



Citizens' Bond Oversight Committee

ANNUAL REPORT

2014-2015

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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:



James Panetta, Chair
Citizens' Bond Oversight Committee

Date: November 2, 2015

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INTRODUCTION

At the election conducted on November 5, 2002, the Monterey Peninsula Community College District was successful in obtaining more than 55% voter approval for Measure I to issue and sell general obligation bonds in the amount of \$145,000,000 to fund specific facility projects. The bond election for Measure I 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 Bylaws were subsequently amended in February 2012 to remove the District residency requirement for the student member and in October 2015 to allow members to serve three consecutive terms per a change to Education 15282.

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.

To accomplish these duties and as required in the bylaws, the CBOC submits this annual report to the Board of Trustees. The CBOC expresses its appreciation to District staff for their support of the committee's work and activities.

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MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT CITIZENS' BOND OVERSIGHT COMMITTEE

November 2, 2015



Back row: Robert Lee, Wayne Cruzan (Vice Chair), Stephen Lambert, Steven Crow (Admin. Services), Walter Tribley (Supt./Pres.)

Front row: Thomas Gaspich, Hunter Harvath, Birt Johnson, Jr., James Panetta (Chair)

Not pictured: Rick Heuer, Sharon Larson

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SUMMARY OF THE COMMITTEE'S PROCEEDINGS AND ACTIVITIES FOR 2014-2015

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 three consecutive two-year terms. Among those ineligible to serve are elected officials, employees, vendors, contractors, or consultants of the District.

Currently, the committee is composed of nine members, appointed by the Board of Trustees. In November 2014, four members, J. Fagan, Stewart Fuller, Robert Mulford, and Niels Reimers, completed their second term on the committee. (Note: This event occurred prior to the October 2015 revision of the Bylaws allowing a third term.) Mr. Fagan, Mr. Fuller, Mr. Mulford, and Mr. Reimers were recognized by the Board of Trustees for their service to the college with certificates of commendation. As a result of these membership changes, vacancies were created on the committee for representatives from a senior citizens' organization, the MPC Foundation, and local business organizations. Applicants were solicited from appropriate groups and through public notices. The new members appointed by the Governing Board for an initial two-year term were: Thomas Gaspich, representing the Carmel Foundation; Sharon Larson, MPC Foundation representative; Hunter Harvath, representing the Monterey County Hospitality Association; and Rob Lee, Monterey Peninsula Chamber of Commerce representative.

Also, the student representative, Maury Vasquez, completed his initial term in November 2014, and he was reappointed to a second term. In June 2015, Mr. Vasquez resigned from the committee. He was replaced by student trustee, Stephen Lambert, who was appointed by the Board in October 2015.

In accordance with the Bylaws, officers were selected at the annual organizational meeting on November 17, 2014. Dr. Tribley appointed James Panetta to serve as Chair and Wayne Cruzan was elected by the committee to serve as Vice Chair.

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

Wayne Cruzan	2-year second term, 11/2013 – 11/2015
J. Alan Fagan	2-year second term, 11/2012 – 11/2014
J. Stewart Fuller	2-year second term, 11/2012 – 11/2014

Thomas Gaspich	2-year initial term, 11/2014 – 11/2016
Hunter Harvath	2-year initial term, 11/2014 – 11/2016
Rick Heuer	2-year second term, 11/2013 – 11/2015
Birt Johnson, Jr.	2-year second term, 11/2013 – 11/2015
Stephen Lambert	2-year initial term, 10/2015 – 11/2017
Sharon Larson	2-year initial term, 1/2015 – 11/2016
Rob Lee	2-year initial term, 11/2014 – 11/2016
Bob Mulford	2-year second term, 11/2012 – 11/2014
James Panetta	2-year second term, 11/2013 – 11/2015
Niels Reimers	2-year second term, 11/2012 – 11/2014
Maury Vasquez	2-year second term, 11/2014 – 6/2015

MEETINGS AND ACTIVITIES 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.

The college's bond website (<http://www.mpc.edu/about-mpc/campus-information/mpc-bond-measure>) includes webpages specifically designated for the committee's activities where the meeting schedule, agendas, minutes, and annual reports are posted.

During 2014-15, the committee convened four quarterly meetings. The annual organizational meeting of the committee was held November 17, 2014, with subsequent meetings held on March 9, 2015, June 15, 2015, and August 10, 2015. The primary location for the meetings was the Sam Karas Room in the Library & Technology Center on the Monterey campus.

At the meetings held during 2014-15, the committee reviewed bond program expenditures and received updates on facilities projects. With most of the bond projects completed, the reports to the committee reflected the reduction in construction activity. As an orientation for the new members, the March meeting included a review of the committee's purpose and duties and a summary of the Brown Act by David Casnocha, District bond counsel. The committee also reviewed the 2013-14 independent financial and performance audit reports for the District's bond funds. The June and August meetings were preceded with a tour of facilities completed with bond funds on the Monterey campus and the Fort Ord Center to provide background for the new members.

FINANCIAL REPORT OF THE CITIZENS' BOND OVERSIGHT COMMITTEE

The first bond issuance, Series A, was conducted on June 18, 2003. Total principal amount issued was \$40 million. The Series A bond was refinanced in December 2005, increasing the principal amount to \$44,240,052. The second and third series of bonds were issued in January 2008. In Series B, \$9,004,530 of taxable bonds were issued, with no time limit for expenditure. The principal amount of the Series C issuance was \$95,994,770 of tax exempt bond funds that were anticipated to be 85% expended within five years.

In June 2013, a portion of the 2005 refunding bonds and Series C bonds were refinanced, resulting in the issuance of \$19.2 million of tax-exempt bonds and \$14.5 million of taxable bonds at interest rates of 1.52% and 2.02% respectively. As the average interest rate of the bonds prior to the refunding was 4%, \$1.38 million in interest savings was generated for the District's taxpayers.

The bond funds have been invested in Monterey County's investment portfolio. A portion of the funds were placed in custom investments outside of the general pool to generate higher interest earnings. These custom investments matured in January 2014. During the past year, interest earnings totaled \$65,120 through September 30, 2015. In addition, the college received \$30,949, a recoupment of interest lost from the Lehman Brothers bankruptcy in 2008-09.

In 2002, a property tax rate of \$23.89 per \$100,000 of assessed value was projected when the District's bond measure was approved. The tax rate for Measure I in 2014-15 was \$32.47. This rate increase was due to an error made by Monterey County in setting the 2013-14 Measure I tax rate at \$15.77. As a result, Monterey County under levied in 2013-14, and the shortfall was made up by increasing the 2014-15 tax rate to \$32.47. Since the first bond issuance in 2003, the average tax rate has been \$22.01.

Expenditures and payments made from bond funds have been regularly reviewed and accepted by the committee during the course of the year. The annual expenditure report on the following pages shows expenditures for the report period of October 1, 2014 through September 30, 2015 and total expenditures since bond inception.

MPC Bond Expenditure Report
July 1, 2003 through September 30, 2015

<u>Receipts:</u>	Prior	10/1/2014- 09/30/2015	Total
Bond Principal – Series A	\$40,000,000	\$0	\$40,000,000
Refinancing - Series A	\$4,240,052	\$0	\$4,240,052
Bond Principal - Series B, taxable	\$9,004,530	\$0	\$9,004,530
Bond Principal - Series C, nontaxable	\$95,994,770	\$0	\$95,994,770
Interest Income*	\$9,187,116	\$65,120	\$9,252,236
Interest Write-off**	(\$1,878,835)	\$0	(\$1,878,835)
Interest Recovery**	\$704,891	\$30,949	\$735,840
Total Receipts	\$157,252,524	\$96,070	\$157,348,594

* Interest income is through Sept. 30, 2015

** All bond funds are currently on deposit with the Monterey County Investment Pool. The interest write-off and recovery occurred due to the Lehman Brothers and Washington Mutual bankruptcy filings in 2008.

