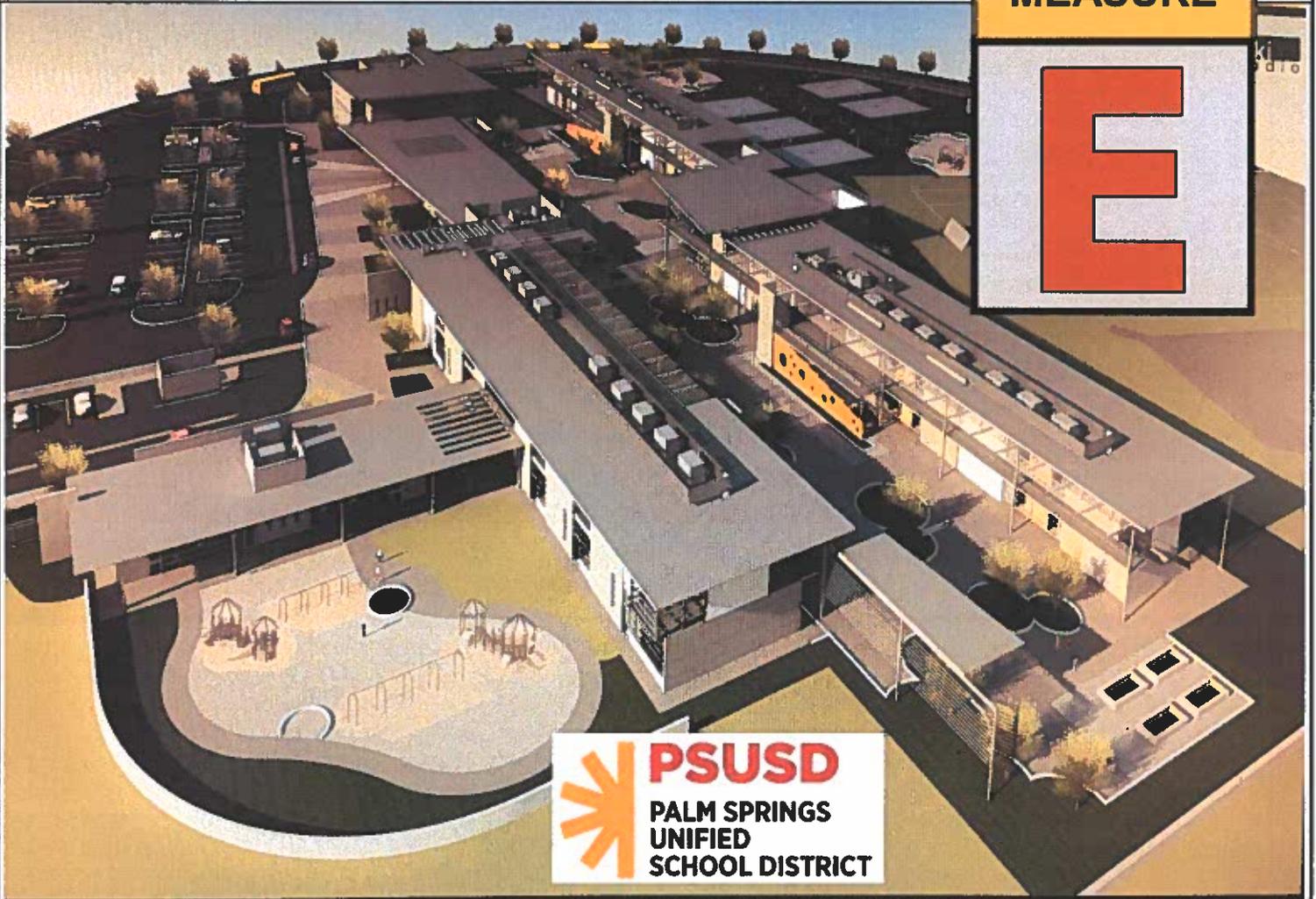


PALM SPRINGS UNIFIED SCHOOL DISTRICT CITIZENS' OVERSIGHT COMMITTEE ANNUAL REPORT

Published December 2018



Dear Residents of the Palm Springs Unified School District:

In 2008, residents passed Measure E, a \$516 million bond measure to build additional schools and renovate existing schools and support facilities. These bond funds will be spent on capital improvement projects and cannot be spent on teacher or administrator salaries, textbooks, or other operation costs.

One of the requirements of Proposition 39, the legislative authority of Measure E, is to assemble a Citizens' Oversight Committee. Our oversight committee was formed prior to the launch of any projects and has remained in place as projects are undertaken. The committee meets three times per year and all meetings are open to the public.

