Minutes of the Citizens' Bond Oversight Committee Meeting
Norco College, Science & Technology Building, Room 107
2001 Third Street, Norco, CA 92860
4 pm – October 15, 2015

Members Present:  Staff/Guests:
Nick Ferguson, chair  Aaron Brown, Vice Chancellor, Business and
Morrie Barembaum  Financial Services
Susan Cash  Chris Carlson, Chief of Staff and Facilities
James Cuevas  Development
Jeff Kraus  Majd Askar, Director, Business Services
Tyrone Macdeon, Sr.  Bill Bogle, Controller

Members Absent:  Peggy Cartwright, Associate Vice Chancellor,
Bob Frost  Strategic Communications & Institutional Adv.
Bart Doering, Facilities Development Director
Sandy Ferguson, Community Member
Gema Ptasinski, Partner, Vicenti, Lloyd &
Stutzman LLP

Call to Order: 4:02 p.m.
Approval of Minutes: Cuevas/m; Cash/s - Vote: 5-0  (Kraus arrived at 4:15 pm)

Measure C Projects Update
Chief of Staff and Facilities Development, Chris Carlson, presented the Measure C projects update.

Moreno Valley College
The Network Operations Center is an on-going project at Moreno Valley College. With the MVC Comprehensive Master Plan approved, the district submitted an Updated Letter of Intent for Ben Clark Training Education Center on June 30, 2015, and BCTC self-funded facility is included in the 5-year Capital Improvement Plan filed with the State. The key projects in the master plan and 5-year CIP include the Library and Learning Center, Natural Sciences Building and the Ben Clark Training Center.

Norco College
The report on the Department of Toxic Substance Control groundwater monitoring wells is almost complete. We will have a land use agreement on certain areas around the site, which provide Norco College requirements for current maintenance and operations of parking lots and protocols for future construction projects.

Riverside City College
RCCD Centennial Plaza – (Coil School for the Arts, RCC Culinary Academy and District Offices)
Occupancy is expected for the district offices February 2016. The culinary arts program will move in during their April 2-16 break, as they are not on a traditional academic year. The school for the arts is planning to host their spring performances in the performance hall, but won’t move the academic programming until the summer break.
Kane Student Services/Administration
The Kane Student Services and Administration Building project is moving along. An additional layer of roofing (waterproofing) is being installed in anticipation of the El Nino forecast this winter.

Educational Master Plan
We are working on updating RCC’s educational master plan, which will affirm the college’s remaining Measure C projects.

Capital Improvement Plan
The District 5-year CIP includes RCC projects.

Moreno Valley College
ADA Transition Plan – Phase I
The fire panels at MVC were completed, which finalizes the ADA transition plan, phase I.

Board Reports – July – September

Agenda Item (IV-C-1) 8/4/15
We submitted the PLA Annual Report. The PLA was in effect until April 1, 2015 so any new Measure C projects after this date is subject to the PLA. All current projects fall under the agreement and we will continue to report all labor that until these projects are finished. We will be able to provide a complete PLA report next year.

Agenda Item (VI-B-5-d) 8/18/15
Bidding for fixtures and furniture for Centennial Plaza was awarded to Corporate Business Interiors in the amount of $1,159,621 million. The staff is finalizing details this week.

Agenda Item (VIII-E-1) 8/18/15
Agreement amendment with River City Testing in the amount of $83,666.85 for the Culinary Arts Academy/District Office Building for additional special inspection and materials testing services. There were delays with Columbia Steel, and will back charge the steel company because of the delays.

Agenda Item (VIII-E-2) 8/18/15
The Board approved an agreement amendment with PLA for the CAA/DO project for updates to the elevators and fire sprinklers. With the amendments their total contract is $2,457,934.50.

Agenda Item (VIII-E-1) 9/15/15
With projects closing, the staff has completed a full cleanup to close the projects. There is a project savings for the district and colleges in the amount of $4,232,612 to be placed back into the Measure C fund.

