



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, June 15, 2015
1:30 PM – Committee Tour of Campus Bond Projects
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street
Monterey, California

Meeting Minutes

MEMBERS PRESENT: Mr. Wayne Cruzan, Vice Chair
Mr. Thomas Gaspich
Mr. Hunter Harvath
Mr. Rick Heuer
Mr. Birt Johnson, Jr.
Ms. Sharon Larson
Mr. Rob Lee
Mr. James Panetta, Chair
Mr. Maury Vasquez (arrived at 3:10 PM)

ABSENT: None

STAFF PRESENT: Ms. Rosemary Barrios, Controller
Ms. Vicki Nakamura, Assistant to the President
Dr. Walter Tribbley, Superintendent/President

OTHERS PRESENT: Mr. Michael Carson, Kitchell

New committee members convened at 1:30 PM for a tour of Monterey campus facilities projects completed with bond funds.

1. Call to Order

The regular meeting of the Citizens' Bond Oversight Committee of Monterey Peninsula College was called to order at 3:00 PM by Chair Panetta.

2. Public Comment

There were no public comments.

3. Introductions and Staff Update

Mr. Harvath was introduced and welcomed to the committee. Dr. Tribley informed the committee of Mr. Davis's passing. He said a search for a new chief business officer will be conducted in the fall semester.

4. Approval of March 9, 2015 Minutes

A handout providing follow-up to a question recorded in the minutes of the March 9 meeting regarding the bills and warrants report was distributed and reviewed. Ms. Nakamura noted a correction in item number 6, on page 3 of the minutes, where the seconder of the motion for approval of the November 17, 2014 minutes should have been identified as Vice Chair Cruzan.

Motion made by Mr. Johnson, seconded by Ms. Larson, to approve the minutes of the March 9, 2015 meeting, as amended. Motion carried unanimously.

AYES:	8 MEMBERS:	Cruzan, Gaspich, Harvath, Heuer, Johnson, Larson, Lee, Panetta
NOES:	0 MEMBERS:	None
ABSENT:	1 MEMBERS:	Vasquez
ABSTAIN:	0 MEMBERS:	None

5. Accept Bills and Warrants Report

Chair Panetta advised the report would be reviewed by page and invited questions. On page 1, Mr. Panetta requested information regarding post construction services provided by HGHB Architects on the Arts Complex project. Mr. Carson explained the closeout process following construction requires documents to be filed, including certification by the Division of the State Architect (DSA).

On page 2, Mr. Heuer asked about the 3% cornsilk shades purchased from Peninsulators for the Veterans Center. Mr. Carson explained the percentage refers to the amount of light that passes through the shade, and cornsilk is the color name of the shade.

There were no further questions regarding the report.

It was moved by Vice Chair Cruzan and seconded by Mr. Heuer to accept the March 31, 2015 bills and warrants report. Motion carried unanimously.

AYES:	9 MEMBERS:	Cruzan, Gaspich, Harvath, Heuer, Johnson, Larson, Lee, Panetta, Vasquez
NOES:	0 MEMBERS:	None
ABSENT:	0 MEMBERS:	None
ABSTAIN:	0 MEMBERS:	None

6. Bond Expenditure Status Report

Chair Panetta asked Ms. Barrios for comments on the March 31, 2015 bond expenditure report. She noted the total spent to date is \$146,284,760. Chair Panetta asked for questions on the report.

Mr. Heuer asked if \$8.6 million was the amount of bond funds remaining. Ms. Barrios responded some interest is being posted in addition to this amount, but there are no longer any investment earnings.

Mr. Harvath asked about the line for general institutional bond management. It was explained this expenditure was for the services of Kitchell, the bond program manager.

Mr. Heuer followed with a question regarding the status of the Public Safety Training Facilities project at Parker Flats. Dr. Tribley said this project requires state matching funds to complete. There are efforts underway to place a state bond on the 2016 ballot. A new strategy will be needed if state funds are not available.

