

March 2022

Citizens' Bond Oversight Committee Fifth Annual Report to the Community



The Citizens' Bond Oversight Committee (CBOC) for the Measure H1 Facilities Bond Program is pleased to present its Fifth Annual Report to the Piedmont community. Thanks to voter approval of Measure H1 in 2016, the Piedmont Unified School District is improving school facilities to better support its educational programs. The CBOC reviews the expenditure of bond funds and ensures that expenditures were made for purposes authorized by voters. This Report covers the period from July 1, 2020 through June 30, 2021. Although outside that timeframe, some historical and current information is included here for completeness.

The CBOC consists of community members, legal, technical, and financial advisors, and parents of students enrolled in the District. The CBOC members are: Grier Graff, Chair; Julie Caskey; Kim Dao; Andrew Hempeck; Kyung-Hee Howard; Jonathan Levine; Richard Raushenbush; and Melissa Wilk. CBOC meetings are open to the public and all are welcome to attend and participate.

The Citizens Bond Oversight Committee

Table of Contents

History of the Measure H1 Bond Program	3
Financial Summary of the Measure H1 Bond Program	4
Measure H1 Program Timeline and Milestones	4
Measure H1 Budget Overview	5
The Contract with Overaa Construction: Two Buildings, One Project	7
Accomplishing Key Objectives	7
Progress Toward Energy Efficiency and Sustainability Goals	8
Added and Unforeseen Costs	9
Strategies to Address the Remaining Budget Shortfall	10
Memorandum of Understanding with Piedmont Education Foundation: Temporary Funding to Avoid Certain Deferrals	11
The Decision to Purchase Rather than Lease Solar Panels	11
Student-Led Fundraising to Purchase Some of the Deferred Solar Panels	12
Memorandum of Understanding with Piedmont Makers: Enhancement of the Engineering Lab	13
2020-21 Construction Progress Report	13
Fifth Annual Audit	15
Site Tours	15
Ongoing Review	15
Appendix A: Text of Measure H1	16
Appendix B: Financial Summary Through June 30, 2021	20
Appendix C: Piedmont Education Foundation Memorandum of Understanding	21
Appendix D: Students for Solar's February 2022 Report to the Community	26
Appendix E: Piedmont Makers Memorandum of Understanding	27
Appendix F: Review of Measure H1 Accounts Payable Process	32
Appendix G: Images	33

History of the Measure H1 Bond Program

During 2015-16, the Piedmont Unified School District assessed its facilities to determine whether they support changing educational programs and goals, and developed a plan to ensure that facilities enhance educational programs now and in the future. This “Facilities Master Plan” is intended to address current and future educational needs of students and ensure that facilities provide both the functionality and capacity to support educational excellence. (For more information about the development and content of the Facilities Master Plan, see <http://measureh1.org>.)

Among other findings, the Facilities Master Plan states that many of the middle and high school building systems have reached the end of their useful life and should be replaced. Also, educational needs have changed since the middle and high schools were constructed, and both additional and different kinds of facilities are needed. Since these school buildings were constructed, course offerings have become more varied and some courses require specialized classrooms and labs – particularly in the fields of science, technology and engineering. Course work now incorporates collaboration in small groups and presentations, but undersized classrooms and heavy, inflexible furnishings make it difficult to reconfigure classrooms to support these activities. Lab work requires safe and suitable space for group projects and project storage, and inadequate labs, in fact, constrain teaching and learning opportunities. Additional specialized facilities are needed to offer or expand courses in film, web design, theater arts (including set and lighting design), graphic arts, culinary arts, and sports medicine, among others. At the time, in 2015-16, completing the work identified in the Plan was estimated to cost roughly \$137 million.

To address the most pressing needs identified in the Facilities Master Plan, the District proposed Measure H1 to the Piedmont voters. On November 8, 2016, 74% of the voters approved the measure, authorizing \$66 million in school construction bonds. The complete text of the measure is set forth in Appendix A.

Financial Summary of the Measure H1 Bond Program

The District issues the H1 bonds as needed. Although high school construction did not start until 2019, bond funds were needed during 2016-17 and 2017-18 to pay for “soft costs” such as design, engineering, surveys, program/construction management, and improvements to the middle school. In addition to this cash demand, other factors that were considered in planning the initial bond sale included current interest rates, the potential for interest rates to rise in the near future, and capacity (which depends on the assessed value of real property in Piedmont).

The first sale of Measure H1 bonds was in April 2017 for \$26 million.

During 2016-17, the District expended \$685,285 (including \$143,896 in "reimbursement" to the General Fund for pre-bond expenditures during the 2015-16 fiscal year), leaving a balance of \$25,314,855 (including interest earnings) on June 30, 2017.

During 2017-18, the District expended \$3,683,170, leaving a balance of \$21,941,002 (including interest earnings) on June 30, 2018.

During 2018-19, the District expended \$5,564,663, leaving a balance of \$16,776,788 (including interest earnings) on June 30, 2019.

The second sale of Measure H1 bonds was in September 2019 for \$30 million.

During 2019-20, the District expended \$25,197,206, leaving a balance of \$22,253,820 (including interest earnings) on June 30, 2020.

The District sold the remaining \$10 million in bonds in February 2021.

During 2020-21, the District expended \$24,326,881, leaving a balance of \$8,337,235 (including interest earnings) on June 30, 2021. A financial summary is attached as Appendix B.

Bond funds are invested with the Alameda County Treasury, as required by the California Education Code, and must be expended within three years of the date of sale. Based in part on the projected growth in assessed real property values in Piedmont, the District expects the H1 bonds to be fully repaid around the year 2049.

Measure H1 Program Timeline and Milestones

2015-16	Development of PUSD Master Plan
2016	Voter approval of Measure H1
2017	
February	Selection of HKIT Architects
April	Town Hall Meetings, Community Input on Concept Designs for STEAM, new Alan Harvey Theater
May-September	Design Development, Input from Educators, Staff, Students
September-October	Presentation of Schematic Designs to the Community
October-December	Design Development

December	Selection of General Contractor, Begin Pre-construction Services
2018	
January-July	Development of Construction Documents, Conduct Constructability Analysis and Value Engineering
July	Submittal of STEAM Construction Documents to DSA
September	Submittal of Theater Construction Documents to DSA
2019	
February-March	DSA Approval, Negotiation with Overaa for General Contractor Services
March	Closure of Alan Harvey Theater, Salvage and Abatement
April	Demolition of Alan Harvey Theater
June	Construction of STEAM building begins
2020	
June	Demolition of the 10s Building, Construction of Performing Arts Center begins
Fall	Completion of STEAM building, Relocation of Classrooms
2022	
Winter	Completion of Performing Arts Center

Measure H1 Budget Overview

The original Measure H1 Bond Program budget of \$67.6 million included *hard construction costs* for a new Science, Technology, Engineering, Art, and Mathematics (STEAM) building and a new Performing Arts Center (PAC), as well as *soft* costs (including architectural and engineering fees, State fees, consultant fees, work “self-performed” by the District, and staff costs), money spent for other projects (see the “Accomplishing Key Objectives” list below), program costs, and contingency funds for added and unforeseen expenses.

The following table summarizes the original budget development for the STEAM and PAC buildings, starting with the figures provided by the District’s cost estimator, Cumming, and the District’s first general contractor, XL Construction. Discouraged by XL’s high price and lack of engagement in value engineering to reduce costs, the District entered into a contract with Overaa Construction instead.

	Cumming	XL Construction	Overaa Construction	Projected Actual*
STEAM	\$31.6 million	\$33.4 million	\$29,544,344	\$30,917,641
PAC	\$24.7 million	\$25.8 million	\$20,429,135	\$22,074,358

* These projected actuals are as of March 2022.

