

LOS ANGELES UNIFIED SCHOOL DISTRICT

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

D. Michael Hamner, FAIA, Chair
American Institute of Architects
Robert Campbell, Vice-Chair
L.A. Co. Auditor-Controller's Office
Dr. Samantha Rowles, Secretary
LAUSD Student Parent
Patrick MacFarlane, Executive Committee
Early Education Coalition
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Neelura Bell
CA Charter School Association
Sandra Betts
CA Tax Reform Assn.
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L.A. Co. Federation of Labor AFL-CIO
Aleigh Lewis
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Jennifer McDowell
L.A. City Mayor's Office
Brian Mello
Assoc. General Contractors of CA
Santa Ramirez
Tenth District PTSA

William O. Ross IV
31st District PTSA
Bevin Ashenmiller (Alternate)
Tenth District PTSA
Ashley Kaiser (Alternate)
Assoc. General Contractors of CA
Connie Yee (Alternate)
L.A. Co. Auditor-Controller's Office
Vacant
Assoc. CA School Administrators – Ret.
Vacant
LAUSD Student Parent

Timothy Popejoy
Bond Oversight Administrator
Perla Zitle
Bond Oversight Coordinator

School Construction Bond Citizens' Oversight Committee
Regular Meeting
LAUSD HQ – Board Room
333 S. Beaudry Avenue
Los Angeles, CA 90017
Thursday, February 27, 2025
10:00 a.m.

Please see the archived video of the meeting for all discussions/questions:

<https://lausd.wistia.com/medias/vhfygytafc> (English)

<https://lausd.wistia.com/medias/6ti0dzqiit> (Spanish)

Committee Members Present (11): Neelura Bell, Sandy Betts, Robert Campbell, Michael Hamner, Ashley Kaiser (alternate to Brian Mello), Aleigh Lewis, Patrick MacFarlane, Jennifer McDowell, Santa Ramirez, William Ross, Samantha Rowles.

Committee Members Absent (2): Scott Pansky, Chad Boggio

Committee Member Vacancies (2): LAUSD Student Parent, Senior Citizens' Organization

00:00:00 **Call to Order**

Mr. Robert Campbell, BOC Vice-Chair, called the meeting to order at 10:04 a.m. and welcomed all to the second Bond Oversight Committee (BOC) meeting of 2025. He stated that some BOC members were participating remotely in compliance with the Brown Act. He also thanked the KLCS staff for their production, Information Technology Services staff for its technical support, Spanish Interpretation staff for their work in translating and other District staff for their assistance in broadcasting the hybrid BOC meeting.

Introductory Remarks

00:01:01 Mr. Campbell asked Mr. MacFarlane, Executive Committee Member, to provide the introductory remarks.

Mr. MacFarlane announced that the BOC website could be found at <https://www.lausd.org/boc>. He also indicated that meeting materials and live stream in both English and Spanish were located under the tab *Upcoming Meetings*. He encouraged participants to visit the BOC website where previously approved project resolutions and relevant information can be found. He explained that public speakers were asked to sign up using a hyperlink to a Google form included on the agenda that was

published on the BOC's website on February 22, 2025. He said the form was available 24 hours before the start of the meeting and would remain open for 20 minutes after the meeting had started.

Mr. MacFarlane stated that there would be a maximum of five (5) speakers for each agenda item and up to ten (10) speakers for public comment. He stated that all public speakers would have up to 3 minutes. He also stated that public speakers with more than one agenda item would be provided six (6) minutes total to make comments on all items they wished to address. He detailed the protocols for public speakers via audio and said that they should monitor the meeting through the live stream and then turn off the live stream volume when asked to speak to avoid audio echo or audio feedback. When it was the speaker's turn to speak, BOC Staff would announce the last four digits of the caller's phone number, and each public speaker would be instructed to unmute on Zoom, or press *6 (star 6), to speak. He stated that in-person speakers would be asked to step up to the podium to be heard. He thanked everyone in advance for working with the Committee to accommodate speakers.

00:03:00 Mr. Campbell stated the Bond Oversight Committee's (BOC) mission and purpose of the Committee:

"It is the mission of a strong and independent BOC to oversee the construction, modernization, and repair of schools that promote the full development of children, are educationally and environmentally sound, enhance neighborhoods as centers of community. This is achieved through thoughtful design and programming and by the wise and efficient use of limited land and public resources. The Committee is responsible for communicating its findings and recommendations to the District and the public. The BOC must ensure that school bond funds are spent as voters intended, that the spending complies with all applicable statutes, that it maximizes available resources, and that projects are completed in a timely and cost-efficient manner."

