORT THAT WAS AN  
18 EXTENSION FOR THE 16-17 YEAR TO JUST GIVE MORE FOR THE  
19 FACILITIES WORK THEY WERE DOING.

20 MS. VANCE: RIGHT.

21 MS. KENNE: BUT IT WAS A COPY OF THE BOARD REPORT  
22 DONE EARLIER IN THE YEAR THAT WE GAVE THEM A CONTRACT FOR  
23 BOTH SPECIAL ED AND FACILITIES ON THE SAME BOARD REPORT.  
24 AND SO THE LANGUAGE --

25 MS. VANCE: SO THEY'RE YOUR SPECIAL ED?

1 MS. KENNE: THEY DO BOTH.

2 MS. VANCE: OKAY. RIGHT.

3 MS. KENNE: SO THAT WAS WHAT FIRST BROUGHT THE  
4 COMMITTEE'S ATTENTION TO HOW -- YOU KNOW, TO THE FACT THAT  
5 WE WERE PAYING THE LAWYERS AND THE VAGUE LANGUAGE. AND  
6 IT'S, OH, NO, NO, DON'T WORRY, THE VAGUE LANGUAGE IS A  
7 HOLD OVER FROM WHEN WE ACTUALLY USED THE ONE WORD REPORT  
8 FOR TWO THINGS.

9 MS. VANCE: RIGHT.

10 MS. KENNE: BUT THE MORE PEOPLE LOOKED, THEN  
11 THERE WAS MORE TO SEE.

12 MS. VANCE: RIGHT. SO --

13 MS. KENNE: BUT MOST OF THIS FUNDING FOR LEGAL IS  
14 RELATED TO SPECIFIC PROJECTS AND IT'S -- WHAT'S  
15 INTERESTING TO ME IS, IT'S ALL HERE -- SO EVEN IF IT WAS  
16 MEANT TO DO WITH THE MCKINLEY PROJECT, IT DOESN'T GET  
17 MOVED TO THE MCKINLEY PROJECT; IT STAYS HERE IN CENTRAL.

18 MS. VANCE: I GOT YOU. AND I GUESS MAYBE I WISH  
19 I WOULD HAVE ASKED HER THIS. I DON'T KNOW IF SHE WOULD  
20 HAVE ANSWERED OR NOT. BUT HAVE THEY EVER SUPPORTED  
21 FACILITIES ON THOSE TYPES OF LEGAL MATTERS, LIKE A  
22 CONSTRUCTION CONTRACT GONE BAD OR A CONTRACTOR, THEN THAT  
23 WOULD MAKE SENSE TO ME. BUT I DIDN'T ASK HER THAT.

24 MR. CATES: GRETCHEN, I CAN ANSWER MOST OF YOUR  
25 QUESTION BECAUSE, IN RESPONSE TO THE PUBLIC RECORDS ACT

1 REQUEST THAT WE FILED, THE DISTRICT PROVIDED SOME LEGAL  
2 INVOICES AND SOME SUMMARIES OF LEGAL INVOICES. AND THE  
3 CATEGORIES WERE ROUGHLY AS FOLLOWS: PROPERTY DISPOSITION  
4 INCLUDING THE 7-ELEVEN COMMITTEE, GENERAL FACILITIES  
5 EXPENSE; THAT IS EXPENSES THAT WEREN'T SPECIFICALLY  
6 ALLOCABLE TO ANY PARTICULAR PROJECT OR SCHOOL, CONSULTANT  
7 AGREEMENTS, SOMETHING CALLED AN AKG LAWSUIT. ALL RIGHT?

8 NOW, I PERSONALLY REVIEWED THESE INVOICES BACK IN  
9 SEPTEMBER. AND THEY WERE EXTENSIVE. THEY'RE WELL OVER A  
10 HUNDRED PAGES. SO I DIDN'T READ THEM ALL, BUT I SKIMMED  
11 THEM. AS KIM SAYS, THE BULK OF THE LEGAL FEES WERE  
12 ALLOCATED TO SPECIFIC SCHOOLS BY NAME. AND IT APPEARED TO  
13 ME THAT THESE WERE PROJECT RELATED AND, THEREFORE,  
14 LEGITIMATE TT EXPENSES. OKAY? I SAY IT APPEARED BECAUSE  
15 WE GOT THE DETAILED INVOICES ONLY FOR THE PERIOD JANUARY  
16 THROUGH JUNE 2017. SINCE THEN, WE'VE GOTTEN SUMMARIES FOR  
17 THE PRECEDING 18 MONTHS BY CATEGORY. NOW YOU CAN'T REALLY  
18 TELL BY LOOKING AT A CATEGORY EXACTLY WHAT THE WORK WAS  
19 FOR.

20 TO GIVE YOU AN IDEA OF THE NUMBERS, THE ONES THAT  
21 ARE IMPERMISSIBLE, I THINK, THE 7-ELEVEN COMMITTEE, OTHER  
22 PROPERTY DISPOSITION, AND GENERAL FACILITIES  
23 ADMINISTRATIVE.

24 I DON'T KNOW ABOUT THE CONSULTANT AGREEMENTS  
25 BECAUSE THAT'S ALL WE SAW, CONSULTANT AGREEMENTS. I DON'T

1 KNOW ABOUT THE AKG LAWSUIT, ALTHOUGH JEFF MARDEROSIAN  
2 INFORMED ME THAT THIS PERTAINED TO A DISPUTE WITH A  
3 CONTRACTOR. I SAID FINE, SEND ME THE PLEADINGS, LET ME  
4 TAKE A LOOK AT THEM BECAUSE THE PLEADINGS WILL SAY WHAT  
5 THE SUIT'S ABOUT.

6 SO -- AND I ADDED ALL THESE UP, AND CAME UP WITH  
7 THE FOLLOWING NUMBERS: FOR THE FISCAL YEAR 2017, THERE  
8 WERE \$87,397 IN EXPENSES THAT SHOULD NOT HAVE BEEN CHARGED  
9 TO TT. THIS EXCLUDES CHARGES FOR THE CONSULTANT  
10 AGREEMENTS AND THE AKG LAWSUIT, WHICH I AM ASSUMING WAS A  
11 LEGITIMATE TT EXPENDITURE. SO FOR THE ONE YEAR FISCAL  
12 2017, WE HAVE A PROBLEM WITH \$87,000.

13 MR. VITALE: OUT OF 553,000?

14 MR. CATES: YEAH. AND I DON'T KNOW ABOUT OTHER  
15 LEGAL FEES AND I CAN'T SAY FOR CERTAIN WHAT -- WHETHER THE  
16 OTHER CATEGORIES WERE LEGITIMATE OR NOT.

17 MR. BOLAND: HOW MUCH WAS THE 7-ELEVEN COMMITTEE?  
18 DO YOU KNOW?

19 MR. CATES: YES. THE 7-ELEVEN COMMITTEE,  
20 \$63,068. OTHER PROPERTY DISPOSITION FOR 2017, \$3,083.

21 NOW, IN THE PRECEDING YEAR, THE AMOUNTS WERE FOR  
22 THE 7-ELEVEN, 64,921; OTHER PROPERTY DISPOSITION, 39628.

23 MR. BOLAND: DO YOU KNOW WHAT THEY MEAN BY THAT?

24 MR. CATES: PARDON?

25 MR. BOLAND: DO YOU KNOW WHAT THEY MEAN BY "OTHER

1 PROPERTY DISPOSITION"?

2 MR. CATES: YEAH. IT PERTAINS PRIMARILY TO ONE  
3 SCHOOL.

4 KIM, DO YOU RECALL WHICH?

5 MS. KENNE: MY IMPRESSION IS THAT IT'S -- NELSON  
6 CAN ANSWER IT -- IS THE SETTLING THE LEASE AGREEMENT WITH  
7 LINDA VISTA AND MOVING STRATFORD TO BURBANK.

8 MR. BOLAND: SO IT'S RELATED TO 7-ELEVEN  
9 COMMITTEE, ALSO?

10 MS. KENNE: ALL PART AND PARCEL.

11 MR. BOLAND: THE REASON I ASKED ABOUT THAT IS  
12 BECAUSE THE AUDITOR DID COMMENT ON THAT, AND SAID THAT SHE  
13 WAS OKAY WITH THE 7-ELEVEN EXPENDITURE.

14 MR. CATES: SHE IS ENTITLED TO HER OPINION.

15 ANYWAY, THESE ARE THE NUMBERS THAT I HAVE SO FAR.  
16 BUT IT'S REALLY IMPOSSIBLE TO GIVE YOU AN EXACT ACCOUNTING  
17 BECAUSE WE DON'T HAVE COMPLETE DESCRIPTIONS. THAT'S BEEN  
18 A CONTINUING PROBLEM. THE SAME IS TRUE FOR STAFF  
19 SALARIES. WE STILL DON'T HAVE AN ALLOCATION, OTHER THAN A  
20 HUNDRED PERCENT. SO WE CAN'T TELL, WHEN WE GET TO KIM'S  
21 SPREADSHEET WHICH SHOWS QUITE A LOT, WHAT PORTION OF STAFF  
22 SALARIES WERE PROPERLY PAYABLE OUT OF TT AND WHAT PORTION  
23 WASN'T.

24 JAMES.

25 MR. VITALE: NELSON, I THINK YOU WOULD AGREE THAT



1 IT'S FAIR THAT ON ANY BOND OF THIS MAGNITUDE YOU ARE GOING  
2 TO HAVE CERTAIN ISSUES THAT ARE GOING TO ARISE. AND THOSE  
3 ISSUES ARE IN SOME CASES GOING TO LEAD TO CONTRACTUAL  
4 DIFFICULTIES WITH CONTRACTORS, SUBCONTRACTORS THAT ARE  
5 WORKING ON PROJECTS. IT'S NOT UNUSUAL. IT HAPPENS. THE  
6 QUESTION IS, AT WHAT POINT DOES IT BECOME SO  
7 INSURMOUNTABLE THAT YOU HAVE TO CUT YOUR LOSSES AND DO  
8 SOMETHING ABOUT IT.

9 MY QUESTION TO YOU IS, IN THESE THREE YEARS HERE,  
10 HOW MANY OF THE PROJECTS HAVE RESULTED IN A CIRCUMSTANCE  
11 LEADING TO A BOND COMPANY HAVING TO COME IN AND TAKE OVER  
12 THE PROJECT OR THERE BEING A DISCREPANCY IN WHICH IT  
13 REQUIRED CONSULTATION WITH LEGAL COUNSEL TO RESOLVE THE  
14 ISSUE AT HAND FOR THE PARTICULAR PROJECTS? IS IT FAIR TO  
15 SAY THAT THERE WERE A LOT; THAT THERE WERE A FEW?

16 MR. CAYABYAB: THEY'RE THE PROJECTS THAT'S I  
17 INHERITED, THE BAG OF WORMS THAT HAS ALREADY BEEN STARTED  
18 PRIOR TO MY TIME. AND ALL I DID AT THE TIME WAS TO BRING  
19 IN THE LEGAL COUNSEL TO GO AHEAD AND SOLVE IT AS QUICKLY  
20 AS I CAN.

21 MR. VITALE: ARE WE TALKING ABOUT ONE PROJECT OR  
22 THE SPECIFIC --

23 MR. CAYABYAB: YOU ASKED ME THE NAMES. MCKINLEY  
24 IS ONE. SIERRA MADRE MIDDLE SCHOOL IS THE OTHER. THE EKG  
25 THAT WE'RE TALKING ABOUT WAS THE ELLIOT. THAT WAS MY

1 FIRST OPPORTUNITY TO GET THROWN INTO THE FIRE, OKAY, WHEN  
2 I FIRST GOT THERE. AND NOW WE'RE DEALING WITH GKK FOR THE  
3 WASHINGTON ACCELERATED SCHOOL.

4 AND THEN I ASKED THEIR LEGAL COUNSEL WITH THE  
5 7-ELEVEN BECAUSE IT'S GOING TO DICTATE WHAT WE DO WITH THE  
6 LINDA VISTA AND THE BURBANK. THERE IS AN ALLOCATED  
7 FUNDING ON THE BURBANK FROM MEASURE TT. THAT'S THE IDEA.

8 BUT AS I MENTIONED BEFORE, WE AGREED TO GO AHEAD,  
9 OKAY, AND TRANSFER THE FUNDS OUT OF -- OR REIMBURSE  
10 MEASURE TT ON THE TOTAL COST OF THE 7-ELEVEN. SO I'M NOT  
11 REALLY SURE WHY THIS IS STILL COMING UP WITH AN ISSUE.  
12 WE'RE GOING TO DO THAT BECAUSE OF THE PUSHBACK THAT WE  
13 RECEIVED FROM YOU.

14 MS. KENNE: AND FROM THE SCHOOL BOARD.

15 MR. CATES: AND FROM THE SCHOOL BOARD.

16 AND WHY ARE WE STILL PURSUING THIS? BECAUSE  
17 THAT'S ONLY ONE SMALL PIECE OF THE PROBLEM.

18 MR. VITALE: IS IT REALLY ONE SMALL PIECE OF THE  
19 PROBLEM?

20 MR. CATES: YEAH.

21 MR. VITALE: THE NUMBERS THAT I'M SEEING HERE.

22 MR. CATES: WELL, FIRST OF ALL, IT'S FOR ONE  
23 YEAR.

24 MR. VITALE: YES. UNDERSTOOD.

25 MR. CATES: SECOND, THE MAJOR ITEM, STAFF

1 SALARIES.

2 MR. VITALE: YEAH. UNDERSTOOD.

3 MR. CATES: WE KNOW NOTHING ABOUT WHAT PORTION OF  
4 STAFF COMPENSATION IS PROPERLY CHARGEABLE TO TT.

5 MR. VITALE: I'LL GOING TO PLAY DEVIL'S ADVOCATE  
6 HERE. AND I THINK NELSON WOULD PROBABLY AGREE WITH ME.

7 WHETHER OR NOT THE WORK THAT IS PERFORMED BY  
8 MEASURED TT WAS DONE BY IN-HOUSE STAFF OR WHETHER YOU HAD  
9 BROUGHT IN VANDER (PHONETIC) WHO WAS FIRED FROM THIS  
10 DISTRICT LAST TIME AROUND WITH THE BOND, OR ONE OF THE  
11 OTHER AGENCIES THAT ARE OUT THERE THAT OFFER SERVICES TO  
12 THE DISTRICT, I WOULD LIKE TO BELIEVE THAT IS IT IS MORE  
13 COST EFFECTIVE AND YOU WILL HAVE MORE LOYALTY AND MORE  
14 RETENTION OF KNOWLEDGE IF YOU ARE IN FACT USING IN-HOUSE  
15 PERSONNEL FOR THE DURATION OF THE PROJECT. AND AS SUCH,  
16 THE VALUE RECEIVED FOR THE EXPENDITURE THAT WE'RE TALKING  
17 ABOUT HERE, WITHOUT PICKING UP THE PROFIT THAT WOULD BE  
18 BEING PAID TO A CM FIRM OR A PROJECT MANAGEMENT FIRM OF  
19 THIS TYPE, WOULD MORE THAN OFFSET THE DIFFERENCES OR  
20 DISCREPANCIES THAT WE'RE FINDING DURING THIS -- THIS  
21 INVESTIGATION THAT WE'RE DOING HERE.

22 MR. CAYABYAB: AND SOMETHING TO ADD -- YOU'RE  
23 ABSOLUTELY RIGHT. THAT WAS MY INTENT TO BEGIN WITH, OKAY.  
24 WITH THE KNOWLEDGE AND THE BACKGROUND THAT I HAVE, I  
25 BROUGHT IN THE RIGHT PEOPLE TO BE ABLE TO ASSIST ME WITH

1 THIS. NOW, ONE-POINT-SOMETHING MILLION DOLLARS AS  
2 COMPARED TO WHAT A CM FIRM FOR THE REMAINING -- IT'S  
3 USUALLY NINE TO 14 PERCENT. YOU CAN DO THE MATH.

4 MR. VITALE: AND I'VE ALREADY -- BECAUSE I DO  
5 WHAT YOU DO. WE'RE THE SAME AGE AND WE KNOW WHAT'S GOING  
6 ON HERE WITH THIS.

7 BUT WHAT I'M CONCERNED ABOUT IS, THIS IS THE  
8 FIRST -- AND I GUESS WERE YOU AT THE LAST MEETING TOO. SO  
9 WE COULD HAVE HAD THIS DISCUSSION THREE OR FOUR MONTHS AGO  
10 HAD WE HAD ACCESSED TO YOU OR HAD YOU CHOSEN TO ATTEND  
11 THESE MEETINGS. WE ARE GETTING MORE CLEAR INFORMATION IN  
12 THIS SESSION WITH ME SITTING HERE THROWING SOME QUESTIONS  
13 OUT THAN I THINK WE'VE GOTTEN IN THE LAST COUPLE OF MONTHS  
14 WHERE WE'VE BEEN SPINNING OUR WHEELS. I BELIEVE THAT WE  
15 ARE GETTING HONEST, CLEAR ANSWERS FROM YOU. I HAVE NO  
16 REASON TO BELIEVE THAT WE'RE NOT. BUT IT WOULD BE  
17 FACILITATED BY YOUR ATTENDANCE -- CONTINUED ATTENDANCE AT  
18 THESE MEETINGS IF FOR ONLY A HALF HOUR OR AN HOUR AT  
19 BEGINNING OF THE MEETING, WE CAN CONSOLIDATE AND  
20 STREAMLINE ANSWERS TO THESE QUESTIONS.

21 MR. CAYABYAB: I TOTALLY AGREE. AND I WILL MAKE  
22 EVERY EFFORT TO ATTEND EVERY MEETING FROM NOW ON.  
23 HOWEVER, I HAVE A LONG DRIVE AFTERWARDS. SO ANY MEETING  
24 AFTER 9:00, I HAVE TO LEAVE.

25 MR. VITALE: AGAIN, IF WE BRING YOU UP AT THE

1 BEGINNING OF IT SO THAT YOU'RE OUT OF HERE BY NO LATER  
2 THAN 8:00 O'CLOCK --

3 MR. CAYABYAB: THAT WOULD BE GREAT.

4 MR. VITALE: -- THEN AND WE'VE GOT YOUR  
5 COMMITMENT TO DO THAT, IT'S GOING TO MAKE I THINK  
6 EVERYBODY'S MISSION HERE EASIER AND CLEARER AS FAR AS WHAT  
7 WE NEED TO UNDERSTAND IS HAPPENING ON THIS AND WE'LL GET  
8 TO THE ROOT OF THE MATTER THAT MUCH QUICKER.

9 MR. CAYABYAB: NOT A PROBLEM. YOU HAVE MY  
10 COMMITMENT.

11 MR. CATES: A GENERAL EXPLANATION IS HELPFUL.  
12 BUT IN ADDITION TO THAT, WE NEED SPECIFIC NUMBERS. WE  
13 HAVE BEEN ASKING FOR AN ALLOCATION -- A FACT-BASED  
14 ALLOCATION FOR MANY MONTHS. SO WE NEED THAT AND WE NEED  
15 IT IN WRITING.

16 MR. VITALE: OKAY. BUT THAT WAS THEN. THIS IS  
17 NOW. WE'RE MOVING AHEAD FROM THIS POINT ON. NELSON HAS  
18 COMMITTED TO DO SO.

19 MR. CATES: EXCUSE ME. NELSON, HAVE YOU  
20 COMMITTED TO GIVING US AN ALLOCATION OF EVERY STAFF  
21 MEMBER'S COMPENSATION IN WRITING SO WE CAN TELL THE AMOUNT  
22 PROPERLY ALLOCABLE TO TT AND NOT?

23 MR. CAYABYAB: I WILL GIVE YOU A COPY OF THE PR  
24 FOR EVERY SINGLE PERSON THAT IS SOMEWHAT PORTION FROM  
25 MEASURE TT AND GENERAL FUND. THAT'S HOW WE GO BY. BEFORE

1 A PERSON GETS THEIR FIRST PAYCHECK, OKAY, YOU WILL GET A  
2 PR THAT SAYS -- LIKE FOR ME, FOR EXAMPLE. AS PART OF MY  
3 CONTRACT, IT SAYS, 85 PERCENT MEASURE TT, 15 PERCENT FROM  
4 THE GENERAL FUND. SAME THING WITH MY CONSTRUCTION  
5 SPECIALIST. BUT THAT PR ONLY -- DOES NOT GO FOR BOARD  
6 APPROVAL, OKAY. IT'S ONLY MANAGERS OR MYSELF, THE CHIEFS  
7 GO FOR BOARD APPROVAL. THAT IS DETERMINED BY THE HR WHEN  
8 WE SUBMIT IT. BEFORE THEY GET THEIR FIRST PAYCHECK,  
9 THAT'S THE ALLOCATION.

10 SO I WILL COMMIT TO YOU, GIVE YOU A COPY OF THE  
11 PRS, JUST LIKE WHAT WE PROVIDED TO THE AUDITOR AND WHEN  
12 THEY WERE QUESTIONING THAT. OKAY?

13 NOW THE OTHER THING, TOO, YOU HAVE TO REALIZE IS  
14 THAT, AS ASSIGNED FOR MY STAFF, THAT IS THE CLAUSE IN  
15 THEIR JOB DESCRIPTION. SO IF, FOR EXAMPLE, OKAY --  
16 PERFECT EXAMPLE THAT YOU WOULD USE. THE PERSON THAT IS  
17 MONITORING THE RENTALS LEAVES AND TAKES OFF. IT'S STILL  
18 MY RESPONSIBILITY TO MANAGE THAT PROGRAM. SO WHAT DO I  
19 DO? DROP IT? OR DO I ASSIGN SOMEBODY THAT IS THERE AND  
20 CAN DO THE JOB? NOW, DO I NEED TO SUBMIT ANOTHER PR JUST  
21 SO THAT I CAN CLARIFY IN YOUR CASE THAT, YEAH, FIVE  
22 PERCENT IS OUT OF MEASURE TT OR AND 85 PERCENT IS OUT OF  
23 GENERAL FUND? I WOULD BE DOING THAT ON A REGULAR BASIS AS  
24 MUCH AS WE'RE KEEPING OUR STAFF AND TRYING TO DEAL WITH  
25 THE BUDGET CRISIS THAT WE HAVE. THAT, TO ME, IS A REALLY

1 A WASTE OF TIME.

2 MR. CATES: LESS THERE BE ANY MISUNDERSTANDING,  
3 THE PR IN AND OF ITSELF DOES NOT SHOW THE NATURE OF THE  
4 WORK PERFORMED; IT SHOWS HOW THE FACILITIES DEPARTMENT  
5 CHARGES THIS PERSON'S COMPENSATION. CLASSIC EXAMPLE IS  
6 SHIRLEY BARRETT. THE RESPONSE THERE WAS, WELL, THE PR  
7 ALLOCATES A HUNDRED PERCENT OF HER COMPENSATION TO TT. WE  
8 ALREADY KNOW THAT. WHAT WE NEED TO KNOWS WHAT IS SHE  
9 DOING.

10 MR. VITALE: THAT WAS ANSWERED EARLIER WHEN HE  
11 DESCRIBED --

12 MR. BOLAND: WHO MAKES --

13 MS. VANCE: -- VOLUNTARY WORK.

14 MR. CATES: OKAY. FINE. WE'LL --

15 MR. CAYABYAB: WHAT ANSWERS I WILL INCLUDE ALSO,  
16 OKAY, THE JOB DESCRIPTION THAT WE HIRED SHIRLEY BARRETT AS  
17 A CONSTRUCTION SPECIALIST FOR. THAT'S WHEN HER SALARY  
18 LEVEL WENT FROM THAT TO 100 PERCENT OF MEASURE TT. WE CAN  
19 DO THAT. IN THAT JOB DESCRIPTION, IT WILL DICTATE EXACTLY  
20 WHAT THE ROLES AND RESPONSIBILITIES ARE OF THAT PARTICULAR  
21 PERSON AS WE SUBMITTED TO HIRE WITHIN THE DISTRICT. JUST  
22 LIKE THE SAME THING -- ANOTHER EXAMPLE. WHEN I BROUGHT IN  
23 MY EXECUTIVE SECRETARY, MY SECOND IN CHARGE OF MAINTENANCE  
24 AND OPERATIONS, I SUBMITTED A PR, 50 PERCENT FROM THE  
25 GENERAL FUND, 50 PERCENT FROM MEASURE TT. MY REASONING AT

1 THAT POINT IS THAT PARTICULAR SECRETARY, SUZIE, HANDLES A  
2 LOT OF THE TRADES THAT WILL DO MEASURE TT WORK AND THE  
3 PROCESS. I HAD TO GIVE A TRADES THE FIRST RIGHT OF  
4 REFUSAL TO DO TT WORK IF IT'S WITHIN THEIR CAPABILITY.

5 MR. VITALE: IS THAT WHAT YOU'RE IDENTIFYING AS  
6 LOCAL HIRE COSTS?

7 MR. CAYABYAB: NO. LOCAL HIRE COSTS IS WHEN MY  
8 PMS -- PARSONS THE SAME, YES. THOSE WERE CONSULTANTS THAT  
9 WERE CWA AND THE PLA OF WHICH WE NOW DID NOT EXTEND THEIR  
10 CONTRACT. THAT WENT AWAY. WHAT HAPPENS THERE IS -- LET  
11 ME FINISH, PLEASE.

12 WHAT HAPPENS THERE IN THE PAST, THERE WAS AN  
13 AGREEMENT FIVE YEARS AGO, THAT IN ORDER FOR US TO -- IF WE  
14 ARE SUPPORT -- THEY PASS A RESOLUTION THAT THE DISTRICT  
15 WILL SUPPORT LOCAL HIRES. SO WE HAVE TO GIVE LOCAL HIRED  
16 CONTRACTORS FIRST TO BID FOR THESE PROJECTS -- YOU KNOW  
17 THAT -- BEFORE WE CAN GO OUT ANYWHERE. BUT WHAT HAS BEEN  
18 HAPPENING IN THE IS THAT, WE JUST DON'T HAVE THE QUALITY  
19 OF WORK FROM THE LOCAL HIRES. SO WE HAVE TO GO OUT  
20 THROUGH THE GENERAL CONTRACTOR TO GO OUT AND HIRE THEIR  
21 PEOPLE, WHICH IN TURN USUALLY COST THE DISTRICT 25 PERCENT  
22 MORE BECAUSE THEY END UP PAYING -- THEY ARE FORCED TO PAY  
23 THE UNION DUES SO THAT THEY CAN BE UNDER THE LOCAL HIRE.

24 MR. VITALE: BUT THEY STILL HAVE TO PAY DAVIS  
25 BACON WAGES?



1 MR. CAYABYAB: EXACTLY.

2 MR. VITALE: YOU DON'T HAVE A PROBLEM WITH THE  
3 DAVIS BACON WAGES. THEY HAVE BEEN PAID THROUGHOUT THE  
4 COURSE OF THE PROJECT AND BEEN AUDITED AND YOU'RE FINE  
5 WITH THAT.

6 MR. CAYABYAB: THE WHAT NOW?

7 MR. VITALE: THE DAVIS BACON WAGE PAYMENT  
8 REQUIREMENT IS THE MINUTE WAGE --

9 MR. CAYABYAB: EXACTLY.

10 MR. VITALE: -- THAT THESE GUYS ARE SUPPOSED TO  
11 GET. YOU'RE SUPPOSED TO TAKE EVERY MONTH WHEN PAYROLL  
12 COMES IN, AND THEY'RE SUPPOSED TO PROVIDE VERIFICATION  
13 THAT THAT'S BEEN DONE. SO YOU'VE GOT SOMEBODY THAT HAS  
14 BEEN DOING THAT WHETHER YOUR OWN PEOPLE OR A CONSULTANT --

15 MR. CAYABYAB: THAT'S CORRECT. CERTIFIED  
16 PAYROLL.

17 MR. VITALE: THAT'S CLEAN.

18 MR. CAYABYAB: CERTIFIED PAYROLL.

19 MR. VITALE: -- YOU THINK THAT'S CLEAN.

20 MR. CAYABYAB: CERTIFIED PAYROLL, THAT'S A  
21 REQUIREMENT.

22 MR. VITALE: I KNOW IT IS.

23 MR. CATES: NELSON, LET ME EXPLAIN AGAIN LESS  
24 THERE BE NO MISUNDERSTANDING ON YOUR PART WHAT -- WHY  
25 YOU'RE OFFERING, THOUGH HELPFUL, IS INADEQUATE. FIRST,

1 THE PRS MERELY ALLOCATE SALARIES TO TT. WE ALREADY KNOW  
2 THE ANSWER TO THAT. FOR SEVEN STAFF MEMBERS, IT'S A  
3 HUNDRED PERCENT. WE DON'T NEED TO SEE THE PRS.  
4 SIMILARLY, A JOB DESCRIPTION SAYS WHATEVER YOU WANT IT TO  
5 SAY.

6 WHAT WE NEED TO KNOW IS WHAT THESE PEOPLE ARE  
7 ACTUALLY DOING, NOT THE WINDOW DRESSING. WHAT IS THE  
8 SUBSTANCE OF WHAT THEY'RE DOING? IS IT WORKING ON  
9 PROJECTS? OR IS IT RAISING MONEY FOR LANDSCAPE  
10 BEAUTIFICATION?

