
MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT

Citizens' Bond Oversight Committee

ANNUAL REPORT

2006-2007

Monterey Peninsula College • 980 Fremont Street • Monterey, CA 93940

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STATEMENT OF COMPLIANCE

This Annual Report is submitted to the Board of Trustees by the Monterey Peninsula Community College District Citizens' Bond Oversight Committee. The Committee advises that, to the best of its knowledge, the Monterey Peninsula Community College District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution. In particular, bond revenue has been expended only for the purposes so described in Measure I. As prohibited by Article XIII A, Section 1(b)(3)(a) of the California Constitution, no funds were used for any teacher or administrative salaries or other operating expenses.

Respectfully Submitted By: Peter Baird, Chair
Citizens' Bond Oversight Committee

Date: November 5, 2007

INTRODUCTION

At the election conducted on November 5, 2002, the Monterey Peninsula Community College District was successful in obtaining more than 55% voter approval to issue and sell general obligation bonds in the amount of \$145,000,000 to fund specific facility projects. The bond election was conducted under Proposition 39 regulations.

Pursuant to Education Code Section 15278, the Board of Trustees established the Citizens' Bond Oversight Committee (CBOC) at their meeting on February 25, 2003 to satisfy the accountability requirements of Proposition 39.

The Citizens' Bond Oversight Committee Bylaws, setting forth the duties and rights of the Committee, were also adopted by the Board at the February 25, 2003 meeting.

The three primary duties of the Citizens' Bond Oversight Committee are to inform the public concerning the District's expenditure of bond proceeds, review and report on the expenditure of taxpayers' monies, and advise the public on the district's compliance with Proposition 39.

SUMMARY OF THE COMMITTEE'S PROCEEDINGS AND ACTIVITIES FOR 2006-2007

Committee Membership

The Bylaws require that the CBOC consist of a minimum of seven members representing students, the business community, senior citizens organization, taxpayers association, college support organization, and the community at large.

Committee members serve without compensation and may be appointed for no more than two consecutive terms. Among those ineligible to serve are elected officials, employees, vendors, contractors, or consultants of the District.

Ten members, appointed by the Board of Trustees, served on the Committee during the past year. Rick Johnson, Melvin Kline, David Lewis, and Steven Vagnini completed their tenure on the committee in November, 2006, having served two consecutive terms. They were recognized by the Board of Trustees for their service to the college and received certificates of commendation. Four new members were appointed: Peter Baird and Steven Emerson as representatives of the business community; Elinor Laiolo, senior citizen organization representative; and Sondra Rees, MPC Foundation representative. In accordance with the Bylaws, officers were selected at the meeting of the committee held on November 6, 2006.

The officers and members who served during the past year are as follows:

Howard Gustafson, Jr., Chair	2-year second term, 11/2005 – 11/2007
Rick Heuer, Vice Chair	2-year second term, 11/2005 – 11/2007
Peter Baird	2-year initial term, 11/2006 – 11/2008
Steven Emerson	2-year initial term, 11/2006 – 11/2008
Jay Hudson	2-year second term, 11/2005 – 11/2007
Rick Johnson	2-year second term, 11/2004 – 11/2006
Melvin Kline	2-year second term, 11/2004 – 11/2006
Elinor Laiolo	2-year initial term, 11/2006 – 11/2008
David Lewis	2-year second term, 11/2004 – 11/2006
Eleanor Morrice	2-year initial term, 11/2005 – 11/2007
Sondra Rees	2-year initial term, 11/2006 – 11/2008
Leon Stutzman	2-year initial term, 11/2005 – 11/2007
Stephen Vagnini	2-year second term, 11/2004 – 11/2006
Ken White	2-year second term, 11/2005 – 11/2007

Meetings of the Citizens' Bond Oversight Committee

The committee conducts its meetings in accordance with provisions of the Ralph M. Brown Public Meetings Act, Government Code Sections 54950 et seq. Meeting notices and agendas are sent to members of the committee within the required period of time, posted at the Monterey Peninsula College Administration Building, and sent to local media.

During 2006-07, the committee convened four quarterly meetings. The annual organizational meeting of the committee was held November 6, 2006, with subsequent meetings held on March 5, 2007, June 11, 2007, and August 6, 2007. The committee will adopt its 2007-08 meeting schedule at its annual organizational meeting on November 5, 2007. Meetings are generally held from 3:00 to 5:00 pm at the Sam Karas Room in the Library & Technology Center.

Financial Report of the Citizens' Bond Oversight Committee

The first bond issuance was June 18, 2003. Total principal amount was \$40 million. The bond was refinanced in December 2005, increasing the principal amount to \$44,240,051. Expenditures and payments made from bond funds have been regularly reviewed and accepted by the committee during the course of the year. This annual report shows expenditures during the report period of October 1, 2006 through September 30, 2007 and total expenditures since bond inception.

MPC Bond Expenditure Report
 July 1, 2003 through September 30, 2007

	Prior	8/1/2006 - 09/30/2007	Total
Bond Principal – First Issuance	\$40,000,000	\$0	\$40,000,000
Interest Earned¹	\$1,529,143	\$1,434,614	\$2,963,757
Refinancing	\$4,240,052	\$0	\$4,240,052
Total	\$45,769,195	\$1,434,614	\$47,203,809

Expenditures:

Completed:

As Built Drawings	\$209,792	\$0	\$209,792.00
Automotive Technology Building	\$16,443	\$0	\$16,443.00
Demolition of Old Plant Services	\$63,522	\$0	\$63,521.68
Drafting Building	\$15,349	\$0	\$15,349.00
Environmental Impact Report	\$113,771	\$40,392	\$154,162.67
HVAC Repairs	\$618,539	\$0	\$618,538.68
Landscaping	\$438,293	\$0	\$438,292.96
Master Signage Program	\$53,890	\$0	\$53,890.42
New Plant Services Building	\$487,574	\$0	\$487,574.35
Old Library Renovation Analysis	\$21,280	\$0	\$21,279.52
Roof Repairs	\$480,256	\$0	\$480,255.64
Telephone System Upgrades	\$599,414	\$0	\$599,414.48
Vehicles	\$187,070	\$0	\$187,070.27
Walkway/Safety Improvements	\$225,630	\$0	\$225,630.18
Business Computer		\$5,412	\$5,412
Bond Management	\$1,345,119	\$558,687	\$1,903,806
Child Development Center	\$19,270	-\$19,270	\$0
Education Center at Marina	\$182,542	\$1,019,063	\$1,201,605
Furniture/Equipment	\$256,477	\$0	\$256,477
Humanities		\$16,375	\$16,375

¹ Reflects interest received as of June 30, 2007

Infrastructure	\$1,458,197	\$11,530,879	\$12,989,076
Lecture Forum	\$102,980	\$1,271,910	\$1,374,890
Life Science	\$7,169	\$625	\$7,794
Old Library Renovation	\$231,079	-\$231,079	\$0
Physical Education (Stadium, Fitness Center, etc.)	\$7,692,868	\$9,163,309	\$16,856,177
Physical Science	\$6,976	\$0	\$6,976
Public Safety at Seaside	\$6,620	\$360,338	\$366,958
Social Science		\$576,777	\$576,777
Student Services Building	\$166,211	\$117,906	\$284,117
Swing Space	\$295,832	\$518,529	\$814,361
Total	\$15,302,163	\$24,929,853	\$40,232,016

