

**CITIZENS' BOND OVERSIGHT COMMITTEE**

MEETING MINUTES

**June 19, 2018: 6:00 – 7:30 PM**

San Jose Evergreen Community College Extension  
1450 Escuela Parkway, Milpitas CA 95035  
Lecture Room 2

<u>Present:</u>	Cory Demar Brigit Espinosa Shanta (Shay) Franco-Clausen Bethel Kim Matthew Mahood Linda Reiners Joel Ruiz Herrera	Community At-Large Community At-Large Business Community Student – Evergreen Valley College Business Community Business Community Community At-Large
<u>Absent:</u>	Elias Portales Simon Vidal III Johnny Lee Rose Regalado Leo Cortez	Community At-Large Community At-Large Taxpayers' Association Senior Citizens' Organization Support Organization
<u>Staff:</u>	Chancellor Deborah Budd (arrived late) Vice Chancellor Douglas Smith Vice President Andrea Alexander Linda Wilczewski Vice President Jorge Escobar Mike Hohl  Mark Colopy Mark Newton Mark Miller Ann Kennedy Mike Chegini	SJECCD Administrative Services, SJECCD Administrative Services, EVC Controller, SJECCD Administrative Services, SJCC Interim Director, Facilities and Bond Program Management, SJECCD Jenkins/Gales & Martinez, Inc. Brailsford & Dunlavey Gilbane - Cordoba AKG AKG

AGENDA:

1. Call to Order  
The meeting was called to order at 6:05 PM  
Mr. Mahood requested attendees to introduce themselves.
2. Approval of Agenda  
Bethel Kim / Linda Reiners  
Unanimously approved

3. Election of the Chair and Vice-Chair

Ms. Franco-Clausen asked what the responsibilities are. Ms. Kennedy responded that the Chair runs the meeting, is the voice for the Committee and presents to the Board. Vice Chancellor Smith responded that the Chair presents the annual report. Ms. Franco-Clausen expressed interest.

Brigit Espinosa nominated / Bethel Kim seconded - Shay Franco-Clausen for Chair.

Unanimously approved

Cory Demar expressed interest in Vice Chair.

Linda Reiners nominated / Brigit Espinosa seconded - Cory Demar for Vice Chair.

Unanimously approved

4. Approval of Minutes from December 19, 2017

The committee reviewed the previously distributed December 19, 2017 meeting minutes and asked for comments. There were no comments. Brigit Espinosa / Bethel Kim motioned, and the committee unanimously approved the meeting minutes.

5. Meeting Notes from March 20, 2018

No comments were made.

6. Public Comment – 3 Minutes per speaker with advance sign in

There were no public comments made.

7. Communications Received by Citizens' Bond Oversight Committee Members

Ms. Kim received a communication from EVC students asking if it was possible to build an extension from nursing to provide cots. Vice Chancellor Smith answered that the Committee is more about compliance. Vice President Alexander thanked her and said she would be in touch with her.

8. Staff Reports

Vice Chancellor Smith thanked San José City College Acting President Escobar for hosting and the Citizens' Bond Oversight Committee Members for their attendance.

Chancellor Budd and Vice Chancellor Smith gave a brief overview of the following Staff Reports:

- Vice Chancellor Smith reported that Chancellor Budd announced her retirement effective mid-July.
- Former President Byron Breland was appointed as interim Chancellor effective July 1, 2018.
- Mike Hohl was chosen to serve as interim Director, Facilities and Bond Program Manager.
- Reaffirmed full-accreditation status for both Evergreen Valley College and San José City College by the Accrediting Commission for Community and Junior colleges.
- On April 11, 2018, the staff presented at the credit rating meeting, which precedes the issuance of bonds. Aa1 was reaffirmed with Moody's. Standard and Poor's increased rating from AA to AA+. The first bond sale for \$85M occurred, issuing \$39M in tax-exempt (Series A) and \$46M in taxable (Series A-1). Vice Chancellor Smith reviewed the Bond Sale section (10.a.ii) of the materials. Please see packet for details. Ms. Reiners asked how it was determined to sell taxable vs. tax-exempt bond. Ms. Kennedy replied that a taxable bond sale was reviewed for cost effectiveness. The last few years contributed to good conditions for a taxable sale. Taxable sales are more flexible for spending. Tax-exempt bonds must be spent within 3 years. Taxable bonds have no time limit, which is good for tech and FF&E. Ms. Reiners concluded that taxable is more expensive but flexible; tax-exempt is cheaper but more restrictive.
- Chancellor Budd touched on accreditation.

- Chancellor Budd remarked that the relationship between the business and the student communities is very strong; they are starting a mentorship program.
- She commended the leadership team and thanked the Committee as well.

9. Introduction of New Program and Construction Management Teams

Mr. Hohl went over the roles of the new teams.

10. Program Financial Reports

a. Measure X

i. Measure X Initial Project List:

Ms. Kennedy informed the Committee that the Board of Trustees approved this list, although each college also has a “Future Projects” bucket, so it is very much an initial list, a snapshot in time.

ii. Bond Sale, A and A-1

Vice Chancellor Smith noted this was already discussed.

b. Financial Reports

i. Measure G-2010 Financial Reports

Ms. Kennedy presented an overview of the Measure G-2010 Financial Report from inception through March 31, 2018 and gave an update regarding the cost and schedule status of the program.

ii. Measure X Financial Reports

Ms. Kennedy presented an overview of the Measure X Financial Report from inception through March 31, 2018 and gave an update regarding the cost and schedule status of the program.

Measure G-2010 and Measure X Financial Reports:

Linda Reiners / Cory Demar

Unanimously approved

c. Measure G-2010/Measure X Bond List Revision(s)

There were four Measure G-2010 Bond List Revisions during the reporting period ending March 31, 2018. These revisions took place at the following Board of Trustees meetings and are reflected in the financial reports for the period ending March 31, 2018.

- January 16, 2018
- February 13, 2018 (Two)
- March 13, 2018

There were two Measure G-2010/X Bond List Revisions that occurred after the reporting period ending March 31, 2018 and prior to this meeting. These revisions took place at the following Board of Trustees’ meetings and are reflected in the attached reports.

- May 8, 2018
- June 12, 2018

Mr. Mahood asked if G-2010 dollars will be eliminated from the reports after it is closed. Ms. Kennedy responded, no. What’s happening now is just a balancing between bond programs.

Mr. Demar asked if we already know what G-2010 funds will be spent on and how colleges are going to be paid back. Ms. Kennedy answered yes, that the construction schedule/cash needs dictate which funds the dollars come out of.

11. Committee Members' Attendance / Bylaws section 5.6

Mr. Mahood accepted a motion for the Vice Chancellor to recommend the removal of Elias Portales from the Committee to the Board of Trustees for lack of attendance.

Joel Ruiz Herrera / Shay Franco-Clausen  
Unanimously approved

Ms. Franco Clausen asked about Simon Vidal III. Vice Chancellor Smith says he has been in contact with him and he would like to continue to participate. Vice Chancellor Smith stated that Mr. Vidal III had told him he would attend tonight. He will follow up with him.

12. Future Agenda Items

Ms. Franco-Clausen would like to discuss replacements to achieve a quorum.

13. Adjournment

The meeting adjourned at 7:07 PM

The next scheduled meeting is Tuesday, September 18, 2018 at 6:00 PM – 7:30 PM. This meeting will be held at Evergreen Valley College.