

**CONTRA COSTA COMMUNITY COLLEGE DISTRICT
MEASURE A BOND OVERSIGHT COMMITTEE
MINUTES
January 23, 2008
6:00 p.m.-8:30 p.m.
Board Room, District Office**

Present: Maria Alegria, Ed Best, John DuBois, Barry Gordon, Jeanelle Hope, J. Dale Hudson, Vernon Jones, Colin Nelson, Jerry Okendo, Tim Schulze, Jack Weir

Absent: Diane Gibson-Gray , Gary Bell, Leonard McNeil

Staff: Helen Benjamin, Deborah Blue, Jackie Flaggs, Peter Garcia, Patricia Kaya, Ray Pyle, Doug Roberts, Judy Walters, McKinley Williams, Mark Zacovic

Guest: John Adam Austin, Student from Contra Costa College

1. Welcome and Introductions: Committee and Guests

Committee members, staff and one guest introduced themselves.

2. Additions and Deletions to the Agenda

The agenda was approved as submitted.

3. Annual Organizational Meeting

a. Selection of officers: Chair, Vice Chair, Secretary

By unanimous vote, the Measure A Committee appointed J. Dale Hudson as chair of the committee from January 2008 to January 2009. On motion of Mr. Jones, seconded by Ms. Alegria, the Measure A Committee unanimously approved the appointment of Colin Nelson as Vice Chair. On motion of Mr. Jones, seconded by Ms. Alegria, the Measure A Committee (Committee) unanimously approved the appointment of Jeanelle Hope as Secretary.

b. Meeting Schedule for 2008

The meeting schedule was reviewed. Interim Vice Chancellor, Districtwide Administrative Services Mark J. Zacovic told the Committee that the bylaws call for three meetings per year. Currently, four meetings are scheduled. The committee agreed to review the dates at a future meeting and make changes as necessary.

c. **Committee Membership List**

The membership list was reviewed. Dr. Zacovic asked Measure A members to let him or Jackie Flaggs know if there are any changes.

4. Approval of Minutes of October 8, 2007, Meeting

Mr. Weir noted two changes on page three of the minutes. The name of Mr. Soderholm was misspelled in the second paragraph and the third paragraph had a minor change concerning the Governing Board rescinding the PLA. On motion of Mr. Jones, seconded by Ms. Alegria, the Committee unanimously approved the October 8, 2007, minutes, as revised.

5. Presentation: Bond Oversight Committee Roles and Responsibilities

John Hartenstein, Partner, Orrick, Herrington & Sutcliffe, LLP, summarized the roles and responsibilities of the Committee. Ms. Alegria asked whether the Measure A Committee could take a position on certain propositions. Mr. Hartenstein said it would not be within the charge of the Committee to take such a stance. Ms. Alegria asked if it would be alright to take a stance as a private citizen and Mr. Hartenstein answered in the affirmative. Mr. Okendo asked whether the Committee could take a stance on Proposition 92. Mr. Hartenstein said it would be inappropriate and not within the charge of the Measure A Committee.

Mr. Weir asked for clarification on the Committee's roles and responsibilities in relationship to the Governing Board and staff. Mr. Weir questioned the Committee's authority in regard to the appropriateness or inappropriateness of challenging a Governing Board decision that the Committee views as pertinent to the expenditure of the bond.

Mr. Hartenstein said the Committee should not be adversarial towards the Governing Board and added that its purpose is to assist the Governing Board and work with it through a cooperative relationship.

6. CCCC'D's Scheduled Maintenance Plans

Ray Pyle, Chief Facilities Planner, summarized scheduled maintenance for 2006-07 and 2007-08. Mr. Pyle told the Committee that no bond funds have been used to match state funds. Mr. Nelson asked if "scheduled maintenance" meant the same thing as "deferred maintenance." Mr. Pyle answered in the affirmative.

Ms. Alegria asked about the deadline for the five-year plan. Mr. Pyle said the annual deadline is January. Ms. Alegria asked whether or not the Committee approved this plan. Mr. Pyle said the Committee does not approve the plan. Dr. Zacovic added that the plan would be shared with the Committee when it is completed. Mr. Best asked what would be a "best guess" estimate for scheduled maintenance and asked whether \$2M was high for an average amount. Associate Vice Chancellor/Chief Financial Officer Doug Roberts said the state economy was

better in the previous year and the Governor allocated one-time funds to make up for unavailable money from previous years.

Mr. Roberts said that level of funding had not been provided for over a decade.

Mr. Okendo asked about scheduled maintenance funds for upgrades. Mr. Pyle said scheduled maintenance keeps a building functioning and working. Mr. Okendo asked whether converting to digital phones is an upgrade. Mr. Pyle said replacements are generally upgrades to existing items. Mr. Okendo asked whether this rationale applied to cards being used in place of keys. Dr. Zacovic answered in the affirmative.