APPENDIX

COMMITTEE ROSTER

COMMITTEE MEETING AGENDAS

November 6, 2006

March 5, 2007

June 11, 2007

August 6, 2007

COMMITTEE MEETING MINUTES

November 6, 2006

March 5, 2007

June 11, 2007

August 6, 2007

MONTEREY PENINSULA COLLEGE

Citizens' Bond Oversight Committee Members

- Howard Gustafson, Jr., Chair, *Community member*
- Rick Heuer, Vice Chair, *Monterey Peninsula Taxpayers Association*
- Peter Baird, *Monterey Peninsula Chamber of Commerce*
- Steve Emerson, *Marina Chamber of Commerce*
- Jay Hudson, *Community member*
- Elinor Laiolo, *Carmel Foundation*
- Eleanor Morrice, *Associated Students of Monterey Peninsula College*
(appointed February 2006)
- Sondra Rees, *Monterey Peninsula College Foundation*
- Leon Stutzman, *GENTRAIN Society* (appointed July 2006)
- Ken White, *Community member*

COMMITTEE MEETING AGENDAS



Monterey Peninsula College

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, November 6, 2006
2:00 PM – Committee Tour of Campus Facilities Projects
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College

MEETING AGENDA

1. Call to Order

2. Public Comment

Members of the audience wishing to address the Citizen' Bond Oversight Committee may do so during the public comment period. Under provisions of the Brown Act, the Committee is prohibited from discussing or taking action on oral requests that are not part of the agenda. Comments are limited to three minutes per person or as determined by the Committee.

3. Committee Membership Update

INFORMATION

An update will be provided by Dr. Garrison.

4. Officers

ACTION

The committee chair will be appointed by Dr. Garrison. Committee members will indicate their interest in serving as vice-chair and a vote will be taken.

5. Approval of August 7, 2006 Minutes

ACTION

6. Accept Bills and Warrants Report

ACTION

The list of payments from bond funds expended through September 30, 2006 will be reviewed for acceptance by the committee.

7. Bond Expenditure Status Report

INFORMATION

The monthly bond expenditure status reports for July, August, and September, 2006 will be reviewed with the committee.

8. Annual Report for 2005-06

ACTION

The By-Laws state the Committee shall present to the Board of Trustees, in public session, an annual written report to include a statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution and a summary of the Committee's proceedings and activities for the preceding year. A draft annual report will be reviewed for approval and presentation to the Board of Trustees.

9. Update on Facilities Projects, Timelines and Schedules

INFORMATION

A status report will be provided on all projects. The timelines and schedules for current facility projects will be reviewed.

10. Meeting Schedule (PLEASE BRING CALENDARS)

INFORMATION/ACTION

The following meeting dates are suggested:

Monday, March 5, 2007

Monday, June 11, 2007

Monday, August 6, 2007

Monday, November 5, 2007 (Annual Organizational Meeting)

11. Suggestions for Future Agenda Topics and Announcements

12. Adjournment

Posted: November 1, 2006



Monterey Peninsula College

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Douglas R. Garrison, Ed. D., Superintendent/President

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, March 5, 2007
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College

MEETING AGENDA

1. Call to Order

2. Introduction of New Committee Members

Mr. Peter Baird, Mr. Steven Emerson, Ms. Elinor Laiolo, and Ms. Sondra Rees will be introduced.

3. Public Comment

Members of the audience wishing to address the Citizen' Bond Oversight Committee may do so during the public comment period. Under provisions of the Brown Act, the Committee is prohibited from discussing or taking action on oral requests that are not part of the agenda. Comments are limited to three minutes per person or as determined by the Committee.

4. Purposes, Duties and Authorized Activities of the Citizens' Bond Oversight Committee/Review of Ethics Policy Statement

INFORMATION

Mr. David Casnocha, bond counsel from Stradling, Yocca, Carlson, and Rauth, will provide an overview of the purpose of the committee, its duties, and authorized activities as set forth in the Bylaws. Mr. Casnocha will also review the Citizens' Bond Oversight Committee Ethics Policy Statement.

5. Review of the Ralph M. Brown Public Meetings Act

INFORMATION

Mr. David Casnocha will briefly outline the requirements of the Brown Act as it relates to the conduct of Citizens' Bond Oversight Committee meetings.

6. Approval of November 6, 2006 Minutes

ACTION

- | | |
|--|-------------|
| 7. Accept Bills and Warrants Report
The list of payments from bond funds expended through December 31, 2006 will be reviewed for acceptance by the committee. | ACTION |
| 8. Bond Expenditure Status Report
The monthly bond expenditure status reports for October, 2006 through January, 2007, will be reviewed with the committee. | INFORMATION |
| 9. Bond Audit Report for 2005-06
The District's Bond Audit Report, for the fiscal year ended June 30, 2006, will be reviewed. | INFORMATION |
| 10. Update on Facilities Projects, Timelines and Schedules
A status report will be provided on all projects. The timelines and schedules for current facility projects will be reviewed. | INFORMATION |
| 11. Meeting Schedule
Future meetings of the Committee are scheduled for:
Monday, June 11, 2007
Monday, August 6, 2007
Monday, November 5, 2007 (Annual Organizational Meeting) | INFORMATION |
| 12. Suggestions for Future Agenda Topics and Announcements | |
| 13. Adjournment | |

Posted: February 28, 2007



Monterey Peninsula College

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, June 11, 2007
2:00 PM – Committee Tour of Campus Facilities Projects
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College

MEETING AGENDA

1. Call to Order

2. Public Comment

Members of the audience wishing to address the Citizen's Bond Oversight Committee may do so during the public comment period. Under provisions of the Brown Act, the Committee is prohibited from discussing or taking action on oral requests that are not part of the agenda. Comments are limited to three minutes per person or as determined by the committee.

3. Approval of March 5, 2007 Minutes

ACTION

4. Accept Bills and Warrants Report

ACTION

The list of payments from bond funds expended through March 31, 2007, will be reviewed for acceptance by the committee.

5. Bond Expenditure Status Report

INFORMATION

The monthly bond expenditure status reports for February - March and April 2007 will be reviewed with the committee. A new cost control report will also be presented.

6. Update on Facilities Projects, Timelines and Schedules

INFORMATION

A status report will be provided on all projects. The timelines and schedules for current facility projects will be reviewed.

7. Five-Year Capital Outlay Plan

INFORMATION

The district's 2009-13 Five-Year Capital Outlay Plan, approved by the Governing Board on May 22, 2007, will be reviewed with the committee. This plan reflects the college's priorities for facilities projects for the next five years and provides the context for the college's project proposals being filed with the state Chancellor's Office. The project proposals that will be submitted for state funding consideration will also be reviewed.

