



CITIZENS' BOND OVERSIGHT COMMITTEE

MEETING MINUTES

Tuesday, January 15, 2013 - 5:30 PM

(Original meeting date December 18, 2012)

San Jose City College T-112

600 South Bascom Avenue, Room T-112)

<u>Present:</u>	Joseph Becker Kathy Kyne Ann Mancuso-Engdahl Spencer Horowitz Michael Casas Carol Lizak Jimmy Nguyen Bob Nunez Shawn Sieu-Nguyen	Community At-Large Senior Citizens Organization Community At-Large Community At-Large Student Representative SJCC Community At-Large Taxpayers' Association Community At-Large Student Representative EVC
<u>Guest:</u>	Kathryn Turner	Crowe Horwath LLP
<u>Absent:</u>	Daniel Kojiro Dr. Rita Cepeda Dr. Barbara Kavalier Greg Nelson	Community At-Large Chancellor, SJECCD President, San Jose City College Vice President Administrative Services, SJCC
<u>Staff:</u>	Douglas Smith Henry Gee Peter Fitzsimmons Linda Wilczewski Casey Michaelis Mark Miller Scott Jewell Ann Kennedy Mike Chegini Anna Tiscareno	Interim Vice Chancellor, Administrative Services Vice President Administrative Services, EVC Director of Financial Services, SJECCD District Staff Accountant, SJECCD Gilbane Gilbane Gilbane Gilbane Gilbane Gilbane

AGENDA:

1. Call to Order
The meeting was called to order at 5:34 p.m.
2. Approval of Agenda
Mr. Nunez / Mr. Casas
Unanimously approved
3. Approval of Minutes for June 5, 2012 and October 2, 2012
The committee reviewed the previously distributed June 5, 2012 and October 2, 2012 meeting minutes and asked for comments. There were no comments and Mr. Nunez/Mr. Becker motioned and the committee unanimously approved the meeting minutes.

4. Public Comments

Mr. Casas informed the committee that he received current concerns from members of the public of how Measure G-2004 and Measure G-2010 Bond money is spent, etc. The committee determined that this is an informal communication and encouraged the members of the public to use the SJECCD website for detailed information of the Measure G-2004 and Measure G-2010 Bond Programs and/or deliver a correspondence(s) to the Citizens Bond Oversight Committee Chair. If letter correspondence(s) is received the concerned matters will be addressed in the next meeting.

5. Communications Received by Citizens' Bond Oversight Committee Members

No communications were received by the Committee to report.

6. Staff Reports

Vice Chancellor Smith informed the committee that the project team assigned to the District Office Project has diligently studied multiple options for replacing the aged and ailing facility that has housed the District Office since 1974. The options studied have included the renovation of the existing facility, the construction of a new facility on District owned property and the purchase and renovation of an existing off-campus facility. The existing facility is beyond its intended life and it suffers from rot, leaks and wood destroying pests. For these reasons the Board acknowledged this option to be the least viable and directed the District to further investigate the remaining options associated with new construction on District owned property and the purchase and renovation of an existing off-campus facility.

Vice Chancellor Smith gave a brief overview of the purchase of an office building for the new District Office facility at 40 South Market Street, San Jose (downtown). The District is in contract on this property and the team has completed an extensive due diligence effort including a detailed building condition assessment and a test fit of the District's program. The District also ordered an appraisal for this facility that indicates the current market value of the building to be \$5.09M (41,000 GSF structure built in 1983) in it's as-is condition. This appraisal is a strong validation of the District's current negotiated purchase price of \$4.4M. The Organization is very excited of the move to the new District Office.

A question was raised, is the new District Office going to be used for administrative or classrooms. Vice Chancellor Smith stated that the new District Office will be used for SJECCD personnel.

The facility has existing tenants that will likely remain over the next several years. It is anticipated that this lease revenues can be used to offset some of the other costs associated with the purchase and operation of this facility.