Mr. Campbell informed that the updated School Upgrade Program (SUP) summary now included Bond Measure US funds in the spending target categories. The "Strategies to Implement the Measure US Bond Priorities" could be found in the Reference Materials section. He also announced that a table with limited enrollment data for the proposed project school sites under BOC consideration was included immediately after the agenda. No enrollment data was provided for the Board District and Region Priority projects. He stated that a revised version of enrollment numbers for San Fernando Middle School was emailed and posted on February 25.

Mr. Campbell stated that the BOC Memorandum of Understanding (MOU) Review Task Force remained active and is awaiting response to revisions forwarded to District Staff on September 19, 2023.

Mr. Campbell encouraged BOC members to participate in the upcoming ribbon-cutting ceremonies:

- 92nd Street Elementary Comprehensive Modernization Project
Major Milestone -New Classroom Building Ribbon Cutting Ceremony.
March 28, 2025 at 10:00AM
- Shenandoah Street Elementary Comprehensive Modernization Project
Ribbon-Cutting Ceremony
April 3, 2025 at 1:00PM
- Alexander Hamilton High School Comprehensive Modernization Project
Major Milestone Event - New Athletic Facility Ribbon-Cutting Ceremony
April 7, 2025 at 9:00AM
- John F. Kennedy High School Comprehensive Modernization Project
Major Milestone Event - New Classroom Building Ribbon-Cutting Ceremony
April 25, 2025 at 10:30AM

00:06:07 **Agenda Item 1. Public Comment**

There was a public speaker who signed up for public comment and provided remarks in person on various agenda items.

00:13:18 **Agenda Item 2. Consent Calendar – January 30, 2025 Meeting Minutes**

Ms. Kaiser made a motion to move the Consent Calendar.

Ms. Bell seconded.

00:13:42 The Chair asked Mr. Popejoy to conduct a roll call vote.

Ayes: 9 – Ms. Bell, Ms. Betts, Mr. Campbell, Mr. MacFarlane, Ms. Kaiser, Ms. Lewis, Ms. McDowell, Ms. Ramirez, Dr. Rowles.

Nays: 0

Abstentions: 0

Absences: 4 - Mr. Boggio, Mr. Hamner, Mr. Pansky, Mr. Ross.

The Consent Calendar was approved.

00:14:58 **Agenda Item 3. Green Schoolyards for All Task Force Progress Report (Information Only)**
Presenter: Aleigh Lewis, Task Force Chair

Aleigh Lewis, Chair of the Green Schoolyards for All Task Force, reported that the Task Force was on track to complete its work with a final report set for review and approval by the full BOC on March 27. She indicated that the report would summarize findings from recent months, including meetings with District Staff and would offer recommendations for future greening projects. She stated that the recommendations aim to integrate greening into all District projects. She emphasized that the final report would mark the beginning of ongoing collaboration to implement the Green Schoolyards policy effectively. She thanked Task Force members and District Staff for their contributions to the initiative.

00:17:33 **Agenda Item 4. Align Funding Strategies for Three School Facilities Projects Funded by Certificates of Participation (COPs 2023 Series A) with the School Upgrade Program Framework and Measure US Priorities and Implementation Strategies**
Presenter: Chris Mount-Benites, Chief Financial Officer
Timothy Rosnick, Director of Capital Planning and Budgeting
Daniel Kang, Director of Transportation
Soheil Katal, Chief Information Officer
Krisztina Tokes, Chief Facilities Executive

Chris Mount-Benites began the presentation with a historical context on the Certificates of Participation (COPs) and their defeasance as it related to Measure US. He expressed that the goal was to align three school facility projects originally funded by the 2023 COPs with the upgrade program framework and Measure US priorities. He explained that it would involve reallocating \$250 million from Measure US to pay off a portion of the 2023 COPs and redirecting the COPs proceeds into the School Upgrade Program (SUP) to implement projects that fit the expenditure plan. He added that the action would also require amendments to the Strategic Execution Plans (SEP) for FSD, ITS and TSD as required for bond funded projects to ensure the three projects were incorporated into their respective SEPs.

