

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT**  
**Bond Oversight Committee Minutes**  
**May 2, 2013**  
**College of San Mateo**

**Members Present:**

- ✓ Gus Petropoulos, active in organization in support of District (retirees) 11/2014
- ✓ Alan Talansky, representative of business; term limit 11/2014
- ✓ Victor Torreano, community member; term limit 11/2014
- ✓ Adrienne Zanini, representative of bona-fide taxpayers association; term limit 2/2015

**Members Absent:**

- ✓ Steve Dworetzky, active in group supporting the District (Foundation); term limit 11/2014
- ✓ Page Kupperberg (Linda Martinez), student member, term limit 6/2013
- ✓ Maritess Lagandaon, community member; term limit 11/2014
- ✓ Sylvia Merkadeau, representative of seniors; term limit 11/2014

**District Staff Present:** Barbara Christensen, Raymond Chow, José Nuñez, Jan Phemester

**Call to Order**

Chairman Talansky called the meeting to order at 3:20 p.m.

**Public Comments on Non-Agenda Items**

Director Christensen distributed copies of Board Policy, *8.14 Bond Oversight Committee and Accountability Measures*. She told the committee members that Board Policy 8.14 was approved by the Board of Trustees and no action was needed by the Bond Oversight Committee. Director Christensen explained that revisions were made to the policy because the Bond Oversight Committee now meets two times a year instead of four times a year. Also, Measure C information was removed because all the bond funds have been spent and the projects have been completed. She said this was an updated copy for their binders.

**Approval of Minutes from Meeting of November 1, 2012**

Discussion: Chairman Talansky said that minutes could not be approved because there was no quorum. He suggested that staff email the committee members to seek approval of the minutes from the meeting of November 1, 2012.

Following the meeting, Director Christensen emailed the minutes to the Bond Oversight Committee. All members voted to approve the minutes as written.

**Review/Accept Cumulative Report on Expenditures Through March 31, 2013 for Measure A**

Discussion: Chief Financial Officer (CFO) Chow said the detail report for Measure C will no longer be included in the cumulative report because all projects are finished and the money has been spent. He reported that Measure A was budgeted for \$468 million and 97% of those funds have been spent with \$4.8 million in commitments (1%), leaving a balance of \$14 million (2%). As shown on the bottom of

page 2, the peak of spending took place between 2008 and 2010 as \$260 million was spent on projects. The remaining smaller projects are scheduled to be completed by June 2015. CFO Chow said District wide, we have \$10 million to spend for (#1) project requirement/compliance and (#7) contingency, as shown on page 3 in the report.

Chairman Talansky asked how long fund stay in contingency and is there any legal timing when the funds must be released. Vice Chancellor Nuñez said the contingency funds roll over to actual projects. The contingency is self-imposed and we are not mandated to have a contingency. Vice Chancellor Nuñez said he does believe there is a time limit.

Mr. Petropoulos asked if contingency is held for warranties on completed work. Vice Chancellor Nuñez said the normal warranty is for one year, but contingency is not used for that purpose. It is used for other things that come up. Mr. Petropoulos asked if the contingency is associated with a specific building. Vice Chancellor Nuñez said it is not.

CFO Chow said the remaining balance for Cañada College projects is \$461,000 with commitments of \$198,000. Nearly all of the projects at Cañada College have been completed. The remaining balance for College of San Mateo projects is \$3 million with commitments of \$3.8 million. This is due to the North Gateway project as shown on page 3, #49. The remaining balance for Skyline College projects is nearly \$769,000 with commitments of \$209,000. These funds are for (#91) small projects, (#92) emergency repairs and (#98) instructional equipment.

CFO Chow reported that interest earned on Measure A proceeds is very low. As shown on page 5, interest was budgeted for nearly \$10.7 million with expenditures of \$6.8 million, commitments of \$200 thousand, leaving a balance of almost \$3.7 million.

	Dworetzky	Kupperberg	Lagandaon	Merkadeau	Petropoulos	Talansky	Torreano	Zanini
Motion						X		
Second					X			

Ayes	4
Noes	0
Abstain	0

Following the meeting, Director Christensen emailed the Cumulative Report on Expenditures to the Bond Oversight Committee members who were not present and asked for comments and approval. There were no comments. All members voted to approve the report as written.

### **Review of 2012 Performance and Financial Audits of Bond Funds**

Discussion: CFO Chow said everyone should have a copy of the 2012 Performance and Financial Audits of Bond Funds. The opinion of the auditors is unqualified. Measure A had a balance of approximately \$40 million at the end of the fiscal year (June 30, 2012), available to be spent on remaining projects. Total expenditures for the year were approximately \$22.5 million. There were no findings or adjustments during the audit.