Throughout the subcontractor bidding process and continuing throughout planning and construction, the District and Overaa worked with subcontractors to consider alternative “means and methods” of construction to reduce costs without compromising educational programs or the student experience. Although the actual hard construction costs exceed the amount originally negotiated with Overaa, these costs remain far below both the cost estimates prepared by Cumming and the detailed pricing developed by XL Construction.

As part of the effort to reduce overall cost, the District carved out as much work as possible to be performed by District maintenance staff or District-direct subcontractors. This “District-direct” has had the twin benefits of saving money and keeping the projects on the very aggressive time schedule necessary to complete buildings in time for the start of the target school year -- both the STEAM and PAC projects were completed nearly on the original time schedule, despite the global pandemic.

For example, in the Summer of 2019, the District discovered that underground utilities (gas, domestic water, storm drain piping, sanitary sewer, fire alarm, fire/sprinkler, tel/data/communications/fiber, and electrical systems) for all high school buildings were deteriorating and needed replacement. This was a substantial expense that was not included in the bond program budget. Taking this on as District-direct work, the District (rather than Overaa) replaced these utilities. This work also involved: excavation of trenches all across the Magnolia Campus; backfill and compaction of the filled trenches to avoid settling; work with PG&E to install a new transformer; and work with the East Bay Municipal Utilities District to upsize the fire sprinkler system for the entire Magnolia Campus. This unforeseen work added both time and expense to the projects, but the District was able to contain the added costs and avoid delays by doing this work directly.

The Contract with Overaa Construction: Two Buildings, One Project

The STEAM and PAC buildings appear to be separate structures although their solar, mechanical and other systems are interconnected. For this reason, they are truly one project. It would have been logistically complicated and legally risky to have different contractors complete each building, because it would have been difficult to establish where one’s responsibilities — and warranties — end and another’s begins. For this reason, the two buildings were conceived and bid as one project to be completed by one general contractor.

The STEAM building was scheduled to begin one year ahead of the PAC building (in June of 2019 and June of 2020, respectively). The California Division of State Architect (DSA), the agency that oversees and regulates public school construction, approved the STEAM plans and permit before those of the PAC. Ideally, the District would have had DSA's final approval for both buildings before finalizing the contract price. Nonetheless, the District could not delay entering into the contract with Overaa beyond March 2019 because of the construction schedule — to complete the STEAM building for the start of the 2020-21 school year, it was necessary to start demolition of the old Alan Harvey Theater in the Spring of 2019. Other reasons to execute the contract then included the unusually large number of school bond programs in the region, leading to increased competition for and the dwindling number of qualified contractors available for public school construction.

For these reasons, the District and Overaa signed a contract and began construction with the understanding that the contract price would increase due to the expected DSA changes to the PAC. To account for DSA's post-contract changes and other added and unforeseen costs, the District reserved \$2.5 million in contingency funds for the STEAM and PAC construction.

Accomplishing Key Objectives

Since the passage of Measure H1, the District has completed the following:

- Construction of a new high school STEAM building for the study of Science, Technology, Engineering, Art, and Mathematics, including: 6 science labs; 4 computer science labs; 1 engineering lab with patio; 7 general classrooms; 2 art rooms with patios; and a new PHS main office.
- Installation of highly-efficient ventilation and climate control equipment in 26 existing classrooms (in addition to the 20 STEAM classrooms), to prevent classroom overheating and improve the learning environment, making it possible to retire steam radiators and a failing, highly inefficient boiler.
- Conversion of two offices in the PHS 30s building into a computer classroom with 34 workstations.
- Improvements to the learning environment at the middle school, including the reduction of sound transfer in classrooms and improved climate control, and renovation of special education facilities and restrooms.
- Installation of new safety and security features at the middle and high schools consistent with the District's *Safe Schools Plan*.

- Refurbishment of old science labs and other spaces in the PHS 20s and 30s buildings for use as general classrooms and offices.

In 2022, the District is on track to complete construction of a Performing Arts Center with a new Alan Harvey Theater, including a green room with dressing rooms, drama classroom, Visual and Performing Arts Department office, and conference room.

The new Alan Harvey Theater's total seating capacity is 486 with significant flexibility in how seating is configured. There are 446 fixed seats and space for 40 moveable seats that may be used for an orchestra or for general audience seating. Also, 20 of the fixed seats in the first two rows are removable to provide additional space for an orchestra. The PAC lobby has a maximum capacity of 416, more than double that of the original Alan Harvey Theater, and will be used to showcase student artwork.

Progress Toward Energy Efficiency and Sustainability Goals

The District is dedicated to reducing energy consumption and promoting sustainability across all school sites. This requires the assessment of energy use, investigation of and investment in new technologies, and re-engineering existing infrastructure. Measure H1 has made it possible to significantly advance these initiatives.

As noted above, Measure H1 has made it possible for the District to install state-of-the-art climate control and ventilation systems in a total of 27 existing elementary, middle and high school classrooms (as well as the 20 new STEAM classrooms) to improve heating and cooling, reduce energy consumption and operating costs, and eliminate the use of hazardous refrigerant chemicals.

Although air conditioning has not been a standard feature in schools in this region, the warming climate now makes it a necessity. In warm weather, it is not unusual for classrooms with western exposure to reach temperatures of 80 degrees or more, and this interferes with teaching and learning. In addition to improving the learning environment, these new systems reduce energy consumption and operating costs and eliminate the use of hazardous refrigerant chemicals, and timers and sensors ensure that heating and cooling are activated only when these rooms are in use. The District expects to upgrade all elementary school classrooms to these state-of-the-art climate control and ventilation systems by the Fall of 2022.

The STEAM building is designed to be “zero-net-energy” (ZNE) facilities, meaning that it is designed to generate enough clean, renewable, solar energy to offset energy consumption. Although the District deferred a portion of the rooftop solar panels (this deferral is discussed below), roughly 58% of the STEAM panels were in place and fully operational when the building opened. All infrastructure for the deferred panels is in place so that, when the District secures funds to purchase the full array of panels, the panels can be added easily.

Reducing consumption and promoting efficiency means, in part, maximizing the lifecycle and durability of facilities and minimizing maintenance costs. For this reason, the “means and methods” of all Measure H1 construction were continually under review to ensure they are consistent with these lifecycle and durability objectives. Both the STEAM and PAC buildings are designed to have a useful lifespan of 75 years or more.

To promote sustainability of water resources and protect the natural environment, site work around the new STEAM and PAC buildings includes “bioretention” basins to channel and filter rainwater. These basins use soil, plants, and underground layers of gravel to drain and filter this water before it flows off site. Bioretention helps prevent rainwater from overloading the City’s storm sewer system, contributing to flooding and damaging local streams. Bioretention naturally filters bacteria, sediments, and pollutants from rainwater, improving water quality as it flows underground and ultimately to the San Francisco Bay.

Added and Unforeseen Costs

Although the District is accomplishing its key Measure H1 and sustainability objectives, there have been substantial added and unforeseen costs including:

- Changes mandated by California’s Division of State Architect (DSA) that added significant quantities of structural steel and concrete, and required overtime labor to ensure STEAM completion for the start of the 2020-21 school year.
- Discovery and replacement of deteriorating underground utilities for all existing high school buildings (as discussed above), and discovery and repair of a dangerous underground void beneath the PHS breezeway.
- Pandemic-related costs including a full-time health and safety officer at the STEAM and PAC construction sites, and additional shifts. The additional shifts made it possible to reduce the number of workers per shift and increase physical distance workers .
- Relocation and upgrade of the District server room including new servers, switches, battery storage to protect against data loss that can occur in a power disruption, and underground utility connections.
- Extensive temporary shoring for the PAC foundation, a new concrete driveway near the 20s building, and storm drain work, none of which were shown on the original plans.

