



**Proposition AA Independent Citizens Oversight  
Committee 2021 Annual Report**

**March 15, 2022**

**San Dieguito Union High School**

**District 710 Encinitas Blvd.  
Encinitas, California 92024**

**(760) 753-6491**

**<http://www.sduhsd.net>**



**La Costa Canyon H.S. / Culinary Arts**



**Oak Crest M.S. / Buildings C&I Modernization**

Dear Community Members,

The Independent Citizens Oversight Committee (ICOC) of the San Dieguito Union High School District (District) is pleased to present our eighth annual report. The 2021 Annual report covers activity for the period ending December 31, 2021.

Building on the commitment from the voters in 2012, the District has issued \$449,000,000<sup>1</sup> in general obligation bonds and has expended or contracted \$366,769,218<sup>2</sup> on projects through December 31, 2021.

The ICOC wishes to thank the District staff and the project management team for their support, their detailed updates and transparency of information, not only to the Committee, but also to the public.

We welcome your questions and comments. You will find ICOC members' e-mail addresses within this report.

For more information about Proposition AA and the ICOC, please visit:

[www.sduhsd.net/PropAA](http://www.sduhsd.net/PropAA)

[www.sduhsd.net/ICOC](http://www.sduhsd.net/ICOC)

Sincerely,

*Robin Duveen*

President,

San Dieguito Union High School District Independent Citizens Oversight Committee



**Sunset H.S. Campus**

<sup>1</sup> Bond Series issued: Series A, issued 2013 for \$160,000,000; Series B, issued 2015 for \$117,040,000; Series C, issued 2016 for \$62,000,000; Series D, issued 2018 for \$25,000,000; and Series E, issued 2021 for \$84,960,000 - for a total of \$449,000,000.

<sup>2</sup> This dollar amount represents funds expended to date on completed projects, on projects currently under construction (partial), and projects that are currently in the planning phases (partial).

## **INTRODUCTION**

Proposition AA is a \$449 million bond initiative approved by over 55% of District voters in November 2012. The Abbreviation section of the Proposition AA Bond Measure stated that Proposition AA is to "provide safe, modern schools and prepare students for success in college and careers by repairing and upgrading outdated classrooms and schools, construction and upgrading school facilities, including classrooms, science labs, and libraries, improving safety and security, and supporting career training and math, science, and technology instruction with 21st Century instructional technology and facilities." See "Full Text of Measure" in **Exhibit A**.

Proposition AA was passed under the rules of California Proposition 39 (passed in November 2000). California Assembly Bill 1908 (executed July 2000) required school Districts that passed Proposition 39 bonds to appoint an Independent Citizens Oversight Committee (ICOC) "to assure that funds are spent only on school and classroom improvements and for no other purposes." The purpose of the ICOC is "to inform the public concerning the expenditure of bond revenues."

For additional information about the ICOC and Proposition AA projects, visit the ICOC page at [www.sduhsd.net/ICOC](http://www.sduhsd.net/ICOC) and the Proposition AA page at [www.sduhsd.net/PropAA](http://www.sduhsd.net/PropAA).

The projects mentioned in this annual report, including the Performance Audit, Project Status, Master Plans, and ICOC actions, can be located at the ICOC page on the District's website.



**Torrey Pines H.S. / Building I**



**Sunset H.S. / Culinary Arts**

## **INDEPENDENT CITIZENS OVERSIGHT COMMITTEE (ICOC)**

Members of the ICOC are listed below:

<b>Name</b>	<b>Affiliation</b>	<b>Email Address</b>
Gary Aguirre	Parent of Enrolled Student	<a href="mailto:gary.aguirre@sduhsd.net">gary.aguirre@sduhsd.net</a>
Diane Chau	At-Large Member	<a href="mailto:diane.chau@sduhsd.net">diane.chau@sduhsd.net</a>
Kevin DeHaan	At-Large Member	<a href="mailto:kevin.dehaan@sduhsd.net">kevin.dehaan@sduhsd.net</a>
Robin Duveen, President	Taxpayer Association Member	<a href="mailto:robin.duveen@sduhsd.net">robin.duveen@sduhsd.net</a>
Amy Flicker	Parent Active in Teacher-Parent Organization	<a href="mailto:amy.flicker@sduhsd.net">amy.flicker@sduhsd.net</a>
Lakshmi Kommi, Representative	At-Large Member	<a href="mailto:lakshmi.kommi@sduhsd.net">lakshmi.kommi@sduhsd.net</a>
Lane Macy-Kiefaber, Secretary	Business Organization Member	<a href="mailto:lane.kiefaber@sduhsd.net">lane.kiefaber@sduhsd.net</a>
Lucienne McCauley	Senior Organization Member	<a href="mailto:Lucienne.c.mccauley@sduhsd.net">Lucienne.c.mccauley@sduhsd.net</a>

To fulfill its duty, ICOC members will:

- Understand the District's priority setting process for Proposition AA projects.
- Compare the initiative's language with the District's project plans to verify compliance with voter approved Proposition AA improvements.
- Maintain trust with District representatives and verify the appropriateness of District bond expenditures.
- Ensure that the District's information is transparent and open to the public.
- Review the annual independent performance and financial audit of Proposition AA funds.
- Remain current on all matters pertaining to the District's implementation of the Proposition AA projects.

## **ROLE OF THE ICOC**

The ICOC provides only after-the-fact review and monitoring of how the District spends bond funds. The ICOC does not have the authority to approve or determine how the bonds funds are spent, the rate of taxes collected, bond financing, or the contracting process (requirements definition, contract modeling and strategy, bid solicitation, contractor or consultant selection, contract negotiations, authorizing contract changes, etc.).