Chair Panetta raised the issue of the 100% construction completion status of the Arts Complex when there is \$950,000 remaining for the project. He asked if there would be a second phase of the project or if the 100% status should be adjusted. Mr. Carson estimated the project is 70% complete. He added the 100% meant construction was complete on the portions which had been implemented. Dr. Tribley commented he appreciated the need for clear accounting and explained the \$950,000 is for repairs to the Art Dimensional building systems. He suggested recognizing the discrepancy and revisiting when a new vice president is in place. Mr. Heuer advised reducing the percentage of the completion status; otherwise, there appears to be a project savings of \$1 million to be applied to another project. Mr. Johnson concurred with Mr. Heuer's suggestion and asked about the process for moving projects from the in-process category to the completed group. He cited the Theater project as an example. Mr. Carson said closing out the project budget and Governing Board approval of the final reconciliation was needed.

Mr. Heuer observed the pool renovation was still being identified as the Pool/Tennis Court Renovation even though the project was 100% complete and the tennis courts were not renovated due to lack of funds.

Chair Panetta requested an adjustment to the construction schedule percentage and removal of "tennis court" from the name of the pool renovation project. There was consensus from the committee regarding this approach. The next report should reflect this change. Ms. Larson commented this change will allow for the remaining balance in the pool project to be moved to another project. Mr. Carson said budget reconciliation still needs to occur to offset budget overages and/or allow for reallocation. Board approval of budget changes and new projects will then be needed.

7. Monterey County Treasurer's Investment Report

The March 31, 2015 investment report was shared with the committee for information. Ms. Barrios reported the yield on the portfolio for the period was at 0.57%.

8. Update on Facilities Projects

Dr. Tribley indicated the college was taking advantage of state scheduled maintenance funds to install new metal roofing and paint the exteriors of the Nursing and Graphic Arts buildings. He stated there were two remaining bond projects, the Music Facilities – Phase 1 and the Public Safety Training Facilities – Phase 2 at Parker Flats, which will require state matching funds to complete.

Chair Panetta asked the new members for comments on the facilities tour prior to the meeting. It was agreed that the tour was informative and educational about the facility improvements that have occurred as a result of the bond.

9. Membership Update

Dr. Tribley announced Mr. Vasquez, student representative, was ending his tenure on the committee with today's meeting. He presented Mr. Vasquez with a certificate of appreciation and thanked him for his service. Mr. Stephen Lambert, new student trustee, will be appointed to the committee. In addition, Dr. Tribley reported there are four members, Mr. Cruzan, Mr. Heuer, Mr. Johnson, and Mr. Panetta, who will be completing their second term in November. Dr. Tribley noted a change in state law now permits committee members to serve a third consecutive term. Staff will be contacting these members regarding serving another term. Mr. Heuer indicated his consent in continuing his service on the committee for a third term (actually five terms in all, counting his prior service from 2003-2007).

10. Meeting Schedule

The meeting schedule was reviewed, with future meetings scheduled on:

- Monday, August 10, 2015
- Monday, November 2, 2015 (Annual Organizational Meeting)

11. Suggestions for Future Agenda Topics and Announcements

A tour of the Marina Education Center and the Seaside Public Safety Training Center facilities, both funded by the bond, will be conducted prior to the next meeting for both new and current committee members.

Dr. Tribley informed the committee about a briefing he received from district bond counsel, Mr. David Casnocha, on the process required to place a Prop 39 bond measure on the ballot in 2016. He said the Vice President for Administrative Services position will be key in preparing for this effort. Many steps are involved, including development of a facilities plan/project list and polling the community to determine support. There were questions from the committee about the college's role and the cost to prepare for a bond. Dr. Tribley said he would bring further information on this topic to a future meeting.

12. Adjournment

Chair Panetta adjourned the meeting at 3:45 PM.

/vn