- Costs to respecify and procure theatrical lighting fixtures and controls because equipment specified on the original plans were discontinued due to COVID-19.

These added and unforeseen costs contributed roughly \$6.5 million to bond program costs (as of March 2022). The District worked with Overaa and its subcontractors to value engineer and offset *more than half* of these costs without compromising the life cycle of the buildings or educational programs. In consultation with the Facilities Steering Committee, the District planned to offset the remainder of the added and unforeseen costs by deferring certain features that could be added later when additional funding becomes available

For example, to help offset the added and unforeseen costs outlined above, the District deferred the purchase of the rooftop solar panels for both buildings, saving roughly \$1.2 million (roughly \$600,000 per building) in the near term. Nonetheless, all solar power infrastructure and all window and patio shade panels were retained. When the STEAM building opened, all shade panels on the south and west windows, and all shade panels on the engineering patio and art patios were in place and fully operational.

Strategies to Address the Remaining Budget Shortfall

Although the District offset more than half of the added and unforeseen costs through value engineering, in March 2021 there was still a projected budget shortfall. At that time, the shortfall was estimated to be roughly \$1.8 million, with the understanding that this amount could continue to rise until the PAC was completed. In consultation with the Facilities Steering Committee, the District planned to address the shortfall by deferring certain theatrical components. The District presented a [budget update](#) to the community outlining a plan to complete the PAC within the original budget:

- **Fund Reimbursement.** The District has capital improvement funds that could have been used to pay for relocation of the District server room, heating and ventilation upgrades, and other costs that were not part of the original bond program budget but were paid for with bond program funds. If authorized by the Board, the District could “reimburse” the bond program with these capital improvement funds.
- **Deferrals.** The District should defer features — such as the orchestra shell, rigging, drapes, carpet, and seating — that can be added later. Although these deferrals would affect the functionality of the new theater until these items can be added, the timing of when the theater may open for performances remained uncertain due to Covid-19, possibly leaving time to develop private fundraising and identify other funding sources.

Also, the District reported that it is eligible to receive an estimated \$4 to \$6 million in State funds for modernization of the middle and high school facilities. The timing of receipt of this money is

uncertain because it depends on the approval of a statewide school construction bond measure by State voters. When this money does become available, it may be used for the deferred items.

The District anticipates that the budget shortfall may be greater by the end of the program than it was in March 2021. Various options to address such shortfall will be determined as the shortfall is more defined. Next year's Report will address these issues.

Memorandum of Understanding with Piedmont Education Foundation: Temporary Funding to Avoid Certain Deferrals

The Piedmont Education Foundation (PEF) is a community-based 501(c)3 non-profit corporation that provides sustained financial support to the District and manages an endowment fund of more than \$9 million. Consistent with its mission to support the District, PEF agreed to provide the District with the temporary use of up to \$1.8 million in endowment funds, so the District could complete the PAC without the specified deferrals. The District agreed to return these funds to PEF when the District receives sufficient money allocated for capital expenditures, from either a capital campaign, State modernization funds, or other sources. The MOU between the District and PEF, executed in June 2021, is attached as Appendix C.

The Decision to Purchase Rather than Lease Solar Panels

Given the decision to defer the *purchase* of rooftop solar panels, members of the Piedmont community questioned whether the District had considered leasing (which can have little or no up-front costs) instead of purchasing these panels.

In 2019, the District had created a Solar Power Financing Committee to consider financing options for solar panels for the STEAM and PAC projects and District-wide. The Committee included community members who have expertise in commercial solar financing — Angel Fierro, Cisco Devries, Josh Possamentier, and Steve Schiller, who helped develop the City's Climate Action Plan. The Committee helped develop a Request for Proposals to lease panels and battery storage under a power purchase agreement (PPA).

Under a PPA, the provider would install and maintain the PV panels and batteries, and guarantee a certain level of electric output. In exchange, the District would pay the provider for electric power at a rate per kilowatt hour that is slightly below PG&E's rates. The key advantages of a PPA are that the District could reduce its energy costs without the capital investment required to purchase and maintain the panels. A key disadvantage is that the District's ongoing energy expenses would be higher than if it owned the PV panels outright.

Despite vigorous outreach to PPA providers, the District did not receive any responsive proposals for a PPA, and the Committee concluded that the outright purchase of panels was the only option available to the District at that time.

Student-Led Fundraising to Purchase Some of the Deferred Solar Panels

Although the District had deferred the purchase of 305 of the STEAM PV panels and 492 of the PAC PV panels (solar power infrastructure –including roof stanchions and bracketing, inverters, conduit and wiring – and all window and patio shade panels were retained), a subcontractor mistakenly ordered 87 of the 305 deferred panels for the STEAM building. The subcontractor then offered to deliver and install these at cost. This amounted to a substantial discount — roughly \$65,000 for panels that would have cost \$200,000 under the terms of the District’s contract with Overaa, and which may have cost more in the future as the price of panels continued to rise. This price was a particular bargain because these panels were to be mounted on the sloped mansard roof, and these mansard panels are the most complicated and labor-intensive to install.

A group of high school students started a fundraising campaign to raise this \$65,000. As of March 2022, the group, Students for Solar, had raised \$59,312 toward this goal, with funds held by PEF. Students for Solar’s report to the community is attached as Appendix D.

Memorandum of Understanding with Piedmont Makers: Enhancement of the Engineering Lab

Piedmont Makers, a 501(c)(3) non-profit corporation, pledged \$420,000 in donations to enhance the equipment, staffing, and operation of the STEAM building’s Engineering Lab. The donations are intended to support resources for traditional and digital fabrication and are subject to eleven restrictions and conditions. The Memorandum of Understanding between the District and Piedmont Makers, executed in December 2020, is attached as Appendix E.

2020-21 Construction Progress Report

Throughout the 2020-21 year, the District was continually adapting to changing circumstances and delays that were directly or indirectly related to the COVID-19 pandemic.

❖ July - September 2020

Prior to the COVID-19 pandemic, the District had expected to open the STEAM building at the start of the school year. Disruptions in the supply of materials and subcontractor labor caused by the pandemic and delays by PG&E in connecting the building to permanent power delayed completion

until October, although this could have been significantly worse. The District's general contractor, Overaa, has been a remarkable partner in jobsite and schedule management under extraordinary conditions, and avoided the work stoppages that have been common in other school construction projects since March 2020.

Although students were not on campus at the start of the school year, some educators worked and taught from their classrooms. In October, after the State issued a Certificate of Occupancy for the STEAM building, the District began moving educators and administrators into the building and some STEAM teachers began teaching from their new classrooms.

Construction of the PAC foundation was underway and progressing on schedule. Like the STEAM foundation, the PAC foundation is highly reinforced because of the site's specific geologic conditions and proximity to the Hayward Fault. The PAC foundation is anchored to underlying bedrock with roughly 32 rock anchors and 25 micropiles that extend roughly 30 feet into the ground.

❖ **October - December 2020**

Delivery of materials for the STEAM building interior that had been long-delayed began arriving on campus, including: epoxy countertops and sinks for all science and prep rooms; operable windows and actuators; certain doors and electronic hardware; operable classroom partitions; specialized glazing for the Art rooms; and other materials. Finishing work and miscellaneous "punch list" work continued after staff moved into classrooms and offices.

Outside the STEAM building, all concrete pours were completed, including the Engineering Patio, Art Patios, and Magnolia Avenue sidewalk. Solar panels that double as window shades were mounted on the west and south exterior walls of the STEAM building and on the engineering patio and art patios.

Overaa removed the STEAM building construction fence along Magnolia Avenue, opening the access among the 20s and 30s buildings and the STEAM building. Access between the 40s building and the STEAM building remained blocked temporarily, because installation of late-arriving windows was still underway.