The ICOC is required to advise the public on the District's compliance with the requirements of Article 13A, Section 1(b)(3) of the California Constitution, including:

- Expenditure of bond funds only for the construction, reconstruction, rehabilitation, or replacement of school facilities;
- Prohibiting the expenditure of bond funds for any teacher or administrative salaries or other school operating expenses;
- Requiring annual independent performance audits to ensure that bond funds have been expended only on the specific projects listed; and
- Requiring annual independent financial audits of the proceeds from the sale of the bonds until all those proceeds have been expended for the school facilities projects.



**Oak Crest M.S. / Buildings C&I Modernization**



**Sunset H.S. / Classroom**



**La Costa Canyon H.S. / Culinary Arts**

## **INDEPENDENT PERFORMANCE AND FINANCIAL AUDIT**

California Senate Bill 1473 (SB 1473), signed September 22, 2010, requires that the financial and performance audits required by Article 13A, Section 1(b)(3)(c) of the California Constitution for bond funds approved under Proposition 39 be conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS), also known as the Yellow Book, issued by the Comptroller General of the United States.

The required independent performance audit and financial audit for Proposition AA for the period of July 1, 2019 - June 30, 2020 was prepared by Wilkinson Hadley King & Co. LLP (Independent Auditor) and reviewed by the ICOC Committee during the April 20, 2021 ICOC virtual meeting. The committee was able to review the audited financial statements beyond the March 31<sup>st</sup> deadline due to the SB 98 urgency bill enacted as a response to challenges presented by the Coronavirus 2019 (“Covid-19”) pandemic. In addition, the independent performance audit and financial audit for Proposition AA for the period July 1, 2020 – June 30, 2021 was prepared by Wilkinson Hadley King & Co. LLP (Independent Auditor) and reviewed on March 15, 2022 by the ICOC Committee. The District received an unmodified opinion by the auditors. An unmodified opinion implies that the auditor was satisfied with the financial statements audited. This means that the statements met the requirements demanded by the regulations and they were prepared in accordance with accounting principles, criteria and standards.

It should also be noted that the District received an excellent score in the San Diego Taxpayers Association’s 2021 Annual School Bond Transparency Report, in which all of San Diego County’s current school bond programs are evaluated on transparency and performance.

## **ICOC AUDIT REVIEW**

California Senate Bill 581 (SB 581), signed August 12, 2013, requires that an independent performance audit and financial audit for the preceding year be conducted and submitted to the ICOC no later than March 31 of each year for its review. SB 581 also requires that the District provide the ICOC with responses, within three (3) months, to any finding, recommendation, or concern addressed in the annual independent performance and financial audits.



**Sunset H.S. Campus**

## **PROPOSITION AA FINANCING**

To date, \$449,000,000 of financing has been secured by the District for Proposition AA.

• Series A (Issued in 2013)	\$160,000,000
• Series B (Issued in 2015)	\$117,040,000
• Series C (Issued in 2016)	\$ 62,000,000
• Series D (Issued in 2018)	\$ 25,000,000
• Series E (Issued in 2021)	<u>\$ 84,960,000</u>
BOND AMOUNT TOTAL:	\$449,000,000

With the final issuance complete, the District will not anticipate any future bond issuances for Prop AA.

## **PROPOSITION AA BASELINE BUDGETS**

Since its inception, the ICOC has been working with the District to adjust project status reports to reflect the budget baselines for each project based on the estimates that existed when the voters passed Proposition AA in 2012. The baseline budgets established for authorized Proposition AA, summarized by project sites, are summarized later in this report.

The original baseline budget for Proposition AA was \$449,000,000. The revised estimated budget through 2021 will be \$540,686,578.00. The estimated program completion costs are represented below:

• Proposition AA 2012 Baseline Budget	\$449,000,000.00
• Additional Project Funding (Non-Bond Funding)	\$ 36,924,280.00
• Estimated Interest Earned	\$ 6,249,153.00
• Additional Escalation	\$ 40,082,189.00
• Project Administration Costs	\$ 4,603,016.00
• Qualified School Construction Bond (QSCB)	<u>\$ 3,827,940.00</u>
TOTAL:	\$540,686,578.00

This results in an estimated total program shortfall of \$91,686,578.00.

The chart below demonstrates the forecasted added escalation, administration and QSCB costs for projects that have yet to be commenced. It is estimated by the District that the remaining projects to complete would cost \$85,231,406.00. However, with the estimated escalation (\$40,082,189.00), administration costs (\$4,603,016.00), and QSCB costs (\$3,827,940.00), an additional \$48,513,145.00 has been added to the 2011-2012 initial baseline year estimate, resulting in a revised projected cost to complete in the amount of \$133,744,551.00.

