

MINUTES OF THE MEASURE A BOND OVERSIGHT COMMITTEE
OF THE CONTRA COSTA COMMUNITY COLLEGE DISTRICT

Date: July 8, 2004

Time: 5:30 p.m.

Place: George R. Gordon Education Center
6th floor Board Room
500 Court Street
Martinez, California

Members Present

Keith Archuleta
Don Freitas
Mary Piepho
Mark Ross
John Wolfe

Absent

Jason Aguilar
Maria Alegria
Gary Bell
Michael Dugan
Mary Erbez
Myriam Roiz
Herman Welm

Staff/Guests

Doug Roberts
Alex Edwards
Chad Edwards
Les Littman
Victoria Lamica
Wayne Shipman
Dave Olson

CALL TO ORDER

At 5:30 p.m., the members present did not meet the fifty percent (50%) membership requirement to constitute a quorum for conducting a meeting. Therefore, it was determined by Mary Piepho, Chair that the meeting will be held but no action will be taken.

PRESENTATIONS FROM THE PUBLIC

There were no presentations from the public.

AGENDA - ACTION ITEMS

Approval of Minutes of the March 11, 2004 Meeting

It was determined by Mary Piepho that because there is no quorum, no action can be taken at this time to approve the minutes of the March 11, 2004 meeting.

GENERAL AGENDA ITEMS - INFORMATION/DISCUSSION

Introduction of Thomas Smith, Vice Chancellor, Finance and Administration

Doug Roberts, Comptroller reported that Mr. Thomas Smith was unable to attend the Oversight Committee meeting due to participation in Jury Duty selection. However, Mr. Roberts welcomed Mr. Smith to the Oversight Committee members.

Committee Member Appointments Approved by Governing Board

Pursuant to Education Code sections 15278 et seq, the Governing Board at it's June 30, 2004 meeting approved the Measure A Bond Oversight Committee members appointment to serve a two-year term.

The members approved are:

- Contra Costa College, Maria Alegria representing Foundation Board member
- Contra Costa College, Gary Bell representing Business/Community
- Diablo Valley College, Mark Ross representing Foundation Board member
- Diablo Valley College, Herman Welm representing Business/Community
- Los Medanos College, Mary Erbez representing Foundation Board member
- Los Medanos College, Jason Aguilar representing Student Association member
- Los Medanos College, Don Freitas representing Antioch Business/Community
- Los Medanos College, Mary Piepho representing Brentwood
Business/Community
- Chancellor appointee, Michael Dugan representing Senior Citizens
Organization
- Chancellor appointee, John Wolfe representing Taxpayers' Association
- Chancellor appointee, Keith Archuleta representing Business/Community

The Committee must consist of at least seven members serving two-year terms starting July 1, 2004 in accordance with Proposition 39.

Continuing Disclosure Obligations

Doug Roberts reported that in addition to the financial audit, performance audit, examination of major repairs and regular reporting of the use of Measure A funds to the Committee, the District is obligated to provide continuing disclosure documents for municipal security information.

Committee members were provided with the acknowledgment form listing the disclosure obligations. Victoria Lamica has taken the lead role in assembling the

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annual continuing disclosure documents pursuant to Securities and Exchange Commission Rule 15c2-12.

Progress Report on Measure A Projects

Alex Edwards began a discussion on the Report on Measure A Projects dated July 8, 2004. Alex reported that the information is organized to provide a narrative and specific expenditure report for each scheduled maintenance and capital projects are shown, including a short description and expenditure made. Alex highlighted major activities for Committee member information.

At this date, Measure A-funded capital project activities equal \$10,953,199. Measure A-funded Scheduled Maintenance activities total \$15,800,475. The last page of the Measure A status report is a timeline for the expected use of the entire \$120 million bond measure.

General Obligation Bonds Issuance, Election of 2002, Series 2004, in the amount of \$45,000,000

Dave Olson, Kelling, Northcross & Nobriga, District financial advisor, reviewed the Measure A bond sale. To date, the District has expended approximately \$28 million of Measure A monies and expects to expend an additional \$67 million over the next three years.

With the issuance of the Series 2004 Bonds, debt service on the combined Measure A Bond obligations will begin to escalate moderately. The escalation is modest enough that, given reasonable expectations of tax base growth, tax rates should both (1) allow for the issuance of \$25 million of bonds in 2006 and (2) ultimately decline over time.

A competitive sale was conducted which resulted a T.I.C. of 4.91%. The Series 2002 Bonds were sold to Stone & Youngberg. The underwriter compensation for the Series 2002 Bonds was \$2.42 per Bond. Mr. Olson distributed the financing process to the committee reporting that a deposit of \$45 million in bond proceeds with the District in late August.

Next Committee Meeting

The next Measure A Bond Oversight Committee meeting is scheduled for

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November 18, 2004, beginning at 5:30 p.m.

ADJOURNMENT

There being no further business to come before the Measure A Bond Oversight Committee, the meeting was adjourned at 7:00 p.m.

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