

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT

CITIZENS' BOND OVERSIGHT COMMITTEE

June 12, 2006

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

Meeting Minutes

MEMBERS PRESENT: Mr. Howard Gustafson, Jr.
Mr. Rick Heuer
Mr. Jay Hudson
Mr. Rick Johnson
Dr. Melvin Kline
Mr. David Lewis
Ms. Eleanor Morrice

ABSENT: Mr. Steven Vagnini
Mr. Ken White

STAFF PRESENT: Mr. Joe Bissell, Vice President for Administrative Services
Mr. Pete Buechel, Purchasing Agent
Mr. Rich Montori, Public Information Officer
Mr. Steve Morgan, Director of Facilities
Ms. Vicki Nakamura, Assistant to the President

OTHERS PRESENT: Mr. Casey Michaelis

1. Call to Order

The regular meeting of the Citizens' Bond Oversight Committee of Monterey Peninsula College was called to order at 3:01 PM.

2. Public Comment

None.

3. Approval of Minutes

It was moved by Mr. Gustafson and seconded by Mr. Johnson to approve the minutes of the March 13, 2006 meeting. Mr. Bissell noted there was a question at the last meeting on the bills and warrants report and the 2 entries for Sugimura and Associates listing completion of construction documents for the stadium and track at 45%. He explained the entries were not duplicative, that the two combined together represented 45% completion. Motion for approval of the minutes carried unanimously.

4. Accept Bills and Warrants Report

Mr. Bissell distributed revised copies of the report, noting an error had been discovered in the entry for *Analysis of Physical Education Facility*. The beginning balance for this item at December 31, 2005 should have been \$1,422,807.76, and the total expense through March

31, 2006 should have been \$1,459,043.68, reflecting additional expenditures of \$36,235.92 for the quarter. Dr. Kline asked for clarification of the \$37,000 paid to EMC Planning Group for labor, photocopying and postage involved with the environmental impact reports for the MPC Master Plan. Mr. Bissell explained that most of the expense was due to the labor required to prepare the documents. He said that two more environmental studies are being completed for the college's Colonel Durham Road and 12th Street sites at the former Fort Ord. It was moved by Mr. Gustafson and seconded by Mr. Lewis to accept the bills and warrants report. Motion carried unanimously.

5. Bond Expenditure Status Report

Mr. Bissell reviewed the report prepared by the college's bond program management firm, Kitchell. Dr. Kline praised the improvements made in the reporting format, noting the report was easier to read and understand.

6. Update on Facilities Projects, Timelines and Schedules

A handout providing project updates was distributed. Mr. Bissell reviewed specific facility projects.

Stadium

The stadium is behind schedule due to rain delays. The field will not be ready in time for the first home football game of the season, but soon after.

Fort Ord

Architects have been working on the design of facilities for the satellite campus at 12th Street and Imjin Parkway in Marina and the public safety officer training facility at Colonel Durham Road in Seaside. The project budgets will not be finalized until infrastructure costs have been determined. Currently, the architects for both sites have been working on a time and materials basis, with a not to exceed amount.

Infrastructure

Plans are being completed and will be submitted to the Division of the State Architect on June 15, 2006.

Building Standards Committee

Most of the furniture for classrooms have been identified and recommendations for exterior paint colors and window coverings are being developed. These recommendations will ensure consistency and good pricing.

Facilities Master Plan Reworking Committee

In 2002, the projected cost to complete facilities bond projects was estimated to be \$212 million. Currently, a more realistic figure is \$300 million. To address this disparity, the Committee has been tasked with identifying what projects need to be done (such as, repair leaking roofs, replace the Music Building) and setting a realistic dollar amount for completion of each project. For example, the project budget for the new Student Services Building was \$7 million originally, but the current estimate is \$12 million. These increased project costs mean that the college will not be able to do everything in the original plan.

Dr. Kline asked if there was an inflation cost built into the original estimates. Mr. Bissell responded no and explained that the cost was estimated and then 25% was added on.