## **PROJECT ESCALATION COSTS – REMAINING PROJECTS**

Project List	Initial Year of Estimate (Baseline Year)	Estimated Cost of Remaining Projects	Projected Year of Construction	Added Escalation	Revised Estimated Cost
<b>Canyon Crest Academy</b>					
New Black Box Theater, Convert Existing Black Box Theater to Engineering/Robotics, and Modernization of Media Center (Balance of)	2011/2012	\$ 3,263,674.00	2025/2026	\$ 1,808,831.58	\$ 5,072,505.58
<b>Carmel Valley MS</b>					
New Student Entry at Gym/Food Service Area	2011/2012	\$ 200,846.00	2022/2023	\$ 83,168.07	\$ 284,014.07
Student Quad Reconfiguration	2011/2012	\$ 1,117,428.00	2023/2024	\$ 513,278.93	\$ 1,630,706.93
<b>Diegueno MS</b>					
Modernization of History (D) Building, Math (C), and English (K)	2011/2012	\$ 5,658,768.00	2022/2023	\$ 2,343,232.22	\$ 8,002,000.22
Modernization of Science (F) Buildings, Cougar Hall, and Modernization of Music Classroom	2011/2012	\$ 1,973,413.00	2023/2024	\$ 906,466.74	\$ 2,879,879.74
Modernization of Administration Building, Parking Lot, Locker Room Building and Lunch Shelter	2011/2012	\$ 3,721,305.00	2024/2025	\$ 1,883,123.48	\$ 5,604,428.48
<b>La Costa Canyon HS</b>					
New Weight Room Building, Athletic Improvements (Field House)	2011/2012	\$ 6,619,319.00	2023/2024	\$ 3,040,515.34	\$ 9,659,834.34
New 2 Story Classroom Building, and Science Building (700's)	2011/2012	\$ 9,230,625.00	2024/2025	\$ 4,671,051.33	\$ 13,901,676.33
Modernization of Administration Building, New M&O Building	2011/2012	\$ 877,500.00	2025/2026	\$ 486,338.32	\$ 1,363,838.32
<b>La Costa Valley-San Dieguito Sports Complex</b>					
New Hardcourts, including electrical and communication improvements	2011/2012	\$ 3,059,750.00	2024/2025	\$ 1,548,351.20	\$ 4,608,101.20
New Multi-Purpose Building (Balance of)	2011/2012	\$ 3,150,981.65	2025/2026	\$ 1,746,373.91	\$ 4,897,355.56
<b>Oak Crest MS</b>					
New Multi-Purpose Building - Athletics	2011/2012	\$ 3,654,880.00	2025/2026	\$ 2,025,650.35	\$ 5,680,530.35
<b>San Dieguito HS Academy</b>					
Parking Lot Restoration, and Multi-Purpose Hardcourt	2011/2012	\$ 1,173,907.00	2022/2023	\$ 486,101.69	\$ 1,660,008.69
Modernization A&B Buildings	2011/2012	\$ 1,165,117.00	2023/2024	\$ 535,184.38	\$ 1,700,301.38
Modernization of Industrial Arts Building	2011/2012	\$ 1,502,145.00	2024/2025	\$ 689,994.68	\$ 2,192,139.68
Modernization of Mosaic Café	2011/2012	\$ 1,675,980.00	2024/2025	\$ 769,843.98	\$ 2,445,823.98
Baseball Fields (New Bullpen, Batting Cages & Concessions)	2011/2012	\$ 1,986,309.00	2024/2025	\$ 912,390.38	\$ 2,898,699.38
Gym Renovation, Locker & Team Rooms, Dance, Wrestling, Weight Room & Outdoor Basketball Courts	2011/2012	\$ 8,776,688.00	2024/2025	\$ 4,031,480.36	\$ 12,808,168.36
<b>Torrey Pines HS</b>					
New Art Classroom Building, New Campus Green and Parking Lot	2011/2012	\$ 11,513,346.00	2022/2023	\$ 4,767,547.17	\$ 16,280,893.17
Modernization of Gym	2011/2012	\$ 7,897,500.00	2023/2024	\$ 3,627,634.49	\$ 11,525,134.49
New Field House (Balance of)	2011/2012	\$ 5,312,429.00	2023/2024	\$ 2,440,209.01	\$ 7,752,638.01
Modernization of Administration Building	2011/2012	\$ 1,381,050.00	2025/2026	\$ 765,421.69	\$ 2,146,471.69
<b>Administration</b>	2020/2021	\$ 318,446.16	2025/2026	\$ 4,603,016.00	\$ 4,921,462.16
<b>QSCB</b>	2020/2021	\$ -	2025/2026	\$ 3,827,940.40	\$ 3,827,940.40
<b>Totals</b>		\$ 85,231,406.81		\$ 48,513,145.71	\$ 133,744,552.52



With state legislative constraints, factors beyond the control of the District and economic effects of inflation due to the lengthening of the bond program from six (6) to thirteen (13) years, the remaining projects as originally identified in 2012 may not occur as originally timed, conceived or completed under Prop AA. However, since 2013, the District continued to seek additional funding sources and partnerships to offset future escalation in the amount of \$36,924,280 as of December 13, 2021. It is the ICOC's understanding that as of August 19, 2021, the District's Board of Trustees agreed to no longer add any future funds toward the bond program, even those made possible by Prop AA.



