

CITIZENS' BOND OVERSIGHT COMMITTEE

*****MEETING MINUTES

Tuesday, March 24, 2015 - 5:30 PM

San Jose/Evergreen CCD 40 South Market Street, San Jose, CA 95113

7th Floor Conference Room #726

<u>Present:</u>	Leo Cortez Daniel Kojiro Ann Mancuso-Engdahl Johnny Lee Carol Lizak Mathew Mahood Jimmy Nguyen Elias Portales	Community At-Large Community At-Large Community At-Large Community At-Large Community At-Large Business Community Taxpayer's Association Community At-Large
<u>Guest:</u>	B. F. Serpa Lauren Serpa	Public Public
<u>Absent:</u>	Chancellor Rita Cepeda President Byron Breland Vice President Jorge Escobar Kerry Finkes Casey Michaelis Rose Regalado Richard Su President Henry Yong	SJECCD SJCC Administrative Services, SJCC Gilbane Gilbane Senior Citizen's Organization District Staff Accountant, SJECCD EVC
<u>Staff:</u>	Vice Chancellor Douglas Smith Steve Thompson Peter Fitzsimmons Linda Wilczewski Vice President Henry Gee Scott Jewell Ann Kennedy Peter Noble Mike Chegini Anna Tiscareno	Administrative Services, SJECCD Director Facilities & BP Mgmt., SJECCD Director of Fiscal Services, SJECCD Controller, SJECCD Administrative Services, EVC Gilbane Gilbane Gilbane Gilbane Gilbane

AGENDA:

1. Call to Order
The meeting was called to order at 5:41 PM
2. Approval of Agenda
Matthew Mahood / Elias Portales
Unanimously approved

3. Approval of Minutes

The committee reviewed the previously distributed January 20, 2015 meeting minutes and asked for comments. There were no comments. Matthew Mahood / Carol Lizak motioned and the committee unanimously approved the amended meeting minutes.

4. Public Comment

Glen (from the public) attended this Citizens' Bond Oversight Committee meeting to express his concerns and understanding and to also speak on behalf of the public in regards to the Evergreen Valley College capital assets that were purchased by the Measure G Bond Program funds.

The most recent audit reports don't reflect the Evergreen Valley College 27 acres that were purchased by the Measure G Bond Program funds, which were approved by the voters. Carol Lizak requested a list of capital assets that were purchased and associated with the Measure G Bond Program funds for the Committee to review.

5. Communications Received by Citizens' Bond Oversight Committee Members

Jimmy Nguyen received several email correspondences from the public and informed the Committee of the following questions, concerns and comments:

- a. Jimmy Nguyen questioned issues concerning emails for the Citizens' Bond Oversight Committee Members. It is okay to hyperlink my personal email address to my name on the Citizens' Bond Oversight Committee website listing my actual email address.

Ms. Kennedy noted that the bond website does include an email address for the public to voice their questions and concerns of the Measure G Bond Programs. Ms. Kennedy noted that it's an option to include your email address that will link to the bond website email address.

- b. When an asset is paid for with bond funds, is it listed as bond asset for the Citizens' Bond Oversight Committee? If so, is the asset ever taken off of the asset list? For example, since the new district office building is a bond asset, will it always remain on an asset list made available to the Citizens' Bond Oversight Committee? Will it ever be taken off that asset list?
- c. What happens to revenue that is generated by bond assets? For example, the district office building has two tenants that are paying rent. What happens to that money? Who is responsible for monitoring that money? Is that information presented to the Citizens' Bond Oversight Committee?
- d. In 15278(a), the law requires creation of an independent citizens' oversight committee for "a bond measure" that is approved. However, the way the code is written allows one to interpret that the bond committee has oversight concerning any "expenditure of bond revenues." 15278(b), that line doesn't have a qualifier or limiter, so one could interpret it to include all bond measures.
- e. Please state the process and timelines for when a member of the public makes a public records request on the Citizens' Bond Oversight Committee; and in the context of on the Board of Trustees. What is the remedy for non-compliance?

- f. State how the College District came into possession of the land at Evergreen Valley College, specifically the land that is under consideration for lease and development. Was it through bond money, gift, etc.?

Jimmy Nguyen asked the District to please provide a statement from bond counsel that each bond measure creates a respective bond committee responsible and limited to that measure/revenue only, and not past measures/revenues. Include a-c citations to judicial or legislative authority.

Ms. Kennedy informed the Citizens' Bond Oversight Committee Members that there are many different Bond Programs that implement and enforce different types of rules and regulations, associated with the Bond Programs, the Districts must adhere to. The Measure I Bond Program was sold by the San Jose Evergreen Community College District prior to the Measure G-2004 Bond Program. The Measure I Bond Program didn't require a Citizens' Bond Oversight Committee.

Carol Lizak noted that the Citizens' Bond Oversight Committee Members are fully aware of the rules and regulations for the Measure G-2010, G-2004 Bond Programs and Proposition 39. The Citizens' Bond Oversight Committee Members would like to address the public and asked the District to clarify so that the Committee may address the public's questions and concerns appropriately.

6. Staff Reports

On behalf of Dr. Cepeda, Vice Chancellor Smith gave a brief overview of the Staff Reports.

Vice Chancellor Smith informed the Committee of the following:

An evaluation of staff was submitted to Accrediting Commission for Community and Junior Colleges (ACCJC).

Dr. Cepeda has worked in the College industry for 35 years. Effective July 31, 2015 Dr. Cepeda will resign from SJECCD. SJECCD is currently searching for a qualified Chancellor.

The financial advisor (bond refinancing interest rate) and the land development project proposal will be presented to the Board of Trustees on April 14, 2015.

7. Program Updates

- a. Mr. Jewell and Mr. Noble gave a brief overview of the Measure G-2010 Bond Program project highlights regarding current status of the projects for the District Office, Evergreen Valley College and San Jose City College.
- b. Mr. Jewell and Mr. Noble gave a brief overview of the Measure G-2004 Bond Program project highlights regarding current status of the projects for the District Office, Evergreen Valley College and San Jose City College.

8. Program Financial Reports

- a. Measure G-2010 and G-2004 Financial Reports:

Ms. Kennedy presented an overview of the Measure G-2010 and G-2004 Financial Report from inception through December 31, 2014 and gave an update regarding the cost and schedule status of the program.

There were no “caution” projects to discuss for reporting period inception to December 31, 2014 of the San Jose City College, Evergreen Valley College, and District.

- b. There was one Measure G-2010 Bond List Revision and one Measure G-2004 Bond List Revision during the reporting period ending December 31, 2014. These revisions were reported on at the previous Citizens’ Bond Oversight Committee meeting, held on January 20, 2015.

There was one Measure G-2010 Bond List Revision and one Measure G-2004 Bond List Revision that occurred after the reporting period ending December 31, 2014, and prior to this meeting. These revisions took place at the March 10, 2015 Board of Trustees meeting and are reflected in the reports.

Jimmy Nguyen requested to have a various column section to be added to the financial report.

Ms. Kennedy responded that various sections will be added to the financial report column.

Johnny Lee / Carol Lizak motioned and the committee unanimously approved the Measure G-2004 Financial Report/Bond List Revisions.

9. Future Agenda Items

The Committee and District agreed that the Questions, from this meeting, to be addressed on the next meeting agenda.

10. Adjournment

The meeting adjourned at 7:27 PM - The Committee unanimously approved.

The next scheduled meeting is June 16, 2015 at 5:30 PM – 7:00 PM. This meeting will be held at the Evergreen Valley College Library/Ed. Tech Center (LE) Building Mishra Room.