Mr. Mount-Benites indicated that in June 2023, the Board of Education authorized the issuance of COPs for up to \$500 million with the first issuance generating \$423.5 million. He shared that this funding was allocated to nine priority projects. Subsequently, in August 2023, Measure US, a \$9 billion local bond, was placed on the ballot and later approved by voters in November. He stated that Measure US explicitly included language for defeasing existing COPs debt. He detailed that the term for debt service payments extended from 2025 to 2038 with the latest maturities being callable in 2033. He highlighted that prepayment of these debts was aimed at maximizing savings with estimated debt service over the term at \$504 million.

Mr. Mount said that specific projects selected for defeasance and realignment included purchasing electric school buses (\$80.3 million), upgrading campus IT and safety systems (\$144.9 million), and the Green Schools for All program (\$24.8 million) aligning these projects with Measure US funding while maintaining financial responsibility. He emphasized that the District was not defeasing all COPs but strategically addressing those projects that directly aligned with the bond program and Measure US

priorities. He stated that the funding strategy ensured that original COPs proceeds would continue to support previously approved projects without duplicating expenditures from Measure US.

Mr. Mount reported that by executing this strategy, the District anticipated a total savings of \$303 million for the general fund, reducing annual debt service obligations by approximately \$21.6 million. He stated that the move was motivated by the District's current structural deficit as COPs were funded through the general fund; whereas bonds were covered by property tax revenues. He said that given economic challenges and the impact of recent wildfires, paying off these debts now prevented a significant financial burden in 2033. He also said that the District continued to receive electric school buses, a project initially funded through COPs, at a rate of 10 to 12 buses per week. He moved on to say that purchasing production slots in advance ensured the timely delivery of these buses supporting the District's commitment to sustainability and improved transportation infrastructure.

Mr. Katal reported that the Campus Safety Camera System and Intrusion System projects, originally part of the COPS program, are included in the defeasance process to enhance school security. He explained that many schools either lack cameras or have outdated systems designed primarily for property protection rather than advanced security. He stated that the existing intrusion and burglary systems had surpassed their useful lifespan, making repairs difficult and leading to frequent false alarms. He added that in order to modernize security, schools are being equipped with new IP-based systems which reduce maintenance challenges and improves safety. He shared that the \$146 million project was underway and set for completion by March 2027. He provided an update reporting that of 291 sites, 288 surveys had been completed, camera installations finished at 25 sites and one intrusion alarm system is in place. He said that the remaining projects were in the contracting phase with ongoing procurement to ensure steady progress.

Ms. Tokes explained that 15 Green Schoolyard Upgrade Projects aimed to increase green space to at least 30% in schools with the least existing greenery. She shared that the scope included replacing paved areas with permeable and natural surfaces, adding green elements, improving infrastructure and irrigation, installing decomposed granite and pavers, creating outdoor classrooms, and enhancing accessibility. She stated that the selection process prioritized elementary schools with less than 10% green space, ensuring that each board office had at least two schools represented for geographical equity.

Ms. Tokes indicated that the total project budget was \$92.8M with construction beginning next year for the selected schools for the program: Manchester Elementary (8% green space), Budlong Avenue Elementary (4%), Bridge Elementary (1%), Dena Elementary (2%), Canoga Park Elementary (3%), Sylvan Park Elementary (6%), Vanalden Elementary (7%), Encino Charter Elementary (9%), San Pedro Elementary (7%), Heliotrope Elementary (2%), Strathern Elementary (5%), Roscoe Elementary (10%), Arminta Elementary (3%), Gardena Elementary (5%), and Ritter Elementary (4%). She highlighted that the projects aimed to enhance student learning environments while improving sustainability and accessibility across the District.

There were comments and questions related to whether schools had any input or needed to apply for COPs, clarification on the 30 percent greening at schools, financial mechanics of COPs and their repayment strategy, earlier call option should have been included in anticipation of a potential future bond measure, shifting debt from the general fund to the bond program, whether the refinancing met the required savings delineated in the District's debt management policy, school buses expected lifespan of 10-15 years and the financial implications of extending payment terms to 30 years under the bond program, long-term replacement strategy for buses,

BOC Vice-Chair Campbell emphasized that BOC members were not provided adequate notice or the opportunity for input in this major financial decision, which limited their ability to fulfill an oversight role effectively.

All questions were answered by Mr. Mount-Benites, Ms. Tokes, Mr. Katal, Mr. Rosnick, and Mr. Kang.

Ms. Kaiser made a motion to approve Resolution 2025-08.

