



SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
Bond Oversight Committee
December 16, 2021 Meeting Minutes
Location: Hybrid (Zoom & In-person)

Members Present

Rosanne Foust	Chair
James Ruigomez	Vice Chair
Anne Campbell	
Michael Duncheon	
Shelley Kessler	
Anna Mahoney	
Maxine Terner	
Mark Waissar	

Members Absent

None

District Staff Present

Michael Claire	Chancellor
Bernata Slater	Chief Financial Officer
Peter Fitzsimmons	District Budget Officer
Richard Storti	Executive Vice Chancellor, Administrative Services
José Nuñez	Vice Chancellor of Facilities Planning Maintenance & Operations
Marie Mejia	Interim Director of Capital Projects

Other Panelists Present

Ann Kennedy	A Kennedy Group
Mike Chegini	A Kennedy Group
Jeff Scogin	A Kennedy Group
Ben Leavitt	CWDL
Jack Herbert	Swinerton Construction Management

Call to Order

The meeting was called to order at 1:01 p.m.

Zoom Protocols

Mr. Chegini reviewed the zoom protocols with the committee. Ms. Foust introduced new member, Mark Waissar, who spoke briefly about his background.

Approval of Agenda

A motion was made by Ms. Terner and seconded by Ms. Campbell to approve the agenda. The agenda was unanimously approved as presented.

Resolution Permitting Remote Meetings (AB 361)

Ms. Kessler asked about the 30-day rule for the resolution. Chancellor Claire explained the origins and purpose of AB 361 as it relates to the committee. Ms. Kennedy noted that the District is following the intent of the law by adopting the resolution prior to each regularly scheduled meeting, which are held on a quarterly basis. Ms. Kessler reiterated her concern since the committee did not renew the resolution every 30 days, would it be open to any legal action for non-compliance. Chancellor Claire noted he would take that question to the District's legal counsel.

A motion was made by Ms. Kessler and seconded by Ms. Mahoney to approve the resolution. The resolution was unanimously approved as presented.

Election of Chair and Vice Chair

Ms. Foust opened the floor for nominations for Chair and Vice Chair. Mr. Ruigomez nominated Ms. Foust to be Chair, Mr. Duncheon seconded. The committee unanimously approved the nomination. Ms. Kessler nominated Mr. Ruigomez for Vice Chair, Ms. Campbell seconded. The committee unanimously approved the nomination.

Approval of the September 2, 2021 Meeting Minutes

Ms. Foust reviewed requested edits to the minutes suggested by Mr. Duncheon and Ms. Campbell. On page 2 of the minutes under Staff Reports, minor typographical corrections were to be made. On page 3 of the minutes under Measure H Performance Audit Process Discussion, a change to the verbiage used relating to Mr. Duncheon's request to receive scope confirmation was suggested. On page 7 of the minutes under Future Agenda Items, Mr. Duncheon requested removing *the Attorney General* from the first sentence. A motion was made by Mr. Duncheon and seconded by Ms. Mahoney to approve the amended minutes. The amended meeting minutes were unanimously approved with the suggested edits, with Ms. Turner abstaining as she was not present at that meeting.

Public Comments

There were no public comments.

Communications Received by Committee Members

Ms. Foust informed the committee that she received an email from Mr. Duncheon about the minutes and she had an email and phone conversation with Mr. Waissar.

Staff Reports

Chancellor Claire welcomed Mr. Waissar and thanked the committee for their service. He also welcomed Richard Storti as new Executive Vice Chancellor of Administrative Services. Chancellor Claire reported on the return to campus, with 60-65% of the student population onsite, roughly 5000 students, this fall. He addressed the District's handling of the Covid challenges, and how well they have been able to respond to the challenges with the support of bond funds. Chancellor Claire informed the committee of Mr. Nuñez's upcoming retirement on March 30, 2022, and thanked him for his contribution.

Ms. Foust thanked Chancellor Claire and recognized Mr. Nuñez's service to the community. Mr. Ruigomez also thanked Mr. Nuñez. Ms. Foust welcomed Dr. Storti and asked if he would like to address the committee. Dr. Storti said he was looking forward to working with the committee.

Measure H Financial and Performance Audits Fiscal Year 2020/2021

Mr. Leavitt of CWDL presented the Financial and Performance audit reports for Fiscal Year 2020/2021 to the committee. He noted that he would also be covering Fiscal Year 2019/2020 because it is a comparative report. The opinion statement is unmodified, which is the highest quality opinion an auditor can render.

Mr. Duncheon asked about the salaried employees involved in construction. Mr. Leavitt explained what the auditors look at as it relates to Measure H salary and benefits disbursements. They agreed to look at this further in the performance section.