**Oak Crest M.S. / Buildings. C & I Modernization**



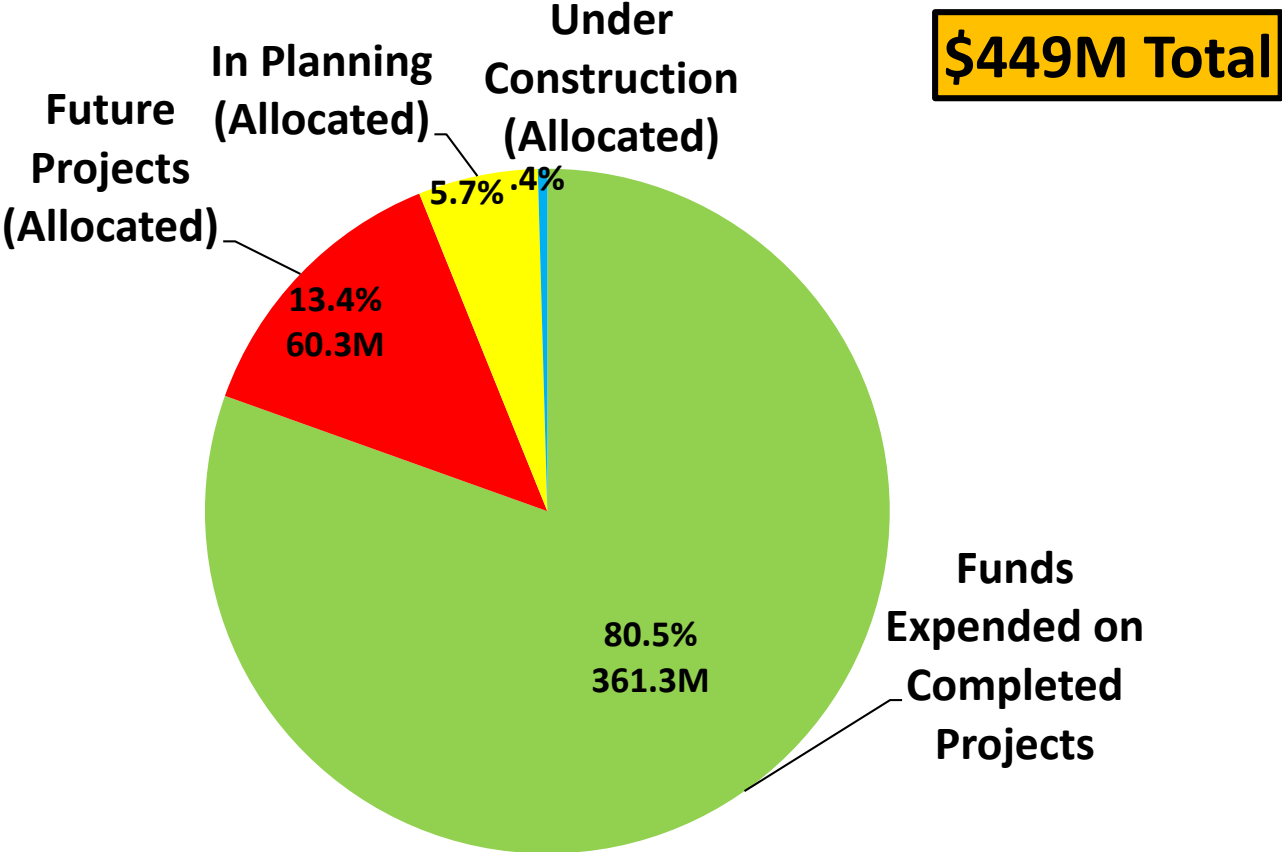
**La Costa Canyon H.S. / Culinary Arts**



**Oak Crest M.S. / Classroom Modernization**

**PROJECT FUNDING STATUS**




Prop AA planned for \$449 million of capital improvements within the District. Of those funds, the District has completed 51 of 74 projects and spent \$361.3 million through 2021 to complete highest priority projects. In addition, \$2.0 million is committed to projects currently under construction with \$25.4 million being committed to projects in the design and planning phases. There remains \$60.3 million of the original funds to be allocated. The chart below demonstrates the current overall project status<sup>3</sup>.








<sup>3</sup> These totals also include administrative costs, principal payments on the Qualified School Construction Bond (QSCB), and a portion of the technology improvements not necessarily captured on the following project site plans.




	<p><b>Completed - \$30M</b></p> <ul style="list-style-type: none"> <li>• Building B Landscape &amp; Pathway Enhancements</li> <li>• New Building B Classrooms</li> <li>• Stadium Improvements</li> <li>• Track and Field Improvements, and Rough Grade</li> <li>• Technology Infrastructure</li> <li>• Media Center Upgrades – Phase 1</li> </ul> <p><b>Under Construction - \$0.5M</b></p> <ul style="list-style-type: none"> <li>• AV Technology Improvements</li> </ul> <p><b>To Do - \$3.3M</b></p> <ul style="list-style-type: none"> <li>• 2025</li> <li>• New Black Box Theater, Convert Existing Black Box Theater to Engineering/Robotics, and Modernization of Media Center (Balance of)</li> </ul>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>Canyon Crest Academy</b></p>
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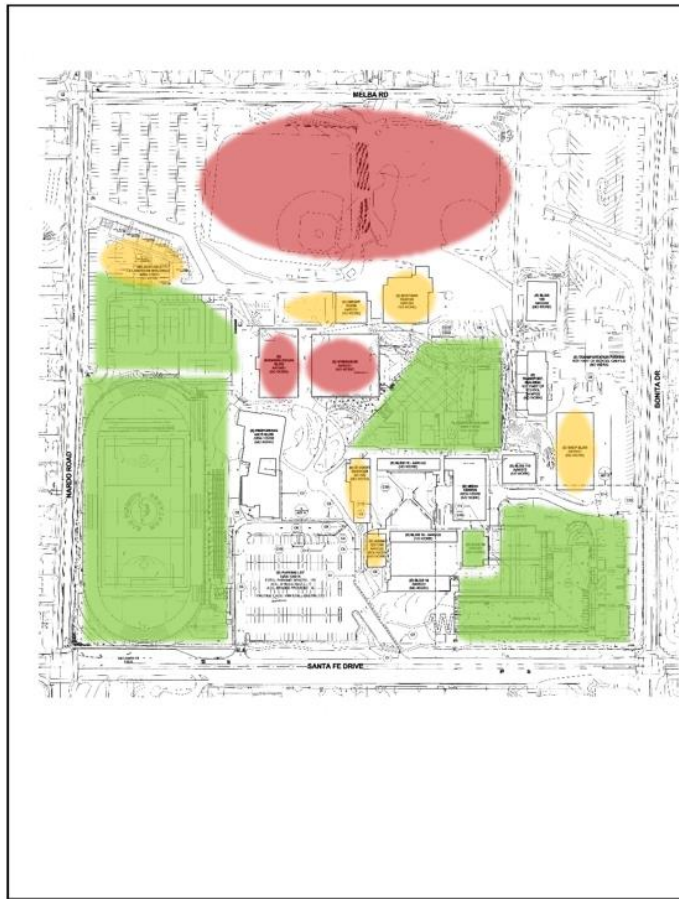
	<p><b>Completed - \$2.6M</b></p> <ul style="list-style-type: none"> <li>• Drama &amp; Music Classrooms</li> <li>• Technology Upgrade</li> <li>• Media Center Upgrade</li> </ul> <p><b>In Planning - \$0.4M</b></p> <ul style="list-style-type: none"> <li>• AV Technology Improvements</li> </ul> <p><b>To Do - \$1.3M</b></p> <ul style="list-style-type: none"> <li>• 2023</li> <li>• New Student Entry at Gym/Food Service Area</li> <li>• 2024</li> <li>• Student Quad Reconfiguration</li> </ul>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>Carmel Valley Middle School</b></p>
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	<p><b>Completed - \$14.7M</b></p> <ul style="list-style-type: none"> <li>• Buildings B &amp; G Modernization – Phase 1</li> <li>• Admin and Building B Front Entry Improvements</li> <li>• Media Center Modernization</li> <li>• Technology Infrastructure</li> <li>• New Building P – Phase 2</li> </ul>	<p style="text-align: center;"><b>Diegueno Middle School</b></p>  
	<p><b>In Planning - \$7.9M</b></p> <ul style="list-style-type: none"> <li>• 2022</li> <li>• Modernization of History (D), Math (C), and English (K) Buildings</li> <li>• 2023</li> <li>• Modernization of Science (F) Buildings, Cougar Hall, and Modernization of Music Classroom</li> </ul>	
	<p><b>To Do - \$3.7M</b></p> <ul style="list-style-type: none"> <li>• 2024</li> <li>• Modernization of Administration Building, Parking Lot, Locker Room Building and Lunch Shelter</li> </ul>	

