



Citizens' Bond Oversight Committee

ANNUAL REPORT

2017-2018

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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:



Hunter Harvath, Chair
Citizens' Bond Oversight Committee

Date: November 5, 2018

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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 Code 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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SUMMARY OF THE COMMITTEE'S PROCEEDINGS AND ACTIVITIES FOR 2017-2018

COMMITTEE MEMBERSHIP

The Bylaws require that the CBOC consists 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. Member Sharon Larson resigned from the committee after the September 2017 meeting of the CBOC and her departure from the MPC Foundation Board of Directors. In November 2017, three members, Wayne Cruzan, Rick Heuer, and Birt Johnson, Jr. completed their third consecutive term on the committee. As a result of these membership changes, vacancies were created on the committee for representatives from a college support organization, a taxpayers organization, and the community-at-large. 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: Mr. Dan Albert, Jr. and Mr. David Hober, representing the community, and Mr. Jeffrey Riehl, representing the Gentrain Society.

The student representative, Stephen Lambert, completed his initial term in November 2017 and was reappointed to a second term. Following his graduation in June 2018, Mr. Lambert resigned from the committee.

In accordance with the Bylaws, officers were selected at the annual organizational meeting on November 6, 2017. Dr. Tribley appointed Mr. Harvath to serve as chair and the committee approved Mr. Lee to serve as vice chair.

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

Wayne Cruzan	2-year third term, 11/2015 – 11/2017
Thomas Gaspich	2-year second term, 11/2016 – 8/2018
Hunter Harvath	2-year second term, 11/2016 – 11/2018
Rick Heuer	2-year third term, 11/2015 – 11/2017
Birt Johnson, Jr.	2-year third term, 11/2015 – 11/2017
Stephen Lambert	2-year second term, 11/2017 – 6/2018

Sharon Larson	2-year second term, 11/2016 – 10/2017
Rob Lee	2-year second term, 11/2016 – 11/2018
Dan Albert, Jr.	2-year initial term, 3/2018 – 11/2019
David Hober	2-year initial term, 3/2018 – 11/2019
Jeffrey Riehl	2-year initial term, 3/2018 – 11/2019

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 2017-18, the committee convened four quarterly meetings. The annual organizational meeting of the committee was held November 6, 2017, with subsequent meetings held on March 12, 2018, June 11, 2018, and August 27, 2018. 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 2017-18, the committee regularly reviewed bond program expenditures and quarterly Monterey County Treasurer's Investment Reports. At the November meeting, the committee reviewed the Annual Report for 2016-17. In March, the committee reviewed the 2016-17 independent financial and performance audit reports for the district's bond funds. The June meeting included a review of the committee's purpose and duties and a summary of the Brown Act by David Casnocha, district bond counsel. At each meeting, Dr. Tribley provided the committee with a campus update, including an update on budgetary issues and a progress report regarding the college's accreditation recommendations and subsequent reaffirmation of its accreditation status.

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.

A third refinancing was completed in June 2016. A portion of the Series C bonds were refinanced, with approximately \$105.4 million of bonds issued. This refinancing lowered the average interest rate of 5.03% to 2.87%, resulting in savings to the taxpayers of \$28.2 million, from 2017 to 2034.

The college's 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 on the bond funds invested with Monterey County totaled \$126,831 through September 30, 2018.

A property tax rate of \$23.89 per \$100,000 of assessed value was projected in 2002 when the district's bond measure was approved. The tax rate for Measure I in 2017-18 was \$21.65. Since the first bond issuance in 2003, the average tax rate has been \$22.14.

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, 2017 through September 30, 2018 and total expenditures since bond inception.

MPC Bond Expenditure Report
July 1, 2003 through September 30, 2018

Receipts:	Prior	10/1/2017- 09/30/2018	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*	\$9,600,230	\$126,831	\$9,727,061
Interest Write-off**	(\$1,878,835)	\$0	(\$1,878,835)
Interest Recovery**	\$761,346	\$0	\$761,346
Total Receipts	\$157,722,093	\$126,831	\$157,848,924

* Interest income is through Sept. 30, 2018

** 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 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
Humanities, Bus-Hum, Student Services	\$3,543,043	\$0	\$3,543,043
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
Infrastructure - Phase III	\$6,458,266	\$0	\$6,458,266
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
Life & Physical Science	\$10,832,201	\$0	\$10,832,201
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	\$2,047,493	\$0	\$2,047,493
Public Safety Training Center	\$7,478,201	\$0	\$7,478,201
Roof Repairs	\$480,256	\$0	\$480,256
Swing Space/Interim Housing	\$5,777,350	\$0	\$5,777,350
Social Science Remodel	\$863,697	\$0	\$863,697
Student Center Renovation	\$6,157,617	\$0	\$6,157,617
Telephone System Upgrades	\$599,414	\$0	\$599,414
Theater Light Board	\$22,733	\$0	\$22,733
Theater	\$10,382,736	\$0	\$10,382,736
Vehicles	\$187,070	\$0	\$187,070
Walkway/Safety Improvements	\$225,630	\$0	\$225,630