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The committee's primary function is to review all expenditures of the bond funds to ensure they are being spent as specified in the ballot measure. In addition, the committee is regularly updated on the status of projects and often tours construction sites to review the progress of projects.

To ensure that bond funds are being spent appropriately, one of the goals of the committee is to improve communication with the residents of our district. We believe it is critical that the community understand how their tax dollars are being spent as well as assuring residents that the funds are being spent appropriately. Please feel free to attend one of our upcoming meetings. If you have any questions or comments, do not hesitate to contact any of the committee members or phone the School District at (760) 883-2710.

Committee Members/ Term Endings

Diane Ross

Senior Citizen Organization
Representative
(May 2020)

Asia Horton

At-Large Member
(May 2020)

Jessica Huerta

Parent/Guardian of a PSUSD Student and
Active in PTO/PTA/PTG/Site Council)
(Jan 2021)

Mark Abercrombie

Business Community Representative
(Jan 2021)

Scott Fenton

Parent/Guardian of a Student in PSUSD
(Jan 2021)

Vacant

Taxpayer Organization Representative

Vacant

At-Large Member

CITIZENS' OVERSIGHT COMMITTEE MEMBERS

Our committee is comprised of seven members representing various constituencies within the District. The committee must contain one member from each of five different groups (business community, a parent or guardian of a child enrolled within the District, a parent or guardian of a child enrolled within the District and also active in their school's PTO, PTA, or school site council, senior citizen organization, and a taxpayer organization) as well as two at-large members. Members may serve no more than two consecutive two year terms.

CITIZENS' OVERSIGHT COMMITTEE WEB PAGE

You can find helpful information regarding the Citizens' Oversight Committee on the PSUSD web site, (www.psusd.us) including: agendas, minutes and reports from past meetings. In addition, meeting dates and times are posted here as well as committee vacancies as they occur. We encourage community members to fill out an Application for Membership during the recruitment of vacant seats.



Citizen's Oversight Committee members (left to right)
Scott Fenton, Jessica Huerta, Diane Ross, Asia Horton and
Mark Abercrombie

INDEPENDENT FINANCIAL AND PERFORMANCE AUDITS

In Compliance with the requirements of Proposition 39, PSUSD engaged the CPA firm of Vavrinek, Trine, Day & Co., LLP, to perform an independent audit of the financial records of the bond program. A copy of the auditors' report for the year ending June 30, 2018 is located on the Palm Springs Unified School District website—Fiscal Services Financial Documents section.

In accordance with Education Code Section 15280(b), the auditors reported the following results of their procedures:

1. The general obligation bond fund expenditures were accounted for separately in the Building Fund of the District.
2. The net proceeds from the sale of the general obligation bonds were deposited into the appropriate accounts within the Building Fund.

The review of the expenditures for the period of July 1, 2017 to June 30, 2018 did not reveal any items that were paid from the general obligation bond funds that did not comply with the purpose of the Bonds that were approved by the registered voters of the District on November 2, 2004 and February 5, 2008.

The auditors also noted "there were no findings and recommendations reported."

In its review of the documents for the year ending June 30, 2018, the Committee has made the following findings:

	Yes	No
A. The committee met on a regular basis in compliance with State law.	<input checked="" type="checkbox"/>	
B. The committee has received reports, updates, information on the expenditure of the bond funds, and reviewed the expenditures made on projects authorized under the bond measure.	<input checked="" type="checkbox"/>	
C. Bond funds have been expended on the identified projects authorized by the bond measure.	<input checked="" type="checkbox"/>	
D. No Bond measure funds have been spent on teacher/ administrator salaries or other school operating expenses.	<input checked="" type="checkbox"/>	
E. The annual fiscal and performance audit has been prepared by the school district and reviewed by the committee.	<input checked="" type="checkbox"/>	
F. The committee has received all necessary and requested technical and administrative assistance from the school district.	<input checked="" type="checkbox"/>	
G. The committee internet web site is operating and includes all required documentation and information.	<input checked="" type="checkbox"/>	

Project Updates

MEASURE E PROJECT UPDATES

There are a number of projects under way with the funds from Measure E. These projects are:



Facilities Master Plan - The California Department of Education requires California school districts to prepare and/or update their Facilities Master Plan (FMP) for their district every five years. The district last updated their FMP in 2013. The Facility Master Plan is a long-term blueprint for meeting the changing facility needs of the district. Developed with input from the community, parents, and school and district staff over the last year, the plan will contain a needs assessment for every school in the district, as well as recommendations on school reconfiguration and rehabilitation to align facilities best with future curriculum needs. Simply put *"Instruction drives Construction"*. Projects will be prioritized with the highest priority going to safety and security of

campuses and buildings, creating engaging learning environments to support and advance teaching and learning environments, renovate and replace aging infrastructure.