11 KIM.

12 MS. KENNE: SO -- SO WHAT JAMES IS SAYING, WE'VE  
13 HEARD HERE TONIGHT THAT SHIRLEY DOES OTHER JOBS BUT NOT  
14 DURING THE EIGHT HOURS A DAY THAT SHE'S EARNING TT  
15 SALARIES. AND I THINK YOU JUST WANT THAT IN WRITING.

16 MR. CATES: YEAH. AND NOT JUST FOR SHIRLEY.  
17 THERE'S SIX OTHER PEOPLE THERE, INCLUDING ONE WHO CHAIRS  
18 THE -- OR HAS CHAIRED THE 7-ELEVEN COMMITTEE. NOW, IS  
19 THAT VOLUNTEER WORK AS WELL?

20 MR. CAYABYAB: NO.

21 MR. CATES: IS ALL NON-TT WORK VOLUNTEER WORK AND  
22 ALL WORK TT WORK? I FIND THAT TO BE INCREDIBLE.

23 MS. KENNE: BUT YOU'RE ASKING TO HAVE THAT IN  
24 WRITING BECAUSE --

25 MR. CATES: YES.

1 MS. KENNE: -- AGAIN, THE ALLOCATION AND THE PRS  
2 AREN'T THE ISSUE. WE ALL KNOW THAT THEY'RE BEING --

3 MR. CATES: RIGHT. IT'S A HUNDRED PERCENT.

4 MS. KENNE: THE QUESTION IS --

5 MR. CATES: WHAT ARE THEY REALLY DOING.

6 MS. KENNE: RIGHT. SO THAT -- I MEAN, BUT THAT'S  
7 CLEAR TO EVERYONE. WHAT CLIFF'S LOOKING FOR IS WHAT  
8 NELSON SAID HERE VERBALLY IN WRITING.

9 MR. VITALE: RIGHT. AND SO KIM, AND I THINK  
10 NELSON WOULD AGREE, TOO, WE'RE HAVING THIS PARTING OF THE  
11 WAYS SO TO SPEAK. WHO IN YOUR OFFICE OTHER THAN THE SEVEN  
12 PEOPLE THAT ARE A HUNDRED PERCENT ATTACHED TO MEASURE TT  
13 ARE RESPONSIBLE FOR THE OVERSIGHT, SUPERVISION, AND  
14 COORDINATION OF DISTRICT-WIDE MAINTENANCE AND OPERATIONS?

15 MR. CAYABYAB: I AM.

16 MR. VITALE: YOU ARE.

17 MR. CAYABYAB: YES. AND I HAVE MY DIRECTOR OF  
18 FACILITIES --

19 MR. VITALE: OKAY.

20 MR. CAYABYAB: -- WHICH IS STRICTLY HUNDRED  
21 PERCENT GENERAL FUND. AND THEN MY SECRETARY, SUZIE ALRED.  
22 AS I MENTIONED EARLIER, SHE IS 50/50. THAT'S IT.

23 MR. VITALE: OKAY. SO THEN THAT MEANS 50 PERCENT  
24 OF HER SALARY IS MEASURE TT. 75 PERCENT OF YOUR SALARY,  
25 GIVE OR TAKE, IS MEASURE TT.

1 MR. CATES: 85.

2 MR. VITALE: 85 IS MEASURE TT, AND THE OTHER 15  
3 PERCENT IS GOING TO ADMINISTRATIVE RESPONSIBILITIES AND  
4 COORDINATION OF MAINTENANCE AND OPERATIONS THROUGH THE  
5 DISTRICT. I THINK THAT'S WHERE WE'RE LOOKING FOR THIS  
6 CLEAR AND -- YEAH, THIS CLEAR, CONCISE SEPARATION SO THAT  
7 IT'S UNDERSTOOD THAT WE'RE NOT SALTING THE M AND O PEOPLE  
8 WITH MONEY THAT'S COMING OUT OF TT WHEN THEY'RE SUPPOSED  
9 TO BE COMING OUT OF A DISTRICT BUDGET FOR THAT.

10 MS. VANCE: SO HERE'S MY QUESTION, AND MAYBE THIS  
11 IS TO KIM. IN A DISTRICT OF OUR SIZE, COULD WE HAVE ONE  
12 15 PERCENT PERSON, ONE HALF OF A SECRETARY OR  
13 ADMINISTRATIVE ASSISTANT, AND ONE DIRECTOR OF WHAT'S  
14 KHALIL'S TERM --

15 MR. CAYABYAB: DIRECTOR OF MAINTENANCE.

16 MS. VANCE: -- DIRECTOR OF MAINTENANCE, AND RUN A  
17 DISTRICT OF OUR SIZE?

18 MS. KENNE: MY UNDERSTANDING IS THAT, WHEN THERE  
19 IS NO BOND, THERE IS NO CHIEF OF FACILITIES; THAT -- THAT  
20 THE DIRECTOR OF MAINTENANCE AND OPERATIONS AND MAYBE IN  
21 SOME OTHER DISTRICTS JUST REPORTS OFTEN -- I MEAN, AND HAS  
22 HAPPENED HERE TO THE BUSINESS, THE CBO. SO IT'S NOT  
23 CLEAR. I MEAN, MANY ORGANIZATIONS HAVE FA AND O, FINANCE  
24 ADMINISTRATION AND OPERATIONS. SORRY.

25 MR. VITALE: AND, KIM, THAT'S AN INTERESTING

1 POINT YOU MAKE BECAUSE, IN A LOT OF DISTRICTS TODAY, THEY  
2 ARE CUTTING OUT THE DIRECTOR OF FACILITIES. THEY'RE EVEN  
3 CUTTING OUT THE DIRECTOR OF MAINTENANCE AND OPERATIONS AND  
4 THEY'RE PUTTING IT UNDER A DISTRICT BUSINESS MANAGER WHO  
5 IS LACKING IN THE SKILLS, KNOWLEDGE, AND ABILITIES TO DO  
6 THE SPECIFICS THAT ARE REQUIRED. THEY ARE THEN -- THEY  
7 ARE THEN RESIGNING -- THEY ARE THEN RELYING UPON THE  
8 ABILITIES OF VARIOUS SUPERVISORS AND FOREMEN AND SENIOR  
9 PEOPLE, LEAD PEOPLE, TO DO WHAT IS NECESSARY. AND ONLY  
10 WHEN IT COMES INTO A LARGER PROJECT COMING ON SCALE THAT  
11 THEY HAVE TO GO OUT AND BRING A CONSULTANT IN TO DO IT.

12 SO, YES, YOU ARE CORRECT IN THAT NOT EVERY  
13 DISTRICT BASED ON SIZE IS GOING TO HAVE A DIRECTOR OF  
14 FACILITIES, OR IN SOME CASES THAT DIRECTOR OF FACILITIES  
15 HAS GOT A DIFFERING ROLE. BECAUSE OF THE NATURE OF THIS  
16 BOND THAT WE'VE GOT AND JUST LIKE THE ONE WE HAD TEN OR 12  
17 YEARS AGO, WHATEVER IT WAS, YOU HAVE TO HAVE SOMEBODY IN  
18 THAT ROLE THAT UNDERSTANDS CONSTRUCTION AS MUCH AS THEY  
19 UNDERSTAND M AND O. MY EXPERIENCE HAS BEEN THAT THERE  
20 WERE A LOT OF M AND O PEOPLE WHEN THESE BONDS CAME INTO  
21 PLAY. THEY REALLY HAD NO EXPERIENCE WITH DOING MAJOR  
22 CONSTRUCTION. AND SO AS TIME WENT ON, THEY SORT OF  
23 ACQUIRED IT, BUT AS THE PROJECTS GOT BIGGER, IT GOT BEYOND  
24 THEIR ABILITY TO CONCEPTUALIZE ALL OF THE PARTS THAT WERE  
25 GOING INTO IT. THAT'S WHY YOU BROUGHT A NELSON INTO THE

1 FRAY.

2 MS. KENNE: I THINK THAT'S WHAT HAPPENED WITH  
3 MEASURE 1.

4 MR. CATES: LADIES AND GENTLEMEN, WE NORMALLY  
5 TAKE A BREAK AT 8:00. IT'S 8:10. LET'S TAKE A TEN-MINUTE  
6 BREAK AND THEN, WITH YOUR INDULGENCE WHEN WE COME BACK,  
7 I'D LIKE TO MOVE TO THE NEXT ITEM, REPORT BY THE CHIEF OF  
8 FACILITIES SO THAT NELSON CAN GET OUT OF HERE BEFORE 9:00.  
9 AND WE WILL CONTINUE WITH YOUR. ABSOLUTELY.

10 SO TAKE A TEN-MINUTE BREAK BEGINNING AT 8:09.

11 (A BRIEF BREAK.)

12 MR. CATES: ALL RIGHT. LADIES AND GENTLEMEN, WE  
13 RESUME AT 8:22. BACK ON THE RECORD. AND WE'RE GOING TO  
14 SKIP AHEAD TO ITEM 4J, WHICH IS THE REPORT BY THE CHIEF OF  
15 FACILITIES.

16 MR. CAYABYAB: THANK YOU. BEFORE MIGUEL GOES  
17 THROUGH HIS THING, I JUST WANT TO BRING TO EVERYBODY'S  
18 ATTENTION THAT WE HAD A SPECIAL BOARD MEETING WITH THE  
19 FACILITIES COMMITTEE. AND WHAT I DID AT THE FACILITIES  
20 COMMITTEE IS I WENT AHEAD AND PRESENTED ALL OF THE ALREADY  
21 APPROVED PROJECTS PLUS SOME THEY COULD APPROVE AS FAR AS  
22 THE NEXT REMAINING PROJECTS AS WAS ON THE APRIL WHATEVER  
23 MEETING THAT WAS WHEN I TRIED TO GET SOME DECISION ON THE  
24 REMAINING PROJECTS. BUT AT THE SAME TIME, I ALSO CHOSE TO  
25 GIVE THE ENTIRE COMMITTEE THE REALITY OF WHAT IS NEEDED IN

1 THIS SCHOOL DISTRICT. OKAY. IN THAT THEY COULD TAKE AN  
2 OPTION TO GO SEVERAL ROUTES. NUMBER ONE, TO SUPPORT UNDER  
3 SAFETY ON THE MEASURE TT BALLOT, TRIM THE TREE THAT'S WE  
4 HAVE BECAUSE A CHILD JUST RECENTLY HAD AN ACCIDENT OVER AT  
5 LINDA VISTA.

6 BUT AS THE RESULT OF YOUR COC LIAISON COMMITTEE,  
7 THAT WAS NOT RECOMMENDED BECAUSE IT'S STRICTLY MAINTENANCE  
8 AND NOT -- EVEN THOUGH IT'S UNDER SAFETY, YOU RECOMMENDED  
9 THAT IT'S NOT PART OR APPROPRIATE FOR MEASURE TT, WHICH I  
10 AGREE. SO WE TOOK THAT OUT.

11 THE OTHER OPTION IS THE HVAC NEEDS DISTRICT-WIDE  
12 THAT WE NEED TO DO. AND IT CAME OUT TO ABOUT \$3.5 MILLION  
13 AS AN OPTION TO SPEND THE REMAINING MEASURE TT FUNDS. THE  
14 REASON I BROUGHT THAT UP IS BECAUSE WE GOT A LOT OF OLD  
15 UNITS THAT NEED TO BE REPLACED. AND THE LAST TIME WE HAD  
16 HUNDRED DEGREE WEATHER WE HAD TO SHUT DOWN THE SCHOOL  
17 BECAUSE IT WAS UNCOMFORTABLE FOR THE KIDS. SO UNTIL WE  
18 CAN GET SOME FUNDING UNDER FUTURE BOND OR WHATEVER, WE  
19 NEED TO FIX THOSE THINGS NOW. AND THAT WAS AN OPTION THAT  
20 I PRESENTED TO THE FACILITIES COMMITTEE.

21 THE OTHER OPTION ALSO WAS THE REPLACEMENT OF A  
22 LOT OF PLAYGROUND EQUIPMENT. WE'VE GOT A LOT OF  
23 PLAYGROUND EQUIPMENT THAT ARE JUST IN DIRE NEED OF REPAIR,  
24 AND IT'S GETTING TO BE UNSAFE FOR OUR STUDENTS AND THE  
25 KIDS THAT USE THEM. SO THAT WAS ANOTHER OPTION TO SPEND

1 THE REMAINING MEASURE TT FUNDS.

2 THE OTHER OPTION WAS ROOF REPAIRS THAT WE'VE BEEN  
3 KIND OF MANAGING THROUGH MAINTENANCE AND OPERATIONS  
4 BUDGETS AND SOME OTHER MEANS, BUT NOW WE'RE IN A REAL BAD  
5 SHAPE AS FAR AS THE BUDGET IS CONCERNED. SO THAT WAS  
6 ANOTHER OPTION. BUT WE'VE GOT TO DO THIS BECAUSE THE  
7 ROOFS LEAK AND WE HAVE TO FIX THEM AND SO FORTH. THAT'S  
8 PART OF THE OPTIONS I PRESENTED AS WELL.

9 THE OTHER ONE IS THE BEAUTIFICATION. THERE WAS A  
10 LOT OF TALK AND PUSH BACK FROM THE COMMUNITY THAT, YOU  
11 KNOW, WILSON WAS IN REAL BAD SHAPE AS FAR AS THE FRONT OF  
12 THE SCHOOL. YES. THERE'S ALSO A LOT OF OTHER SITES THAT  
13 ARE IN THAT SAME CATEGORY. SO WHAT I DID IS I -- INSTEAD  
14 OF MOVING FORWARD WITH JUST WILSON, THE COMMITTEE NEEDS TO  
15 KNOW ALL THE STATUS OF ALL OF THE OTHER ONES. SO  
16 PRESENTED THAT AND THE OPTIONS TO EITHER REPLACE IT WITH  
17 --- FIX THE IRRIGATION IS A GIVEN, REPLACE IT WITH A GREEN  
18 LAWN, OR REPLACE IT WITH A CALIFORNIA WATERWISE TYPE OF A  
19 SCENARIO. SO THOSE OPTIONS WERE IDENTIFIED.

20 SO I WENT IN, PRESENTED THAT. AND THEN THE  
21 COMMITTEE, WHEN THEY HAD TO MOVE FORWARD AND WILL  
22 RECOMMEND TO THE BOARD FOR APPROVAL TOMORROW TO NOT PURSUE  
23 THE MODERNIZATION FOR DON BENITO, NOT PURSUE THE  
24 MODERNIZATION FOR -- WHAT WAS THE OTHER ONE? ROOSEVELT  
25 AND LONGFELLOW. OKAY? THOSE THREE ARE MOVED OUT OF THE



1 PRIORITIZATION LIST. JACKSON PORTABLE WAS ALSO BROUGHT UP  
2 AS NUMBER 10 NEXT IN LINE, AND THEN HVAC, THE OPTIONS  
3 WE'VE GOT WAS NEXT, REPLACEMENT OF THE PLAYGROUND  
4 EQUIPMENT AND THE NEEDS AND SO FORTH. IT'S ALL STATED ON  
5 THE BOARD REPORT THAT WAS SUBMITTED LAST NIGHT.

6 SO THAT'S THE DECISION THAT WE'RE GOING TO BE  
7 TALKING ABOUT AT THE FACILITIES COMMITTEE BEFORE THEN.  
8 AND THEN THE COMMITTEE'S EITHER GONG TO DECIDE TO GO AHEAD  
9 AND PULL IT AND REDISCUSS IT AGAIN OR -- AND GET APPROVAL  
10 FROM THE BOARD, BUT THERE'S ALSO A PUSH TO KEEP IT ON  
11 THERE SO THAT WE CAN MAKE A DECISION AND MOVE THE THINGS  
12 FURTHER.

13 THE IDEA IS THAT, ONCE THEY APPROVE ALL THOSE  
14 PRIORITY LISTS AS OPTIONS THAT WE PROVIDED, THAT'S IT AS  
15 FAR AS THE REMAINDER OF MEASURE TT. OKAY? AND THEN --  
16 WHAT I WILL DO THEN IS THAT ALL THE LISTS THAT ARE  
17 REMAINING THAT HAVE ENCUMBRANCES AND THINGS LIKE THAT,  
18 THEY'RE ALL GOING TO BE ZEROED OUT AND THEY'RE ALL GOING  
19 TO BE PUT INTO THE TT CONTINGENCY THAT WILL SUPPORT THE  
20 PRIORITIES AS THEY COME UP. SO IN OTHER WORDS, IF THE  
21 NEXT ONE THAT COMES IN LINE, WE'RE GOING TO BID THE  
22 CLASSROOM PORTABLE ADDITION OVER AT JACKSON. AND IF WE  
23 BUDGETED 450,000 FOR IT TO INCLUDE THE PARKING DROP OR --  
24 NOT THE PARKING, BUT THE DROP-OFF, IF THAT BIDS COME UP TO  
25 ABOUT A MILLION DOLLARS AND THEN WHATEVER IS IN THE

1 CONTINGENCY AND WHATEVER IS AT THE BOTTOM OF THE PRIORITY  
2 LIST WILL THEN GO TO SUPPLEMENT THE PROJECT AS WE MOVE  
3 FORWARD. SO IN THAT PROCESS, WE'LL GET GOING.

4 THAT WAY EVERY SINGLE PART OF THE MEASURE TT WILL  
5 BE ACCOUNTED FOR. I ENVISION THAT WE HAVE TO FINISH UP IN  
6 THREE YEARS; OTHERWISE, ARBITRARY TO THE SPEND-DOWN, WE'LL  
7 HAVE AN ISSUE.

8 BUT SO THAT'S WHAT'S COMING UP IN THE VERY  
9 FORESEEABLE FUTURE. AND WITH THAT, IF YOU HAVE ANY  
10 QUESTIONS, LET ME KNOW.

11 MR. VITALE: SO THAT LIST WILL ULTIMATELY BE  
12 PUBLISHED BEFORE THE END OF THE YEAR OR AFTER THE END OF  
13 THE YEAR?

14 MR. CAYABYAB: IT'S PUBLISHED NOW.

15 MR. VITALE: IT'S ON THE WEB SITE NOW?

16 MR. CAYABYAB: IT'S ON THE WEB SITE.

17 MR. VITALE: SO THERE'S A WEB SITE THAT WE CAN GO  
18 TO, LOOK AT THE NUMBERS, LOOK AT THE EXPENDITURES TO DATE  
19 AND THE EXPENDITURES REMAINING?

20 MR. CAYABYAB: BOARD AGENDA.

21 MR. VITALE: BOARD AGENDA.

22 MR. CAYABYAB: YES. ONCE THAT'S DONE, I'LL  
23 RECONCILE EVERYTHING ACCORDING TO THE PRIORITIES THAT  
24 ALREADY BEEN APPROVED. SO EVERYTHING WILL BE ZEROED OUT.  
25 AND THAT WILL PUBLISH ON OUR FACILITIES AGENDA. THEY GOT

1 THE MATERIAL. YOU GOT THE MATERIAL IN YOUR PACKET.

2 MR. VITALE: KIND OF SMALL. KIND OF HARD TO  
3 READ.

4 MR. CAYABYAB: MIGUEL, GEEZ. WHAT'S UP WITH  
5 THAT?

6 MR. VITALE: IT'S NOT HANDICAP ACCESSIBLE.

7 MR. CAYABYAB: SO ANY QUESTIONS?

8 MS. KENNE: OVER 65.

9 MR. CATES: WHEN YOU SAY COMMITTEE, YOU MEAN THE  
10 FACILITIES COMMITTEE?

11 MR. CAYABYAB: THAT'S CORRECT. THEY'RE THE ONES  
12 THAT MAKE RECOMMENDATIONS TO THE BOARD FOR APPROVAL.

13 MS. VANCE: SORRY. GO AHEAD.

14 MR. VITALE: THEN AS FAR AS EXTENDING THAT OUT AS  
15 CONTRACTS ARE AWARDED, THOSE CONTRACTS WILL SHOW UP ON  
16 YOUR SPREADSHEET ON THE WEB SITE FOR PEOPLE TO SEE WHO'S  
17 BEEN AWARDED AND WHERE WE'RE AT ON THOSE?

18 MR. CAYABYAB: THAT'S CORRECT. EVERY TIME WE  
19 HAVE A CONTRACT, WE GO THROUGH THE PROCESS OF ADVERTISING  
20 AND THEN WE GET BOARD APPROVAL TO SAY, THIS PARTICULAR  
21 CONTRACTOR IS THE LOW BIDDER, ASKING WE BRING FORWARD THE  
22 OTHER CONTRACTORS AS WELL WHO BID THE PROJECT. THERE'S A  
23 -- RECOMMENDED APPROVAL. THEN WE GO THROUGH THE PROCESS  
24 OF COLLECTING A LOT OF THE REQUIRED DOCUMENTS, INCLUDING  
25 INSURANCE AND BOND AND ALL THAT STUFF. AND THEN WE'LL

1 GIVE THEM A NOTICE TO PROCEED.

2 MR. VITALE: IS IT YOUR PRACTICE TO THROW THESE  
3 OUT TO OPEN BID TO EVERYBODY OR ARE YOU DOING A LIST OF  
4 PRE-APPROVED CONTRACTORS THAT HAVE BEEN VETTED AS BEING  
5 CAPABLE OF DOING THE WORK IN THE FIRST PLACE?

6 MR. CAYABYAB: WE HAVE DONE A PRE-APPROVAL AND  
7 THE PRE-APPROVAL LIST IS ON THERE.

8 MR. VITALE: THERE IS A PRE-APPROVAL LIST?

9 MR. CAYABYAB: THERE IS A PRE-APPROVAL LIST WHICH  
10 WAS NEVER DONE BEFORE I CAME, TO BE HONEST WITH YOU. SO  
11 WE GO THROUGH THE PRE-APPROVAL PROCESS, NOT ONLY WITH ALL  
12 GENERAL CONTRACTORS, BUT WITH THE SUBS ALSO TESTING  
13 MATERIAL AND ALL THOSE ASSOCIATED THINGS THAT WE HAVE  
14 TO --

15 MR. VITALE: SO TYPICALLY ON EACH PROJECT, THERE  
16 WOULD BE SIX BIDDERS? EIGHT BIDDERS? TEN BIDDERS?

17 MR. CAYABYAB: AS OF LATE, BECAUSE THE WORK HAS  
18 BEEN A LOT, PEOPLE -- WE USUALLY GET ONE OR TWO ON A  
19 SMALLER PROJECTS. BUT YOU'RE TALKING ABOUT THREE OR FOUR  
20 OR \$5 MILLION PROJECT, WE ONLY INVITE THE ONES THAT ARE  
21 PRE-APPROVED, THAT HAVE BEEN PRETTY GOOD. ON THE AVERAGE,  
22 I WOULD SAY FOUR OR FIVE TO PICK FROM.

23 MR. VITALE: OF THE REMAINING PROJECTS, HOW MANY  
24 OF THOSE, IF ANY, DO YOU THINK ARE GOING TO EXCEED 5  
25 MILLION, 10 MILLION, A MILLION DOLLARS?

1 MR. CAYABYAB: I WOULD THINK, PROBABLY BECAUSE OF  
2 THE COMPLEXITY OF THE WORK, IT WOULD BE ROOSEVELT RIGHT  
3 NOW BECAUSE THERE'S A LOT OF UNFORESEEN IN THE ROOSEVELT.  
4 THAT'S WHY WE'RE TRYING TO GO THROUGH THE PEA AND DO SOME  
5 DIGGING AND MAKING SURE WE DO A CONSTRUCTIVE BUILD REVIEW.  
6 THAT'S WHY IT'S TAKING A LONG TIME. BUT LONGFELLOW, I  
7 DON'T FORESEE THAT TO BE -- WE'VE BEEN PRETTY PRECISE.  
8 LAST ONE, NORMA COOMBS, WE PROJECTED 6.5 MILLION, AND THE  
9 BIDS CAME OUT TO ABOUT 6.3 MILLION. SO WE'VE BEEN IN THE  
10 BALLPARK. PRIOR TO THAT THOUGH, YOU ARE AWARE --

11 MR. VITALE: IT WAS A BIG SWING.

12 MR. CAYABYAB: YEAH. EXACTLY.

13 MR. VITALE: BUT, OF COURSE, WE'RE NOW COMING  
14 INTO A POINT IN TIME WHERE THERE'S A SIGNIFICANT AMOUNT OF  
15 CONSTRUCTION IN ALL AREAS GOING ON ALL OVER SOUTHERN  
16 CALIFORNIA, AND THE AVAILABLE POOL OF CONTRACTORS TO DO  
17 WORK IS DIMINISHING; IT'S NOT INCREASING.

18 MR. CAYABYAB: THAT'S CORRECT. WHAT WE DID IN  
19 THE PAST HAS BEEN COMMON PRACTICE JUST TO -- BECAUSE OF  
20 THE CWA, THEY JUST BID IT VERY LOCAL. AND NOW WE'RE GOING  
21 THROUGH THE LA AND THAT AREA AND TRY TO GO THROUGH THE  
22 GREEN SHEETS. SO WE'RE SPREADING OUR AREA OF COVERAGE AS  
23 FAR AS THE BIDDING PROCESS. BUT SMALLER PROJECTS UNDER  
24 CUPKA, WE USUALLY GET ONE OR TWO. BUT THEN THEY KNOW THAT  
25 THEY'RE THE ONLY ONES BIDDING. SO THEY HIKE UP THE PRICE.

1 WE REJECT ALL BIDS AT THAT POINT AND REDO IT AGAIN. WE  
2 WATCH THE CLIMATE WHEN IT'S A LITTLE BIT BETTER TO BID.

3 MR. HOCUTT: QUESTION. WHAT I THINK I HEARD JIM  
4 ASK AT ONE POINT WHEN HE WAS TALKING ABOUT THE WEB SITE,  
5 ARE YOU COMMITTING THAT, ONCE WE GET THIS SPEND-OUT PLAN  
6 APPROVED AND IT TURNS INTO A -- WHAT DO YOU CALL IT? A  
7 FACILITIES PLAN OR A --

8 MS. VANCE: MASTER PLAN?

9 MR. HOCUTT: MASTER PLAN.

10 MS. VANCE: THEY HAVEN'T COMMITTED TO CALLING IT  
11 A MASTER PLAN, BUT I DON'T THINK THAT HAS TO DO WITH  
12 NELSON. I THINK THAT'S THE SCHOOL BOARD.

13 MR. HOCUTT: WILL THAT START TO BE POSTED ON THE  
14 WEB SITE SO THE PUBLIC HAS ACCESS TO THE BUDGET AND  
15 EXPENDITURES?

16 MR. CAYABYAB: ONCE THEY APPROVE THIS THING THAT  
17 YOU HAVE THERE, THAT WILL BE POSTED ON THE WEB SITE.

18 MR. HOCUTT: SO THAT'S A YES?

19 MR. CAYABYAB: YES.

20 MS. KENNE: THE SPEND-OUT PLAN JUST HAS THE  
21 PROJECTS THAT ARE MOVING FORWARD; IT DOESN'T HAVE ANY  
22 OTHER PROJECTS.

23 MR. HOCUTT: OKAY.

24 MR. CAYABYAB: NO. WHAT WE'RE COMMITTED TO DO,  
25 IS THAT WE'RE GOING TO DO THIS, POST ON THE WEB SITE ONCE

1 IT'S APPROVED, AND THEN ON A SUBSEQUENT TO THAT, ONCE WE  
2 RECONCILE EVERYTHING AND CONCENTRATE ALL THE FUNDS ON THE  
3 ONES THAT ARE BOARD APPROVED PLUS CONTINGENCY -- AND WE'RE  
4 LOOKING AT MAYBE NINE PERCENT CONTINGENCY IN SOME CASES --  
5 WE'RE GOING TO PRINT THAT ON THE WEB SITE AS IT APPEARS ON  
6 PEOPLE'S. SO THAT WAY IT'S TRUE, IT'S REAL FIGURES. AND  
7 SOMETIMES THERE'S A PROBLEM WITH THE FIGURES, BUT MY POINT  
8 IS, IF YOU GET A PRINTOUT 10-27-11 AND THEN YOU GET A  
9 PRINT OUT NOVEMBER SOMETHING, SO AND SO, WE DO SPEND A LOT  
10 EVER MONEY IN BETWEEN. SO, OF COURSE, YOU'RE GOING TO GET  
11 A DIFFERENCE IN --

12 MR. VITALE: BUT WE'RE LOOKING FOR A BASELINE.  
13 AND ONCE THAT BASELINE IS ESTABLISHED, THE ABILITY TO  
14 MONITOR THAT WITHOUT SMOKE AND MIRRORS FROM THAT POINT  
15 ON --

16 MR. CAYABYAB: THAT'S EASY.

17 MR. VITALE: THAT'S WHAT IT'S ALL ABOUT.

18 MR. CAYABYAB: THAT'S RIGHT. AND YOU WILL GET  
19 THAT.

20 MS. WANG: AND THAT WILL BE DONE BY THE END OF  
21 THIS YEAR?

22 MR. CAYABYAB: IF THE BOARD APPROVES PRIORITY  
23 TOMORROW OR DECEMBER, WE'RE PREPARED RIGHT NOW JUST TO  
24 CONSOLIDATE AND RECONCILE ALL OF THEM. SO OUR GOAL IS TO  
25 GET IT DONE AND POSTED JANUARY OF 2018.

