

Minutes of the Citizens' Bond Oversight Committee Meeting
July 17, 2014
Riverside City College
Administrative Building Conference Room

Members Present:

Nick Ferguson
Rikki Hix
Morrie Barembaum
Susan Cash
James Cuevas
Bob Frost
Jeff Kraus

Members Absent:

None

Staff/Guests:

Aaron Brown, Vice Chancellor of Business & Financial Services
Chris Carlson, Chief of Staff and Facilities Development
Wolde-Ab Isaac, Interim President, RCC
Jim Parsons, Associate Vice Chancellor, Strategic Communications & Relations
Bart Doering, Director of Facilities Management
Robert Schmidt, Senior Public Affairs Officer

Call to Order: 4:02 p.m.

Approval of Minutes: Barembaum/m, Cash/s - Vote: 4-0

Campus Update

RCC Interim President Wolde-Ab Isaac gave a college update. Accreditation was a major undertaking - very important that RCC got the reaccreditation for six years; team did note the turnover of leadership, but said they could see no impact from that situation on the College's ability to maintain quality environment. The college and district culture impressed them. RCC enrollment - increasing by about 3% a year; RCC will continue to increase enrollment next year to about 14,500, about 30,000 student headcount.

Member question: What effort is being made to put students into cohorts and decrease the number of "career students." Answer: College is working on several ways to reduce the time it takes for remediation and the time it takes to graduate. Some involve cohorts; others involve reviewing and adjusting curriculum.

Member Frost commented that AB86 also helps the feeder high schools to get students more in tune with what's required.

Measure C Financial Update

Vice Chancellor Aaron Brown reported that his office is starting year-end activities, which he expects to be completed by mid-August. Most significant Measure C items at the moment related to the power generation incentive programs at Norco College. A contingency budget augmentation was presented to the Board of Trustees in June related to the Centennial Plaza project, but the money involved was redevelopment not Measure C.

He also noted that the Measure C cash balance decreased by \$4 million from the last time the financial report was presented.

Question from Chair Ferguson: Is the total Measure C balance (amount still to be issued) the same as projected before? Answer: Yes, current balance stands at \$85 million.

Mr. Brown reported that the 2014 Refunding achieved better than expected results. Savings were \$5 million, above what was originally planned, i.e., \$3.6 million. Additional good news was that the District was able to refinance at the existing terms of the old bond.

Measure C Projects Update

Chief of Staff and Facilities Development Chris Carlson gave the regular project update, noting that the Network Operations Center project at Moreno Valley College had gone out for bid. She also noted that the District would be bringing an augmentation request to the Board of Trustees for \$.5 million because of increased scope of the project and possible future expansion.

MVC NOC has a district function; provides us redundancy.

She also reported that MVC had not moved forward with the Education Facilities Master Plan for Board consideration. More planning as needed related to the Ben Clark Public Training Center and the state process; timing of plan finalization was not critical.

RCCD submitted 5-year CIP to the State; the plan remained unchanged for all three colleges. There is still a possibility for a statewide education bond, Ms. Carlson said, though that possibility is lessening. She added that a lot of Measure C that is not already committed is dependent on a future state bond.

Norco College continues to deal with groundwater monitoring; trying to get a land use restriction covenant in place to clarify matters.

Riverside City College – Ms. Carlson reported that construction is underway on CSA and RCC CAA/District—site development phase. Update: Phase 1 was bid, Phase 2 was bid and awarded at June board meeting.

Ms. Carlson noted that capital improvement and construction projects are now being presented to the Board of Trustees with information being broken down in phases, and the Board is being pre-informed about the various phases and anticipated timing and costs.

The Student Services Administration Building is Department of State Architects' back check; should go out to bid in fall 2014. The Lovekin Tennis Project is closed out and under warranty.

Ms. Carlson also reported that the cafe project on upper campus near the School of Nursing is dead; RCC decided not to move forward with the project. Reasons included projected operational costs as well as other college priorities.

The district-wide ADA project/Phase 1 is done and going into warranty period. The utility upgrade project on campus continues with cutover section work scheduled for spring break and throughout the summer. A major cutover will be done in the Quad during the fall semester.

Ms. Carlson reviewed Board action items - bid awards included in report – the Centennial Plaza project - where bids came in from, where the businesses are located. She reviewed the relevant Board reports and project changes since the last time the committee met.

Question from Chair Ferguson: Can we start receiving the report that outlined expenditures on Measure C projects, the one that showed the percentage of state, local and private money? Answer: Ms. Carlson will provide that breakdown as part of the 5-year CIP.

Chair Ferguson noted that the story about how much state money was leveraged by Measure C was a good one to tell.

Question from Member Kraus: Was there any analysis of facilities cost in the recent accreditation reports? Answer: There is a resource under a section detailing how the District/Colleges function: tracking and planning for total cost of ownership was one of the recommendations of the teams. Mr. Brown added that the question of facilities cost indirectly touches on this is technology - total technology plan - refresh and replacement.

Question from Member Kraus: Board reports - In reading the ones with the subcontractor bids for CSA - some of the bids were extremely narrow in difference – how do the cumulative numbers compare with the project budget? Answer: In some areas we came in under budget--kitchen and kitchen equipment. In others, such as concrete and miscellaneous we came in over. Where you had spreads wasn't necessarily where you have architects/experts; rather it is where the state came in with requirements, e.g., requirements for more steel.

Question from Member Barembaum: Do you have a summary of any issues related to facilities that you could share with the committee? Answer: Yes, we will provide that in the future.

Business from Committee Members

Mr. Parsons presented a working draft of the 2013-14 CBOC Annual Report, noting that he would send out a revised version that included a synopsis of the July 17, 2014 meeting. He asked that the Committee review and send changes via email. Those changes would be incorporated and a final draft sent back out via email for final approval by the Committee. Chair Ferguson will present the report to the Board of Trustees at the August 19 meeting.

Mr. Parsons also noted that Senior Public Affairs Officer Robert Schmidt would be taking over from him as staff to the Measure C Citizens' Bond Oversight Committee after the August Board of Trustees meeting.

Chair Ferguson reported on the telephone interview he had with Measure C auditors. Questions related to whether communications were open, did the Committee feel free to ask questions and get responses from staff, etc. He noted that the Committee's biggest responsibility is to make sure that the Measure C money is being spent on projects and in ways approved by the voters in the March 2004 election. He shared that he discussed the problems encountered with the Wheelock Gym retrofit/modernization, noting that it will always cost less to identify issues beforehand rather than after construction begins. He reported to the auditor that, to the best of his knowledge, the District was working to make sure this happened, that he

was not aware of any fraud or financial improprieties, that committee members felt free to ask questions, and that staff provided the information requested.

Public Comment

None

Adjournment: 4:56 pm