	<p><b>Completed - \$11.8M</b></p> <ul style="list-style-type: none"> <li>• Modernization of Culinary Arts Classroom (Building 200)</li> <li>• 200 Building Courtyard Renovation</li> <li>• Media Center Landscaping</li> <li>• Gym, Performing Arts Center, 200 Building HVAC Improvements – Phase 2</li> <li>• Media Center and Building 800 Modernization</li> <li>• Technology Upgrades</li> <li>• Classroom HVAC Improvements – Phase 1</li> </ul>	<p style="text-align: center;"><b>La Costa Canyon High School</b></p>  
	<p><b>To Do - \$16.7M</b></p> <ul style="list-style-type: none"> <li>• 2023</li> <li>• New Weight Room Building and Athletic Improvements (Field House)</li> <li>• 2024</li> <li>• New 2 Story Classroom and Science Buildings (700's)</li> <li>• 2025</li> <li>• Modernization of Administration Building, New Maintenance &amp; Operations (M&amp;O) Building</li> </ul>	

	<p><b>Completed - \$10.7M</b></p> <ul style="list-style-type: none"> <li>• Fields and Parking Lot Replacement</li> </ul>	<p><b>San Dieguito Sports Complex</b></p>  <p><b>San Dieguito Sports Complex</b></p>
	<p><b>Under Construction - \$55K</b></p> <ul style="list-style-type: none"> <li>• Driveway Gate Automation</li> </ul>	
	<p><b>To Do - \$6.2M</b></p> <ul style="list-style-type: none"> <li>• 2025</li> <li>• New Hardcourts, including Electrical and Communication Improvements</li> <li>• 2025</li> <li>• New Multi-Purpose Building (Balance of)</li> </ul>	

	<p><b>Completed - \$22.7M</b></p> <ul style="list-style-type: none"> <li>• Interim Housing</li> <li>• Technology Infrastructure</li> <li>• Landscape and Balour Street Improvements</li> <li>• Learning Commons Remodel – Phase 1</li> <li>• Field Access/Path of Travel</li> <li>• C-Smart and Art Classrooms Modernization</li> <li>• New Science Classroom Building/Quad</li> <li>• Administration Building Reconstruction and Courtyard Improvements</li> </ul>	<p><b>Oak Crest Middle School</b></p>  
	<p><b>In Planning - \$32K</b></p> <ul style="list-style-type: none"> <li>• Modernization of Crest Hall, and Balance of Fire Road</li> </ul>	
	<p><b>Under Construction - \$0.6M</b></p> <ul style="list-style-type: none"> <li>• Modernization of C (Balance of) and I Buildings</li> <li>• AV Technology Improvements</li> </ul>	
	<p><b>To Do - \$3.7M</b></p> <ul style="list-style-type: none"> <li>• 2025</li> <li>• Multipurpose Building. - Athletics</li> </ul>	



**Completed - \$58.5M**

- Building 40 East Modernization - Culinary Arts Classroom
- New Math & Science Building
- Technology Infrastructure
- Tennis Courts & Interim Housing
- Stadium Press Box, Bleachers and Restroom Building
- Track and Field Improvements
- Arts and Humanities Building, and shade structure

**In Planning - \$5.5M**

- Parking Lot Restoration, and Multi-Purpose Hardcourt
- Modernization of A&B Buildings
- Modernization of Industrial Arts Building
- Modernization of Mosaic Café

**To Do - \$10.8M**

- 2024
  - Baseball Fields (New Bullpen, Batting Cages & Concessions)
  - Gym Renovation, Locker & Team Rooms, Dance, Wrestling, Weight Room & Outdoor Basketball Courts

**San Diegoito High School Academy**



**Completed - \$52.7M**

- New Performing Arts Center
- Innovation Building Modernization - Culinary Arts
- Building B Modernization, Student Center Modernization and Front Entry
- Technology Infrastructure
- New Building J Chemistry Classrooms
- Stadium Lighting Improvements
- New Weight Room Building
- Building E HVAC Improvements
- Stadium Field Replacement

**In Planning - \$11.5M**

- New Art Classroom Building, New Campus Green and Parking Lot (Planning)

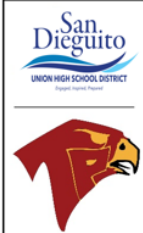
**Under Construction - \$0.9M**




- Modernization of Innovation Building, Food Service, Makerspace, CAD Lab & 1 Digital Arts Classroom


**To Do - \$14.6M**

- 2023
  - Modernization of Gym
- 2025
  - Modernization of Administration Building