Expenditures:

Completed Projects:

As Built Drawings	\$209,792	\$0	\$209,792
Automotive Technology -- HVAC	\$16,443	\$0	\$16,443
Auto Technology Addition	\$958,602	\$0	\$958,602
Business Computer Science	\$2,215,418	\$0	\$2,215,418
Business Computer Science Building - Seismic Design	\$7,982	\$0	\$7,982
Child Development Center	\$1,029,199	\$0	\$1,029,199
College Center Renovation	\$23,608	\$0	\$23,608
Demolition of Old Plant Services	\$63,522	\$0	\$63,522
Drafting Building	\$13,974	\$0	\$13,974
Environmental Impact Report	\$154,163	\$0	\$154,163
Family and Consumer Science Renovation	\$67,671	\$0	\$67,671
Gym - Floor/Seismic/Bleachers	\$877,847	\$0	\$877,847
Humanities Building - Seismic Design	\$16,375	\$0	\$16,375
HVAC Repairs	\$618,539	\$0	\$618,539
Infrastructure I (main campus utilities, parking lot A)	\$20,886,001	\$0	\$20,886,001
Infrastructure II (parking lots D, E, & F)	\$2,481,607	\$0	\$2,481,607
Landscaping – Library & Technology Center	\$438,293	\$0	\$438,293
Lecture Forum Remodel	\$2,117,203	\$0	\$2,117,203
Life Science -- Elevator Evaluation	\$7,794	\$0	\$7,794
Master Signage Program	\$53,890	\$0	\$53,890
New Admin/Old Library Renovation	\$4,712,191	\$0	\$4,712,191
New Education Center Building at Marina	\$8,159,655	\$0	\$8,159,655
New Facilities Building	\$487,574	\$0	\$487,574
New Student Services Building	\$9,681,388	\$0	\$9,681,388
Old Library Renovation Analysis	\$21,280	\$0	\$21,280
Miscellaneous	\$221	\$0	\$221
Physical Education (Stadium, Fitness Center, etc.)	\$17,236,568	\$0	\$17,236,568
Physical Science -- Elevator Evaluation	\$6,986	\$0	\$6,986
PE Phase II - Gym/Locker Room Renovation	\$3,810,036	\$0	\$3,810,036

Pool Renovation	\$2,013,583	\$33,910	\$2,047,493
Public Safety Training Center	\$7,478,201	\$0	\$7,478,201
Roof Repairs	\$480,256	\$0	\$480,256
Social Science Remodel	\$863,697	\$0	\$863,697
Telephone System Upgrades	\$599,414	\$0	\$599,414
Theater Light Board	\$22,733	\$0	\$22,733
Vehicles	\$187,070	\$0	\$187,070
Walkway/Safety Improvements	\$225,630	\$0	\$225,630

Completed Projects	\$88,244,406	\$33,910	\$88,278,316
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In Process:

Arts Complex	\$3,645,117	(\$103,341)	\$3,541,776
Bond Program Management	\$5,687,034	\$5,476	\$5,692,510
Student Center	\$6,101,194	\$56,423	\$6,157,617
Furniture/Equipment	\$5,268,435	\$68,740	\$5,337,175
Humanities, Bus-Hum, Student Services	\$3,541,386	\$1,657	\$3,543,043
Infrastructure - Phase III	\$6,458,266	\$0	\$6,458,266
Life & Physical Science	\$10,831,745	\$456	\$10,832,201
Music Building	\$23,770	\$0	\$23,770
PSTC Parker Flats	\$70,499	\$0	\$70,499
Swing Space/Interim Housing	\$5,775,223	\$2,127	\$5,777,350
Theater	\$10,382,736	\$0	\$10,382,736
Miscellaneous	\$47,698	\$14,040	\$61,738
Management Expense for Custom Investment Portfolio***	\$45,272	\$0	\$45,272

In Process	\$57,878,375	\$45,578	\$57,923,953
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Total Expenditures	\$146,122,781	\$79,488	****\$146,202,269
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*** The District requested the Monterey County Treasurer to manage and place custom investments for a portion of the funds on deposit with the Treasurer. These investments were outside the general pool and included GE corporate bonds which generate a higher rate of return. The District was notified by the Treasurer's Office that the last security matured on 1/7/2014. There were no further interest postings to segregated investments after this date.

**** Total expenditures of \$146,202,269 equate to 93% of Measure I bond proceeds of \$157,348,594 being spent through September 30, 2015 on District bond projects. In addition, the District has been successful in securing matching funds from the state and other sources to augment bond proceeds and further address District facility needs. These matching funds will supplement bond proceeds by an estimated \$40,704,037, resulting in total projected expenditures of \$197,439,641 for facilities projects by the end of the bond program.

CAMPUS RENOVATION/CONSTRUCTION PROJECTS COMPLETED, IN PROCESS, AND PLANNED FOR THE FUTURE

September 30, 2015

COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Library & Technology Center	This new 65,000 sq. ft., 3-story building houses the college's book and media collections and includes computer labs, classrooms, multi-media rooms, group study rooms, teleconferencing capability and a faculty lounge. The \$19.9 million project was primarily funded by the state, with \$438,000 provided by MPC bond funds. The facility was completed in July 2003.	\$438,293	\$19,470,000	\$19,908,293
Facilities Building	The new 18,440 sq. ft. building consolidates the college's plant services, warehouse, building maintenance, and grounds operations within one building. Old structures formerly housing these operations were demolished. The state funded \$2.48 million of the total project cost of \$2.97 million and MPC bonds provided funding of \$488,000. This project was completed in fall 2003.	\$487,574	\$2,478,000	\$2,965,574

COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Early Start & Miscellaneous Projects	This group of projects include walkway and safety improvements, new IP phone system, new roofs on Life Science, Physical Science, Business-Computer Science, and Art Dimensional buildings, rebuilding the HVAC systems in Art Dimensional, Social Science, Business-Computer Science buildings, completing required campus wide CEQA reports, campus as-built site drawings, purchase of new vans and street cleaner. Dollar amounts given represent actual MPC bond expenses to date. Most of these projects were completed by 2004, with the exception of the campus CEQA environmental report, completed in March, 2006.	\$2,729,672	\$439,037	\$3,168,709
Community Stadium	This project completely refurbished and modernized the existing campus football stadium, track, and softball fields. The upgrades include synthetic football/soccer and softball fields, an eight lane all weather track, new bleachers and support facilities. MPC bond funds covered most of the \$13.5 million cost, with \$100,000 received from a state waste tire grant program for the artificial turf installed on the football field. The project was completed in spring 2007.	\$13,406,672	\$100,000	\$13,506,672
Fitness Center	This new 12,750 sq. ft., two-story building provides classrooms, offices, and a weight room. The old structure was demolished. The project was completed August, 2007.	\$3,829,897		\$3,829,897

COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Child Development Center	This new three-building, 9,900 sq. ft. complex provides a child care facility serving the campus and community. The facilities also include a classroom and observation rooms that make up an academic laboratory to provide practicum experience for Child Development Program courses. The state funded \$4.4 million of the project with \$1 million contributed from MPC bond funds. The project was completed in October, 2007.	\$1,029,198	\$4,384,000	\$5,413,198
Infrastructure - Phase I	All of the campus infrastructure (underground utilities, roads, walkways, bridges, etc.) will be rebuilt under the bond program. Phase I makes up 77% of the total infrastructure work on campus and was completed in September, 2008.	\$20,886,001		\$20,886,001
Lecture Forum	The existing 18,545 square foot instructional building was remodeled to upgrade technology and improve acoustics. The HVAC system was replaced, restrooms rebuilt, new seating and floor covering installed, and the building repainted. The majority of work was completed August 2007 with minor work completed in summer 2008.	\$2,117,203		\$2,117,203
Social Science	The existing 12,580 square foot instructional building was remodeled to meet current seismic and ADA standards. The bathrooms were rebuilt, the HVAC system replaced, and new furniture, paint, and floor coverings were added. The majority of the work was completed August 2007 with minor work completed in summer 2008.	\$863,697		\$863,697

COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Infrastructure - Phase II	This phase includes the rebuilding and expansion of parking lots D, E, & F, addition of campus wide emergency alarms, and rebuilding of the baseball backstop. The parking lots and alarm installation were completed in August 2008; the backstop was completed in August 2009.	\$2,481,607		\$2,481,607
Family Consumer Science	The existing facility was remodeled to repair the roof and upgrade the classroom. The project was substantially completed January 2009.	\$67,671		\$67,671
Gym	The upper floor of the existing gym was rebuilt, including seismic upgrades and gym floor and bleacher replacement. The project was accomplished using a combination of state scheduled maintenance funding and MPC bond funds. The project was completed in January 2009.	\$877,847	\$600,000	\$1,477,847
Administration Building Renovation	The former library building, consisting of 19,040 square feet, was remodeled to house campus administrative offices. The state funded \$2.715 million of the total cost with \$4.56 million contributed from MPC bond funds. Office move-in was accomplished in April 2009.	\$4,712,191	\$2,715,000	\$7,427,191
Public Safety Training Center Renovation	Two existing former Army buildings on Colonel Durham Road in Seaside at the former Fort Ord were renovated to provide classrooms and offices for public safety training programs. Construction began in July, 2008. The project was substantially completed in December 2009. Site drainage issues were resolved in summer 2010.	\$7,478,201		\$7,478,201

COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Auto Technology Addition	This project consisted of a remodel and addition to the existing facility. The project was substantially completed in September 2010.	\$958,602		\$958,602
Business, Math, Computer Science	The existing Business Computer Science building was completely renovated. Former fiscal services and information technology offices were converted into math classrooms and a math learning center. A Final Project Proposal for the Business, Math and Science Buildings project that included the renovation of the Business Computer Science Building was submitted to the state Chancellor's Office in July 2007 to request 50% state funding support and was subsequently approved. However, as state bond funding for community college facility projects has been uncertain, the District determined this project would go forward using bond funds only. Construction began in June 2010. The project was completed in February 2011.	\$2,215,418		\$2,215,418
Student Services Building	A new 22,000 sq. ft. building was constructed adjacent to the current Student Center, allowing the consolidation of student services offices at one location on the Monterey campus. Construction began in August 2009 and was substantially completed by March 2011. Offices were moved in phases and accomplished by May 2011.	\$9,681,388		\$9,681,388
Education Center at Marina	Temporary facilities were installed on the Education Center site on Imjin Parkway and 3rd Avenue in Marina in 2007. Construction of the first permanent academic facilities began in February 2010 and was substantially complete by August 2011, in time for the start of the fall 2011 semester.	\$8,159,655		\$8,159,655

COMPLETED PROJECTS:

Note: For completed projects, Prop 39 Bond amounts listed are actual expenditures to date. Projects are listed in order of completion.