1 MS. VANCE: SO MY QUESTION IS, NELSON, IF ONE  
2 THROUGH NINE TOTAL \$73.9 MILLION, OKAY. I SEE THAT ON  
3 PRIORITY A -- PRIORITY ONE, WHICH IS ITEM A ON YOUR BOARD  
4 RECORD -- WHAT IS AND WHY ISN'T THERE A DOCUMENT THAT  
5 LISTS OUT THE TOTALS FROM PRIORITY TEN, PRIORITY 11 --  
6 BECAUSE FROM WHAT I UNDERSTAND THEN YOU WILL HAVE -- IF  
7 ALL GOES WELL, WHICH WE KNOW IT WON'T -- \$30.7 MILLION  
8 LEFT; RIGHT?

9 SO -- AND I KNOW THIS WAS TALKED ABOUT -- YOU  
10 HAVE IT.

11 MS. KENNE: I JUST MADE IT.

12 MS. VANCE: YOU MADE IT JUST NOW.

13 SO I'M JUST SAYING THIS BECAUSE I THINK THIS  
14 MIGHT BE ASKED AT THE BOARD MEETING TOMORROW NIGHT, THAT  
15 THEY MAY ASK -- AND IF I WERE A BOARD MEMBER, I'D SAY,  
16 OKAY, IF WE'RE GOING TO BE ASKED TO GO -- A IS PRIORITY IS  
17 ONE THROUGH NINE AT \$73.9 MILLION. WE HAVE 30 MILLION  
18 LEFT. HOW MUCH IS B, C, D, E, AND F, OR HOW MUCH IS EVEN  
19 THEIR TOTAL? HOW MUCH IS THEIR TOTAL --

20 MR. CAYABYAB: WE'RE GOING TO FIGURE THAT OUT  
21 ONCE THEY MAKE THE DECISION BECAUSE IT COULD VERY WELL BE  
22 THAT THEY DO NOT APPROVE THE OPTIONS THAT ARE BEING  
23 PROPOSED.

24 MS. VANCE: SO DO YOU HAVE JUST A SEPARATE -- I  
25 GUESS I COULD GO THROUGH ALL THESE PAPERS.



1 MR. CAYABYAB: AS A MATTER OF FACT, WE'VE ALREADY  
2 DONE THAT, GRETCHEN. AND NADIA GAVE ME THE SPREADSHEET.

3 MS. KENNE: OKAY. GOOD.

4 MS. VANCE: I'M JUST SAYING YOU MIGHT WANT TO  
5 HAVE THAT TO REFERENCE TOMORROW NIGHT.

6 MS. KENNE: I DID ONE.

7 MS. VANCE: OH, YOU DID ONE?

8 MS. KENNE: I HAVE 10.3 FOR ITEMS TEN THROUGH 14.

9 MS. VANCE: 10.3? SO I MEAN, BECAUSE IF I WERE  
10 ON THE SCHOOL BOARD, THEN I'D SAY, OKAY, WELL, THE REST OF  
11 THEM IS 10.3 AND WE SHOULD HAVE 30, SEEMS LIKE WE MIGHT  
12 HAVE ENOUGH.

13 MS. KENNE: DON'T FORGET CONTINGENCY AND THAT --

14 MS. VANCE: OH, I THOUGHT THE 73 HAS THE  
15 CONTINGENCY.

16 MS. KENNE: NO. AND WE'RE STILL DEBATING, NELSON  
17 AND I, WHETHER IT'S 30 OR -- WHETHER WE HAVE 16 OR SIX.  
18 HE AND I ARE DEBATING THAT.

19 MS. VANCE: SO WHAT ARE THE CHANCES -- THIS IS  
20 JUST OUT OF CURIOSITY. WHAT ARE THE CHANCES THAT THE  
21 FACILITIES SUBCOMMITTEE IS GOING TO PULL THIS AND THIS  
22 ISN'T GOING TO GET VOTED ON THE BOARD MEETING TOMORROW?

23 JUST BECAUSE I NEED TO TELL THE PHS --

24 MS. KENNE: AT THE SPECIAL MEETING, TWO OF THE  
25 COMMITTEE MEMBERS SAID WE SHOULD NOT MAKE A DECISION UNTIL

1 DECEMBER. THE PRESIDENT SAID -- IT WAS ALREADY ON THE  
2 AGENDA BECAUSE THE AGENDA WAS ALREADY POSTED.

3 MS. VANCE: SO YOU THINK THERE'S A LEGITIMATE  
4 THING -- YOU THINK THAT LEGITIMATELY TWO OUT OF THE THREE  
5 PEOPLE WHO MAKE THE DECISION WHETHER YOU'RE GOING TO  
6 RECOMMEND IT TO THE BOARD ARE GOING TO SAY, NO, LET'S PULL  
7 IT, LET'S WAIT UNTIL DECEMBER?

8 MS. KENNE: YES. BUT WE SHOULD DISCUSS IT. AND  
9 PART OF THE REASON WAS NO ONE FROM DON BENITO OR NORMA  
10 COOMBS EVEN KNEW THIS WAS A POTENTIAL BEFORE LAST  
11 THURSDAY. AND DON BENITO'S DEFINITELY GOTTEN THE MESSAGE.  
12 I CAN'T TELL IF LONGFELLOW HAS BECAUSE NO ONE FROM  
13 LONGFELLOW HAS EMAILED ME YET. BUT I'M ASSUMING THEY WANT  
14 THEIR PROJECTS JUST AS MUCH. SO TO MAKE A DECISION ON  
15 THURSDAY WOULD -- COULD -- I THINK RIGHTLY PEOPLE HAVE TO  
16 SAY, WHAT THE HELL DID YOU JUST DO AND WHY DIDN'T WE KNOW  
17 ABOUT IT BEFORE YOU DID IT.

18 MS. VANCE: GOT IT.

19 MS. KENNE: AND THE REST OF THE BOARD. AGAIN,  
20 THIS WAS A COMMITTEE LOOKING AT NUMBERS. THIS I THINK WAS  
21 NEWS TO THE REST OF THE BOARD AS WELL. SO THE BOARD  
22 HASN'T EVEN WRAPPED THEIR HEAD AROUND IT. AND THEY MAY  
23 SAY, GREAT, WHATEVER YOU WANT TO DO.

24 MR. CAYABYAB: AND, LASTLY, IF I MAY, ONCE THE  
25 DECISION IS MADE, I'M GOING TO GIVE MY STRONGEST

1 RECOMMENDATION THAT THEY DON'T SWITCH THINGS AROUND  
2 ANYMORE ONCE WE'VE GOT EVERYTHING RECONCILED BECAUSE, AS  
3 YOU ALL KNOW, PLANS CHANGE, WE HAVE TO RESUBMIT TO DSA AND  
4 THIS, THIS, AND THIS. IT JUST INCREASES THE COSTS AND  
5 IT'S A LOT OF WASTE OF MONEY AND TIME.

6 MS. VANCE: AND YOU JUST NEED CLEAR DIRECTION.

7 MR. CAYABYAB: EXACTLY. AND LIKE I SAID, I  
8 PROPOSED THIS BACK IN APRIL AND HERE WE ARE IN NOVEMBER  
9 AND WE STILL DON'T HAVE DIRECTION.

10 MS. VANCE: AND THAT'S ALL BECAUSE --

11 MR. CATES: AND HERE WE ARE BECAUSE WE DON'T HAVE  
12 A FACILITIES MASTER PLAN.

13 MS. VANCE: TA-DA. WHAT DID I SAY IN MY ANNUAL  
14 REPORT LAST YEAR?

15 MR. CATES: GUESS WHAT WILL BE INCLUDED IN THE  
16 ANNUAL REPORT FOR THIS YEAR?

17 MR. CAYABYAB: OKAY. THANK YOU VERY MUCH.

18 MR. CATES: THANKS.

19 OKAY. AT THIS POINT, I'M GOING TO SHIFT BACK TO  
20 ITEM 4F, AND LET KIM CONTINUE AND TO EXPLAIN THE MTT  
21 CENTRAL ADMINISTRATION EXPENSES AS SHOWN ON THE -- THE  
22 SPREADSHEET THAT WAS PASSED AROUND TONIGHT.

23 MS. KENNE: ALL RIGHT. SO I THINK I SAID MY  
24 LITTLE PIECE LAST TIME ABOUT WHY I DID THIS. YOU KNOW, I  
25 JUST THINK HAVING INFORMATION IS GOOD. THE MAIN REASON

1 FOR DOING THREE YEARS ISN'T SO MUCH THAT I WANT TO GO BACK  
2 AND LITIGATE PRIOR YEARS. IT IS IN ANY -- AT ANY POINT IN  
3 TIME, IF YOU LOOK AT ONE YEAR'S WORTH OF DATA, YOU DON'T  
4 KNOW WHETHER IT'S GOOD, BAD, OR INDIFFERENT IF YOU DON'T  
5 KNOW WHAT IT WAS BEFORE THAT. YOU CAN'T TELL IF YOU'RE  
6 IMPROVING, GETTING WORSE, SPENDING MORE, OR SPENDING LESS.  
7 SO YOU JUST NEED SOMETHING FOR COMPARISON. SO THAT'S WHY  
8 THIS IS HERE.

9 FROM THE QUESTIONS I THOUGHT PEOPLE MIGHT HAVE IS  
10 SOME OF THE FTE NUMBERS AT THE TOP -- THAT STANDS FOR  
11 "FULL TIME EQUIVALENT" -- AND THE EXPENDITURES, ESPECIALLY  
12 WHEN YOU SEE IN 15-16, 3.6 PEOPLE COSTING \$264,000, AND  
13 THEN YOU SEE 2.035 COSTING \$266, YOU MIGHT SAY, KIM, THAT  
14 MAKES NO SENSE AT ALL. AND WHAT HAPPENED IS PEOPLE WERE  
15 CHANGING IN THE MIDDLE OF THE YEAR. SO SHIRLEY ACTUALLY  
16 SWITCHED FROM BEING IN THAT BUCKET --- PART OF HER BEING  
17 IN THAT BUCKET TO A HUNDRED PERCENT BEING IN CONSTRUCTION  
18 SPECIALIST EITHER THE FOLLOWING YEAR OR IN THE MIDDLE OF  
19 THAT YEAR. SO SOME OF THIS HAPPENED. SO EVEN THOUGH I  
20 SAID THE FTES, THAT'S REALLY WHERE IT WAS AT END OF THE  
21 YEAR. AND IT MIGHT HAVE BEEN DIFFERENT DURING THE YEAR.

22 AND YOU CAN JUST SEE THERE'S A LARGE CHANGE OVER  
23 TIME IN THE TOTAL PERSONNEL COSTS. DOESN'T MEAN IT'S GOOD.  
24 DOESN'T MEAN IT'S BAD. IF YOU LOOK PROBABLY AT OUR TOTAL  
25 TT EXPENDITURES IN SOME OF THOSE PRIOR YEARS, THEY WERE

1 RELATIVELY LOW. WHEN YOU'RE NOT SPENDING A LOT OF MONEY  
2 AND DOING A LOT OF WORK, YOU PROBABLY DON'T NEED AS MANY  
3 PERSONNEL.

4 OKAY. YOU SEE THAT LEGAL WENT UP A LITTLE BIT  
5 OVER TIME OR IT'S KIND OF -- YOU KNOW, IT'S IN THAT  
6 BALLPARK. AND, AGAIN, NELSON SAID THE NAMES OF SOME OF  
7 THE SCHOOLS THAT HAD DIFFICULTY. THEY DIDN'T ALL COME  
8 ABOUT AT ONCE. WE'VE KIND OF BEEN JUGGLING THEM OVER  
9 TIME.

10 MS. VANCE: I HAVE A QUESTION ABOUT THAT.

11 MS. KENNE: UH-HUH.

12 MS. VANCE: WHEN IT COMES TO A PERFORMANCE BOND  
13 ISSUE AND WE HAVE TO INCUR ATTORNEY'S FEES FOR THAT,  
14 AREN'T THOSE RECOVERABLE FROM THE BOND? LIKE, SHOULDN'T  
15 THOSE FUNDS BE PAID -- LIKE, SAY WE WIN OR SAY THAT THE  
16 BOND -- THE BOND HAS TO COME IN AND PAY ALL THESE FEES  
17 BECAUSE THE CONTRACTOR DEFAULTED OR DID WHATEVER.  
18 SHOULDN'T THAT COVER THE ATTORNEY'S FEES THAT WE HAD TO  
19 PAY TO FIGHT THE CONTRACTOR?

20 MS. KENNE: I'M ASSUMING THE ANSWER IS YES. SO  
21 I'M ASSUMING HERE THE COSTS STILL CAME OUT MORE OR WE  
22 DIDN'T PREVAIL. BUT I CAN'T SPEAK TO THE SPECIFICS.

23 MR. CATES: GRETCHEN, IT DEPENDS ON THE TERMS OF  
24 THE SURETY BOND. AND I DON'T KNOW -- I AM --

25 MS. VANCE: DEFINITELY DON'T WANT TO DIG THAT

1 DEEP.

2 MR. CATES: -- THE DISTRICTS CONTRACT.

3 MR. VITALE: AND SHE WASN'T GOING TO TELL US IF  
4 WE ASKED HER ANYWAY.

5 MS. VANCE: YEAH. SHE WASN'T GOING TO TELL US  
6 ABOUT THAT.

7 MR. CATES: BUT IT WAS GOOD TO HAVE HER HERE.

8 MR. BOLAND: SHE DID EXACTLY WHAT I WANTED HER TO  
9 DO.

10 MS. KENNE: THE NEXT THING I MARKED ON MINE, I  
11 HAVE A QUESTION ABOUT WHAT MR. CRIM'S DOING. AGAIN, IT  
12 MAY BE PERFECTLY FINE. AND HE'S THE CONSULTANT. I JUST  
13 DON'T KNOW WHAT HE'S DOING EXACTLY.

14 MR. VITALE: HE'S A CONSULTANT TO FACILITIES OR  
15 CONSULTANT TO WHO?

16 MS. VANCE: OH, THAT GUY THAT ALWAYS SITS HERE  
17 DURING THE MEETINGS.

18 MS. KENNE: AND HE'S BEEN WORKING AS A CONSULTANT  
19 FOR FACILITIES AND TIME TO TT --

20 MR. HOCUTT: WHAT IS HE CONSULTING ON OR ABOUT?

21 MS. KENNE: I THINK IT'S A QUESTION THAT COULD BE  
22 ANSWERED WITHOUT DOING A FORENSIC AUDIT JUST FOR  
23 INFORMATION. IT DOESN'T MEAN IT'S BAD. ASKING QUESTIONS  
24 -- AND I FIND THIS A LOT THAT EVERYONE THINKS --

25 MR. VITALE: CAN MIGUEL ANSWER THE QUESTION?

1 MS. KENNE: -- I WANT TO ACCUSE SOMEBODY OF  
2 SOMETHING.

3 MR. PEREZ: NO.

4 MR. VITALE: YOU DON'T KNOW WHAT HE DOES?

5 MS. KENNE: HE'S AN ATTORNEY, BUT HE'S NOT BEING  
6 BILLED AS LEGAL FEES OR AS LEGAL IN HIS WORK FOR THIS  
7 DISTRICT FOR SOME REASON THAT I DON'T FATHOM.

8 MS. WANG: I HAVE A QUESTION. STARTING FROM A  
9 YEAR AGO WHEN I STARTED THIS COMMITTEE, I ASKED WHY DON'T  
10 WE DO A TIME STUDY ON THESE FACILITY STAFF BECAUSE THEY  
11 CHANGING PEOPLE BUT THE FUNCTION HASN'T CHANGED. FOR  
12 INSTANCE, WE USED TO HAVE NADA TO DO MIGUEL'S WORK. AND  
13 EVEN IF WE CHANGE FROM A TO B, THE FUNCTION STAYS THE SAME  
14 SO THE COST SHOULDN'T RISE THAT MUCH. THAT'S MY  
15 IMPRESSION. SO IF TOO MANY PEOPLE ARE SPENDING A LOT OF  
16 TIME DOING -- RUNNING ERRAND ISSUE, THAT SHOULDN'T BE  
17 COMING INTO THE TT FUND.

18 MR. CATES: WELL, JEN, THIS IS YET ANOTHER  
19 ILLUSTRATION OF THE FACT THAT WE HAVE NOT BEEN ABLE TO GET  
20 THE INFORMATION WE NEED TO DO OUR JOBS.

21 MS. WANG: YES.

22 MR. CATES: NO ONE CAN ANSWER WHAT THIS  
23 CONSULTANT DOES. WHEN WE ASK ABOUT THE WORK PERFORMED BY  
24 FACILITIES DEPARTMENT STAFF WHO'S COMPENSATION IS CHARGED  
25 A HUNDRED PERCENT TO TT, WE GET, WELL, THIS IS WHAT THE PR

1 SAYS.

2 MS. KENNE: BUT TODAY YOU GOT -- TODAY YOU GOT AN  
3 ANSWER.

4 MS. VANCE: VOLUNTEER.

5 MS. KENNE: AND YOU NEED TO GET IT IN WRITING AND  
6 TAKE IT TO THE BOARD BECAUSE THE ANSWER IS NOT GOING TO  
7 GET ANY BETTER.

8 MR. CATES: WELL, THE ANSWER HAD BETTER GET  
9 BETTER BECAUSE ALL WE HAVE IS THE PRS.

10 MS. WANG: SO WHEN TOO MANY PEOPLE ARE RUNNING --  
11 I CALL THOSE NOT JOB-RELATED WORK, ARE THEY SUPPOSED TO  
12 FIND SOMEBODY WHO'S CAPABLE TO DO THE TT JOB INSTEAD OF  
13 HIRING A PERSON DOING A BUNCH OF PART TIME BUT NOT  
14 FOCUSING ON THEIR JOB -- PAID JOB?

15 MS. KENNE: SO I'M RECOMMENDING TO YOU AS A  
16 COMMITTEE THAT YOU LIST YOUR CONCERNS. BUT I'M TELLING  
17 YOU NOW DON'T GET YOUR HOPES UP.

18 MR. CATES: NO. I --

19 MS. KENNE: SO THAT'S WHAT I'M SAYING.

20 MR. CATES: TRUTHFULLY, I DO NOT EXPECT TO  
21 RECEIVE COMPLETE ANSWERS. WE HAVEN'T FOR THE PAST YEAR.  
22 WHAT I DO HOPE IS IT WILL COME TO SOME ACCEPTABLE  
23 SETTLEMENT WITH THE DISTRICT'S COUNSEL. AND I DON'T MEAN  
24 MS. THORSON. I MEAN WITH JEFF MARDEROSIAN WHO IS -- WHO  
25 SEEMS TO BE FAR MORE INCLINED TO SHARE INFORMATION AND TO



1 TRY TO PUT THIS BEHIND US. NO PROMISES.

2 MR. BOLAND: WHEN YOU SAY -- ARE YOU GOING TO TRY  
3 TO SETTLE THE ISSUE OF THE -- THE SALARIES?

4 MS. VANCE: ATTORNEYS' FEES.

5 MR. BOLAND: THE ATTORNEYS' FEES?

6 MR. CATES: YEAH, THOSE ARE THE LARGEST TWO  
7 ITEMS; NOT ONLY THOSE TWO ITEMS. I WOULD LIKE TO PUT AN  
8 END TO THIS AND I WOULD LIKE TO ESTABLISH BINDING  
9 GUIDELINES FOR THE FUTURE: INFORMATION THAT WE ARE TO  
10 RECEIVE, TYPES OF EXPENDITURES THAT ARE PERMITTED, TYPES  
11 THAT AREN'T, WHAT HAPPENS IF THE COMMITTEE DISPROVES AN  
12 EXPENDITURE, THOSE SORTS OF THINGS, WHAT WE'VE BEEN  
13 TALKING ABOUT FOR THE PAST YEAR OR MORE.

14 MS. KENNE: AND WHAT I'M TRYING TO SAY IS, I  
15 THINK THE AVENUE OPEN TO YOU IS TO EXPRESS YOUR CONCERNS  
16 AND TO ISSUES AND THINGS YOU THINK ARE WRONG TO THE BOARD,  
17 AND THEN LET THE BOARD EITHER TAKE ACTION OR NOT TAKE  
18 ACTION. AND WHAT I'M SAYING IS, YOU MAY OR MAY NOT BE  
19 SATISFIED WITH WHAT THE BOARD DOES.

20 MR. CATES: EXACTLY.

21 MS. KENNE: BUT AFTER THAT, THERE'S REALLY NOT A  
22 WHOLE LOT -- THERE'S NOT -- THERE'S NOT A LOT OF OTHER  
23 THINGS YOU CAN DO. AND SOME OF THESE THINGS MAY BE OUT OF  
24 PROPORTION TO THE WORK IT WOULD TAKE TO RESOLVE THEM AT  
25 SOME POINT. SOME WOULD ARGUE WE LEFT THAT POINT IN THE

1 REARVIEW MIRROR ABOUT HALF A YEAR AGO, BUT NOT EVERYONE.

2 MR. BOLAND: YOU'VE GOT SHIRLEY DOWN TO 95  
3 PERCENT IN THIS MEETING; RIGHT? IS WHAT I HEARD BECAUSE I  
4 HEARD, ONE, THAT'S SHE A VOLUNTEER, AND THEN I HEARD FIVE  
5 PERCENT OF HER TIME IS DOING OTHER THINGS. SO I JUST TOOK  
6 IT THAT SHE'S DOWN TO 95 PERCENT NOW, AND WE'LL SEE WHERE  
7 WE GET IN THE FUTURE.

8 MR. CATES: GO AHEAD. PLEASE FINISH.

9 MS. KENNE: I WOULD JUST -- AND I COULD ASK THE  
10 QUESTION, WHAT IS BILL DOING JUST TO UNDERSTAND THE NATURE  
11 OF THE WORK HE'S DOING TO SUPPORT TT. WE TALKED A LITTLE  
12 BIT ABOUT LOCAL HIRE. AND WHAT I THINK I'M HEARING NELSON  
13 SAY IS WE SHOULDN'T SEE THIS EXPENSE GOING FORWARD BECAUSE  
14 WE'RE NOT RENEWING THAT CONTRACT WITH PARSONS TO OVERSEE  
15 THE PLA. THAT'S MY IMPRESSION. I DON'T UNDERSTAND --

16 MR. PEREZ: CWA I THINK IT IS.

17 MS. KENNE: CWA. I DON'T UNDERSTAND THE  
18 ACCOUNTABILITY FEES BEING 100 ONE YEAR AND 20,000 THE NEXT  
19 YEAR AND 100 THE NEXT YEAR. THAT SEEMS ODD TO ME.

20 MS. VANCE: WHERE'S AT ACCOUNTABILITY FEES? I  
21 KNOW EXACTLY WHY THAT HAPPENED.

22 MS. KENNE: OKAY.

23 MS. VANCE: BECAUSE THEY WEREN'T KEEPING IT UP.  
24 THEY WEREN'T PUTTING THE INFORMATION IN THERE. THEY  
25 WEREN'T HIRING THE CONSULTANT FROM ACCOUNTABILITY DURING

1 THAT YEAR.

2 MS. KENNE: ALL RIGHT.

3 MS. VANCE: I DON'T THINK THE ACCOUNTABILITY FEES  
4 IS JUST A SOFTWARE FEE. I THINK IT'S MADE TO COLBY  
5 TECHNOLOGIES AND I THINK IT'S BOTH THE SOFTWARE COST AND  
6 IT'S ALSO PEOPLE COST. SO YOU CAN HIRE PEOPLE THROUGH  
7 THAT COMPANY TO COME IN AND HELP -- I THINK.

8 MS. KENNE: OR IT COULD BE USAGE --

9 MS. WANG: IF WE PAID THAT, WHERE IS THAT COST  
10 GOING TO? IS IT GOING TO GENERAL FUND? OR IS GOING TO --

11 MR. CATES: NO. THESE ARE ALL MEASURE TT.

12 MS. VANCE: THAT'S A GOOD QUESTION TO ASK. HOW  
13 HARD WOULD IT BE OR WOULD BE IT BE OUTSIDE OUR SCOPE TO  
14 ASK FOR THOSE INVOICES FROM COLBY TECHNOLOGIES JUST TO  
15 FIND OUT WHY THERE'S SUCH A DISCREPANCY IN THE YEARS  
16 BECAUSE, LIKE YOU CAN SEE THE 101 AND 105. THAT'S MAKES  
17 SENSE.

18 MS. KENNE: ALL THE INVOICES ARE IN OUR  
19 PURCHASING DEPARTMENT.

20 MR. CATES: THE PROBLEM WITH INVOICES IS THE  
21 BASICALLY THE SAME PROBLEM YOU HAVE WITH THE PRS, THEY  
22 DON'T SHOW THE NATURE OF --

23 MS. VANCE: I COULD TELL FROM THE COLBY  
24 TECHNOLOGIES INVOICES.

25 MR. CATES: MAYBE YOU COULD. I COULDN'T TELL BY

1 LOOKING AT SUMMARY LEGAL INVOICES, THE NATURE OF THE WORK  
2 PERFORMED.

3 MS. VANCE: BUT PARTICULAR SOME INVOICES, IT'S  
4 MORE DETAILED.

5 MR. CATES: OKAY. GRETCHEN, THAT'S A GOOD POINT.

6 MS. KENNE: AND ONE LAST THING. SO OWNER'S REP  
7 -- AND THAT'S A VERY LAST LINE NEAR THE BOTTOM. SO WHAT  
8 HAPPENS WITH OWNERS REPS IS THEY OPEN THE PURCHASE ORDERS  
9 AT THE BEGINNING OF THE YEAR AGAINST THE CENTRAL ADMIN  
10 ACCOUNT. AND AS THE OWNER REPS BILL THEIR TIME, THEY PUT  
11 IT UNDER THE APPROPRIATE PROJECT. SO THEY'RE ENCUMBERED  
12 IF YOU WILL AGAINST CENTRAL, BUT THEN THEIR EXPENDITURES  
13 GO TO PROJECT A OR B OR C OR HOWEVER THEY'RE DOING THAT.  
14 THIS IS THE LEFTOVER TIME. AND I DON'T KNOW IF IT  
15 TYPICALLY REPRESENTS COMING TO FACILITIES MEETINGS,  
16 PAPERWORK. YOU KNOW, I DON'T KNOW. BUT IT DID INCREASE A  
17 SIGNIFICANT AMOUNT FROM ONE YEAR TO THE NEXT.

18 MR. VITALE: ARE THEY FACILITIES PERSONNEL OR ARE  
19 THEY DISTRICT PERSONNEL?

20 MS. KENNE: THESE ARE THE CONTRACTORS THAT WE'VE  
21 HIRED AS PROJECT MANAGERS. IT IS UNDER OWNER REPS BECAUSE  
22 THAT WAS THE TERMINOLOGY USED IN THE PAST.

23 MR. VITALE: SO THESE ARE SUPPLEMENTAL TO HIS  
24 STAFF?

25 MS. KENNE: SO IN THE PAST, LIKE IF YOU GO BACK

1 TO 14-15, WE HAD ZERO CONSTRUCTION SPECIALISTS AND, I  
2 DON'T KNOW -- I'LL SAY WE HAD FOUR OR FIVE OWNER --  
3 SOMEWHERE BETWEEN THREE AND FIVE OWNER REPS PROJECT  
4 MANAGERS. IN 16-17, WE HAD SIX PROJECT MANAGERS AND THREE  
5 CONSTRUCTION SPECIALISTS. THIS YEAR WE HAVE EIGHT PROJECT  
6 MANAGERS. I DID LOOK TO SEE IF THEY ENDED UP CHARGING TO  
7 THE MAXIMUM TO THEIR "DO NOT EXCEED" AMOUNTS, AND THEY  
8 DON'T. SO LIKE I HAVE -- IF ANYONE --

9 MS. VANCE: ISN'T THEIR "DO NOT EXCEED" AROUND  
10 175,000 A YEAR EACH ONE OF THEM?

11 MS. KENNE: FOR 16-17, IT WAS ONE FORTY-FIVE SIX  
12 FOR ONE, TWO, THREE, FOUR OF THEM, 164 FOR ONE, AND 154.

13 SO THIS HAS THEIR NAMES, THE AMOUNT THEY CHARGED  
14 FOR THE ENTIRE YEAR. AND I WROTE OVER HERE THEIR MAXIMUM.

15 MS. VANCE: SWEET. CAN I SEE THAT? AND HE HAS  
16 NO OWNER REPUBLICS RIGHT NOW?

17 MS. KENNE: NO OWNER REPS BUT WE HAVE EIGHT  
18 PROJECT MANAGERS.

19 MS. VANCE: SO EVEN THOUGH WE HAVE NO OWNER REPS,  
20 WE STILL INCURRED \$140,000 IN COST?

21 MS. KENNE: THAT'S THESE PEOPLE ARE -- THE  
22 PROJECT MANAGERS ARE BEING CHARGED TO THE BUCKET WHO'S  
23 NAME IS OWNER REP.