8. Meeting Schedule

INFORMATION

Future meetings of the Committee are scheduled for:

Monday, August 6, 2007

Monday, November 5, 2007 (Annual Organizational Meeting)

9. Suggestions for Future Agenda Topics and Announcements

10. Adjournment

Posted: June 6, 2007



Monterey Peninsula College

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, August 6, 2007
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College

MEETING AGENDA

1. Call to Order

2. Public Comment

Members of the audience wishing to address the Citizen's Bond Oversight Committee may do so during the public comment period. Under provisions of the Brown Act, the Committee is prohibited from discussing or taking action on oral requests that are not part of the agenda. Comments are limited to three minutes per person or as determined by the committee.

3. Approval of June 11, 2007 Minutes

ACTION

4. Accept Bills and Warrants Report

ACTION

The list of payments from bond funds expended through June 30, 2007, will be reviewed for acceptance by the committee.

5. Bond Expenditure Status Report

INFORMATION

The monthly bond expenditure status reports for May and June 2007 will be reviewed with the committee. The July 2007 cost control report will also be presented.

6. Update on Facilities Projects, Timelines and Schedules

INFORMATION

A status report will be provided on all projects. The timelines and schedules for current facility projects will be reviewed.

7. Committee Membership Update

INFORMATION

Dr. Garrison will provide an update on committee membership terms.

8. Meeting Schedule

INFORMATION

Future meetings of the Committee are scheduled for:
Monday, November 5, 2007 (Annual Organizational Meeting)

9. Suggestions for Future Agenda Topics and Announcements

10. Adjournment

Posted: August 1, 2007

COMMITTEE MEETING MINUTES

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT

CITIZENS' BOND OVERSIGHT COMMITTEE

November 6, 2006

2:00 PM – Committee Tour of Campus Facilities Projects
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
Ms. Eleanor Morrice
Mr. Leon Stutzman
Mr. Steven Vagnini
Mr. Ken White

ABSENT: Mr. David Lewis

STAFF PRESENT: Mr. Joe Bissell, Vice President for Administrative Services
Dr. Douglas Garrison, Superintendent/President
Ms. Vicki Nakamura, Assistant to the President

OTHERS PRESENT: Mr. Joe Demko, Kitchell CM

The Committee convened at 2:00 PM for a tour of campus bond projects.

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 Hudson.

2. Public Comment

None.

3. Committee Membership Update

Dr. Garrison noted that four members, Rick Johnson, Melvin Kline, David Lewis, and Steven Vagnini had just completed their tenure on the Committee, having served two consecutive terms. As a result, there were vacancies for representatives of the business community, a senior citizens' organization, and a college support group. Applicants were solicited to fill these membership openings and Dr. Garrison expected the Board of Trustees to approve several appointments later in November.

Dr. Garrison recognized Mr. Johnson, Mr. Lewis, Dr. Kline, and Mr. Vagnini for their service on the Citizen's Bond Oversight Committee. Each (with the exception of Mr. Lewis who was not in attendance) was presented with a framed resolution of appreciation from the Board.

4. Officers

Dr. Garrison informed the Committee that Howard Gustafson had agreed to serve as chair for the next year. Dr. Garrison thanked Jay Hudson for his leadership as chair of the Committee since its inception and presented him with a resolution of appreciation for his service.

Nominations were opened for vice-chair. Rick Heuer was nominated by Ken White, seconded by Mr. Gustafson. The vote was unanimous in support of Mr. Heuer's election.

5. Approval of Minutes

It was moved by Mr. Hudson and seconded by Mr. White to approve the minutes of the August 8, 2006 meeting. Dr. Kline requested that the minutes be corrected to indicate his absence at the meeting. With the correction made, motion carried unanimously.

6. Accept Bills and Warrants Report

Mr. Bissell reviewed the report. He directed the Committee's attention to the expenditures for the Child Development Center Project. Mr. Bissell explained that the project budget includes approximately \$700,000 from the bond, with the remainder being state funded. The large credit of \$287,000 reflects expenses that were initially charged to bond funds and then reallocated to the state funded project account. These expenses will be submitted to the state for reimbursement. He added that the expense of \$19,000 for the period also will be billed to the state.

Mr. Bissell also noted the expenses listed under General Institutional Bond management include the purchase of office supplies as the contract is based on time and materials.

It was moved by Mr. White and seconded by Mr. Hudson to accept the bills and warrants report. Motion carried unanimously.

7. Bond Expenditure Status Report

Mr. Bissell reviewed the July, August, and September reports. He cited three large projects that would soon be underway: campus infrastructure, the old library renovation, and demolition of facilities at the former Fort Ord. Mr. Bissell stated that bids on the campus infrastructure upgrade were due November 15, with construction estimated at \$20,000,000. Regarding the old library renovation, final drawings were being completed for submission to the Division of State Architect in December; bidding would occur in May-June.

Mr. Heuer observed that the campus infrastructure project was budgeted at \$13.4 million, which was less than the projected construction cost. Mr. Bissell said the budget would be exceeded due to increased costs. As an example, he cited the \$1 million cost to renovate the pedestrian bridge.

8. Annual Report for 2005-06

Mr. Gustafson stated the Committee is required to complete a written annual report for submission to the Board of Trustees. A draft annual report was included with the agenda for the Committee's consideration. Mr. Bissell distributed revised pages 7 and 8, the financial reporting section of the annual report. He explained expenditure figures were revised to reconcile with the bills and warrants report. Total expenditures for the year were \$15,302,163; 33% of bond funds have been expended as of September 30.

Mr. Bissell mentioned that the bond principal amount was \$40 million, but with interest and refinancing revenue, the total amount has increased to \$45.7 million. He noted that the

interest earned had been planned to cover bond program management costs, and the amounts appear to be balancing out.

Motion to approve the annual report with the revised financial pages was made by Dr. Kline and seconded by Mr. White. Motion carried unanimously.

9. Update on Facilities Projects, Timelines and Schedules

Mr. Demko, the college's bond program manager, reported he would prepare a master schedule of projects for the next committee meeting. He reviewed the specific facility projects.

Stadium

Mr. Demko stated the bleachers were the next item to be installed at the stadium. Completion of the entire stadium project is expected in February 2007.

PE Fitness Building

This project started in July 2006. Mr. Demko reported there were soil issues that required installation of a shoring system to mitigate. He said the building will be finished by the end of July 2007, with move-in to occur before the fall semester.

Satellite Center (Fort Ord)

Mr. Demko stated the CEQA study was on hold while an issue with a neighboring development was resolved. Dr. Garrison explained that the college's site at Imjin Parkway was bisected by Third Avenue and 70% of the traffic from the nearby Cypress Knolls senior housing project would be exiting at Third. Discussions were underway with City of Marina planning staff to review alternatives. Dr. Garrison said an update would be provided at the next meeting.

Chair Gustafson asked about the possibility of a wider thoroughfare and noted that different phases of the project may have varying impacts. Dr. Garrison said the college was looking at a variety of options. He stated the importance of considering the long-term needs and interests of students in the resolution.