Agenda Item (VIII-E-2) 9/15/15
Due to continued project delays by the contractor, the project timeline for the MVC Network Operations Center has been extended. The Board approved an agreement amendment for the architect in the amount of $56,775 for additional construction administration services.

Agenda Item (VIII-E-2) 9/15/15
An amendment for the Network Operations Center project at MVC was approved for $4,480 with Inland Inspections and Consulting. The additional cost will be charged back to the contractor as a deductive change order.

Campus Update – Norco College
Vice president of Business Services, Beth Gomez provided an update on Norco College. She presented information on the Norco College master plan, which includes the three projects discussed in the project update as well as recommended renovations. Upon completion of these projects a few buildings will be repurposed.
Question – Ferguson: So you’ll be shifting people who are housed in these buildings as the new ones are built. Answer - Gomez: Yes, we will repurpose.

The District signed a 30-year deed with the Department of Education on June 4, 1985 thereby granting RCCD the land on which Norco College is currently located. I’m pleased to report that as of June 4, 2015 the college now owns the land and is no longer required to report anything that has to do with the land with the U.S. Department of Education.

The master plan also calls for a secondary road to be constructed on campus. Currently entering and exiting Norco College is a challenge because there is only one way in, from Hamner Ave. The College Comprehensive Master Plan identifies potential access points, but each one has it’s own challenge. The city of Norco approached the college to discuss access on Mountain Avenue which would go around the egg ranch and connect with Third Street and ultimately closer to the 15 freeway. The City is assisting with the planning, realizing the impact our traffic has on the city.

The City is working with the College to construct and install a “public” electronic sign at the corner of Hamner Avenue and Third Street, just behind the existing monument sign. Gomez shared architectural renditions of the sign that include an electronic display board, which the College, high school and city could use to showcase events.

Question: Tyronne Macedon: As for the repurposing how long will people be moved? Answer – Gomez: This is really far in the future; the next project would be the Multimedia and Arts Center. With that we would move people from modular buildings. The repurposing will be several years in the future.

Question: Jeff – What is the estimated cost of the sign and what is the funding source for this project? Answer – Gomez: We estimate it around $100,000 and we been working on this sign project for a number of years and have some bookstore funds over the years that we’ve saved for this project. The City is interested in assisting us in installing this sign before March, the college’s official 25th anniversary.

Measure C Financial Update
Vice Chancellor of Business and Financial Services, Aaron Brown provided the Measure C financial update. In the project commitments summary changes, there is a change to the amount of Issuances of Series 2004 A through Series 2015 E. Issuances and proceeds changed by the amount of the 2015 issuance. The interest income change occurred because at the beginning of the year we give an estimate. Now we have actual results and then make an estimate for the new year. Another significant change is that we went back to the Board with the project savings it impacted the budget and moved significant items from in-progress to completed. You’ll see the programming of the new issuance so we can fully budget the commitments. Bottom line is the $10 million are the commitments to-date because there are $40 million left to issue. This amount will go up to the level as we go through the next few years when we have the final issuance.

Question– Ferguson: What is the amount of the final issuance? Answer – Brown: Roughly $40 million.

As far as expenditures from last time it is roughly $14.4 million, major items are the Culinary Arts and the Center for the School of Arts, which account for about $8.8 million and the RCC Student Services at $3.6 million, the MVC Network Operations Center and the NC Fuel Cell project. The four projects account for 96% of that total.
Question – Ferguson: How is the Fuel Cell project coming along will it have a significant energy savings to the district? Answer – Brown: It is projected to be significant; we will see how it turns out. We are definitely seeing a decrease in electricity costs, yet there is an increase in natural gas costs to run it. It just came on line in spring 2015, so we will see how it works out next year.

Business from Committee Members

Measure C Audit

Gema Ptasinski, a partner with Vincenti, Lloyd & Stutzman presented the Measure C financial audit for 2014-15. The auditor presented a letter addressed to the Board of Trustees and the CBOC with the scope and results of the audit. There were no difficulties in performing the audit. There were two corrected misstatements because the district changed funds and there were a few adjustments in reporting that occurred. It wasn’t anything to be concerned about just a transitioning situation and both were corrected.