Ms. Turner asked if the audit reports question whether projects are in compliance with the Measure H ballot language and Facilities Master Plan. Mr. Leavitt noted that the requirement from Prop 39 is that the auditors test to the ballot language, so the ultimate determination of whether something is allowable or not is on the basis of the performance audit.

Mr. Leavitt reviewed the financial audit report with the committee, noting the side-by-side comparison between Fiscal Year ending 2020 and Fiscal Year ending 2021, as well as the procedures performed.

Mr. Waissar asked if Mr. Leavitt could explain why there was an unrealized loss on cash. Mr. Leavitt said those numbers are derived from the activity at the county office. Ms. Slater explained that the District is required to book fair market value of investments at that particular point in time; it doesn't reflect the true investment, it's just an accounting entry we are required to book.

Chancellor Claire said it is a conversation for the county treasurer.

Ms. Foust asked Chancellor Claire and Ms. Slater if they could dig deeper with the county and bring that information back to the committee.

Mr. Leavitt jumped ahead to the performance audit to address the questions of salaries and project compliance with the ballot language. He reviewed the process and sample sizes with the committee, noting there were no findings.

Ms. Turner asked what portion of the sample was Cañada B1. Mr. Leavitt said he did not have that information available to him but noted that it was included in the sample and is encompassed by the ballot language under the upgrading of science classrooms and labs. Chancellor Claire noted that this topic had come up multiple times and the District had multiple opinions from legal counsel that the expenditures were valid. Mr. Leavitt noted for this project, not only did they look at the ballot language but also that it tied to the project list.

Mr. Leavitt recapped the results of the audit. There were no exceptions or findings noted in the year under audit. It is an entirely clean opinion over performance for the year ending June 30, 2021.

Mr. Duncheon asked again about salaries. Ms. Foust reiterated what had been covered earlier in the meeting. Ms. Turner asked where on the District's website salaries paid with bond funds could be researched. Mr. Scogin noted that last year the committee was provided with a document that outlined every position scheduled to be billed against the bond and the percentage against it. Ms. Foust asked Mr. Scogin to provide a link to that document. Mr. Ruigomez noted that this was

information that the committee had already received in the past. Ms. Turner asked that it be updated information.

Ms. Foust thanked Mr. Leavitt and CWDL for their due diligence and transparency.

Chancellor Claire noted in the chat that the San Mateo Community College District Board of Trustees took action to accept the audit reports related to the Measure H bond.

Measure H Annual Report Fiscal Year 2020/2021

Mr. Chegini thanked Ms. Foust, Mr. Duncheon and Ms. Kessler for their participation on the working group. He then reviewed the draft annual report with the committee, pointing out the new sections on ballot language and FAQs.

Ms. Kessler asked for a report on upgrades to access for disabled students. Ms. Mahoney noted, on the upgrading access topic, that there are not enough gender-neutral bathrooms. Ms. Foust asked Chancellor Claire to bring the Board's attention to these items Mr. Nuñez spoke to the topic of gender-neutral bathrooms on all campuses and informed the committee of the ADA transition plan, which has a budget of \$29M. Ms. Mejia said there is \$3M in the Measure H budget slated for any ADA concerns in our projects such as restrooms, elevators.

A motion was made by Mr. Ruigomez and seconded by Ms. Campbell to approve the Fiscal Year 2020/2021 Annual Report. The committee approved the annual report as presented, with Ms. Turner abstaining.

Program Financial Reports

a. Mr. Scogin presented the Financial Reports for Measure H as of September 30, 2021, highlighting key information and projects with significant quarter expenditures.

Mr. Nuñez noted that all of Measure H is budgeted.

A motion was made by Ms. Kessler and seconded by Mr. Ruigomez to accept the Fiscal Year 2020/2021 Q1 Financial Reports and they were unanimously accepted as presented.

b. Mr. Scogin reviewed the Fiscal Year 2021-2022 1st Quarter Bond List Revision with the committee.

Ms. Turner asked about Project DW-002 - Project Requirements/Compliance and the large budget transfers from it. Ms. Slater explained the purpose of the project and the process for transferring funds from the project.

Update on Capital Improvement Program (CIP3)

Due to time constraints, the slide presentation was viewed but not spoken to. There were no questions.

Proposed Next Meeting Date

Ms. Foust pointed out the next meeting date of Thursday, March 10, 2022, at 3PM and confirmed that it would be scheduled for 2 hours. She asked the committee if there were any conflicts. There were none.

Ms. Kennedy let the committee know that Mr. Chegini will send out a poll about the next meeting.

Future Agenda Items

Ms. Foust asked if anyone needed a Brown Act refresher. It was determined that as long as the 30-day compliance with AB 361 legal questions have been answered, there was no need for a refresher. Chancellor Claire said he would follow up with legal.

Ms. Mahoney informed the committee that it was her last meeting.

Adjournment

Ms. Foust adjourned the meeting 3:04 PM.