Public Safety Training Center (Fort Ord)

The three relocatable buildings were installed at the site at Col. Durham Road in Seaside. The installation will be completed by the end of December. Mr. Demko noted the public safety programs are currently housed in the old library building. When these programs move to the Col. Durham site, work can begin on the old library building renovation. He said the goal was to maximize the use of existing space to avoid incurring additional costs with swing space.

Mr. Demko mentioned the college plans to use the same approach as the Monterey College of Law in renovating the existing building on the Col. Durham site. The Division of the State Architect is requiring structural testing since there are no building plans available from the Army.

Infrastructure

Mr. Demko said bids for this project are due on November 14. He noted 183 contractors/subcontractors were contacted. Upgrade and installation of infrastructure will be a two-year program to minimize the impact on the college's instructional program. Mr. Demko indicated there are concerns about the project's impact on parking.

Building Standards Committee

This committee continues to meet. The current focus is on furniture.

Facilities Master Plan Reworking Committee

Mr. Demko reported this committee has been meeting weekly to prioritize facilities projects. Factors being considered include efficiency, actual/realistic costs, state funding, and escalation.

Student Center Renovation

Students will be surveyed regarding this project. The bond budget for this project is \$4.7 million.

Child Development Center

Mr. Demko stated that work is going well. The site has been raised eight feet with fill from the stadium project. The footings have been poured.

Old Library

This renovation is a 50% state funded project. Construction is expected to take 12-14 months.

Student Services Building

Mr. Demko reported this new building would provide 11,000 assignable square feet out of 21,000 gross square feet. The project team is looking at options to maximize the assigned square feet. There is also a concern about the building's location having a negative impact on parking. Mr. Bissell elaborated that a primary concern is to minimize disruption to students. He added that the disparity between assignable and gross square feet indicates the building is inefficient; improving the efficiency will lower project costs.

Business/Math Building and Music/Theater Project

Final Project Proposals (FPP) for these two projects were submitted to the Chancellor's Office last July. Although the state funds only one FPP per year, the College submitted two FPPs to maximize the possibility of state funding approval. Mr. Bissell commented that the college did not have any projects that would receive state funding under Proposition 1D. However, he added the state bond would allow other community college projects to proceed, making it possible for MPC's projects to be approved for future state funding.

10. Meeting Schedule

The meeting dates of March 5, June 11, August 6, and November 5 (annual organizational meeting) were proposed for 2007. Motion to approve the proposed meeting schedule was made by Mr. Hudson and seconded by Mr. Johnson. Motion carried unanimously.

11. Suggestions for Future Agenda Topics and Announcements

There were no suggestions for future agenda topics.

12. Adjournment

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

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT

CITIZENS' BOND OVERSIGHT COMMITTEE

March 5, 2007

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

Meeting Minutes

MEMBERS PRESENT: Mr. Peter Baird
Mr. Steve Emerson
Mr. Howard Gustafson, Jr.
Mr. Jay Hudson
Ms. Elinor Laiolo
Ms. Eleanor Morrice
Mr. Leon Stutzman

ABSENT: Mr. Rick Heuer
Mr. Ken White

STAFF PRESENT: Mr. Joe Bissell, Vice President for Administrative Services
Dr. Douglas Garrison, Superintendent/President
Mr. Steve Morgan, Director of Facilities
Ms. Vicki Nakamura, Assistant to the President

OTHERS PRESENT: Mr. R. Lynn Davis
Mr. Joe Demko, Kitchell CM
Ms. Marilyn Gustafson

1. Call to Order

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

2. Introduction of New Committee Members

Mr. Lynn Davis, Chair of the MPC Governing Board, expressed thanks to the committee for their time in providing oversight of the expenditure of bond funds. Dr. Garrison introduced new members, Mr. Peter Baird, Mr. Steven Emerson, Ms. Elinor Laiolo, and Ms. Sondra Rees. He thanked the new members for their willingness to serve on the committee and distributed a hand-out listing current member terms.

3. Public Comment

None.

4. Purposes, Duties and Authorized Activities of the Citizens' Bond Oversight Committee/Review of Ethics Policy Statement

Mr. David Casnocha, the district's municipal bond counsel, was introduced. Mr. Casnocha noted the college's bond, Measure I, was approved under Proposition 39 requirements which provide for general obligation bonds to be approved with 55% voter approval rather than a 2/3

majority vote. Proposition 39 regulations stipulate the establishment of a citizens' oversight committee; provide for greater project specificity to allow the public to determine if funds are being spent appropriately; and require an independent financial audit to be performed on the district's bond funds for the college trustees and citizen's oversight committee.

Mr. Casnocha then reviewed the committee's Bylaws which summarize and reflect Education Code regulations regarding the committee's role and responsibilities. He said the committee is advisory only and has no independent legal authority. Mr. Casnocha elaborated that the committee has no powers for remedies if bond funds are not spent appropriately. The three primary duties of the committee are to inform the public, review and report on the expenditure of taxpayers' monies, and advise the public on the district's compliance with Proposition 39. He noted the committee's meetings are subject to the Brown Act and most of the business and deliberations of the committee should be conducted in public. The purpose of the Brown Act is to guarantee open meetings of local governing bodies and allow the public to participate. Only items on the agenda can be discussed. If a committee member is absent, he or she may participate by conference call.

Mr. Casnocha explained community colleges have used bond funds to leverage state funding. Thus, bond projects may be funded by more than one source; however, he cautioned that the committee's oversight role is confined to bond funds. College staff will provide the committee with quarterly expenditure reports to review. There should be some correlation between those expenditures and bond projects. Mr. Casnocha advised the committee to review Exhibit B of the district's bond resolution to find the list of projects authorized by the voters for bond expenditures.

He noted the phrase, "no money for teacher/administrator salaries," was added to Proposition 39. The state attorney general has clarified that the law was intended to exclude teaching and curriculum activities. The salary and overhead of employees involved in administering bond projects is permissible; however, Monterey Peninsula College has elected not to spend bond funds on facilities project staff.

To inform the public, Mr. Casnocha said the committee is required to provide the Board of Trustees with an annual report. The district also has the responsibility of maintaining a website and posting appropriate information. He emphasized that there should be unanimity in the committee's communication to the public; the committee should speak with one voice, through the Chair. The committee may use its own discretion to determine its communication methods, such as publishing a column in the newspaper or appearing before the Board of Trustees at a public meeting.

Mr. Casnocha reviewed Section 4 of the Bylaws that describes the authorized activities of the committee. The bond financial report/audit may be reviewed by the committee. In addition, the committee may inspect college grounds and facilities (e.g., through a tour), review the deferred maintenance and master plan, and review the district's cost-saving measures in regards to design, bidding, and energy efficiency. He noted that if the committee found there was a chronic problem of spending inefficiently, this problem could be listed in the annual report.

Committee members' terms are limited to two 2-year terms. The Bylaws were designed to provide for continuity of membership as well as a regular rotation of the membership.

