

# MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT

## CITIZENS' BOND OVERSIGHT COMMITTEE

March 7, 2005

3:00 PM, Sam Karas Room, Library & Technology Center

### Meeting Minutes

MEMBERS PRESENT: Ms. Christine Ferguson  
Mr. Howard Gustafson, Jr.  
Mr. Jay Hudson  
Mr. Rick Johnson  
Dr. Melvin Kline  
Mr. David Lewis  
Mr. Steven Vagnini  
Mr. Ken White

ABSENT: Ms. Barbara Canter  
Mr. Rick Heuer

STAFF PRESENT: Mr. Joe Bissell, Vice President for Administrative Services  
Ms. Vicki Nakamura, Assistant to the President  
Ms. Rosemary Barrios, Controller

OTHERS PRESENT: Mr. Joe Demko  
Ms. Maxine Cowles  
Mr. Ray Cowles

#### **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.

#### **2. Public Comment**

None.

#### **3. Approval of Minutes**

It was moved by Dr. Kline and seconded by Mr. Vagnini to approve the minutes of the November 1, 2004 meeting. Motion carried unanimously.

#### **4. Accept Bills and Warrants Report**

Mr. Bissell reviewed the list of payments from bond funds expended through December 31, 2004. Dr. Kline gave a reminder about including information in the summary regarding percentage completion of the projects. It was moved by Mr. Johnson and seconded by Mr. White to accept the bills and warrants report. Motion carried unanimously.

## **5. Bond Audit Report for 2003-04**

Mr. Ray Cowles, Vavrinek, Trine, & Day, reviewed the bond audit report. He noted the college district is required to have an audit and then reviewed the audit procedures required by the state to be completed:

1. Verify that bond funds were kept separate and not commingled with other funds.
2. Verify all bond funds in total were deposited in a separate account.
3. Verify that interest earned was deposited in the bond account.
4. Confirm that internal controls are sufficient; there are proper checks and balances in place; and staff are properly trained.
5. Verify that bond funds were expended for the purpose stated in the bond election.
6. Verify that state and district policies were followed in awarding of bids.
7. Verify competitive prices were used in purchasing materials and supplies.
8. Verify competitive bidding was used for contracting of labor.

Mr. Cowles then reviewed the stated findings. He noted the first bond sale was conducted in June 2003 and expenditures to date were \$1,318,755. The amount of available unspent funds was \$39,167,120, and encumbrances totaled \$1,824,300. In summary, he stated the District was found to be in compliance with each of the audit items and bond funds had been expended as intended by the registered voters of the District.

Mr. Vagnini asked about the direct assessment on bond and if the money was used to pay down the debt. The auditor responded yes, that the tax was taken out of property taxes. Mr. Cowles observed that education is under-funded and the state is experiencing fiscal problems. Given this situation, he said the District needs a revenue source outside of the College's general fund. Mr. Vagnini expressed interest in the amount that was generated by the assessment in the first year.

Mr. Lewis asked if an audit is required each year. Mr. Cowles explained the state requires an annual audit be completed and presented to the oversight committee. He commented that a six month audit may also be completed at the discretion of the committee.

## **6. Update on Facilities Projects**

Mr. Bissell reported the Board of Trustees had authorized Dr. Avery to execute the Quit Claim Deed from the U.S. Dept of Education for 25 acres at the former Fort Ord. This property will be used for a satellite center. He noted an environmental assessment of the property was required and was in process. Mr. Bissell also reported an educational needs survey had been conducted and 400 responses had been received from Seaside and Marina residents. The survey results are being evaluated and Dr. Avery will be chairing a planning committee for the satellite center.

Mr. Bissell continued with updates on specific facility projects.

### Old Library

Mr. Bissell said renovation of the old Library building would be 50% state-funded and 50% bond-funded. The architect selection process was completed and Ratcliff Architects had been selected to design the project.

Student Services Building

Mr. Bissell reported architect selection was in process.

Physical Master Plan

Mr. Bissell stated the purpose of the physical master plan for the campus was to determine building locations, provide for additional parking, and address access issues. The physical master planning team has conducted several campus workshops and a draft document is expected in May.

He added the plan will then be presented to the trustees and shared with the public. Mr. Bissell hoped that an advertisement to publicize the physical master plan and other bond projects could be placed in June. He also noted a bond project website was under development and would be activated to coincide with the release of the physical master plan.

Child Development Center

Mr. Joe Demko, Bogard + Kitchell, continued with the facilities projects update. He reported the Child Development Center would be located at the site of the former Plant Services facility. Preliminary drawings were completed February 28 and cost estimates are being sought. As this is a state-funded project, the preliminary plans will be submitted to the State Public Works Board for approval to go to working drawings. He stated the approval process would take four months. The next step would be Division of the State Architect approval, with the construction bidding process to take place next February.

Physical Education Complex

Mr. Demko explained the field, track, and bleachers portion of the project had been split from the fitness building and was undergoing a separate review to save processing time -- the building is expected to require a longer review from the state. The District hopes to break ground on the stadium facility in late June 2005, with bidding expected to take place in May. He said the fitness building was anticipated to begin a month later (July 2005) than the stadium facility.

Swing Space

Mr. Demko said some interim housing moves had been determined. The massage therapy program will vacate their facility and move to the old Library. The weight training area will move to a modular building located adjacent to the gym.

Music/Theater Project

Mr. Demko reported the Music building and Theater facility had been combined into one project as it was considered advantageous for state funding. He explained that completion of the Initial Project Proposal (IPP) is the first step to qualify for state capital outlay funding. In this phase, the project proposal describes the program and projects the budget and square footage requirements. The IPP is due in the state Chancellor's Office on June 1. The amount of bond funds allocated to this project is \$11.1 million.

Math/Science Complex

Mr. Demko noted the budget for this project consists of \$18.7 million in bond funds and \$11.3 million from the state. A Final Project Proposal (FPP) is currently being prepared for the Math/Science Complex. Mr. Demko explained the FPP is the last requirement before the state approves and this phase provides more definition of the program and the cost involved. The FPP is also due in the state Chancellor's Office by June 1.

Infrastructure

Mr. Demko reported topographic surveys were being prepared for the entire campus site to locate utilities. He said the existing utilities are 40 years old and an upgrade is planned to ensure there is adequate service for the facility projects to be constructed or renovated. An engineering firm has been hired and Mr. Demko predicted the infrastructure work would occur in phases.

Dr. Kline asked if infrastructure included data processing lines. Mr. Bissell answered yes and explained future needs were being determined to ensure the technology infrastructure would be adequate for the next thirty years.

Mr. White asked about the participation of department staff in building design. Mr. Bissell explained that each project has a project team assigned and the membership of the team includes representatives of divisions and departments. He said the goal is to have the user involved in building design to the extent possible.

Dr. Kline asked if the project management firm would be producing schedules and timelines for the projects. He commented this information would be helpful to the Committee. Mr. Demko responded that he could provide a summary of the schedules at the next meeting.

**7. Suggestions for Future Agenda Topics**

A review of project schedules was proposed as a topic for a future agenda.

**8. Adjournment**

The meeting was adjourned at 3:38 p.m.