Completed Projects	\$131,429,529	\$0	\$131,429,529
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In Process:

Arts Complex	\$3,555,565	\$0	\$3,555,565
Baseball Field	\$17,243	\$1,337	\$18,580
Bond Program Management	\$5,692,510	\$177,150	\$5,869,660
Data Center Network	\$524,051	\$43,306	\$567,357
Furniture/Equipment	\$5,416,094	\$16,008	\$5,432,102
Infrastructure - Phase IV	\$141,895	\$106,469	\$248,364
Music Building	\$23,770	\$0	\$23,770
PSTC Parker Flats	\$70,499	\$0	\$70,499
General Contingency	\$199,792	\$149,664	\$349,456
Management Expense for Custom Investment Portfolio***	\$45,272	\$0	\$45,272

In Process	\$15,686,691	\$493,934	****	\$16,180,625
Total Expenditures	\$147,116,220	\$493,934		\$147,610,154

*** 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 currently include 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 1/7/14. There were no further interest postings to segregated investments after this date.

**** Total expenditures of \$147,610,154 equate to 94% of Measure I bond proceeds of \$157,848,924 being spent through September 30, 2018 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 \$198,552,961 for facilities projects by the end of the bond program.

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**CAMPUS RENOVATION/CONSTRUCTION PROJECTS COMPLETED, IN PROCESS,
AND PLANNED FOR THE FUTURE**
September 30, 2018

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 includes 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.	\$3,810,036		\$3,810,036
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 was 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.	\$10,382,736		\$10,382,736

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>	
Humanities, Business Humanities, and Student Services	The existing Humanities and former Student Services buildings were 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 was completed 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.	\$3,543,043	\$3,318,000	\$6,861,043

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>	
Life Science and Physical Science Buildings	The existing Physical Science and Life Science buildings were 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 was 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.	\$10,832,201		\$10,832,201
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.	\$2,047,493		\$2,047,493

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>	
Student Center Renovation	The Student Center was renovated and all building systems repaired. The interior space was redesigned to better serve student support functions, including food service, bookstore, TRIO, ASMP, student activities, and security. Construction was underway in September 2013, and completed in August 2014.	\$6,157,617		\$6,157,617
Infrastructure - Phase III	This phase included 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 was completed in phases from May 2008 through September 2014.	\$6,458,266		\$6,458,266
Swing Space/Interim Housing	Temporary space was planned to house programs and services displaced by modernization projects. Temporary modulars were 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.	\$5,777,350		\$5,777,350
Totals for Completed Projects		\$131,429,529	\$33,504,037	\$164,933,566

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.	\$3,795,585		\$3,795,585
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.	\$5,837,175		\$5,837,175
Infrastructure – Phase IV	This phase includes various technology improvements and upgrades to existing buildings to address safety, environmental controls, signage, technology, and functionality. Work on this phase began in fall 2014.	\$574,857		\$574,857

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>	
Data Center Network Security	Essential network administration components of the data center will be implemented to provide secure connectivity to the internet. These components include an identity services management system, an advanced enterprise firewall, and monitoring tools that will assist with cyber threat detection and analysis. Implementation began in November 2016 and was completed in 2018.	\$400,000		\$400,000
Totals for Projects In Process		\$10,532,760		\$10,532,760

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>	
Baseball Field Upgrade	Artificial turf will be installed at the existing baseball field to provide a safer environment for students and reduce water consumption.	\$750,000		\$750,000
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. However, in 2017, the Chancellor's Office reexamined its implementation strategy for facilities funding for 2019-20 forward due to funding constraints, and the Final Project Proposal for this project will need to be updated and resubmitted for consideration.	\$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 2020 is contingent upon state bond funding being approved and allocated.	\$6,000,000	\$6,000,000	\$12,000,000
Totals for Future Projects		\$7,950,000	\$7,200,000	\$15,150,000

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 0.23% of total Prop 39 bond funds.	\$358,463	\$0	\$358,463
Grand Totals (Projects)	\$150,270,752	\$40,704,037	\$190,974,789

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 was used to manage the overall bond construction program. Funds to pay for these services were 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.	\$5,869,660		\$5,869,660
Projected program management expense for the remaining years of the bond program.	\$1,633,655		\$1,633,655
Totals for Program Management	\$7,503,315		\$7,503,315
Overall Grand Totals	\$157,848,924	\$40,704,037	\$198,552,961



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APPENDIX

COMMITTEE ROSTER

COMMITTEE MEETING AGENDAS

November 6, 2017

March 12, 2018

June 11, 2018

August 27, 2018

COMMITTEE MEETING MINUTES

November 6, 2017

March 12, 2018

June 11, 2018

August 27, 2018

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MONTEREY PENINSULA COLLEGE

Citizens' Bond Oversight Committee Members

- Hunter Harvath, Chair, *Monterey County Hospitality Association*
- Rob Lee, Vice Chair, *Monterey Peninsula Chamber of Commerce*
- Dan Albert, Jr., *Community Member*
- Wayne Cruzan, *Gentrain Society*
- Thomas Gaspich, *Carmel Foundation*
- Rick Heuer, *Monterey Peninsula Taxpayers Association*
- David Hober, *Community Member*
- Birt Johnson, Jr., *Community Member*
- Stephen Lambert, *Associated Students of Monterey Peninsula College*
- Sharon Larson, *Monterey Peninsula College Foundation*
- Jeffrey Riehl, *Gentrain Society*