Ms. Betts seconded.

00:52:37 The Chair asked Mr. Popejoy to conduct a roll call vote.

Ayes: 5 – Ms. Bell, Ms. Betts, Mr. Campbell, Mr. MacFarlane, Ms. McDowell

Nays: 4 - Mr. Hamner, Ms. Kaiser, Ms. Ramirez, Mr. Ross

Abstentions: 2 - Ms. Lewis, Dr. Rowles

Absences: 2 - Mr. Boggio, Mr. Pansky

The vote for this item was completed at minute 01:49:19 to allow Ms. Lewis to record her vote. BOC Chair Hamner also joined the meeting briefly and was prepared to vote on this action item.

Resolution 2025-08 did NOT pass.

00:54:41 **Agenda Item 5. 24 Classroom Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein**

Presenter: Issam Dahdul, Director of Facilities Planning and Development, FSD

Mr. Dahdul presented 24 Classroom Upgrade Projects and Amendment to the Facilities Services Division Strategic Execution Plan. He provided a brief background about the allocation of \$350M within the Facilities School Upgrade Program in 2021 to upgrade approximately 2,000 classrooms in 48 schools prioritizing those with the greatest needs. He stated that the proposed projects would enhance instructional spaces for general education, special education and co-located charter classrooms. Please refer to Board Report No. 233-24/25 for further detailed information.

Group	Rank by Highest Classroom FCI*	Region East	Region North	Region South	Region West
4	7	CARVER MS	SAN FERNANDO MS	MUIR MS	KING MAG MS
	8	GAGE MS	PORTOLA CHARTER MS	MARKHAM MS	EMERSON COMM CHART MS
	9	VIRGIL MS	SUTTER MS**	BETHUNE MS	BERENDO MS
5	10	SOUTH GATE MS	PORTER MS	WILMINGTON MAG MS	COCHRAN MS
	11	NIGHTINGALE MS	MULHOLLAND MS	EDISON MS	WRIGHT STEAM MAG MS**
	12	GRIFFITH STEAM MAG MS	LAWRENCE MS	CARNEGIE MS	LE CONTE MS**

*Classroom FCI includes classrooms used for instruction, special education, and school set-asides

**Co-located charter present at campus site

Mr. Dahdul said that the upgrades would include new technology and equipment, sound enhancements, new classroom furniture, replacement of window blinds, interior and exterior painting, limited electrical upgrades as well as accessibility improvements. He explained that the work would be carried out in two phases: non-DSA work such as replacing locks and painting would be done first, followed by work requiring DSA approval, including new technology and electrical infrastructure. To minimize disruption, work would be done during nights, weekends, and school breaks, avoiding the need for interim housing. The total combined budget for the project is approximately \$210M.

Mr. Dahdul shared that groups 4 and 5 comprised the 24 schools with an anticipated start date in the first quarter of 2026 and a completion in the second quarter of 2027.

There were questions related to the replacement plan for technology, future funding for the program, charter school portion to fund co-located schools, grouping of schools, details on the budget allocated for construction, architectural design for the proposed projects, damaged ceiling tiles, and whether the roofs would be replaced as part of the projects.

Ms. Bell made a motion to approve Resolution 2025-04.

Ms. Ramirez seconded.

01:11:53 The Chair asked Mr. Popejoy to conduct a roll call vote.

Ayes: 9 – Ms. Bell, Ms. Betts, Mr. Campbell, Mr. MacFarlane, Ms. Kaiser, Ms. McDowell, Ms. Ramirez, Mr. Ross, Dr. Rowles.

Nays: 0

Abstentions: 0

Absences: 4 - Mr. Boggio, Mr. Hamner, Ms. Lewis, Mr. Pansky

Resolution 2025-04 passed.

01:13:01 **Agenda Item 6. Seven Playground and Campus Exterior Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein**
Presenters: Issam Dahdul, Director of Facilities Planning and Development, FSD

Issam Dahdul, Director of Facilities Planning and Development, presented Seven Playground and Campus Exterior Upgrade Projects, and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein. He explained that the program was implemented for 30 elementary schools to improve deteriorated asphalt paving and enhance playgrounds prioritizing safety and upgrading schools based on Facilities Condition Index (FCI). He said that the proposed projects were committed to reducing hard spaces by incorporating at least 30 percent green areas and 20 percent shade in alignment with the Green Schoolyards for All Plan approved in April 2024.

