

Citizens' Oversight Committee
Minutes

February 12, 2008, 4:00 p.m.
Administrative Center, room 108
Kentfield Campus

Approved

Committee Members Present:

Dr. William Levinson,

Chair

Perry Newman, Co-Chair

Richard Biegel

Ted Bright

Klif Knoles

Nancy McCarthy

Nancy McCauley

Roberta Michels

Dr. Walter G. Strauss

Dr. Lawrence Witter

Committee Members Absent:

Joan Capurro

Elizabeth Greenberg

Others in Attendance:

V-Anne Chernock

Don Flowers

Rich Graziano

Al Harrison

Yulian Ligioso

Melinda Molloy

Dale Molyneux

Bob Thompson

Tina Treis

Dr. Frances White

1. Open Meeting

Following a roll call, Dr. William Levinson, Chair declared the meeting open at 4:01 p.m. The meeting began without a quorum; the agenda was not formally approved. The meeting of the Citizens' Oversight Committee achieved quorum at 4:06 pm

2. Membership

Dr. White brought to the attention of the committee that several committee members' two year appointments will expire April 30, 2008. In accordance with the committee's bylaws, these members are not eligible for reappointment, they must "sit out" one year and are eligible to reapply next year.

Community members wishing to apply for membership to the Citizens' Oversight Committee must submit their application and letter(s) of recommendation to the Office of the Superintendent/President (835 College Ave. Kentfield, CA 94904), postmarked no later than Friday, March 28, 2008.

Applications will be distributed through the Office of the Superintendent/President (415)485-9502 and can be obtained electronically by contacting Melinda Molloy, melinda.molloy@marin.edu.

3. Comments from the Audience on Items not on the Agenda

None

4. Minutes

M/s (Bright/Biegel) to approve the minutes of the October 2, 2007 meeting. The motion passed unanimously.

5a. Quarterly Report

Mr. Rich Graziano of Swinerton Consulting & Management reviewed the Quarterly Report, through September 30, 2007. This report will be available on the website, along with a program summary and project budgets.

Mr. Graziano invited the committee to reference the project summary on pages 8-16 of the quarterly report. He noted that this information is a condensed and simplified version of what the charts on the pages following contain. Mr. Graziano directed the Committee's attention to the following highlights:

- page 8: design updates
- page 11: 90-day forecast
- page 12 -13: current activities includes bid opening on 2/19 for the Diamond P.E. complex; and bid opening on 2/21 for the Geothermal Field

Mr. Graziano addressed the following questions/concerns from the committee:

- *Have there been any problems experienced on any of the projects thus far?* One problem was encountered when bids were opened for the geothermal fields last month. It was discovered that each of the three firms that bid the project did not meet required specifications to bid the project and were subsequently disqualified. The district is currently re-bidding the contract and expects to award the contract at the end of February 2008.
- *What is being done to abate the noise at IVC once drilling begins?* Swinerton Management and Consulting has put together a 6 step plan to provide awareness to the neighboring community as well as abate the anticipated noise. Noise reduction will be primarily achieved through the placement of mufflers on drill rigs.
- *The invoicing for the quarter, at \$1.8 million, seems low. Why?* The district is still, for the most part, in design phase meaning that contractors/architects are working based on previously set fees. As we progress into the next two quarters there will be a noticeable increase in invoicing.
- *Is inflation built into the bids?* Yes, it is common practice for firms to incorporate escalating fees into their bids. The District has also projected an 8% escalation rate for the life of the bond.

5b. General Update

V-Anne Chernock, Director of Modernization presented a general update on the Modernization department. This presentation highlighted the following:

- All programs and people in the P.E. building will move into portables on February 19, 2008 with the exception of the weight room, which will move on February 29, 2008;
- The entire P.E. Complex will be closed and fenced off on February 29, 2008 and will remain closed until June 2009;
- Bids for the P.E. complex will be opened at 2:00pm on February 19, 2008 and be formally awarded 5 days after the Board of Trustees approves the recommendation (2/19);
- Geothermal bids will be opened at 2:00pm pm February 19, 2008;
- P.E. Complex will publicly break ground on March 11, 2008;
- Drilling will be complete by the time school starts in August 2008;
- IVC infrastructure projects will be completed by summer 2008;
- Main IVC building will go to bid July 2008;
- Trans-tech building will go to bid summer 2008.

5c. Cash Flow and Phasing

Dale Molyneux of Swinerton Consulting & Management presented the committee with a handout describing our cash flow, projected escalation costs (8%), and actual escalation rate. He indicated that interest was not calculated in these figures. Currently the bond has generated 7 million dollars in

interest. Vice President of College Operations, Al Harrison anticipates that we will make a second “pull” from the bond in late fall/early winter.