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COMMITTEE MEETING AGENDAS

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MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, November 6, 2017
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. Approval of September 11, 2017 Minutes** ACTION
- 4. Accept Bills and Warrants Report** ACTION
The quarterly list of payments from bond funds expended through September 30, 2017 will be reviewed for acceptance by the committee.
- 5. Bond Expenditure Status Report** INFORMATION
The September 30, 2017 bond expenditure status report will be reviewed with the committee.
- 6. Annual Report for 2016-17** 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.
- 7. Superintendent/President's Update** INFORMATION

- 8. Committee Membership Update** INFORMATION
Committee membership will be reviewed by Dr. Tribley.
- 9. Officers** ACTION
The committee chair will be appointed by Dr. Tribley. Committee members will indicate their interest in serving as vice-chair and a vote will be taken.
- 10. Meeting Schedule (PLEASE BRING CALENDARS)** INFORMATION/ACTION
The following meeting dates for 2018 are suggested for adoption:
Monday, March 11, 2018
Monday, June 11, 2018
Monday, August 27, 2018
Monday, November 5, 2018 (Annual Organizational Meeting)
- 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: November 1, 2017



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, March 12, 2018
4:00 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**
New committee members, Dan Albert, Jr., Dave Hober, and Jeffrey Riehl, and MPC's new Vice President for Administrative Services, David Martin, will be introduced.
- 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. Approval of November 6, 2017 Minutes** ACTION
- 5. Accept Bills and Warrants Report** ACTION
The list of payments from bond funds expended through December 31, 2017 will be reviewed for acceptance by the committee.
- 6. Bond Expenditure Status Report** INFORMATION
The December 31, 2017 bond expenditure status report will be reviewed with the committee.
- 7. Bond Auditors' Reports for 2016-17** INFORMATION
The Independent Auditors' Report of the District's bond funds, for the fiscal year ended June 30, 2017, and the District's Bond Performance Audit Report, for the fiscal year ended June 30, 2017, will be reviewed with the committee.

- 8. Monterey County Treasurer’s Investment Report** INFORMATION
- 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, 2017 provides a review of asset allocation and investment performance.
- 9. Meeting Schedule** INFORMATION
- Future meetings of the Committee are scheduled for:
- Monday, June 11, 2018
 - Monday, August 27, 2018
 - Monday, November 5, 2018 (Annual Organizational Meeting)
- 10. Suggestions for Future Agenda Topics and Announcements** INFORMATION
- June 11 meeting – committee facilities tour and orientation to the CBOC
- 11. 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 7, 2018



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, June 11, 2018
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street, Monterey, California
4:00 PM – Tour of Campus Facilities Projects
(Tour following adjournment of Regular Meeting)

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. **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.
4. **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.
5. **Approval of the November 6, 2017 Minutes** ACTION
Approval of the November 6, 2017 meeting minutes was deferred at the March meeting due to lack of a quorum.

- | | | |
|------------|---|-------------|
| 6. | Approval of March 12, 2018 Minutes | ACTION |
| 7. | Accept Bills and Warrants Report
The list of payments from bond funds expended through March 31, 2018 will be reviewed for acceptance by the committee. | ACTION |
| 8. | Bond Expenditure Status Report
The March 31, 2018 bond expenditure status report will be reviewed with the committee. | INFORMATION |
| 9. | 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 quarters ending March 31, 2018, provides a review of asset allocation and investment performance. | INFORMATION |
| 10. | Superintendent/President's Update | INFORMATION |
| 11. | Membership Update
Committee membership will be reviewed by Dr. Tribley. | INFORMATION |
| 12. | Meeting Schedule
Future meetings of the Committee are scheduled for: <ul style="list-style-type: none"> • Monday, August 27, 2018 • Monday, November 5, 2018 (Annual Organizational Meeting) | INFORMATION |
| 13. | Suggestions for Future Agenda Topics and Announcements | INFORMATION |
| 14. | Adjournment | |
| 15. | Tour of Campus Facility Projects | |

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 6, 2018



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, August 27, 2018
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 11, 2018 Minutes** ACTION
4. **Accept Bills and Warrants Report** ACTION
The list of payments from bond funds expended through June 30, 2018 will be reviewed for acceptance by the committee.
5. **Bond Expenditure Status Report** INFORMATION
The June 30, 2018 bond expenditure status report will be reviewed with the committee.
6. **Superintendent/President Update** INFORMATION
7. **Membership Update** INFORMATION
Committee membership will be reviewed by Dr. Tribley.
8. **Meeting Schedule** INFORMATION
Future meetings of the Committee are scheduled for:
 - Monday, November 5, 2018 (Annual Organizational Meeting)