24 MR. VITALE: THE FACILITIES PROJECT MANAGERS.

25 MS. KENNE: THEY ARE THE CONSULTANTS THAT WE ARE

1 HIRING TO -- SO ONE OF THEM IS AN ENGINEER. SO HE  
2 ACTUALLY WORKS ON MOST OF OUR PROJECTS, BUT SOMEONE ELSE  
3 MIGHT BE SPECIFICALLY IN CHARGE OF A PROJECT. DO YOU SEE  
4 WHAT I MEAN?

5 MR. VITALE: UH-HUH.

6 MS. KENNE: AND THEN ONE PERSON MIGHT BE DOING AN  
7 INSPECTION ACROSS ALL OF OUR PROJECTS. SO SOME OF THEM  
8 HAVE DIFFERENT --

9 MR. VITALE: EXPLAIN TO ME ONE OTHER LARGE ITEM I  
10 SEE, FACILITY MASTER PLAN DEVELOPMENT. ARE WE IN  
11 AGREEMENT THAT THAT IS PART OF TT OR NOT PART OF TT?

12 MR. CATES: WE HAVE AN OPINION OF OUR COUNSEL.

13 MR. VITALE: SAYS IT ISN'T; RIGHT?

14 MR. CATES: IF IT IS NOT REASONABLE TO EXPECT  
15 THAT THE PROJECTS PLAN WILL BE FUNDED BY TT FUNDS, THEN  
16 SUCH MASTER PLAN DEVELOPMENT COSTS ARE NOT PROPERLY  
17 CHARGEABLE TO TT. TO THE EXTENT THAT THE PLANNING IS  
18 RELATED TO TT PROJECTS, OKAY. ONCE AGAIN, YOU CAN'T TELL  
19 FROM THE DESCRIPTION WHAT THE COST IS REALLY FOR.

20 MS. KENNE: BUT THIS IS ALL TO WLC, THE FIRM THAT  
21 WORKED WITH US ON THE EDUCATIONAL MASTER PLAN, WHICH I  
22 THINK GRETCHEN BROUGHT UP IN HER REPORT. AND THEN I KNOW  
23 WE MOVED THE SURVEY THAT WAS PART OF THE EDUCATIONAL  
24 MASTER PLAN OUT OF TT, BUT THE SERVICES OF THE  
25 CONSULTANTS, WHO ARE FROM WLC ARCHITECTS, IS COMING HERE

1 OUT OF THIS CENTRAL ADMIN. SO NOW THEY HAVE FINISHED THE  
2 EDUCATIONAL MASTER PLAN AND FACILITIES MASTER PLAN SOME  
3 DAY --

4 MS. VANCE: BUT YOU GUYS NEVER -- DID YOU GUYS  
5 EVEN EVER ADOPT AS A BOARD THAT EDUCATIONAL MASTER PLAN?

6 MS. KENNE: WE DID, BUT THE FACILITIES MASTER  
7 PLAN IS REALLY GEARED TOWARDS THE NEXT BOND. I DON'T KNOW  
8 HOW ELSE TO SAY IT.

9 MR. CATES: EXACTLY. IF THAT IS TRUE, THE COST  
10 THEREOF CANNOT BE CHARGED TO TT. IF IT'S FOR TT-RELATED  
11 PROJECTS, FINE. BUT IF IT'S FOR FUTURE PLANNING TO BE  
12 PAID FOR OUT OF THE NEXT BOND ISSUE OR WHATEVER, NO.

13 MS. KENNE: BECAUSE WE HAVEN'T SEEN IT YET AND  
14 WE'RE DONE WITH TT. WE'RE SPENDING THE LAST TEN OR SO  
15 MILLION OF TT WHEN WE MAKE THIS NEXT DECISION.

16 MR. CATES: SO WE HAVE ABOUT \$450,000 RIGHT  
17 THERE.

18 MS. KENNE: AND WHAT WE DON'T SEE HERE IN CENTRAL  
19 IS THOSE -- IT'S THE NEEDS ASSESSMENT THAT WAS DONE IN  
20 ALTA DENA IMMEDIATELY AFTER THE \$10 MILLION PROJECT THAT  
21 ALWAYS GOT ME, NOT TO MENTION THE NEEDS ASSESSMENTS FOR  
22 FRANKLIN AND OTHER SCHOOLS THAT WERE TO SET UP THE NEXT  
23 BOND AND NOT FOR TT. BUT THOSE WERE CHARGED UNDER  
24 PARTICULAR PROJECTS. SO THE NEEDS ASSESSMENT FOR ALTA  
25 DENA WAS CHARGED TO THE MODERNIZATION OF ALTA DENA THAT

1 WAS ALREADY DONE, EVEN THOUGH IT HAPPENED AFTER THE FACT.

2 MS. VANCE: I'M NOT SURE THAT THE AUDITOR DIDN'T  
3 SAY THAT THAT CAN'T HAPPEN, THAT THEY CAN'T USE CURRENT  
4 BOND MONEY TO PREDICT FUTURE BOND.

5 MR. CATES: WHO KNOWS WHAT THE AUDITOR WILL SAY.  
6 HOWEVER, THIS ISSUE HAS ARISEN SEVERAL TIMES IN THE PAST.  
7 WE WENT TO OUR COUNSEL FOR AN OPINION, AND IT IS AS I  
8 DESCRIBED.

9 MS. VANCE: HE SAID NO WAY.

10 MR. HOCUTT: KIM, CAN I ASK A SIMPLE LANGUAGE  
11 QUESTION?

12 MS. KENNE: HANG ON ONE SECOND. I ALWAYS WANT TO  
13 CLARIFY BETWEEN LEGAL AND GOOD PRACTICE FOR PASADENA  
14 UNIFIED. BECAUSE TO ME, THAT'S WHAT IT COMES DOWN TO.  
15 WHEN WE LOOKED AROUND AT THE BOARD AND SAID, WE USED TT  
16 MONEY TO PAY FOR THE 7-ELEVEN COMMITTEE FOR BURBANK,  
17 EVERYONE KIND OF WENT, OH, LET'S NOT DO THAT. AND SO  
18 STAFF HAS AGREED TO MOVE IT. I HAVEN'T SEEN IT MOVED YET.

19 MR. CATES: NOR DO WE HAVE ANY KIND OF PROMISE  
20 THAT IT WILL BE.

21 MS. KENNE: AND I HAVE TO SAY, I FEEL LIKE THE  
22 AUDITOR SAID, SINCE IT'S BEING MOVED, THIS IS NOT A  
23 FINDING.

24 MR. BOLAND: IT'S NOT WHAT SHE SAID.

25 MS. KENNE: OKAY.



1 MR. CATES: AS OF NOW, SHE HASN'T SAID ANYTHING.

2 MR. BOLAND: I READ THE TRANSCRIPT. SHE SAID IT  
3 WAS -- IN HER OPINION, THAT IT WAS FINE, BUT SINCE THERE  
4 WAS SO MUCH PUSH BACK THEY WERE GOING TO MOVE IT. SO SHE  
5 DIDN'T SAY THAT HER OPINION WAS MODIFIED IN ANY WAY BY THE  
6 FACT THAT THEY WERE MOVING THE MONEY BACK.

7 MR. CATES: AGAIN, I REMIND EVERYONE THE AUDITOR  
8 HASN'T SAID ANYTHING. LET'S SEE WHAT COMES OUTS.

9 MR. HOCUTT: MY SIMPLE-MINDED QUESTION IS, YOU  
10 KNOW, LIKE GRETCHEN MAKES A POINT THAT THERE IS NO  
11 FACILITIES MASTER PLAN EXISTING. WHAT DID WE GET IN 2015  
12 AND '16 FOR \$278,000? I MEAN, WHAT PRODUCT?

13 MS. KENNE: THEY'RE WORKING ON IT.

14 MR. HOCUTT: SO WE'VE PAID SOMEBODY \$278,000 FOR  
15 WORKING ON SOMETHING THAT'S NEVER BEEN PUBLISHED OR  
16 PRESENTED OR ACTED UPON?

17 MS. KENNE: SO ATTACHED TO THE LAST -- SO THE  
18 SPECIAL FACILITIES MEETING THAT MET ON 11/9 WAS A -- ONE  
19 SCHOOL'S, AND IT WAS I THINK FOUR OR FIVE PAGES. I THINK  
20 THAT WAS AN EXAMPLE OF THE WORK PRODUCT THAT WILL BE IN  
21 THE MASTER PLAN. AND I ALWAYS GO BACK TO OUR BOARD POLICY  
22 ON MASTER PLANNING WHERE IT SAYS, DO DEMOGRAPHIC  
23 PROJECTIONS. IF YOU'RE DOING A FIVE-YEAR PLAN, YOU SHOULD  
24 KNOW WHAT YOUR PLAN IS AND WHAT YOU THINK YOU'RE GOING TO  
25 HAVE AND WHAT PROGRAMS YOU WANT TO HAVE AT CERTAIN SITES.

1 AND THAT WAS THE PURPOSE OF THE EDUCATIONAL MASTER PLAN,  
2 BUT WE REALLY DON'T LIKE PROJECTING OUR ENROLLMENT INTO  
3 THE FUTURE, AND SO WE DON'T.

4 SO IT'S ONE THING TO HAVE A FACILITIES MASTER  
5 PLAN THAT ONLY TALKS ABOUT THE NEEDS OF THE FACILITIES.  
6 BUT FROM MY POINT OF VIEW, I WANT THE FACILITIES MASTER  
7 PLAN TO TALK ABOUT THE NEEDS OF THE DISTRICT AND HOW  
8 YOU'RE GOING TO SERVE THOSE NEEDS WITH THE FACILITIES. SO  
9 THEY'RE -- IN OTHER WORDS -- BECAUSE, YES, THIS BUILDING  
10 COULD BE FALLING DOWN AND NEEDS WORK, BUT IF I DON'T NEED  
11 THAT BUILDING, I DON'T CARE QUITE AS MUCH ANYWAY.

12 SO THAT'S THE PART THAT'S MISSING FOR ME, AND I'M  
13 NOT CLEAR WHETHER THIS THING THAT WE PAID A LOT OF MONEY  
14 FOR WILL ACTUALLY HAVE ALL THOSE COMPONENTS.

15 MR. VITALE: UNDERSTAND THAT THAT IS A LIVING  
16 DOCUMENT. AND IF THAT LIVING DOCUMENT IS NOT MAINTAINED,  
17 WHEN YOU SEEK FUNDING -- MATCHING FUNDING FROM OPFC AS AN  
18 EXAMPLE AS OPPOSED TO A HUNDRED PERCENT OF THE FUNDING  
19 COMING FROM YOUR BOND, THAT'S THE FIRST THING THEY'RE  
20 GOING TO ASK FOR. THEY WANT TO SEE THE DISTRICT NEEDS,  
21 THEY WANT TO SEE THE CONDITION OF THE BUILDING THAT YOU'RE  
22 REPLACING AND WHY YOU'RE REPLACING IT, AND THEY'RE GOING  
23 TO WANT TO INCUR -- THEY'RE GOING TO WANT YOU TO INCUR THE  
24 COST TO DEVELOP THE PLANS APPROVED BY DSA TO GIVE TO OPFC  
25 FOR THE PROJECT TO THEN BE ADDED TO THE LIST OF POSSIBLE

1 PROJECTS THAT ARE GOING TO BE APPROVED. YOU HAVE TO DO THE  
2 FRONT WORK.

3 MR. BOLAND: THERE'S A TIMING ASPECT TO THAT,  
4 TOO. FROM MY UNDERSTANDING, YOU HAVE TO BE READY TO GET  
5 THOSE FUNDS WHEN THEY BECOME AVAILABLE.

6 MR. VITALE: WHAT WE CALL SHOVEL READY.

7 MR. BOLAND: YES. SO IF HE USES -- JUST TO THROW  
8 A NUMBER -- \$5 MILLION OF TT MONEY TO SAVE \$20 MILLION OF  
9 TT MONEY, THAT'S A GOOD USE OF TT MONEY. DO YOU FOLLOW MY  
10 POINT THERE?

11 MS. KENNE: SO I'VE ASKED, SINCE ONE OF THE ITEMS  
12 THAT WAS ON OUR BOARD LIST THAT THE BOARD WILL BE LOOKING  
13 AT TOMORROW IS -- I'VE ASKED TO SEE THE LIST OF ELIGIBLE  
14 PROJECTS THAT ARE ELIGIBLE FOR STATE BOND FUNDING WITH  
15 THAT ITEM TOMORROW, AND WHETHER THEY ARE PAST, PRESENT,  
16 CURRENT -- PRESENT, CURRENT, OR FUTURE PROJECTS AT EACH OF  
17 THOSE SITES.

18 SO IN OTHER WORDS, HE'S -- AND WE'VE GOTTEN FROM  
19 STAFF A LIST BEFORE. SO IT WILL HAVE THE SCHOOL SITE NAME  
20 AND HOW MANY KIDS WERE ELIGIBLE FOR THE STATE FUNDING AND  
21 WHAT THAT EQUALS IN STATE FUNDING AND HOW MUCH WE WOULD  
22 HAVE TO PUT UP AS PART OF OUR 60/40 MATCH. AND I JUST  
23 WANT TO KNOW, BECAUSE IF IT'S ALTA DENA, CAN WE SEND THE  
24 PROJECT THAT WE FINISHED A YEAR AGO OR TWO YEARS AGO INTO  
25 DSA AND GET REIMBURSED. BECAUSE MY UNDERSTANDING IS YOU

1 CAN GET REIMBURSEMENTS; IT DOESN'T HAVE BE FUTURE  
2 PROJECTS.

3 WHEN I GO DOWN THAT LIST OF SCHOOL SITES FROM  
4 THIS OLD LIST, THERE'S ONLY ONE THAT I THINK WOULD BE A  
5 FUTURE PROJECT, AND EVERYTHING ELSE WOULD EITHER BE  
6 SOMETHING UNDER CONSTRUCTION OR THAT WE FINISHED IN THE  
7 LAST THREE YEARS, AND BESIDES WHICH WE'RE SPENDING ALL THE  
8 REST OF THE MONEY; SO THERE'S NO PLANS TO GO AFTER STATE  
9 MONEY. SO SOMEWHERE IN THERE -- SORRY.

10 MR. CATES: WHAT HAS THE DISTRICT GOTTEN FOR  
11 ABOUT \$450,000, SINCE THERE IS NO FACILITIES MASTER PLAN?  
12 THAT'S AN AWFUL LOT OF MONEY FOR JUST --

13 MR. HOCUTT: THAT'S MY SIMPLE-MINDED QUESTION.

14 MS. KENNE: THAT'S A QUESTION FOR ALLISON BECAUSE  
15 I THOUGHT IT WAS COMING MAYBE IN DECEMBER. WHEN LAST I  
16 HEARD A DATE, IT WAS COMING IN DECEMBER. I DO NOT KNOW IF  
17 THAT'S STILL VALID.

18 MR. BOLAND: IS IT HARD TO GET A BREAKDOWN FOR  
19 THOSE NUMBERS? WHAT MAKES UP THAT 278 FOR INSTANCE? IS  
20 IT HARD TO GET A BREAKDOWN?

21 MS. VANCE: WE CAN GET A PO BREAKDOWN.

22 MS. KENNE: SURE. AND I THINK IF -- I MEAN, WE  
23 KEPT DOING THE EXTENSIONS TO THEIR CONTRACT AND SOME OF US  
24 OBJECTED EVERY TIME AND THEY WERE APPROVED ANYWAY AND THEN  
25 THEY WERE PAID.

1 AUDIENCE SPEAKER: AND IT DIDN'T INCLUDE SPECIAL  
2 ED, BASICALLY, THE MASTER PLAN.

3 MS. KENNE: EDUCATIONAL MASTER PLAN.

4 MR. CATES: I'M SORRY. WHEN YOU SAY IT DIDN'T  
5 INCLUDE SPECIAL ED, WHAT DO YOU MEAN?

6 AUDIENCE SPEAKER: WE DIDN'T SPECIAL ED ISSUES  
7 AND WE HAVE A LARGE SPECIAL ED POPULATION IN THIS  
8 DISTRICT.

9 MR. VITALE: WOULDN'T THAT HAVE BEEN PART OF THE  
10 EDUCATIONAL PLAN?

11 AUDIENCE SPEAKER: I THOUGHT THE TWO OF THEM WERE  
12 KIND OF COMBINED. I THOUGHT THEY WERE KIND OF DOING THEM  
13 TOGETHER.

14 MS. KENNE: WE HAVE BEEN USING THE SAME  
15 CONSULTANT.

16 AUDIENCE SPEAKER: AM I WRONG?

17 MR. HOCUTT: LET'S HOPE YOU'RE WRONG. BECAUSE IF  
18 THIS WAS AN EDUCATIONAL MASTER PLAN, IT SHOULDN'T BE  
19 CHARGED TO; TT CORRECT?

20 AUDIENCE SPEAKER: I DON'T THINK THAT WAS -- WAS  
21 THAT TWO SEPARATE PLANS?

22 MS. KENNE: IT WAS A SEPARATE PLAN. IT WAS THE  
23 SAME CONSULTANT. AND HONEST TO GOODNESS, I THINK IT WAS  
24 GRETCHEN WHO SAID I DON'T THINK YOU GUYS SHOULD BE  
25 CHARGING THIS IN HER REPORT A YEAR OR SO AGO.

1 AND I WENT, OH, MY GOD. SHE'S SO RIGHT.

2 MR. CATES: OKAY. DEAR BOARD LIAISON, WHAT DO WE  
3 DO ABOUT THIS?

4 MS. KENNE: I'VE ALREADY TOLD YOU, WRITE THESE UP  
5 AS A LIST OF ISSUES, SAY TO THE BOARD, WE STRENUOUSLY  
6 OBJECT TO THESE, WE THINK THESE ARE A PROBLEM. AND THEN  
7 YOU'RE JUST GOING TO HAVE TO LIVE WITH WHATEVER THE BOARD  
8 SAYS. THE BOARD CAN SAY --

9 MR. CATES: WELL. WE'LL TAKE IT FROM THERE.

10 MS. KENNE: -- WE'RE IGNORING YOU CITIZENS  
11 OVERSIGHT COMMITTEE. I JUST WANT THIS TO HAPPEN IN A  
12 PUBLIC BOARD MEETING AS OPPOSED TO LETTERS. SO THAT --

13 MR. CATES: THAT'S FAIR ENOUGH. I GUARANTEE  
14 YOU --

15 MS. KENNE: -- THE PUBLIC CAN SAY, WOW, THE BOARD  
16 CARES, THE BOARD DOESN'T CARE.

17 MR. CATES: I CAN GUARANTEE YOU IT WILL GO INTO  
18 THE ANNUAL REPORT. AND I'M SURE NO ONE'S FORGOTTEN THAT  
19 THE TWO LARGEST ISSUES, STAFF COMPENSATION AND LEGAL FEES  
20 HAVE BEEN THE SUBJECT OF REPEATED COMMUNICATIONS FROM THIS  
21 COMMITTEE TO THE DISTRICT AND THE BOARD. SO THAT'S NO  
22 SURPRISE.

23 AUDIENCE SPEAKER: GRETCHEN, FIRST.

24 MS. VANCE: NO, YOU GO FIRST.

25 AUDIENCE SPEAKER: OKAY. I'VE GOT A QUESTION.

1 THESE LEGAL FIRMS ARE PEOPLE THAT THE DISTRICT HAS  
2 CONTRACTS WITH. IS THIS MONEY THAT -- THIS 553,218 COMING  
3 OUT OF THE DISTRICT APPROVED LEGAL CONTRACT FOR ATKINSON  
4 ANDELSON LOYA RUUD AND ROMO, OR IS THIS SEPARATE MONEY?

5 MS. KENNE: DO WE HAVE A CONTRACT? WE HAD A  
6 CONTRACT AT THE BEGINNING OF 16-17 SO FOR, I BELIEVE, 350.

7 MR. CATES: RIGHT. WHICH WAS UPPED BY 200.

8 MS. KENNE: AND BY THE END OF THE YEAR, WE SPENT  
9 PAST THAT AND WE RAISED IT BY 200.

10 AUDIENCE SPEAKER: OKAY. BUT THIS IS \$553,218.  
11 SO IS THAT MONEY COMING OUT OF WHAT YOU APPROVED FOR THEIR  
12 REGULAR CONTRACT FROM THE BOARD?

13 MS. KENNE: THIS WAS THE CONTRACT WE APPROVED FOR  
14 THEM TO BE PAID FROM MEASURE TT FUNDS.

15 AUDIENCE SPEAKER: OKAY. SO THEY HAVE -- THERE  
16 ARE OTHER CONTRACTS FOR OTHER --

17 MS. KENNE: OTHER DEPARTMENTS.

18 AUDIENCE SPEAKER: AND I HAVE ONE MORE QUESTION.  
19 MR. CATES, WHEN YOU SUBMIT -- WHEN YOUR LAW FIRM SUBMITS A  
20 BILL TO A CLIENT, IS THAT BILL SPECIFIC AS TO WHAT THEIR  
21 PAYING FOR? LET'S SAY THEY'RE PAYING YOU FOR FIVE HOURS  
22 AT \$400 AN HOUR AND YOU'RE PAYING AND -- AND YOU'RE  
23 CHARGING TEN HOURS OF PARALEGAL FEES AT A \$100 AN HOUR,  
24 OKAY? ARE YOUR BILLS THAT YOU SEND TO YOUR CLIENT  
25 SPECIFIC AS TO WHAT THOSE DOLLAR AMOUNTS ARE FOR THOSE --

1 THAT WORK?

2 MR. CATES: THE ANSWER IS, GENERALLY YES. IT  
3 DEPENDS ON THE ARRANGEMENT WE HAVE WITH THE CLIENT. THERE  
4 ARE SOME ARRANGEMENTS THAT SAY, FOR EXAMPLE, WE WILL  
5 PROVIDE GENERAL LEGAL REPRESENTATION AT A FEE OF X DOLLARS  
6 PER MONTH, IN WHICH CASE THE BILL SIMPLY SAYS, YOU KNOW,  
7 \$10,000, LEGAL SERVICES.

8 THE VAST MAJORITY OF BILLS LIST BY ATTORNEY AND  
9 PARALEGAL THE TIME SPENT, A DESCRIPTION OF THE WORK SPENT,  
10 THE DATE, THE HOURS DOWN IT A TENTH OF AN HOUR.

11 AUDIENCE SPEAKER: SO --

12 MR. CATES: BUT THAT'S JUST MY FIRM. THAT  
13 DOESN'T MEAN OTHER PEOPLE HAVE TO DO IT THE SAME WAY.

14 AUDIENCE SPEAKER: BUT THEY HAVE TO IN SOME WAY  
15 CLARIFY WHAT THE BILLS ARE FOR THAT THEY'RE SUBMITTING TO  
16 THE DISTRICT --

17 MR. CATES: RIGHT. RIGHT. THERE ARE VERY FEW  
18 CLIENTS WHO WILL PAY LARGE LEGAL FEES WITHOUT AT A MINIMUM  
19 BEING TOLD WHAT THEY'RE BEING CHARGED FOR. SO, YES, I  
20 WOULD SAY THAT 95 PERCENT OF OUR BILLS ARE VERY SPECIFIC.

21 MS. KENNE: AND THIS FIRM IS BILLING THE DISTRICT  
22 AND NOT -- A FEW YEARS AGO AND NOT SEPARATING OUT BY  
23 DEPARTMENT. SO ALL -- AN INVOICE COULD HAVE SPECIAL ED,  
24 HR, AND FACILITIES ALL MIXED IN. AND SOMEONE ON OUR STAFF  
25 WOULD THEN SEPARATE IT OUT AND CHARGE IT TO THE RIGHT



1 BUCKETS. SO SOMEONE WOULD GET THE INVOICE AND TOTAL THEM  
2 UP AND CHARGE IT. I THINK THAT'S BEEN FIXED SOMEWHERE IN  
3 THE LAST TWO YEARS.

4 SO PART OF THE PROBLEM WITH GETTING THE PUBLIC  
5 RECORDS REQUEST INFORMATION TO THE COC WAS THAT THERE WAS  
6 INFORMATION ON THE INVOICES GOING BACK THAT WAS RELATED TO  
7 PERSONNEL AND SPECIAL ED CASES THAT HAD TO BE REDACTED  
8 BEFORE THE COC COULD LOOK AT IT. DO YOU SEE WHAT I MEAN?  
9 SO THAT'S WHY SOME OF THOSE HAVE BEEN TAKING LONGER.

10 AUDIENCE SPEAKER: SO THAT'S BEEN FIXED KIND OF  
11 NOW --

12 MR. CATES: NO.

13 AUDIENCE SPEAKER: -- BECAUSE THESE FOLKS DO A  
14 LOT OF SPECIAL ED WORK FOR THE --

15 MR. CATES: NO. IT HASN'T BEEN FIXED.

16 MS. KENNE: GOING FORWARD. I THOUGHT THAT --

17 MR. CATES: I DON'T -- I DON'T --

18 MS. KENNE: -- CHANGED THEIR PRACTICE.

19 MR. CATES: I DON'T KNOW.

20 MS. KENNE: I WAS TOLD --

21 MR. CATES: I'VE HEARD A LOT OF PROMISES. I  
22 HAVEN'T SEEN ANYTHING IN WRITING. I HAVEN'T SEEN ANY  
23 EVIDENCE OF THE CHANGE. AND I'M FROM MISSOURI.

24 BUT THE ANSWER TO YOUR QUESTION IS NO. THE  
25 MATERIALS THAT QUINCY AND I REVIEWED BACK IN SEPTEMBER

1 WERE DETAILED LEGAL INVOICES FOR A SIX-MONTH PERIOD AND  
2 SUMMARY INVOICES FOR THE PRECEDING 18 MONTHS THAT JUST HAD  
3 GENERAL CATEGORIES, LIKE 7-ELEVEN COMMITTEE, ON IT, AND A  
4 WHOLE BUNCH OF DIFFERENT SCHOOLS. RIGHT?

5 SO WE EXTRAPOLATED BASED ON SIX MONTHS WORTH OF  
6 INFORMATION AND GAVE THE DISTRICT THE BENEFIT OF THE DOUBT  
7 AND CONCLUDED -- NOT FINALLY, BUT FOR THE PURPOSE OF  
8 PURSUING THIS, THAT AMOUNTS CHARGED TO SPECIFIC SCHOOLS  
9 WERE CONSTRUCTION RELATED AND, THEREFORE, PAYABLE OUT OF  
10 TT.

11 AUDIENCE SPEAKER: AND, KIM, YOU'RE SAYING THAT'S  
12 BEEN RECTIFIED?

13 MS. KENNE: I WAS TOLD THAT GOING FORWARD  
14 INDIVIDUAL ATTORNEYS WILL SEPARATE OUT THEIR INVOICES BY  
15 DEPARTMENT SO THAT OUR STAFF DOESN'T HAVE TO DO IT.

16 AUDIENCE SPEAKER: NO WONDER WE DON'T KNOW WHAT  
17 THE SPECIAL ED LAW COSTS ARE; RIGHT?

18 MS. KENNE: BUT WE DO KNOW.

19 AUDIENCE SPEAKER: KIND OF.

20 MS. KENNE: I HAVE A VERY SHORT REPORT.

21 MR. CATES: GO AHEAD. PLEASE.

22 MS. KENNE: I WAS GOING TO TALK A LITTLE BIT  
23 ABOUT THE REPRIORITIZATION, BUT NELSON --

24 MS. VANCE: HAVE I ONE MORE QUESTION.

25 MS. KENNE: SO SORRY.

1 MS. VANCE: -- IN REGARD TO THE SALARIES.

2 SO AS I UNDERSTAND IT, WE HAVE SEVEN CONSTRUCTION  
3 SPECIALISTS THAT ARE EMPLOYEES OF THE DISTRICT.

4 MS. KENNE: WE HAVE THREE CONSTRUCTION  
5 SPECIALISTS WHO ARE EMPLOYEES, AND THOSE ARE THE PEOPLE ON  
6 THE TOP LINE OF THE ADMIN REPORT. ZERO THE FIRST YEAR,  
7 TWO IN 15-16, AND THREE IN 16-17.

8 MS. VANCE: I THOUGHT NELSON SAID HE HAD TO DO A  
9 PERSONNEL REQUISITION FOR ALL SEVEN PEOPLE.

10 MS. KENNE: THE SEVEN IS -- AND I HAVE 8.85 HERE  
11 BECAUSE ONE OF THE PEOPLE IN ACCOUNTING IS ACTUALLY  
12 PHYSICALLY THEIR BODY LIVES DOWN IN THE BUSINESS OFFICE,  
13 BUT THEY CHARGE HALF THEIR TIME TO TT. SO THREE OF THOSE  
14 PEOPLE ARE IN HIS OFFICE. THE THREE CONSTRUCTION PEOPLE  
15 ARE IN HIS OFFICE. I DON'T KNOW WHERE HE WAS SAYING  
16 SEVEN. MAYBE HE WAS SAYING THE SEVEN FULL-TIME PEOPLE,  
17 WHICH ARE THE THREE CONSTRUCTION SPECIALISTS, ONE  
18 SECRETARY, AND THE -- AND THE THREE ACCOUNTING PEOPLE.  
19 THOSE ARE THE PEOPLE WHO ARE HUNDRED PERCENT TT. AND THEN  
20 THERE'S NELSON, WHO'S PARTIAL, AND HIS EXECUTIVE SECRETARY  
21 WHO'S PARTIAL.