Question – Ferguson: Basically they were not material? Answer – Ptasinski: They were material in that they were adjusted, but it was a unique situation, so it’s not a matter of poor control it was a unique situation in the accounting department with the transition. Brown – explained why the district moved the funds from fund 41 into Fund 43. There was no change in the bottom line it’s just the fund that it had to be accounted for.

Question – Ferguson: Did that deplete Fund 41? Answer – Brown: Yes, it zeroed it out.

The audit is a combined report with the financial and performance audits. The auditor reported a clean audit and full compliance of the law. There were no issues with Measure C findings after a review of income and expenditures. The auditor’s summary letter reported no adjustments and no findings of errors.

Question – Cuevas: In regards to the revenues, is the majority of the $424,099 Foundation transfers? Answer – Brown: I believe that is mostly rebates from the fuel cell from Southern California Edison.

Measure C Audit – Chair Interview

Nicholas Ferguson, COBC chair presented a report of the Measure C Audit telephone interview he had with the auditor. He reported that there were no issues between district staff and the CBOC. The material is presented and questions are answered in a timely manner.


Nicholas Ferguson presented the 2014-15 CBOC Annual Report. Tyrone Macedon, Sr. requested that “Sr.” be added to his name on the cover. The committee approved the report with the correction. The report is to be presented to the Board of Trustees at the October 20, 2015 meeting. Members Jeff Kraus and James Cuevas will attend the meeting to report on behalf of the CBOC.

Question - Kraus: The bid selected for the furniture and equipment for Centennial Plaza was 5% over the lowest bid, what in particular made you not choose the lowest bid? Answer – Brown: We went through an exhaustive bid process and selected a company based on their services and ability to meet timelines. Question – Kraus: In a past meeting staff made a presentation in the past that explained how the district selects companies and the bidding process. Answer – Brown: This bid is a little different because we are dealing with services versus a construction bid. This
project has to do with the product but also the services and the ability to provide services based on our needs and meet our timelines.
Response – Doering: We also looked at more than the product they were providing, things like parts in stock. If something breaks will they be able to fix it and/or provide repair items.
Response – Askar: The warranty was also an area we reviewed in the bid. Because it is a professional service, we reviewed the installation and service.
Response – Brown: We are expecting the furniture to last for many years

Question – Kraus: My next question deals with the project labor agreement. The PLA is a 5-year agreement that ended in March, but the report went through June/July of this year. The projects are going on, are new projects subject to the PLA? Answer – Brown: Any new project that begins after April 2015 is not subject to the PLA. There are legacy projects that started during the term of the PLA and they carry on until the project is finished.
Question – Kraus: The Board decided not to renew, revisit or reconsider it?
Answer – Brown: Our Board has not brought it up; therefore there is no succeeding agreement and no plans for another PLA.
Response - Askar: According to SB854 contractors are required to upload their payroll with the state for any project above $1,000. The Department of Industrial Relations is monitoring this for the state. RCCD registers vendors so the contractor knows to upload their certified payroll.
Question - Kraus: There are things that would have become redundant? Answer – Askar: Yes.
Brown: Now it is a state compliance issue.

Question – Kraus: In regards to the PLA, how does RCCD compare to other colleges or districts in Riverside or San Bernardino County? Is anyone else monitoring local hiring? Are we higher, lower, or in the same range? Answer - Doering: The company that did the PLA prepared this report and I’m not sure how much input we have on the preparation of that report.
Question - Ferguson: Would it be possible for the staff could get back to us with information if it is available. Answer – Brown: Yes. Response – Cuevas: I believe the figure was somewhere around 60% for local hiring which overall is really good. Statistically I’d say the district has done a good job.

Public Comment
None

Adjournment: 5:18 pm