9. Suggestions for Future Agenda Topics and Announcements

INFORMATION

10. 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: August 22, 2018

COMMITTEE MEETING MINUTES

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MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, November 6, 2017
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, Chair
Mr. Thomas Gaspich
Mr. Birt Johnson, Jr.
Mr. Rob Lee
Mr. Stephen Lambert

ABSENT: Mr. Hunter Harvath, Vice Chair
Mr. Rick Heuer

STAFF PRESENT: Ms. Rosemary Barrios, Controller
Dr. Steve Crow, Vice President for Administrative Services
Dr. Walter Tribley, Superintendent/President
JoRene Finnell, Assistant to the Vice-President of Academic Affairs

OTHERS PRESENT: None

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 Cruzan. Stephen Lambert arrived at 3:05pm.

2. Public Comment

There were no public comments.

3. Approval of September 11, 2017 Minutes

Chair Cruzan asked for comments. Minor revision to the minutes of the number of members present was changed from 5 to 7 members present.

Motion made by Mr. Johnson, seconded by Mr. Lee, to approve the minutes of the September 11, 2017 meeting. Motion carried unanimously.

AYES:	5 MEMBERS:	Cruzan, Gaspich, Johnson, Jr., Lee, Lambert
NOES:	0 MEMBERS:	None
ABSENT:	2 MEMBERS:	Harvath, Heuer
ABSTAIN:	0 MEMBERS:	None

4. Accept Bills and Warrants Report

Chair Cruzan advised the report would be reviewed by page and invited questions.

Regarding page 1, Mr. Cruzan asked for clarification on line 9 (from the bottom) for “tiny” desktop computers. Dr. Crow confirmed it was the actual product description.

Regarding page 2, Mr. Johnson, Jr. inquired if the repair of existing HVAC units should be operations, but Dr. Crow informed members that it was roof repairs and HVAC upgrade for heating and cooling.

Regarding page 3, Dr. Crow stated the Cisco Firepower Management Center costs have been moved to General Funds as he said it would at the September 11, 2017 CBOC meeting, but the Bills and Warrants Report is only through September 30, 2017. It will be moved by the next reporting cycle.

Regarding page 4, Mr. Gaspich asked if Wheeler’s Flooring amount in three phases was a third of the total amount for the phases. Rosemary Barrios pointed out the other amounts for the phases on the same page and under Wheeler’s Flooring.

Mr. Johnson, Jr. would like an explanation as to why these items are listed as individual requirements and not listed as projects under General Contingency. Also, he noticed that repair of ramps and doors by Otto Construction appear to be Operational expenses. Dr. Crow clarified that the Governing Board took action to move the residual of those projects into categories under General Contingency. Dr. Crow had gone to the Board prior to any of these new expenditures and budgeted them into the Contingency with the understanding that the needs had not yet been identified. The projects for Marina portables, Social Science Building and networking were eligible to use bond funding through Board approval prior to the projects.

Mr. Johnson, Jr. inquired how the General Contingency will be handled on the 2016-17 Annual Report (page 11). Rosemary informed the members that she and Dr. Crow will suggest to the Governing Board to take the expenditures in General Contingency and place them into projects such as: Marina Education Center extension.

Motion made by Mr. Johnson, seconded by Mr. Lee, to approve the Bills and Warrants Report through September 30, 2017. Motion carried unanimously.

AYES:	5 MEMBERS:	Cruzan, Gaspich, Johnson, Jr., Lee, Lambert
NOES:	0 MEMBERS:	None
ABSENT:	2 MEMBERS:	Harvath, Heuer
ABSTAIN:	0 MEMBERS:	None

5. Bond Expenditure Status Report

Chair Cruzan asked for comments and for Dr. Crow to give a summary.

Network (IT) over spent but the CISCO issue will be addressed but MPC is protected against cyber-attacks with firewalls in place in real time.

Mr. Lambert asked about the \$1 Bond Budget Balance and Rosemary Barrios confirmed it was historical due to 'rounding' issues.

Mr. Johnson, Jr. inquired if there is a minimum standard for data protection for community colleges. Dr. Crow responded that he is unable to go into detail publically but the Chancellor's Office advises a firewall and data protection within the firewall. MPC does follow a high standard.

6. Annual Report for 2016-17

Chair Cruzan asked for Dr. Tribley to highlight any areas in the Annual Report and for members to make comments.

Pages 10 & 11 of the report projects in process should be characterized as completed.
Page 11, Baseball Field is listed as in process but be listed as a new project.

It was moved by Mr. Johnson, Jr. and seconded by Mr. Gaspich to approve the annual report. Motion carried unanimously. Mr. Cruzan agreed to present the annual report to the Board of Trustees on Wednesday, December 20, 2017 at 1:30pm.