Director Christensen said this audit goes through June 30, 2012, but it is coming to the committee late because we went from quarterly meeting to twice a year. Our last meeting was in November and the District audit has not been completed.

Director Christensen explained for each bond measure there is a financial audit and a performance audit. The financial audit confirms that someone has independently looked at the numbers that the District provided and verified that the numbers are accurate. The performance audit, which is critical to this committee, shows that the funds were spent in accordance with the voter-approved measure.

Director Christensen asked CFO Chow what percentages of transactions were audited. CFO Chow said 37 percent of the total expenditures were audited.

**Approval of 2012 Annual Report to the Community (Christensen)**

Director Christensen said that earlier this year she emailed the draft of the 2012 Annual Report to the Community to committee members and asked for comments. The draft report was also posted on the Bond Oversight website.

Mr. Talansky asked Director Christensen if she received any comments from the community. Director Christensen said she did not.

Mr. Petropoulos asked why there was no mention of the College of San Mateo North Gateway project in the annual report. Director Christensen said there was no mention of the project because there was very little work done in 2012. She said the North Gateway project will be included in the 2013 Annual Report to the Community.

	Dworetzky	Kupperberg	Lagandaon	Merkadeau	Petropoulos	Talansky	Torreano	Zanini
Motion							X	
Second					X			

Ayes	4
Noes	0
Abstain	0

Following the meeting, Director Christensen emailed the 2012 Annual Report to the Community to the Bond Oversight Committee members who were not present and asked for comments and approval. There were no comments. All members voted to approve the report as written.

**Update on Construction Projects; Update on B20 and Trees Litigation (Nuñez; Christensen)**

Director Christensen said she learned last week that the State Appellate Court had lifted an injunction on the North Gateway Project. The injunction was sought by the Hillsborough trees litigants. The issue had been whether or not the District studied the removal of trees outside the perimeter road or was it a separate project from the entire campus project studied in 2007. When the case went to Superior Court, the judge appended the North Gateway project to the trees case and put a stay on all work. With that decision, we were prohibited from removing trees, pedestrian walkways and lightening, but the buildings were torn down and a fence was put around the perimeter of the area. Director Christensen said the initial study talked about the trees and tree migration. We have planted 640 new trees throughout the campus compared to approximately 200 trees which were removed.

Director Christensen said she anticipates a hearing on the garden case within the next few months and all litigation should be finished by the end of the year.

Mr. Petropoulos asked what the worst case scenario would be. Director Christensen said the District would have to do an initial study or an environmental impact report on the trees themselves which have been removed.

Vice Chancellor Nuñez began his PowerPoint presentation with District Demographics as of January 2013. This information was requested at the last meeting. The chart includes campus acreage, gross square feet, assignable square footage, buildings, parking, student headcount, student FTES and full-time faculty and staff. Director Christensen explained the difference between student head count and student FTES. She said one student equals one head count and FTES is the enrollment of 15 units equals one student. Vice Chancellor Nuñez added that full time staff at the District includes all facilities and public safety at the colleges.

Vice Chancellor Nuñez reviewed the current CIP projects and showed photos of the projects throughout the District. A summary of the projects include:

Cañada College

- Tennis Courts Improvements

College of San Mateo

- Edison Lot
- West Perimeter Road Sidewalk Addition
- North Gateway

Skyline College

- Theater Seat Replacement Project

District Wide

- Athletic Fields Replacement (redevelopment funds)
- Sustainability Plan
- Digital Infrastructure Mapping Project
- Electric Vehicle Charging Stations

Proposition 39

- Energy Efficiency & Renewal Projects

**Committee Members' Comments/Requests for Future Agenda Items**

Mr. Petropoulos asked Director Christensen to notify the committee if there were any settlements in the legal matters before the next Bond Oversight meeting. Director Christensen said she would notify the committee.

Director Christensen reminded the committee members to email her if there were any items they wanted to add to the agenda.

**Schedule of Future Meetings: November 7, 2013; May 1, 2014 (1st Thursday, every 6 months)**

No discussion

**Motion to Adjourn**

Discussion: None

	Dworetzky	Kupperberg	Lagandaon	Merkadeau	Petropoulos	Talansky	Torreano	Zanini
Motion							X	
Second					X			

Ayes	4
Noes	0
Abstain	0

Motion Passed.

Meeting adjourned at 4:40 p.m.