22 MR. VITALE: WHEN YOU SAY PARTIAL, HE'S 85  
23 PERCENT.

24 MS. KENNE: 85/15, EXECUTIVE -- BUT I'M JUST  
25 SAYING, THERE'S SEVEN FULL TIME AND THREE ADDITIONAL

1 PEOPLE WHO VARY FROM 85/15 OR 50/50, AND THEN THE  
2 ACCOUNTING PERSON WHO SITS IN THIS BUILDING WHO REPORTS  
3 DIRECTLY TO THE CHIEF BUSINESS OFFICER.

4 MS. VANCE: SO, MIGUEL, WHO ARE THE THREE  
5 CONSTRUCTION SPECIALISTS THAT ARE FULL-TIME DISTRICT --

6 MR. PEREZ: JESSICA FRAZIER.

7 MS. VANCE: OKAY.

8 MR. PEREZ: SHIRLEY AND MYSELF.

9 MS. VANCE: SHIRLEY AND YOU.

10 OKAY. SO THEN I'M EVEN MORE CONFUSED BECAUSE I'M  
11 LOOKING AT YOUR LIST --

12 MS. KENNE: THOSE ARE THE PROJECT MANAGERS WHO  
13 ARE CONTRACTORS WHO WE PAY ON CONSULT -- YOU KNOW, ON  
14 CONTRACTS. SO THEY'RE NOT STAFF.

15 MS. VANCE: OKAY. I GET THAT. BUT WHERE ARE  
16 THEY -- THEY'RE NOT THE OWNERS REPS.

17 MS. KENNE: THAT IS THE BUCKET WHERE THEY'RE  
18 GETTING CHARGED, THE ONE THAT'S LABELED OWNER'S REPS.  
19 THAT JUST THE AMOUNT THAT'S BEING CHARGED TO CENTRAL. THE  
20 REST OF THEIR TIME IS BEING CHARGED TO THE INDIVIDUAL  
21 PROJECTS. SO ANSON IS BEING CHARGED TO PHS AND WHICHEVER  
22 OTHER PROJECTS HE'S RESPONSIBLE FOR. NED IS BEING CHARGED  
23 TO WASHINGTON ELEMENTARY, NOT HERE.

24 DO YOU SEE WHAT I MEAN?

25 MR. CATES: AND WHAT TT WORK DO THEY DO?

1 MS. VANCE: THESE PEOPLE ARE A HUNDRED PERCENT TT  
2 BECAUSE THEY'RE GETTING CHARGED TO PROJECTS. THAT'S WHERE  
3 I WAS CONFUSED BECAUSE I SEE HERE, T24 CONSULTING. HOW  
4 CAN T24 CONSULTING BE AN EMPLOYEE OF THE DISTRICT? YOU  
5 DON'T HAVE AN EMPLOYEE T24 CONSULTING --

6 MR. PEREZ: I DON'T KNOW, BUT IT'S NOT AN  
7 EMPLOYEE. THEY'RE CONSULTANTS.

8 MS. KENNE: THOSE ARE THE CONSULTANTS. SO ANSON,  
9 GEORGE, NED, JAMES.

10 MS. WANG: I SEE A FLAW IN THE STRUCTURE. FOR  
11 THE FULLY-CHARGED STAFF, YOU'RE SENDING THEM MOST OF THE  
12 TIME OUT TO DO ERRANDS NOT TT RELATED AND THEY DO THEIR  
13 VOLUNTEER JOBS, AND THEN YOU DON'T HAVE ENOUGH PEOPLE TO  
14 DO THE TT AND YOU HIRE CONSULTANT. THE STRUCTURE OF THE  
15 PAYROLL SEEMS A LITTLE BIT NOT FAIR TO TAXPAYERS.

16 MS. VANCE: SO HERE'S --

17 MR. PEREZ: EXCUSE ME.

18 MS. KENNE: I DON'T KNOW HOW TO RESPOND TO THAT  
19 ONE.

20 MR. PEREZ: CAN YOU ELABORATE A LITTLE BIT ABOUT  
21 ERRANDS? BECAUSE IT SOUNDS LIKE WE'RE GOING TO BANK AND  
22 MAKING DEPOSIT OR TO BUY --

23 MS. WANG: I'M SORRY. I CALL IT A VOLUNTEER JOB  
24 TO USE YOUR TERMINOLOGY.

25 MR. PEREZ: THAT'S WHY I'M ASKING BECAUSE I AM

1 NOT FAMILIAR --

2 MS. WANG: I THINK A VOLUNTEER JOB SHOULD BE IN  
3 ADDITION TO YOUR FULL-TIME JOB BEING COMPENSATED. IF I'M  
4 AN EMPLOYEE OF A BANK, I WOULD WANT TO DO THE BANK JOB  
5 FIRST. THAT'S MY PRIORITY. MY VOLUNTEER SHOULD BE  
6 AFTERWARDS. ONCE I MISS A MEETING AND SAY, QUINCY, I  
7 CANNOT MAKE TO THE MEETING BECAUSE I HAVE TO WORK. I HAVE  
8 A FIDUCIARY DUTY TO MY EMPLOYER. AND I HOPE ALL PEOPLE  
9 EMPLOYED HERE --

10 MR. PEREZ: YES, BUT MY QUESTION IS, WHAT DO YOU  
11 UNDERSTAND BY ERRANDS?

12 MS. WANG: VOLUNTEER JOB. I USED THE WRONG TERM.

13 MR. PEREZ: NO, NO.

14 MS. VANCE: MY QUESTION IS THEN, IF WE HAVE ONE,  
15 TWO, THREE, FOUR, FIVE, SIX, SEVEN, EIGHT, CONSULTANTS WHO  
16 ARE EACH CHARGED TO PROJECTS, RIGHT? THEY'RE NOT OUT OF  
17 ANY OF THIS, THEY'RE CHARGED PARTLY TO PROJECTS.

18 MS. KENNE: MOSTLY TO PROJECTS.

19 MS. VANCE: MOSTLY TO PROJECTS. WHAT DO JESSICA  
20 FRAZIER, SHIRLEY BARRETT, AND MIGUEL DO? I'M CONFUSED.

21 WE HAVE ALL THESE PEOPLE THAT ARE ON ALL THE  
22 PROJECTS, BUT THEN WE ALSO HAVE THESE THREE DISTRICT  
23 PEOPLE. WHAT DO THEY DO?

24 SO DO THESE THREE PEOPLE -- DO YOU EACH HAVE  
25 PROJECTS?

1 MR. PEREZ: DO WE WHAT?

2 MS. VANCE: DO YOU EACH HAVE PROJECTS? BECAUSE  
3 WE'RE PAYING THESE PEOPLE TO MANAGE THE PROJECTS. SO WHAT  
4 DO YOU MANAGE?

5 MR. PEREZ: I DON'T MANAGE ANYTHING.

6 MS. VANCE: YOU DON'T MANAGE ANYTHING?

7 MR. PEREZ: NO. I'M NOT A PROJECT MANAGER.

8 MS. VANCE: SO WHAT DO YOU DO?

9 MR. VITALE: HE'S AN ADMINISTRATOR.

10 MR. PEREZ: FOR INSTANCE, I GO TO THE PROJECT  
11 SITE, I PREPARE THESE REPORTS, I ATTEND THE MEETING -- THE  
12 WEEKLY MEETINGS, AT EVERY CONSTRUCTION EVERY WEEK. I HAVE  
13 TO GO TO -- WELL, THERE ARE FIVE SITE. I TRY TO ATTEND  
14 ALL OF THE MEETING TODAY AND FILE THAT INFORMATION.

15 MS. VANCE: I SEE. SO YOU GUYS DO DIFFERENT  
16 STUFF. SO I WAS NEVER UNDERSTANDING. SO -- BECAUSE I  
17 READ ALL YOUR -- I READ YOUR CONTRACT -- THIS -- THE  
18 CONTRACT THAT IS PASSED THROUGH YOU GUYS OR HR FOR ALL  
19 THREE OF THESE PEOPLE IS THE EXACT SAME. THE LIST OF WHAT  
20 THEY DO IS THE EXACT SAME FOR ALL THREE.

21 MS. KENNE: AND IT'S CALLED THE JOB DESCRIPTION.

22 MS. VANCE: WHATEVER IT IS, IT'S THE EXACT SAME.  
23 IT'S LIKE A DUPLICATE. WE'RE GOING TO PAY THIS PERSON  
24 \$175,000 A YEAR AND THEY'RE GOING TO DO THIS, THIS, THIS  
25 AND -- OR WHATEVER, 145,000.

1 MS. KENNE: I'M JUST SAYING JUST DON'T CONFUSE  
2 THE CONSTRUCTION SPECIALISTS WHO ARE SALARIED STAFF WHO  
3 HAVE A JOB DESCRIPTION, WHICH THEY MAY ALL THREE OF THEM  
4 HAVE THE SAME JOB DESCRIPTION. MIGUEL, JESSICA, AND  
5 SHIRLEY CAN SPEND ALL DAY DOING DIFFERENT THINGS.

6 MR. PEREZ: AND SHIRLEY WORKS AS A PROJECT  
7 MANAGER, TOO.

8 MS. VANCE: SO NOW I'M VERY CONFUSED. BECAUSE --  
9 DOES THAT MEAN SHIRLEY'S GETTING OUT OF THIS POT AND OUT  
10 OF THAT POT AS WELL?

11 MS. WANG: YES.

12 MR. CATES: YES. YES.

13 MR. PEREZ: NO, NO, NO. EXCUSE ME. SHIRLEY IS  
14 NOT A CONSULTANT. OKAY?

15 MS. VANCE: NO. SHE'S A CONTRACT --

16 MR. PEREZ: CONSTRUCTION SPECIALIST.

17 MS. VANCE: BUT THE CONSTRUCTION SPECIALISTS  
18 DON'T DO ANY PROJECTS, CONSTRUCTION PROJECTS.

19 MR. PEREZ: WELL, SHIRLEY MANAGES CERTAIN  
20 PROJECTS. OKAY? THAT'S PART OF HER ACTIVITIES.

21 MS. VANCE: BECAUSE I REALLY DID THINK I HEARD  
22 NELSON SAY HE HAS SEVEN CONSTRUCTION SPECIALISTS.

23 MR. PEREZ: NO, NO, NO. JUST THREE OF US.

24 MS. KENNE: THERE'S THREE CONSTRUCTION  
25 SPECIALISTS.



1 MR. PEREZ: JESSICA, SHIRLEY, MYSELF.

2 MS. VANCE: I KNOW YOU SAY YOU DON'T WANT THE JOB  
3 DESCRIPTIONS, BUT I THINK IT WOULD BE HELPFUL TO HAVE A  
4 JOB DESCRIPTION ONLY BECAUSE I DON'T KNOW -- I DON'T  
5 UNDERSTAND WHO'S DOING WHAT. I KNOW WE'RE PAYING A WHOLE  
6 BUNCH OF PEOPLE A SHIT LOAD OF MONEY TO MANAGE -- EACH  
7 PROJECT HAS A PERSON. EACH PROJECT. SEE, THERE'S NINE  
8 PEOPLE HERE. THERE'S PROBABLY ABOUT NINE PROJECTS GOING  
9 ON. BUT THEN WE ALSO HAVE THESE THREE FULL-TIME PEOPLE AT  
10 THE DISTRICT. ARE THESE THREE PEOPLE MANAGING THESE NINE  
11 PEOPLE? I DON'T KNOW.

12 MR. HOCUTT: IF WE -- IF WE HAD THE DESCRIPTION,  
13 WOULD YOU KNOW WHAT THEY'RE DOING? WE JUST ADMITTED THAT  
14 THE SAME DESCRIPTION EXISTS FOR THE THREE CONSTRUCTION  
15 SPECIALISTS AND THEY ALL DO DIFFERENT THINGS. SO IF YOU  
16 HAD THE DESCRIPTION WHAT WOULD YOU KNOW?

17 MS. VANCE: YOU'RE RIGHT.

18 MR. CATES: GRETCHEN, WHICH GETS ME BACK TO THE  
19 POINT I MADE A WHILE AGO, WHICH IS, I'M NOT INTERESTED IN  
20 THE PRS BECAUSE THEY SIMPLY STATE HOW THE DISTRICT  
21 ACCOUNTS FOR COMPENSATION. I'M NOT PARTICULARLY  
22 INTERESTED IN THE FORMAL JOB DESCRIPTIONS BECAUSE, AS YOU  
23 JUST POINTED OUT, THEY'RE COOKIE CUTTER CONTRACTS. WHAT I  
24 WANT TO KNOW AND WHAT I THINK WE NEED TO KNOW IS WHAT THEY  
25 REALLY DO, NO MATTER WHAT THE JOB DESCRIPTION IS.

1 MS. VANCE: WELL, AND MY QUESTION IS, NELSON KEPT  
2 SAYING, I'M SAVING A BUNCH OF MONEY BECAUSE IT'S ALL  
3 IN-HOUSE STAFF. THIS AIN'T NO IN-HOUSE STAFF. THESE ARE  
4 ALL CONSULTANTS. SO I'M CONFUSED AS TO WHY YOU WOULD MAKE  
5 THE STATEMENT THAT I'M SAVING THE DISTRICT A BUNCH OF  
6 MONEY BECAUSE I'M USING IN-HOUSE STAFF.

7 MR. CATES: WAIT A SECOND. MIGUEL GETS TO GO  
8 NEXT.

9 MS. VANCE: OKAY. GO, MIGUEL.

10 MR. PEREZ: THE CLARIFICATION OF THE CONSULTANTS,  
11 YOU HAVE INSPECTORS INCLUDED TOO.

12 MS. VANCE: OKAY. GOTCHA.

13 MR. PEREZ: SO THAT'S A BIG POINT. SO YOU HAVE  
14 PROJECT MANAGERS AND IN EVERY PROJECT, YOU NEED AN  
15 INSPECTOR.

16 MS. VANCE: OKAY. GOT IT. THAT MAKES SENSE.

17 MR. HOCUTT: OKAY. WAIT A SECOND. I HAVE TO  
18 THROW IN, UNLESS, OF COURSE, YOU ARE A PROJECT MANAGER AND  
19 AN INSPECTOR.

20 MR. PEREZ: NOT SIMULTANEOUSLY.

21 MS. VANCE: I THINK THAT'S A CONFLICT.

22 MR. VITALE: THAT IS A CONFLICT.

23 MR. PEREZ: YES, BUT THEY ARE NOT DOING THE SAME.  
24 YOU KNOW, I AM AN ENGINEER, FOR INSTANCE. I CAN DO  
25 INSPECTIONS.

1 MR. VITALE: YOU CAN'T DO INSPECTIONS. YOU'RE  
2 NOT DSA CERTIFIED --

3 MR. PEREZ: OKAY. BUT THESE GUYS ARE DSA  
4 CERTIFIED INSPECTORS. AND THEY CAN ALSO BE PROJECT  
5 MANAGERS.

6 MR. VITALE: NO, THEY CAN'T BE.

7 MR. PEREZ: NOT IN THE SAME PROJECT. YOU CAN BE  
8 INSPECTOR A AND A PROJECT MANAGER FOR B.

9 MR. VITALE: THAT'S CUTE.

10 MR. PEREZ: AND HE CAN -- NELSON CAN USE THEM AS  
11 HE WISHES.

12 MR. VITALE: YOU'RE SPLITTING THEIR TIME IS WHAT  
13 YOU'RE DOING.

14 MR. PEREZ: WELL, I THINK HE'S JUST ASSIGNING THE  
15 INSPECTORS JOB. OKAY? FOR INSTANCE, THE INSPECTORS WE  
16 HAVE, I DON'T KNOW THAT ANY ONE OF THEM IS MANAGING  
17 PROJECTS, EVEN IF THEY HAVE THE CAPABILITY TO MANAGE  
18 PROJECTS. OKAY? IS THAT CLEAR?

19 MR. CATES: NOT TO ME.

20 MS. KENNE: SO ALL OF THESE PEOPLE HAVE CONTRACTS  
21 WHERE THEY ARE CALLED -- AND I USE QUOTES -- PROJECT  
22 MANAGERS. BUT LIKE JAMES VOO (PHONETIC) -- IS THAT HIS  
23 FULL NAME? -- DOES ELECTRICAL WORK ON MANY OF THE  
24 PROJECTS. BUT HE MAY NOT BE MANAGING ANY OF THEM, BUT  
25 HE'S DOING ELECTRICAL WORK ON ALL OF THEM. SO NELSON HAS

1 TAKEN THAT PERSON WHOSE TITLE IS PROJECT MANAGER AND HE'S  
2 USING HIM WITH HIS EXPERTISE AS ELECTRICAL ON ALL OF HIS  
3 PROJECTS. THEN HE'S TAKING SOMEONE WHOSE TITLE IS ALSO  
4 PROJECT MANAGER AND SAYING, YOU ARE MANAGING THIS PROJECT  
5 AND YOU'RE HELPING MANAGE THAT PROJECT. AND THEN HE'S  
6 TAKING THE ONE WHOSE TITLE IS PROJECT MANAGER WHOSE SKILL  
7 IS INSPECTING AND SAYING, PLEASE INSPECT THESE THREE  
8 PROJECTS. THESE TWO ARE WHAT WE'RE HIRING INSPECTION  
9 FIRMS FOR. SO SOME OF OUR INSPECTION IS BEING DONE BY  
10 PROJECT MANAGERS WE'VE CONTRACTED WITH, AND SOME OF IT  
11 WE'RE HIRING A FIRM SPECIFICALLY FOR WHATEVER THAT PROJECT  
12 IS TO DO INSPECTION.

13 SO WE'RE DOING MANY DIFFERENT THINGS IN MANY  
14 DIFFERENT WAYS. AND, AGAIN, THERE'S A LOT OF  
15 SUBJECTIVE-NESS POSSIBLY TO WHETHER THE BEST WAY IS BEING  
16 USED AND WHETHER WE HAPPEN TO THINK AS NONPROFESSIONALS  
17 IT'S BEING DONE IN THE MOST EFFICIENT WAY, BUT I JUST --  
18 I'M NOT SURE HOW FAR YOU WANT TO GO INTO THAT QUICKSAND.

19 MS. VANCE: I DON'T.

20 MR. VITALE: KIM, AS A PROFESSIONAL, IF YOU GO  
21 AHEAD AND LOOK AT THE PROJECTS THAT EACH ONE OF THESE  
22 PROJECT MANAGERS ARE ATTACHED TO AND LOOK AT THE DOLLAR  
23 VALUE OF THE CONTRACT THAT THEY ARE ADMINISTERING, THAT'S  
24 GOING TO GIVE YOU AN APPROXIMATION AS TO HOW MUCH TIME  
25 THEY NEED TO EXPEND BECAUSE NOT ALL OF THESE PROJECTS ARE

1 TEN MILLION OR \$20 MILLION PROJECTS. YOU'VE GOT PROJECTS  
2 THAT ARE LESS THAN THAT, IN WHICH CASE, THEN IT BECOMES A  
3 QUESTION OF, IF THEY ARE LOOKING AT INVOICES THAT ARE  
4 COMING IN ON A BIWEEKLY BASIS OR WHATEVER FOR PAYMENT AND  
5 THEY'RE WORKING WITH THE INSPECTOR TO SOME DEGREE, THERE'S  
6 ONLY SO MUCH TIME IN WHICH THEY NEED TO BE AT THEIR DESK.  
7 AND BECAUSE THEIR ROLE IS NOT NECESSARILY TO BE OUT THERE  
8 IN THE FIELD TO OVERSEEING CONSTRUCTION -- THAT'S WHAT YOU  
9 HAVE THE INSPECTOR FOR -- THEN WE GET INTO THIS QUESTION  
10 OF, ARE WE GETTING EFFICIENT USE OF THE PERSONNEL.

11 MS. KENNE: I'M GOING TO LET YOU GUYS.

12 MR. PEREZ: I WOULD LIKE TO LOOK AT THE FOREST  
13 AND NOT LOOK AT THE TREE. NELSON MENTIONED TO YOU, IF YOU  
14 HIRE A CONSTRUCTION MANAGEMENT FIRM, THEY WOULD HAVE A  
15 PROJECT MANAGER AND AN INSPECTOR. AND HE SAID, BETWEEN  
16 NINE AND 14 PERCENT. AND NELSON BELIEVES AND I THINK THE  
17 NUMBERS BACK HIM UP THAT THE WAY HE'S DOING THINGS, HE'S  
18 SAVING THE DISTRICT A LOT OF MONEY. AND I THINK THAT'S  
19 WHAT YOU HAVE TO LOOK AT; IF THE RESOURCES ARE BEING  
20 MANAGED IN THE BEST WAY POSSIBLE FOR THE DISTRICT, NOT  
21 LOOK AT THIS GUY, YOU KNOW, SO MUCH. LOOK AT BIG PICTURE.

22 MR. VITALE: I AGREE. I BROUGHT THAT UP BEFORE  
23 AND WE WERE IN COMPLETE AGREEMENT ON THAT. HOWEVER, WE'RE  
24 GETTING DOWN TO HAIR SPLITTING TO MICROMANAGING THE  
25 EXPENDITURE OF DOLLARS AND IS THE TIME BEING EXPENDED THE

1 WORTH THE FEW HUNDREDS OF THOUSANDS OF DOLLARS THAT WE'RE  
2 FINDING IN HERE THAT ARE QUESTIONABLE. IF WE WERE FINDING  
3 MILLIONS OF DOLLARS, THEN IT WOULD BE SIGNIFICANTLY  
4 DIFFERENT AGAINST THE \$350 MILLION THAT WE HAD TO BEGIN  
5 WITH.

6 WHAT WE DON'T KNOW -- AND THIS IS ONLY WHAT WE  
7 FOUND FOR THIS THREE-YEAR PERIOD -- WHAT MISAPPROPRIATIONS  
8 MIGHT HAVE TAKEN PLACE IN THE PRECEDING YEARS THAT WE  
9 DIDN'T HAVE THE COMMITTEE IN PLACE TO TAKE A LOOK AT AND  
10 TO ANALYZE WITH THE KNOWLEDGE THAT WE HAVE AT THE TABLES  
11 TO DATE. SO AT WHAT POINT DO WE CUT OUR LOSSES AND SAY,  
12 HEY, WE'RE BEATING A DEAD HORSE ON THIS THING TRYING TO  
13 GET INFORMATION WHEN WE KNOW HOW MANY PEOPLE ARE BEING  
14 HIRED, WE KNOW KIND OF HOW THE MONEY IS GETTING SPENT,  
15 WE'RE GOING TO KNOW WITHIN THE NEXT 30 DAYS WHERE WE STAND  
16 GOING DOWN THE LINE. AND IF WE CAN GET THEM TO AGREE TO A  
17 SERIES OF RULES AND REGULATIONS AND CRITERIAS THAT THEY  
18 HAVE TO ABIDE BY, THEN WE HAVE DONE THE JOB OF PUTTING IN  
19 THE CHECKS AND BALANCES IN PLACE THAT SHOULD HAVE BEEN  
20 THERE FROM DAY ONE BUT WEREN'T THERE.

21 MR. CATES: AND AS A MATTER OF FACT, JAMES,  
22 BEFORE YOU JOINED THE COMMITTEE, WE SPENT A NUMBER OF  
23 MONTHS HASHING OUT THE STANDARDS FOR TT EXPENDITURES, AND  
24 THOSE STANDARDS, WHICH ARE ON OUR WEB SITE, WERE ADOPTED  
25 BY THIS COMMITTEE IN JUNE, I BELIEVE.

1 MR. VITALE: IN JUNE.

2 MR. CATES: THIS JUNE. YEAH. WE SPENT ABOUT,  
3 I'D SAY, SIX MONTHS WORKING ON THEM. THEY ARE OUR  
4 STANDARDS. THEY ARE BINDING ON US. BUT I THINK THEY'RE  
5 PRETTY GOOD STANDARDS AND THEY'RE BASED UPON CONVERSATIONS  
6 WITH OUR COUNSEL. WE INVITED THE DISTRICT TO PROVIDE  
7 INPUT, AND THE RESPONSE WAS NOT NECESSARY, THE LAW IS THE  
8 LAW. OKAY? I AGREE. THE LAW IS THE LAW.

9 AND, MIGUEL, IN RESPONSE TO WHAT YOU SAID, WHICH  
10 I KNOW YOU THINK IS PERFECTLY REASONABLE, EFFICIENCY IS  
11 NOT A JUSTIFICATION FOR AN EXPENDITURE THAT'S BARRED BY  
12 LAW. I WILL ADMIT THAT THERE ARE EFFICIENT WAYS TO SPEND  
13 TT MONEY, BUT AS I SAY, THOSE ARE NOT THE STANDARDS. WE  
14 ARE OBLIGED TO SEE THE TT FUNDS ARE SPENT ON LISTED  
15 PROJECTS, CONSTRUCTION, RECONSTRUCTION, RENOVATION,  
16 REPAIR, CAPITAL ASSETS. THAT'S IT.

17 MS. KENNE: SO BACK TO FORENSIC AUDIT. I WOULD  
18 SAY THAT I DON'T -- I DON'T KNOW THAT THERE'S ANY BENEFIT  
19 FROM TIME AND MONEY SPENT ON THAT. AND, AGAIN, I PROVIDED  
20 THIS REPORT NOT TO SAY, WOW, LOOK AT ALL THE EVILDOING  
21 HERE. THIS IS WHAT IT IS. THIS IS WHAT HAPPENS. IT'S  
22 FACTUAL IN TERMS -- NOW, PEOPLE MAY LOOK AT IT AND SAY, I  
23 THINK THAT'S TOO MUCH, OR YOU MIGHT THINK THAT'S TOO MUCH.  
24 BUT THIS IS WHAT HAPPENS. I HAVE A COUPLE OF QUESTIONS  
25 JUST SO THAT I CAN CLARIFY WHY SOME OF THESE NUMBERS ARE

1 UNEXPECTED TO ME, BUT I'M NOT SAYING THAT I SEE ANYTHING  
2 HERE THAT JUMPS OUT AND SAYS, THIS PROVES SOMETHING WAS  
3 GOING ON. AND I DON'T THINK ANY OF THESE NUMBERS ARE VERY  
4 LARGE.

5 BUT MOST OF THE QUESTIONS, STAFF WOULD HAVE TO  
6 ANSWER THEM. AND WHETHER THEY GIVE AN ANSWER TO US OR TO  
7 A FORENSIC AUDITOR -- I MEAN, IF THIS COMMITTEE CAN  
8 CONVINCED THE BOARD TO ASK THE SAME QUESTIONS, THEN IT  
9 SEEMS FAIRLY REASONABLE TO EXPECT THAT STAFF WILL HAVE TO  
10 ANSWER THEM.

11 MR. CATES: WELL, YOU'RE ABSOLUTELY RIGHT. LET  
12 ME ADDRESS A COUPLE OF POINTS.

13 FIRST OF ALL, WHEN BRIAN MCDONALD USED THE TERM  
14 "FORENSIC AUDIT," HE DIDN'T REALLY MEAN FORENSIC AUDIT. A  
15 FORENSIC AUDIT IS AN AUDIT TO BE USED IN LITIGATION. AND  
16 THAT'S NOT WHAT HE WAS CONTEMPLATING. I THINK WHAT HE WAS  
17 CONTEMPLATING WAS A FAR MORE DETAILED AUDIT THAN WE GET IN  
18 OUR ANNUAL PERFORMANCE AND FINANCIAL AUDITS. IF WE CAN  
19 GET THE ANSWERS TO THE REASONABLE QUESTIONS THAT EVERYONE  
20 HAS BEEN ASKING, YEAH, THERE'S NO NEED FOR ANOTHER AUDIT.  
21 BUT IT WOULD BE WONDERFUL IF WE COULD GET SOME ANSWERS.  
22 AND WE HAVE BEEN ASKING ABOUT THE KEY ISSUES FOR MONTHS.  
23 AND THE INFORMATION IS DRIBBLED OUT. IT'S NEVER COMPLETE.

24 AND NOW, NEARLY A YEAR LATER, WE'RE SAYING, WELL,  
25 WHAT WAS A 140,000 CHARGED TO OWNERS REPS? OR WHAT DID WE



1 GET FOR THE MASTER PLAN DEVELOPMENT CHARGE OF ROUGHLY  
2 450,000?

3 MR. BOLAND: I'LL SAY THIS --

4 MR. VITALE: BUT YOU'RE GOING TO MEET WITH  
5 COUNSEL NOW AND YOU'RE GOING TO, HOPEFULLY, GET SOME  
6 ANSWERS.

7 MR. CATES: I HOPE SO, BUT I DON'T KNOW.  
8 FRANCES.

9 MR. BOLAND: I'LL ADMIT TO BEING, MIGUEL,  
10 DISAPPOINTED BY THAT VOLUNTEERISM ANSWER. THAT'S  
11 RIDICULOUS BECAUSE NOBODY'S GOING TO VOLUNTEER TO DO THOSE  
12 THINGS. THOSE ARE PAID THINGS YOU DO. SO TO ASK US TO  
13 BELIEVE THAT THAT'S A VOLUNTEER THING IS KIND OF ASKING US  
14 A LOT. I GET THAT WHAT YOU'RE SAYING ABOUT HER DUTIES AND  
15 EVERYTHING LIKE THAT, BUT YOU CAN'T SIT HERE AND TELL US  
16 PEOPLE VOLUNTEER TO DO THINGS LIKE THAT.