Construction of the PAC foundation continued on schedule, including several concrete pours and fabrication of all structural steel components. There was a concerted push to complete the PAC retaining walls and all underground work before rains began.

❖ **January - March 2021**

The STEAM building officially opened with the return of high school students for in-person learning. Overaa was continuing to work through the punch list, and the District worked with a commissioning agent to optimize all building systems. For example, rooftop monitors sense sunlight and

automatically opens and closes window shades to prevent excess heat gain. The commissioning agent was working to ensure that all automated systems were integrated and working properly.

At the PAC site, Overaa completed the structural steel frame, classroom balcony, both the lower and upper roof section pours, and duct work for the displaced air system, hitting all critical milestones.

❖ April - June 2021

Overaa continued to address pandemic-related delays in the delivery of materials.

Overaa erected scaffolding and the exterior building “skin,” making it possible to start interior work including installation of mechanical, electrical and plumbing systems and drywall. Overaa drilled piers for the new trellis.

At the STEAM building, the District continued working with the commissioning agent to optimize all building systems. For example, classroom thermostats continually monitor interior air quality and automatically adjust the intake of outdoor air, and the commissioning agent worked to ensure that these systems were integrated and working as designed.

The District prepared for summer site work including: removal of temporary asphalt in the breezeway and around the 20s and 30s buildings; pouring new concrete walkways that match concrete work around the STEAM building; grading the new concrete to ensure ADA-compliant paths of travel throughout the campus; and installation of the steel and concrete trellis along Magnolia Avenue.

Fifth Annual Audit

Article XIII of the California Constitution requires the District to conduct an annual Performance Audit and an annual Financial Audit of the Measure H1 Bond Program. The District’s independent auditor, Eide Bailly, LLP, completed audits covering the fiscal year ending June 30, 2021 and determined: *“The results of our tests indicated that, in all significant respects, the Piedmont Unified School District has properly accounted for the expenditures held in the Building Fund (Measure H1) and that such expenditures were made for authorized Bond projects.”* (Financial and Performance Audits, December 23, 2021, page 19.)

The CBOC utilized Eide Bailly’s audit reports to conduct its review, to confirm that the bond funds were used only as authorized by the voters. The CBOC reviewed summaries and reports of expenditures made between July 1, 2020 and June 30, 2021 and, based on these summaries, concluded that: the use of bond funds was appropriate; funds were expended only for the purposes authorized by the text of Measure H1; and no bond funds were used for teacher or site administrator salaries or other school operating expenses.

Committee members Andrew Hempeck and Melissa Wilk reviewed the accounts payable process and a sample of 2020-21 purchase orders, following each invoice through to check distribution. They determined that “All information verified and accurate through the Accounts Payable process.” Their summary is attached as Appendix E.

Site Tours

The Citizens’ Bond Oversight Committee toured the Performing Arts Center in March 2022.

Ongoing Review

The CBOC generally meets quarterly and all members of the community are encouraged to attend and participate. Information about meetings dates, times, and locations can be found at measureh1.org. The CBOC’s next annual report will be issued in March 2023, covering the period from July 1, 2021 through June 30, 2022.

Questions about the Measure H1 Bond Program can be addressed at any time to the District’s Director of Facilities and Construction Manager, Pete Palmer, at ppalmer@piedmont.k12.ca.us.

Appendix A: Text of Measure H1

The complete text of the Measure H1 ballot measure follows:

This proposition may be known and referred to as the Piedmont School Improvement and Modernization Bond Measure, or Measure H1.

BOND AUTHORIZATION

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the Piedmont Unified School District (the “District”) shall be authorized to issue and sell bonds of up to \$66 million in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List below, and in order to qualify to receive State matching grant funds, subject to all of the accountability safeguards specified below.

ACCOUNTABILITY SAFEGUARDS

The provisions in this section are specifically included in this proposition in order that the District’s voters and taxpayers may be assured that their money will be spent wisely to address specific facilities needs of the District, all in compliance with the requirements of Article XIII A, Section 1(b)(3) of the State Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Education Code Sections 15264 and following).

Evaluation of Needs. *The Board of Education hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.*

Limitation on Use of Bond Proceeds. *The State of California does not have the power to take locally approved school district bond funds for any State purposes. The Constitution allows proceeds from the sale of bonds authorized by this proposition to be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities listed in this proposition, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff only when performing work on or necessary and incidental to the bond projects.*

Independent Citizens’ Oversight Committee. *The Board of Education shall establish an independent Citizens’ Oversight Committee (pursuant to Education Code Section 15278 and following), to ensure bond proceeds are spent only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date on which the Board of Education enters the election results on its minutes.*

Annual Performance Audits. *The Board of Education shall conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in the Bond Project List.*

Annual Financial Audits. *The Board of Education shall conduct an annual, independent financial audit of the bond proceeds (which shall be separate from the District’s regular annual financial audit) until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List.*

Special Bond Proceeds Account; Annual Report to Board. *Upon approval of this proposition and the sale of any bonds approved, the Board of Education shall take actions necessary pursuant to*

Government Code Section 53410 and following to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent or the Chief Business Official of the District (or such other employee as may perform substantially similar duties) shall cause a report to be filed with the Board no later than December 31 of each year, commencing December 31 of the year in which bonds are first issued, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as such officer shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

FURTHER SPECIFICATIONS

Specific Purposes. *All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Education Code Section 15100, and shall constitute the specific purposes of the bonds, and proceeds of the bonds shall be spent only for such purposes, pursuant to Government Code Section 53410.*

Joint Use. *The District may enter into agreements with the City of Piedmont, or other public agencies or nonprofit organizations for joint use of school facilities financed with the proceeds of the bonds in accordance with Education Code Section 17077.42 (or any successor provision). The District may seek State grant funds for eligible joint-use projects as permitted by law, and this proposition hereby specifies and acknowledges that bond funds will or may be used to fund all or a portion of the local share for any eligible joint-use projects identified in the Bond Project List or as otherwise permitted by California State regulations, as the Board of Education shall determine.*

Rate of Interest. *The bonds shall bear interest at a rate per annum not exceeding the statutory maximum, payable at the time or times permitted by law.*

Term of Bonds. *The number of years the whole or any part of the bonds are to run shall not exceed the legal limit, though this shall not preclude bonds from being sold which mature prior to the legal limit.*

BOND PROJECT LIST

The Bond Project List below describes the specific projects the Piedmont Unified School District proposes to finance with proceeds of the bonds. Listed projects will be completed as needed at a particular school site according to Board-established priorities, and the order in which such projects appear on the Bond Project List is not an indication of priority for funding or completion. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Until all project costs and funding sources are known, the Board of Education cannot determine the amount of bond proceeds available to be spent on each project, nor guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Completion of some projects may be subject to further government approvals or appropriation by State officials and boards, to local environmental review, and to input from the public. For these reasons, inclusion of a project on the Bond Project List is not a guarantee that the project will be funded or completed.

The Bond Project List contains more projects than the District currently estimates the Bonds can fund to provide flexibility should additional efficiencies be realized or should Board priorities change.

Unless otherwise noted, the projects in the Bond Project List are authorized to be completed at each or any of the District's sites, as shall be approved by the Board of Education:

- *Construction of a new Piedmont High School building, focused on Science, Technology, Engineering, Arts and Mathematics ("STEAM"), with size, scope and location to be determined following additional public input;*
- *Renovation, refurbishment, or replacement of existing Piedmont High School, Piedmont Middle School, and Millennium High School buildings, including classrooms, infrastructure and landscaping;*
- *Addition of classrooms to elementary schools sufficient to meet higher educational standards for kindergarten;*
- *Energy efficiency measures to reduce long term operational expense and environmental impact;*
- *Addition or expansion of security measures, safe playground and outdoor structures, and "green" areas at existing schools;*
- *Furnish and equip new, renovated and existing buildings, including modern technology and infrastructure;*

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, and a customary contingency for unforeseen design and construction costs. In addition to the listed projects stated above, the list also includes the acquisition of a variety of instructional, maintenance and operational equipment, and interim funding incurred to advance fund projects from the list; installation of signage and fencing; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by construction projects.

