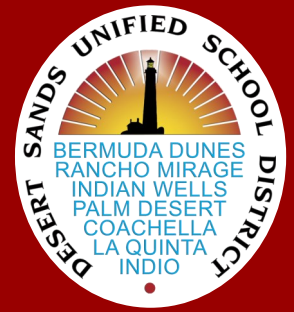


Citizens' Bond Oversight Committee 2016/17 Annual Report

Measure K and KK

Desert Sands Unified School District
December 2017



HERBERT HOOVER
ELEMENTARY SCHOOL

CITIZENS' BOND OVERSIGHT COMMITTEE

Dr. Bill Feddersen
Chair

Arnold Kaminsky
Vice-Chair

J. Spencer Baker

Kathleen Boylan

Rosanna Cardenas

Elaine Eldred

Laura Lassman-Poster

Sonja Martin

Alice Young

The Desert Sands Unified School District's Citizens' Bond Oversight Committee is pleased to present its second Annual Report for Measure K and KK, as required by Proposition 39. We are a nine-member independent citizens committee established by the District Board of Education to ensure that bond funds are spent as originally promised and specified in the November 2014 election. Our committee is regularly updated on the progress of Measure K and KK projects, and schedules periodic tours of renovation and construction sites to see the progress first hand.

Measure K, a \$450 million bond, was approved in 2001 by almost 81% of school district voters. The funding was used to complete needed new construction and modernization projects that were a part of the district's Facilities Master Plan. These improvements will be completed later this year with the last of the Indio High School reconstruction project. The revitalization of Indio High School has received much attention in the local media as a shining example of a 21st century high school.

The \$225 million Measure KK was approved by almost 70% of the voters in November 2014. Funds are being used to build a new elementary school, modernize La Quinta Middle School and Herbert Hoover Elementary School, along with additional security and technological improvements to many DSUSD schools.

The Bond Oversight Committee is committed to full transparency regarding all Measure K and KK projects. This annual report is a summary of the work accomplished this past year. If you have any questions or concerns about any bond projects, please feel free to contact committee members or call the Desert Sands Unified School District at 760-771-8520. Additional information, including meeting dates, agendas, and minutes of meetings, are posted on the committee's website: www.dsusd.us/coc. All of our meetings are open to the public.

Dr. Bill Feddersen, Chair
Citizens' Bond Oversight Committee





INDIO HIGH SCHOOL

Project Construction Schedule: 2011 – 2018

Funding Source: Measure K*

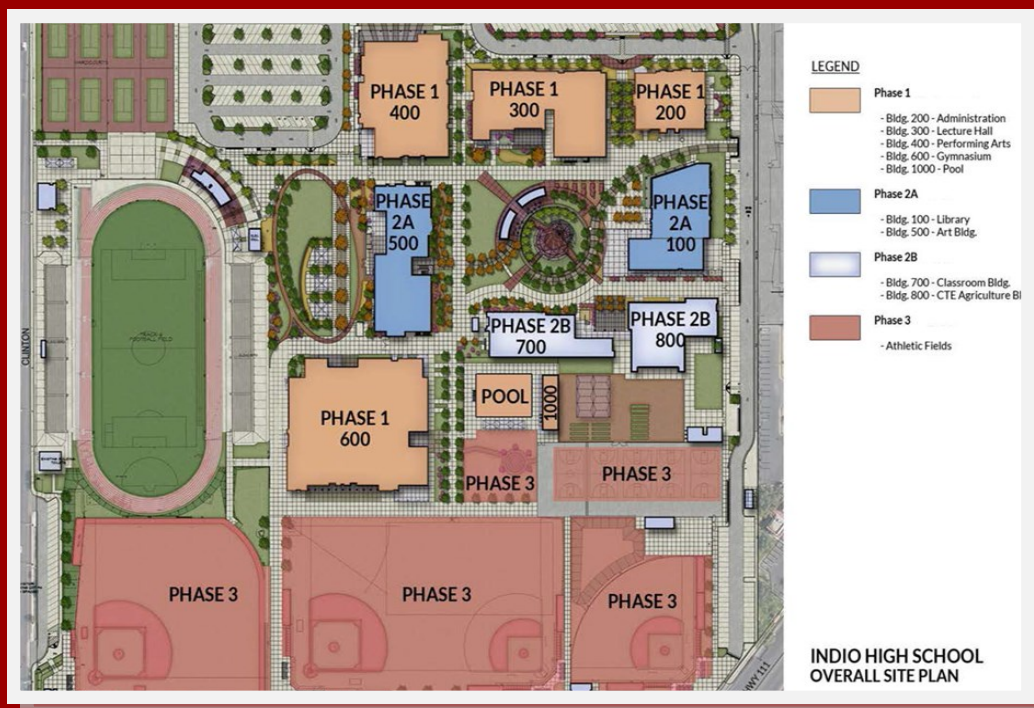
**This is the last project to be completed using Measure K funds.*

Budget: \$160 million

Project Narrative:

Indio High School reconstruction project is a multi-phased project which consists of 300,000 square feet including eight new buildings, new pool facilities, and new baseball and softball fields.