<u>Project</u>	<u>Description</u>	<u>Funding Source</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Physical Education Phase II: Gym - Showers/Locker Rooms	The first floor of the existing gym building was renovated, including reconstruction of the shower and locker rooms. Division and faculty offices were reconfigured and relocated to the same area. The two multipurpose rooms were upgraded with technology enhancements. Construction began in January 2012 and was completed in November 2012.	\$3,830,000		\$3,810,036
Pool and Tennis Courts Renovation	The existing swimming pool was renovated to eliminate the existing diving well, creating a shallower pool bottom. A lift for disabled students was added. The pool locker room facility was demolished and a new pool equipment building constructed to house new filtration and heating equipment. The pool will be served by the gym locker rooms which were renovated and completed in 2012. Construction began in August 2013 and the pool was completed in March 2014. The tennis courts were not renovated as the estimated cost exceeded the amount of funds remaining in the project budget.	\$2,640,519		\$2,047,493
Totals for Completed Projects		\$88,891,306	\$30,186,037	\$118,464,353

PROJECTS IN PROCESS:

Note: Cited dollar amounts are estimates and subject to change. Projects are listed in alphabetical order.

<u>Project</u>	<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Arts Complex	The Final Project Proposal to rebuild the existing Art Studio, Art Ceramics, Art Dimensional, and International Center buildings, and demolish the existing Drafting building was re-submitted to the state Chancellor's Office in July 2009 to request 50% state funding support and was approved. However, with state bond funding for community college facility projects being uncertain, the District completed this project with local bond funds only. The project was reduced in scope. A complete renovation of the Art Studio and Art Ceramics buildings was accomplished. Construction began in September 2013, and completed in late summer 2014, in time for fall semester. The Art Dimensional building will be improved as the budget allows, to include replacement of mechanical and electrical systems, exterior painting, and roofing.	\$4,724,000		\$4,724,000
Student Center Renovation	The Student Center has been renovated and all building systems repaired. The interior space was redesigned to better serve student support functions, including food service, bookstore, TRIO, ASMPC, student activities, and security. Construction was underway in September 2013, and completed in August 2014.	\$5,952,000		\$5,952,000
Furniture & Equipment	New furniture has been installed in all lecture classrooms. Funds have been used to provide furniture and equipment for the Business, Math, Computer Science building, the Education Center at Marina, the Public Safety Training Center in Seaside, the new Student Services building, the Life Science and Physical Science buildings, the Theater, Student Center, and Art buildings.	\$5,685,000		\$5,685,000

PROJECTS IN PROCESS:

Note: Cited dollar amounts are estimates and subject to change. Projects are listed in alphabetical order.

<u>Project</u>	<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Humanities, Business Humanities, and Student Services	The existing Humanities and former Student Services buildings have been renovated and the existing Business Humanities building demolished. The Final Project Proposal was submitted to the state Chancellor's Office in July 2007 to request 50% state funding support and was approved. The project was allocated state funds to proceed with drawings in August 2009. Funds for construction were included in the 2010-11 state budget and construction will proceed in phases. Renovation of the former Student Services building to provide offices for humanities faculty and supportive services classroom and lab began in June 2011. Construction was completed in March 2012. Renovation of the Humanities Building began in January 2013 and was completed for the fall 2013 semester. The demolition of the Business Humanities building occurred in October 2013 and the vacated site was renovated to provide additional parking and improved traffic circulation.	\$3,296,000	\$3,318,000	\$6,614,000
Infrastructure - Phase III	This phase includes new data cabling installed campus wide, the rebuilding of many sidewalks and parking lots B, C, & J, the installation of additional lighting and signage upgrades, an elevator at PE, additions to disaster notification systems, new greenhouses, a generator for the data center, and replacement of the kilns for the art ceramics program. Work will be completed in phases from May 2008 through September 2014.	\$6,466,000		\$6,466,000

PROJECTS IN PROCESS:

Note: Cited dollar amounts are estimates and subject to change. Projects are listed in alphabetical order.

<u>Project</u>	<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Life Science and Physical Science Buildings	The existing Physical Science and Life Science buildings have been rebuilt, to include modernizing and upgrading of all science laboratories. A Final Project Proposal for the Business, Math and Science Buildings project that included the renovation of these buildings was submitted to the state Chancellor's Office in July 2007 to request 50% state funding support and was subsequently approved. However, as state bond funding for community college facility projects has been uncertain, the District adjusted the scope and completed this project with local bond funds only. Revised schematic drawings were completed by the architect and the Division of the State Architect approval received in May 2011. The project was completed in phases. The Life Science building renovation began construction in September 2011 and was completed in June 2012. Renovation of the Physical Science building began in September 2012 and was completed for fall semester 2013.	\$10,750,000		\$10,750,000
Swing Space/Interim Housing	Temporary space to house programs and services displaced by modernization projects is planned. Temporary modulars have been placed on campus and at the Education Center. The former administration building was renovated in 2009 to provide temporary classrooms and renamed the General Classrooms building. The facility was modified again in summer 2011 to provide space for labs to accommodate the Life Science and Physical Science programs. Additional modification occurred in summer 2013 to provide temporary space for the creative arts programs while the Art Studio and Art Ceramics buildings were renovated.	\$5,800,000		\$5,800,000

PROJECTS IN PROCESS:

Note: Cited dollar amounts are estimates and subject to change. Projects are listed in alphabetical order.

<u>Project</u>	<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Theater	The existing Theater building was renovated and modernized. A Final Project Proposal for the Music Theater project that included the renovation of the Theater Building had been submitted annually to the state Chancellor's Office since July 2006 to request 50% state funding support. As state bond funding for community college facility projects has been uncertain, the District proceeded with the theater renovation with bond funds only. Drawings were completed and Division of the State Architect approval received in May 2011. Construction began in September 2011 and was completed in March 2013.	\$10,400,000		\$10,400,000
Totals for Projects In Process		\$53,073,000	\$3,318,000	\$56,391,000

FUTURE PROJECTS:

Note: Changes to future projects are anticipated to accommodate probable changes in state funding. Cited dollar amounts are estimates and subject to change. Projects listed in alphabetical order.

<u>Project</u>	<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
		<u>Prop 39 Bond</u>	<u>State & Other</u>	
Music Facilities – Phase I	The existing Music facilities will be modernized. Two of the three music facility structures (the current recital hall and the music lab wing) will be renovated. The recital hall will be converted into two rehearsal rooms. The third structure (choral music room) will be demolished. The Final Project Proposal for phase I of renovation of the Music facilities was submitted to the state Chancellor's Office in July 2013 to request 50% state funding support and was approved. The project is proposed for completion in fall 2017. This timeline is contingent upon state bond funding being approved and allocated.	\$1,200,000	\$1,200,000	\$2,400,000
Public Safety Training Center - Phase II (Parker Flats)	New outdoor training facilities will be constructed at the Parker Flats and MOUT sites at the former Fort Ord, including an emergency vehicle driving course, a burn building for firefighter training, and a firing range. The Final Project Proposal for this project was submitted to the state Chancellor's Office in July 2009 for 50% state funding consideration and was approved. The projected completion date of summer 2016 is contingent upon state bond funding being approved and allocated.	\$6,000,000	\$6,000,000	\$12,000,000
Totals for Future Projects		\$7,200,000	\$7,200,000	\$14,400,000

CONTINGENCY:

<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
	<u>Prop 39 Bond</u>	<u>State & Other</u>	
The contingency was established in August 2010 to provide contingent funding for projects as needed. Project cost estimates are subject to change due to the variable bid climate or from unexpected construction issues that may arise. Currently, the contingency is equivalent to 0.39% of total Prop 39 bond funds.	\$612,990	\$0	\$612,990
Grand Totals (Projects)	\$149,164,306	\$40,704,037	\$189,868,343

BOND PROGRAM MANAGEMENT:

<u>Description</u>	<u>Budgets</u>		<u>Total Cost</u>
	<u>Prop 39 Bond</u>	<u>State & Other</u>	
An outside firm is being used to manage the overall bond construction program. Funds to pay for these services are generated from interest earnings on the bond funds on deposit with the Monterey County Treasurer (minus any management fees on the custom investment portfolio managed by the treasurer). Amounts in the columns to the right represent actual expenses to date.	\$5,692,510		\$5,692,510
Projected program management expense for the remaining years of the bond program.	\$1,878,788		\$1,878,788
Totals for Program Management	\$7,571,298		\$7,571,298
Overall Grand Totals	\$157,348,594	\$40,704,037	\$197,439,641