Proposition 39 HVAC and Lighting Projects – The California Energy Commission through Proposition 39 has granted PSUSD roughly \$5 million dollars over a 5 year period to replace inefficient air conditioning units and lights fixtures. In order to maximize the energy savings, the District added bond funds to each project to ensure all fixtures and units at each of the schools can be replaced. These upgrades are taking place at James Workman Middle, Mount San Jacinto High, Cielo Vista Charter, Palm Springs High, Cathedral City High, Desert Hot Springs High, Desert Springs Middle, Vista Del Monte Elementary, Bella Vista Elementary, Rio Vista Elementary, Katherine Finchy Elementary, Cabot Yerxa Elementary, Cahuilla Elementary, Raymond Cree Middle and Cathedral City Elementary.

Cathedral City High School Solar and re-roof project - The CCHS gymnasium building's 25-year-old roof has been replaced and 319 solar panels were installed to offset the cost of the pool and stadium's electricity. The system will produce 169,045 kWh of electricity which reduces the emissions of carbon dioxide or greenhouse gases equivalent to planting 112 acres of US forest per year. The new solar array was completed in November 2018.

Palm Springs High School Field Restroom building – An exterior new restroom building was installed at Palm Springs High for use by the public for baseball, tennis and softball games. The restroom building was installed summer 2018 and is being used by students.



Parking Lot Improvements at Rio Vista and Cathedral City Elementary Schools – The parking lots at Rio Vista and Cathedral City Elementary schools will be renovated summer 2019 to provide a safe and enhance flow of traffic for pick-ups and drop-offs of students. The bus lane at Rio Vista Elementary will be relocated to the west side of the campus to provide more queueing space for vehicles. Cathedral City Elementary will have changes to the bus lane and additional parking spaces added.

Elementary Shade Canopies – As continued awareness of the importance of having our younger students stay physically active while making accommodations to the Coachella Valley desert's environment, most healthy children can safely participate in outdoor sports and other physical activities through a wide range of challenging warm to hot climatic conditions. Playfield shade structures will be installed at each of the district's 16 elementary schools. The shade structures will be metal canopies approximately 30 feet by 60 feet. The structures have received DSA approval, bidding is currently taking place and estimated completion by August 2019.

District-wide heating and air conditioning replacements at Palm Springs High, James Workman Middle and Mount San Jacinto High Schools – The existing air conditioning units at Palm Springs High School were 24 years old and installed in a non-efficient manner as the hot air return of the units fed directly into the fresh air intake of the adjacent units. The existing equipment was removed from their current positions, relocated to the roof and replaced with high efficiency equipment. A total of 99 air conditioning units were replaced and four new units were added to the locker rooms area. The air conditioning units at James Workman Middle and Mt. San Jacinto High Schools were 22 years old and in need of replacement. A total of 48 air conditioning units at James Workman Middle and 29 units at Mt. San Jacinto High were removed and replaced. The replacement of the old outdated HVAC units at the 3 schools is estimated to bring an annual saving of 435,906 kWh which equates to almost \$70,000 in annual savings.

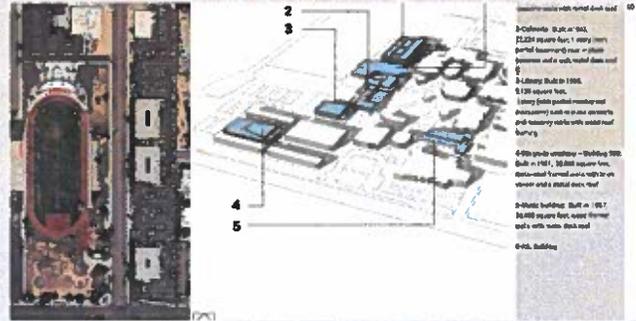
Nellie Coffman Central Plant Upgrades - The central plant at Nellie Coffman Middle School (NCMS) consists of 2 cooling towers and 2 chiller units which were installed when the school was built in 1975. The cooling towers are the original units and their life cycle is 30 years so the towers are over 10 years past the end of its useful life. The heating and chiller units have an estimated life cycle of 20 years and NCMS's units were replaced in 1997 but now are 10 years past the end of their useful life cycle as well. The project scope consists of replacement of two cooling towers, one of two chillers and all electrical distribution gear serving the entire NCMS campus. The other existing chiller failed in June 2017 and was replaced with a new chiller over the summer 2017. In addition to the cooling tower equipment, the main Southern California Edison electrical service which is also original to the campus has deteriorated and needs to be replaced due to on-going maintenance safety concerns by SCE. The central plant replacement has received the Division of State Architect (DSA) approval and should be completed by August 2019.