The project is in the third and final phase of the reconstruction project at this school. All the educational and support facilities are complete. Phase 3 consists of the reconstruction of the baseball and softball fields and is scheduled to be completed in early 2018.





NEW ELEMENTARY SCHOOL #7

Avenue 42 and Gore Street, Indio

Project Construction Schedule: 2017 – 2018

Funding Source: Measure KK

Budget: \$30.2 million

Project Narrative:

The new elementary school in Indio, CA will consist of over 56,000 square feet and will include a multi-purpose building, library, kitchen, administration offices, and three unique instructional buildings that will house up to 600 students. Construction of this new elementary school is moving along as planned. The project started in April 2017 with the rough grading and site work. The concrete foundations were poured over the summer and the structural steel and rough carpentry work for the classrooms and support buildings are coming together and the school is really starting to take shape. The new elementary school will be open for the 2018-19 school year.





HERBERT HOOVER ELEMENTARY SCHOOL

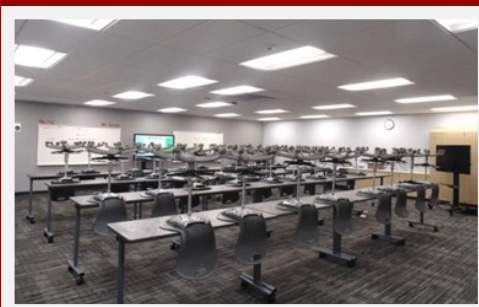
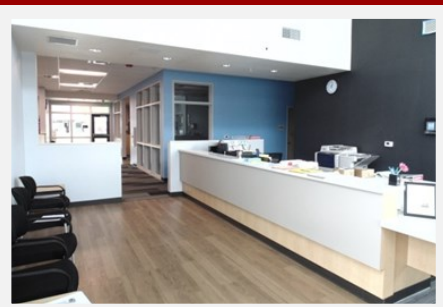
Project Construction Schedule: 2016 – 2018

Funding Source: Measure KK

Budget: \$19 million

Project Narrative:

The Herbert Hoover Elementary School modernization project is being completed in phases and while school is in session. The modernization work that was completed in time for the 2017-18 school year included upgrades to classroom technology in the existing buildings, a new multi-purpose building, and administration and classroom buildings, along with a new parking lot that created a new main entrance to the campus. The project has one more phase that is under construction and includes the conversion of the existing multi-purpose building into the library, and the conversion of the existing administration office into kindergarten and support space for the school. The last phase of construction will be completed in the spring of 2018.



LA QUINTA MIDDLE SCHOOL

Project Construction Schedule: 2017 – 2018

Funding Source: Measure KK

Budget: \$20.7 million

Project Narrative:

The project includes modernization of existing spaces and the addition of a new science classroom building. This modernization project is being completed in phases and will be completed while school activities are in session. The first two phases of the project, including the renovation of the existing administration building, two classroom buildings, and the renovation of the kitchen building, were completed this past summer. The third phase of the project, including the construction of a new science classroom building and the renovation of a classroom wing, will be completed in the spring of 2018. The final phase of the project, including the library building and the conversion of the existing science classrooms into an engineering lab and art rooms, will be completed in summer of 2018.



ENERGY EFFICIENCY

Project Construction Schedule: 2018 – 2019

Funding Source: Measure KK

Budget: \$1.1 million

Project Narrative:

Energy efficiency projects are in the planning stage at various school sites throughout the district. These projects may take into consideration current water usage restrictions, and improve maintainability throughout our campuses. The improvements may include the conversion of existing planters to turf, conversion of grass areas with high water consumption to planters with drought resistant plants and materials, and the conversion of existing planters in high traffic areas to concrete or decomposed granite with the goal of water conservation.