Mr. Dahdul stated that the proposed projects had a total combined budget of \$102M for seven schools: Basset Elementary School, Calahan Elementary School, Commonwealth Elementary School, Crestwood Elementary School, Lanai Elementary School, Vermont Elementary School, and Vintage Elementary Math/Science/Technology Magnet School with an anticipated completion date in the third quarter of 2029. He said that all projects would include a community outreach plan. The use of solar reflective coatings on asphalt for these projects will be informed by a study currently underway by the Eco-Sustainability Office. The study will be completed in the fall of 2025 so temperatures could be measured at various school sites during the hottest months of the summer.

Mr. Dahdul indicated that the seven schools have enrollment stability with projected long-term sustainability. Please refer to Board Report No. 236-24/25 for further detailed information.

There were questions related to enrollment capacity for selecting and prioritizing schools, project start dates, community engagement, adjustments to design after the asphalt coating study is completed, play areas at schools, prioritization process, and future consideration for school closures or consolidation.

Ms. Kaiser made a motion to approve Resolution 2025-05.

Ms. Betts seconded.

01:30:23 The Chair asked Mr. Popejoy to conduct a roll call vote.

Ayes: 8 – Ms. Bell, Mr. Campbell, Mr. MacFarlane, Ms. Kaiser, Ms. McDowell, Ms. Ramirez, Mr. Ross, Dr. Rowles.

Nays: 1 - Ms. Betts

Abstentions: 0

Absences: 4 - Mr. Boggio, Mr. Hamner, Ms. Lewis, Mr. Pansky

Resolution 2025-05 passed.

01:31:21 **Agenda Item 7. Four Charter School Facilities Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein**
Presenter: Mark Cho, Deputy Director of Facilities Maintenance and Operations, FSD

Issam Dahdul, Director of Facilities Planning and Development, FSD

Issam Dahdul and Mark Cho presented four Charter School Facilities Upgrade Projects and Amendment to the Facilities Services Division Strategic Execution Plan. They provided a brief description, budget and construction schedule for each proposed project. The total combined budget was \$73,003,621. The projects included a secure entry system at Para Los Niños Charter Middle School, a fencing and wall replacement project at Santa Monica Community Charter Elementary School, and HVAC replacement projects at Animo Legacy Charter Middle School and Pacoima Charter Middle School. Please refer to Board Report No. 227-24/25 for further detailed information.

There were questions related to the heating, ventilation, and air conditioning (HVAC) projects, whether students would be on-site during constructions, portable cooling solution setup, and determination of the best cooling approach.

Ms. Kaiser made a motion to approve Resolution 2025-06.

Ms. Ramirez seconded.

01:42:58 Mr. Campbell asked Mr. Popejoy to conduct a roll call vote.

Ayes: 11 – Ms. Bell, Ms. Betts, Mr. Campbell, Mr. Hamner, Ms. Lewis, Mr. MacFarlane, Ms. Kaiser, Ms. McDowell, Ms. Ramirez, Mr. Ross, Dr. Rowles.

Nays: 0

Abstentions: 0

Absences: 2 - Mr. Boggio, Mr. Pansky

Resolution 2025-06 passed.

01:46:14 **Agenda Item 8. Four Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein**

Presenters: Mark Cho, Deputy Director of Facilities Maintenance & Operations, FSD

Mr. Cho presented Four Board District Priority and Region Priority Projects and Amendment to the Facilities Services Division Strategic Execution Plan. He provided a brief description, budget and construction schedule for each proposed project. The total combined budget was \$203,736. The projects included three furniture projects and one chain link fence. He provided further details on the proposed new exterior lunch tables and benches at Leapwood Elementary School. Please refer to Board Report No. 232-24/25 for further detailed information.

There were no questions.

Ms. Bell made a motion to approve Resolution 2025-07.

Ms. Kaiser seconded.

01:48:17 Mr. Campbell asked Mr. Popejoy to conduct a roll call vote.

Ayes: 11 – Ms. Bell, Ms. Betts, Mr. Campbell, Mr. Hamner, Ms. Lewis, Mr. MacFarlane, Ms. Kaiser, Ms. McDowell, Ms. Ramirez, Mr. Ross, Dr. Rowles.

Nays: 0

Abstentions: 0

Absences: 2 - Mr. Boggio, Mr. Pansky

Resolution 2025-07 passed.