AYES:	5 MEMBERS:	Cruzan, Gaspich, Johnson, Jr., Lee, Lambert
NOES:	0 MEMBERS:	None
ABSENT:	2 MEMBERS:	Harvath, Heuer
ABSTAIN:	0 MEMBERS:	None

7. Superintendent/President's Update

Dr. Tribley announced Dr. Steve Crow's retirement and thanked him for his leadership. Dr. Tribley focused his update on the college's accreditation recommendation progress. He stated the college is completing a follow-up report due to ACCJC on March 15, 2018. The ACCJC will perform a follow-up onsite visit between April and May 2018 and then they will meet and determine MPC's accreditation status at their June 2018 Meeting.

8. Committee Membership Update

Dr. Tribley gave an update on potential new members.

9. Officers

Dr. Tribley presented Mr. Cruzan, Johnson, Jr., and Heuer (absent) with a certificate of appreciation in gratitude for their service on the committee.

Dr. Tribley announced that Mr. Harvath will serve as chair for 2018. The floor was opened for nominations for the vice chair position. Mr. Johnson, Jr. nominated Mr. Lee, seconded by Mr. Gaspich. Mr. Lee was elected unanimously.

AYES: 5 MEMBERS: Cruzan, Gaspich, Johnson, Jr., Lee, Lambert
NOES: 0 MEMBERS: None
ABSENT: 2 MEMBERS: Harvath, Heuer
ABSTAIN: 0 MEMBERS: None

10. Meeting Schedule

The meeting date for 2018 were proposed:

- March 12 (new member orientation)
- June 11 *(include a Facilities Review)
- August 27
- November 5 (annual organizational meeting)

Motion was made by Mr. Lee and seconded by Mr. Johnson, Jr to accept the meeting dates for 2018. Motion carried unanimously.

AYES: 5 MEMBERS: Cruzan, Gaspich, Johnson, Jr., Lee, Lambert
NOES: 0 MEMBERS: None
ABSENT: 2 MEMBERS: Harvath, Heuer
ABSTAIN: 0 MEMBERS: None

11. Suggestions for Future Agenda Topics and Announcements

*Mr. Johnson, Jr. suggested a Facilities Review an hour before the March 12, 2018 meeting to tour the campus facilities, debriefed on the next steps and goals to achieve in 2018.

12. Adjournment

Chair Cruzan adjourned the meeting at 4:00 PM.

/jf



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, March 12, 2018
4:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street, Monterey, California

MEETING MINUTES

MEMBERS PRESENT: Mr. Hunter Harvath, Chair
Mr. Rob Lee, Vice-Chair
Mr. Dan Albert Jr.
Mr. Dave Hober
Mr. Jeff Riehl

ABSENT: Mr. Stephen Lambert
Mr. Tom Gaspich

STAFF PRESENT: Ms. Rosemary Barrios, Controller
David Martin, Vice President for Administrative Services
Dr. Walter Tribley, Superintendent/President
JoRene Finnell, Assistant to the Vice-President of Academic Affairs

OTHERS PRESENT: None

1. Call to Order

The regular meeting of the Citizens' Bond Oversight Committee of Monterey Peninsula College was called to order at 4:00 PM by Chair Harvath. Stephen Lambert arrived at 3:05pm.

2. Introductions

New committee members, Dan Albert, Jr., Dave Hober, and Jeffrey Riehl, and MPC's new Vice President for Administrative Services, David Martin, will be introduced.

3. Public Comment

There were no public comments.

4. Approval of November 6, 2017 Minutes

Chair Harvath asked for comments. Dr. Tribley clarified pages 10-11 of the Annual Report for 2016-17 regarding at the time of the report items were listed as “in process” and will be moved to “complete” on the next report.

Motion made by Chair Harvath, to table the minutes until June 11, 2018 meeting since there was not a quorum from the November 2017 meeting to approve.

5. Accept Bills and Warrants Report

Chair Harvath advised the report would be reviewed by page and invited questions.

Chair Harvath inquired the period time for General Contingency. Ms. Barrios confirmed General Contingency is for the last quarter.

Motion made by Mr. Albert, Jr., seconded by Mr. Lee, to approve the Bills and Warrants Report through December 31, 2017. Motion carried unanimously.

AYES:	5 MEMBERS:	Harvath, Lee, Albert Jr., Hober, Riehl
NOES:	0 MEMBERS:	None
ABSENT:	2 MEMBERS:	Lambert, Gaspich
ABSTAIN:	0 MEMBERS:	None

6. Bond Expenditure Status Report

Chair Harvath asked for comments and for Mr. Martin to give a summary.

Mr. Martin summarized and clarified the following projects for Mr. Albert, Jr.:

- The baseball field is in a design phase. Managers are working to develop and design the project to meet the budget and needs of the baseball community.
- Project managers are in the process of identifying and prioritizing the needs for a RP for the music building.
- MPC is in the process of receiving the land at Parker Flats.

7. Bond Auditors' Reports for 2016-17

Chair Harvath asked for Mr. Martin to give a summary.

Mr. Albert, Jr. requested the official Measure I Ballot language. The Measure I Ballot is posted on MPC's website at: <https://www.mpc.edu/home/showdocument?id=32177>

8. Monterey County Treasurer's Investment Report

Mr. Martin gave a summary. No comments or questions.

