



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, June 16, 2014
2:15 PM – Committee Tour of College Facilities Projects
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College

Meeting Minutes

MEMBERS PRESENT: Mr. Wayne Cruzan
Dr. Sophal Ear
Mr. J. Fagan
Mr. Rick Heuer
Mr. Birt Johnson, Jr., Chair
Mr. Bob Mulford, Vice Chair
Mr. James Panetta
Mr. Niels Reimers
Mr. Maury Vasquez

ABSENT: Mr. Stewart Fuller

STAFF PRESENT: Ms. Rosemary Barrios, Controller
Mr. Earl Davis, Interim Vice President for Administrative Services
Ms. Vicki Nakamura, Assistant to the President
Dr. Walter Tribley, Superintendent/President

OTHERS PRESENT: Mr. Joe Demko, Kitchell

The Committee convened at 2:15 PM for a tour of the completed pool and Humanities building renovation 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 3:00 PM by Chair Johnson.

2. Public Comment

There were no public comments.

3. Approval of March 3, 2014 Minutes

A handout providing follow-up to questions recorded in the minutes of the March 3 meeting regarding the bills and warrants report was distributed and reviewed.

Motion made by Vice Chair Mulford, seconded by Mr. Fagan, to approve the minutes of March 3, 2014, as amended by the follow-up document. Motion carried unanimously.

AYES: 9 MEMBERS: Cruzan, Ear, Fagan, Heuer, Johnson, Mulford, Panetta, Reimers, Vasquez
NOES: 0 MEMBERS: None
ABSENT: 1 MEMBERS: Fuller
ABSTAIN: 0 MEMBERS: None

4. Accept Bills and Warrants Report

Chair Johnson indicated the March 31, 2014 report would be reviewed by page and invited questions from the committee. Vice Chair Mulford noticed several payments for older invoices for services in October and November. He asked if there was a delay in processing. Ms. Barrios explained payments are processed when the invoices are received. Mr. Mulford asked if vendors and contractors were required to file their invoices in a fixed period of time. Mr. Demko responded that contractors submit invoices monthly, based on the work accomplished, and staff then review the invoices with the inspector. Mr. Davis added that contractors have to pay their crew, so timely processing is followed.

Mr. Heuer noted M3 Environmental had several older invoices on page 2 as well. Mr. Demko said this vendor is paid hourly. Mr. Davis said invoices are reviewed by Kitchell, then by him, before going to Ms. Barrios for payment.

There were no questions on page 3. Regarding page 4, Mr. Mulford questioned the \$1500 expense for Monterey County Fence to change the color of the fence from silver to black. Mr. Demko responded the work was done to match up the mesh fabric. He clarified the work was done only once.

On page 5, Chair Johnson noted several entries for equipment purchased from Lincoln Equipment; however, there was one entry for freight charges for telescopic poles. He asked if the charges were for the poles only or if other equipment was included. Staff will check and report back.

Regarding page 6, Mr. Heuer asked for an explanation of post construction services provided by Hammel Green & Abrahamson. Mr. Demko said the architect receives a percentage of the contract when a project is done and these services relate to Division of State Architect requirements and forms that need to be submitted. On the same page, Chair Johnson noticed the rental periods differed for the ADA rental trailer from Williams Scotsman and asked why the payments were the same amount. Staff will research and report back.

On page 7, Mr. Fagan asked about the rebalancing services provided by Alpha Air Balancing at the Humanities building. Mr. Demko explained equipment was reused in the building as the items were not old enough to replace. The contractor re-installed the equipment to specifications. A professional firm was used to evaluate the system due to the high noise level. He said this expense would not have been incurred if the equipment was new.

On page 8, Mr. Reimers requested "labor compliance review" to be explained. Mr. Demko said on state funded projects, wages are required to be paid at a certain rate. An independent company is used to verify appropriate wages are paid. Mr. Davis clarified that

MPC pays union wages on all projects. State funded projects require the additional step of having an independent auditor to review compliance.

On page 9, Mr. Panetta noted two entries for Geo. Wilson for troubleshooting and repair of the physical science boiler and downspout. Two different amounts were charged, one for analysis and the other for labor. He questioned the amounts. Mr. Demko said he would follow up and report back. Mr. Mulford referred to the entry for Cardinale Moving & Storage for the removal of old equipment. He asked what happens to old equipment. Mr. Davis responded when equipment no longer has value for MPC, the college is required to declare the items as salvage or obsolete. Per contract code, the items can then be offered for purchase by competitive bid. Mr. Davis said he has contracted with an outside company to sell surplus equipment and advise the district. Mr. Fagan asked where the revenue from the sale goes. Mr. Davis indicated the funds would go back to the bond. Mr. Fagan commented he has never noticed a line item for revenue from sale of surplus equipment.

On page 10, under the Closed Projects category, Mr. Fagan asked if any new expenses were included. The answer was no, the amounts represented carryover.