01:51:53 Agenda Item 9. Chief Facilities Executive's Report (Information Only)
Presenters: Krisztina Tokes, Chief Facilities Executive, FSD

Krisztina Tokes, Chief Facilities Executive, began her report detailing the District's response to the Palisade wildfire. She stated that initially seven schools located in the evacuation zone were closed and later reopened after environmental assessments, cleaning, and air quality improvements. She reported that there were three schools (Palisades Charter High School, Palisades, Elementary School, and Marquez Elementary School) that sustained damage, displacing approximately 750 elementary school and 3,000 high school students. She reported that, within a week, the District had relocated the elementary students to alternate campuses, while Palisades High School students transitioned to online learning.

Ms. Tokes explained the recovery efforts were structured into Phase 0 – Debris Removal, Phase 1 – Interim Re-occupancy, and the next steps to rebuild school facilities. She reported that the U.S. Army Corps of Engineers (USACE) and other agencies are actively working on the cleanup, with assessments and emergency contracts in place for restoration.

Ms. Tokes stated that a rebuilding plan would be presented to the BOC and the Board of Education including a community engagement initiative to address any facility, environmental and operational concerns.

There were questions related to hiring of local contractors for rebuilding efforts, community engagement process, coordination of projects and managing the Palisades fire efforts, lessons learned or analysis for similar situations in the future, insurance, bond program funds for reconstruction costs, and reimbursement process.

All questions were answered by Ms. Tokes.

02:09:08 Agenda Item 10. ITS BOC Quarterly Program Status Report Q4 2024 (October 1 – December 31, 2024) (Information Only)
Presenters: Monica Nolen, Director of IT Project Management, ITS

Monica Nolen, Director of IT Project Management, presented the Bond Oversight Committee (BOC) quarterly report for Q4 2024, covering October 1 through December 31, 2024. She provided updates on the following five projects:

- 1. Intelligent Schools Network Control Project:** This project aims to implement an Intelligent School Network Controls System to enable secure, efficient connectivity for internet-enabled devices in K-12 schools. She stated that network controls, policies, and procedures were developed, and network configurations continue. She noted that there was an adjustment in the timeline to extend the completion of the device registration portal configuration to the first quarter of 2025 due to onboarding issues. However, she said that the overall project remained on track for completion in the fourth quarter of 2025.
- 2. School Network Systems Upgrade (Phase 1, Group 1):** This project replaces outdated telecommunication and security systems while enabling ShakeAlert and multicast broadcasting. She reported that work is ahead of schedule with upgrades completed at 68 sites exceeding the original goal for the fourth quarter.
- 3. School Network Systems Upgrade (Phase 1, Group 2):** This project replaces obsolete equipment and upgrades telecommunications and security systems across 108 school sites. Ms. Nolen highlighted that this quarter 78 sites were completed surpassing the target of 64 schools.
- 4. Telecommunications and Network Upgrades (83 schools):** The project aims to replace outdated systems at 83 schools to improve communication and safety. She stated that the project team completed 81 sites, but that the timeline for two schools was extended to the second quarter of 2025 due to the need to adopt additional solutions for compatibility.
- 5. Tech Refresh: Equipping Tomorrow's Minds (Phase 1 & 2A):** This project replaces outdated computing devices and standardizes District technology. She reported that student device distribution began in the fourth quarter of 2024 with a delivery of 1,454 units. Anticipated staff device distribution in the first quarter of 2025 will be completed after device specifications and eligibility verifications are resolved. She indicated that the project remained on schedule to be completed in the second quarter of 2026.

There were questions related to whether there was an overlap with other projects for classroom upgrades, policy regarding networked versus stand-alone video camera setups, minimum requirements for new installation of cameras, and whether cameras are remotely accessible.

There was a suggestion to incorporate information, in a future quarterly report or presentation, about how upgraded PA systems and camera systems could aid an incident response – including input from school police.

All questions were answered by Mr. Katal and Ms. Nolen.

02:22:21 Agenda Item 11. Discussion of Non-Agenda Matters

Vice-Chair Campbell thanked BOC members, District Staff, and the public for their participation and adjourned the meeting at 12:27 p.m.

Minutes of February 27, 2025, approved per School Construction Bond Citizens' Oversight Committee.