In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovation of restrooms; repair and replacement of heating and ventilation systems; upgrade of facilities for energy efficiencies; repair and replacement of roofs, windows, walls, doors and drinking fountains; improvements to comply with access requirements of the Americans with Disabilities Act; installation wiring and electrical systems to accommodate computers, technology and other electrical devices and needs; upgrades or construction of support facilities; acquisition of property; repair and replacement of fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, and campus landscaping; parking; install interior and exterior painting and floor covering; demolition; repair, upgrade and install interior and exterior lighting systems; replace outdated security systems; and upgrade technology infrastructure.

The allocation of bond proceeds will be affected by the District's receipt of State matching funds and the final costs of each project. The budget for each project is an estimate and may be affected by factors beyond the District's control. Some projects throughout the District may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. The final cost of each project will be determined as plans and construction documents are finalized, construction bids are received, construction contracts are awarded and projects are completed. Based on the final costs of each project, certain of the projects

described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatables, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, relocating fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects and the costs of issuing the bonds. Bond proceeds shall only be expended for the specific purposes identified herein. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

The Bond Project List shall be considered a part of this ballot proposition, and shall be reproduced in any official document required to contain the full statement of the bond proposition.

Appendix B: Financial Summary Through June 30, 2021

Prepared by Chief Financial Officer Ruth Alahydoian

Piedmont USD H1 Bond Program

Citizen's Bond Oversight Committee

Authorization Summary as of:

6/30/2021

Report Date:

9/16/2021

		Amount	
H1 Bond Authorization		11/8/2016	\$ 66,000,000
Issued to Date:	Series 2017	4/12/2017	\$ 26,000,000
	Series 2019	9/19/2019	\$ 30,000,000
	Series 2021	3/10/2021	\$ 10,000,000
			<u>\$ 66,000,000</u>

Expenditures to Date:

FY 2016-17

Bond Program - General	<u>\$ 685,285</u>
------------------------	-------------------

FY 2017-18

Bond Program - Management	\$ 503,275
Bond Program - General	\$ 324,848
Safe Schools	\$ 218,723
Computer Lab	\$ 16,625
VRF Systems / Energy Efficiency	\$ 587,602
Misc Smaller Projects	\$ 52,384
STEAM & Theater Buildings	\$ 55,028
STEAM Building	\$ 1,311,424
Theater Building	<u>\$ 613,261</u>
Total for 2017-18	<u>\$ 3,683,170</u>

FY 2018-19

Bond Program - Management	\$	544,988	
Bond Program - General	\$	146,105	
Safe Schools	\$	5,764	
Computer Lab	\$	105,761	
VRF Systems / Energy Efficiency	\$	268,708	
Misc Smaller Projects	\$	95,319	
STEAM & Theater Buildings	\$	549,415	
STEAM Building	\$	3,046,143	
Theater Building	\$	802,459	
Total for 2018-19	\$		<u>5,564,663</u>

FY 2019-20

Bond Program - Management	\$	532,585	
Bond Program - General	\$	451,603	
Computer Lab	\$	2,414	
VRF Systems / Energy Efficiency	\$	24,525	
Misc Smaller Projects	\$	7,425	
STEAM & Theater Buildings	\$	33,132	
STEAM Building	\$	23,890,410	
Theater Building	\$	255,112	
Total for 2019-20	\$		<u>25,197,206</u>

FY 2020-21

Bond Program - Management	\$	537,167
---------------------------	----	---------

Bond Program - General	\$	83,140	
Rentals	\$	5,923	
STEAM & Theater Buildings	\$	11,071,921	
STEAM Building	\$	11,645,269	
Theater Building	\$	983,461	
Total for 2020-21	\$		<u>24,326,881</u>

Total Expended as of 6/30/21: **\$ 59,457,204** |

Interest received 7/1/2017- 6/30/2021	\$	1,534,390
Miscellaneous credits (PERS on-behalf, stale checks) 7/1/17- 6/30/21	\$	141,091
Audit Adjustment from Prior Bond Measure (canceled AP):	\$	29,739
Add'l Resources	\$	<u>1,705,220</u>

Funds Still Available for 2021-22: **\$ 8,248,016**

Appendix C: Piedmont Education Foundation Memorandum of Understanding



MEMORANDUM OF UNDERSTANDING **Temporary Funding to Complete the Performing Arts Center**

**Agreement Between the
Piedmont Unified School District
and the
Piedmont Education Foundation**

June 2021

Funding to Complete the Performing Arts Center. In 2016, Piedmont voters approved a \$66 million school facilities bond to modernize and improve Piedmont Unified School District facilities to better support educational programs. This includes, but is not limited to, construction of a Performing Arts Center with a new Alan Harvey Theater; green room with dressing rooms; Acting classroom; Visual and Performing Arts Department office; and conference room. The Performing Arts Center is the final project of the 2016 facilities bond program.

Added and unforeseen costs, including expenses directly related to the Covid-19 pandemic, increased the overall program costs by roughly \$3.885 million. (For more information about the bond program objectives and budget, see the [March 24, 2021 Measure H1 Bond Program Update](#).) A significant portion of these added costs have been offset through value engineering and deferrals that are *not* expected to impact students. Nonetheless, the District continues to face a shortfall of roughly \$1.8 million. To complete the Performing Arts Center and remain within the overall program budget, the District would have to make further cuts that will impact the educational program and the student experience.

The District anticipates that it will receive at least \$1.8 million in additional funding for the Performing Arts Center, although the timing is uncertain. This funding is expected from at least one of two possible sources. First, the District is partnering with members of the Piedmont community to create a capital campaign. This campaign will raise funds to avoid further cuts and deferrals from the Performing Arts Center, restore features that were previously deferred, and make other improvements to school facilities. This capital campaign may take several years to complete. Second, the District is eligible to receive an estimated \$4 to \$6 million in

State modernization funds that may be used for the Performing Arts Center, but receipt of these funds depends on the approval of a statewide school construction bond by State voters.

Piedmont Education Foundation Support for PUSD Schools. The Piedmont Education Foundation, a community-based 501(c)3 non-profit corporation, is dedicated to providing sustained financial support to the District through fundraising and community engagement. PEF contributes approximately 10% of the District annual budget and stewards an endowment fund of more than \$9 million.

Consistent with its mission to support the District, PEF agrees to provide the District with the temporary use of up to \$1.8 million in endowment funds, so the District may complete the Performing Arts Center without further cuts to the project scope. The District agrees to return these funds to PEF when the District receives sufficient money from either the capital campaign or State modernization funds, or a combination of these two sources.

Findings. The Piedmont Unified School District Board of Education finds:

- To complete the Performing Arts Center within the program budget, further cuts and deferrals would be needed that would have a negative impact on educational programs and the student experience.
- The roughly \$1.8 million in contemplated cuts and deferrals (such as the stage floor, acoustic panels, and theatrical equipment) would balance the bond program budget in the short term. Nonetheless, “adding back” these items after the Performing Arts Center project is completed would be logistically complicated and significantly, disproportionately more expensive.
- It is reasonable to expect that the District will receive at least \$1.8 million in capital improvement funds -- from either the capital campaign or State modernization funds -- that may be used for the Performing Arts Center, although the timing of receipt is uncertain.
- The additional funds would not be needed until final payments are due to Overaa Construction in the winter or spring of 2022 (during the 2021-22 school year). When final payments are due to Overaa, there will likely be various options for financing the temporary budget shortfall until either capital campaign funds or State modernization funds are available.
- In consultation and partnership with PEF, the District will seek the lowest overall cost option for financing. The temporary use of PEF endowment funds to complete the Performing Arts Center project would mean the loss of interest earnings that would otherwise accrue to PEF and eventually be used to make grants to (or otherwise for the benefit of) the District. Nonetheless, based on the cost of financing and a savings analysis, the District may determine that the temporary use of PEF endowment funds is the lowest overall cost option, in part because of the uncertain timing of capital campaign funds and State modernization funds.