17 MR. PEREZ: YOU HAVE TO KNOW THE PEOPLE. YOU  
18 HAVE TO KNOW THE PERSON.

19 MR. BOLAND: YOU GET MY POINT; RIGHT?

20 MR. PEREZ: I UNDERSTAND YOUR POINT, BUT IN ORDER  
21 TO GET TO THAT, YOU HAVE TO KNOW THE PERSON, YOU KNOW.

22 MR. BOLAND: YEAH. I GET IT. AND AS TO THE  
23 FINAL ANSWER TO THE QUESTION OF WHAT SHIRLEY DOES, I'VE  
24 BEEN THINKING ON IT, AND I CAN'T FIGURE OUT HOW YOU'RE  
25 GOING TO GET THAT ANSWER.

1 MR. PEREZ: SHE'S THE TYPE OF PERSON THAT GETS  
2 THERE AT 4:00 O'CLOCK IN THE MORNING.

3 MR. BOLAND: I'M NOT SAYING ANYTHING BAD ABOUT  
4 HER.

5 (CROSS-TALK)

6 MR. PEREZ: HER E-MAIL IN JOB-RELATED MATTER 4:00  
7 O'CLOCK. I SAY, OH, MY GOD.

8 MS. VANCE: I DO THAT, TOO.

9 I DO KNOW THAT IN THE PAST YEAR SHIRLEY HAS MADE  
10 SURE THAT ALL THE GRASS IN THE DISTRICT IS GREEN. SO NOW  
11 THAT SHE'S A CONSTRUCTION SPECIALIST, MAYBE SHE VOLUNTEERS  
12 HER TIME SO MAKE SURE THAT -- HOW MANY SITES DO WE HAVE?  
13 30 SITES HAVE GREEN GRASS.

14 NOW, GRANTED MOST OF THEM DON'T HAVE GREEN GRASS  
15 NOW AND MAYBE THAT'S WHY, BECAUSE SHIRLEY IS NOW A  
16 CONSTRUCTION SPECIALIST. BUT I HAVE A HARD TIME BELIEVING  
17 THAT NOW WE HAVE NO ONE -- NO ONE IN THE DISTRICT EXCEPT  
18 FOR SOMEBODY WHO WANTS TO VOLUNTEER TO MAKE SURE THAT ALL  
19 THE GRASS IS GREEN BECAUSE I CAN TELL YOU KHALIL'S NOT  
20 DOING THAT. KHALIL, THE GUY WHO'S IN CHARGE OF ALL THE  
21 JANITORS, IS NOT MAKING SURE THE GRASS IS GREEN.

22 MS. KENNE: TO FRANCES'S POINT THOUGH, WHETHER  
23 SHIRLEY WANTS TO VOLUNTEER TO DO WHAT MOST PEOPLE GET PAID  
24 FOR, THE DISTRICT SHOULDN'T ASK HER TO. WE SHOULDN'T ASK  
25 OUR EMPLOYEES TO DO TWO DIFFERENT FULL-TIME JOBS AND THEN

1 PAY THEM FOR ONE. BUT IF WE DO SAY, PLEASE, TRY AND DO  
2 ALL OF THIS WORK, WE HAVE TO RECOGNIZE THAT SHE'S DOING  
3 TWO SETS OF WORK AND ONE OF THEM MAY NOT BE TT RELATED  
4 AND, THEREFORE, WE SHOULD CHARGE HER PROPORTIONATELY TO  
5 WHAT SHE REALLY DOES ALL DAY LONG. AND I DON'T KNOW IF  
6 THAT IS SOMETHING STAFF IS CONTEMPLATING BECAUSE EVEN A  
7 SLIGHT CHANGE IN HER PERCENTAGE WOULD MAKE THIS ENTIRE  
8 THING GO AWAY.

9 MR. CATES: NOT JUST -- KIM, NOT JUST HERS.  
10 WE'VE GOT SIX OTHER PEOPLE THERE. AND IF NELSON SAYS THAT  
11 ALL OF THE NON-TT WORK IS VOLUNTEER WORK, I WILL REMIND  
12 HIM THAT I COME FROM MISSOURI.

13 MS. KENNE: WELL, JESSICA FRAZIER IS THE ONLY ONE  
14 WHO IS ALSO GOING TO COMMITTEES, BUT THEY'RE IN THE  
15 EVENING. SO THERE IS A -- ALL RIGHT. I DID WANT TO  
16 FINISH MY REPORT SO WE CAN GO ON TO ALL THE REST OF THE  
17 THINGS. I'M NOT CLEAR WE NEED A FORENSIC AND I DON'T KNOW  
18 IF THE COMMITTEE WANTS TO TAKE --

19 MR. CATES: IF WE COULD GET --

20 MS. VANCE: I DON'T THINK WE WANT TO PAY FOR  
21 THAT.

22 MR. CATES: IF WE COULD GET THE ANSWERS FROM THE  
23 DISTRICT, NO, WE DON'T NEED AN AUDIT. BUT SO FAR, WE  
24 HAVEN'T GOTTEN THE ANSWERS.

25 MS. KENNE: SO MY QUICK REPORT. TALKED A LITTLE

1 BIT ABOUT THE REPRIORITIZING. SO WE REALLY WERE PRESENTED  
2 WITH A NUMBER OF PROJECTS THAT WERE IMMEDIATE NEEDS, THE  
3 HVAC, SHADES -- SOME SHADE STRUCTURES WAS ON THE LIST,  
4 PLAYGROUNDS THAT ARE -- THE PLAYGROUND EQUIPMENT THAT'S  
5 UNSAFE OR THE UNDERNEATH SURFACE ISN'T, THAT KIND OF  
6 STUFF. THERE'S STUFF FROM URIP (PHONETIC) TEST THAT'S  
7 FIELD RELATED AND I GUESS THE TURF -- THE ARTIFICIAL TURF  
8 NEEDS TO BE REPLACE. ANYWAY, AND SOME SLIGHT  
9 BEAUTIFICATION BECAUSE ALL THE GRASS IS DEAD AND IT SEEMS  
10 TO HAVE SOMETHING TO DO WITH NONE OF THE SPRINKLERS  
11 WORKING. SO WE NEED NEW IRRIGATION BECAUSE IT'S NOT A  
12 GRASS ISSUE AT THIS POINT, IT'S A LACK OF IRRIGATION.

13 SO WHEN WE WERE PRESENTED WITH ALL OF THESE  
14 IMMEDIATE NEEDS AND STAFF TELLING US, THESE ARE REALLY,  
15 REALLY IMPORTANT, IT WAS LIKE, WELL, WE CAN FINISH  
16 BUILDING SOME PROJECTS AND HAVE NO MONEY TO EVER DO THESE  
17 IMMEDIATE NEEDS UNLESS WE GET A NEW BOND, OR WE CAN DO THE  
18 IMMEDIATE NEEDS. AND SO I FELT WE SHOULD START AT THE  
19 BOTTOM OF THOSE IMMEDIATE NEEDS AND SEE WHAT WAS LEFT AND  
20 IF WE COULD DO ANY OTHER PROJECTS BECAUSE PEOPLE AT  
21 LONGFELLOW ARE EXPECTING A PROJECT.

22 MS. VANCE: IS LONGFELLOW ON THE LIST?

23 MS. KENNE: LONGFELLOW AND DON BENITO --

24 MS. VANCE: -- GOT KICKED OFF.

25 MR. PEREZ: -- GOT KICKED OFF.

1 MS. KENNE: -- ARE ABOUT TO -- SO -- BUT AS WE  
2 WENT THROUGH THESE PROJECTS, IT WAS REALLY HARD TO SAY,  
3 WE'LL BEAUTIFY WILSON AND NOT THIS OTHER SCHOOL, ET  
4 CETERA, ET CETERA.

5 SO LIKE I SAID, I ADDED UP THE ONES THAT WE GREED  
6 TO BEYOND -- SO WE HAD ONES THAT WE APPROVED BACK IN  
7 AUGUST. WE ADDED PHS IDENTITY AND THEN THAT WAS ALREADY  
8 IN ANOTHER NUMBER, BUT THIS NUMBER ADDS UP TO 10.3.

9 AND I'LL JUST SAY THAT THE ADA AT MUIR WAS  
10 SUPPOSED TO COME OUT OF DEVELOPER FEES, BUT NOW IT'S ON  
11 THE TT LIST. SO WHEN THE BOARD APPROVED IT IN AUGUST, IT  
12 WAS BEING FUNDED FROM A DIFFERENT SOURCE BUT NOW IT'S  
13 BEING FUNDED FROM TT, AS ARE THE LOCKERS AT BLAIR THAT WE  
14 APPROVED LAST MARCH TO COME OUT OF MEASURE Y THAT ARE NOW  
15 -- THERE'S A PURCHASE ORDER AGAINST TT FOR THEM FOR  
16 \$445,000.

17 MS. VANCE: HAVE YOU ASKED WHY?

18 MS. KENNE: THERE'S NO MONEY IN DEVELOPER FEES IS  
19 THE ANSWER FOR THE OTHER ONE. AND I DON'T KNOW THAT  
20 THERE'S ENOUGH NOW IN MEASURE Y. I KEPT WONDERING WHY WE  
21 KEPT SPENDING MEASURE Y BECAUSE, DON'T FORGET, WE DON'T  
22 EVEN HAVE A BONDS CONSULTANT FOR THE FUTURE BOND TO  
23 MEASURE Y.

24 MR. BOLAND: CAN I ASK? WHEN I USED TO WORK AT  
25 THE GOLF COURSE WE PAINTED THE MOWER ONE TIME TO SURPRISE

1 THE BOSS. HE CAME BACK AND HE LOOKED AT IT AND HE SAID,  
2 THAT DON'T MAKE IT CUT GRASS. YOU KNOW. HE SAID, YOU  
3 WANT TO DO SOMETHING, SHARPEN THE BLADES.

4 SO I WOULD SAY THAT THE BEAUTIFICATION COULD WAIT  
5 WHEN YOU'VE GOT HVAC THAT DOESN'T WORK, THAT KIND OF  
6 THING.

7 MS. KENNE: SO WHAT WE DID IS, WE WENT THROUGH  
8 HVAC, PLAYGROUND, THE IMMEDIATE NEEDS, WHICH IS KIND OF A  
9 MIXED BAG OF SOME FIELD WORK AND -- IT'S ON THAT DETAILED  
10 LIST AND SITE BEAUTIFICATION. AND WE SAID WE WOULD PUT A  
11 MILLION TOWARDS SITE BEAUTIFICATION BECAUSE HE HAD A WHOLE  
12 LONG LIST, AND SOME OF IT WAS THE WATER WISE STUFF THAT  
13 WE'VE HEARD A LOT OF PEOPLE VERY UNHAPPY WITH HOW THAT  
14 TURNED OUT AT WILSON. SO WE WANT TO BE CAREFUL ABOUT HOW  
15 IT GOES FORWARD. BUT, AGAIN, JUST ALL OF THAT WORK IS  
16 10.3, WHICH MEANS THAT THERE'S NO OTHER MONEY FOR PROJECTS  
17 AT LONGFELLOW, ROOSEVELT --

18 MS. VANCE: ON TOP OF THAT, FROM WHAT I LEARNED  
19 TONIGHT, IS THAT ONE THROUGH NINE AT \$73 MILLION DOES NOT  
20 HAVE CONTINGENCY IN IT, WHICH MEANS THAT, REALLY, ARE YOU  
21 EVEN GOING TO GET ANYTHING MORE THAN ONE THROUGH NINE?  
22 BECAUSE I -- BASED UPON MY LAST SIX YEARS OF EXPERIENCE  
23 WITH THIS BOND, PROBABLY NOT.

24 MS. KENNE: BUT TURN OVER THE PAGE. THERE'S A  
25 BIG POT OF CONTINGENCY THERE.

1 MS. VANCE: OH, THERE IS?

2 MR. PEREZ: ON THIS PAGE, LOOK AT COLOR.

3 MS. VANCE: I DON'T HAVE A COLOR.

4 MR. PEREZ: IT'S IN YOUR PACKAGE.

5 MS. VANCE: SORRY. I PRINTED IT MYSELF. SO 13 --

6 MS. KENNE: SOMEWHERE IN THE MIDDLE IS A LINE

7 FOR --

8 MS. VANCE: OH, I SEE. 6.695 IS YOUR

9 CONTINGENCY?

10 MS. KENNE: AND ANOTHER SIX MILLION FOR CENTRAL.

11 MS. VANCE: AND ANOTHER --

12 MS. KENNE: 6.7 MILLION SIX.

13 MS. VANCE: SO THEN -- OH, SO THEN YOU STILL --

14 THEN HAVE YOU 16. SORRY. SO WE DON'T HAVE 30; WE HAVE

15 16. AND YOU'RE SAYING THIS IS GOING TO COST \$10.3.

16 MS. KENNE: AND I THINK THE 16 IS SIX. BUT

17 NELSON AND I ARE STILL ARGUING WITH THAT. HE STOPPED

18 ARGUING. HE'S LIKE, JUST TRUST MY NUMBERS AND DON'T WORRY

19 ABOUT IT. I SAID --

20 MR. VITALE: I'LL SELL YOU A USED CAR.

21 MS. KENNE: -- IF YOU TELL ME THAT NONE OF THAT

22 HAS TO BE PAID OUT TO ACCOUNTS OR TO ARCHITECTS, GREAT. I

23 JUST DON'T IF --

24 MS. VANCE: SO YOU THINK THE 16, THERE'S STILL

25 SOME ENCUMBERED MONEY? HOW MUCH WOULD YOU SAY IS

1 ENCUMBERED OUT OF THAT 16?

2 MS. KENNE: MY QUESTION TO NELSON IS, IF THERE'S  
3 4.7 THAT ENCUMBERED AND 80-SOME PERCENT OF IT IS TO  
4 ARCHITECTS AND IT'S FOR PROJECTS THAT WE'RE NOT GOING TO  
5 GO FORWARD --

6 MS. VANCE: WE STILL HAVE TO PAY THEM --

7 MS. KENNE: -- HOW MUCH -- HOW MUCH CAN WE NOT  
8 PAY THEM. IF WE HAVE TO PAY THEM THE WHOLE THING, THEN HE  
9 MUST NOT INCLUDE IT IN THE 16.

10 MR. VITALE: THE CONTRACT IS STRUCTURED ON A  
11 PHASE-BY-PHASE BASIS. SO YOU WOULD ONLY HAVE TO PAY THEM  
12 FOR THE PHASE COMPLETED AND NOT HAVE TO TAKE AND GO ON ALL  
13 THE WAY TO THE END. THAT'S WHY IT'S SET UP LIKE THAT.

14 MS. KENNE: AND I MADE THE LIST OF EXACTLY WHICH  
15 CONTRACTS IT IS. AND IT'S LIKE, IF -- I'D LOVE FOR THAT  
16 4.7 TO BE TWO POINT, NOT A 4.7. IT'S JUST DON'T THINK  
17 IT'S ZERO. IT'S THE ZERO-NESS THAT HE'S USING IN THE  
18 NUMBERS THAT'S WORRYING ME A LITTLE BIT.

19 MS. VANCE: EVEN WITH THE FOUR POINT --

20 MR. CATES: LADIES AND GENTLEMEN, IF WE'RE GOING  
21 TO MAKE IT OUT OF HERE BY 10:30 P.M., WE HAVE TO MOVE.

22 MS. KENNE: TWO MORE MINUTES AND I WON'T LET  
23 ANYONE ELSE ASK QUESTIONS.

24 HAVEN'T HEARD ANY MORE ABOUT THE PROGRESS ON THE  
25 FUTURE BONDS. TWO MEETINGS AGO OR MAYBE THE SPECIAL



1 MEETING THERE WAS PROPOSAL FROM A COMMUNICATIONS FIRM, BUT  
2 WE DIDN'T TALK ABOUT IT. AND WE HAD TALKED ABOUT  
3 REFINANCING BACK AT OUR SEPTEMBER 4TH BOARD MEETING. AND  
4 THAT HASN'T COME BACK EVEN THOUGH REFINANCING WOULD HAVE  
5 TAXPAYER MONEY, SEEMS LIKE IT WOULD BE A GOOD IDEA.

6 DON'T FORGET, CLIFF, THAT I STILL WANT TO SEE THE  
7 TERMS OF MEMBERS ON THE MEMBER ROSTER ON THE WEB SITE.

8 MR. CATES: HOW MANY TIMES DO YOU EXPECT ME TO  
9 ASK THE DISTRICT?

10 MS. KENNE: I THOUGHT YOU COULD TOUCH THE THING.  
11 OR YOU'RE FINDING OUT THE DATES?

12 MR. CATES: THAT'S AN ISSUE.

13 YES, QUICKLY.

14 AUDIENCE SPEAKER: MY HUSBAND SAID YOU CAN'T  
15 REFINANCE BONDS TO A LOWER AMOUNT IF THEY HAVE BEEN PUT  
16 OUT THERE AT A CERTAIN PERCENTAGE. IS THAT --

17 MR. CATES: I DON'T KNOW.

18 MS. KENNE: NO TIME AND NOT SURE. BUT WE HAD  
19 BONDS PEOPLE COME IN --

20 AUDIENCE SPEAKER: THAT'S WHAT THE BONDMAN SAID  
21 THAT NIGHT. AND MY HUSBAND SAID YOU CAN'T DO THAT.

22 MS. KENNE: WE'VE ALREADY DONE IT ONCE. SCHOOL  
23 BOND RECONSOLIDATION COMMITTEE HAD THREE MEETINGS ALREADY  
24 AND ONE MORE TONIGHT. THEY HAVE ONE MORE IN THE FUTURE,  
25 BUT THIS IS FOR THE 19-20 SCHOOL YEAR BECAUSE OPEN

1 ENROLLMENT SCHOOL CHOICE HAS ALREADY KICKED OFF.

2 THEN I JUST WANT TO PUT A PLUG IN FOR THE CONCEPT  
3 OF DEFERRED MAINTENANCE. AND THE REASON I'M ADDRESSING  
4 YOU BECAUSE I THINK THIS IS A BODY THAT CAN ADVOCATE WITH  
5 THE PUBLIC AND THE BOARD AND WHOEVER ELSE YOU WANT TO THAT  
6 THE DISTRICT REALLY NEEDS TO PUT ASIDE MONEY FOR DEFERRED  
7 MAINTENANCE BECAUSE WE NEED TO ACT RESPONSIBLY IN  
8 MAINTAINING OUR FACILITIES, AND WE REALLY CAN'T EXPECT THE  
9 TAXPAYERS TO FUND REPAIRS THROUGH BONDS MEASURES, WHICH IS  
10 A LITTLE BIT OF WHAT'S GOING ON IN SOME OF WHAT WE  
11 APPROVED. AND THAT'S WHEN NELSON SAID THAT STEVE COAL  
12 KIND OF PIPED UP IN THE FACILITIES MEETINGS SAID, COC  
13 MIGHT HAVE SOME ISSUES WITH SOME OF THESE THINGS YOU'RE  
14 PROPOSING, AND --

15 MS. VANCE: AND ALSO YOU MIGHT WANT TO BE ABLE TO  
16 HAVE SOME EMPLOYEES WITHOUT A BOND.

17 MS. KENNE: AND THE TAXPAYERS HAVE INVESTED IN  
18 OUR FACILITIES, AND I THINK WE HAVE THE EXPECTATION THAT  
19 WE'RE GOING TO MAINTAIN THEM. BUT YOU'RE GOING TO HEAR  
20 THAT WE'RE IN A DIFFICULT BUDGET SITUATION.

21 MS. VANCE: SO WHAT'S DEFERRED MAINTENANCE THIS  
22 YEAR?

23 MR. CATES: GRETCHEN.

24 MS. KENNE: DEFERRED MAINTENANCE HAS BEEN ZERO  
25 FOR FOUR OR FIVE YEARS, WHICH IS WHY WE'RE NOT MAINTAINING

1 THE BUILDINGS EXCEPT WITH WHAT MONEY WE CAN KIND OF  
2 SCROUNGE UP FROM ROUTINE MAINTENANCE AND WHAT WE GET DONE  
3 OVER SUMMERS. BUT I JUST DON'T THINK THAT IT'S  
4 RESPONSIBLE TO TAKE EVERYONE'S MONEY AND THEN NOT MAINTAIN  
5 THE BUILDINGS.

6 MS. VANCE: AND YOU WONDER WHY NELSON IS TAKING  
7 EVERYTHING OUT OF TT, BECAUSE HE HAS NO OTHER MONEY.

8 MR. CATES: AND THAT IS A JUSTIFICATION?

9 MS. VANCE: NO. BUT I'M JUST MAKING A STATEMENT.

10 MR. CATES: OKAY. NO, I DON'T WONDER AT ALL.  
11 IT'S A POT OF MONEY. WE HAVE TO MOVE ON.

12 MS. KENNE: YES. ALL DONE.

13 MR. CATES: UP. MORE INFORMATION THAT WE STILL  
14 NEED FROM THE DISTRICT. GLEN AND THEN QUINCY.

15 MR. DE VEER: WELL, I PREPARED THIS AND I GOT  
16 COPIES FOR EVERYBODY. I'LL PASS THEM ALONG.

17 AFTER HEARING WHAT WENT DOWN THIS EVENING AND  
18 WE'RE ONLY -- WE'RE DOWN TO THE END OF IT. I --

19 MR. PEREZ: WHAT ITEM IS THIS?

20 MR. DE VEER: I SEE ALMOST NO REASON TO REQUEST  
21 ALL OF THESE DOCUMENTS BECAUSE ALL OF THESE -- MOST OF IT  
22 HAS TO DO WITH CONTRACT RELATIONSHIPS BETWEEN ARCHITECTS  
23 AND THE PUSD --

24 MR. PEREZ: EXCUSE ME. WHAT ITEM ARE WE IN?

25 MR. CATES: WE ARE 4F2.

1 MR. PEREZ: 4F2. AND THAT'S SOMETHING I NEED YOU  
2 TO YOU IDENTIFY BECAUSE WHAT I HAVE TO DO THE DRAFT OF THE  
3 MINUTES, IT'S -- IT'S JUST -- NO. IT'S IMPOSSIBLE BECAUSE  
4 THERE IS NOT A BREAK, YOU KNOW. NOW, WE'RE DOING THAT.  
5 JUST A REQUEST.

6 MR. CATES: WE WILL DO OUR BEST TO LET YOU KNOW  
7 WHAT ITEM NUMBER WE'RE ON.

8 MR. PEREZ: JUST FOR THE RECORD.

9 MR. CATES: I MEAN, I WOULD PREFER IT IF WE DID  
10 EVERYTHING IN ORDER, IF THERE WERE NO DANGLING  
11 PREPOSITIONS OR UHS, BUT PEOPLE ARE PEOPLE.

12 OKAY. GLEN.

13 MR. DE VEER: SO ANYWAY, CONTINUING ON WITH THIS,  
14 I WON'T MAKE THIS VERY LONG. SO I WANT TO JUST KIND OF  
15 GIVE YOU AN OVERVIEW OF HOW THESE PROJECTS WORK OR ARE  
16 SUPPOSED TO WORK. AND I WAS HOPING THAT THIS MAY HELP US,  
17 BUT I THINK IT'S ALL WATER UNDER THE BRIDGE AT THIS POINT  
18 BECAUSE WE'RE BASICALLY DONE WITH ALL OF THIS STUFF.

19 WE SEE ALL THESE DOLLARS IN THESE -- IN THESE  
20 LUMP SUM DOCUMENTS AND, YOU KNOW, WHERE -- WHERE DID ALL  
21 THIS START. I MEAN, WE -- WE'RE SUPPOSED TO HAVE AN  
22 ARCHITECT OWNER AGREEMENT, WE'RE SUPPOSED TO HAVE WRITTEN  
23 DOCUMENTATION AT SCHEMATIC DESIGN, DESIGN DEVELOPMENT,  
24 CONSTRUCTION DOCUMENTS, BIDS, CONSTRUCTION ESTIMATES FROM  
25 ARCHITECTS. SO WHEN AN ARCHITECT SAYS, WELL, LOOK, YOU

1 KNOW, THIS PROJECT NOW IN DESIGN DEVELOPMENT IS \$2 MILLION  
2 OVER. YOU GO BACK TO THE ARCHITECT AND HAVE THE ARCHITECT  
3 REDESIGN IT SO IT COMES IN THE BUDGET. YOU DO THE SAME  
4 THING WITH CONSTRUCTION DOCUMENTS.

5 I'M REALLY PERPLEXED ON HOW, WHEN YOU GO INTO  
6 CONSTRUCTION DOCUMENTS, YOU GET A WRITTEN APPROVAL FROM  
7 THE ARCHITECTS THAT THIS PROJECT IS WITHIN BUDGET, LET'S  
8 SAY THE \$6 MILLION, THEN IT COMES BACK FROM THE DSA AND  
9 IT'S AT \$10 MILLION. AND THEN WHAT DO YOU DO? WELL, YOU  
10 BITE THE \$10 MILLION OR YOU GO BACK TO THE ARCHITECT AND  
11 SAY, HEY, REDESIGN THIS THING. BUT I DON'T THINK THIS IS  
12 THE WAY THE PROCESS HAS BEEN WORKING AND -- WE ASKED FOR  
13 THESE DOCUMENTS THAT ARE DESCRIBED IN HERE -- EXCUSE ME --  
14 BACK IN FEBRUARY, MARCH OF THIS YEAR. AND TO DATE, WE'VE  
15 GOTTEN NONE.

16 MR. PEREZ: I DIDN'T GET A COPY. SO I DON'T KNOW  
17 WHAT YOU'RE TALKING ABOUT.

18 MR. DE VEER: DID I NOT GIVE YOU ONE?

19 MR. PEREZ: NO. UNFORTUNATELY.

20 MS. VANCE: I THINK THIS IS WHAT NELSON WAS  
21 REFERRING TO WHEN HE SAID -- WHEN HE WAS TALKING ABOUT THE  
22 PROJECTS THAT HE'S CREATING FOR THE NEXT BOND, RIGHT?  
23 LIKE HE'S -- HE HAS ARCHITECTS THAT WENT OUT AND DID  
24 DRAWING SO THAT THEY COULD FIGURE OUT HOW MUCH THE  
25 CONSTRUCTION IS GOING TO COST SO THAT THEY CAN MAKE --

1 MR. DE VEER: BUT THIS IS SOMETHING ARCHITECTS DO  
2 ALL DAY LONG AND IT SHOULD HAVE BEEN DONE FOR ALL OF OUR  
3 PROJECTS ON THE TT FUNDS. AND I HAVE NO CLUE WHERE THIS  
4 INFORMATION IS. WE'VE BEEN ASKING FOR IT, BUT IT'S NEVER  
5 COME TO US. AND --

6 MR. PEREZ: EXCUSE ME.

7 MR. DE VEER: -- THIS IS -- HOLD ON.

8 THERE'S ONE OTHER DOCUMENT THAT I'VE BEEN ASKING  
9 ABOUT, AND THAT WAS THE CERTIFICATE FOR PAYMENT. AND AS  
10 THE CERTIFICATE FOR PAYMENT, YOU'LL HAVE CERTAIN LINE  
11 ITEMS SAYING, THIS IS HOW MUCH THE PROJECT IS, THIS IS HOW  
12 MUCH I'M BILLING IT FOR THIS AMOUNT, THIS IS THE AMOUNT  
13 THAT'S ASSIGNED TO CHANGE ORDERS, ET CETERA, ET CETERA.  
14 AND SO THERE'S A WHOLE TRACKING MECHANISM FOR HOW A  
15 PROJECT IS PUT FORWARD IN -- IN THE -- THE OWNER AND --  
16 OWNER AND CONSTRUCTION -- AND CONTRACTOR AGREEMENT.  
17 THERE'S TWO DIFFERENT AGREEMENTS THERE: OWNER ARCHITECT  
18 AND OWNER -- AND OWNER --

19 MS. VANCE: CONTRACTOR.

20 MR. DE VEER: -- CONTRACTOR.

21 WE'VE NEVER GOTTEN ANY INFORMATION FROM EITHER  
22 ONE.

23 MR. PEREZ: MAY I?

24 MR. DE VEER: SURE.

25 MR. CATES: YES.

1 MR. PEREZ: FOR INSTANCE, YOU MENTION HERE THE  
2 PROJECT MANUAL. YOU HAVE COMPLAINED THAT WE GIVE YOU TOO  
3 MUCH INFORMATION. DO YOU KNOW WHAT SIZE IS THE PROJECT  
4 MANUAL?

5 MR. DE VEER: I WRITE THEM ALL DAY LONG.

6 MR. PEREZ: NO, NO, NO. DO YOU KNOW WHAT SIZE IT  
7 IS? IT'S THIS THICK SO IT CAN BE AVAILABLE FOR YOU IF YOU  
8 WANT TO GO THERE AND SEE, BUT FOR EVERY PROJECT --

9 MR. DE VEER: YOU KNOW WHAT? I'D BE INTERESTED  
10 IN SEEING WHAT'S UP FRONT. I DON'T NEED TO READ WHAT THE  
11 BLACK BOARD MATERIAL IS.

