

Yosemite Community College District

Measure E Citizens' Bond Oversight Committee Meeting Minutes

YCCD Board Room
April 7, 2010, 5:00 p.m.

Members Present: Verle Bartels, James Cherry, Tammy Firch, James West, Frank "Del" Hodges, Billie Taylor, Mégane Quéromès, Tammy Firch (*left at 6:11 p.m. following item 7*), Terry Plett

Members Absent: Gary McKinsey

Others Present: Roe Darnell, Mark Newton, Michael Perez, Judith Lanchester, Deborah Campbell, Gary Whitfield, Nick Stavrianoudakis, Graciela Molina (recorder)

1. Call to Order

Citizens' Bond Oversight Committee (CBOC) Meeting was called to order by Terry Plett at 5:00 p.m. in the YCCD Board Room.

2. Membership Update

Nick Stavrianoudakis introduced the newest member appointed to the CBOC, Ms. Mégane Quéromès who filled the Community College Student category for Modesto Junior College. Ms. Quéromès is in her 4th semester at MJC, serves as political director for associated students and is looking forward to serving on this committee. CBOC members welcomed her.

3. Overview of CBOC Responsibilities

Chancellor Roe Darnell introduced Mr. David Casnocha, Bond Measure E Legal Counsel. Mr. Casnocha provided an overview of CBOC responsibilities and started by highlighting YCCD's passage of Measure E Bonds via Prop39 requiring the District establish, populate and empower a Citizens' Bond Oversight Committee. The source of authority comes from the Education Code; the CBOC is also guided by Brown Act provisions which restrict email conversations between members; it was suggested that discussion topics be agendaized for general meetings. Mr. Casnocha focused discussion on duties and authorized activities (Bylaws 3 & 4, respectively). The fundamental power and responsibility of the CBOC is to review the expenditures (Bylaws 3.2) of lawful measure E projects (Exhibit B of Resolution 04-05/001). An inquiry was made regarding interest in drilling down on the project expenditures; Mr. Casnocha stated drilling down was considered beyond the scope of the authority of the committee; he provided various examples on how to ensure that the funds expended are as authorized by Bond Measure E. Chancellor Darnell suggested the auditors report be used as a source of information to verify budget expenditures. Mr. Casnocha stated that the Prop 39 Citizen Oversight committee role has been identified by the legislature; the law sets forth as a standard, and the law does not drill down, or provide cross examination. James Cherry expressed concerns regarding a particular bond project and the annual report. Mr. Casnocha recommended discussing the concerns with district staff. Further discussion ensued. The basic functions of the CBOC are to determine if a project is part of the bond approved project list, inform the public, and provide a statement in a newsletter such as an annual report (committee acts as a consensus view of all members) to verify that the District is in compliance that Bond funds are being used for Bond projects. CBOC has the right to receive the information that goes to the Board of Trustees (Bylaws 5.8). Duties beyond the purview of the committee are reserved for the Board and/or chancellor (Bylaws 3.4). Mr. Casnocha stated

that District Staff is willing to provide information to show that we are using the statutory scope of authority, CBOC members should continue asking questions; he suggested asking the Chancellor for follow-up information and further clarification; inquiries should be made regarding scope and accuracy. Chancellor Roe Darnell requested that committee members communicate with Chancellor's Office staff, Nick Stavrianoudakis and Graciela Molina, when making requests for information, tours, etc. Chair Terry Plett thanked Mr. Casnocha and acknowledged that Kitchell has been forthcoming with information.

4. Comments from the Public

No comments from the public.

5. Program Management Plan

CBOC members were provided access to the Program Management Plan for Measure E Bond Program prior to the meeting. Mark Newton reported that the approved MJC project changes went through project committee and MJC college council review, as well as, final Board of Trustees approval. Some projects were unfunded; projects that were de-funded may be re-funded at a later time using college contingency funds, discussions continue on this topic at the colleges. The summary of the budget changes was reviewed; shaded line items identified closed projects, no additional funding needs are required, any fund balances were moved to the respective college contingency line item. Chair Terry Plett acknowledged and appreciates the district's due diligence.