Agreement. The Piedmont Unified School District Board of Education and PEF agree:

- When final payments are due to Overaa, working in consultation with PEF, the District will identify and evaluate the various financing options. The options may include: deferral of the District's final payments to Overaa under the terms of the lease-leaseback agreement; tax exempt financing options; and temporary use of PEF endowment funds. Any consideration of the temporary use of PEF endowment funds will take into account the loss of interest earnings that would otherwise accrue to PEF on those funds. The District will share its evaluation and analysis with PEF.
- Following consultation with PEF, the District will determine the lowest overall cost option for financing.
- If the District determines that temporary use of PEF endowment funds is the lowest overall cost option, PEF will provide the District with up to \$1.8 million in endowment funds to cover the cost of completing the Performing Arts Center. PEF will provide these funds for timely payment of these obligations.
- The District will use these funds solely to pay for the following six categories of expenses agreed upon with PEF. These are the expenses that would have otherwise been cut or deferred in order to complete the Performing Arts Center within the overall program budget:
 - Category 1: Casework, wood stage floor, window shades
 - Category 2: Concrete and steel trellis, wood slat ceiling
 - Category 3: Acoustic paneling
 - Category 4: Theatrical equipment including orchestra shell, rigging, and drapes
 - Category 5: Insulation, theatrical AV, site concrete, low voltage electrical system
 - Category 6: Carpeting, seating, lobby floor, theatrical fixtures and installation
- The District will return these funds to PEF when the District receives sufficient money specifically allocated for capital expenditures, from either the capital campaign, State modernization funds, or other sources.

Understandings. The Piedmont Unified School District Board of Education and PEF understand that:

- **Liability.** No liability will arise or be assumed between PEF and PUSD and their respective staff and officers as a result of this MOU. This MOU shall be construed in accordance with the laws of the State of California.
- **Conflict Resolution.** Should a conflict arise between PEF and PUSD regarding this MOU or activities of mutual interest, PEF and PUSD will work together diligently toward its

resolution. If needed PEF and PUSD should appoint an independent conflict resolution expert to mediate resolution.


- **Modification.** This MOU may be amended or supplemented by mutual consent of PEF and PUSD by the issuance of a written modification, signed and dated by authorized officials.
- **Termination/Severability.** If any provision of this MOU is found to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. Either party, upon ninety (90) days written notice, may terminate the agreement in whole, or in part, at any time before the date of expiration.
- **Prior Memorandum Superseded.** This MOU constitutes the entire MOU between PEF and PUSD relating to this subject matter and supersedes all prior or simultaneous representations, discussions, negotiations, and MOUs, whether written or oral.

This Memorandum of Understanding constitutes the entire agreement between the District and PEF with respect to temporary funding to complete the Performing Arts Center. This Memorandum supersedes all prior discussions and agreements, written and oral, between the parties on this issue.

AGREED TO this 26 day of February, 2020 by


Amal Smith, PUSD School Board President


Eileen Kwei, PEF Board Chair


Randall Booker, PUSD Superintendent


Heather Frank, PEF Executive Director

Appendix D: Students for Solar's February 2022 Report to the Community



**STUDENTS
FOR SOLAR**

Hi there, Piedmont Community!

The students behind Students for Solar THANK YOU for your support.

Since the start of our campaign in February of 2021, the Students for Solar team has been raising money to contribute to funding solar panels on the STEAM Building of Piedmont High School! We had 25 MHS and PHS students on our team and partnered with 31 businesses for our virtual auction.

Ultimately we raised **\$59,312** for new solar panels! These funds remain in trust to PUSD with the Piedmont Education Foundation until PUSD is ready to complete the installation of all solar panels.

Getting solar panels on the high school will go a long way toward making the new STEAM building net-zero energy. This is important to reduce our greenhouse gas emissions, save the district money on our electricity bill that we can later spend on education, and serve as an educational tool for future students. We need to take responsible and sustainable steps that combat climate change as a community.

For questions about your donation, please contact Lisa Peters at PEF, lisa@piedmontedfoundation.org.

For additional information about our campaign, check out our [website](#), [facebook page](#) or [youtube channel](#).

Appendix E: Piedmont Makers Memorandum of Understanding



MEMORANDUM OF UNDERSTANDING

**Between the
Piedmont Unified School District
and
Piedmont Makers**

**Concerning Donations to Enhance the
STEAM Building Engineering Lab**

December 15, 2020

In 2016, Piedmont voters approved a \$66 million school facilities bond to modernize and improve Piedmont Unified School District facilities to better support educational programs. This includes construction of the new Piedmont High School “STEAM” building for the study of Science, Technology, Engineering, Art, and Mathematics. The new STEAM classroom and lab facilities will make it possible to offer the curriculum and educational experiences that students need for higher education and careers in the 21st Century.

Piedmont Makers, a 501(c)(3) non-profit corporation dedicated to support and inspire STEAM education, has pledged \$420,000 in monetary donations to enhance the equipment, staffing, and operation of the STEAM building’s Engineering Lab. The donations are intended to support resources for traditional and digital fabrication and are subject to eleven restrictions and conditions.

District Policy Concerning Acceptance of Gifts

Financial support from individuals and community organizations is essential in helping the District fulfill its mission of offering breadth and depth of educational opportunities for students. The District has established policies concerning acceptance of financial gifts and naming of District facilities in recognition of or at the behest of donors (Board Policies 3290 and 7310). The Board may accept gifts that:

- Are consistent with the District's mission, goals and priorities, curriculum standards, grade-level expectations, and long-term plans; and
- Do not commit the District to a program that the District would not be able to continue on an annual basis or sustain in the future.

The Pledged Gift

Piedmont Makers has pledged \$420,000 to purchase and install specific types of lab equipment and hire a lab manager for several years. A suggested list of equipment is included in Appendix A.

Makers agree to deliver to the District \$210,000 (50% of the total gift) on or before February 1, 2021, and the balance on or before June 30, 2022.

Findings & Acceptance of Terms

Piedmont Makers have been extraordinary in helping create and expand opportunities for students, at nearly all levels of k-12 education, to use technology to innovate and solve problems. These efforts include: volunteering in classrooms; partnering with the schools to create a STEAM expo and annual Maker Faire; helping convert the middle school woodshop to a robotics and "maker space;" and helping create extracurricular programs and robotics teams.

The Board of Education finds that the pledged gift to enhance the engineering lab is consistent with the District's mission, goals and priorities, curriculum standards, grade-level expectations, and long-term plans. Further, the Board finds that acceptance of the gift and related terms do not commit the District to unsustainable programs.

In exchange for the pledged gift, the Board agrees to the following terms and conditions:

- ***Purchase and Installation of Equipment.*** The District will use a portion of the donated funds to purchase, install, and maintain equipment similar to what is listed in Appendix A. The District expects to begin this installation work in February 2021, after the final certificate of occupancy for the STEAM building project is issued, and complete the engineering lab for the start of the 2021-22 school year.
- ***Staffing.*** The District will use the remaining donated funds to hire a classified or certificated employee to: manage the engineering lab; supervise the safe use of the equipment and tools; support STEAM curriculum; properly safeguard and maintain the equipment and tools; and train others in the safe and proper use of the engineering lab resources. The District has sole discretion concerning hiring and other personnel decisions. The District expects that the lab manager will start as a part-time position in the 2021-22 school year and become full-time in the 2022-23 school year. After donor funds are exhausted, the Board of Education would decide whether to continue the position and approve continued funding in the annual budget.