12 MR. PEREZ: TELL ME WHAT YOU NEED -- TELL ME WHAT  
13 YOU NEED, BUT, FOR INSTANCE, THE PROJECT MANUAL, THE YEAR  
14 CONDITIONS, THE CONTRACT, EVERYTHING IS AVAILABLE. WE ARE  
15 COMPLETELY TRANSPARENT. WE HAVE IT AND IT'S PUBLISHED.  
16 EVERY TIME WE CALL FOR A BID, THE CONSTRUCTION DOCUMENTS  
17 HAVE TO BE PROVIDED TO THE BIDDERS.

18 MR. VITALE: THAT'S NOT WHAT HE'S ASKING FOR.

19 MR. DE VEER: WE'VE BEEN ASKING YOU FOR THIS  
20 STUFF SINCE FEBRUARY.

21 MR. VITALE: WHAT HE'S ASKING FOR IS PRIOR TO THE  
22 COMPLETED DOCUMENTS THAT ARE GOING OUT TO BID, THERE ARE  
23 PHASES THAT THE ARCHITECT HAS TO GO THROUGH WITH THE OWNER  
24 THAT THE OWNER CERTIFIES AS COMPLETE. AND AT EACH OF  
25 THOSE STEPS THERE IS A BUDGET, ALL RIGHT? THE QUESTION

1 IS, HAVE THOSE BUDGETS BEEN ADHERED TO OR IS THE REASON  
2 THAT YOU'RE COMING UP WITH A BUST AT DSA, WHICH IS WHAT  
3 HE'S CASTING ASPERSIONS TO, IS BECAUSE THEY DIDN'T DO  
4 THEIR JOB PROPERLY AT 30 PERCENT, 70 PERCENT, OR 90  
5 PERCENT CDS. SOMEBODY AT SOME POINT WAS SUPPOSED TO HAVE  
6 DONE A CONSTRUCTABILITY REVIEW OF THIS PROJECT AND MAKE  
7 SURE THAT THERE WERE NOT ANY ISSUES THAT WERE ANTICIPATED  
8 OR THAT COULD HAVE BEEN DONE DIFFERENTLY AT SOME POINT IN  
9 ORDER TO ENSURE THAT YOU STAYED WITHIN BUDGET, WHILE AT  
10 THE SAME TIME UNDERSTANDING WHAT THE BID -- WHAT THE BID  
11 CLIMATE WAS IN THE MARKETPLACE AS THEY WERE PREPARING  
12 THESE DOCUMENTS. SO YOU SHOULD HAVE IN YOUR FILES EACH  
13 ONE OF THOSE APPROVED SETS OF DOCUMENTS AS IT WENT FROM 30  
14 TO 70 TO 90 PERCENT AND SUBMITTAL TO DSA.

15 MR. DE VEER: AND ALL WE WERE REALLY ASKING FOR  
16 BACK AT THE EARLY PART OF THIS YEAR WAS NORMA COOMBS  
17 BECAUSE NORMA COOMBS WAS JUST STARTING.

18 MR. PEREZ: YES.

19 MR. CATES: AND, MIGUEL, YOU WILL FIND AT LEAST  
20 SEVERAL OF THE WRITTEN REQUESTS POSTED ON OUR WEB SITE.  
21 ONCE AGAIN, WE'VE BEEN IGNORED. THE DISTRICT IS WINNING  
22 THE BATTLE. THEY ARE OUTLASTING US.

23 MS. VANCE: I AM GOING TO MAKE A COMMENT ABOUT  
24 THAT AND IT'S TO EMPHASIZE --

25 MR. BOLAND: TO WHAT END?



1 MS. VANCE: THE LETTERS MEAN NOTHING. NOBODY  
2 GIVES A SHIT ABOUT THE LETTERS. YOU NEED TO GET UP, GO TO  
3 THE BOARD MEETING, GET UP AT PUBLIC COMMENT AND START  
4 SAYING, WE WROTE THIS LETTER, WE'VE ASKED YOU FOR THIS, WE  
5 WANT THIS ARCHITECT THING FOR NORMA COOMBS, WE'VE ASKED  
6 FOR SIX MONTHS. THEN THE NEXT BOARD MEETING, GET UP  
7 AGAIN, WE WANT THIS THING. BECAUSE YOU KNOW WHAT?  
8 THEY'RE GOING TO GET TIRED OF YOU AND THEY'RE GOING TO  
9 TURN TO NELSON AND GO, GIVE HIM THE SHIT. WE DON'T CARE  
10 ABOUT A LETTER. I'M JUST TELLING YOU THE TRUTH. THAT'S  
11 WHAT HAPPENS BECAUSE I HAVE PLAYED -- ASK KIM. HOW DID I  
12 GET SIERRA MADRE BUILT. I NEVER WENT AWAY. THAT'S WHAT  
13 YOU HAVE TO DO, JUST GET UP IN FRONT OF THEM.

14 MR. CATES: I INTEND TO APPEAR BEFORE THE BOARD,  
15 ONCE THEY --

16 MS. VANCE: NOT JUST YOUR REPORT.

17 MR. CATES: NO. IN PERSON. PROVIDED THAT I AM  
18 ON THE AGENDA.

19 MS. VANCE: YOU'RE NOT GOING TO BE ON THE AGENDA.  
20 FORGET THAT.

21 MS. KENNE: SHE BROUGHT CHILDREN.

22 MS. VANCE: DON'T UNDERESTIMATE THE POWER OF  
23 CHILDREN.

24 MR. CATES: ALL RIGHT.

25 OKAY. GLEN, DO YOU HAVE --

1 MR. DE VEER: NO.

2 MR. CATES: -- MORE? SO WE'VE NEVER GOTTEN THE  
3 INFORMATION WE REQUESTED?

4 MS. VANCE: BUT PUT THIS ON THE LIST; RIGHT?  
5 THIS IS PART OF THE ISSUES LIST.

6 MR. CATES: I PROMISE YOU THAT THE ISSUES,  
7 INCLUDING THOSE THAT YOU SEND TO ME THAT WE HAVEN'T  
8 DISCUSSED, WILL BE IN THE REPORT.

9 KIM.

10 MS. KENNE: COULD -- IF GLEN WANTS TO LOOK AT  
11 THESE, COULD HE GO LOOK AT THEM? I'M TRYING TO FORESTALL  
12 ANYMORE MULTIPLE MEGABYTE E-MAILS COMING MY WAY THAT MAKE  
13 MY E-MAIL SERVER VERY, VERY UNHAPPY BECAUSE I'M NOT GOING  
14 TO UNDERSTAND THEM. AND YOU GUYS MIGHT. BUT I'M HEARING  
15 STAFF SAY, COME ON DOWN, WE'LL SHOW YOU WHATEVER YOU WANT.  
16 SO IS THAT -- COULD WE TRY THAT?

17 MR. PEREZ: MAKE A LIST OF WHAT YOU WANT AND  
18 WE'LL AS WE DID WITH WESLEY INFORMATION REQUEST. WE'LL  
19 HAVE EVERYTHING THERE. SAY, I WANT TO SEE A. WELL,  
20 HERE'S A. BUT TELL ME WHAT'S A AND B AND C.

21 MR. DE VEER: I JUST GAVE YOU A LIST.

22 MR. PEREZ: OKAY. IF THIS IS THE LIST THAT I CAN  
23 GO AND GIVE TO SOMEBODY, HEY, PREPARE THIS FOR THESE  
24 PEOPLE, YOU THINK THIS IT? OKAY. I WILL GIVE IT --

25 MR. VITALE: IT SHOULD BE IN FILES OR BINDERS IN

1 YOUR OFFICE TOGETHER WITH THE SUPPORTING DOCUMENTS.

2 MR. PEREZ: OKAY. I WILL GIVE IT TO SOMEBODY AND  
3 THEY WILL HAVE THIS AND WE'LL HAVE THEM ON THE TABLE AND  
4 YOU CAN LOOK THROUGH ALL OF THIS. BECAUSE WE HAVE -- ALL  
5 WHAT YOU MENTIONED, WE HAVE ALL OF THAT. YOU KNOW, WE DO  
6 ALL THE CONSTRUCTION REVIEW, THE ESTIMATES AT EVERY PHASE  
7 AND EVERYTHING. BUT WHAT HAPPENS -- LET ME FINISH. I'M  
8 GOING TO BE QUICK. WHAT HAPPENS IS, YOU ESTIMATE  
9 SOMETHING AND THE MARKET SHOOTS SOMETHING DIFFERENT. AND  
10 SOMETIMES WE ARE CLOSE. NELSON JUST MENTIONED WE WERE  
11 ESTIMATING NORMA COOMBS SIX POINT SOMETHING. AND WE GOT  
12 IT 300,000 BELOW.

13 AND HOW MUCH IS GOING TO COST, A REDESIGN BECAUSE  
14 YOU GO TO BID AND THE BID IS TOO HIGH AND THEN THEY SAY,  
15 NO, REDESIGN THIS. YOU THINK THE ARCHITECT IS GOING TO  
16 REDESIGN FOR FREE?

17 MR. DE VEER: YES.

18 MR. VITALE: DEPENDS ON HOW THE CONTRACT IS  
19 WRITTEN.

20 MR. PEREZ: NOBODY WORKS FOR FREE.

21 MR. CATES: EXCEPT SHIRLEY.

22 MR. PEREZ: THAT'S NOT WORK. THAT'S PLEASURE,  
23 SOMETHING SHE PLEASES TO DO.

24 MR. CATES: ALONG WITH HER SIX OTHER COLLEAGUES.

25 I JUST SAILED UNDER A BRIDGE THAT I WILL SELL YOU

1 CHEAPLY. OKAY?

2 MR. HOCUTT: IS IT IN BROOKLYN?

3 MR. CATES: IT ACTUALLY WAS BETWEEN MANHATTAN AND  
4 BROOKLYN. YOU GET A QUITCLAIM DEED.

5 MOVING -- GLEN.

6 MR. DE VEER: I'M DONE. THANK YOU.

7 MR. VITALE: THANK YOU, GLEN.

8 MR. CATES: PLEASE DEAL WITH THE DISTRICT  
9 DIRECTLY TO GET WHATEVER YOU NEED.

10 MR. DE VEER: I'LL ASK THEM AGAIN.

11 MR. CATES: BEAR IN MIND WE'VE ASKED FOR THIS ON  
12 MULTIPLE OCCASIONS AND THIS IS JUST TYPICAL.

13 MS. VANCE: AND WE WOULD LOVE TO HEAR BACK A  
14 SUMMARY FROM YOU BECAUSE SOME OF US DO LIKE TO LOOK AT  
15 THAT. SOME OF US DO LOOK AT THAT KIND OF STUFF IN OUR  
16 DAILY LIVES AND WOULD LIKE TO SEE WHAT IS THE PERCENTAGE  
17 OF COMPLETION AND WHAT HAPPENED AND HOW MANY CHANGE ORDERS  
18 WERE THERE ON THAT PROJECT.

19 MR. DE VEER: IT'S DONE ON A MONTHLY BASIS.

20 MR. CATES: OKAY. MOVING RIGHT ALONG.

21 ITEM 4I, REVIEW OF BOARD REPORTS, WHICH IS ONE OF  
22 OUR MOST IMPORTANT FUNCTIONS.

23 MR. HOCUTT: SOMETIMES. DOES EVERYBODY HAVE THIS  
24 DUAL-SIDED COPY THAT I THINK WAS HANDED OUT? GOES TO 1246  
25 ON THE BACK. IT GOES 1252. THESE ARE JUST MY LITTLE

1 WRITE-UPS TRYING TO SUMMARIZE SOMETHING SO THAT YOU WON'T  
2 NECESSARILY HAVE TO READ EVERYTHING IN THE WORLD.

3 1246-F IS REQUESTING CONTINUATION OF AN ASSISTANT  
4 PROJECT INSPECTOR FOR THE INFAMOUS WASHINGTON ELEMENTARY  
5 SCHOOL PROJECT. AND THAT'S FOR ANOTHER \$36,000. ME BEING  
6 SNARKY, I ALWAYS MAKE THIS COMMENT. I NEVER KNOW IF AN  
7 ADDITIONAL REQUEST LIKE THIS IS ACTUALLY INCLUDED IN THE  
8 ORIGINAL BUDGET OR WHETHER IT'S EXTRA TO IT. THAT WOULD  
9 BE NICE TO KNOW AT SOME POINT. THIS CONTRACT DOES EXTEND  
10 THE INSPECTOR THROUGH FEBRUARY 18TH -- SORRY -- FEBRUARY  
11 2018, ALTHOUGH THE CONSTRUCTION STATUS REPORT THAT MIGUEL  
12 PUTS OUT SAYS THE PROJECT IS GOING THROUGH JUNE 2018.

13 SO I GUESS I COULD ASK, WHY DIDN'T THEY JUST  
14 EXTEND IT AND ADD MORE MONEY TO MAKE IT GO THROUGH JUNE?  
15 WHY DO YOU DO THIS PIECEMEAL STUFF THAT WE DON'T KNOW  
16 WHETHER IT FITS IN THE BUDGET OR NOT? THAT'S KIND OF A  
17 GENERAL QUESTION.

18 I JUST DON'T GET HOW YOU GUYS PUT THESE BOARD  
19 REPORTS TOGETHER AND ANYBODY ON THE BOARD COULD EVER  
20 UNDERSTAND.

21 MR. CATES: IS THAT A RHETORICAL QUESTION?

22 MR. HOCUTT: YES, IT IS.

23 MR. CATES: I HAVE AN ANSWER TO THAT RHETORICAL  
24 QUESTION. IF YOU PIECEMEAL INFORMATION OUT, WHETHER TO  
25 THE COMMITTEE OR THE BOARD OR THE PUBLIC, IT'S HARD TO SEE

1 WHERE IT FITS IN CONTEXT, IT'S HARD TO TELL WHETHER OR NOT  
2 IT'S WITHIN THE ORIGINAL BUDGET OR THE AMENDED BUDGET.  
3 NOW, IT'S A VERY EFFECTIVE TACTIC FOR DEFEATING OVERSIGHT.

4 MS. WANG: YES.

5 MR. HOCUTT: WHICH IS WHAT'S HAPPENING. BUT I DO  
6 HAVE A LEGITIMATE QUESTION.

7 THE WASHINGTON ELEMENTARY PROJECT HAS TWO PROJECT  
8 MANAGERS ASSIGNED TO IT AND IT HAS A FULL-TIME PROJECT  
9 MANAGER WHICH IS THIS NED KACHIKIAN (PHONETIC). WHY DO WE  
10 NEED ANOTHER ASSISTANT PROJECT INSPECTOR FOR THAT?

11 MR. VITALE: IT ISN'T ANOTHER ONE.

12 MS. WANG: BUT BECAUSE THEY'RE DOING AN VOLUNTEER  
13 WORK.

14 MR. VITALE: -- IT'S AN EXTENSION OF. IT'S AN  
15 EXTENSION OF THE SERVICES OF AN ALREADY EXISTING ASSISTANT  
16 PROJECT INSPECTOR.

17 MR. HOCUTT: SO WE HAVE A FULL-TIME AND A PART  
18 TIME --

19 MR. VITALE: -- AND ASSISTANT --

20 MR. HOCUTT: -- ASSISTANT --

21 MR. VITALE: -- GIVEN THE SCOPE OF WORK ON THE  
22 PROJECT WHERE THEY GUY CAN'T BE TWO PLACES AT ONCE. HE'S  
23 GOT TO HAVE AN ASSISTANT TOGETHER WITH THE MAIN GUY SO  
24 THEY CAN KEEP THE THING MOVING ALONG. IT'S JUST THE  
25 DURATION OF THE PROJECT HAS BEEN EXTENDED; SO, THEREFORE,

1 THEY GOT TO EXTEND THE GUY'S CONTRACT.

2 MR. BOLAND: THERE'S A LOT OF PROBLEMS ON THAT  
3 WASHINGTON --

4 MR. HOCUTT: THEY DO. THERE'S NO QUESTION ABOUT  
5 IT.

6 MR. BOLAND: AND THEY'RE ADDRESSING THEM NOW.  
7 THAT WAS, YOU KNOW --

8 MR. HOCUTT: BUT, AGAIN, THEY REALLY HAVEN'T  
9 EXTENDED IT AS LONG AS THE CONTRACT IS GOING TO BE SO --

10 MR. BOLAND: THEY MIGHT NOT NEED THEM THAT LONG.

11 MR. HOCUTT: SO THE AMOUNT IS ERRONEOUS.

12 MR. DE VEER: ONE OF THE WAYS I LOOK AT STUFF  
13 LIKE THIS, REAL QUICKLY IS, LOOK, IT'S AN ASSISTANT  
14 PROJECT INSPECTOR. HE'S GOING TO GO OUT AND INSPECT. BUT  
15 BY MY MATH, THIS GUY IS GETTING \$37.80 AN HOUR. HE'S  
16 GOING TO SPEND 40 HOURS A WEEK FOR THE NEXT SIX MONTHS  
17 DOING THIS WORK AS AN ASSISTANT INSPECTOR. HOW DOES THAT  
18 MAKE SENSE?

19 MR. VITALE: WHAT IS THE REMAINING SCOPE OF WORK  
20 THAT NEEDS TO BE OBSERVED?

21 MR. HOCUTT: WELL, SUPPOSEDLY, IT'S OVER IN JUNE.

22 MR. VITALE: WHERE ARE THEY AT IN TERMS OF A  
23 PERCENTAGE OF COMPLETION ON THIS --

24 MR. PEREZ: MY REPORT IS ON THAT. YOU CAN SEE  
25 WHAT'S SPENDED.

1 MR. VITALE: OKAY. THE STATE'S GOT A REQUIREMENT  
2 YOU HAVE TO HAVE FULL-TIME INSPECTION. AND IF THERE'S  
3 WORK GOING ON FULL TIME AND FULL CREWS THERE 40 HOURS A  
4 WEEK, THEN THERE HAS TO BE AN INSPECTOR ON THE JOB SITE.  
5 AND IF THEY WERE SPREAD OUT THROUGH THE JOB SITE AND NOT  
6 CONCENTRATED ON ONE BUILDING AND THERE'S MULTIPLE  
7 BUILDINGS GOING ON, GUY CAN'T BE TWO PLACES AT ONCE.

8 MR. HOCUTT: SO DO WE APPROVE THIS? IS THIS FINE  
9 WITH EVERYBODY?

10 MR. CATES: OKAY. LET ME --

11 MR. HOCUTT: DO YOU WANT ME TO --

12 MR. CATES: NO, NO. GO THROUGH THEM.

13 MR. HOCUTT: I DO WANT TO BACK UP A LITTLE BIT,  
14 JUST MAKE ONE COMMENT IN SUPPORT OF GLEN, IF YOU WILL.

15 ONE OF THE REASONS WE'VE BEEN ASKING FOR ALL THIS  
16 DATA ABOUT WHERE DID THE PROJECT BUDGET COME FROM, AND WE  
17 STARTED WITH NORMA COOMBS TO ASK THAT. IT GOES BACK TO  
18 THIS QUESTION OF WHAT IS IN THE BUDGET BECAUSE, FROM MY  
19 VIEWPOINT, EVERY TIME I LOOK AT A BUDGET REPORT, IT SEEMS  
20 TO ME THAT WE HAVE A DIFFERENT BUDGET NUMBER. I'M SURE  
21 THAT ON A SPEND-OUT PLAN, KIM WILL CONCUR THAT AT LEAST  
22 SOME OF THESE PROJECTS, EVERY TIME THERE'S A NEW PROPOSAL,  
23 THERE'S A NEW BUDGET NUMBER. SO I THINK IT'S LEGITIMATE  
24 FOR AN OVERSIGHT COMMITTEE TO ASK A SIMPLE QUESTION:  
25 WHERE THE HELL DID YOU GET THE BUDGET? WHAT'S IT BASED



1 ON? AND WHAT'S IN IT? THEN WE WOULDN'T BE ASKING  
2 QUESTIONS LIKE, IS THIS EXTENSION HERE ALREADY INCLUDED OR  
3 IS THIS EXTRA?

4 SO THAT'S MY --

5 MR. PEREZ: IS THIS ADDITIONAL MONITORING -- SO  
6 ADDITIONAL MEANS EXTRA.

7 MR. HOCUTT: OKAY. THEN I'LL READ TO YOU FROM  
8 THE HOLY WRIT. THIS SAYS IT'S INCLUDED IN THE AMOUNT.  
9 WHO KNOWS. SO I THINK THE COMMITTEE JUST SAID, YEAH, THIS  
10 IS FINE. 1247F --

11 MR. CATES: NO, IT DIDN'T.

12 MR. HOCUTT: WELL, DIDN'T IT?

13 MR. CATES: GO AHEAD.

14 MR. HOCUTT: 1247F IS REQUESTING ADDITIONAL  
15 MONITORING AND TESTING BY AN ASBESTOS COMPANY ON THE BLAIR  
16 MODERNIZATION BECAUSE THEY FOUND MORE HAZARDOUS MATERIAL.

17 LET'S SEE. THIS IS A NO-BID ADDITION BASED ON  
18 CURRENT EXPERTISE. THAT TO ME MAKES SENSE. WHY GO REBID  
19 IT TO SOMEBODY ELSE WHEN YOU'VE GOT AN EXPERT THERE.  
20 AGAIN, IT'S NOT STATED IF THE NEW AMOUNT WAS AN  
21 ANTICIPATED IN THE BUDGET APPROVED IN THE SPEND-OUT PLAN.  
22 SO WE DON'T KNOW IF THIS IS EXTRA OR WHETHER THE BUDGET  
23 THAT KIM IS GOING TO TALK ABOUT TOMORROW INCLUDES THIS OR  
24 NOT. DOES IT? OR IS THIS EXTRA?

25 MR. VITALE: THERE SHOULD HAVE BEEN A LINE ITEM

1 IN THE BUDGET FOR THAT PROJECT THAT ADDRESSED THE  
2 LIKELIHOOD THAT THEY WERE GOING TO FIND MATERIAL OF THIS  
3 NATURE IN A BUILDING OF THIS AGE.

4 MR. HOCUTT: THERE WAS. THE ORIGINAL CONTRACT  
5 WAS \$43,000 FOR ASBESTOS CONSULTING.

6 MR. VITALE: CONSULTING. WHAT ABOUT REMOVAL?

7 MS. KENNE: WE HAD A CHANGE ORDER FOR THAT LAST  
8 MONTH.

9 MR. DE VEER: THERE'S A DIFFERENCE BETWEEN  
10 INSPECTION AND REMOVAL.

11 MS. KENNE: BUT THERE WAS A CHANGE ORDER DUE TO  
12 THE LARGE AMOUNT OF ASBESTOS THEY FOUND AND WE APPROVED  
13 THAT LAST TIME. BUT THIS SEEMS TO BE AN ANCILLARY  
14 SERVICE, AND I HAVE A HARD TIME UNDERSTANDING -- I'M NOT  
15 CLEAR WHAT THE BUDGET NUMBER IS EXCEPT IT'S A BIG NUMBER.  
16 AND SO -- AND WHEN IT'S NOT BIG ENOUGH, WE JUST MAKE IT  
17 BIGGER IS MY IMPRESSION FROM THE OUTSIDE OF HOW IT WORKS.

18 MR. HOCUTT: THAT'S THE IMPRESSION I THINK AT  
19 LEAST OF SOME OF US ON THE COC HAVE, AND TO ME THAT'S NOT  
20 A BUDGETING PROCESS. I DON'T KNOW WHAT IT IS, BUT IT'S  
21 NOT A BUDGETING PROCESS.

22 MS. KENNE: BUT IT IS WHAT WE'RE DOING HERE.

23 MR. HOCUTT: IT IS WHAT WE'RE DOING. SO ANY  
24 DISCUSSION FROM THE GROUP AS TO WHETHER OR NOT WE SHOULD  
25 RECOMMEND THEY GO AHEAD AND DO THIS. OBVIOUSLY, THOUGH

1 THEY FOUND MORE HAZARDOUS MATERIAL.

2 MR. VITALE: IS THE REASON THEY FOUND MORE  
3 HAZARDOUS MATERIAL BECAUSE THE SCOPE OF WORK WAS EXPANDED  
4 ON THIS PROJECT THAT TOOK THEM INTO AREAS WHERE THIS  
5 MATERIAL WAS? HOW WAS IT THAT THIS MATERIAL WAS NOT  
6 ANTICIPATED FROM THE ORIGINAL REPORT THAT WAS DONE BY THIS  
7 CONSULTING COMPANY IN THE FIRST PLACE?

8 MR. HOCUTT: JIM, ONLY I WOULD ASK A QUESTION  
9 LIKE THAT. WHY DIDN'T THE ORIGINAL ESTIMATE FROM THIS  
10 COMPANY NOT ANTICIPATE THAT THEY WERE GOING TO FIND  
11 HAZARDOUS MATERIAL IN A SCHOOL AS OLD AND DILAPIDATED AS  
12 BLAIR. AND NOW THEY GOT A LITTLE CONTRACT TO START AND  
13 NOW THEY'RE DOUBLING IT. EXCUSE ME. THAT WOULD BE  
14 TRIPLING IT.

15 MR. BOLAND: DO YOU KNOW ANYTHING ABOUT WHAT THEY  
16 FOUND?

17 MR. PEREZ: I CANNOT TELL YOU EXACTLY WHAT THE  
18 REASON WHY. BUT I'VE SEEN AND I'VE SHOWN TO YOU THE  
19 EXTENT OF THE HAZARDOUS MATERIAL REMOVAL. IN MY  
20 PRESENTATIONS, WE LOOKED AT THE ONES FOR JULY AND AUGUST,  
21 IT WAS SHOWN AND I'VE SEEN ALL OF THAT.

22 I UNDERSTAND ALSO THAT THERE THEY WERE PERFORMING  
23 SOME EXCAVATIONS. I DON'T KNOW IF THEY FOUND SOMETHING,  
24 BUT THEY HAVE TO TEST IT.

25 MR. DE VEER: WAS THERE AN INCREASE IN SCOPE OF

1 WORK FOR THIS CONTRACTOR?

2 MR. PEREZ: IF IT'S NOT INCLUDED, THEY HAVE TO DO  
3 IT ANYHOW. SO IF THERE WAS A CHANGE ORDER --

4 MR. BOLAND: I WOULD JUST LIKE TO KNOW. YOU SAID  
5 SOME EXCAVATIONS, THEY FOUND SOMETHING SOMEBODY BURIED --

6 MR. PEREZ: YES --

7 MR. BOLAND: -- SOMETHING LIKE THAT. IS THAT --

8 MR. PEREZ: YEAH, YOU HAVE A CONSULTANT --

9 MR. BOLAND: -- ANTICIPATED IF YOU DUG UP  
10 SOMETHING THAT SOMEBODY BURIED --

11 MR. PEREZ: THAT'S ALL UNFORESEEN CONDITIONS.

12 MR. HOCUTT: IS THAT THE CASE? HAVE THEY DUG UP  
13 SOMETHING THAT SOMEBODY BURIED?

14 MR. PEREZ: I CANNOT SAY THAT HUNDRED PERCENT ON  
15 THIS CASE.

16 MR. VITALE: IT SAYS HERE, UNCOVERED, UNFORESEEN  
17 CONDITIONS AND ADDITIONAL MATERIAL.

18 MR. BOLAND: I SAY WE APPROVE IT BECAUSE  
19 UNFORESEEN IS --

20 MR. HOCUTT: I DON'T THINK WE HAVE A CHOICE  
21 ACTUALLY.

22 MR. BOLAND: NO, WE DON'T BECAUSE --

23 MS. KENNE: I JUST REMEMBERED THE CHANGE ORDER  
24 SAID SOMETHING ABOUT BLACK BOARDS --

25 MR. BOLAND: ABOUT WHAT?

1 MS. KENNE: SOME KIND OF -- SOMETHING IN THE  
2 WALLS.

3 MR. BOLAND: BLACK MOLD?

4 MS. KENNE: NO. I THOUGHT IT WAS WHITE BOARDS OR  
5 BLACK BOARDS --

6 MR. VITALE: THEY FOUND ASBESTOS BEHIND THE WHITE  
7 BOARDS.

8 MS. KENNE: SOME WORDS TO THAT EFFECT.

9 MR. VITALE: THAT WOULD MAKE SENSE.

10 MR. HOCUTT: 1248F, I THINK IS NOT UNDER THE  
11 PURVIEW OF THE COC. ANYBODY DISAGREE WITH THAT?

12 1249 IS A RESOLUTION AUTHORIZING THE DISTRICT TO  
13 PARTICIPATE IN THIS NEW \$9 BILLION BOND FUND. AND, AGAIN,  
14 I'M NOT SO SURE THAT'S UNDER THE PURVIEW OF THIS  
15 COMMITTEE.

16 MOVING ON. 1250F, APPARENTLY THE KILN ROOM AT  
17 NORMA COOMBS IS DONE AND IT IS COMPLETE. AND I THINK THIS  
18 THING WAS ACTUALLY UNDER OUR OWN BUDGET. IS THAT CORRECT,  
19 MIGUEL?

20 MR. PEREZ: YES.

21 MR. HOCUTT: SO THERE'S NO REASON NOT TO APPROVE  
22 THAT.

23 1251F IS TRANSPORTATION SERVICES FOR SPECIAL  
24 EDUCATION. AND I DON'T THINK THAT'S A TT COST. THAT'S  
25 NOT UNDER OUR PURVIEW, SO THAT SHOULD BE FINE.