9. Meeting Schedule

Dr. Tribley proposed an orientation and facilities tour on Monday, June 11, 2018, beginning at 1pm and to conclude shortly before the 3pm CBOC regular meeting.

10. Suggestions for Future Agenda Topics and Announcements

Dr. Tribley gave a brief overview how MPC, as a team, completed the Accreditation Follow-Up Report and believes that MPC has met the recommendations posed by the Accreditation Commission. The Commission will make the determination. The Report will be submitted to the Commission no later than March 15, 2018, a follow-up visit will occur on April 9, 2018 and the Commission will advise MPC of reaffirmation after the Commission meets in June 2018.

11. Adjournment

Meeting adjourned at 4:40pm

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 7, 2018

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MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, June 11, 2018
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College
980 Fremont Street, Monterey, California
4:00 PM – Tour of Campus Facilities Projects (Postponed)

MEETING MINUTES

MEMBERS PRESENT: Mr. Hunter Harvath, Chair
Mr. Dan Albert Jr.
Mr. Tom Gaspich
Mr. Dave Hober
Mr. Jeff Riehl

ABSENT: Mr. Rob Lee, Vice-Chair
Mr. Stephen Lambert

STAFF PRESENT: Dr. Walter Tribley, Superintendent/President
Mr. David Martin, Vice President for Administrative Services
Ms. Rosemary Barrios, Controller
Mr. Michael Carson, Kitchell
JoRene Finnell, Executive Assistant to the Superintendent/President and Governing Board

OTHERS PRESENT: Mr. David Casnocha, Bond Counsel from Stradling, Yocca, Carlson, and Rauth

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 Harvath.

2. Public Comment

Dr. Tribley introduced JoRene Finnell as the new Executive Assistant to the Superintendent/President and Governing Board.

Chair Harvath introduced Mr. David Casnocha, the District's municipal bond counsel, who will be providing the Committee with a presentation of the purposes, duties and activities of the CBOC. Dr. Tribley asked each of the Committee members to introduce themselves to Mr. Casnocha.

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

Mr. Casnocha provided an orientation for the new members regarding the role of the Committee. Mr. Casnocha stated that Monterey Peninsula 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. 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 of bond expenditures. He noted that Proposition 39 amended the 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 that 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 (agenda items) outside of the regular meetings.

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 that 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 that the legislature realized that districts need to 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 that bond funds cannot be used for operations nor for administrator or teacher salaries. He indicated that the state attorney general issued an opinion that bond funding may be used for staff members who administer bond funds for the District. MPC has not used funds for this purpose but has hired a managing consultant.

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 that 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. 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. 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 that 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 **Section 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 that the Committee will remain in existence through the fiscal year after the last bond dollar has been spent.

Dr. Tribley inquired about the effort and recruitment made to find a replacement representative from the Tax Payer's Association on the Committee, noting that no one has been found. Mr. Casnocha explained if a reasonable effort has been made in good faith and yet a representative is unable to be secured from the Tax Payer's Association, another person may join so that a quorum of the Committee may be maintained.

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

Mr. Casnocha included his review of the Brown Act as part of his presentation of the Committee's role. 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 that there would be no charge for these inquiries.

5. Approval of the November 6, 2017 Minutes

Chair Harvath asked for comments, and none were offered.

Motion made by Mr. Albert Jr., seconded by Mr. Gaspich, to approve the minutes of the November 6, 2017 meeting. Motion carried unanimously.

AYES:	5 MEMBERS:	Albert Jr., Gaspich, Harvath, Hober, Riehl
NOES:	0 MEMBERS:	None
ABSENT:	2 MEMBERS:	Lambert, Lee
ABSTAIN:	0 MEMBERS:	None

6. Approval of March 12, 2018 Minutes

Chair Harvath asked for comments, and none were offered.

Motion made by Mr. Albert Jr., seconded by Mr. Riehl, to approve the minutes of March 12, 2018 meeting. Motion carried unanimously.

AYES: 5 MEMBERS: Albert Jr., Gaspich, Harvath, Hober, Riehl
NOES: 0 MEMBERS: None
ABSENT: 2 MEMBERS: Lambert, Lee
ABSTAIN: 0 MEMBERS: None

7. Accept Bills and Warrants Report

Chair Harvath advised that the report would be reviewed by page and invited questions.

Dr. Tribley introduced Mr. Mike Carson, the Project Manager for Kitchell. Mr. Carson ensured projects are being managed effectively and funds are being maximized.

There were no further questions regarding the report.

It was moved by Mr. Riehl, seconded by Mr. Albert Jr., to accept the March 31, 2018 Bills & Warrants Report. Motion carried unanimously.

AYES: 5 MEMBERS: Albert Jr., Gaspich, Harvath, Hober, Riehl
NOES: 0 MEMBERS: None
ABSENT: 2 MEMBERS: Lambert, Lee
ABSTAIN: 0 MEMBERS: None

8. Bond Expenditure Status Report

Chair Harvath asked for questions on the March 31, 2018 Bond Expenditure Status Report.

