

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT

CITIZEN'S BOND OVERSIGHT COMMITTEE

Monday, November 1, 2010
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College

Meeting Minutes

MEMBERS PRESENT: Mr. Peter Baird
Mr. Scott Coté
Mr. Steve Emerson
Ms. Daphne Hodgson, Chair
Ms. Mary Ann Kane
Ms. Elinor Laiolo
Mr. Gary Ray, Vice Chair
Ms. Sondra Rees
Mr. Antron Williams

ABSENT: Mr. Ron Pasquinelli

STAFF PRESENT: Ms. Rosemary Barrios, Controller
Mr. Pete Buechel, Purchasing Coordinator
Dr. Douglas Garrison, Superintendent/President
Mr. Steve Morgan, Director, Facilities
Ms. Vicki Nakamura, Assistant to the President

OTHERS PRESENT: Mr. Joe Demko, Kitchell
Mr. J. Fagan
Mr. Stewart Fuller
Mr. Robert Mulford

1. Call to Order

The regular meeting of the Citizen's Bond Oversight Committee of Monterey Peninsula College was called to order at 3:03 PM by Chair Hodgson.

2. Public Comment

There were no public comments.

3. Introductions

Dr. Garrison introduced Mr. Stephen Ma, the District's new Vice President for Administrative Services. He noted Mr. Ma's extensive experience working at the San Dieguito Union High School District in Encinitas, California.

Dr. Garrison also introduced Antron "Kage" Williams who was recently appointed to serve as the student representative on the committee. He is a returning student at MPC; he plans to pursue a graduate degree in social psychology. Mr. Williams also serves as the District's student trustee.

4. Committee Membership Update

Dr. Garrison noted the November meeting is the culmination of membership terms on the committee, with the Bylaws providing that a member may not serve more than two consecutive two-year terms. He indicated four members, Mr. Baird, Mr. Emerson, Ms. Laiolo, and Ms. Rees, had reached that milestone and in acknowledgment, the Governing Board approved a resolution recognizing their service on the committee. Each was presented with a certificate of appreciation.

Dr. Garrison reported a search was conducted for individuals to fill the four vacancies and represent similar membership interests on the committee. Three new members have been appointed by the Board. Mr. J. Fagan will serve as a representative of a business organization, being a member of the Marina Chamber of Commerce. He also serves on the Government Affairs Committee of the Monterey Peninsula Chamber of Commerce. Mr. Stewart Fuller, CEO of the Monterey Credit Union, will be representing the MPC Foundation, a college support organization. The third new member, Mr. Niels Reimer, will be representing a senior citizens' organization as a member of the Carmel Foundation. Dr. Garrison noted the fourth vacancy will be filled by Mr. Bob Mulford. He is being recommended for appointment to the committee at the next Board of Trustees meeting as a representative of a business organization, the Monterey Peninsula Chamber of Commerce.

The four new members will officially assume their positions on the committee at the March meeting.

5. Officers

Dr. Garrison commended Ms. Hodgson's service as Chair during the past year and reported she has agreed to continue this role in 2011. Ms. Hodgson opened the floor for nominations for Vice Chair. Mr. Ray was nominated by Ms. Kane, seconded by Mr. Emerson. The vote was unanimous in support of Mr. Ray's election.

6. Approval of August 30, 2010 Minutes

Motion to approve the minutes of the August 30, 2010 meeting was made by Mr. Emerson and seconded by Ms. Rees. Motion carried unanimously, with abstentions by Ms. Hodgson and Mr. Coté.

7. Accept Bills and Warrants Reports

Dr. Garrison reported the June 30, 2010 report was carried over from the August 30 meeting due to loss of a quorum. Ms. Barrios, the District's controller, provided follow-up on the entry for underreported hazardous waste to the Board of Equalization. She checked the invoice and explained the payment should have been described as a correction of an underpayment of normal fees in 2009.