Vice Chancellor Smith informed the committee of the following new Board of Trustee Members who were sworn in on Tuesday, December 4, 2012:

- Craig Mann
- Rudy Nasol
- Wendy Ho

7. Acknowledgement of Service & Introduction of New Members

January 15, 2013 was the last Citizens' Bond Oversight Committee meeting for committee chair member Ms. Kathy Kyne, who was termed out after years of service to the community through the Citizens' Bond Oversight Committee. Vice Chancellor Smith thanked Mr. Kyne for her service by presenting a certificate of appreciation to Ms. Kathy Kyne for the acknowledgement of outstanding service and dedication for her service as a Member and Committee Chair of the Measures G-2004 and G-2010 Citizens' Bond Oversight Committee.

Mr. Shawn Sieu-Nguyen, and Mr. Mike Casas, newly-appointed Student Representatives of EVC and SJCC, were introduced and welcomed to the Citizens' Bond Oversight Committee. Each attendee also introduced themselves to the newly-appointed Student Representatives.

8. Annual Financial & Performance Audits for Fiscal Year 2011-2012

Mr. Fitzsimmons introduced Ms. Kathryn Turner, Auditor of Crowe Horwath LLP to the Citizens' Bond Oversight Committee.

Ms. Turner distributed reports pertaining to the 2004 and 2010 Measure G General Obligation Bonds Performance Audit and Financial Statements for the year ended June 30, 2012 and informed the committee that the reports focus on the Annual Performance Audit and Financial Statements of how this effort addressed the process, protocol, procedure, and compliance questions among others that are part of the independent oversight function of the committee.

Ms. Turner also provided a detailed explanation of the following:

- 2004 Measure G General Obligation Bonds Performance Audit and Financial Statements For year ended June 30, 2012.
- 2010 Measure G General Obligation Bonds Performance Audit and Financial Statements For year ended June 30, 2012.

Ms. Turner concluded the results of the tests indicated that San Jose Evergreen Community College District expended 2004 Measure G General Obligation Bond funds and that, in all significant respects, San Jose Evergreen Community College District expended 2010 Measure G General Obligation Bond funds for the year ended June 30, 2012 only for the specific projects developed by the District's Governing Board and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

9. Measure G Annual Report Review of Draft

Mr. Chegini presented and provided a detailed explanation of the web-based Draft Measure G-2004/Measure G-2010 Citizens' Bond Oversight Committee's 2011-2012 Annual Report.

Mr. Chegini will email the Measure G-2004/Measure G-2010 Citizens' Bond Oversight Committee's 2011-2012 Annual Report post-card to the committee. He informed the committee if they have any edits to the post-card please respond to the email correspondence with your edits as soon as possible. The Annual Report will be presented to the Board of Trustees on Tuesday, February 12, 2013 or February 26, 2013.

This report is available for review using the following web link: <http://sjebond.com/sje/>

10. Committee Membership – Measure G-2004 and Measure G-2010

a. Follow-up on Terms:

Ms. Kennedy reviewed the Citizens' Bond Oversight Committee membership current status and informed the committee that there will be two vacant seats; (1)Senior Citizen's Organization and (1)Support Organization when the current term ends. Ms. Carol Lizak committed to a second term if we could adjust the meeting dates. Mr. Nguyen also committed to a second term during the meeting.

b. Recruitment/Application/Selection

Vice Chancellor Smith explained to the committee that there is one vacant seat for a member from a community college support organization and asked the committee if you know a candidate that fits the criteria and has an interest in serving on this committee, please ask the individual(s) to submit an application online at www.sjeccd.edu or contact Vice Chancellor Smith at (408) 270-6426 or email at doug.smith@sjeccd.edu.

The SJECED Citizens' Bond Oversight Committee open seats information can be retrieved from using the following web link:

<http://www.sjeccd.edu/news/newsrelease/Pages/050112.aspx>

11. Nomination/Election of Chair and Vice Chair for Next Term

The Committee met to receive and consider nominations for the Citizens' Bond Oversight Committee Chair and Vice Chair. The members nominated Mr. Joseph Becker as Chair and Mr. Jimmy Nguyen as Vice Chair. The Committee agreed to vote for the nominations at the next Citizens' Bond Oversight Committee meeting after the formal renewal of their terms. .

12. Potential Revision to the Committee Calendar

The Committee reviewed and discussed the current calendar for potential revision of the meeting date(s). The Committee agreed to reschedule the next Citizens' Bond Oversight Committee meetings the third week of each month.