Parking Lot Improvements at Two Bunch Palms and Katherine Finchy Elementary Schools – The parking lots at Two Bunch Palms and Katherine Finchy Elementary schools were redesigned to allow for safe and enhanced flow of parent traffic. Additional parking spaces were added at Two Bunch Palms Elementary in the empty lot at the south end of the school. Katherine Finchy Elementary has been the main entry to the parking lot to the farthest west end of the campus to allow for additional queuing of cars in the parking lot for pick-up and drop-offs. The renovations were completed in September 2018.



Agua Caliente Elementary Renovation – The renovation of the existing Agua Caliente Elementary campus is almost complete. The existing school buildings will be torn down and new buildings have been constructed, including two-story classroom buildings. The administration and library area, multi-purpose building, classrooms and parking lots will be rearranged on the school site. The construction started in May 2017 and new buildings are estimated to be completed in January 2019. Once the new buildings are constructed, the old buildings will be removed and a new playground will be installed. Project completion is scheduled for Spring 2019.

Palm Springs High School Seismic Building Renovations – Palm Springs High School has 5 buildings built prior to 1980 that are in need of seismic and structural review. The PSHS library and cafeteria were built in the 1940's and have been identified as potential class 1 historic buildings, and the gymnasium, multipurpose and choir buildings built between 1950s and 1980s have been reviewed for structural safety. The choir building has been deemed to meet current structural requirements and been removed from the project scope. The multipurpose building also known as the 500 building removed from the Palm Springs High school scope moved forward as its own individual project. The structural requirements and building upgrades for the gymnasium, library and cafeteria are near completion of design and will be sent to the Division of State Architect (DSA) for review. Upon receiving DSA approval of the design plans, construction will be scheduled on several phases to ensure the education needs of the students stay at high levels.



has
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and

Phase II District-wide Fire and Intrusion Alarm Upgrades – New fire alarm systems will be replaced at Cathedral City High, Della Lindley Elementary, Landau Elementary and Sunny Sands Elementary schools to enhance safety and meet current fire codes.

Elementary School #17 – PSUSD owns land in western Desert Hot Springs, near interstate 62, north of Pierson Road. Plans will start for this school when enrollment near the school property is sufficient to require construction of a new elementary school.

Palm Desert K - 8 School – PSUSD owns land in eastside of Gateway and south of 35th Avenue in the City of Palm Desert. Plans will start for this school when enrollment near the school property is sufficient to require construction of a new K – 8 school.

Other – Bond issuance costs, arbitrage fees and other non-construction costs are paid from Measure E bond funds.

Completed Projects:

- Raymond Cree Portable Replacement**
- District-wide Swimming Pool**
- Roof Replacements at Rancho Mirage Elementary, Raymond Cree and James Workman Middle Schools**
- District-wide Fire and Intrusion Alarm Upgrades**
- Palm Springs High Auditorium Renovation-Seismic Upgrades**
- Raymond Cree Restroom and Locker room Renovations**
- District-wide Voice over Internet Protocol (VOIP)**
- Rancho Mirage High School Exterior Restroom building**
- Bubbling Wells parking lot revisions**
- Palm Springs High Field House and Concession Building**
- Raymond Cree Chiller and Cooling Tower Replacement Project**
- Edward Wenzlaff Education Center Renovation**
- Bella Vista Elementary School**
- District-wide Playground Upgrades**
- Rancho Mirage High School**
- Palm Springs High New Band Room**
- Cabot Yerxa Elementary School**
- Painted Hills Middle School**
- Cathedral City High Stadium Snack Bar, Restrooms and Girls Varsity Softball Dugouts**
- New Service Center**
- Nellie Coffman Middle 100 Wing Renovation**
- Nellie Coffman Middle Seismic Retrofit**