APPENDIX

COMMITTEE ROSTER

COMMITTEE MEETING AGENDAS

November 17, 2014

March 9, 2015

June 15, 2015

August 10, 2015

COMMITTEE MEETING MINUTES

November 17, 2014

March 9, 2015

June 15, 2015

August 10, 2015

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MONTEREY PENINSULA COLLEGE

Citizens' Bond Oversight Committee Members

- James Panetta, Chair, *Community member*
- Wayne Cruzan, Vice Chair, *GENTRAIN Society*
- Birt Johnson, Jr., *Community member*
- Rob Lee, *Monterey Peninsula Chamber of Commerce*
- Hunter Harvath, *Monterey County Hospitality Association*
- Sharon Larson, *Monterey Peninsula College Foundation*
- Rick Heuer, *Monterey Peninsula Taxpayers Association*
- Thomas Gaspich, *Carmel Foundation*
- Stephen Lambert, *Associated Students of Monterey Peninsula College*

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COMMITTEE MEETING AGENDAS

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MONTEREY PENINSULA
COLLEGE

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, November 17, 2014
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 Citizens' 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. **Introductions** INFORMATION
Incoming members who will be joining the committee in March will be introduced.
4. **Approval of August 4, 2014 Minutes** ACTION
5. **Accept Bills and Warrants Report** ACTION
The quarterly list of payments from bond funds expended through September 30, 2014 will be reviewed for acceptance by the committee.
6. **Bond Expenditure Status Report** INFORMATION
The September 30, 2014 bond expenditure status report will be reviewed with the committee.
7. **Annual Report for 2013-14** 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.

- 8. Monterey County Treasurer's Investment Report** INFORMATION
Series B and C bonds were issued by the district in 2008 and invested with the Monterey County Treasurer's office. The Treasurer's Report of Investments for the quarter ending June 30, 2014 provides the status of these investments.
- 9. Status of Facilities Bond Program** INFORMATION
A status report will be provided.
- 10. Committee Membership Update** INFORMATION
Committee membership will be reviewed by Dr. Tribley. Outgoing members, Mr. Fagan, Mr. Fuller, Vice Chair Mulford, and Mr. Reimers, will be recognized for their service on the committee.
- 11. Officers** ACTION
Mr. Panetta has been appointed Chair by Dr. Tribley. Committee members will indicate their interest in serving as vice-chair and a vote will be taken.
- 12. Meeting Schedule (PLEASE BRING CALENDARS)** INFORMATION/ACTION
The following meeting dates for 2015 are suggested for adoption:
Monday, March 2, 2015
Monday, June 15, 2015
Monday, August 10, 2015
Monday, November 2, 2015 (Annual Organizational Meeting)
- 13. Suggestions for Future Agenda Topics and Announcements**
- 14. Adjournment**

***RECEPTION following meeting to honor outgoing members and introduce incoming members.**

Public records provided to the Committee for the items listed on this agenda may be viewed online at the College's website <http://www.mpc.edu/about-mpc/campus-information/mpc-bond-measure/citizen-s-bond-oversight-committee/meeting-agenda-minutes>, at the Superintendent/President's office, Monterey Peninsula College, 980 Fremont Street, Monterey, California during normal business hours, or at the Committee meeting.

Posted: November 12, 2014



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, March 9, 2015
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street, Monterey, California

MEETING AGENDA

1. **Call to Order**
2. **Introductions of New Members**
3. **Public Comment**
Members of the audience wishing to address the Citizens' 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 17, 2014 Minutes** ACTION
7. **Accept Bills and Warrants Report** ACTION
The list of payments from bond funds expended through December 31, 2014 will be reviewed for acceptance by the committee.

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|---|-------------|
| 8. Bond Expenditure Status Report
The December 31, 2014 bond expenditure status report will be reviewed with the committee. | INFORMATION |
| 9. Bond Auditors' Reports for 2013-14
The Independent Auditors' Report of the District's bond funds, for the fiscal year ended June 30, 2014, and the District's Bond Performance Audit Report, for the fiscal year ended June 30, 2014, will be reviewed with the committee. | INFORMATION |
| 10. Monterey County Treasurer's Investment Report
The bonds issued by the district have been invested with the Monterey County Treasurer's office. The Treasurer's Report of Investments for the quarter ending December 31, 2014 provides a review of asset allocation and investment performance. | INFORMATION |
| 11. Meeting Schedule
Future meetings of the Committee are scheduled for: <ul style="list-style-type: none">• Monday, June 15, 2015• Monday, August 10, 2015• Monday, November 2, 2015 (Annual Organizational Meeting) | INFORMATION |
| 12. Suggestions for Future Agenda Topics and Announcements | INFORMATION |
| 13. Adjournment | |

Public records provided to the Committee for the items listed on this agenda may be viewed online at the College's website <http://www.mpc.edu/about-mpc/campus-information/mpc-bond-measure/citizen-s-bond-oversight-committee/meeting-agenda-minutes>, at the Superintendent/President's office, Monterey Peninsula College, 980 Fremont Street, Monterey, California during normal business hours, or at the Committee meeting.

Posted: March 4, 2015



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, June 15, 2015
1:30 PM – Committee Tour of Campus Bond Projects
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street
Monterey, California

Meeting Agenda

- 1. Call to Order**
- 2. Public Comment**
Members of the audience wishing to address the Citizens' 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. Introductions and Staff Update** INFORMATION
Mr. Hunter Harvath, representing the Monterey County Hospitality Association, will be introduced. Dr. Tribley will provide an update on administrative staff.
- 4. Approval of March 9, 2015 Minutes** ACTION
Follow-up items will be reviewed with the meeting minutes.
- 5. Accept Bills and Warrants Report** ACTION
The list of payments from bond funds expended through March 31, 2015 will be reviewed for acceptance by the committee.
- 6. Bond Expenditure Status Report and Cost Control Report** INFORMATION
The March 31, 2015 bond expenditure status report will be reviewed with the committee.

- | | |
|---|-------------|
| 7. 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. The Treasurer's Report of Investments for the quarter ending March 31, 2015 provides the status of these investments. | INFORMATION |
| 8. Update on Facilities Projects | INFORMATION |
| 9. Membership Update | INFORMATION |
| 10. Meeting Schedule
Future meetings are scheduled for: <ul style="list-style-type: none">• Monday, August 10, 2015• Monday, November 2, 2015 (Annual Organizational Meeting) | INFORMATION |
| 11. Suggestions for Future Agenda Topics and Announcements | |
| 12. Adjournment | |

Public records provided to the Committee for the items listed on this agenda may be viewed online at the College's website <http://www.mpc.edu/about-mpc/campus-information/mpc-bond-measure/citizen-s-bond-oversight-committee/meeting-agenda-minutes>, at the Superintendent/President's office, Monterey Peninsula College, 980 Fremont Street, Monterey, California during normal business hours, or at the Committee meeting.

Posted: June 10, 2015



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, August 10, 2015
1:30 PM –Tour of Facilities Projects for New Members
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street
Monterey, California

MEETING AGENDA

1. Call to Order

2. Public Comment

Members of the audience wishing to address the Citizens' 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 15, 2015 Minutes

ACTION

4. Accept Bills and Warrants Report

The list of payments from bond funds expended through June 30, 2015 will be reviewed for acceptance by the committee.

ACTION

5. Bond Expenditure Status Report

The June 30, 2015 bond expenditure status report will be reviewed with the committee.

INFORMATION

6. Meeting Schedule

Future meetings are scheduled for:

- Monday, November 2, 2015 (Annual Organizational Meeting)

INFORMATION

7. Suggestions for Future Agenda Topics and Announcements

8. Adjournment

Public records provided to the Committee for the items listed on this agenda may be viewed online at the College's website <http://www.mpc.edu/mpcbond/CitizensBondOversight/Pages/CBOCAgendas.aspx> , at the Superintendent/President's office, Monterey Peninsula College, 980 Fremont Street, Monterey, California during normal business hours, or at the Committee meeting.

Posted: August 5, 2015

COMMITTEE MEETING MINUTES

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MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, November 17, 2014
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street
Monterey, California

Meeting Minutes

MEMBERS PRESENT: Mr. Wayne Cruzan
Mr. J. Fagan
Mr. Stewart Fuller
Mr. Rick Heuer
Mr. Birt Johnson, Jr., Chair
Mr. Bob Mulford, Vice Chair
Mr. James Panetta
Mr. Niels Reimers

ABSENT: Mr. Maury Vasquez

STAFF PRESENT: Ms. Rosemary Barrios, Controller
Mr. Earl Davis, Vice President for Administrative Services (by
conference phone)
Mr. Michael Midkiff, Director of Information Technology
Ms. Vicki Nakamura, Assistant to the President
Dr. Walter Tribley, Superintendent/President

OTHERS PRESENT: Mr. Michael Carson, Kitchell

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 Johnson.

2. Public Comment

There were no public comments.