It was moved by Mr. Fagan and seconded by Vice Chair Mulford to accept the March 31, 2014 bills and warrants report. Motion carried unanimously.

AYES:	9 MEMBERS:	Cruzan, Ear, Fagan, Heuer, Johnson, Mulford, Panetta, Reimers, Vasquez
NOES:	0 MEMBERS:	None
ABSENT:	1 MEMBERS:	Fuller
ABSTAIN:	0 MEMBERS:	None

5. Bond Expenditure Status Report and Cost Control Report

The March 31, 2014 bond expenditure status report and the cost control report were presented for comments or questions. Mr. Fagan stated he was pleased to see the tennis courts removed from the pool renovation project listed under the "In Process" category. He asked if the tennis courts should be listed as a future project. Mr. Davis explained there is no budget for the tennis courts to fund a future renovation. Mr. Demko added the Board approved the latest budget adjustment for bond projects at the December 2013 meeting and there was no funding available for the tennis courts.

Mr. Heuer noted there was \$16 million of bond funds remaining as of March 31. Mr. Demko confirmed the bond program was winding down. The Parker Flats public safety training facilities project will need state funding to augment the bond allocation. Dr. Tribley reported a bill has been proposed, AB 2235, authorizing a state facilities bond on the November 2014 ballot that will provide the funding needed. Mr. Heuer asked how long the college can wait for state funding to become available if the state bond does not pass. Dr. Tribley responded district bond counsel is reviewing the matter. Mr. Fagan followed with a question regarding the possibility of re-engineering the public safety training project or using the funds for other projects. Dr. Tribley stated there would be an evaluation of options if the bond is not on the ballot; however, he affirmed the college's commitment to the Parker Flats project.

6. Monterey County Treasurer's Investment Report

Series B and C bonds were issued by the district in 2008 and invested with the Monterey County Treasurer's office. Mr. Davis noted the interest rate is at a low level, but the funds are safe and secure. Chair Johnson recalled when the bonds were refunded in 2013, it was

mentioned the tax rate was consistently lower than the limit set in the bond. He asked for the current tax rate. Staff will provide at the next meeting.

7. Update on Facilities Projects, Timelines, and Schedules

Mr. Demko provided information on the projects.

Humanities/former Student Services/Business Humanities – The last payment from the state has been received. This project will move into the Closed Projects list.

Swing Space – The rental trailers will be returned after completion of the Student Center and Arts buildings projects. The vacated space remaining on campus will need to be evaluated.

Student Center – The project is on track and the punch list is being completed. Equipment will arrive in July. Systems are operable. Technology still needs to be installed. The facility has been transformed.

Arts Complex – Mr. Demko said this project will be completed in July, leaving August for fine-tuning before fall classes begin. The indoor kilns have been installed. The structure for the outdoor kilns is being completed.

Site Lighting/Controls – The College has been approved for \$203,000 in Prop 39 funding from the state to retrofit the parking lot light fixtures for energy efficiency.

Infrastructure – Sidewalk repair will be completed in the summer to minimize the impact on students.

8. Membership Update

Dr. Tribley reported there are four members, Mr. Fagan, Mr. Fuller, Mr. Mulford, and Mr. Reimers, who will be completing their second terms and stepping off of the committee after the November meeting. The college will begin soliciting in August for representatives in the membership categories being vacated. New members will be appointed by the Governing Board in October and invited to the November committee meeting to observe. Mr. Reimers offered to contact the Carmel Foundation to assist in identifying interested applicants.

9. Meeting Schedule

Chair Johnson reviewed future meeting dates of:

Monday, August 4, 2014

Monday, November 3, 2014 (Annual Organizational Meeting)

10. Suggestions for Future Agenda Topics and Announcements

There will be a tour of the Student Center, Art-Studio and Art-Ceramics buildings at the August meeting.

Mr. Fagan announced there will be a stand down for homeless veterans on August 1 -3.

11. Adjournment

Chair Johnson adjourned the meeting at 4:00 PM.

Follow-up Items from June 16, 2014 CBOC Meeting

Per the meeting minutes:

Item #4 - Bills and Warrants Report

1. On page 5, Chair Johnson noted several entries for equipment purchased from Lincoln Equipment; however, there was one entry for freight charges for telescopic poles. He asked if the charges were for the poles only or if other equipment was included. Staff will check and report back.

The freight charges were for the telescopic poles only.

2. Regarding page 6, On the same page, Chair Johnson noticed the rental periods differed for the ADA rental trailer from Williams Scotsman and asked why the payments were the same amount. Staff will research and report back.

The payment made on 3/13/14 should have read:
Rental of ADA rental trailer. Rental from 2/20/14 – 3/19/14, not 2/20/14 - 3/1/14.
The payments were for the same rental period.

3. On page 9, Mr. Panetta noted two entries for Geo. Wilson for troubleshooting and repair of the physical science boiler and downspout. Two different amounts were charged, one for analysis and the other for labor. He questioned the amounts. Mr. Demko said he would follow up and report back.