



**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT**  
**Citizens' Bond Oversight Committee**

Monday, June 11, 2012  
1:00 PM – Committee Tour of College Facilities Projects  
2:00 PM – Regular Meeting  
Sam Karas Room, Library and Technology Center  
Monterey Peninsula College  
980 Fremont Street  
Monterey, California

Meeting Minutes

MEMBERS PRESENT: Mr. Daniel Cervantes  
Dr. Sophal Ear  
Mr. J. Fagan, Vice Chair  
Mr. Birt Johnson, Jr.  
Mr. Bob Mulford, Chair  
Mr. James Panetta  
Mr. Niels Reimers

ABSENT: Mr. Wayne Cruzan  
Mr. Stewart Fuller  
Mr. Rick Heuer  
Ms. Patty Rossi

STAFF PRESENT: Ms. Rosemary Barrios, Controller  
Dr. Douglas Garrison, Superintendent/President  
Mr. Stephen Ma, Vice President for Administrative Services  
Ms. Vicki Nakamura, Assistant to the President

OTHERS PRESENT: Mr. Joe Demko, Kitchell

The Committee convened at 1:00 PM for a tour of college bond projects at the Monterey campus.

**1. Call to Order**

The regular meeting of the Citizens' Bond Oversight Committee of Monterey Peninsula College was called to order at 2:15 PM by Chair Mulford.

**2. Public Comment**

There were no public comments.

### **3. Approval of March 12, 2012 Minutes**

Mr. Ma provided follow up on questions in the minutes regarding expenditures for supplies. He explained the bond documents do allow expenditures for furnishings and equipment, but not for supplies. Supplies have certain qualities; they lose their original shape and appearance with use, an example would be a pencil. Supplies are also easily consumed. Staff reviewed the expenditure items listed as lab supplies and none fell into the supply category. The items were 2 PC boards, 6 dissecting pans, and 1 larynx (part of a skeleton). Mr. Ma stated these items do not appear to be supplies. Dr. Garrison asked if there was a distinction between consumable supplies versus durable items and Mr. Ma agreed.

Vice Chair Fagan noted a sentence on page 2 in the minutes regarding the state attorney general's opinion allowing bond project administration expenditures was confusing as written. It was suggested the sentence be revised to read, "Mr. Casnocha said the state attorney general subsequently issued an opinion that the law *permits* salary expenditures related to administrative oversight of bond projects."

Motion to approve the minutes of March 12, 2012 with the revision noted was made by Mr. Reimers and seconded by Mr. Johnson. Motion carried unanimously.

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

Mr. Ma stated the report lists the expenditures made since the last meeting through March 31. The projects under construction comprise the majority of the new expenditures. He asked if the committee had questions.

Vice Chair Fagan asked several questions on the report. He referred to page 1 and the reprinting of a directory sign by Apex Signs & Graphics and asked if this was due to an error by Apex. Mr. Demko responded the college added more areas to the sign. Also on page 1, Mr. Fagan questioned the removal of a dryer and washing machines for \$3,000. Mr. Demko stated the equipment was removed and reinstalled and additional modifications were necessary.

Mr. Fagan noted the minutes from the last meeting stated permanent cooling was being installed in the server room at the Marina Education Center; however, on page 3 of the report, rental of temporary air conditioning units was still listed. Mr. Demko explained the college changed to the Thin Client system which generates more heat. Air conditioning units were needed to maintain the equipment.

Mr. Fagan also asked if the labor charges of \$175 on page 3 for moving a copier were normal and customary. Mr. Demko thought there was a warranty on the equipment and he will check. Mr. Fagan followed with a question regarding repair of the floor by Telcom Data LLC. The description stated the damage was caused by the furniture installers and he asked if the cost would be recovered from the contractor. Mr. Demko said he would check and report back at the next meeting.

Under the furniture and equipment category on page 4, Mr. Fagan noted a \$2,600 reimbursement to staff and asked if this purchasing practice had ended. Mr. Ma confirmed the purchase occurred prior to Mr. Wilder obtaining a Calcard. He added the staffmember requested authorization from Mr. Ma to make the purchase. Also on page 4, Mr. Fagan referred to two entries for Teracai for the purchase of CISCO catalyst equipment. The expense differed significantly between the two entries and he asked for the reason for the price differences. Mr. Ma said staff will research and report back. Mr. Fagan also

questioned the purchase of 25 Apple Mac Mini computers since the campus was using Thin Client. Dr. Garrison explained Thin Client was only being deployed in certain areas of campus. Mr. Ma added these computers were requested by a specific program as the software runs better on Apple equipment.

On page 6, under the swing space category, Mr. Fagan asked about the entry for Collins Electric Co. for the replacement of missing fire alarm devices and asked if the expense should be billed to another party. Mr. Demko said he will check with the construction manager. On page 8, under the infrastructure phase III project, Mr. Fagan noted the entries for Kleinfelder for special inspection services for the months of July, September, and October. He asked if the August billing was missing. Mr. Demko will research and report back.

It was moved by Mr. Cervantes, and seconded by Mr. Panetta to accept the March 31, 2012 bills and warrants report. Motion carried unanimously.

#### **5. Bond Expenditure Status Report**

Mr. Ma reviewed the format of the report and asked for comments. Chair Mulford asked about the Humanities/Business Humanities/Student Services project, noting the bond cost to date is 68% and the project is 35% complete. Mr. Demko explained the bond cost is based on \$2.5 million expenditures from the \$3.845 million budgeted from the bond. The project is 50% state funded so the total construction budget is actually \$7.69 million. The college carries the cost using the bond funds until the state reimbursement is received.