ROOSEVELT SEISMIC REPAIRS

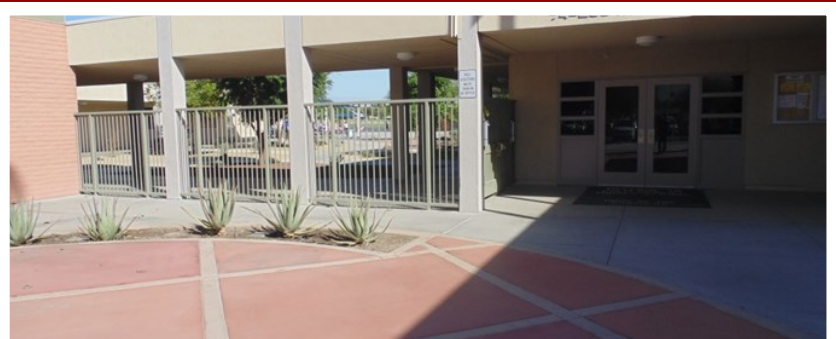
Project Construction Schedule: 2018 – 2019

Funding Source: Measure KK

Budget: \$2.5 million

Project Narrative:

The Theodore Roosevelt Elementary School seismic repair project will include seismic upgrades. The project is in the preliminary phases of design and coordination with the Division of the State Architect.



SAFETY AND SECURITY

Project Construction Schedule: 2016 – 2018

Funding Source: Measure KK

Budget: \$2.2 million

Project Narrative:

The safety and security projects will take place at various school sites throughout the District. The work may include the installation of fencing to create a single point of entry onto a campus, security cameras, pathway lighting, and other systems to improve safety and security at school sites.



INDEPENDENT FINANCIAL AND PERFORMANCE AUDITS


In compliance with the requirements of Proposition 39, DSUSD 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, 2017 is located on the Citizens' Oversight Committee website at <http://www.dsusd.us/COC>.

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

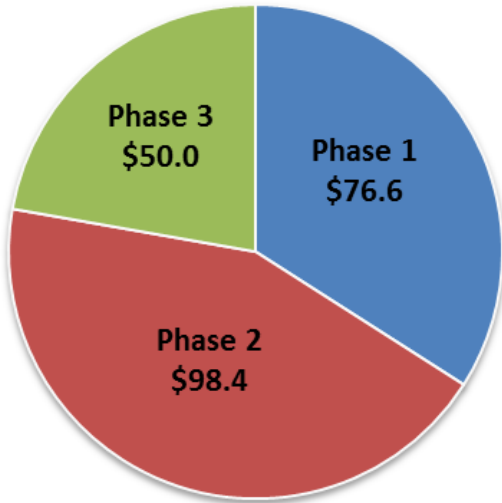
Financial Audit: "...the financial statements referred to previously present fairly, in all material respects, the financial position of the Building Fund (Measure KK) of the Desert Sands Unified School District at June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America."

Performance Audit: "The results of our tests indicated that, in all significant respects, the Desert Sands Unified School District has properly accounted for the expenditures held in the Building Fund (Measure KK) and that such expenditures were made for authorized Bond projects."

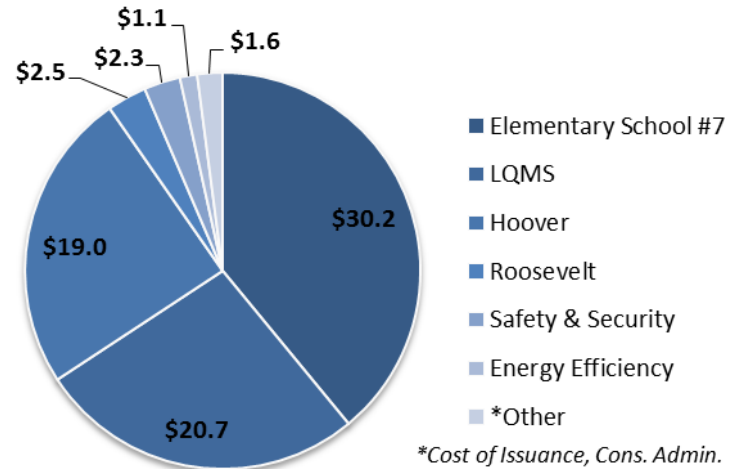
The Committee has reviewed the reports and has determined the District to be in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution. Specifically, the District has:

- a) Met the requirement that the sale of the bonds be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities.
 - b) Provided a list of the specific school facilities projects to be funded and certification that the school district board has evaluated safety, class size reduction, and information technology needs in developing that list.
 - c) Met the requirement that the school district board conduct an annual, independent performance audit to ensure that the funds have been expended only on the specific projects listed.
 - d) Met the requirement that the school district board conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the school facilities projects.
- 