- **Integration of Curriculum.** The District will integrate the engineering lab equipment and resources into high school curriculum. The District has sole discretion concerning curriculum and curricular use of the lab, except to the extent these decisions are subject to State certification.
- **Access for the Piedmont Highlanders FRC Team.** When the engineering lab is completed, which is expected for the start of the 2021-22 school year, the lab will function as the home court for the Piedmont Highlanders FRC (FIRST Robotics Competition) Team. The team will operate as a Piedmont High School team with a faculty advisor selected by the District.
- **Community Access.** The District will make the lab and adjoining spaces available for community use outside school hours, in the same manner that the District's gyms and other facilities are available for community use. This means that use of the lab will be subject to the District's general use policies, procedures, and fees. Fees to use the lab will be higher than the ordinary classroom rental fee in order to cover or defray the higher insurance costs, energy use, supervisory costs, and other expenses specifically associated with the lab and proper safety, security, and maintenance of its equipment. Further detail on access and fees will be provided before the District opens the engineering lab for community use.
- **Permanent Naming of Facilities.** Piedmont Makers expressed interest in naming the engineering lab, engineering patio, and adjoining classroom for female scientists who made outstanding contributions to science. Makers will propose these names at a later date, for review and approval by the Board of Education pursuant to *Board Policy 7310*. Upon approval by the Board, and except as provided below, these facility names will remain in place throughout the life of these facilities.

The Board of Education retains the right to rename these facilities if: the Board determines that an honoree has been convicted of a felony or engaged in conduct that is contrary to the District's educational mission; and continued use of the name would embarrass or discredit the District. The Board also retains the right to rename these facilities if Piedmont Makers fails to fulfill the financial obligations relating to the pledged gift. In either case of renaming, the District would have no obligation to return any portion of the gift. (*Board Policy 7310.*)

- **Donor Recognition.** The District will work with Piedmont Makers to determine the appropriate signage to acknowledge the individual donors who contributed to the \$420,000 gift. The District has sole discretion to make the final determination concerning design, size, precise location, color, materials, and means of fabrication of the signage, to ensure consistency with District standards and budgets and requirements of the Division of State Architect.

The District retains the right to remove the signage or any portion of the signage without returning any portion of the legacy gift if: the Board of Education determines that a donor has been convicted of a felony or engaged in conduct that is contrary to the District's

educational mission and continued use of the name would embarrass or discredit the District; or Piedmont Makers fails to fulfill the financial obligations relating to the pledged gift. (See *Board Policies 3290 and 7310.*)

The District will undertake the design, fabrication, and installation of signage to acknowledge the individual donors after the District has received \$210,000 (50%) of the pledged gift.

- ***Limitation on Use of Funds.*** The District will not use these Piedmont Maker funds for any purpose other than the equipping, staffing and maintaining the engineering lab and adjoining classroom and patio as specified in this Memorandum of Understanding. If the District cannot fulfill a restriction or condition of this gift, the District will notify Piedmont Makers and provide an opportunity for partial or full withdrawal of the gift. (*Board Policy 3290.*)

Entire Agreement

This Memorandum of Understanding constitutes the entire agreement between the Piedmont Unified School District and Piedmont Makers with respect to the pledged gift to enhance the engineering lab. This Memorandum supersedes all prior discussions and agreements, written and oral, between the parties.

Appendix A: Tentative STEAM Building Engineering Lab Equipment List

CNC Router 48"x48"x8" cutting area
CNC Control Console
CNC Cooling Tank and Pump
Thunder Laser, Class 1 Laser Cutter NOVA 35, Laser System (100 watt) 35" x 23" work area
Chiller for Laser. This is a component of the laser cutter
BOFA, AD Oracle IQ Air Filter for Laser System
3D Printers, (6) Prusa i3 MK3s, with Racking and Filament holders
CNC Vertical Mill 3 Axis 16"x12"x10" cutting area
Drill Press & material clamping and holding fixtures
Vertical Bandsaw & material holding and support fixtures
Bandsaw Horizontal Swivel 60 Degree and support fixtures
Power Miter Box, portable floor stand and material supports
Sanding Grinding Belt/Disc Sander, Floor Standing
Sanding Grinding Spindle Sander, Floor Standing
Dust collection system & ductwork, fixtures to connect tools to system

Compressed air system for CNC, Laser Cutter and some hand tools, Rotary 15 SCFM compressor, regulators, dryer at Laser, piping, roller hoses
Work Bench: roll around with under work surface storage and bins 24 x 48 inches
Tool Storage and work bench combination 46"x24" 9 Drawer
Tool Storage and work bench combination 36"x24" 6 Drawer
Casework to Support 3D Printers, Open cubbies 24"x24"x24" with cabinets at top for storing 3D filament spools. Overall 76 inches wide, 96 inches tall and 24 inches deep
Casework Storage cabinets 24 inches deep 96 inches tall with doors
Computer Workstations (3) Dedicated to the Fab Lab
Rack for holding materials, 56"x56"x84"
Hand Tools

Appendix F: Review of Measure H1 Accounts Payable Process

Prepared by Committee Members Andrew Hempeck and Melissa Wilk

On March 4, 2022 Andy Hempeck and Melissa Wilk reviewed POs, Invoices and Checks from FY 2020-2021 for each of the projects (STEAM/Theater) including the following vendors:

- American Soil
- Badger Daylighting
- California Cooking
- Grand Lake Ace
- Intrepid
- Milani
- Site One

Current Accounts Payable Process – Key Staff

Pete Palmer, PUSD/H1 Project Manager

Trish Culbert, PUSD/H1 Construction Manager Consultant

Cheryl Kaiser Fiscal Services Manager

Nancy Brahm, PUSD Bond Accounting

Ruth Alahydoian, PUSD Chief Financial Officer

Upexa Captan, PUSD assistant to Ruth

Accounts Payable Workflow

PO requested by Pete

PO created by Nancy Brahm (or sometimes Trish) and submitted.

PO needs to be approved by Pete, then PO approved by Cheryl Kaiser before becoming valid.

Once service is performed/ item received-

Invoice sent to Nancy Brahm, she sends via email to Pete

Invoice review and approval by Pete

Invoice approval given by Pete to Upexa

Upexa writes the check and Cheryl Kaiser reviews all checks written before submitted to the county.

Once the check is printed and delivered from the county it comes to Trish. She confirms that Invoices match the checks, organize/ file all the pink copies and mail the checks

Large Checks to OVERAA have the following process when OVERAA presents invoice, Inspector signs off, Pete Palmer signs and HKIT signs off.

Results

All information verified and accurate through the Accounts Payable process.

Appendix G: Images



STEAM building classroom featuring exposed steel brace frames.



STEAM science lab with plumbing for acid waste drainage system.



