

Yosemite Community College District

Measure E Citizens' Bond Oversight Committee Meeting Minutes

YCCD Board Room
December 17, 2015, 2 p.m.

Members Present: Barbara Frazer, Larry McElhaney, Matthew Rollicheck, Sherry Fowler, Paul Neumann, Tom Solomon, Joseph Aja

Members Absent: none

Others Present: Teresa Scott, Coni Chavez, Matt Kennedy, Sarah Schrader, Tina Teris, Fred Fowler, Graciela Molina (recorder)

1. Call to Order

Citizens' Bond Oversight Committee (CBOC) Meeting was called to order by Chair Larry McElhaney at 2:00 p.m. in the YCCD Board Room.

2. Comments from the Public

Mr. Fred Fowler expressed Merry Christmas wishes to all.

3. Committee Membership Update

Interim District Director of Public Affairs Coni Chavez announced that a CBOC application was received and a candidate will be moved forward to the Board of Trustees recommending their approval at their January Meeting.

4. Approval of Minutes of September 2, 2015 Meeting

A motion to approve the amended meeting Minutes of September 2, 2015, was made by Paul Neumann and seconded by Barbara Frazer. The motion carried with a vote of 7-0.

Ayes: 7 Barbara Frazer, Larry McElhaney, Matthew Rollicheck, Sherry Fowler,
Paul Neumann, Tom Solomon, Joseph Aja

Nays: 0 none

5. Proposed Meeting Schedule 2016-2017

CBOC Members as part of their agenda packet were provided an amended meeting schedule for 2016-2017. The December 2016 meeting was rescheduled to follow the YCCD Board meeting and presentation of the district audit.

A motion to accept the amended 2016 CBOC meeting schedule was made by Joseph Aja and seconded by Barbara Frazer. The motion carried with a vote of 7-0.

Ayes: 7 Barbara Frazer, Larry McElhaney, Matthew Rollicheck, Sherry Fowler,
Paul Neumann, Tom Solomon, Joseph Aja

Nays: 0 none

6. General Obligation Measure E Audit Reports

Teresa Scott introduced Tina Treis with the CPA auditing firm Crow Horwath, LLP who presented the Bond Measure E Audit Report. CBOC members were previously provided a copy of the Bond Measure E Audit Reports for review.

Ms. Tina Treis provided highlights for the two audit reports: Financial Statements and Performance Audit. **Financial Statements:** The report includes the independent auditor's report, provides an overview of the Financial Statements which included the Report on the Financial Statements, Management's Responsibility for the Financial Statements,

Auditors Responsibility and most important the Opinion. She reviewed the balance sheet listing assets, liabilities and fund balance. Also reviewed was the statement of revenues, expenditures, and change in fund balance. In addition, she also reported on the four pages of notes related to the financial statements. **Performance Audit:** Ms. Treis noted the objectives, scope, methodology, and conclusion of the Performance Audit. It was determined that YCCD expended bond funds according to projects developed by the Board and approved by the voters, which complies with Proposition 39 requirements.

In response to an inquiry regarding fees associated with bond firms and services, Teresa Scott reported that the bond firm fees (i.e. underwriter, legal and financial advisor's) are addressed up front of the refunding process.

7. CBOC Annual Report Committee

Interim District Director of Public Affairs Coni Chavez presented the final draft annual report. CBOC members previously received the report as part of their packet. Ms. Chavez thanked the annual report committee, and both YCCD and Kitchell staff for their input and feedback. She especially thanked Kimberly Carter in the Public Affairs Office for her work on the design of the annual report. A group member photo will be taken at the close of the meeting to update the report with a photo of current membership.

A motion to approve the annual report, as revised was made by Paul Neumann and seconded by Matthew Rolicheck. The motion carried with a vote of 7-0, all in favor.

Ayes: 7 Barbara Frazer, Larry McElhaney, Matthew Rolicheck, Sherry Fowler,
Paul Neumann, Tom Solomon, Joseph Aja

Nays: 0 none

Discussion ensued regarding the Oakdale Educational Site.

8. Bond Measure E Refinances

Executive Vice Chancellor Teresa Scott distributed to CBOC members information regarding the General Obligation Bond Refundings which detailed issuances, refunding, maturities and interest rates. YCCD had three series of bond issuances in 2005, 2008, and 2010. Interest rates dropped in 2012, which allowed a refunding of \$57.1 million saving taxpayers a net of \$4.5 million. In 2015, rates dropped again, the District refunded \$126 million saving a net \$12.5 million. Discussion ensued regarding Capital Outlay Bonds, the refinance process and its oversight was shared.