1           AND 1252, OF COURSE, IS THE PROPOSED SPEND-OUT  
2     PLAN, WHICH I'M SURE WE'LL BE GETTING INTO IN THE  
3     FACILITIES COMMITTEE.

4           I DID HAVE A QUESTION, MIGUEL. I'M PROBABLY  
5     WRONG ABOUT THIS, BUT EVERY TIME I LOOK AT THE BUDGET FOR  
6     BLAIR -- AND I'M SORRY THAT STEVE ISN'T HERE -- IT SEEMS  
7     TO ME IT'S A DIFFERENT NUMBER. I'VE HEARD 21 TO 24. THIS  
8     ONE GOES UP TO 25. WHICH GOES BACK TO THE SAME ISSUE  
9     LIKE, WHAT IS THE BUDGET.

10          MR. PEREZ: THE BUDGET IS LIKE JAMES MENTIONED,  
11     IT'S A LIVING THING. IF YOU -- IF YOU DISCOVER THAT YOU  
12     NEED SOMETHING ELSE, YOU HAVE TO GET THE MONEY OUT OF  
13     SOMEWHERE. LET'S ME FINISH. YOU ASK.

14          AND, FOR INSTANCE, FIND THAT YOU NEED MORE MONEY  
15     FOR ASBESTOS OR YOU NEED A NEW SOUND SYSTEM BECAUSE THE  
16     SYSTEM THAT WAS INSIDE PHS AMPHITHEATER, PHS NEW  
17     AUDITORIUM IS NOT CURRENT, WELL, YOU KNOW, YOU HAVE TO PUT  
18     THE MONEY INTO THAT BECAUSE YOU CANNOT HAVE AN AUDITORIUM  
19     WITHOUT THE PROPER SOUND SYSTEM. SO --

20          MR. HOCUTT: EVEN THOUGH THAT AUDITORIUM WAS  
21     DESIGNED BY CONSULTING ENGINEERS.

22          MR. PEREZ: IF YOU'RE GOING TO PUT A WOOD  
23     FLOORING AND THAT WHEN YOU'RE GOING TO BUY IT, THEY SAID  
24     NO, BECAUSE THAT WAS THE PRICE WHEN YOU BID IT, BUT NOW  
25     WHEN YOU'RE GOING TO PAY FOR IT, IT'S MUCH MORE. AND

1 WHAT'S GOING TO HAPPEN WITH YOUR BUDGET? EITHER YOU DON'T  
2 PUT THE FLOOR OR YOU FIND THE MONEY TO FUND WHAT YOU NEED.

3 MR. HOCUTT: LET ME PUT IT THIS WAY. IF YOU GUYS  
4 WERE THE ONE SITTING HERE HOLDING THE MONEY -- LET'S SAY  
5 IT'S YOUR MONEY -- AND I DON'T DISAGREE THAT BUDGETS WILL  
6 CHANGE, BUT WHY WON'T YOU COME FOLLOW IT AND SAY, WE'RE  
7 CHANGING THE BUDGET ON THIS BECAUSE OF, AND MAKE IT CLEAR  
8 TO THE PEOPLE WITH THE MONEY. BUT YOU DON'T. YOU JUST  
9 COME OUT WITH A DIFFERENT REPORT EVERY MONTH AND IT HAS A  
10 DIFFERENT NUMBER ON IT. AND I'M -- WHY IS THAT?

11 MR. PEREZ: WELL, I BELIEVE, YOU KNOW, I CANNOT  
12 ANSWER. BUT EVERY TIME WE DO A CHANGE ORDER, WE GO TO THE  
13 BOARD AND GETS APPROVED. IT'S NOT THAT WE DO IT AT NIGHT  
14 AND HIDDEN OR ANYTHING. IT'S SOMETHING THAT, WHEN YOU DO  
15 A CHANGE ORDER, IT'S NOTIFIED. AND I'M GOING TO PROVIDE  
16 SOME INFORMATION THAT'S QUITE IMPORTANT THAT WE'RE  
17 PUBLISHING THE WEEKLY MEETING MINUTES. AND OVER THERE,  
18 YOU WILL BE ABLE TO READ WHAT'S GOING ON IN THE PROJECT,  
19 WHAT THE CHANGE ORDERS ARE, AND ALL THE DOCUMENTS  
20 ASSOCIATED WITH IT. OKAY?

21 MR. HOCUTT: AND WHERE WILL THAT BE POSTED FOR  
22 THE PUBLIC TO REVIEW?

23 MR. PEREZ: OKAY. IF YOU CAN WRITE DOWN THE  
24 ACTIVE PROJECT AND THE MEETING MINUTES ARE AT  
25 PUSD.US/PAGE/6672. AND ALSO IN THE FACILITIES WEB SITE ON

1 THEIR CONSTRUCTION UPDATES THERE IS ONE FOLDER FOR  
2 CONSTRUCTION UPDATES, ONE FOLDER FOR CONSTRUCTION REPORTS,  
3 THE POWERPOINT PRESENTATIONS, AND ANOTHER FOLDER FOR THE  
4 MEETING MINUTES. SO WE'RE BEING TRANSPARENT AND  
5 PUBLICIZING ALL WHAT'S GOING ON.

6 SO IF YOU WANT TO GO TO EVERY MEETING MINUTES --  
7 WELL, I HAVEN'T PLACED ALL OF THEM. BUT THE LAST ONES ARE  
8 THERE. SO YOU CAN SEE WHAT'S THIS -- EVERYTHING IS THERE.

9 MR. BOLAND: WHILE WE'RE DOING THAT, YOU CAN GO  
10 LOOK AT LETTERS WE SENT ASKING FOR THE -- YOU KNOW, THE  
11 LIST OF --

12 MR. PEREZ: YEAH, BUT I CANNOT DO TWO THINGS AT  
13 ONE A TIME.

14 MR. BOLAND: WE'LL GO RESEARCH EACH OTHER'S  
15 WEBSITES FOR WHAT WE WANT.

16 MS. KENNE: IS IT POSSIBLE FOR TO YOU E-MAIL THAT  
17 LINK BECAUSE --

18 MR. PEREZ: YES, I CAN DO THAT.

19 MS. VANCE: MY QUESTION REGARDING BUDGETS IS, AT  
20 LEAST WHERE I WORK IN A PRIVATE COMPANY, WE HAVE -- WE SET  
21 A BUDGET AND WE DON'T CHANGE THE BUDGET. WE SAY THE  
22 BUDGET WAS THIS. THE BUDGET ALWAYS STAYS THE SAME. THEN  
23 WHEN YOU GIVE A BOARD REPORT, YOU SAY, THIS IS EITHER OVER  
24 BUDGET OR THIS IS UNDER BUDGET, BUT WE DON'T JUST  
25 ARBITRARILY CHANGE THE BUDGET NUMBER BASED UPON THE



1 EXPENSE BECAUSE THE BUDGET WAS VOTED FOR AND THAT'S --  
2 EVERY YEAR WE HAVE A BUDGET AND WE VOTE FOR THAT BUDGET  
3 AND THAT NUMBER STAYS THE SAME. AND I BELIEVE THAT'S WHAT  
4 QUINCY IS SAYING IS, THE BUDGET NUMBER SHOULD NOT  
5 FLUCTUATE. IT SHOULD STAY THE SAME AND YOU SHOULD, WE'RE  
6 EITHER OVER BUDGET BY \$12,000 BECAUSE WE FOUND ASBESTOS OR  
7 A BODY WE DUG UP SOMEWHERE OR WHATEVER, OR WE'RE UNDER  
8 BUDGET BECAUSE WE DIDN'T HAVE CONTINGENCY FUNDS THAT WE  
9 BUDGETED FOR.

10 SO IT SEEMS TO ME THAT -- AND I THINK THAT'S ONE  
11 OF THE THINGS THAT'S ALL WRAPPED UP IN ASKING THE BOARD  
12 FOR A FACILITIES MASTER PLAN IS, WE JUST WANT A NUMBER SO  
13 THAT THE -- AND WE WANT THAT ONE NUMBER NOT TO CHANGE SO  
14 THAT AT THE END WE CAN GO, WE WERE OVER BUDGET OR WE WERE  
15 UNDER BUDGET. AND EACH PROJECT SHOULD JUST HAVE ONE  
16 BUDGET NUMBER AND IT SHOULD ENCOMPASS EVERYTHING.

17 AND MAYBE I'M SIMPLIFYING IT TOO MUCH, BUT IN MY  
18 BRAIN, THAT'S HOW IT WORKS.

19 MR. MOHIT: THAT'S WHAT I WANTED TO MENTION THE  
20 SAME. USUALLY THE BUDGET ALWAYS STAYS CONSTANT. AND THE  
21 DIFFERENCE BETWEEN ACTUAL AND BUDGET AND THEN YOU CAN  
22 EXPLAIN WHAT IS THE DIFFERENCE.

23 MR. PEREZ: I CANNOT COMMENT ON THE ACCOUNTING  
24 SYSTEM THAT'S IN PLACE. OKAY? I'M -- I'VE BEEN WITH THE  
25 DISTRICT I GUESS A YEAR TODAY -- OR TOMORROW AND -- BUT

1 WHAT I'M TELLING YOU IS THAT, IF YOU HAVE A FIXED BUDGET,  
2 DON'T YOU EVER ASK FOR A BUDGET INCREASE? DON'T YOU HAVE  
3 A CHILD AND HE SAYS, MOM, YOU KNOW WHAT I SPENT AT THE  
4 CANTEEN OR WHENEVER I GO IS MORE EXPENSIVE, I NEED A  
5 BUDGET INCREASE.

6 MS. VANCE: THAT'S THE BUDGET OVERRUN. BUT THE  
7 BUDGET NUMBER STILL STAYS THE SAME.

8 MR. PEREZ: NO. IT'S A MATTER OF TERMINOLOGY.  
9 WE'RE TALKING ABOUT THE SAME THING AND DIFFERENT WAYS TO  
10 PERCEIVE.

11 MS. VANCE: BUT THAT BUDGET NUMBER STILL STAYS  
12 THE SAME.

13 MR. PEREZ: BUT THEN YOU HAVE TO ASK THE DISTRICT  
14 TO CHANGE THE WAY THINGS ARE NAMED. BECAUSE YOU HAVE THIS  
15 PROBLEM THAT YOU BUDGETED THIS FOR -- I'M GOING TO FINISH  
16 -- 2008. AND YOU KNEW IN 2010 THAT IT WASN'T -- 14 IT  
17 WASN'T REALISTIC. AND THEN YOU THINK THAT THE BUDGET  
18 SHOULD BE STILL THE 4 MILLION YOU HAD IN 2008.

19 MS. VANCE: I AGREE. THAT'S WHY IT SHOULD BE  
20 UPDATED QUARTERLY AND ANNUALLY. BUT THAT'S THE WAY THE  
21 DISTRICT IS DOING THIS, AND I'M NOT THE ONE THAT'S GOING  
22 TO CHANGE IT.

23 MR. CATES: I AGREE.

24 MR. PEREZ: I THINK YOU CAN SUBMIT TO THE  
25 DISTRICT, HEY, CHANGE THE WAY YOUR ACCOUNTING WORKS. AND

1 THEN MAYBE IT WILL BE EASIER TO UNDERSTAND WHAT WE'RE  
2 TALKING ABOUT. BUT I'M TRYING TO TELL YOU -- TRYING TO  
3 EXPLAIN THE WAY IT IS.

4 MR. CATES: GRETCHEN, TO ANSWER YOUR QUESTION,  
5 WHY WOULD ANY RATIONAL PERSON DO IT THIS WAY. BECAUSE  
6 WHAT YOU SAY ABOUT BUDGETING IS CLEARLY CORRECT. AGAIN,  
7 THERE ARE TWO REASONS: IT MAKES OVERSIGHT MUCH MORE  
8 DIFFICULT BECAUSE YOU DON'T HAVE THE ABILITY TO COMPARE  
9 ONE NUMBER TO THE NEXT. AND THE SECOND REASON IS THE  
10 DISTRICT HAS GOTTEN AWAY WITH THIS PROCESS, IF YOU CAN  
11 CALL IT, THAT FOREVER. THEY HAVE WON. SO WHY CHANGE?

12 KIM.

13 MS. KENNE: SO THIS IS HOW EDUCATION WORKS IN  
14 CALIFORNIA. WE ADOPT A BUDGET IN JUNE AND THEN WE REVISE  
15 IT IN OCTOBER. YOU REVISE THE BUDGET. YOU REPORT THE --  
16 I DON'T THINK WE REPORT ANY ACTUALS IN OCTOBER. AND THEN  
17 WE REVISE THE BUDGET AGAIN. WE REVISE THE BUDGET. WE  
18 DON'T SHOW THE ACTUALS AGAIN IN DECEMBER. AND THEN WE  
19 REVISE IT AGAIN IN MARCH. AND THEN WE REVISE -- AND SO  
20 YOU ARE ESTIMATED -- WE FINALLY SHOW YOU ESTIMATED ACTUALS  
21 IN JUNE, 12 MONTHS AFTER WE LAST SHOWED YOU WHAT WE  
22 THOUGHT WE WERE GOING TO BUDGET. AND IF YOU LOOKED AT THE  
23 DIFFERENCE BETWEEN -- OUR BUDGET MOVES FOUR OR FIVE TIMES.  
24 AND THEN WE FINALLY PUT ACTUALS WHEN THEY'RE ACTUAL. I  
25 GUESS THE BUDGET THAT'S CHANGED FIVE TIMES SO WE CAN SAY,

1 LOOK, WE'RE PRACTICALLY ON BUDGET BUT THE BUDGET CHANGED  
2 FIVE TIMES. THAT'S HOW EDUCATION WORKS IN THE STATE  
3 CALIFORNIA. IT'S NOT JUST THE DISTRICT.

4 NOW, WHETHER YOU WANT TO SAY EDUCATION IS NOT  
5 TRYING TO NOT BE CLEAR TO THE REST OF THE WORLD, BUT YOU  
6 HAVE TO KIND OF GO BACK --

7 MS. VANCE: I KNOW, BUT I DON'T THINK TT IS THE  
8 SAME. IS IT THE SAME? IS THE TT ALL ENCOMPASSED IN THAT  
9 BUDGET OR DOES TT -- BECAUSE AS I UNDERSTAND IT, WHEN WE  
10 HAVE ACCOUNTABILITY AND COLBY TECHNOLOGIES, THAT'S A  
11 SEPARATE DEAL AND WE HAVE A TT BUDGET AND THAT'S WHY YOU  
12 PUT TOGETHER -- I MEAN, THAT'S HOW YOU KNOW AND HOW YOU  
13 SELL IT TO THE VOTERS; THIS IS WHAT WE'RE GOING TO SPEND  
14 YOU MONEY ON. NOBODY'S GOING TO VOTE ON A BUDGET THAT  
15 SAYS, WE JUST WANT TO PAY FACILITIES PEOPLE.

16 MS. KENNE: BUT, AGAIN, WE MADE BIG CHUNKS AND  
17 SAID, NORMA COOMBS WILL GET THIS POT OF MONEY IN 2008.  
18 NOW, EIGHT YEARS LATER WE FINALLY SAID, LET'S PUT SOME  
19 PLANS TOGETHER FOR THAT SCHOOL. OH, LOOK, WE GET TO DO  
20 THIS. OH, BY THE WAY, IF YOU DON'T PUT A NEW HVAC SYSTEM  
21 IN, YOU CAN'T KEEP THOSE NEW ROOMS COOL. SO THAT'S GOING  
22 TO ADD ANOTHER \$1.5 MILLION WHICH MAYBE WASN'T EVEN -- NOW  
23 HAVE YOU THESE TWO THINGS AND THEY DON'T ADD UP TO THE POT  
24 WE SET ASIDE IN 2008.

25 SO IT'S A BUDGET IN A VERY LOOSE -- IT'S AN

1 ALLOCATION; IT WASN'T A BUDGET.

2 MR. VITALE: BUT, KIM, UNDERSTAND THAT THE  
3 TAXPAYERS VOTED ON \$350 MILLION; THAT \$350 MILLION, WHICH  
4 WAS GOING TO BE EXPENDED OVER AN EIGHT-YEAR PERIOD OF  
5 TIME. YOU ALSO KNEW THAT AT YEAR EIGHT, IT WASN'T GOING  
6 TO BUY AS MUCH AS IT WAS IN YEAR ONE. OKAY? THAT ALL  
7 NEEDED TO BE FACTORED IN AND ADJUSTED ACCORDINGLY FROM  
8 PROPER ACCOUNTING PRACTICES THAT SHOULD HAVE BEEN REVEALED  
9 FROM THE VERY BEGINNING WHEN THE CPAS WERE DOING THEIR  
10 ANNUAL AUDITS ON THIS THING AND POINTING THIS THING OUT.  
11 BUT BECAUSE THE CPAS DID NOT CRITIQUE THE FACT THAT THERE  
12 WERE NOT IN PLACE THE PROPER CHECKS AND BALANCES OR  
13 METRICS -- I HATE THE TERM -- TO VERIFY HOW THE MONEY WAS  
14 BEING SPENT, THEY LEFT THE DOOR WIDE OPEN WITH SOMEBODY'S  
15 ASSUMPTION THAT THIS \$350 MILLION WAS SOMEHOW MAGICALLY  
16 GOING TO GROW BIGGER WHEN, IN FACT, EVERY DAY IT GROWS  
17 SMALLER BECAUSE SCOPES CHANGE, CHANGE ORDERS COME INTO  
18 PLAY, AND THOSE SORTS OF THINGS RIGHT THERE.

19 AND TO SAY BECAUSE THE DISTRICT -- YOU'RE RIGHT.  
20 THE DISTRICT FAILED FIDUCIARILY TO HAVE IN PLACE THE  
21 PROPER CHECKS AND BALANCES THAT WOULD HAVE CAUGHT THIS  
22 STUFF EARLY ON AND THEY WOULD HAVE ADJUSTED THE BUDGET  
23 ACCORDINGLY BASED ON FACT THAT YOU ALWAYS HAD \$350  
24 MILLION, NOT A DOLLAR MORE, AND THAT \$350 MILLION WAS  
25 GOING TO HAVE TO BE ADJUSTED ON AN ANNUAL BASIS BASED ON

1 THE SCOPES OF PROJECTS AS THE PROJECTS WERE DEVELOPED.

2 MS. VANCE: THAT'S EXACTLY RIGHT.

3 MS. KENNE: I AGREE.

4 MR. VITALE: AND ALSO BECAUSE THIS GROUP THAT WE  
5 HAVE HERE TODAY, WHO'S ONLY BEEN IN PLACE FOR A COUPLE OF  
6 YEARS NOW, WAS NOT HERE EIGHT YEARS AGO WHEN THIS THING  
7 STARTED, UNFORTUNATELY, THERE WAS A LOT OF BAD THINGS THAT  
8 WERE DONE THAT SHOULDN'T HAVE BEEN DONE IN THE WAY THEY  
9 WERE. AND THIS IS WHERE WE'RE AT NOW.

10 WE'VE GONE THROUGH THREE CHANGES OF  
11 SUPERINTENDENT AND FACILITIES DIRECTORS. WE HAVE WHAT WE  
12 HAVE, GANG. AND IT REMAINS FOR US TO GET THE DISTRICT TO  
13 SEE THE LIGHT AND REALIZE THAT, IN ORDER TO BE MAINTAIN  
14 TRANSPARENCY AND TO BRING US TO COMPLETION, WE'RE GOING TO  
15 HAVE TO ABSORB THE FACTS SOME MISTAKES WERE MADE, ISSUES  
16 HAVE BEEN IDENTIFIED, WE'RE RECOMMENDING STRONGLY THAT  
17 THEY BE ADDRESSED NOW, AND, HOPEFULLY, WITH YOUR MEETING  
18 WITH THE ATTORNEYS AND THE MEETING THAT WE HAVE WITH THE  
19 AUDIT PEOPLE WHEN THEY COME OUT WITH THEIR REPORT, THAT  
20 THERE IS GOING TO BE SOME REFLECTION OF REALITY THERE, AND  
21 WE'LL BE ABLE TO FINISH THIS THING OUT WITHOUT HAVING OUR  
22 TAILS BETWEEN OUR LEGS AT THE END; OTHERWISE, THERE'S  
23 GOING TO BE SOME REAL UGLINESS IN THE NEXT YEAR.

24 MS. VANCE: AND WE ARE GOING TO HAVE TO AS A  
25 COMMITTEE DECIDE WHETHER, AS A COMMITTEE, WE RECOMMEND

1 THAT THIS DISTRICT BE GIVEN ANOTHER BOND. AND I'M TELLING  
2 YOU, THE VOTERS ARE GOING TO WANT TO KNOW OUR OPINION ON  
3 THAT.

4 MR. CATES: WELL I -- I KNOW WHAT YOU'RE SAYING.  
5 I DON'T BELIEVE THAT IT'S OUR BUSINESS TO ADVISE THE  
6 PUBLIC OR THE BOARD ABOUT THE WISDOM OF ANOTHER BOND  
7 ISSUE. HOWEVER, OUR FINDINGS I THINK LEAD TO A PRETTY  
8 OBVIOUS CONCLUSION. I MEAN, THIS PROPOSITION TT FUNDS  
9 HAVE BEEN GROSSLY MISMANAGED SINCE THE START. NOT SAYING  
10 CRIMINALLY MISMANAGED, BUT GROSSLY MISMANAGED, BUDGETS  
11 THAT SHIFT EVERY MONTH. YES, YOU'RE GOING TO HAVE A  
12 BUDGET, YOU AMEND IT, BUT NOT EVERY MONTH. AND IF YOU DO,  
13 THERE'S AN EXPLANATION.

14 BUT YOU KNOW, JAMES, YOU KEEP SAYING THE DISTRICT  
15 SHOULD, THE DISTRICT SHOULD, THE DISTRICT SHOULD. YOU  
16 REMEMBER MY DEFINITION OF SHOULD. NOT THIS TIME. NOT  
17 EVER.

18 MR. VITALE: THE RULES OF THE GAME HAVE BEEN  
19 CHANGING THROUGHOUT THE ENTIRE COURSE OF THIS BOND,  
20 UNFORTUNATELY. THERE'S BEEN NO CONSISTENCY.

21 MS. VANCE: AND IF YOU LOOK AT HISTORY, I DON'T  
22 KNOW IF YOU KNOW ANYTHING ABOUT MEASURE Y.

23 MR. CATES: IT WAS WORSE.

24 MR. VITALE: I WAS THERE WHEN MEASURE Y HAPPENED.  
25 WE HAD A VERY STRONG BOND OVERSIGHT GROUP AT THAT TIME.

1 WE HAD A LOT OF PROFESSIONALS SITTING ON IT. THAT'S ONE  
2 OF THE REASONS WHY VANDER GOT KICKED OFF ULTIMATELY. BUT  
3 THEY WERE SO FAR INTO IT, THEY TRIED TO DO 31 PROJECTS  
4 WITH 18 DIFFERENT ARCHITECTS ON THE -- ON THE PROJECT  
5 SCOPE. AND THEY JUST -- THE OVERALL INABILITY TO MANAGE  
6 ALL OF THE PLAYERS THAT THEY HAD SIMULTANEOUSLY. AND AT  
7 THE SAME TIME THEY WERE DEALING WITH THE POLITICAL ISSUE  
8 WITH REGARD TO THEIR SUPERINTENDENT AND WHO WAS HIRED AND  
9 STUFF LIKE THAT. AND THEN AFTERWARDS TO FIND OUT  
10 UNFORTUNATELY SOME OF THE FACILITY STAFF WERE BASICALLY  
11 PAYING THEMSELVES TO DO WORK BECAUSE THEY HAD SIGNATURE  
12 AUTHORITY FOR STUFF THAT THEY REALLY SHOULDN'T HAVE HAD  
13 SIGNATURE AUTHORITY FOR.

14 MS. VANCE: WHERE DO YOU THINK THE FAILURE LIE?  
15 DID THE FAILURE LIE IN THE OVERSIGHT?

16 MR. VITALE: WELL, THE OVERSIGHT MAY HAVE BEEN  
17 THERE WITH THE STUFF BEING POINTED OUT. BUT THERE WAS AN  
18 UNWILLINGNESS TO LISTEN. IT WAS POLITICALLY INCORRECT TO  
19 LISTEN TO WHAT WAS BEING TOLD WAS THE REALITY OF IT. IT  
20 WAS SO BAD THAT THEY KNEW THEY WERE GOING TO HAVE PROBLEMS  
21 WITH SOME OF THEIR ARCHITECTS. AND SO SOME OF THE LOCAL  
22 ARCHITECTS THAT THEY WANTED TO HIRE --

23 MR. BOLAND: I THINK FACILITIES AGREES --

24 MR. PEREZ: EXCUSE ME. I HAVE TO GO TO THE  
25 RESTROOMS. IT'S MORE THAN TWO HOURS SINCE OUR BREAK.



1 MR. CATES: LADIES AND GENTLEMEN, LET'S ADDRESS  
2 THE BOARD REPORTS. AND UNLESS ANYONE OBJECTS, I'D LIKE TO  
3 ENTERTAIN A MOTION TO APPROVE 1246F, 1247F, AND 1250F.

4 MR. VITALE: I SEE NO REASON NOT TO. I SECOND  
5 THE MOTION.

6 MR. HOCUTT: I'LL MAKE THE MOTION. YOU SECOND  
7 IT.

8 MR. VITALE: OKAY.

9 MR. CATES: ALL IN FAVOR OF APPROVING THOSE THREE  
10 BOARD REPORTS BY SHOW OF HAND PLEASE. ONE, TWO, THREE,  
11 FOUR, FIVE, SIX, SEVEN.

12 OPPOSED. ONE.

13 ABSTAIN? OKAY.

14 APPROVED. SEVEN, ONE, ZERO.

15 AUDIENCE SPEAKER: I THINK YOU HAVE TWO  
16 OPPOSITIONS. JEN AND --

17 MR. CATES: SEVEN, TWO, ZERO.

18 NELSON HAS GIVEN HIS REPORT, SO WE DON'T HAVE TO  
19 DEAL WITH 4J.

20 REPORT BY LIAISON TO FACILITIES COMMITTEE. STEVE  
21 ISN'T HERE.

22 MS. KENNE: COULD I ASK THAT QUINCY JUST E-MAIL  
23 THE RESULTS OF THE BOARD REPORT VOTING TO STEVE SO THAT HE  
24 CAN REPORT IT AT TOMORROW'S --

25 MS. VANCE: HE'S NOT GOING TO BE THERE TOMORROW.

1 HE WANTS ME TO BE THERE. BUT I'VE GOT A SCHOOL SITE  
2 COUNCIL AT 3:30 AT DHS SO --

3 MS. KENNE: E-MAIL IT TO ME AND I'LL SPEAK.

4 MS. VANCE: I'M GOING TO TRY TO BE AT BOTH PLACES  
5 AT ONCE.

6 MR. CATES: ANY FURTHER COMMENTS BEFORE I ADJOURN  
7 THE MEETING?

8 MS. VANCE: WE DIDN'T LET HIM GET TO HIS ACTIVE  
9 PROJECT POWERPOINT.

10 MR. CATES: IT'S 10:23. THIS IS ANOTHER RECORD.  
11 MAYBE AT SOME POINT WE CAN MAKE THE MEETINGS A LITTLE BIT  
12 SHORTER. BUT I DON'T WANT TO CUT ANYBODY OFF WHILE THEY  
13 STILL WANT TO TALK.

14 THE NEXT MEETING IS DECEMBER 20, 2017. PLEASE  
15 SEND ME ANYTHING THAT YOU WANT ME TO CONSIDER FOR THE  
16 ANNUAL REPORT, NOT GENERAL IDEAS, NOT, BE NICE TO THE  
17 DISTRICT, BUT SPECIFIC LANGUAGE. AND THE MEETING IS  
18 HEREBY ADJOURNED AT 10:24. P.M.

19 THANK YOU ALL.

20 (THE MEETING WAS ADJOURNED AT 10:24 PM)

21

22

23

24

25

1 C E R T I F I C A T E

2

3 I, HEATHERLYNN GONZALEZ, A CERTIFIED SHORTHAND  
4 REPORTER FOR THE STATE OF CALIFORNIA, LICENSE  
5 NUMBER 13646, DO HEREBY ATTEST THAT:

6 THE PRECEDING IS A TRUE AND ACCURATE  
7 TRANSCRIPTION OF THE MEETING OF THE ORGANIZATION NAMED  
8 HEREIN;

9 THE MEETING WAS TAKEN DOWN IN SHORTHAND AND  
10 TRANSCRIBED INTO ENGLISH UNDER MY SUPERVISION AND  
11 AUTHORITY;

12 I HAVE NO INTEREST, FINANCIAL OR OTHERWISE, IN  
13 ANY OF THE PARTIES, ISSUES, OR INDIVIDUALS WHO ARE  
14 INVOLVED IN THIS ORGANIZATION.

15 ATTESTED TO ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_,  
16 2017.

17

18

19 \_\_\_\_\_  
20 CERTIFIED SHORTHAND REPORTER  
21 FOR THE STATE OF CALIFORNIA

22

23

24

25