Measure KK - \$225 M



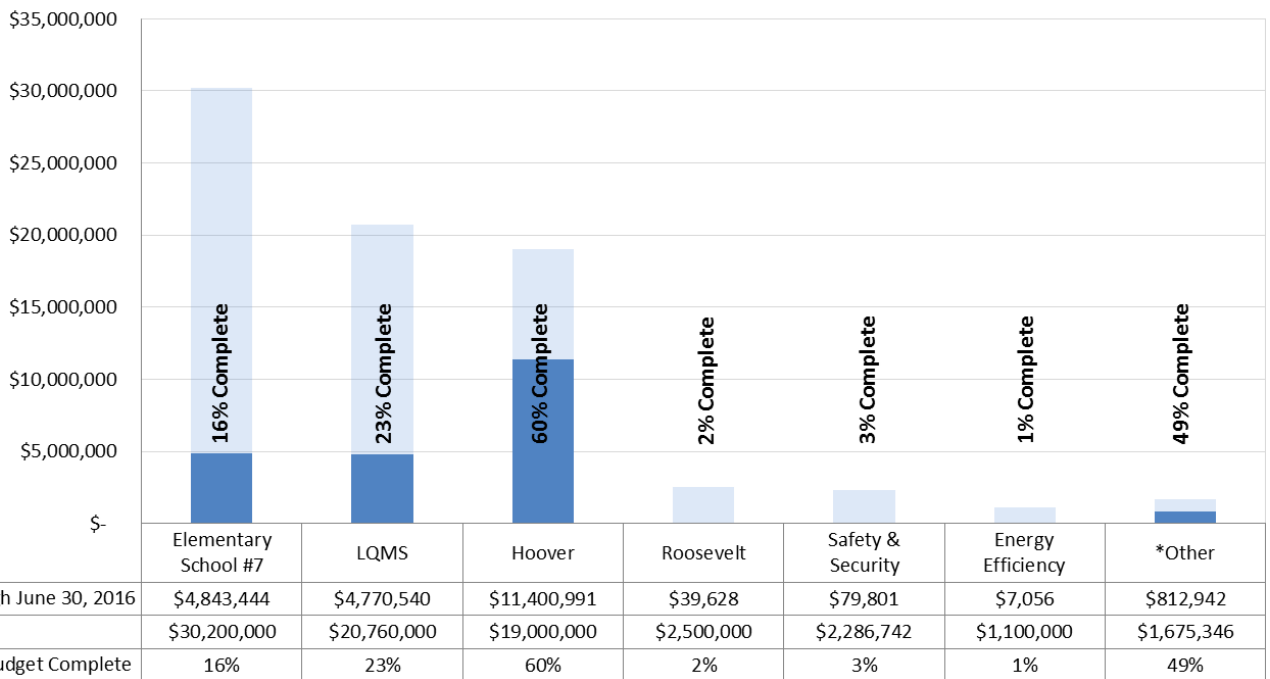
Phase 1 - \$76.6 M 2015-2018



NOTE: Projects total \$77.4 million, which includes \$0.8 million interest earned

*Cost of Issuance, Cons. Admin.

Phase 1 Projects 2015-2018 Percent of Budget Complete by Project

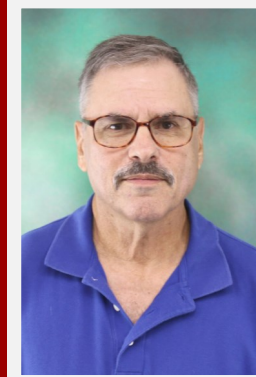


*Cost of Issuance, Cons. Admin.

Citizens' Bond Oversight Committee Members



Alice Young



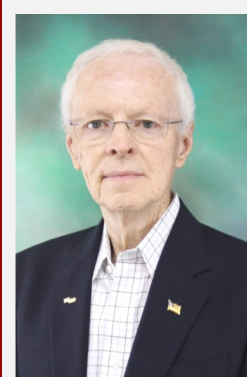
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Dr. Bill Feddersen



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J. Spencer Baker



Laura Lassman-Poster

Not Pictured: Rosanna Cardenas

Desert Sands Unified School District

Board of Education

Michael Duran
Donald B. Griffith
Wendy Jonathan
Linda Porras
Gary Tomak

District Administration

Scott L. Bailey, Superintendent
James Novak, Ed.D, Asst. Supt. Bus. Services
Patrick Cisneros, Director, Facilities Services
Facilities Services Department Staff