9. Bond Update

Kitchell representative Matt Kennedy provided the CBOC members with an update on the progress of the Measure E Bond projects (Columbia College: Roadways and Pathway, Renovation to Lower Manzanita, Juniper and Pinyon Buildings; the New District Office Building; and West Campus Roads – Phase 1) and a Summary Expenditure Report.

The presentations were previously given to the YCCD Board of Trustees in October, November and December respectively. **COLUMBIA COLLEGE- ROADWAYS PHASE I-III:** A review of CC Roadways and Pathways by phase was provided; all phases listed below included repairs to existing roadways and parking, new concrete walkways, and asphalt resurfacing. In addition, Phase I – Road to Symons field and Oak Pavilion parking included ADA upgrades to current accessible parking areas; construction completed in August 2013; total project budget \$825K. Phase II – Student Housing Roads and Parking, Road to Alder, and Madrone Road included ADA upgrades to current accessible parking areas and hillside stabilization; construction was completed August 2014. Total budget for this project \$1.6 million. Phase III – College Drive, Manzanita Road, Willow Road, Loop

Road and Staff Parking Lot was the most recent with completion August 2015. Phase III budget totaled \$1.47 million.

The presentation also included the modernization projects of existing buildings including Lower Manzanita, Juniper, and Pinyon. Each project includes renovation of interior space with new walls, finishes and technology infrastructure. **LOWER MANZANITA:** Renovation of the Culinary Arts and Auxiliary Service areas (food service and snack bar). **JUNIPER BUILDING:** Renovation for Multimedia lab, Distance Education, ITC and Entrepreneurship education. **PINYON BUILDING:** Renovation for CC Student Health Services program and will include two exam rooms, conference room and offices. Layout designs were provided for each of the modernization projects.

NEW DISTRICT OFFICE BUILDING: Construction is well under way, project budget \$21 million with construction to be completed September 2016. A photo series was shown of the steel erection that commenced September 22 and was completed October 12; in addition photos of the mechanical, electrical and plumbing roughing, concrete work, and metal framing photos were provided. CBOC members expressed interest in scheduling a tour of the new district building following the March meeting. **MJC WEST CAMPUS ROADS – PHASE 1:** This project is to create a loop around the west campus Phase 1 begins after the first of the year. Begin on the west side of the campus.

In addition, Matt Kennedy referenced the bond update provided in the agenda packet. **Modesto Junior College:** GVM Education Demonstration Center is complete. *East Campus Roads:* under construction. *West Campus Roads:* Project is in the Bidding Phase. **Columbia College:** The *Modernization of the Pinyon and Juniper Buildings* is in Design. Design of the *Culinary Arts* teaching kitchen and food service is underway. **Central Services:** Central Services Building (also known as District Office Building): under construction.

10. YCCD Measure E Budgets and Schedule

Matt Kennedy provided a presentation on the YCCD Budget and Schedule for CBOC members.

11. Bond Quarterly Expenditure/Revenue Report

CBOC members received the Quarterly Expenditure Report as part of their packet. As of June 30, 2015, MJC has total expenditures of \$200 million, encumbered just under \$1.3 million, and ends with an unencumbered balance of \$18 million. Columbia College has total expenditures of \$48 million, encumbered about \$474K, and an unencumbered balance of almost \$4 million. Central Services has total expenditures of \$57 million, encumbered about \$12.5 million, and an unencumbered balance of \$8.8 million. Overall, program-wide total expenditures are just under \$306 million, encumbrances total \$14.6 million, and an end with a balance of approximately \$30.5 million.

12. Comments from Committee Members

Paul Neumann, on behalf of his neighborhood residents, inquired about the new pathways east of the Student Services Building and the parking on College Avenue; in response Teresa Scott reported that neither the District nor Modesto Junior College were consulted with regard to the city's "road diet" on College Avenue.

13. Adjournment

A motion to adjourn the Citizens' Bond Oversight Committee meeting was made by Paul Neumann and seconded by Joseph Aja. The motion carried with a vote of 7-0.

Ayes: 7 Barbara Frazer, Larry McElhaney, Matthew Rollicheck, Sherry Fowler,
Paul Neumann, Tom Solomon, Joseph Aja

Nays: 0 none

The meeting adjourned at 3:05 p.m.

The next regular meeting of the Citizens' Bond Oversight Committee will be held on Wednesday, March 2, 2016. Open session will begin at 2 p.m., in the YCCD Board Room, Yosemite Community College District, 2201 Blue Gum Avenue, Modesto, California. A tour of bond projects for CBOC members may precede the general meeting.