

Measure E Citizens' Bond Oversight Committee Meeting Minutes

YCCD Board Room
April 4, 2012, 6:00 p.m.

Members Present: Frank "Del" Hodges, Lee DeLano, Mike Sharif, Matthew Rollicheck, James West, Lyndi Love Haning, Jeff Phillips, Billie Taylor

Members Absent: Verle Bartels

Others Present: Nick Stavrianoudakis, Tim Nesmith, Mark Newton, Matt Kennedy, Gary Whitfield, Michael Guerra, Judy Lanchester, John Kane, Graciela Molina (recorder).

1. Call to Order

Citizens' Bond Oversight Committee (CBOC) meeting was called to order by Chair Matthew Rollicheck 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 January 4, 2012 Meeting

The meeting minutes of January 4, 2012, were approved by the Citizens' Bond Oversight Committee. A motion was made by Jeff Phillips and seconded by Mike Sharif. The motion carried unanimously.

4. 2013 CBOC Tentative Meeting Schedule

CBOC members discussed the proposed meeting schedule and approved the following 2013 meeting dates: January 3, April 3, July 3, and October 2. Meetings will take place from 6:00 p.m. to 7:00 p.m. at the YCCD Board Room with the exception of the July meeting which will be held at Columbia College.

5. Project Near Completion Report

CBOC Vice Chair Jeff Phillips requested this item on the meeting agenda. Executive Vice Chancellor Teresa Scott asked the District Controller to create a new schedule. The new schedule, titled Completed Bond Projects, was provided and reviewed by CBOC members. Discussion ensued regarding the schedule; CBOC members asked to add a projected residuals column, which is the same as the Kitchell report column "projected cost to complete." It was reported that this figure is a volatile number that will change meeting to meeting. CBOC members agreed to continue using existing schedule provided by Kitchell with an added column to identify possible contingency funds.

Frank "Del" Hodges previously inquired about trailing expenditures and moving towards a more structured process to close projects. Teresa Scott provided the YCCD Measure E Project Bond Expenditure Guideline language that was approved by the YCCD Board of Trustees on March 14, 2012. The guidelines refined procedures for closing out projects. She stated that the new language will be incorporated into the Program and Management Plan, will be put in the annual newsletter, and noted that internal project committees have been made aware of new guideline.

6. Bond Update

Kitchell representative Mr. Mark Newton provided two presentations to CBOC members. **CS Shipping and Receiving:** The location for this new building is MJC West Campus and will incorporate a loading dock, shipping and receiving area, a warehouse, and a maintenance and operations storage which includes an area for chemical storage. The project is currently in the Bid Phase with construction to begin in late July 2012. **CC Proposed Roadways-Pathways:** The roadways and pathways repairs for Columbia College were identified. Future upgrades include proper drainage design to avoid run-off into the reservoir and a termination and turn around of the public road between Child Development and the library. Parking will be addressed with a permanent overflow student parking lot, and increased staff parking lot, and an added lot to the north side of campus. The project will create accessible pathways for pedestrians and carts from Manzanita to Tamarack, as well as, a pathway to buildings around the north side of the San Diego Reservoir. The addition of safer walkways will be incorporated and enhanced student entry near the Alder Building.

Kitchell representative Mr. Mark Newton reviewed the written update provided to CBOC members and provided the progress of Measure E Bond projects. **Modesto Junior College:** *Infrastructure/ MJC West Roads Project- Phase II:* The project is complete, with the exception of the last phase adjacent to the Science Community Center. *Science Community Center and Great Valley Museum:* Work continues on both the interiors and the exteriors. Project completion projected for the beginning of November. *Student Services:* Project move-in is being coordinated. Ribbon cutting is scheduled for later this month. *High Tech Center:* Working on preparing the Division of State Architect (DSA) submittal. The old science building will receive an interior and exterior facelift. Work will begin when Science is moved to the new Science Community Center on West Campus. The *Ag Pavilion* budget is now including additional projects of a parking lot and adding bleachers to the interior which are being fabricated. The *Library/Learning Resource Center* project is in DSA and starting construction in the fall. *Infrastructure:* All is done except for the plaza. *Patterson Educational Site:* Meeting and working with the community to finalize the design. Work will begin the end of this year. *Turlock Educational Center:* Continue to look for property, looking to find something within the city's sphere of influence that includes power and water. *West Campus Parking Lot:* The project is in Design to add additional parking. MJC project savings have been redirected to fund this project.