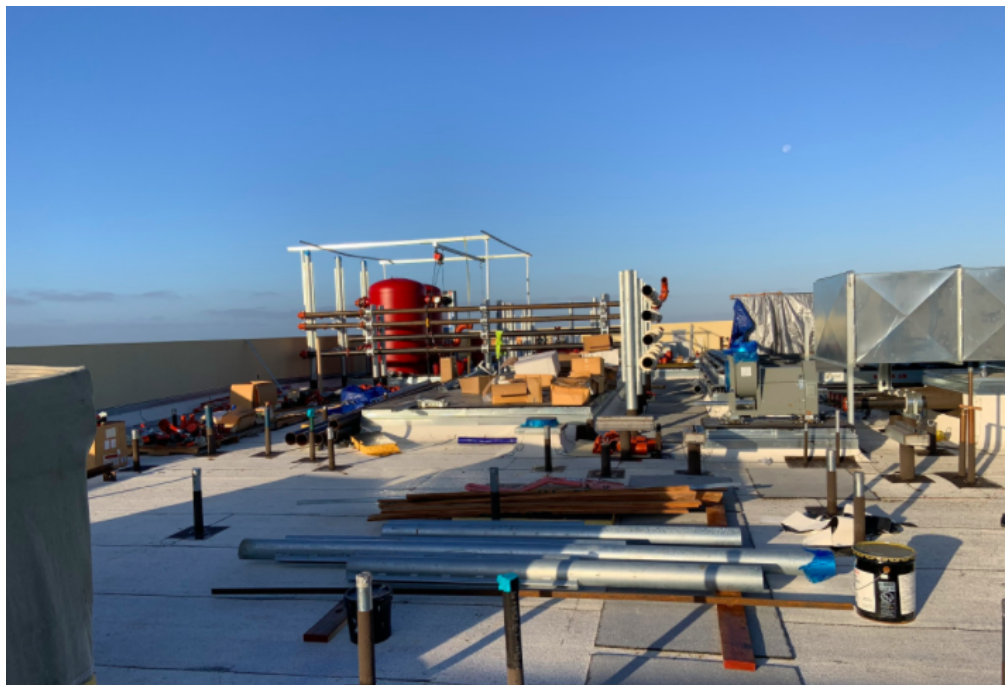
STEAM building hallway with stained and polished concrete floors.



Stacking patio door in the 2-D Art room.



Construction of the pedestrian ramp and retaining wall between the STEAM building and Quad.



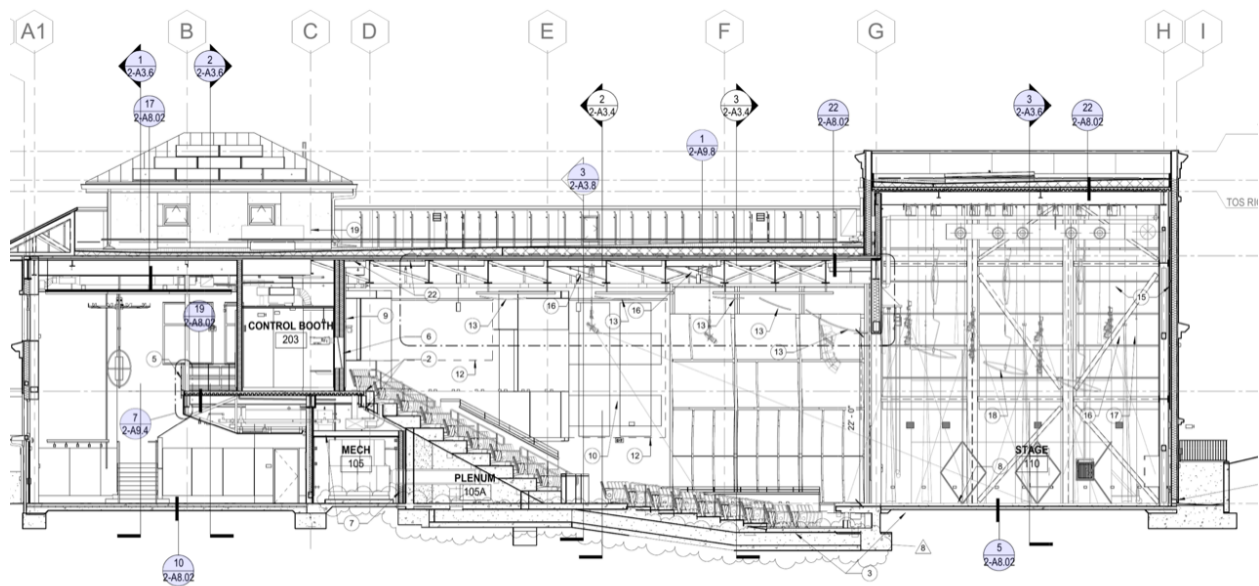
Mechanical systems on the STEAM building roof, including an air-source heat pump and dedicated outside air system. These systems hydronically heat and cool both the STEAM building and the Performing Arts Center.



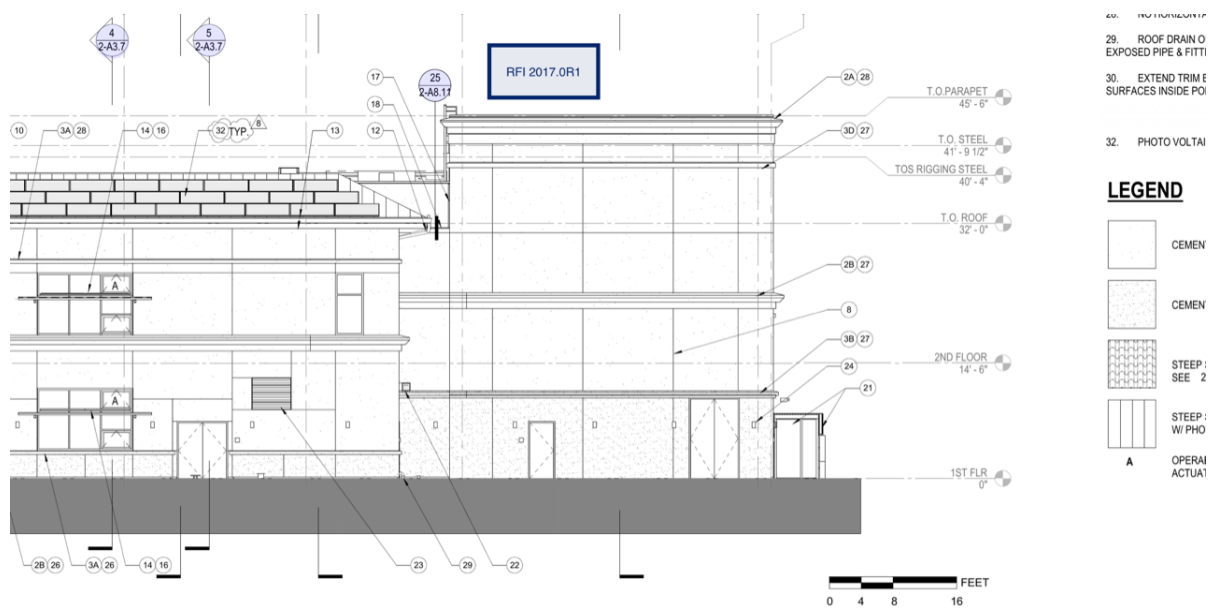
Setting the steel columns in the completed foundation for the Performing Arts Center, with a view of the completed STEAM building.



Extensive shoring along Magnolia Avenue was required to construct the Performing Arts Center foundation.



Detail of theater interior showing theatrical rigging batons, orchestra shell, and fifteen unique seismic brace frames.



South-facing elevation of the Performing Arts Center showing the future location of PV solar panels on the mansard roof.



View from the 30s building roof showing installation of dens glass sheeting on the Performing Arts Center exterior, prior to application of stucco.



Construction of the new main walkway between the STEAM building and Performing Arts Center.



Metal stud framing and seismic steel brace frames in the Performing Arts Center. Also shown are the pan deck ceiling of the high stage roof and smoke hatches required for fire safety.



Hydronic system for piping hot and cold water to the Performing Arts Center from the STEAM building's rooftop HVAC system.



Riser assembly for the Performing Arts Center's fire sprinkler system.



Demolition of stairs in front of the 20s building, with the Performing Arts Center in the background.