Mr. Casnocha reviewed the authority of committee members. He stated that committee members cannot direct staff, but may receive all reports submitted to the Board or related to Measure I. The committee can expect the district to post meeting notices and agendas in

compliance with the Brown Act, keep minutes, and prepare the website. Mr. Casnocha emphasized bond proceeds cannot be used to support the committee; rather, the district's general fund will provide funding support.

Mr. Baird noted the Bylaws were restrictive regarding the activities of committee members and asked about personal liability related to the committee's work. Mr. Casnocha answered that while the CBOC does not have direct decision-making authority, there might be a liability concern if a suit was brought against the district regarding the expenditure of bond funds. He said that the committee may be listed as an additional insured on the district's liability policy or the college's governing board may indemnify committee members. Mr. Bissell clarified that the CBOC is endorsed on the district's liability policy and thus, was afforded the same protection as the trustees.

Mr. Casnocha concluded with a review of the Ethics Statement and Policy. He commented that committee membership was not an opportunity to lobby for contractors and reminded committee members of their fiduciary responsibility to represent the public. To avoid a conflict of interest, members should review expenditures in an impartial way and not act on behalf of any one contractor. Dr. Garrison asked about the need for committee members to file Form 700, the conflict of interest disclosure form from the state Fair Political Practices Commission. Mr. Casnocha responded that oversight committee members were not subject to these requirements and did not have to fill out the form.

Mr. Casnocha advised forwarding any questions that may arise regarding the Bylaws or whether a project was authorized for bond funds to him through Joe Bissell. He said there would be no charge to answer questions or attend meetings.

5. Review of the Ralph M. Brown Public Meetings Act

Mr. Casnocha indicated that he had reviewed the Brown Act as part of his presentation on the committee's duties and activities.

6. Approval of Minutes

It was moved by Mr. Hudson and seconded by Mr. Stutzman to approve the minutes of the November 6, 2006 meeting. Motion carried, with the new members abstaining.

7. Accept Bills and Warrants Report

Mr. Bissell reviewed the report. He stated the report provides a list of all expenses incurred since the last quarterly meeting of the committee. Mr. Bissell observed that the committee was not being asked to approve expenses; rather, the committee would be taking action to accept the list. Dr. Garrison added that the report shows where the money is being spent and thus, where the projects are going.

It was moved by Mr. Hudson and seconded by Ms. Laiolo to accept the bills and warrants report. Motion carried unanimously.

8. Bond Expenditure Status Report

Mr. Bissell reviewed the reports for October, 2006 through January, 2007. For the benefit of the new members, he explained the committee had asked the district to produce this report and the main columns to review are "% Cost Complete" and "% Schedule Complete." Mr. Bissell explained that facilities projects typically take three years to complete. During the first two years of a project, the fees are related to architectural design costs. In the last year, the contractor is hired and construction takes place. The majority of expense occurs during the

last year. He noted the document was an “after the fact” report and the Governing Board receives the same report to review. Dollar amounts are reconciled with the bills and warrants report.

Mr. Baird questioned why the Environmental Impact Report was listed as 81% cost complete with only 27% of the schedule completed. Mr. Bissell explained the environmental document for the main campus was completed first and comprised the major portion of the expense. He said there are two additional California Environmental Quality Act (CEQA) documents needed for the projects at Fort Ord, and the expense will be smaller.

9. Bond Audit Report for 2005-06

Mr. Bissell reviewed the bond audit report and the procedures performed. He reported the final summary concluded that \$13,708,230 million of bond funds had been expended to date as intended by the district’s voters. Mr. Bissell commented it was a clean audit, with no findings.

10. Update on Facilities Projects, Timelines and Schedules

Mr. Bissell noted the update is usually given by Joe Demko, the district’s bond program manager. For the new members, Mr. Bissell provided additional background on the district’s bond program. He said the bond covered 15 years of construction and began in 2003. The total cost of campus facility projects was originally estimated at \$212 million, but with escalation of 30%, the current cost is \$300 million or more. The Facilities Master Plan Redo Committee has been evaluating the projects to reduce costs. Local bond funds will supply \$145 million, with the remainder to come from other funding sources, such as state funds, energy efficiency projects, or fundraising. A presentation on the Facilities Master Plan Redo Committee recommendations will be given to the trustees in April.

Mr. Bissell explained the steps to complete a project. The district is not subject to local zoning regulations, but plans must be approved by the Division of the State Architect (DSA). Two years are needed for the planning and approval process and one year for the construction phase. The application process for state funding takes an additional three years; thus, the timeline for a state-funded facilities project is six years.

Mr. Bissell reported that the majority of the bond funds would be used for current facilities on campus, including new sidewalks, new boilers, and new roofs. Renovation of campus infrastructure is the single biggest project at \$20 million and will take two years to upgrade the gas and electrical utilities and sewer lines on campus. Completed bond projects include the landscaping around the Library & Technology Center building and improvements to the new Plant Services facility.

Mr. Bissell continued with background information on current facility projects.

Stadium

The Physical Education facilities project consists of three phases. The first phase covers renovation of the stadium (athletic fields and bleachers) and construction of a new fitness facility. The stadium comprises 20% of the campus square footage. Future phases will involve renovation of the gym and the pool/tennis courts.

Child Development Center

This project is largely state-funded. Construction on this project began four months ago. The building is horseshoe-shaped, with the playground in the center. The buildings have been framed and the HVAC is being installed. The playground will be finished in June.

Education Center at Marina

Portable buildings have been purchased and will be installed next to the tennis courts and be operational for the fall semester. The CEQA study is underway for the permanent building which will be completed in three years.

Public Safety Training Center at Seaside

Three portable buildings were installed at the site at Col. Durham Road in Seaside. The fire academy program has moved in and the police academy will move in next month. Two existing buildings will be renovated at this site for the fire and safety programs.

Mr. Bissell asked Mr. Demko to provide a status update on the various bond projects.

Stadium

Mr. Demko said fencing, concrete work, and landscaping remains to be completed.

PE Fitness Building

The program will move into the building in April. DSA required the addition of an elevator to the building; plans are underway to make this modification.

Public Safety Training Center at Seaside

The architect is working on the building design with the police and fire academies staff. The engineers will certify the existing building for reuse.

Lecture Forum Bridge

A new bridge will be constructed to replace the current one. The plans are in DSA for approval. It is hoped the construction can begin in June.

Student Services Building

Mr. Demko reported the architect is working on a more efficient layout. Preliminary drawings will be undertaken soon.

Field Act Seismic Work

Four buildings need seismic upgrades. Work on the Gym and the Social Science Building will be completed during the summer.

Social Science and Lecture Forum Restroom Renovations

Drawings are awaiting DSA approval.

Lecture Forum

Mr. Demko said the Lecture Forum HVAC system would be renovated this summer. In addition, the acoustics and seating will be refurbished in Lecture Forum 103.

Mr. Emerson proposed the committee be given a tour of these facility projects. Chair Gustafson suggested the tour be scheduled for the next meeting on June 11. It was agreed to hold the tour at 2:00 PM before the committee's meeting.