**Torrey Pines High School**



	<p>Completed - \$52.8M</p> <ul style="list-style-type: none"> <li>• Campus Re-Construction Phase 1</li> <li>• Interim Housing</li> <li>• Data Center Upgrades</li> <li>• Campus Re-Construction Upgrades - Phase 2</li> </ul>	<p><b>Earl Warren Middle School</b></p>  
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	<p>Completed - \$64.4M</p> <ul style="list-style-type: none"> <li>• Main Campus Phase 1 and 2</li> <li>• 2<sup>nd</sup> Classroom Building (including Marquee and Stage Lighting at Gym Building)</li> </ul>	<p><b>Pacific Trails Middle School</b></p>  
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	<p>Completed - \$22.6M</p> <ul style="list-style-type: none"> <li>• Multimedia Upgrades</li> <li>• Campus Re-Construction</li> </ul>	<p><b>Sunset High School Adult Transition Program</b></p>
		 



## **BOND SERIES A – E DRAW BUDGET AND COMMITMENTS SUMMARY**

<b>Project Sites</b>	<b>Budget 12/29/20</b>	<b>Budget 12/31/21</b>	<b>Commitments 12/31/21</b>	<b>Delta 9/30/21</b>
Pacific Trails Middle School	\$ 64,494,338.64	\$ 64,494,338.64	\$ 64,494,338.64	\$ -
Carmel Valley Middle School	\$ 7,271,282.21	\$ 7,271,282.21	\$ 7,271,282.21	\$ -
Earl Warren Middle School	\$ 55,253,199.42	\$ 55,253,199.42	\$ 55,253,199.42	\$ -
La Costa Valley Site	\$ 10,675,747.04	\$ 13,735,497.04	\$ 10,730,697.04	\$ 3,004,800.00
Diegueno Middle School	\$ 14,552,921.75	\$ 23,264,807.13	\$ 14,765,723.79	\$ 8,499,083.34
Oak Crest Middle School	\$ 28,307,229.04	\$ 27,985,638.34	\$ 26,429,388.56	\$ 1,556,249.78
Canyon Crest Academy	\$ 31,434,157.87	\$ 31,434,157.87	\$ 31,075,614.59	\$ 358,543.28
Torrey Pines High School	\$ 67,342,994.88	\$ 82,503,931.40	\$ 70,443,955.13	\$ 12,059,976.27
San Dieguito High School Academy	\$ 58,528,048.16	\$ 62,433,497.63	\$ 57,967,971.17	\$ 4,465,526.46
La Costa Canyon High School	\$ 11,268,212.53	\$ 11,017,443.29	\$ 11,017,443.29	\$ -
Sunset High School	\$ 22,364,834.50	\$ 22,447,106.11	\$ 22,447,106.11	\$ -
District Wide Tech Infrastructure	\$ 11,511,231.88	\$ 11,511,231.88	\$ 10,734,272.79	\$ 776,959.09
QSCB - 14 yr. option	\$ 6,124,712.00	\$ 10,718,235.36	\$ 6,890,294.96	\$ 3,827,940.40
Administration	\$ 9,769,079.02	\$ 14,097,036.41	\$ 10,437,561.86	\$ 3,659,474.55
<b>Total Expense Budget</b>	<b>\$ 398,897,988.94</b>	<b>\$ 438,167,402.73</b>	<b>\$ 399,958,849.56</b>	<b>\$ 38,208,553.17</b>
<b>Project Funding</b>				
Prop AA Project Fund	\$ 361,437,755.50	\$ 446,369,040.28		
North City West Funding	\$ 5,586,098.00	\$ 5,586,098.00		
2016 CFD Bond Funding	\$ 9,594,456.91	\$ 9,594,456.91		
2018 CFD Bond Funding	\$ 12,386,129.57	\$ 12,226,950.72		
State School Building Fund	\$ -	\$ -		
County of San Diego/FOTL	\$ 449,348.73	\$ 449,348.73		
CVMS PTSA	\$ 20,722.00	\$ 20,722.00		
Building Fund 21-09	\$ 2,619,063.43	\$ 2,619,063.43		
Solana Beach School District	\$ 701,665.77	\$ 701,665.77		
Insurance Funds	\$ 761,218.52	\$ 579,246.80		
San Dieguito Academy Foundation	\$ 5,000.00	\$ 5,000.00		
Capital Facilities Fund 25-19	\$ 12,593.00	\$ 12,593.00		
Building Fund 40-00	\$ -	\$ 5,049,984.53		
Community Facilities District	\$ -	\$ 79,150.00		
Estimated Interest Earnings	\$ 6,214,513.13	\$ 6,249,153.00		
<b>Total Funding Budget</b>	<b>\$ 399,788,564.56</b>	<b>\$ 489,542,473.17</b>		
<b>Excess/(Shortage of) Funding</b>	<b>\$ 890,575.62</b>	<b>\$ 51,375,070.44</b>		
Updated December 31, 2021				

## **COMPLETED PROJECTS 2021**

Project	Delivery Method	Budget	Actual Expended	Estimated Savings*
La Costa Canyon High School Culinary Arts Modernization	CM-MP	\$ 2,574,022.39	\$ 1,397,253.15	\$ 1,176,769.24
La Costa Canyon High School Audio Visual Technology Improvements (WAP)	PWC	\$ 69,310.00	\$ 69,309.91	\$ 0.09
San Dieguito Academy Arts/Humanities Shade Structure Installation	Fullerton Piggyback Bid	\$ 97,501.00	\$ 82,090.57	\$ 15,410.43
Sunset High School Reconstruction	L/LB	\$ 22,447,106.11	\$ 22,447,106.11	\$ -
Sunset High School Technology Improvements (MultiPurpose Room)	PWC	\$ 2,043.00	\$ 2,042.85	\$ 0.15
Torrey Pines High School Technology Improvements (Culinary Arts)	CMAS	\$ 4,666.11	\$ 4,666.11	\$ -
<b>Total:</b>		<b>\$ 25,194,648.61</b>	<b>\$ 24,002,468.70</b>	<b>\$ 1,192,179.91</b>

\*Estimated Savings are projected savings due to closing out and finalizing contracts.