Mr. Bissell stated the Committee was also “pre-value engineering” and shuffling projects to reduce costs. He said the Committee’s recommendation is expected by the beginning of the fall semester and will be reviewed through the college’s shared governance process. A Board of Trustees study session will also be scheduled.

Student Center Renovation

This project is on hold until the student committee members return from summer break. The bond budget for this project is \$4.7 million and the project team has asked the architect for information on what can be done for this amount of funding.

Child Development Center

Construction bids for this project are due June 20, 2006.

Old Library

The state has approved the preliminary plans for renovation of the former library into an administration building. Working drawings are being prepared. This renovation will have a domino effect and enable other buildings to be renovated. The project budget was \$5.7 million, but due to significant required structural work, an additional \$1 million will be added to construction costs.

Student Services Building

This new building will replace the current Admissions and Records building and will provide space for other student services to be housed under one roof. This building will be located adjacent to the current Administration building.

Math/Science Building

As reported at the last meeting, the Math/Science Complex was not approved by the Chancellor’s Office for state funding as district capacity load ratios indicated additional classrooms were unnecessary. This project has been reworked to eliminate the new Math building. Instead, Math classrooms will be housed in the Business building. A Final Project Proposal for the Business/Math/Science project will be submitted to the Chancellor’s Office for state funding at a 50:50 state/local match.

Music/Theater Project

The original project was not to add any square footage. The project budget has increased from \$11 million to \$19 million. In this project, the Music building will be rebuilt adjacent to the Theater.

Lecture Forum HVAC

The architect is evaluating the Lecture Forum restrooms; this renovation will require Division of the State Architect (DSA) review. The Lecture Forum HVAC system is a separate project and plans are currently being reviewed by DSA. The remainder of the building will not require architectural assistance to remodel.

Mr. Bissell concluded his update noting the College is considering the remodeling of buildings rather than renovation.

7. 2005 General Obligation Bond Refunding Report

Mr. Bissell reviewed the refunding report. He noted that college enrollments are showing a decline. This drop is of concern, but is similar to what Cabrillo College is experiencing. Mr. Hudson asked about the impact of the local four-year university on enrollments. Mr. Bissell stated community colleges generally act as feeder institutions to the university and there are articulation agreements in place to facilitate transfer. Mr. Heuer commented that Monterey Peninsula Unified School District lost 200 students between last year and this year.

Mr. Heuer also noted that \$40 million in bonds was originally issued. In this refunding, he observed the actual value of the bonded indebtedness is \$56 million; however, the property tax payments remain the same as the original. Mr. Bissell confirmed that Mr. Heuer was correct.

8. Change Orders and Architect Errors/Omissions Clause

Mr. Bissell stated that each project budget contains a contingency of 7-10% of the bid amount. He explained that change orders are controlled through the bid; changes to the original drawings are generally made to resolve unforeseen conditions. Mr. Bissell used the stadium as an example where the rains soaked the soil, resulting in the need for a shear wall between the Fitness Building and the stadium to hold the soil in.

When there is the need for a change order, Mr. Bissell stated the contractor provides an estimate for review by the construction management firm to accept or reject. Mr. Bissell added that if architect error is involved in a change order, the architect will not be paid for the related work. Mr. Heuer asked who determines if the architect was in error. Mr. Bissell responded that the construction manager would make this determination as part of a team effort.

Mr. Bissell said a question was also raised about errors/omissions. He stated the architectural services contract includes language that provides the architect with some protection against errors/omissions. Mr. Bissell also noted that community colleges are required to have plans reviewed by the Division of the State Architect (DSA). In addition, construction work is inspected by the district's inspector of record to insure compliance with the approved drawings.

9. Meeting Schedule

The next meeting date of August 7, 2006 was noted.

10. Suggestions for Future Agenda Topics and Announcements

Mr. Hudson stated a replacement was needed for Barbara Canter, who represented the Gentrain Society. It was agreed that suggestions for a replacement should be forwarded to Joe Bissell.

11. Adjournment

The meeting was adjourned at 3:40 p.m.