Dr. Tribley explained that there is funding for capital projects for facilities for student safety that was lobbied through Community College League of California. Again, MPC was not chosen to be funded. Legislature approved but the Governor did not approve MPC's project. Dr. Tribley suggested to spend the \$6 million being retained for the Public Safety Training Center (PSTC), secure public support and get a new bond in 2020 that can truly fund a multi-faceted training facility.

9. Monterey County Treasurer's Investment Report

The March 31, 2018 investment report was shared with the Committee for information.

Mr. Martin stated that the District is not getting much investment return currently, but the District is getting safety. Members had no further comments or questions.

10. Superintendent/President's Update

Dr. Tribley provided an update of the Accreditation process which began in October 2016. MPC was given 22 recommendations and placed on probation as of February 2017. MPC provided the Accrediting Commission for Community and Junior Colleges (ACCJC) with a Follow-Up Report in March 2018. In April 2018, the Accrediting Commission Team visited MPC for a follow-up site visit. The ACCJC met on June 7, 2018 and gave an official notice that the sanction of Probation against MPC has

been removed and our accreditation status is reaffirmed for 18 months. There is work that must be done which relates to planning and a follow-up report must be submitted by November 2018.

Dr. Tribley reiterated that in one year, MPC addressed 22 recommendations. We established sustainable practices that will safeguard our College for our students and community well into the future. That is an achievement worthy of repeating and celebrating. He noted that he does not know of any examples of colleges going from Probation to Reaffirmation in essentially one year. This is a powerful example of what we can achieve, in the face of seemingly insurmountable odds, when we work together for our College.

Dr. Tribley informed the Committee of a Grand Jury letter received May 7, 2018 regarding the land transfer from FORA to MPC for the development of a public safety officer training facility. MPC's Grand Jury Response is due on August 1, 2018. The Board of Trustees will have a Special Meeting on July 31, 2018 to approve the cover letter and response. The response will cover the following recommendations by the Monterey County Office of the County Counsel: MOUT project, EVOC project, establishing a long-rifle range at Parker Flats, financial plan detailing these projects, hire a program manager for the projects, or MPC decision to relinquish our claim to the land so it can be transferred for other allowed and desired purposes.

11. Membership Update

Dr. Tribley noted the membership terms of three members, Mr. Gaspich, Mr. Harvath and Mr. Lee will be ending in November 2018. Representatives to replace these members will be needed. Application packets can be found on the MPC website on the Citizen's Bond Oversight Committee (CBOC) page. For packets and/or potential replacements contact JoRene Finnell at: (831) 646-4272 or jfinnell@mpc.edu.

12. Meeting Schedule

Future meetings of the Committee are scheduled for:

- Monday, August 27, 2018
- Monday, November 5, 2018 (Annual Organizational Meeting)

13. Suggestions for Future Agenda Topics and Announcements

The tour of Campus facility projects has been postponed to a later date to be determined.

14. Adjournment

Chair Harvath adjourned the meeting at 3:50 p.m.

15. Tour of Campus Facility Projects – Postponed (TBD).

/jf

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MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, August 27, 2018
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. Dan Albert, Jr.
Mr. Tom Gaspich
Mr. Hunter Harvath, Chair
Mr. Dave Hober
Mr. Jeffrey Riehl

ABSENT: Mr. Stephen Lambert
Mr. Rob Lee, Vice Chair

STAFF PRESENT: Ms. Shawn Anderson, Assistant to the President
Ms. Rosemary Barrios, Controller
Mr. David Martin, Vice President for Administrative Services
Dr. Walter Tribley, Superintendent/President

OTHERS PRESENT: Mr. Mike 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 p.m. by Chair Harvath.
- 2. Public Comment**
There were no public comments.
- 3. Approval of June 11, 2018 Minutes**
Motion made by Mr. Albert, seconded by Mr. Hober, to approve the minutes of the June 11, 2018 meeting. Motion carried unanimously.

AYES:	5	MEMBERS:	Albert, Gaspich, Harvath, Hober, Riehl
NOES:	0	MEMBERS:	None
ABSENT:	2	MEMBERS:	Lambert, Lee
ABSTAIN:	0	MEMBERS:	None

4. Accept Bills and Warrants Report

Chair Harvath advised that the report would be reviewed by page and invited questions. Members had no questions or comments.

Motion made by Mr. Albert, seconded by Mr. Riehl, to accept the June 30, 2018 bills and warrants report. Motion carried unanimously.

AYES:	5	MEMBERS:	Albert, Gaspich, Harvath, Hober, Riehl
NOES:	0	MEMBERS:	None
ABSENT:	2	MEMBERS:	Lambert, Lee
ABSTAIN:	0	MEMBERS:	None

5. Bond Expenditure Status Report

Chair Harvath reviewed the revisions made to the Bond Expenditure Status Report under Construction Schedule Column: Arts Complex and Infrastructure – Phase IV, and invited questions. Members had no concerns.