3. Introductions

Dr. Tribley introduced incoming members, Tom Gaspich, representing the Carmel Foundation, Rob Lee, Monterey Peninsula Chamber of Commerce representative, and

Hunter Harvath, Monterey County Hospitality Association representative (Mr. Harvath arrived later in the meeting). Their first official meeting will be in March 2015.

4. Approval of August 4, 2014 Minutes

A handout providing follow-up to questions recorded in the minutes of the August 4 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 August 4, 2014 meeting, as amended by the follow-up document. Motion carried unanimously.

AYES:	7	MEMBERS:	Cruzan, Fagan, Fuller, Johnson, Mulford, Panetta, Reimers
NOES:	0	MEMBERS:	None
ABSENT:	1	MEMBERS:	Vasquez
ABSTAIN:	1	MEMBERS:	Heuer

5. Accept Bills and Warrants Report

Chair Johnson advised the report would be reviewed by page and invited questions. Mr. Cruzan asked about the retention payments and escrow account applications for Otto Construction for the Student Center project listed on page 1. Mr. Carson explained the funds deposited in the escrow account at the Bank of Sacramento will be released to Otto Construction when the project is completed.

There were no questions on page 2. Regarding page 3, Mr. Panetta inquired why there were eight different invoices from Manpower to provide labor for packing up printmaking and painting lab equipment for the move back to the Art Studio building. Mr. Carson explained there was a separate invoice submitted for each day. Mr. Fagan followed with a question why Cardinale Moving and Storage or staff were not used as in prior cases. Mr. Carson said the art program had many excess supplies and heavy items to pack and unpack.

Also on page 3, Mr. Heuer questioned the expense for set up and repair of the kiln. He asked why district funds were not used. Mr. Carson explained the existing kiln was relocated and stored during the renovation and repairs were necessary to return the equipment to operating condition. Mr. Reimers asked about the lighting retrofit project for the replacement of parking lot lights. Mr. Carson said this project was funded by the Proposition 39 state energy efficiency program and the expenditure needs to be moved out of the bond fund.

Members had no questions on page 4. On page 5, Mr. Heuer asked about the expense for final special inspection reports for the pool by Kleinfelder. Mr. Carson explained a final report was received regarding corrosion that was observed on the stainless steel around the swimming pool, with the finding that the condition was due to free metal in the air. He emphasized the metal was not rusting and the staining was caused by mineral deposits.

There were several questions regarding equipment purchases on page 5. Mr. Panetta requested more information on the purchase of 52 stools for the Student Center at a cost of over \$200 each. Mr. Carson responded the stools were high back plastic chairs for use in the cafeteria. Mr. Cruzan noted several entries for Development Group and asked for further detail. Mr. Carson said this vendor provided networking, Wi-Fi, and phone equipment installed in the Student Center and Art buildings. He also clarified spare wall

mount kits were purchased from Development Group for each phone, not just one kit, in response to a question from Chair Johnson. Mr. Reimers asked if Contrax, the vendor providing furniture for the Student Center, was local. Mr. Carson answered no, but said the company was located in California. He added all furniture was purchased under California statewide contracts in lieu of the district soliciting bids.

On page 6, Mr. Heuer questioned the purchase of trash receptacles, floor mats, and tray top receptacles for the Student Center. Mr. Carson said the items were purchased for the cafeteria and were heavy duty. Mr. Panetta advised that when items are plural, the specific number purchased should be included in the description. Staff will research and report back. Mr. Fagan asked about the U.S. Bank items. It was explained that Mary Weber, the college's purchasing technician, used a CAL-card issued from U.S. Bank to purchase items for the arts renovation project.

On page 7, under the swing space category, Mr. Reimers asked how many rental trailers remained. Mr. Carson responded the college is still renting one restroom trailer which is located adjacent to the General Classrooms building. Mr. Reimers noted that the return charges differed for the various trailers. Mr. Carson explained that some of the trailers were more complicated to remove and required the use of a forklift. Mr. Davis commented the college was still evaluating the use of the mobile kitchen and the cost of installing necessary utilities to provide food service at the Marina Education Center. Discussion followed about selling trailers purchased for swing space that were no longer being used and using the proceeds for bond projects. Mr. Davis said the resale of trailers typically does not yield significant funds. He said staff would research the market value of trailers for resale.

On page 8, under the general institutional bond management category, Mr. Panetta requested an explanation of the Division of State Architect (DSA) reopening fee. Mr. Carson stated DSA charges a fee to reopen an closed project. The projects listed were closed out by DSA before certification was completed. He noted the fee had been increased to \$500 per project. Chair Johnson asked about the timeframe for reopening. Mr. Carson said the college has 90 days to submit documents to DSA for certification. Mr. Fagan followed with a question about the printing of the MPC campus map. Mr. Carson answered the map was printed to show swing space locations for a facilities committee meeting.

On page 9, under the Humanities renovation project category, Mr. Reimers asked if the payment to Otto Construction in the amount of \$452,569 was the final payment. Mr. Carson responded yes. He said the payment was the 10% retention amount and explained the contractor did not set up an escrow account for this project.

Regarding page 10, Ms. Nakamura reported the miscellaneous category was being used as a holding category for expenses while the college develops an infrastructure project.

There were no further questions regarding the report.

It was moved by Mr Fagan and seconded by Mr. Reimers to accept the September 30, 2014 bills and warrants report. Motion carried unanimously.

AYES:	8 MEMBERS:	Cruzan, Fagan, Fuller, Heuer, Johnson, Mulford, Panetta, Reimers
NOES:	0 MEMBERS:	None
ABSENT:	1 MEMBERS:	Vasquez
ABSTAIN:	0 MEMBERS:	None

6. Bond Expenditure Status Report

The September 30, 2014 bond expenditure status report was reviewed with the committee.

Mr. Fagan observed \$1.7 million remained in the bond budget balance. He asked if outstanding construction costs would be covered by that amount. Mr. Davis responded yes, explaining the amount reflects the bond construction budget.

Mr. Heuer noted three projects are over budget and he asked if the projects have been completed. Mr. Carson's reply was yes. He said Mr. Demko recommended budget adjustments to cover the projects over budget with savings from other projects. Noting that bills are received several months old, Chair Johnson asked how the accounting was handled. Mr. Davis explained the college budgets for anticipated expenditures by encumbering the amounts needed. When late invoices come in, there should be no surprise since the funds should have already been set aside. Late billings should not cause a problem.

7. Annual Report for 2013-14

Dr. Tribley stated the issuance of an annual report is one of the obligations of the committee. If approved by the committee, Chair Johnson will present the report to the Board of Trustees at the December meeting.

Ms. Nakamura reviewed the various sections of the draft annual report. There were questions regarding the summary listing of all projects. For the pool and tennis courts renovation under the Projects in Process section, a suggestion was made to clarify that the tennis courts will not be renovated due to the estimated cost and lack of funds. Regarding the theater project, Mr. Panetta advised the description should state clearly that construction was completed. Mr. Heuer noted the summary of all projects listing includes an overall bond budget total of \$157 million, a figure that differs from the bond expenditure report total of \$149 million. It was explained that the bond expenditure report does not include interest earnings, which are reflected in the \$157 million total. All interest generated by bond funds goes toward the bond program.

Motion was made by Mr. Heuer and seconded by Mr. Fuller to approve the annual report with the corrections discussed. Motion carried unanimously.

AYES:	8 MEMBERS:	Cruzan, Fagan, Fuller, Heuer, Johnson, Mulford, Panetta, Reimers
NOES:	0 MEMBERS:	None
ABSENT:	1 MEMBERS:	Vasquez
ABSTAIN:	0 MEMBERS:	None

8. Monterey County Treasurer's Investment Report

The June 30, 2014 investment report was shared with the committee for information. There were no comments or questions.

9. Status of Facilities Bond Program

Dr. Tribley stated the various reports show a number of projects still in process and staff will need to complete the final accounting to reduce this number. He said the college will be evaluating the remaining bond funds to develop a phase IV infrastructure project to include

the upgrade of the Wi-Fi infrastructure on campus and also make sidewalk repairs. Dr. Tribley stated the tennis courts renovation has a lower priority than the Wi-Fi infrastructure upgrade.

Dr. Tribley noted the bond program is winding down. Mr. Demko has retired and Mike Carson, from Kitchell, continues to provide support. Two future projects remain, the Music and Public Safety Training facility projects. Bond funds have been allocated to these projects, but state matching funds are required for completion. Legislation for a new state bond was stopped last year, so state funds are currently unavailable. He said the college will need to revisit these projects.

Vice Chair Mulford asked about the status of technology on campus. Dr. Tribley discussed the need for technology improvements. He said the college is looking at an investment of \$7 million to implement enterprise resource planning (ERP) software needed to run campus operations. Dr. Tribley noted a Wi-Fi networking infrastructure upgrade was needed to connect buildings on campus. With the average age of computers on campus being eight years, he said computer equipment also needs replacement.