Ms. Kane noted a double billing on pages 9-10 to Mobile Modular Management Corp. for rental of the testing modular for the supportive services program. Mr. Ma said staff will research and report back at the next meeting.

Mr. Emerson asked about the loss of quorum at the August meeting. He recalled the meeting proceeded under the assumption the quorum was still valid and requested clarification in the event of a similar occurrence at a future meeting. Dr. Garrison explained that Ms. Nakamura did further research in Robert's Rules of Order, and if a quorum is lost during the meeting, it should be acknowledged as soon as it is known. To ignore the loss of a quorum is not considered good business practice; any remaining action items should be carried forward.

It was moved by Vice Chair Ray, and seconded by Ms. Rees to accept the June 30, 2010 bills and warrants report with the correction provided by Ms. Barrios.

Mr. Ma reviewed the September 30, 2010 report and noted the completed projects category is now at \$53.9 million compared to the previous quarter's figure of \$49.2 million. He said this increase largely reflects the new Administration Building project being moved to this category. Mr. Ma reported the cumulative total of payments as of the quarter for active projects was \$32.59 million.

Mr. Baird acknowledged the reports are clearer as a result of additional information being provided regarding the Williams Scotsman entries. There were no questions on the report.

Motion to accept the September 30, 2010 bills and warrants report was made by Mr. Baird, seconded by Mr. Emerson. Motion carried unanimously.

8. Bond Expenditure Status Report

Mr. Ma reviewed the bond expenditure status report for September 30, 2010. There were no comments.

Mr. Demko reported the October cost control report reflects the project budgets approved in August by the Board of Trustees. He indicated budget savings generated as a result of lower bids have been placed in a general contingency to cover future projects that may come in over the estimated bid amounts. Mr. Baird asked if a journal entry from the general contingency would be made when an uncompleted project went over budget or needed additional funds. Mr. Demko responded the general contingency was a holding fund and would be adjusted once a project was finished and moved to the completed projects category.

9. Annual Report for 2009-10

Ms. Nakamura distributed replacement pages for the projects listing section of the annual report to reflect revisions made after the agenda had been published.

Dr. Garrison stated the annual report is a requirement per the Bylaws and will be presented for acceptance to the Governing Board and then posted on the District's website. Noting the format duplicates the prior year's report, he reviewed the various sections.

Chair Hodgson commented the overall total amount budgeted for Prop 39 bond funds on page 19 of the projects section should match the figure for total bond receipts listed in the financial summary on page 7. Mr. Ma agreed he had the same question when he reviewed the report. It was explained the \$1.9 million difference represents an unbudgeted amount. Mr. Demko further clarified the program management component represents the payments made to date and future expenses are unbudgeted. He added there are other costs included in the bond program that cannot be assigned to a specific project. Mr. Ma indicated the need for bond program services should diminish as the projects are completed and there should be sufficient funds to cover future expenses. There was a question whether the \$1.9 should be assigned to the general contingency. After some discussion, Mr. Ma stated the \$1.9 million will be allocated to the program management category to cover the remaining years of the bond program. This change will allow the total amount budgeted for bond funds to correspond with the total bond receipts.

Dr. Garrison noted the general contingency has resulted from the current favorable bid climate. The campus is aware that project budgets need to be adhered to before drawing

from the general contingency. Mr. Emerson advised adding further explanation regarding the general contingency for the public's information. Mr. Côté noted the contingency was equivalent to 1% of the total bond funds; he suggested this fact should be included in the explanation. Chair Hodgson recommended deleting "general" from the description, as the contingency was not for general purposes, but rather for projects.

Ms. Kane noticed an error in the total cost of the Early Start Projects on page 9. A question was asked about the amounts listed for the Public Safety Training Center on page 16. The total cost was listed as \$7,478,201; however, the budget figure was \$7.5 million. Mr. Demko said the project was recently completed and all of the costs have not been billed yet. The total cost will be changed to reflect the budgeted amount. It was also noted the member roster listed two Chairs and two Vice Chairs. These items will be corrected in the final report.