/Samantha Rowles/

Dr. Samantha Rowles, Secretary

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The LAUSD School Construction Bond Citizens' Oversight Committee (BOC) is authorized by the California Strict Accountability in Local School Construction Bonds Act of 2000 [Education Codes 15264 - 15288] and the LAUSD BOC Charter and Memorandum of Understanding (MOU)

March 6, 2025

Scott Schmerelson, Board President

Alberto Carvalho, Superintendent

Members, Board of Education

Los Angeles Unified School District

333 South Beaudry Avenue, 24th Floor

Los Angeles, CA 90017

RE: BOC Consideration of Align Funding Strategies for Three School Facilities Projects Funded by Certificates of Participation (COPs 2023 Series A) with the School Upgrade Program Framework and Measure US Priorities and Implementation Strategies

Dear Board President Schmerelson and Superintendent Carvalho,

At its February 27, 2025 meeting, the Bond Oversight Committee (BOC) considered the recommendation of a District proposal to approve up to \$250M in direct reallocations from three School Upgrade Program (SUP) categories of capital need to defease a portion of the 2023 Certificates of Participation (COPs) associated with three school facilities projects. The proposed action would also approve an allocation of \$251,880,057 of 2023 COPs into the SUP to fund the underlying scope and approve Strategic Execution Plan (SEP) amendments for the three projects below (Board Report No. 247-24/25).

Capital Projects	Total Project Budget (COPs Proceeds)	COPs Total Defeasance (Measure US Reallocation)
Sun Valley Electric Buses and Generator Purchases	\$80.88M	\$80.3M
Campus IT Safety System Improvements (Phase I)	\$146M	\$144.9M
Green Schools for All Program (15 sites)	\$92.82M COPs Proceeds \$25M ELOP* \$50M Bond Funds \$17.82M	\$24.8M
TOTAL:	\$251.88M	\$250M

*Expanded Learning Opportunities Program

The BOC did not adopt Resolution 2025-08 recommending the action. Seven votes were needed to adopt the resolution.¹ The resolution did not pass by a vote of 5 ayes, 4 nays, and 2 abstentions with 2 members absent (5-4-2-2).

The purpose of this letter is to inform the Board of Education, Superintendent and the public of the concerns expressed by the members of the BOC during consideration of the action. The BOC recognizes that only the Board of Education has the power to approve projects and may do so subsequent to the BOC's consideration.²

Various BOC members expressed the following concerns about the proposed action:

1. The Action Circumvents the Responsibility of the BOC to Provide Fiscal and Program Oversight and Consider Projects before Approval.

- Section 7.1 of the MOU states that the District agrees to provide the BOC "with the necessary information to engage in effective oversight not hindsight." Sections 7.6. and 7.7 of the MOU state that the District agrees to provide the BOC with the opportunity to consider all SEP amendments prior to final action by the Board of Education. The origin of these requirements in the MOU is from a court ruling in 1997³ and a report of findings on the bond program prepared by the District's Inspector General in 2000⁴.
- The District brought this proposed action to amend the SEP and utilize bond funds to pay for projects *after* the projects had been approved by the District and funded by COPs in December 2023. Reviewing projects after-the-fact prevents the BOC from having meaningful input on the prudence and permissibility of the projects.

¹ Recommendations to the District to approve or disapprove a project must be approved by a majority of the active members of the Committee. There are 13 active members; thus approval of a project recommendation requires seven votes. Section 4.2.2 MOU.

² Once the BOC has had the opportunity to consider a project, the Board of Education may act on the project, with or without a BOC finding or recommendation. Section 7.6 MOU.

³ Minute Order dated May 2, 1997, Day Higuchi v. Los Angeles Unified School District, Los Angeles County Superior Court No. BC169554, p. 2-3.

⁴ Los Angeles Unified School District, Office of the Inspector General, Proposition BB Bond Program Report of Findings, March 28, 2000

- The District states that this action is consistent with provisions in Measure US for this purpose. This very technical provision was included in the bond measure. However, as noted in the BOC letter to the Superintendent and Board on September 24, 2024, the BOC had no opportunity to review Measure US prior to its placement on the ballot.⁵ The District's approach did not allow the BOC to provide input on this provision prior to its inclusion in bond Measure US.
- It is difficult for the BOC to carry out its oversight role when it is not involved or informed in a timely manner of matters that impact the bond program. Written materials for this action were made available to the BOC and the public less than 48 hours before BOC consideration of this extremely complex item at its February 27, 2025 meeting.