Mr. Demko distributed a master schedule to the committee. He explained that the individual project schedules were condensed and only the construction schedule is reflected. Mr. Demko emphasized the schedule was a draft, that changes are to be expected due to funding, etc. He will provide an update of the schedule at future meetings.

Mr. Baird asked about the pool and tennis court renovation. He noted that Mr. Bissell indicated two years of planning work was involved. In the event there was a donor who contributed funding, Mr. Baird asked if the architectural work had been completed or if the plans could be

submitted to DSA in advance. Mr. Bissell explained there was a disadvantage to doing the drawings too early. Codes change and DSA requires the architect to sign off, so phasing of the project is necessary. He agreed that the pool could be advanced if funding was found.

Ms. Rees asked about parking improvements and where additional parking was located. She has heard concerns from the community expressed regarding parking. Mr. Bissell said that 130 spaces have been added in the past four years. Thirty spaces were just added to parking lot A and there was a proposal to eliminate the islands with trees to add 75 more spaces. He said there will be 60 spaces added at the new Child Development Center. Mr. Demko mentioned that the district did not want to do much work in the parking lots because of the impact of the infrastructure project. Mr. Bissell added that the campus is built-out so additional parking is difficult.

Dr. Garrison commented that addressing the parking problem involved more than adding spaces. He has asked Mr. Bissell to complete a campus transportation plan that will consider the number of cars as well as scheduling impacts. He said the current Child Development Center plan will bring the transit center into campus. An improved bus schedule will increase ridership. Offering rideshare incentives and examining the schedule of classes to spread out the use of classrooms will also contribute to more efficient use of parking space on campus. Ms. Rees suggested a presentation to the public to share this information.

Dr. Garrison followed up on Mr. Baird's earlier question regarding the pool renovation. He said if a donor came forward, the college would work to accommodate the renovation earlier. Dr. Garrison stressed the college is looking for ways to leverage dollars, and the state funding process is a lengthy one, usually taking more than six years to achieve. Mr. Baird acknowledged that in the private sector, projects do not require these steps. He suggested a public education process to convey the message that \$145 million is not enough. Dr. Garrison said Mr. Baird's suggestion served as a reminder about the importance of communicating to the public. He stated his desire to share more information with the committee about planning and consideration of options due to the need for more funding.

11. Meeting Schedule

Future meetings of the Committee are scheduled for:

Monday, June 11, 2007, 2:00 PM – facilities tour, 3:00 PM -- meeting

Monday, August 6, 2007

Monday, November 5, 2007 (Annual Organizational Meeting)

12. Suggestions for Future Agenda Topics and Announcements

Mr. Hudson asked about how to accomplish the committee's duty to inform the public. Mr. Bissell suggested placing an information ad in the newspaper as an option.

13. Adjournment

The meeting was adjourned at 4:37 p.m.

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MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT

CITIZENS' BOND OVERSIGHT COMMITTEE

June 11, 2007

2:00 PM – Committee Tour of Campus Facilities Projects

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

Meeting Minutes

MEMBERS PRESENT: Mr. Peter Baird
Mr. Steve Emerson
Mr. Rick Heuer
Mr. Jay Hudson
Ms. Elinor Laiolo
Ms. Sondra Rees
Mr. Leon Stutzman
Mr. Ken White

ABSENT: Mr. Howard Gustafson, Jr.
Ms. Eleanor Morrice

STAFF PRESENT: Mr. Joe Bissell, Vice President for Administrative Services
Dr. Douglas Garrison, Superintendent/President
Ms. Vicki Nakamura, Assistant to the President

OTHERS PRESENT: Mr. Joe Demko, Kitchell CM
Ms. Marilyn Gustafson

The Committee convened at 2:00 PM for a tour of campus bond projects.

1. Call to Order

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

2. Public Comment

None.

3. Approval of Minutes

It was moved by Mr. Hudson and seconded by Mr. Emerson to approve the minutes of the March 5, 2007 meeting. Motion carried.

4. Accept Bills and Warrants Report

Mr. Bissell reviewed the report. Vice Chair Heuer asked for clarification of several expenses: the disposal of hazardous materials at Fort Ord on page 2, the purchase of CISCO switches on page 4, and the site inspection for unexploded ordnance on the track and field on page 6. Mr. Bissell responded that the buildings conveyed to the college at Fort Ord had asbestos that required removal. He did not have the information on the CISCO switches and indicated he would research and communicate to the Committee. Regarding the track and field question,

Mr. Bissell explained that unexploded ordnance from the former Armory on campus was discovered and removed; the area was then swept for any remaining items.

Mr. Emerson asked about the institutional bond management expenses on page 9 and how the services were divided out. Mr. Bissell responded that Joe Demko and Kitchell provided overall bond program management which included coordination of the construction managers, the schedule, financial accounting, and the environmental work associated with CEQA (California Environmental Quality Act). He noted the contract with Kitchell was in its third year and was paid on a time and materials basis. To date, the district has been able to cover bond management expenses from the interest income on the bond.

Mr. White commented that the tour did not include the Fort Ord sites and asked what was being constructed there. Mr. Bissell replied that there were two existing buildings on Col. Durham Road that the college planned to renovate; however, there were issues with the Division of the State Architect (DSA) to resolve. No as-built drawings were available for the buildings to meet DSA requirements; the college will be undertaking a self-certification instead. At the other location on Imjin Parkway, portables will be installed this Fall to house two classrooms and offices. Permanent facilities will be constructed at the corner of Imjin Parkway and Third Avenue.

Mr. Baird asked if there were any incentives provided in the construction contracts to complete work early or assess a penalty for slower work. Mr. Bissell said the contracts do include penalties for extended work, but these provisions are hard to enforce as site conditions often cause delays. There were no bonuses for quicker work. Mr. Demko added that there are liquidated damages with an amount paid per day for late work.

Ms. Rees asked for the status of the road access issue regarding the college's site on Imjin Parkway. Dr. Garrison recounted the college's concern with traffic from the Cypress Knolls development through the college's site on Third Avenue. He said the college gave up one parcel and received another to create a contiguous piece of property; the access road will now be on the perimeter. The college is working closely with the City of Marina on the legal approval of the land swap.

Ms. Rees followed with a question about the net amount of increased parking that would be available on the main campus. Mr. Bissell responded that the campus currently has 1400 parking spaces. The new J lot and the addition to A lot will add 118 more spaces and there will be an additional 35 spaces at the new Child Development Center. When the former Child Development Center is removed, 50 additional spaces will be added along with a bus drop off. The net gain will be 203 spaces.

It was moved by Mr. Hudson and seconded by Mr. White to accept the bills and warrants report. Motion carried unanimously.

5. Bond Expenditure Status Report

Mr. Bissell noted a new cost control report, 5-C, was provided to the Committee with the monthly bond expenditure status reports. The new report shows the amount of funding set aside for contingency on each project. He asked Mr. Demko to discuss the new report.

Mr. Demko said the cost control report shows the budget status and progress of each project. The report will forecast what monies are available or predict where a shortfall might occur. He reviewed the 4 projects included in the cost control report.