6. Superintendent/President Update

Dr. Tribley reported on the district's intention to repurpose the remaining Measure I bond funds. He explained that although the district is committed to building facilities for our first responders in the former Fort Ord, the remaining bond funds of approximately \$6 million wouldn't be enough to accomplish that goal. Additionally, he noted that for two consecutive years, the state has not matched our approved projects with state funds, which further impedes the district's ability to build these facilities. As a result, we have determined that we should expend the remaining bond funds on approved future projects for which we have great need. We then will be better positioned to go out for a future bond that will enable us to fully fund facilities in former Fort Ord for our first responders. Dr. Tribley reviewed these approved future projects listed on the bond expenditure report, which include the baseball field, the music building, and Parker Flats, totaling \$1.72 million. He noted that those dollars, in particular, are being reviewed for repurposing, pending input from the campus and approval by the Board of Trustees. He also noted that Mr. Martin will be facilitating campus discussions regarding the repurposing of the remaining bond funds.

Additionally, Dr. Tribley reported on the college's accreditation status. He remarked that we are fully reaffirmed until January 31, 2020. He also noted that we have a follow-up report due on November 1, 2018 to the Accrediting Commission for Community and Junior Colleges (ACCJC). If the ACCJC's review of that report is favorable, we hope the college will receive full accreditation until October 2023. He explained that the college's accreditation status will be crucial to our ability to go out for another bond, as it is one of the items, in addition to financial solvency, that's considered by Moody's, Standard, and Poor's when issuing credit ratings.

Dr. Tribley recounted the status of the Monterey Peninsula College Board of Trustee elections. There are currently two candidates running for each of the two available trustee areas: Trustee Area 1 (Seaside), currently represented by Mr. Charles Brown, and Trustee Area 2 (Marina), currently represented by Dr. Margaret-Anne Coppernoll. He noted that Mr. Brown has decided not

to run for reelection. Therefore, following the November 6, 2018 elections, the college will have at least one new trustee.

Dr. Tribley also reported on his announced retirement, effective no later than September 4, 2019, and the resultant search for a new superintendent/president. He described the open and transparent nature of the search process, and indicated that it will involve public forums, at which members of the committee would be welcome to attend. He explained that the Governing Board will conduct a request for qualifications (RFQ), which will allow them to select a consulting search firm that is best for the college. The search firm selected by the board then will assist the board with the recruitment and hiring of the next superintendent/president. That person's start date will be determined by the board and the selected candidate. Dr. Tribley reported that although he can't state with certainty how long this process will take, the typical time frame is approximately six months.

Mr. Hober relayed the concerns that had been shared with him by fire chiefs and police chiefs regarding the funds for public safety facilities that had not yet been expended. He thanked Dr. Tribley for reiterating his, and the college's, continued support for those facilities. Dr. Tribley described the recent Monterey County Grand Jury report in which jurors conveyed their opinion that the community needs a public safety training facility. He related the board's response, which was to reaffirm, as a board action, the college's commitment to public safety training at a special board meeting in July.

Mr. Albert conveyed his gratitude and appreciation to Dr. Tribley for Dr. Tribley's service to the college. He also inquired as to whether or not the board has provided direction as to the proposal for repurposing the remaining bond funds. Dr. Tribley responded that the board has not yet reviewed this proposal, as it first must be reviewed through the district's participatory process. Mr. Martin explained that this process will begin with the Facilities Committee, which will be presented with a list of projects that meet the criteria outlined in the ballot measure and currently have been approved for bond eligibility. Although we have a portion of funds allocated to those projects, based on the current market rate, the allocations aren't enough to complete them. Therefore, we could repurpose the remaining bond funds by reallocating them to pre-existing, pre-approved funded bond projects and providing those projects with enough funds to see them through to completion. The Facilities Committee's recommendations then would be presented to the President's Advisory Group (PAG) for their review. Following PAG's review and recommendation to Dr. Tribley, Dr. Tribley will then make a recommendation to the Governing Board as to the reallocation of the remaining bond funds.

7. Membership Update

Dr. Tribley reported that Mr. Harvath has agreed to serve a third term as a member of the Citizens' Bond Oversight Committee, and to a second term as the chair. The vice chair will be voted upon at the November meeting.

Dr. Tribley presented Mr. Gaspich with a certificate of appreciation in gratitude for his service to the committee for the past four years. Mr. Gaspich remarked that it has been a pleasure working with Dr. Tribley and wished him luck in the future.

Dr. Tribley announced that Dr. Linda Bynoe, a retired professor from California State University, Monterey Bay, has verbally agreed to serve on the committee as a representative of the MPC Foundation. Her application will be presented to the Governing Board for approval in September. He also announced that the current student trustee, Ms. Ellise Kittrell, has been asked to replace Mr. Stephen Lambert as the student representative on the committee. Mr. Lambert, who also had served as the student trustee and student body president, has transferred out of MPC. Dr. Tribley stated that our new members should be present at the committee's November meeting.

8. Meeting Schedule

Future meetings of the Citizens' Bond Oversight Committee are scheduled for:

- Monday, November 5, 2018 (Annual Organizational Meeting)

9. Suggestions for Future Agenda Topics and Announcements

No items or announcements were suggested.

10. Adjournment

Chair Harvath adjourned the meeting at 3:20 p.m.