

**Measure E Citizens' Bond Oversight Committee Meeting Minutes**

YCCD Board Room  
October 6, 2010, 6:00 p.m.

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**Members Present:** Verle Bartels, Tammy Firch, Frank "Del" Hodges, Gary McKinsey, Terry Plett, Billie Taylor, James West

**Members Absent:** James Cherry, Mégane Quéromès

**Others Present:** Joan Smith, Matt Kennedy, Tim Nesmith, Mark Newton, Michael Perez, Teresa Scott, Nick Stavrianoudakis, Gary Whitfield, Deborah K. Campbell, Graciela Molina (recorder).

**1. Call to Order**

Citizens' Bond Oversight Committee (CBOC) Meeting was called to order by Terry Plett at 6:00 p.m. in the YCCD Board Room.

**2. Comments from the Public**

No comments from the public.

**3. Approval of Minutes of July 7, 2010 Meeting**

The meeting minutes of July 7, 2010 were approved by the Citizens' Bond Oversight Committee. A motion was made by Frank "Del" Hodges and seconded by James West. The motion carried with a vote of 7-0.

**4. Measure E Expenditure Process Meeting Recap**

Teresa Scott provided a recap of the Measure E Expenditure Process Meeting that took place on August 24, 2010 at 3:00 p.m. with a sub-committee of CBOC Membership including: Jim Cherry, Frank "Del" Hodges, and Terry Plett. (*Staff participated in meeting: Teresa Scott, Deborah Campbell, Mark Newton, Matt Kennedy, Spence Cooper, Judy Lanchester, Marie Otaia.*) This meeting was in response to address questions and concerns of CBOC members; Teresa Scott, Executive Vice Chancellor brought together the Controller, Director of Facilities, Purchasing and Public Affairs Directors. The agenda consisted of reviewing District processes related to purchasing and bidding, etc. The team walked through the District control and approval processes, explained how decision process works from Measure E project committee to top level administration - the Chancellor. They went step by step through a case study so CBOC members could see how the project moves to completion. The two-hour meeting went over due to the extensive detail that was reviewed with membership. Committee Vice Chair, Frank "Del" Hodges thanked YCCD staff for providing the information. Chair Terry Plett said the information provided was very educational in understanding the internal controls and safety mechanisms put into place by YCCD; shows great commitment from staff in conducting due diligence to making it happen. CBOC Member James West said it was a good thing to do.

Teresa Scott reported that an Independent District Audit is scheduled, the same CBOC members will be invited to attend the audit meeting.

**5. Committee Membership**

**a. Termed Out March 2011: McKinsey, Plett, and West**

**b. 1<sup>st</sup> Term Ends March 2011: Bartels, Cherry, Firch, and Taylor**

Nick Stavrianoudakis provided a committee membership update. He reviewed the CBOC Membership History document, previously provided to CBOC members. Effective March 14, 2011, Gary McKinsey, James West and Chair Terry Plett will be termed out after serving two consecutive terms. Effective March 11, 2011, Verle Bartels, James Cherry, Tammy Firch and

Billie Taylor complete their first term. According to bylaws CBOC members Bartels, Cherry, Firch, and Taylor can agree to serve a second consecutive term for an additional two years, through March 11, 2013.

Nick Stavrianoudakis responded to an inquiry made regarding how CBOC Chair is voted and selected.

We will begin to call for applications to fill the vacancies that will be left in category for Business Organization, At-large, and College Support Organization. There is currently still a vacancy for the Community College student representing Columbia College.

#### **6. Meeting Schedule 2011-2012**

CBOC members were provided the tentative meeting schedules for 2011 and 2012 for their approval. After reviewing the schedule line by line it was suggested that the July 4, 2012 meeting, as noted, be rescheduled to June 27, 2012. CBOC members agreed to the meeting schedule, it was adopted as amended.

#### **7. Annual Report**

Nick Stavrianoudakis reported on the CBOC Annual Report; CBOC members were previously provided a final draft of the annual report for review. He worked with the subcommittee identified to work on the annual report which included Terry Plett, Jim West, Del Hodges and James Cherry. A request was made for the CBOC to formally approve the document, and forward a final copy to the YCCD Board of Trustees.

A correction was requested by Frank "Del" Hodges, with regard to page 4 of the report, about the amount for Scheduled Maintenance and the start date for projects that have expenditures listed. Nick Stavrianoudakis will inquire and list a date if necessary.

A motion was made to approve the 2009-2010 CBOC Annual Report #5 with amendments to Scheduled Maintenance by James West and seconded by Gary McKinsey. The motion carried with a vote of 7-0.

Chair Terry Plett thanked Nick Stavrianoudakis for his work on the annual report and for assisting with informing the community.