Mr. Baird remarked the annual report is far improved and clearer than the very first reports. He attributed the improvements in the report to Chair Hodgson's input.

Motion to approve the annual report with the changes discussed was made by Mr. Emerson, and seconded by Vice Chair Ray. Motion carried unanimously.

10. Update on Facilities Projects, Timelines and Schedules

Mr. Demko reviewed the status of current facility projects.

Education Center at Marina Permanent Facilities - Mr. Demko reported the tilt up walls are in place and the roof structure is visible. The wind turbine feature has also been received.

Infrastructure - Mr. Demko indicated the ceramics program kilns are in need of repair. He noted this project category has a \$6 million budget which includes several projects. These projects will be completed as feasible; however, the building projects take precedence.

New Student Services Building - Mr. Demko reported problems have delayed the completion of this project until January or February. He noted five subcontractors for the project went out of business and design issues need to be addressed by the architect.

Swing Space - Mr. Demko reported the pads have been installed near the Theater in preparation for the modular buildings.

Facilities Committee - The committee continues to meet.

Business-Computer Science Building – Mr. Demko reported the project was ahead of schedule. The ceiling and lighting are being installed. He said the building exterior will be painted next week.

Humanities/Old Student Services/Business Humanities – Mr. Demko said state funding is available to enable this project to go forward for bidding.

Theater – The drawings have been submitted to the Division of the State Architect (DSA) for approval.

Life Science/Physical Science Buildings – Mr. Demko said drawings have almost been completed after many meetings with the architect.

Music Building – Schematic drawings and cost estimates have been prepared for different design options.

Gym First Floor/Pool/Tennis Courts – Mr. Demko explained the sequencing order for the project. The gym needs to be renovated before the existing pool building can be demolished. The drawings are in DSA for approval.

Student Center – Mr. Demko reported schematic drawings have been completed by the architect. Consensus has been reached regarding the bookstore location.

Outside Lockers Adjacent to the Art Buildings – Mr. Demko said the architect is completing drawings for this project.

Mr. Coté asked if the theater building would still be connected to the music building. Dr. Garrison responded no. He explained the project referenced by Mr. Coté was submitted to the state for funding; however, the state facilities bond was deferred in both 2008 and 2010. Since there is a backlog of projects awaiting state funding, the District has taken a different direction on this project. The music building will remain in its existing footprint and will be updated instead.

Mr. Coté also asked about the plans for the swimming pool. Mr. Demko replied the District reviewed program needs and since there is no diving program, the deep end of the pool will be filled in. The pool will be renovated to a new, more efficient design.

Ms. Kane recalled the Facilities Committee was studying the option of a performing arts center. Dr. Garrison responded the committee was charged with modifying the theater project to serve other disciplines. After interviewing 4 different colleges and analyzing modifications, cost estimates, and the pros and cons, it was determined the theater could not be modified without creating problems backstage. An alternative project was proposed to meet program needs.

Mr. Demko concluded his report with a review of the construction schedule.

11. Meeting Schedule

The meeting dates of March 7, June 6, August 8, and November 7 (annual organizational meeting) were proposed for 2011. Motion to approve the proposed meeting schedule was made by Vice Chair Ray and seconded by Ms. Kane. Motion carried unanimously.

12. Suggestions for Future Agenda Topics and Announcements

Dr. Garrison reported the District's bond counsel, David Casnocha, will be invited to the March meeting to provide an orientation for the new members. Mr. Emerson stated regular tours of the facilities were very important and valuable. He said he saw many transitions during his tenure on the committee.

Mr. Baird expressed his appreciation for the committee. He commended District staff and noted the bond program is well run. He concluded that MPC stands out in the area.

13. Adjournment

Chair Hodgson adjourned the meeting at 4:40 p.m.