### LEGEND:

<b>DELIVERY METHOD:</b>
<b>CM-MP</b> - Construction Manager - Multi Prime
<b>PWC</b> - Public Works Contract filed with DIR for smaller projects not exceeding \$60,000
<b>Fullerton Piggyback Bid</b> - Use of an existing contract to acquire the same commodities or services at the same or lower price from another public entity contract
<b>L/LB</b> - Lease/Leaseback
<b>CMAS/PEPPM</b> - California Multiple Award Schedules/Pennsylvania Education Purchasing Program for Microcomputers

## **2021 AMENDMENTS AND CHANGE ORDERS TO CONSTRUCTION CONTRACTS**

Below are the 2021 amendments and change orders to construction contracts approved by the SDUHSD Board and included in the Board minutes.

Board Meeting	Site & Project	Contractor	Original Contract Amount	Current Amendments (Unforeseen Conditions) *	Current Change Order (Owner Directed) **	Revised Contract Amount
1/14/2021	La Costa Canyon High School Culinary Arts Modernization	Conan Construction, Inc.	\$1,092,000.00	\$ -	(\$47,715.89)	\$1,044,284.11
<b>Total</b>				\$ -	(\$47,715.89)	

\*Current Amendments (Unforeseen Conditions) Example: repairs to dry-rot at roof not discovered prior to bidding project.

\*\*Current Change Orders (Owner Directed) Example: More conduit required than in original plans at time of bid (Additive). Return project savings/unused allowances (Deductive).

## ONGOING PROJECTS AS OF DECEMBER 31, 2021

Project	Delivery Method	Bond Series	Start Date	Current Project Status	Budget
Canyon Crest Academy AV Technology Improvements	CMAS/PEPPM	A	4/1/2020	Under Construction	\$ 470,132.06
Carmel Valley Middle School AV Technology Improvements	CMAS/PEPPM	A	4/1/2020	Planning	\$ 435,000.00
Diegueno Middle School AV Technology Improvements	CMAS/PEPPM	A	4/1/2020	Planning	\$ 281,000.00
Diegueno Middle School Bldgs. C, D & K Modernization - Phase 1	L/LB	D/E	7/1/2022	In Design	\$ 7,632,181.00
Diegueno Middle School Bldgs. F, G & Cougar Hall Modernization Part 2	TBD	D/E	7/1/2023	In Design	
Oak Crest Middle School C & I Building Improvements (Design)	CM-MP	C/D/Mello Roos	5/1/2021	Under Construction	\$ 243,476.00
Oak Crest Middle School Crest Hall Improvements & Balance of Fire Rd.	TBD	C/D	TBD	Planning	\$ 31,524.00
Oak Crest Middle School A/V Technology Improvements	CMAS/PEPPM	A	4/1/2020	Under Construction	\$ 383,213.40
San Dieguito High School Academy - Parking Lot Restoration and Multi-Purpose Hardcourt	TBD	D/E	6/1/2022	City of Encinitas Plan Review	\$ 1,173,907.00
San Dieguito Academy Bldgs. A, B, & IV Modernization	TBD	D/E	TBD	In Design	\$ 2,667,262.00
San Dieguito Academy Mosaic Café/Kitchen Modernization	TBD	D/E	TBD	In Design	\$ 1,675,980.00
San Dieguito Sports Complex Gate Automation - Phase 1	PWC	D/E	12/1/2021	Under Construction	\$ 54,950.00
Torrey Pines High School - I Building, Food Service, Makerspace, CAD Lab & 1 Digital Arts Classroom (Design)	L/LB	C/D/Mello Roos	4/1/2021	Under Construction	\$ 283,963.00
Torrey Pines High School - New Arts Complex, One (1) Digital Arts Classroom, New Campus Green & Parking Lot	L/LB	D/E/Mello Roos	4/1/2022	DSA Plan Review	\$ 12,104,383.00

### LEGEND:

DELIVERY METHOD:	FUNDING SOURCE:
<u>CMAS/PEPPM</u> – California Multiple Awards Schedules/Pennsylvania Education Purchasing Program for Microcomputers <u>L/LB</u> - Lease/Leaseback <u>TBD</u> – To Be Determined <u>CM-MP</u> – Construction Manager - Multi Prime <u>PWC</u> – Public Works Contract Filed w/ DIR for smaller projects not exceeding \$60K	<u>Fund 40</u> – Capital Building Fund <u>Mello-Roos</u> – 2016 & 2018 Special Tax Revenue Bond (STRB) Capital Improvement

## **OVERVIEW OF 2021 PROJECTS BY SCHOOL**

Overall, project schedules were not significantly impacted due to Coronavirus 2019 (“Covid-19”) pandemic over the last year. Most of the projects were well into construction and the district was able to procure long lead materials to alleviate any delays. The following represents the status of the projects under ICOC oversight upon publication of this annual report.

For more information about each site’s projects, and to view photos from 2021, visit [here](#).