Dr. Tribley invited comments from Mike Midkiff, Director of Information Technology. Mr. Midkiff reiterated the need to build up the network infrastructure on campus to prepare for implementation of the ERP. He said a planning process for the ERP was being developed.

10. Committee Membership Update

Dr. Tribley presented certificates to J. Fagan, Stewart Fuller, Bob Mulford, and Niels Reimers in recognition of their commitment and service on the committee for the past 4 years. Chair Johnson thanked the members for their support.

11. Officers

Per the Bylaws, the college president appoints the chair. Dr. Tribley informed the committee he had appointed Mr. Panetta to serve as chair of the committee in 2015. The floor was opened for nominations for the vice chair position. Mr. Johnson nominated Mr. Cruzan, seconded by Mr. Reimers. Mr. Cruzan was elected unanimously.

AYES:	8	MEMBERS:	Cruzan, Fagan, Fuller, Heuer, Johnson, Mulford, Panetta, Reimers
NOES:	0	MEMBERS:	None
ABSENT:	1	MEMBERS:	Vasquez
ABSTAIN:	0	MEMBERS:	None

Dr. Tribley presented Mr. Johnson with a certificate of appreciation for his work as chair during the past year. Chair Johnson congratulated the new officers. He acknowledged the committee for their participation and commitment. He thanked staff for their work and expressed appreciation to Dr. Tribley for his leadership support.

12. Meeting Schedule

The meeting dates of March 2, June 15, August 10, and November 2 (annual organizational meeting) were proposed for 2015.

Motion was made by Mr. Heuer and seconded by Mr. Fuller to accept the meeting dates for 2015. Motion carried unanimously.

AYES: 8 MEMBERS: Cruzan, Fagan, Fuller, Heuer, Johnson, Mulford, Panetta,
Reimers
NOES: 0 MEMBERS: None
ABSENT: 1 MEMBERS: Vasquez
ABSTAIN: 0 MEMBERS: None

13. Suggestions for Future Agenda Topics and Announcements

Mr. Heuer reported the Monterey Peninsula Unified School District Citizens' Bond Oversight Committee was in need of members and invited those interested to contact him.

14. Adjournment

Chair Johnson adjourned the meeting at 4:25 PM.

/vn

Follow-up Items from November 17, 2014 CBOC Meeting

Per the meeting minutes:

Item #5 - Bills and Warrants Report

1. On page 6, Mr. Heuer questioned the purchase of trash receptacles, floor mats, and tray top receptacles for the Student Center. Mr. Carson said the items were purchased for the cafeteria and were heavy duty. Mr. Panetta advised that when items are plural, the specific number purchased should be included in the description. Staff will research and report back.

Detail for Student Center Equipment Purchases

Quantity	Item Description	Price per unit	Amount
15	23 gl. Square receptacle - blue	79.25	\$ 1,188.75
15	23 gl. Square receptacle - gray	76.80	\$ 1,152.00
15	Untouchable Single Stream Paper & Bottle & Can Recycling Lid	32.18	\$ 482.70
15	Square Swing Top Untouchable Lid Gray	32.91	\$ 493.65
1	Gladiator Universal Dolly	29.80	\$ 29.80
1	Janitor/Maids Cart W/ Bag	135.00	\$ 135.00
2	34-IN. Length Closet Organizer	56.98	\$ 113.96
5	Covered Tray Top Cont 29 Gal	1,185.25	\$ 5,926.25
2	Small Rectangular Waste Receptacle 25 Gal	698.25	\$ 1,396.50
7	4' x 6' Ridge Runner Mat Burgundy	84.11	\$ 588.77
3	3' x 4' Ridge Runner Mat Burgundy	49.11	\$ 147.33
1	Subtotal		\$ 11,654.71
	Sales Tax	0.08	\$ 874.10
	Invoice Total		\$ 12,528.81

2. On page 7, under the swing space category, Mr. Reimers asked how many rental trailers remained. Mr. Carson responded the college is still renting one restroom trailer which is located adjacent to the General Classrooms building. Mr. Reimers noted that the return charges differed for the various trailers. Mr. Carson explained that some of the trailers were more complicated to remove and required the use of a forklift. Mr. Davis commented the college was still evaluating the use of the mobile kitchen and the cost of installing necessary utilities to provide food service at the Marina Education Center. Discussion followed about selling trailers purchased for swing space that were no longer being used and using the proceeds for bond projects. Mr. Davis said the resale of trailers typically does not yield significant funds. He said staff would research the market value of trailers for resale.

Information will be provided at the meeting.



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, March 9, 2015
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street
Monterey, California

Meeting Minutes

MEMBERS PRESENT: Mr. Wayne Cruzan, Vice Chair
Mr. Thomas Gaspich
Mr. Rick Heuer
Mr. Birt Johnson, Jr.
Ms. Sharon Larson
Mr. Rob Lee
Mr. James Panetta, Chair
Mr. Maury Vasquez

ABSENT: Mr. Hunter Harvath

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

OTHERS PRESENT: Mr. Michael Carson, Kitchell

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 Panetta.

2. Introduction of New Members

A handout was provided with background information on the new members. Dr. Tribley asked each of the new members, Ms. Larson, Mr. Lee, and Mr. Gaspich to introduce themselves to the committee, reporting that Mr. Harvath was unable to attend when the meeting was rescheduled. Ms. Larson and Mr. Lee both noted they were former MPC students.

3. Public Comment

There were no public comments.

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, provided an orientation for the new members regarding the role of the committee. Mr. Casnocha stated the college's bond, Measure I, was approved under Proposition 39 requirements which amended the California Constitution. He noted Proposition 39 lowered the threshold for voter approval of general obligation bonds to 55% and required the establishment of an oversight committee. In addition to acquisition and renovation of real property, Proposition 39 allowed bond proceeds to be used for acquisition of furniture and equipment. Proposition 39 also required an annual independent financial and performance audit. He noted Proposition 39 amended Education Code to include the powers of the oversight committee.

Mr. Casnocha then reviewed the committee's Bylaws. Section 2 specifies that the committee's activities are subject to the Brown Act; all committee business must be conducted in public. Only items appearing on the meeting agenda may be discussed. He stated the Brown Act prohibits serial meetings where one member talks to a second member who then talks to a third member resulting in agreement on an issue. He cautioned against engaging in discussion of committee business outside of the regular meetings.

He noted section 3 describes the key functions of the committee, with the primary purpose being to review expenditure reports to determine that bond funds are spent only for purposes authorized in Measure I. The project list, Exhibit B, of the district's bond resolution, provides the types of projects approved by the voters for bond expenditure. Mr. Casnocha stated a project may not be expressly described in Exhibit B; however, if it corresponds with the types of projects listed, then the project is recognized as authorized. He explained the legislature realized that district needs change over time. He advised the committee to review the project list included with Measure I to determine projects the bond funds were intended to fund.

Mr. Casnocha stated bond funds cannot be used for operations nor for administrator or teacher salaries. He indicated the state attorney general issued an opinion that bond funding may be used for staff who administer bond funds for the District. MPC has not used funds for this purpose.

Another key function of the committee described in Section 3 is to inform the public of the committee's activities and District expenditure of bond funds. Mr. Casnocha noted this communication should be accomplished through the committee chair and reflect the committee as a whole. He provided examples of how information could be provided, such as through the committee website or through an annual report presented in a public meeting. The annual report must be submitted each year and must include an affirmative conclusion that the District is in compliance with legal requirements regarding bond expenditures. All annual reports are posted on the website and new members may have suggestions for a different style. He stated annual reports are generally provided at the end of the year, but the committee may want to change the date to allow for submission after the Proposition 39 financial audit reports are received.

Mr. Casnocha reviewed the authorized committee activities listed in Section 4. For the committee to perform the duties of reviewing expenditures, informing the public, and preparing a written annual report, the committee is to receive the annual financial audit and performance reports. He noted a recent legislative change that requires the committee to receive the audits at the same time as the District. To comply with this provision, Mr. Casnocha advised the audit reports be emailed to the committee at the time of receipt. He said the Bylaws will need a new section that specifies the

committee has the right to receive District responses to audit findings or qualifications within three months of receipt of the audit.

In addition, the committee may inspect college grounds and facilities through a tour. The committee is also authorized to review copies of deferred maintenance and other facilities plans to determine how the district intends to maintain buildings constructed or renovated with bond funds. The committee may also review the efforts of the District to maximize bond funds, such as applying for state matching funds.

Mr. Casnocha discussed Section 5 which covers committee membership. He noted members are not subject to state conflict of interest regulations as specified in Section 5.3 because the committee's purpose is to provide oversight rather than be a decision-making body. This section will be revised to remove the requirement to complete the state conflict of interest form. Under Section 5.4, the Bylaws provide for continuity of membership through the staggering of terms and specify committee members are limited to two consecutive terms. Mr. Casnocha said there has been a recent legislative change and committee members may now serve three consecutive terms. In addition, a member whose term has expired may continue serving until a replacement has been appointed.

Section 7 regarding District support for the committee was reviewed. Under 7.2 regarding meeting attendance of District staff and consultants, Mr. Casnocha advised members to request the District auditor to attend if they are unfamiliar with bond audit reports.