Mark Newton stated there have been concerns expressed regarding the aesthetics on East Campus with new buildings. MJC is moving towards creating a more modern, high tech image. The Science and eventually the Library buildings will be remodeled and move in the modern style creating a true MJC architectural identity. Lee DeLano commented he likes the building and acknowledged the building is sustainable and environmentally sensitive.

Columbia College: The College is working on updating the *Facilities Master Plan*, which will include prioritization of projects for the remaining of funds. In addition, Mark Newton reported that the Columbia College Science project is going to have a

leed gold rating and has won an American Institute of Architects (AIA) award; the architect created a video to highlight the building and celebrate the award.

Central Services: Primary Data Center has been submitted to the DSA. Secondary Data center is in the Bid Phase. Shipping and Receiving is preparing for contractor pre-qualifications. Bid Phase to start. In addition, the *Central Services Master Plan* is posted to the web. New projects include the addition of Central Services building, which is the major project on the list.

Following an inquiry from CBOC Chair Matthew Rollicheck, Mark Newton reported that the District is in discussion with the City of Modesto about a traffic light at the main entrance to the MJC West Campus.

7. YCCD Measure E Budgets and Schedules

Mark Newton provided an overview of the Budgets and Schedules report. The document has been updated with the budget amounts for MJC and Central Services. Columbia College budgets will not be updated until their master plan is approved by the YCCD Board of Trustees. There have not been a lot of changes since the last time the report was distributed. Frank "Del" Hodges inquired about parking. It was reported there is an open lot that will incorporate about 200 spaces. Lyndi Love Haning inquired about the Patterson Planning being charged to Central Services budget, it was reported transfers will be incorporated in the future.

8. Bond Quarterly Expenditure/Revenue Report

Mark Newton provided the Measure E Quarterly Expense Report. As of February 1, 2012, MJC has total expenditures of just under \$137.7 million, encumbered \$24.8 million, and ends with an unencumbered balance of \$57.5 million. Columbia College's total expenditures amount of \$32.2 million, encumbered \$1.2 million, and an unencumbered balance of just over \$19 million. Central Services has total expenditures of \$36.4 million, encumbered \$1.8 million, and an unencumbered balance of \$35.2 million. Program wide total expenditures amount of \$207.2 million, encumbrances totaling \$28.4 million, and an ending balance of approximately \$110.4 million. In addition, Mark Newton provided an overview of possible contingency for the projects listed.

James West inquired about possible contingency funds being spent on the MJC Stadium. Teresa Scott reported the stadium was not a project originally listed on the bond. Discussion ensued regarding residual monies and arbitrage funds. Chancellor Joan Smith answered inquiries from CBOC membership regarding the accreditation for MJC and Columbia College.

9. Bond Refunding

Teresa Scott informed CBOC members regarding possible bond refunding and its implications to property owners. She has been working with YCCD Board of Trustees to look at refunding GO Bonds. In late December, interest rates were low and moved into the process to refund earlier bonds; since the process started there has been a turn in the market. Our financial statements are good for 90 days and

hope to refund \$54-\$60 million. In the event the market does not turn around, another resolution could be taken to the YCCD Board of Trustees for approval. The Bond refunding will reduce the amount of tax bills; the refunding revenue will provide relief/reduce interest rates and reduces the amount per \$100K. The intent is to reduce the bond. The District is excited about this opportunity and very happy to see the Standard & Poor (S&P) rating of AA.

10. Comments from Committee Members

No comments

11. Adjournment

The Citizens' Bond Oversight Committee meeting was adjourned at 7:00 p.m.

The next regular meeting of the Citizens' Bond Oversight Committee will be held on Wednesday, June 27, 2012. Open session will begin at 6:00 p.m., in the Manzanita Community Education Room, Columbia College, 11600 Columbia College Drive, Sonora, California. A tour of bond projects for CBOC members may precede the general meeting.