6. Auditors Report

Al Harrison, Vice President of College Operations, introduced Tina Treis of Perry-Smith Accountants, LLP. Ms. Treis reported on the independent audit on applying agreed-upon procedures that Perry-Smith Accountants, LLP was contracted to perform.

During this audit accountants at Perry-Smith Accountants, LLP selected a sample representative of 50 warrants issued From January 1, 2007 – June 30, 2007 to check for mathematical accuracy and proper representation of Bond expenditures. Ms. Treis reported that her firm has concluded that each of the representative sample of 50 expenditures accurately represented a valid Bond expenditure; expenses were properly charged in the location indicated; expenses were properly coded; and were determined to represent constructing, rehabilitation, or replacement of school facilities. They also determined that the expenditures were mathematically accurate. Ms. Treis indicated that their findings of 100% accuracy are not common across the work that they do. The Committee thanked Mr. Harrison and his team in the business office for their hard work in ensuring that our accounting is correct.

7. General Policy on Bond Investment

Mr. Harrison addressed the handouts included in the packet as a reference to Marin County Treasurer, Michael Smith’s policy on investment. He indicated that this statement of policy is reviewed and published annually. Committee members enquired why some schools were calculated separately. It appears that some schools have adopted an investment policy separate, with more risk, from that of the county treasurer. Mr. Harrison indicated that while our returns are slightly less than those of schools with other investment policies, he is confident in the investment strategy Mr. Smith is using.

8. Community Perception: what are you hearing in the community?

Dr. White has asked to collect a list of community concerns. Concerns that cannot be addressed today will be addresses by the corresponding manager and reported back the Citizens’ Oversight Committee.

- *Students are concerned that lab space will be smaller than they are currently*
Classrooms will be smaller than they currently are; however all classrooms are designed to meet educational standards. Also based on educational standards, some specialized classrooms will share space with other classrooms.
- *There is a lot of negative press with a lot of “back and forth:” there is a persistent belief that the Marin IJ has a vendetta against College of Marin.*
- *Academic issues: why is money going to buildings when our academics are uncertain?*
- *Community members believe we have lost a significant amount of money because of time lapse and inflation*
To date we have only spent approx 10% of the bond money. It is true we lost some money because of delays due to updating the educational master plan. In addition there have been a lot of projects and planning going on behind the scenes that aren’t being seen by the public.
- *Why are we building at IVC*
We’re building at IVC because we are creating programs that are intentionally growing numbers at IVC. In 2004 when Dr. White arrived, IVC had 765 students enrolled, today there are more than 1,100 credit students taking classes on this campus.
- *When will be put a bulletin out?*
College of Marin publishes a report to the community once a year. The next bulletin will be published and distributed in September/October.

9. Deferred Maintenance Plan

Don Flowers, Supervisor of Maintenance and Operations, reported on the 5 year deferred maintenance plan. Current practice requires that the district submit a report with estimated costs for repairs and

maintenance on an annual basis to the Chancellor's office. The Chancellor's office will supply funds for requested projects on a 50/50 match. Priorities are set based on safety/health hazards.

Committee members questioned how bond money and general fund money was divided among maintenance projects throughout the campuses. Mr. Flowers indicated that if the building is currently in the scope of the bond it will receive bond dollars. If the building is not within the scope general maintenance and operations funds will cover the up keep.

10. Report on Bolinas Lab

Dr. White referenced the Bolinas Lab report that was submitted to the Board of Trustees in late 2007. She indicated that on page 2, item 3 there was an incorrect statement and that is that bond money does not allow for the \$620,000 that was initially budgeted for the facility. Current estimated to rehabilitate the Bolinas Lab is \$3-\$5 million. The Board of Trustees have spoken to legal council and are exploring options for the lab including partnership; turning over the property the county; and private ventures. Dr. White indicated that the districts options are limited due to the Field Act.

10. Next Meeting Agenda & Date (4:00 p.m., Tuesday, April 8, 2008)

- a. Review quarterly report ending December 31, 2007 – Rich Graziano
- b. Annual Report - **Please note: approval of the annual report to the board requires the positive vote of a majority of the committee members. If you can't attend the meeting, please contact Melinda Molloy melinda.molloy@marin.edu** – V-Anne Chernock
- c. Building Demolition/renovation

Orientation for new members and tour of IVC (1:00 p.m. – 4:00 p.m., Tuesday, May 6, 2008)

All members are invited, but attendance is not mandatory

10. Adjourn 5:31 p.m.