Mr. Casnocha concluded his review of the Bylaws with Section 11 regarding termination of the committee. He stated this section needs to be revised to state the committee will remain in existence through the fiscal year after the last bond dollar has been spent.

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

Mr. Casnocha included his review of the Brown Act as part of his presentation on the committee's role. Mr. Lee asked if the Brown Act applies to emails. Mr. Casnocha responded that using e-mail to discuss committee matters is also a violation of the Brown Act.

Mr. Casnocha advised the committee to ask staff to contact him if there are further questions regarding the committee's duties or the Brown Act. He said there would be no charge for these inquiries.

6. Approval of November 17, 2014 Minutes

A handout providing follow-up to questions recorded in the minutes of the November 17 meeting regarding the bills and warrants report was distributed and reviewed. Mr. Davis explained staff is still determining the market value of the portable trailers, particularly the mobile kitchen. If available, information will be provided at the next meeting.

Motion made by Mr. Johnson, seconded by Vice Chair Cruzan, to approve the minutes of the November 17, 2014 meeting, as amended by the follow-up document. Motion carried unanimously.

AYES:	8 MEMBERS:	Cruzan, Gaspich, Heuer, Johnson, Larson, Lee, Panetta, Vasquez
NOES:	0 MEMBERS:	None
ABSENT:	1 MEMBERS:	Harvath
ABSTAIN:	0 MEMBERS:	None

7. Accept Bills and Warrants Report

Chair Panetta advised the report would be reviewed by page and invited questions. On page 1, Mr. Heuer asked about the vendor, Palace Art and Office Supply, providing labor. Mr. Carson explained the vendor is a contractor and provided custom cabinetry for the art buildings project.

Regarding the furniture and equipment purchases on page 2, Chair Panetta asked about the darkroom enlarger. Mr. Carson said three enlargers were purchased for use by photography classes at a total cost of \$3500. Mr. Heuer inquired about the purchase for the TRIO conference room and the skeleton model. Mr. Carson said the TRIO program is located in the Student Center and the skeleton was purchased for use by the art program. He noted the furniture and equipment category covers several different projects. Occasionally a bond project, such as one that has a state funding match, has its own equipment budget.

On page 4, Mr. Heuer questioned the expense for Matthew Lattanzio under the miscellaneous category. Mr. Davis explained Mr. Lattanzio was working as an information technology consultant for the District. Ms. Nakamura added the miscellaneous grouping is being used as a holding category while a new infrastructure project is further defined by the District. These expenses will then be moved under the project.

On page 5, Mr. Johnson noted there was no new expense for the period under the closed project, the Public Safety Training Center renovation. However, on page 3, under the bond program management category, there is a Division of State Architect (DSA) re-opening fee for the project. Mr. Carson explained approval of a skylight was needed to close out the project and a fee to re-open the project with DSA was required.

There were no further questions regarding the report.

It was moved by Mr. Heuer and seconded by Mr. Johnson to accept the December 31, 2014 bills and warrants report. Motion carried unanimously.

AYES:	8 MEMBERS:	Cruzan, Gaspich, Heuer, Johnson, Larson, Lee, Panetta, Vasquez
NOES:	0 MEMBERS:	None
ABSENT:	1 MEMBERS:	Harvath
ABSTAIN:	0 MEMBERS:	None

8. Bond Expenditure Status Report

Chair Panetta asked for questions on the December 31, 2014 bond expenditure status report.

Mr. Heuer observed the balance on the pool and tennis court renovation project was large. He asked if the surplus will be used to cover cost overruns on other projects. Mr. Carson responded yes; however, the total project expense still needs to be reviewed and finalized.

With construction listed as 100% complete and a large balance remaining, Ms. Larson asked if less work was done on the Arts Complex project than originally planned. Mr. Carson explained the Arts Complex was a larger project that included the renovation of the Art-Studio and Art-Ceramics buildings, which has been completed. Also included was the HVAC repair and re-roofing of the Art-Dimensional building, estimated at \$950,000, that remains to be done. Ms. Larson suggested

separating the Arts Complex project into phases, with the work completed to be identified as Phase I. Mr. Davis stated the major portion of the project has been done and the other piece could be broken out as a separate phase to allow close out of the completed portion. Mr. Johnson and Chair Panetta concurred with Ms. Larson's suggestion to separate the project into 2 phases. The next report should reflect this change.

9. Bond Auditors' Reports for 2013-14

Mr. Davis stated the external auditor which prepared the bond audits also handles the District financial audit. He said the Board of Trustees have reviewed the reports. Mr. Davis noted the auditor performed extensive testing of bond transactions and found the expenditures to be for authorized bond projects. Mr. Lee commented that the Schedule of Finding and Questioned Costs reported no findings, an impressive result given the amount of transactions made for the year.

10. Monterey County Treasurer's Investment Report

The December 31, 2014 investment report was shared with the committee for information. Mr. Davis commented the County Treasurer keeps the pool of funds liquid as funds need to be available in a short timeframe. The District is not getting much investment return currently, but the District is getting safety.

11. Meeting Schedule

The meeting schedule was reviewed, with future meetings scheduled on:

- Monday, June 15, 2015
- Monday, August 10, 2015
- Monday, November 2, 2015 (Annual Organizational Meeting)

12. Suggestions for Future Agenda Topics and Announcements

A tour of facilities projects funded by the bond was proposed prior to the next meeting for both new and current committee members.

Dr. Tribley noted Mr. Johnson presented the Committee's annual report to the Board. Mr. Johnson said the Board was supportive and appreciative of the Committee's work.

Mr. Heuer complimented the District for the good organization of the bond program.

13. Adjournment

Motion was made by Mr. Heuer and seconded by Mr. Johnson to adjourn the meeting at 4:15 PM. Motion carried unanimously.

AYES:	8 MEMBERS:	Cruzan, Gaspich, Heuer, Johnson, Larson, Lee, Panetta, Vasquez
NOES:	0 MEMBERS:	None
ABSENT:	1 MEMBERS:	Harvath
ABSTAIN:	0 MEMBERS:	None

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
Monday, June 15, 2015

Follow-up Items from March 9, 2015 CBOC Meeting

Per the meeting minutes:

#6. Approval of November 17, 2014 Minutes

A handout providing follow-up to questions recorded in the minutes of the November 17 meeting regarding the bills and warrants report was distributed and reviewed. Mr. Davis explained staff is still determining the market value of the portable trailers, particularly the mobile kitchen. If available, information will be provided at the next meeting.

The District recently sold the mobile kitchen trailer to Orange Coast College for \$45,000 (MPC's purchase price was \$70,000). The monies received will be deposited back into the Building Fund (where bond funds are held) under the Swing Space account where the original purchase was made from. There has been no change in the status of the other portable trailers.



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, June 15, 2015
1:30 PM – Committee Tour of Campus Bond Projects
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street
Monterey, California

Meeting Minutes

MEMBERS PRESENT: Mr. Wayne Cruzan, Vice Chair
Mr. Thomas Gaspich
Mr. Hunter Harvath
Mr. Rick Heuer
Mr. Birt Johnson, Jr.
Ms. Sharon Larson
Mr. Rob Lee
Mr. James Panetta, Chair
Mr. Maury Vasquez (arrived at 3:10 PM)

ABSENT: None

STAFF PRESENT: Ms. Rosemary Barrios, Controller
Ms. Vicki Nakamura, Assistant to the President
Dr. Walter Tribbley, Superintendent/President

OTHERS PRESENT: Mr. Michael Carson, Kitchell

New committee members convened at 1:30 PM for a tour of Monterey campus facilities projects completed with bond funds.

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 Panetta.

2. Public Comment

There were no public comments.

3. Introductions and Staff Update

Mr. Harvath was introduced and welcomed to the committee. Dr. Tribley informed the committee of Mr. Davis's passing. He said a search for a new chief business officer will be conducted in the fall semester.

4. Approval of March 9, 2015 Minutes

A handout providing follow-up to a question recorded in the minutes of the March 9 meeting regarding the bills and warrants report was distributed and reviewed. Ms. Nakamura noted a correction in item number 6, on page 3 of the minutes, where the seconder of the motion for approval of the November 17, 2014 minutes should have been identified as Vice Chair Cruzan.

Motion made by Mr. Johnson, seconded by Ms. Larson, to approve the minutes of the March 9, 2015 meeting, as amended. Motion carried unanimously.

AYES:	8 MEMBERS:	Cruzan, Gaspich, Harvath, Heuer, Johnson, Larson, Lee, Panetta
NOES:	0 MEMBERS:	None
ABSENT:	1 MEMBERS:	Vasquez
ABSTAIN:	0 MEMBERS:	None

5. Accept Bills and Warrants Report

Chair Panetta advised the report would be reviewed by page and invited questions. On page 1, Mr. Panetta requested information regarding post construction services provided by HGHB Architects on the Arts Complex project. Mr. Carson explained the closeout process following construction requires documents to be filed, including certification by the Division of the State Architect (DSA).