### **CANYON CREST ACADEMY**

- AV Technology Improvements – **Underway**

### **CARMEL VALLEY MIDDLE SCHOOL**

- AV Technology Improvements – **Planning**

### **DIEGUENO MIDDLE SCHOOL**

- AV Technology Improvements – **Planning**
- Buildings C, D & K Modernization (Part 1) – **In Design, Projected Start July 2022**
- Buildings F, G & Cougar Hall Modernization (Part 2) – **In Design**

### **LA COSTA CANYON HIGH SCHOOL**

- Culinary Arts Modernization – **Complete**
- A/V Technology Improvements - **Complete**

### **OAK CREST MIDDLE SCHOOL**

- Balance of C & I Building Modernization (Design) – **Punch List**
- Crest Hall Improvements & Balance of Fire Road – **Planning**
- A/V Technology Improvements – **Underway**

### **SAN DIEGUITO HIGH SCHOOL ACADEMY**

- Arts/Humanities Shade Structure Installation - **Complete**
- A, B, & IV Building Improvements – **In Design**
- Parking Lot Restoration and Outdoor Sports Courts – **City of Encinitas Plan Review**
- Mosaic Café/Kitchen Building Improvements – **In Design**

### **SUNSET HIGH SCHOOL**

- Campus Reconstruction – **Complete**
- Technology Improvements (Multipurpose Room) – **Complete**

### **TORREY PINES HIGH SCHOOL**

- Technology Improvements (Culinary Arts) – **Complete**
- I Building, Food Service, Makerspace, CAD Lab & One (1) Digital Arts Classroom Improvements – **Underway**
- New Arts Complex, One (1) Digital Arts Classroom, New Campus Green & Parking Lot – **DSA Plan Review**

## **ICOC ACTIVITIES IN 2021**

The ICOC reviews the progress of the Prop AA Bond Program in the planning and construction of projects in 2021, as well as timelines, budgets, change orders, and management processes as a standing practice at each meeting.

The first meeting of the year was held on **January 12, 2021**, virtually. Tina Douglas, Associate Superintendent, updated the committee on the current situation surrounding the postponement and rescheduling of Project Tours. John Addleman, Executive Director, Planning Services, reviewed current projects and discussed change orders. Mike Coy, Chief Facilities Officer, reviewed projects in planning for Audio/Visual Technology Improvements at Canyon Crest Academy, Carmel Valley and Diegueno Middle schools. Dan Young, Director of Planning, and Mr. Addleman discussed planned projects for 2021 and beyond that will be occurring at several school sites. Mr. Addleman discussed hopes to issue bond Series E in 2021, the allocation of dollars, and other funding sources that are being applied to the overall program.

On **March 16, 2021**, the ICOC met virtually for a special meeting. Tina Douglas updated committee members of the status of the annual audit report and progress of interviews for new ICOC members. The committee reviewed and approved the draft of the Prop AA Independent Citizens Oversight Committee's 2020 Annual Report.

The ICOC met virtually on **April 20, 2021**. Mr. Mike Myers, Senior Audit Manager with Wilkinson Hadley King & Co. LLP, reviewed the 2019/20 Prop AA Bond audit report pointing out that the District/ICOC received an unmodified opinion, which is the best opinion an auditor could provide. John Addleman and Mike Coy presented and discussed current projects. Mr. Addleman discussed change orders and savings of approximately \$48K on the La Costa Canyon Culinary Arts Modernization project. Savings on projects advance funds for upcoming bond projects or expedite other bond projects. Projects in planning for 2021 were discussed, and Mr. Addleman also provided a Project/Budget update and discussed the Series E Bond Draw. Committee members nominated and elected the following positions to serve April 2021 through April 2022. Mr. Robin Duveen was elected to serve as President of the Committee. Mr. Peter Chu was elected Representative, and Ms. Lane Kiefaber was elected Secretary of the Committee.

On **July 13, 2021**, the ICOC met at the Requeza Educational Center, Sunset High School/Coast Academy patio for a regular meeting. Ms. Tina Douglas shared updates regarding the search for a new superintendent and California Department of Public Health (CDPH) updates regarding school reopening and mask requirements in classrooms. John Addleman and Dan Young provided an overview of completed projects, projects on budget and projects in construction.

On **October 12, 2021**, the ICOC met virtually for a special meeting to approve the Resolution Authorizing Teleconference Meetings of the SDUHSD ICOC Committee pursuant to Assembly Bill 361. Future Special meetings are required to be held every thirty (30) days to approve this resolution. The committee then met for a regular meeting following adoption of the resolution. Tina Douglas reiterated the policy for AB 361 regarding teleconference meetings. The ICOC committee is required to re-adopt the policy every thirty (30) days in a special

meeting. The Prop AA tour was postponed until Spring 2022, once the selection of the new Superintendent has been approved by the SDUHSD Board. Mr. Coy presented completed projects and current projects. Mr. Young shared updated projects in planning at two (2) middle schools that both focused on technology improvements, modernization of buildings, and other upcoming projects. Mr. Addleman shared budget updates and nineteen (19) additional projects that are being consolidated for planning in Summer, 2023. Committee members nominated and elected Ms. Lakshmi Kommi as Representative of the Committee for the remaining term of six (6) months, due to the resignation of Mr. Peter Chu, who will be relocating to San Francisco.

On **November 9, 2021**, the ICOC met for a special meeting to approve the Resolution Authorizing Teleconference Meetings of the SDUHSD ICOC Committee pursuant to Assembly Bill 361.

On **December 7, 2021**, the ICOC met for a special meeting to approve the Resolution Authorizing Teleconference Meetings of the SDUHSD ICOC Committee pursuant to Assembly Bill 361.

## **EXHIBIT A**

### **PROPOSITION AA BALLOT MEASURE**

The San Dieguito Union High School District Proposition AA Ballot Measure follows and can also be viewed at [www.sduhsd.net/ICOC](http://www.sduhsd.net/ICOC).



## **EXHIBIT B**

### **2021 AUDIT REPORTS**

The San Dieguito Union High School District Proposition AA Building Fund General Obligation Bonds 2021 Audit Report has been reviewed by the ICOC Committee at the time of this report. The 2021 Audit Report, and any previous year's reports, may be viewed at [www.sduhsd.net/Prop AA Annual Audits](http://www.sduhsd.net/Prop AA Annual Audits).