Child Development Center

The project is 72% complete and is still tracking within budget, despite change orders. Mr. Demko noted that many change orders occur at the beginning of a project. Mr. Bissell added that the change order contingency is \$204,321 and construction change orders currently total \$108,451, so the project is within budget.

Main Infrastructure

The main infrastructure project has a \$1.2 million contingency. To date, \$69,219 has been expended for change orders. A change order for \$600,000 for tree removal to allow for more parking will show on a future report.

Building 24

The change order contingency of \$283,424 was exceeded; \$343,367 was expended for change orders. The project is expected to be \$41,000 over budget.

PE Fields

This project also included infrastructure improvements for drainage and roadwork. The change order contingency of \$1 million was exceeded by \$600,000. The project is expected to be \$900,000 over budget.

It was the consensus of the Committee that the new cost control report was very useful.

Mr. Baird asked about the list of completed projects on page 3 of the monthly expenditure status report for February through March, 2007. The new Plant Services Building was not listed as 100% complete. Mr. Bissell clarified that all of the Early Start projects in the list had been completed.

6. Update on Facilities Projects, Timelines and Schedules

Mr. Demko provided an update on the various bond projects.

Stadium

Mr. Demko said the project was essentially complete. They are making sure that the drawings and operation/maintenance manuals are complete.

PE Fitness Building

This project is almost complete. The elevator still needs to be installed.

Child Development Center

The contractual date for completion is the end of August, but the college wants to take occupancy earlier.

Public Safety Training Center at Seaside

The two existing buildings on Col. Durham Rd. will meet program needs. No as-built drawings are available. There is an Education Code section that addresses the use of federal military buildings by community colleges and the college will be the first to apply this provision. College representatives, Chancellor's Office staff, and DSA have met to discuss the criteria for renovating military buildings for reuse.

MPC Education Center at Marina

Two modular buildings were purchased last year. Two additional modulares will be rented to provide restroom and office facilities.

Infrastructure

A significant amount of work is being completed this summer, affecting access to campus. New roads and parking will be available by Fall semester.

Lecture Forum Bridge

A new bridge will be constructed to replace the existing one to meet Americans with Disabilities Act (ADA) accessibility requirements. This project is ready for bidding.

Facilities Master/Funding Plan Reworking Committee

The committee has been meeting regularly to discuss facilities projects and leveraging of bond funds. Mr. Bissell added it has been necessary to modify or pare down projects to stay within budget as costs for future construction are projected. He gave the gym and the parking structure as two projects that have been modified due to projected costs.

Student Services Building

The building location has changed and the main parking lot will be redesigned. The architect has been working to reduce the gross square footage of the building through a more efficient design while also accommodating user needs. The goal is for the building to serve as a one-stop center for student services. Construction drawings will be completed in four months and submitted to DSA.

Seismic Structural Upgrades

Four buildings need seismic upgrades. DSA has also required that restroom upgrades and ADA issues be resolved at the same time. Work on the Gym and the Social Science Building will be completed during the summer.

Lecture Forum

Mr. Demko said a \$1 million HVAC system is being installed. Acoustics, seating, and the lecture podiums will be refurbished in Lecture Forum 103 during the summer. Mr. Bissell stated Mr. Demko is acting as the prime contractor to coordinate the refurbishment as the work falls under \$50,000. The building must be ready for the Fall semester.

Referring to the master schedule, Mr. Baird asked if the elevator will delay the PE Fitness Building project. Mr. Bissell stated the fitness building is operational; the elevator will be added as a separate stand-alone project.

7. Five-Year Capital Outlay Plan

Mr. Bissell reported the college is required to file a five-year facilities plan each year with the state Chancellor's Office. He explained there are formulas that track the amount of square feet and the number of weekly student contact hours to measure teaching efficiency. Only projects that affect campus square footage are included in the plan. He noted the Student Services building, a locally funded project, is included because it will result in a significant amount of additional square feet and change the college's capacity load ratio.

Mr. Bissell stated that the projects are divided between the main campus and the Fort Ord site. The schedule of projects is likely to change. He explained that state funding for the Child Development Center and the Old Library renovation has been secured; however, future state bonds must be approved to provide funding for other projects proposed in the five-year plan. The Business Math project has been approved by the Chancellor's Office, but state funding will be included in the next bond.

Dr. Garrison noted that the Fort Ord site is a grandfathered education center, allowing the college to receive state funding for projects located there. Mr. Bissell added that the state will only fund one project per site per year. Mr. Emerson observed there was no state funding indicated for the Public Safety and Education Center projects at Fort Ord. Mr. Bissell explained that these projects needed to be accomplished quickly to meet federal timeline

requirements in the property conveyance. The state funding process is a lengthy one; therefore, bond funding was allocated for these projects.

8. Meeting Schedule

Future meetings of the Committee are scheduled for:

Monday, August 6, 2007

Monday, November 5, 2007 (Annual Organizational Meeting)

9. Suggestions for Future Agenda Topics and Announcements

Mr. White asked about the lack of a covered walkway at the Child Development Center. Mr. Bissell responded that the original design included awnings, but this feature was eliminated when the project bids came in over budget. Fundraising by the Child Development Center and the MPC Foundation may be able to provide support for the awnings (which cost \$400,000).

Mr. Baird requested that the agenda be distributed to the committee earlier to provide more time for review.

10. Adjournment

The meeting was adjourned at 4:01 p.m.

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MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT

CITIZENS' BOND OVERSIGHT COMMITTEE

August 6, 2007

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

Meeting Minutes

MEMBERS PRESENT: Mr. Peter Baird
Mr. Steve Emerson
Mr. Howard Gustafson, Jr.
Mr. Rick Heuer
Mr. Jay Hudson
Ms. Eleanor Morrice
Mr. Leon Stutzman
Mr. Ken White

ABSENT: Ms. Elinor Laiolo
Ms. Sondra Rees

STAFF PRESENT: Mr. Joe Bissell, Vice President for Administrative Services
Dr. Douglas Garrison, Superintendent/President
Ms. Vicki Nakamura, Assistant to the President

OTHERS PRESENT: Mr. Joe Demko, Kitchell CM
Ms. Marilyn Gustafson
Mr. Charlie Page

1. Call to Order

The regular meeting of the Citizens' Bond Oversight Committee of Monterey Peninsula College was called to order at 3:02 PM by Chair Gustafson.

2. Public Comment

None.

3. Approval of Minutes

It was moved by Mr. Hudson and seconded by Mr. White to approve the minutes of the June 11, 2007 meeting. Mr. Bissell followed up on a question at the June meeting regarding purchase of CISCO switches for the Granite Construction trailer. He explained the college is responsible for providing phone service and it was more cost effective to purchase the switches. He added that the switches will be reused. Motion carried.

4. Accept Bills and Warrants Report

Mr. Bissell reviewed the report. He noted a credit of \$260,000 for the Old Library Project; this amount represented a refund as the project is state-funded. Mr. Baird asked for clarification on the \$200 credit for the Lecture Forum Project. Mr. Bissell responded that the credit reflected a transfer of the expense to the correct purchase order.