On page 2, Mr. Heuer asked about the 3% cornsilk shades purchased from Peninsulators for the Veterans Center. Mr. Carson explained the percentage refers to the amount of light that passes through the shade, and cornsilk is the color name of the shade.

There were no further questions regarding the report.

It was moved by Vice Chair Cruzan and seconded by Mr. Heuer to accept the March 31, 2015 bills and warrants report. Motion carried unanimously.

AYES:	9 MEMBERS:	Cruzan, Gaspich, Harvath, Heuer, Johnson, Larson, Lee, Panetta, Vasquez
NOES:	0 MEMBERS:	None
ABSENT:	0 MEMBERS:	None
ABSTAIN:	0 MEMBERS:	None

6. Bond Expenditure Status Report

Chair Panetta asked Ms. Barrios for comments on the March 31, 2015 bond expenditure report. She noted the total spent to date is \$146,284,760. Chair Panetta asked for questions on the report.

Mr. Heuer asked if \$8.6 million was the amount of bond funds remaining. Ms. Barrios responded some interest is being posted in addition to this amount, but there are no longer any investment earnings.

Mr. Harvath asked about the line for general institutional bond management. It was explained this expenditure was for the services of Kitchell, the bond program manager.

Mr. Heuer followed with a question regarding the status of the Public Safety Training Facilities project at Parker Flats. Dr. Tribley said this project requires state matching funds to complete. There are efforts underway to place a state bond on the 2016 ballot. A new strategy will be needed if state funds are not available.

Chair Panetta raised the issue of the 100% construction completion status of the Arts Complex when there is \$950,000 remaining for the project. He asked if there would be a second phase of the project or if the 100% status should be adjusted. Mr. Carson estimated the project is 70% complete. He added the 100% meant construction was complete on the portions which had been implemented. Dr. Tribley commented he appreciated the need for clear accounting and explained the \$950,000 is for repairs to the Art Dimensional building systems. He suggested recognizing the discrepancy and revisiting when a new vice president is in place. Mr. Heuer advised reducing the percentage of the completion status; otherwise, there appears to be a project savings of \$1 million to be applied to another project. Mr. Johnson concurred with Mr. Heuer's suggestion and asked about the process for moving projects from the in-process category to the completed group. He cited the Theater project as an example. Mr. Carson said closing out the project budget and Governing Board approval of the final reconciliation was needed.

Mr. Heuer observed the pool renovation was still being identified as the Pool/Tennis Court Renovation even though the project was 100% complete and the tennis courts were not renovated due to lack of funds.

Chair Panetta requested an adjustment to the construction schedule percentage and removal of "tennis court" from the name of the pool renovation project. There was consensus from the committee regarding this approach. The next report should reflect this change. Ms. Larson commented this change will allow for the remaining balance in the pool project to be moved to another project. Mr. Carson said budget reconciliation still needs to occur to offset budget overages and/or allow for reallocation. Board approval of budget changes and new projects will then be needed.

7. Monterey County Treasurer's Investment Report

The March 31, 2015 investment report was shared with the committee for information. Ms. Barrios reported the yield on the portfolio for the period was at 0.57%.

8. Update on Facilities Projects

Dr. Tribley indicated the college was taking advantage of state scheduled maintenance funds to install new metal roofing and paint the exteriors of the Nursing and Graphic Arts buildings. He stated there were two remaining bond projects, the Music Facilities – Phase 1 and the Public Safety Training Facilities – Phase 2 at Parker Flats, which will require state matching funds to complete.

Chair Panetta asked the new members for comments on the facilities tour prior to the meeting. It was agreed that the tour was informative and educational about the facility improvements that have occurred as a result of the bond.

9. Membership Update

Dr. Tribley announced Mr. Vasquez, student representative, was ending his tenure on the committee with today's meeting. He presented Mr. Vasquez with a certificate of appreciation and thanked him for his service. Mr. Stephen Lambert, new student trustee, will be appointed to the committee. In addition, Dr. Tribley reported there are four members, Mr. Cruzan, Mr. Heuer, Mr. Johnson, and Mr. Panetta, who will be completing their second term in November. Dr. Tribley noted a change in state law now permits committee members to serve a third consecutive term. Staff will be contacting these members regarding serving another term. Mr. Heuer indicated his consent in continuing his service on the committee for a third term (actually five terms in all, counting his prior service from 2003-2007).

10. Meeting Schedule

The meeting schedule was reviewed, with future meetings scheduled on:

- Monday, August 10, 2015
- Monday, November 2, 2015 (Annual Organizational Meeting)

11. Suggestions for Future Agenda Topics and Announcements

A tour of the Marina Education Center and the Seaside Public Safety Training Center facilities, both funded by the bond, will be conducted prior to the next meeting for both new and current committee members.

Dr. Tribley informed the committee about a briefing he received from district bond counsel, Mr. David Casnocha, on the process required to place a Prop 39 bond measure on the ballot in 2016. He said the Vice President for Administrative Services position will be key in preparing for this effort. Many steps are involved, including development of a facilities plan/project list and polling the community to determine support. There were questions from the committee about the college's role and the cost to prepare for a bond. Dr. Tribley said he would bring further information on this topic to a future meeting.

12. Adjournment

Chair Panetta adjourned the meeting at 3:45 PM.

/vn



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, August 10, 2015
1:30 PM –Tour of Facilities Projects for New Members
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street
Monterey, California

Meeting Minutes

MEMBERS PRESENT: Mr. Wayne Cruzan, Vice Chair
Mr. Thomas Gaspich
Mr. Hunter Harvath
Mr. Rick Heuer
Mr. Birt Johnson, Jr.
Mr. James Panetta, Chair

ABSENT: Ms. Sharon Larson
Mr. Rob Lee

STAFF PRESENT: Ms. Rosemary Barrios, Controller
Ms. Vicki Nakamura, Assistant to the President
Dr. Walter Tribbley, Superintendent/President

OTHERS PRESENT: Mr. Michael Carson, Kitchell

New committee members convened at 1:30 PM for a tour of Marina Education Center and Seaside Public Safety Training facilities projects completed with bond funds.

1. Call to Order

The regular meeting of the Citizens' Bond Oversight Committee of Monterey Peninsula College was called to order at 3:08 PM by Chair Panetta.

2. Public Comment

There were no public comments.

3. Approval of June 15, 2015 Minutes

Motion made by Mr. Johnson, seconded by Mr. Heuer, to approve the minutes of the June 15, 2015 meeting. Motion carried unanimously.

AYES:	6 MEMBERS:	Cruzan, Gaspich, Harvath, Heuer, Johnson, Panetta
NOES:	0 MEMBERS:	None
ABSENT:	2 MEMBERS:	Larson, Lee
ABSTAIN:	0 MEMBERS:	None

4. Accept Bills and Warrants Report

Chair Panetta advised the report would be reviewed by page and invited questions. On page 1, Mr. Heuer noted the expense for Collins Electric that had been charged to the bond program for the Arts Complex project and then deleted. This item was part of a lighting retrofit project which was funded by state Proposition 39 energy efficiency funds. Staff discovered the error and the report reflects the removal of the expense of \$141,808 from the accounting for the Arts Complex project.

There were no further questions regarding the report.

It was moved by Mr. Heuer and seconded by Mr. Harvath to accept the June 30, 2015 bills and warrants report. Motion carried unanimously.

AYES:	6 MEMBERS:	Cruzan, Gaspich, Harvath, Heuer, Johnson, Panetta
NOES:	0 MEMBERS:	None
ABSENT:	2 MEMBERS:	Larson, Lee
ABSTAIN:	0 MEMBERS:	None

5. Bond Expenditure Status Report

Staff reported the changes made to address the comments from the June meeting. The Pool/Tennis Court Renovation name was changed to Pool Renovation to accurately describe the project scope. In addition, the percentage of construction completion for the Arts Complex project was adjusted from 100% to 70% to reflect the portion of the budget remaining for repairs to the Art Dimensional building systems.

Chair Panetta questioned the 99% construction completion status of the furniture and equipment category. Mr. Carson explained there are future projects that may need furniture or equipment, so the category was not closed out.

Mr. Heuer asked about the status of a statewide facilities bond. Ms. Nakamura said signatures were currently being gathered to place a school facilities bond initiative on the November 2016 ballot.

6. Meeting Schedule

The next meeting is the committee's annual organizational meeting and is scheduled for Monday, November 2, 2015. A group photo will be taken at this meeting.

7. Suggestions for Future Agenda Topics and Announcements

Dr. Tribley announced that Dr. Steven Crow will join the District on September 3 to serve as a professional expert in administrative services. He said Dr. Crow will assist in determining the feasibility of another local bond measure for MPC. Dr. Tribley added the recruitment for a permanent vice president was underway, with the position to be filled by January 1, 2016.

Dr. Tribley also shared the good news that Mr. Cruzan, Mr. Heuer, Mr. Johnson, and Mr. Panetta had agreed to serving a third term on the committee.

8. Adjournment

Chair Panetta adjourned the meeting at 3:18 PM.

/vn