Mr. Demko reviewed the cost control report. He reported the Humanities/Business Humanities/Student Services project is on schedule and on budget. The Life Science/Physical Science project is under budget by \$2 million due to bid savings and he expected the project budget of \$14.5 million will be lowered to \$11 million. Mr. Demko said existing conduits were hit in the Gym project, but the repairs were handled within budget with no schedule impacts. The Education Center project is essentially complete and savings of \$1.9 million are anticipated. Mr. Demko said swing space should be added to the report as the costs are currently over budget.

#### **6. Monterey County Treasurer's Investment Report**

Mr. Ma reported the college's bond funds are deposited with the Monterey County Treasurer's Office. Although the principal is safe, the report for the quarter ending March 31, 2012 shows that current yields are low at 0.43 percent. Mr. Johnson asked if any strategies were linked to anticipation of higher yields. Mr. Ma's answer was no. In the past the college did anticipate greater earnings; however, interest accruals have not been budgeted.

#### **7. Update on Facilities Projects, Timelines, and Schedules**

Mr. Demko reviewed the status of active facility projects.

Humanities/Business Humanities/Student Services - Mr. Demko said the Humanities building renovation will begin in January, 2013 due to swing space needs. Following completion, the Business Humanities building will be demolished and parking added.

Theater – The project is progressing well. The biggest change order has been for the replacement of lights.

Life Science/Physical Science Buildings – Mr. Demko reported Life Science will move back into the building over the summer. Physical Science will be moved to the General Classrooms building. Renovation of the Physical Science building will begin with asbestos abatement in August.

Swing Space - Mr. Demko noted problems and challenges are occurring with swing space, such as the need for kilns and kitchens during the renovation of the Art Ceramics building and the Student Center, respectively.

Infrastructure - Mr. Demko said there is \$670,000 remaining from the \$6.46 million budget. He hoped additional funds will be available for parking lots.

Student Center – The architects, HGHB, are working on design drawings. The project has a \$4 million budget.

Arts Complex – Mr. Demko reported the drawings will be completed this summer. The budget seems inadequate to complete all three buildings. More modest improvements may be made rather than a complete remodel.

Music Building – Mr. Ma stated a different approach is being taken with this project. Most of the bond funds for the performing arts programs were allocated to the Theater project, with only \$1.2 million budgeted for the Music building. Outside funding will be sought to augment the Music building budget. The architect has developed a conceptual plan for \$5.5 million. The college plans to apply for state funding and develop a fundraising package.

#### **8. Meeting Schedule**

The next meeting is scheduled for Monday, August 6, 2012.

#### **9. Suggestions for Future Agenda Topics and Announcements**

A tour of the Education Center at Marina and the Seaside Public Safety Training Center is planned for August, with the meeting to be held at one of the locations.

Appreciation was expressed for the tour and the quality of the facility projects.

#### **10. Adjournment**

Chair Mulford adjourned the meeting at 3:13 p.m.

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT  
CITIZENS' BOND OVERSIGHT COMMITTEE  
Monday, August 6, 2012

**Follow-up Items from June 11, 2012 CBOC Meeting**

Per the Meeting Minutes, #4 Accept Bills and Warrants Report:

1. Mr. Fagan also asked if the labor charges of \$175 on page 3 for moving a copier were normal and customary. Mr. Demko thought there was a warranty on the equipment and he will check.

Per staff: The copier was moved from the Marina Education Center to the Monterey campus. A truck was used and stairs were involved, so there was a charge for the move. If the copier had been moved from one building to another on campus without using a truck, there would not have been a charge.

2. Mr. Fagan followed with a question regarding repair of the floor by Telcom Data LLC. The description stated the damage was caused by the furniture installers and he asked if the cost would be recovered from the contractor. Mr. Demko said he would check and report back at the next meeting.

Staff reviewed this matter with Mike Carson, construction manager, Kitchell, and he said the invoice description was incorrect. He was uncertain who caused the problem because the computer tables at the Education Center at Marina have a flipped top. When the top was pushed downwards, the cables were damaged. The damage was caused by the hinge on the furniture.

3. Also on page 4, Mr. Fagan referred to two entries for Teracai for the purchase of CISCO catalyst equipment. The expense differed significantly between the two entries and he asked for the reason for the price differences. Mr. Ma said staff will research and report back.

Staff reviewed and the price differences are related to the number of ports the catalyst equipment has. The payment for \$12,584.72 was for the purchase of two catalysts with 48 ports each, for a total of 96 ports. This catalyst is a larger piece of the CISCO equipment. The payment for \$1,466.23 involved the purchase of one catalyst with 8 ports.

4. On page 6, under the swing space category, Mr. Fagan asked about the entry for Collins Electric Co. for the replacement of missing fire alarm devices and asked if the expense should be billed to another party. Mr. Demko said he will check with the construction manager.

Staff reviewed this item with Mike Carson, construction manager, Kitchell. He said design drawings are never perfect, and the lack of fire alarm devices was a "miss on the drawings," thus, the expense was appropriately billed.

5. On page 8, under the infrastructure phase III project, Mr. Fagan noted the entries for Kleinfelder for special inspection services for the months of July, September, and October. He asked if the August billing was missing. Mr. Demko will research and report back.

The August payment was made in October 2011 and reported on the December 31, 2011 Bills and Warrants Report, reviewed at the March 12, 2012 CBOC meeting.