13. Measure G-2010

a. Project Highlights:

1. San Jose City College: Mr. Jewell gave a brief overview of project status updates.

Highlights include:

- Theater & Vocational Technology - This project is currently in the programming phase.
- Jaguar Gym Gymnasium Roof Replacement project – Anticipate to go to Board of Trustee on February 12, 2013. This project is currently in the design phase and is anticipated to start next summer, 2013.
- General Education Building and Technology Center Painting project - This project will be completed in two phases and is scheduled to start next Spring, 2013.
- North Parking Lot Rehab project is one of the first summer projects that are completed, which is a maintenance project. The parking lots were patched, repaired, slurry sealed and restriped.
- The Gym Floor project was completed in the summer of 2012. The Gym Floor was sanded, restriped, refinished and bleachers were repaired.

2. Evergreen Valley College: Mr. Miller gave a brief Powerpoint presentation of the project highlights.

Highlights include:

- Energy Efficiency - Photovoltaic project is a total of 1.4 megawatt solar panel system. Will provide power for approximately 30% of annual campus needs. Project was completed in September 2012 and status is complete.
- Central Plant & Police Renovation - The plant will use reclaimed water, which will pay dividends for the next nine years. It will also have a high efficiency rate. Project completion is December 2014.
- South Campus Development project includes various projects; Math/Science labs and classrooms, Social Science building and the Fitness Center to replace those currently in Acacia and Roble. Project completion is April 2016.
- The Automotive Technology and West Campus – New Autotech building and programming of future building(s) at west end of campus. Proposal due to State Chancellor's Office for funding to support Engineering & Applied Technology in July 2013. Project completion is December 2015.
- Scheduled Maintenance Projects:
 - Gullo Student Center Exterior Renovation - Replace leaking exterior wall and roof at Gullo Student Center. Current status: Construction drawings are 100% complete and submitted to Division of the State Architect (DSA). Anticipate construction start in June 2013.
 - 21 kV Replacement Project - Replacement of all campus primary electrical feeder cables and repairs to equipment and components of that system. Project completion date is February 2013.
- Campus Site Improvement Projects:
 - Campus Landscape Assessment and Programming – Landscape Architect performing evaluations and assessments of existing campus conditions, developing scopes of work for future Site Improvement projects. Project completion date is late spring 2013.
 - Campus Surveying Map – Licensed survey of entire campus to support design requirements of most future Bond projects. Project completion date is January 2013.
 - Campus Utility Mapping – Collecting and consolidating utility location information and capacities for the entire campus to support design requirements of future Bond projects. Anticipate capacity assessment to be complete in January 2013.

b. Bond List Revision(s)

Ms. Kennedy provided a detailed explanation of the, Bond List Revisions 1 and 2 dated December 11, 2012. Ms. Kennedy also informed the committee that the Bond List Revision distribution sheet includes detailed information and the most current Bond List Revision will be distributed and discussed at this and in all future meetings.

c. Measure G-2010 Financial Reports:

Ms. Kennedy presented a brief overview of the Measure G-2010 Financial Report dated September 30, 2012 and gave an update regarding the cost and schedule status of the program.

14. Measure G-2004

a. Project Highlights:

- i. San Jose City College: Mr. Nelson did not attend the Citizens' Bond Oversight Committees meeting on January 15, 2013, therefore no updates were discussed.
- ii. Evergreen Valley College: Vice President Gee informed the committee members and gave an overview of several projects; Health/Physical Education Center, Utilities Infrastructure, Furniture and Equipment.

b. Bond List Revision(s)

Ms. Kennedy summarized the detailed report of the Bond List Revision dated December 11, 2012.

c. Measure G-2004 Financial Report

Ms. Kennedy referred to the Financial Reports through September 30, 2012 with updates to the District, SJCC campus and EVC campus.

15. Future Agenda Items:

Ms. Kennedy asked the committee if they would like to add any agenda topics to the next Citizens' Bond Oversight Committee meeting for March 19, 2013. There were no comments opposing the next meeting agenda.

16. Adjournment:

The meeting adjourned at 7:15 p.m.

The next proposed meeting is June 18, 2013 at 5:30PM - 7:00PM. This meeting will be held at San Jose City College T-112, 600 South Bascom Avenue, Room T-112, San Jose, CA.