Mr. Heuer inquired about expenditures related to asbestos. Mr. Bissell said that asbestos had been discovered in the Lecture Forum on campus; however, it was not a significant amount. Regarding property received by the college at the former Fort Ord, he explained that while munitions were cleaned up by the Army, asbestos and other contaminants such as lead paint were the college's responsibility to mitigate.

Mr. Baird noted the bills and warrant report and the monthly expenditure reports covered the same time period but the ending balance figures differed. Mr. Bissell explained that the monthly bond expenditure reports were more detailed and it was Mr. Demko's responsibility to balance the reports after the fact. Mr. Baird also noted some discrepancies between expenditure amounts in the two reports. Mr. Demko stated that he does not always have the final costs and his reports may use projected figures to track how much is being spent. When the projects are completed, he then reconciles the expenditure amounts. Mr. Baird asked which report was most up-to-date. Mr. Bissell said the monthly expenditure reports were most current; but the bills and warrants report is the official document. Mr. Baird also suggested that project names in both reports be the same. Mr. Bissell agreed and said adjustments would be made.

Mr. Heuer asked about the retention amount deposited in Union Bank for the Fitness Building project. Mr. Demko explained that current public contract codes require the retention to be placed in a third party escrow account.

It was moved by Mr. Hudson and seconded by Mr. Emerson to accept the bills and warrants report. Motion carried unanimously.

5. Bond Expenditure Status Report

Mr. Bissell asked the committee if there were any questions on the report. Mr. Baird inquired if more budget overruns were anticipated with the Environmental Impact Report. Mr. Bissell explained that an account was created for the main campus and when the environmental study was completed, the account was under-expended. The environmental study for the Colonel Durham project was then charged to this same account, causing the overrun. An environmental study will be needed for the Marina Education Center; however, the expense will be charged to the project itself. Mr. Bissell stated the Environmental Impact Report account would be closed out. Mr. Baird confirmed with Mr. Bissell that this item would then show as 100% complete.

Mr. Emerson commented that the Child Development Center project shows as 40% complete. Mr. Bissell responded that was the case as of May and June; the project is now substantially complete. He added that 95% of the project is being funded by the state, with only \$700,000 coming from bond funds. So far, nothing has been charged to the bond for this project.

6. Update on Facilities Projects, Timelines and Schedules

Mr. Demko provided an update on the various bond projects.

Stadium

Mr. Demko said the notice of completion will be filed for the stadium.

PE Fitness Building

The notice of completion will also be filed for this project.

Child Development Center

Equipment is being moved into the building. Mr. Demko noted that \$362,000 was received from the state for furniture and equipment. There is some site work left to complete.

Public Safety Training Center at Seaside

The college plans to renovate two existing buildings on Col. Durham Rd. There is an Education Code section that addresses the use of federal military buildings by community colleges and the college will be the first to apply this provision. College representatives, Chancellor's Office staff, and Division of the State Architect (DSA) have met to discuss the criteria for renovating military buildings for reuse. No as-built drawings are available and DSA has required more testing. The process is moving along.

MPC Education Center at Marina

Two modular buildings were purchased last year and two additional modulares will be rented to provide one classroom and restroom facilities. DSA requested changes and final approval is expected this week. There have been difficulties in coordination of electrical service with Pacific Gas & Electric company. The water district has approved plans. Design of the permanent building is underway and drawings will be received next week. Dr. Garrison noted that the College is continuing to rent classroom facilities for the fall semester at UCMBEST. He expects additional courses will be offered at the Marina site later in fall.

Infrastructure

Some campus roads are now open. Mr. Demko acknowledged that it has been difficult for students to get across campus due to the construction work. In response, the contractor plans to clean up the lower part of campus to allow for better access. Mr. Bissell noted 203 parking spaces had been added. Mr. Hudson asked for the total number of spaces on campus. Mr. Bissell answered there were approximately 1600 parking spaces.

Lecture Forum Bridge

A new bridge will be constructed to replace the existing one to meet Americans with Disabilities Act (ADA) accessibility requirements. Granite Construction submitted the lowest bid.

Old Library/new Administration Building

The plans have been submitted and DSA approval is expected. This project includes significant structural enhancements to the building. Bids will be advertised in September or October. The anticipated timeline is 14 months for construction; the building will be completed in time for the beginning of the 2009-10 academic year.

Facilities Master/Funding Plan Reworking Committee

The committee has not met during the summer.

Student Services Building

The building footprint has been set and impacts on the main parking lot will be discussed. A preliminary construction estimate is due August 15th.

Seismic Structural Upgrades

Four buildings need seismic upgrades. DSA has also required that restroom upgrades and ADA issues be resolved at the same time. Only the Social Science Building upgrades have been completed this summer.

Lecture Forum

Mr. Demko said new seats have been installed in Lecture Forum 101. The Gentrain program has been moved to Lecture Forum 103 and the new seating arrived today. Carpeting has been put in. Acoustical panels and lighting still need to be installed. Dr. Garrison asked about the status of the screen installation. Mr. Demko replied that the

screen has been received, but they have had to devise a way to get the screen into the room.

7. Membership Update

Dr. Garrison provided a handout listing membership terms. He noted four members, Howard Gustafson, Jr., Rick Heuer, Jay Hudson, and Ken White, will be completing their second term on November 5, and thus, concluding their tenure on the committee.

In addition, Dr. Garrison said there were two members whose first term ends on November 5, Leon Stutzman and Eleanor Morrice. He has conferred with Mr. Stutzman, who wishes to conclude his service on the committee. Dr. Garrison asked Ms. Morrice, the student representative, about her status and interest in continuing on the committee. Ms. Morrice indicated she has graduated, but she continues to take classes at the college and plans to do so through spring semester 2008. She said she would contact the Associated Students of MPC (ASMPC) for another student representative. Ms. Morrice stated she would serve a second term if ASMPC was unable to find another student.

Dr. Garrison said the process to find replacements for three community at-large representatives, a taxpayers association representative, and a GENTRAIN Society representative has been initiated. An advertisement will be placed in the local newspaper to solicit applicants. Then, he will present a slate of candidates to recommend to the Board of Trustees for approval.

Dr. Garrison clarified that the November 5 meeting will serve as a transition between the outgoing and new members. He said the outgoing members are expected to serve on November 5 which will constitute their last meeting. The new members will be invited to attend the meeting as an introduction.

Trustee Charlie Page stated his appreciation for the committee members' effort and time.

A question was asked by Ms. Marilyn Gustafson if one of the members at-large could subsequently serve on the committee as a representative of another organization. Ms. Nakamura responded that a review of the committee Bylaws indicates that a member can serve a maximum of two consecutive terms.

8. Meeting Schedule

Future meetings of the Committee are scheduled for:
Monday, November 5, 2007 (Annual Organizational Meeting)

9. Suggestions for Future Agenda Topics and Announcements

There were none.

10. Adjournment

The meeting was adjourned at 3:52 p.m.

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