Citizen Oversight Committee Annual Report Measure E - Ongoing

Active Projects	Gross Expenditures thru 09/30/2018	Estimate to Complete	Total Project	Less: Approved State Funding	Estimated Bond Expenditures	Comments
Agua Caliente Modernization	\$ 30,541,447	\$ 15,635,567	\$ 46,177,014	\$ -	\$ 46,177,014	
Cathedral City E.S. Parking Lot	\$ 97,069	\$ 1,902,931	\$ 2,000,000	\$ -	\$ 2,000,000	
CCHS Pool Solar and Roofing	\$ 147,212	\$ 852,788	\$ 1,000,000	\$ -	\$ 1,000,000	
ELEM Shade Structures	\$ 220,549	\$ 3,079,451	\$ 3,300,000	\$ -	\$ 3,300,000	
Facilities Master Plan Update	\$ 112,050	\$ 337,950	\$ 450,000	\$ -	\$ 450,000	
Katherine Finchy E.S. Parking Lot	\$ 841,068	\$ 658,932	\$ 1,500,000	\$ -	\$ 1,500,000	
DW Drinking Fountains / Hydration Stations	\$ 880,946	\$ 1,119,054	\$ 2,000,000	\$ -	\$ 2,000,000	
Maintenance & Operations Bond Projects	\$ 4,124,741	\$ 6,675,259	\$ 10,800,000	\$ -	\$ 10,800,000	
Nellie Coffman Chiller	\$ 417,780	\$ 5,582,220	\$ 6,000,000	\$ -	\$ 6,000,000	
Palm Springs H.S. Seismic	\$ 498,719	\$ 42,501,281	\$ 43,000,000	\$ -	\$ 43,000,000	
Prop 39 HVAC and Lighting	\$ 596,203	\$ 1,303,797	\$ 1,900,000	\$ -	\$ 1,900,000	
PSHS Restroom Building	\$ 586,248	\$ 188,752	\$ 775,000	\$ -	\$ 775,000	
Other Bond Costs	\$ 217,064	\$ 17,500	\$ 234,564	\$ -	\$ 234,564	ongoing
Rio Vista E.S. Parking Lot	\$ 99,950	\$ 1,900,050	\$ 2,000,000	\$ -	\$ 2,000,000	
Two Bunch Palms E.S. Parking Lot	\$ 1,022,452	\$ 627,548	\$ 1,650,000	\$ -	\$ 1,650,000	
Completed Projects	\$ 249,926,174	\$ 423,462	\$ 250,349,636	\$ 75,885,515	\$ 174,464,121	
Total Measure E	\$ 290,329,673	\$ 82,806,541	\$ 373,136,214	\$ 75,885,515	\$ 297,250,699	

Measure E Funds received	\$ 304,690,000
Interest earned	\$ 3,848,154
Refunds	\$ 120,977
Current and Complete Projects	\$ (297,250,699)
Approved Future Projects	\$ (9,087,000)
uncommitted Measure E Funds	\$ 2,321,432

Approved Future Project Budgets:

Rancho Mirage K-8	on hold
DW HVAC projects	\$ 2,887,000
District wide HVAC, Roof, Parking, Shade	\$ 1,200,000
Desert Hot Springs new elementary land	\$ 2,000,000
Elem Traffic Study	\$ 275,000
Multi Site Retro Commissioning	\$ 275,000
Surplus Property and 711 committee Serv	\$ 100,000
AB 300 Seismic investigation	\$ 250,000
Fire Alarm Replacement Phase 2	\$ 2,100,000
	<u>\$ 9,087,000</u>

CITIZENS' OVERSIGHT COMMITTEE UPCOMING MEETING DATES

January 14, 2019 at 6:00 pm
May 2019 and October 2019—TBD
Palm Springs Unified School District—District Administration Center

Desert Springs Middle School New Solar Canopies

An additional \$1,602,073 Grant from South Coast Air Quality Management District AB 1318 Mitigation Fees Fund was awarded to the PSUSD for the installation of solar panels at Desert Springs Middle School in January 2017. The grant funds will cover the cost of a solar system which includes the following:

System Size 460 kW/DC
Annual Production of 793,000 kWh
1314 350-W SunPower panels

The solar system is sized to provide an estimated 77% offset of the school's electrical usage and estimated annual savings of \$140,664.

The solar canopy arrays are located in the front parking lot allowing for shaded parking and on the sports field hardcourt area allowing for shade for students on hot days. The array installation was completed in January 2018.



District Solar Projects

In 2013, PSUSD was awarded \$3,000,000 in grant funds from the AB 1318 Emissions Mitigation Fees (EMF) Funds distributed by South Coast Air Quality Management District (SCAQMD) for three schools that are within the 6 mile zone of the Sentinel Peaker Plant.

Since May 2014, with the installation of 2,252 solar panels, PSUSD has saved an estimated \$332,899 in producing its own power. In addition PSUSD has received \$160,547 in rebates.

Palm Springs Unified School District Board of Education

December 2018



Richard Clapp
Board President
Trustee Area 2



John Gerardi
Board Clerk
Trustee Area 5



Madonna Gerrell
Board Member
Trustee Area 1



Karen Cornett
Board Member
Trustee Area 3



Timothy S. Wood
Board Member
Trustee Area 4