#### **8. Bond Update**

Kitchell representative Mark Newton provided PowerPoint presentations on the MJC Allied Health and Ag Pavilion Project, as well as the Columbia College Science Natural Resources Center. **ALLIED HEALTH:** CBOC members were informed of the various rooms that make up the two floors of the building. All lift of panels were completed in June. The project move is scheduled for June 2011. **AG PAVILION:** The building is approximately the size of a football field. He provided the layout of the building floor, a rendering of the Ag Pavilion and Science Museum. There is no HVAC planned for the building; seating in the facility are bleachers with a max capacity for 1,300. In response to James West's inquiry about plans to rent facility to the public, Interim Chancellor Smith stated that current facilities can be rented, as will the Ag Pavillion; the priority is for college use; there is a fee structure set for facilities rentals. James West inquired about possible use of the facility for the Ag Science Fundraising Dinner in the future. Mark Newton provided photos of when the trusses being lifted by the cranes, this work was completed as of August. **SCIENCE NATURAL RESOURCES:** The project is seeking to obtain leed silver or gold. The steel is up on the building and pouring steel and concrete onto the roof deck of the building. Continue to mobilize. He reviewed floor plans on the building. It was reported that a local vendor was used to purchase the stone for the building.

Mr. Newton followed the presentation by providing an update on the progress of current Bond projects. **Modesto Junior College: Allied Health:** Goal is to get roof on building. **Infrastructure/ MJC West Roads Project:** The project includes underground utilities to support the Allied Health Building, the Science Community Center and the Central Plant. **Softball Concession Stand:** The project has been approved by DSA and will begin the bidding phase. **Agricultural Multipurpose Pavilion:** The current focus is on both the roof and building siding to enclose prior to the start of weather. **Science Community Center & GVM:** The project will soon start steel erection. **Student Services:** The building steel frame is complete; work will begin on the roof and second floor deck. **Founders Hall:** Construction has started. **High Tech Center:** Currently in the design development drawing phase, design to restart after the start of fall term. **Swing space for Founders Hall:** The project is complete and in use. **Founders Hall Secondary Effects:** The project is complete and in use. **Columbia College: Child Development Center:** The project is now occupied and in use. **Science and Natural Resources:** The steel frame, roof and second floor decks are complete. Work has started on the exterior enclosure.

## 9. Project Status Report

Mark Newton reviewed the changes made to the Project Status Report, a copy was previously provided to CBOC members for their review. The document was reformatted to include a update to the column *bid day budget/construction contract* budgets and add the column *cost per square foot*. Projects highlighted in gray have not yet bid. The District has achieved significant bid savings; we are passing bidding on the large second phase of student services building. He hopes this new format provides more information and that CBOC members like the format.

## 10. Bond Quarterly Expenditure/Revenue Report

The Bond Quarterly Expenditure Report is formatted in three different sections, Modesto Junior College, Columbia College and Central Services. Mark Newton provided an overview of the Measure E Quarterly Expense Report. As of June 30, 2010, MJC has total expenditures of \$57.4 million, encumbered a little over \$65 million, and ends with an unencumbered balance of \$97.7 million. MJC is moving forward, burning into the budget with large projects and lots of activity. Columbia College's total expenditures amount to \$21.2 million, encumbered just under \$9.8 million, and an unencumbered balance of \$21.4 million. Columbia College is half way through their projects. Central Services has a total expenditures amount of almost \$31.2 million, encumbered \$930 thousand, and a balance of about \$21.3 million. Program wide total expenditures amount to almost \$110 million, encumbrances just over \$78.5 million, and an ending balance of approximately \$137.8 million. Central Services figures include debt services and will not initiate/encumber funds designed projects, but will start designing two (2) data centers.

Teresa Scott reported on how encumbrances are determined and noted that when a project is completed the unencumbered balance is transferred into the college contingency; the college then can start again in the planning process. In response to an inquiry from Frank "Del" Hodges about why the bond was sold in three different issuances, Teresa Scott stated that originally YCCD was scheduled for four (4) issuances. There was criteria on when YCCD needed to spend the money. YCCD prioritized how the \$326 million Bond would be spent and worked with Kitchell to expedite the four issuances down to three in order to not exceed the time frame to spend the GO Bonds. Columbia College took off rapidly and Modesto Junior College is moving forward now. It was reported that three issuances, in order, were \$94 million, \$150 million, and just under \$82 million. Frank "Del" Hodges mentioned that as a representative of a tax payer group, property owners do not like to see several issuances;

Teresa Scott reported that the various issuances were in light of the spend down requirements of Prop 39; YCCD was fortunate to reduce the issuances to three, as previously mentioned.

**11. Comments from Committee Members**

Gary McKinsey stated he liked that YCCD is involving local companies/contractors, labor force and vendors. Mark Newton identified the local vendors involved in the Founders Project, and noted that we even have a Japanese contractor, so we have also gone international. We are looking at engaging local contractors, subcontractors and local workers for the Softball Field concession stand.

Frank "Del" Hodges inquired about the detailed expenditures and use of local vendors. A local concrete company on the other end of Blue Gum Avenue is getting a lot of business. Terry Plett said it would be interesting to see or run an economic impact as part of the community report; a community impact report on how many jobs have been generated and how much funds have impacted the growth of tax revenue. Another way of realizing economic impact is an expenditure of tax dollars that shows the positive impact for our local economy. Dr. Smith mentioned that a economic impact report was conducted in Ventura while she was there. Mr. Hodges stated he is involved in the local county government, and would like to see more mention of what is going on at the college. Dr. Smith stated that the Union Democrat ran an article about the positive impact to local economy a while back.

**12. Adjournment**

The Citizens' Bond Oversight Committee meeting was adjourned at 7:02 p.m.

**The next meeting of the Citizens' Bond Oversight Committee will be held on Wednesday, January 5, 2011, at 6:00 p.m., in the Yosemite Community College District Board Room.**