2. While Advantageous to the District's General Fund, the Action is Detrimental to the District's Bond Program.

- The action saves the District's General Fund approximately \$300M by shifting the costs of the three projects to the bond fund. While there would be no net increase in assessments paid by taxpayers, the bond program essentially loses \$250M in project value – projects that cannot be funded and constructed because of this action. It is also now assumed that any cost overruns of these projects would be paid from the bond program's Program Reserve. This would be an additional cost to the bond program that is not now quantifiable.
- While it may have the appearance of financial advantage to save \$300M in the General Fund by reallocating \$250M in bond funds to General Fund expenditures, this does not account for the time value of money and the cost of inflation. Because the savings occurs many years into the future, and the impact on the bond fund is more immediate, the overall impact is a loss. Further, the District's own analysis estimates that, in today's dollars (on a net present basis), across all funds, the overall impact is a loss of \$4.4M.

3. There Were Missed Opportunities to Reduce the Detrimental Impacts on the Bond Program.

- First, the District could have reprioritized and reallocated funds within the SUP in December 2023 to address the projects that were deemed critical by District leadership. While it would have required a Board action to do so, it is always an option for the District. At that time, there was \$3.5B remaining in unallocated funds across the 14 program categories comprising the SUP. While unallocated funds for projects may have been "identified" for certain purposes, priorities change and the District could have considered that approach. Instead, the District chose to develop a Capital Plan which included projects funded by COPs rather than reallocated bond funds for projects which were otherwise bond eligible.
- District staff contend that at that time a future bond measure was not planned with any certainty, so the COPs Capital Plan was the only reasonable option to address priority project needs. However, in 2023 the District had already successfully passed six local

⁵ The measure was placed on the ballot at a Special Meeting of the Board of Education on August 29, 2024.

bond measures totaling over \$27 billion. Given this, the District certainly could have foreseen the possibility of a future bond measure and planned accordingly.

- Further, the District could have included an early pay-off provision in the COPs where the COPs would be paid off immediately rather than in tranches over the next nine years. This possibility was also foreseeable. While the District reported receiving a “standard” early pay-off provision of 10 years, many school districts obtain an early pay-off provision, as early as 3 to 5 years, for precisely this purpose of paying off COPs early with bond funds. This would have provided significant savings for the bond program. As presented, this proposal would result in taxpayers paying interest and principal concurrently on both newly issued Measure US general obligation bonds sold to fund this defeasance as well as on the COPs, which are not callable until October 1, 2033.

District staff was asked at the February 27, 2025 BOC meeting if further COPs defeasance was being considered for other bond eligible, capital projects. If the District does consider further COPs defeasance, the BOC will likely have similar concerns. Moving forward, the BOC would appreciate the District adopt a more proactive approach in sharing information and seeking input from BOC members.

The BOC also notes that it is rare for this body to not recommend a project to the BOE. In fact, of the 149 BOC resolutions for project recommendation considered in the last three fiscal years, only five were not recommended (three percent); and none were due to a lack of quorum. This reflects both the District’s success in executing the bond program with careful consideration and planning, as well as the gravity of the BOC’s concerns with this action.

On behalf of the members of the BOC, we thank you for the opportunity to comment on this action. The BOC remains committed to supporting the District by ensuring it has the best facilities possible to foster student learning and success. Strengthening the collaborative process between the District and the BOC is essential to upholding the integrity of the bond program and guaranteeing that funds are allocated in the best interest of students and the community. This commitment is why BOC members volunteer their time and take their oversight responsibility seriously, advocating for the prudent use of every bond dollar.

Sincerely,

/D. Michael Hamner/

D. Michael Hamner, FAIA, Chair
American Institute of Architects

/Robert Campbell/

Robert Campbell, MBA, CIA, CFE, CRMA, Vice-Chair
LA County Auditor-Controller’s Office

cc: Members, Board of Education
Members, Bond Oversight Committee
Pedro Salcido, Dep. Supt., Business Servs & Ops
Jaime Torrens, Senior Advisor to the Superintendent
Carolyn Spaht, Supt. Chief of Staff
Christopher Mount, Chief Financial Officer
Nolberto Delgadillo, Dep. Chief Financial Officer
Sue Stengel, Inspector General

Devora Navera Reed, General Counsel
Timothy Rosnick, Dir. Capital Planning
Krisztina Tokes, Chief Facilities Executive
Christos Chrysiliou, Chief Eco-Sustainability Officer
Soheil Katal, Chief Information Officer
Daniel Kang, Director of Transportation