SUBJECT TO APPROVAL
Attachment 1

MINUTES

SANTA BARBARA COMMUNITY COLLEGE DISTRICT

Thursday, February 19, 2009

CITIZENS' BOND OVERSIGHT COMMITTEE MEETING
4:00 pm
A218C

MacDougall Administration Center
Santa Barbara City College
721 Cliff Drive

1. Call to order

Vice President Tim Trembly called the meeting to order.

Members present:

Tim Trembly, Vice President	Marshall Rose
Elvira De La Tafoya	Ed Heron, President

Others present: Dr. Andreea Serban, Superintendent/President

Rhys Alvarado, *The Channels*	Joan Galvan, Public Info Officer
Dr. Ofelia Arellano, VP Continuing Ed	Des O'Neill, SBCC Board of Trustees
Liz Auchincloss, CSEA President	Joe Sullivan, VP Business Services
Anneli Bergqvist, Guest	

2. Public comments

Superintendent/President Serban noted that if anyone in the community had any questions regarding the bond, they should contact either her or Vice President Sullivan. They would be happy to answer any questions.

Mr. Trembly reported that he has been asked why during these difficult budget times we are looking at building more structures on campus when the money is needed for other expenses. He explains to them that this is what the money was voted for and the funds cannot be used for operational expenses.

Mr. O'Neill thanked the committee members for taking time to participate on the Bond Oversight Committee.

3. Approval of the minutes of the November 6, 2008 meeting

Upon motion by Mr. Trembly, seconded by Ms. Tafoya, the Committee approved the minutes of the meeting of November 6, 2008. Mr. Rose abstained.

4. Update on the sale of the bonds

   Superintendent/President Serban reported that the sell of the bonds was a success; the first issuance of the bond was oversubscribed. The money has been placed in our account with the County of Santa Barbara and it was decided that it would earn a better interest rate there than trying to invest it in other interest earning venues. In item 10 of this agenda a report will be presented to show how the $47 million has been tentatively allocated among the various projects, based on estimated costs.

   RBC and Estrada Hinojosa were our bond underwriters, RBC for 75% and Estrada Hinojosa for 25%. RBC staff has been great to work with, Ryan Vollmer helped us prepare our materials for the credit rating and we are very happy with the outcome.

5. Project management for bond funded projects
   a. Introduction of Steve Massetti, Project Manager, URS
   b. Review of responsibilities of URS project management team

   Vice President Sullivan introduced Steve Massetti, Project Manager, and highlighted the role and responsibilities of URS on the construction projects.

   Mr. Steve Massetti reported that URS' role is to manage the overall bond construction program; the list provided as an attachment gave a complete overview of their roles and responsibilities. A consolidated explanation of their scope of work was provided.

   - Overall role is to manage the bond construction program.
   - Develop and maintain both the Master Program Budget and the Master Program Schedule.
   - Monitor and handle all of the paperwork required on all of the projects.
   - Implement Contract Manager (the software used to track all projects, timelines, status and expenditures) with access given to Superintendent/President Serban, Vice President Sullivan and Facilities Director Hendricks.

6. Status of state matching funds for capital outlay projects

   Superintendent/President Serban reported that on December 17 the College was informed that the current Pooled Money Investment Board voted to freeze all disbursements for State capital projects. In our case, the immediate impact is the matching funds for the Drama/Music remodel. The reason this decision was made was because the State tried to sell bonds and they were only able to sell about 1/3 of them. In better fiscal years there is no problem in selling these bonds and there is no problem in replenishing the funds required for construction projects approved. This year the State was not able to replenish the funds at a level needed for approved projects. However, colleges have been advised that they are free to go ahead with work that is needed and pay for it from district funds and in doing so they would not be relinquishing the right for reimbursement at a later date, once the State is able to sell their bonds. Internally with our shared governance groups and the Board of Trustees, discussions have taken place on whether or not we should go forward and take $12 million from Measure V and proceed with the Drama/Music remodel with the understanding that we will not be relinquishing the right to obtain State reimbursement. The decision was made to go ahead with the remodel.

The issue would be School of Media Arts (SoMA) because if there are no state matching funds available when this project is ready to begin the College will not be able to begin construction. We cannot proceed with SoMA without state matching funds.

7. Status of the drama music remodel project

Mr. Steve Massetti reviewed the three scenarios that were developed for the Drama/Music remodel. Currently the job is out to bid, anticipated Board approval will be in March, the anticipated construction start will be mid March or beginning of April, and then there will be 13 months of construction, which will put the completion date at the end of May 2010. Up until the April 30 date and if nothing major happens, all of the scenario dates are achievable. The best case scenario has a 13 month construction schedule that is aggressive; it does not take into account any unforeseen conditions. The more likely scenario has a 15 month construction schedule and the worst case scenario has a 17 month construction schedule. The plan would be to complete the theater space and allow staff to move that area back in and then the classrooms and offices would be completed and staff would be allowed to move back in after the punch list is approved.

This project is not a typical project where one contractor is selected to build everything; there are three separate packages: the general building package, the theater specialty package and the audio visual specialty package, which means that the College may end up with three separate contractors or just one contractor building all three.

The question was asked whether the College had to accept the low-bid and Mr. Massetti explained that the College had to accept the lowest responsive and responsible bidder.

8. Preliminary schedule of bond funded maintenance projects

Superintendent/President Serban explained that this schedule is an accumulation of projects over many years. It has been through our internal governance shared process. Due to the lack of resources, many of these projects have been on the schedule for a long time, now with the resources through Measure V some of the projects will be funded. The priority numbers were assigned internally by our end-users and various departments and then Joe Sullivan, Steve Massetti and others came up with the priority system listed on the attachment as there are only so many projects that can be completed. Some projects are underway such as the Luria Conference and Press Center, which will largely be funded with private donations received along with a $500,000 donation from the Luria Foundation, it was noted that the current press box is old and the new building will actually be a press box and conference center which will allow for other venues to use the area. Due to safety issues, the bridge deck will also be repaired. One problem with the college environment is that many of these projects need to take place during breaks, which limits the window of opportunity.

9. Measure V website

Superintendent/President Serban provided an overview of the SBCC Measure V website. Listed below is the information that can be found on the website:

- The Bond Oversight Committee and its members.
- Meeting dates, agendas and minutes.