Mr. Weir said the Committee's charge is to ensure that bond money is not spent to cover administrative costs. He added that the 2006 bond does authorize the District to spend bond money for scheduled maintenance and further said that the state does not provide enough money for maintenance. Mr. Weir asked Mr. Hartenstein what the appropriate role of the Committee is in regard to spending funds on scheduled maintenance. Mr. Hartenstein said bond money can be used for routine maintenance and scheduled maintenance money can be used for capital projects. Dr. Zacovic said there are so many capital projects that the dollar amount exceeds the bond money. Mr. Pyle's attached letter explains the gap in the law whereby the dollars have not been forthcoming from the state. At the April meeting, the dollar amounts will be brought forward for the 2006 so that the Committee can see where the dollars are going.

7. Bond Budget Update, Project Reports and Quarterly Report

Mr. Roberts summarized expenditures for Measure A 2002 and Measure A 2006 bonds. Mr. Schulze asked whether the solar panels would provide power for all of Contra Costa College (CCC). Mr. Pyle said the panels would provide power for one-third of the campus.

Mr. Pyle summarized the quarterly report. Mr. Weir asked about the \$4M contingency. Mr. Pyle said contingency dollars had all been used and were applied to capital improvement projects at CCC. Mr. Roberts added that interest received from bond monies was dedicated to capital improvement projects and this interest totaled \pm \$7M. Mr. Weir asked about the reference to "interest." Mr. Roberts explained that when a bond is sold, the money is held in an account. Generally, it is several months before the bond money is spent. During this time, the bond money accumulates interest and it is this interest that is directed to capital improvement projects. Mr. Weir asked if more interest money would be forthcoming. Dr. Zacovic answered in the affirmative. Mr. Pyle added that the interest dollars give the District more building per dollar. Dr. Zacovic also said by December 2008 the Committee would be given a full accounting of the Measure A 2002 bond fund.

Mr. Okendo asked whether the interest dollars could be used for instructors' salaries. Dr. Benjamin said it is one-time money and cannot be used for salaries. Mr. Weir requested a simpler format for "quarterly reports." He said in the past the Committee was satisfied with giving status of projects as "green light, red light,

yellow light” to help them identify projects on track, projects slowing down, etc. Mr. Okendo questioned whether any problems existed with the Diablo Valley College (DVC) bookstore after the recent storms. DVC President Dr. Judy Walters said no problems were reported.

Mr. Weir asked about the Brentwood and Cowell sites. Los Medanos College (LMC) President Peter García said he met with the Cowell Foundation seven to eight months ago. President García said the Cowell Foundation was willing to entertain the notion of transferring property before the collapse of the housing market. President García also noted that the Highway 4 bypass authority has cut off a favorable access to the property and state parks found archaeological remains on the property so that annexed space could not be used.

Status of Bond Audits for Year Ended June 30, 2007

Dr. Zacovic said the bond audit for 2007 was due this month and added that the findings would be brought to the Committee’s April meeting. Mr. Weir asked that the results of the audit be communicated to the Committee before its April meeting. Dr. Zacovic said he would send out this communication. Dr Benjamin added that the Committee Chair, Vice Chair and Secretary would be given the full audit report.

8. Annual Report to the Community

Dr. Zacovic said the above report was recently distributed. Dr. Benjamin thanked Dr. Blue, Dr. Zacovic and Suzanne Fox for their work on this publication. Mr. Weir said he received a lot of positive feedback as a result of this publication. Ms. Alegria asked about airing this report on Spanish language television stations. Dr. Benjamin said she would work with Mr. Okendo to get this done.

9. Invitation to Solar Power Project Dedication

Dr. Benjamin invited the committee to attend the above event at CCC on January 31, 2008, at 10:00 a.m.

10. Chancellor’s Report

Dr. Benjamin announced that Districtwide enrollment is up. She said the Project Labor Agreement is still being negotiated and added that negotiations are going very slowly. Chancellor Benjamin invited committee members to tour the college facilities if they had not already done so. Mr. Jones added that he toured LMC with Cam Perrotta and his tour was quite enjoyable.

11. Contra Costa College, Diablo Valley College and Los Medanos College Reports

Mr. Williams, Dr. Walters and Mr. García summarized ongoing projects at their colleges. Chancellor Benjamin added that \$10M had been designated for all three

colleges to modernize turf, track and associated upgrades. Mr. Weir asked whether the property located at the northeast corner of DVC was residential.

Dr. Walters answered in the affirmative, but added that it does not belong to the college. Ms. Alegria asked about population growth in East County and how it is affecting LMC. Mr. García said the campus has increased its capacity to help with enrollment growth. He added that Brentwood has a one-third growth increase.

12. Committee Chair Report

Mr. Weir said he would give the annual report to the Governing Board on January 30, 2008. He said he planned to tell the Board the Measure A funds are being spent in accordance with the requirements.

13. ADJOURNMENT

There being no further business to come before the Measure A Bond Oversight Committee, Mr. Weir adjourned the meeting at 8:32 p.m.

The next regular meeting of the Measure A Bond Oversight Committee will be held on April 23, 2008, at 6:00 p.m. in the George R. Gordon Education Center, 500 Court Street, Martinez, California.

jmf

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