6. Approval of Minutes of January 6, 2010 Meeting

A motion to approve the minutes of the January 6, 2010 meeting was made by James West and seconded by Tammy Firch. The motion carried with a 9-0 vote and minutes were approved.

7. Construction Comparison

Mark Newton presented to CBOC members *Factors Affecting School Construction Costs in California*. He provided an overview of the 2008 Construction Cost Index and stated that public sector indexes on average are higher than private sector indexes. He discussed State funding and stated that most projects do not qualify for it. The State allocates based on types of rooms we use; efficiency is a factor between assignable square footage (ASF) and gross square footage (GSF); ASF is funded by the Chancellor's Office at the State level. Mark Newton reported that according to research findings California public schools construction projects are bound to different state regulations; California has one of the most elaborate state systems for financing and regulating public school construction and modernization projects in the entire country due to the multiple levels of government involved. The main influences of public sector construction costs were mentioned as being prevailing wage, increased approval costs, mandated inspection, special inspection and testing, prescriptive architects/engineering services, and market impacts/work desirability; each influence was reviewed in further detail. A comparison chart of construction estimates to actual bids was reviewed. From 2007 through mid-year 2009, bids did not vary much from estimate; in June 2009, bids started to come in significantly lower than the previous estimates. Mark Newton cited additional factors affecting construction costs which included increased State Design and Construction specifications, seismic structural requirements, energy requirements, Department of Toxic Substances

Control (DTSC) Compliance, Department of State Architect (DSA) Approval, public contract code and processing of change orders; he elaborated on each factor.

8. Bond Update

Mark Newton provided the bond update. **Modesto Junior College:** *Allied Health* poured tilt up panels last week. *Infrastructure/MJC West Roads Project:* Projects are continuing in construction, the completion is projected for summer 2010. *Softball Complex:* The contractor will soon be laying sod grass. *Agricultural Multi Use Pavilion:* The project is in construction and beginning to receive steel on site. *Science Community Center & GVM:* The bidding phase continues; bid date was the end of March. *Student Services:* The project received bids March 17 seeing a significant savings in the project. The *High Tech Center* is in the design development drawing phase. *Founders Hall* has been submitted to the Division of the State Architect for approvals; swing space construction is beginning with Pirates Village; swing space is temporary housing/space during construction. Pirates Village consists of 39 portable units behind Electronics being set up for classrooms and offices; classes will take place in the fall. The college identified \$1 million for swing space; the budget was increased because the amount was not sufficient. A request for the cost for Pirates Village was requested made. Chancellor Darnell stated typically, colleges see about a 5% reduction in enrollment due to the construction. **Columbia College:** *Child Development Center:* The project has begun interior finishes for most buildings with expected completion at the end of April. *Science and Natural Resources:* The contractor is in construction and steel is being erected.

9. Project Status Report

A review of the Project Status Report was provided. Chancellor Darnell informed CBOC members that the "Bid Day Budget/Cost/SF" column does not add in the projects soft costs. Presented in this format is the contractor's bid excluding all the site costs outside the building, this tool was established for the Board of Trustees. A suggestion to provide the board and nail costs was made; requesting a second tracking mechanism, a close out report, cost or categories which could provide a clear total cost of the building. Chancellor will speak to Trustees about Bond Measure E accounting and report back to the CBOC.

10. Bond quarterly Expenditure/Revenue Report

The Quarterly Expenditure/Revenue Report was provided to CBOC members prior to the meeting for review. No questions of the report were made.

11. Comments from Committee Members

No comments from committee.

12. Adjournment

Chair Terry Plett adjourned the meeting at 6:46 p.m.

The next meeting of the Citizens' Bond Oversight Committee will be held on Wednesday, July 7, 2010. Open Session will begin at 5:00 p.m., in Buckeye 3, Columbia College, 11600 Columbia College Drive, Sonoma, California. A tour of bond projects for CBOC members will precede the general meeting at 3:30 p.m.