

# CITIZENS' BOND OVERSIGHT COMMITTEE

## MINUTES

MARCH 12, 2013

3:30 P.M. – 5:00 P.M.

CSSC, MULTI-PURPOSE ROOM

<b>ATTENDEES</b>	<p><u>Members:</u> Mr. Lawrence M. Cohen, Chair (Business Representative); Mr. Kenneth Eklund, (Senior Citizen Group Representative); Mr. Chris Escobedo, (Taxpayers' Association Representative); Mr. Geoffrey Kiehl, Vice Chair (Member At-Large – East Valley); Ms. Brenda Valdez (Student Representative); Mr. Larry Spicer (College Support Organization); Mr. William H. Waldron (Member-At-Large West Valley)</p> <p>Mr. Steve Renew, College of the Desert's Director of Facilities Services; Mr. Mac McGinnis, Bond Program Manager from EIS Professionals; Mr. Wade Ellis, College of the Desert's Director of Fiscal Services; Dr. Joel Kinnamon, College of the Desert's Superintendent/President; Mr. David Casnocha, Bond Attorney with Stradling Yocca Carlson &amp; Rauth</p> <p>Recorder: Linda Costagliola Minutes Approved: 6/11/13</p>
------------------	--

### Agenda topics

1. CALL MEETING TO ORDER

LARRY COHEN

<b>DISCUSSION</b>	L. Cohen called the meeting to order at 3:30 p.m. He introduced and welcomed Mr. Casnocha to the meeting.		
<b>CONCLUSIONS</b>			
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>	
1. None			

2. APPROVAL OF MINUTES –  
DECEMBER 11, 2012  
MEETING

LARRY COHEN

<b>DISCUSSION</b>	<p>A motion was made by K. Eklund to approve December 11, 2012 meeting minutes;</p> <p>There was a concern about the auditor's response to one of the questions that the committee had asked of the auditor. A quote from the auditor was read, "They verified that the funds from the bond building fund Measure B were generally expended for voter authorized bond projects as listed in the approved bond project listing." The concern is with the word "generally" because they thought precisely these funds are to be spent only on bond authorized projects. Just wondering if it was a matter of speaking or if there is something more to that qualification that they may be temporarily spent on something else and then reimbursed. W. Ellis said that the word "generally" by the auditors is generally used. That is a comment that they make. All the bond funds have been spent specifically on the bond projects. The auditors found no exception to that rule. The word that they used "generally" could have been a better used word and said "specifically." The auditors sample transactions. They don't verify each and every transaction. So maybe that's the qualification. We can't change the minutes to put words in the auditor's mouth.</p> <p>Seconded by L. Spicer. All in favor. No Opposed. No Abstained. Motion Passed unanimously.</p>		
<b>CONCLUSIONS</b>	Meeting minutes from December 11, 2012 meeting were approved.		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>	

1. None.		
----------	--	--

3. COMMENTS FROM THE PUBLIC

LARRY COHEN

<b>DISCUSSION</b>		
<b>CONCLUSIONS</b>	No comments were made from the public.	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
1. None.		

4. WORKSHOP ON ROLES & RESPONSIBILITIES OF THE CITIZENS' BOND OVERSIGHT COMMITTEE

DAVID CASNOCHA  
(Bond Attorney)

<b>DISCUSSION</b>	<p>D. Casnocha provided background information regarding general obligation bonds for schools.</p> <p>Years ago as community colleges merged out of the shadows of high school districts, a number of colleges in the old days issued local school bonds to finance the construction of their first campuses. And they had the legal authority to do that up until 1978. In 1978 Proposition 13 passed. Proposition 13 removed the ability of school districts and community college districts to pass a local bond because Proposition 13 removed the ability to levy property tax, which is the basis of security for these types of bonds. From 1978 to 1986, no community college district could sell or pass a local bond. In 1986 the Constitution got amended by Proposition 46 that said that with two-thirds voter approval a community college district could pass a general obligation bonds and spend those bond proceeds on the acquisition and improvements of real property. There were a number of colleges who after 1986 passed bonds at a two-thirds level, but that was a high threshold. The colleges could not spend the bond proceeds on furniture or equipment. From 1986 to 2000, stakeholders who were frustrated by the difficulty in passing a bond, lobbied for a change in law. There was a big legislative conversation as to whether or not the new pass rate should be 50%, 51%, 55% or 60% and all those rates got resolved in the passage of Proposition 39. Proposition 39 became a law in 2000. It represented another change to the Constitution that said that in addition to be able to have a two thirds bond, a community college could pass a bond with 55% percent of voter approval and use the bond proceeds for the acquisition and renovation of school facilities as well as the furnishing and equipment of the school facilities. If you choose to go to the voters and get 55% voters approvals, Measure B, you have to agree to a list of certain other conditions: 1) You have to have an election at a regular scheduled election days; 2) You have to submit your bond expenditures to independent financial and performance audits; 3) You can't issue bonds if you expect the tax rate to exceed \$25 per \$1,000,000.00 in assessed evaluation; 4) you have to explain to the public with greater specificity the nature of the projects that you expect to fund with the bond program; and 5) Create and populate a Citizens' Bond Oversight Committee and give to them the responsibilities that are set forth what was then called the implementation.</p> <p>The powers of an oversight committee are defined by the State Legislature not by the local governing boards of the community college districts.</p> <p>Mr. Casnocha reviewed the bylaws with the members. Noted some changes:</p> <ul style="list-style-type: none"> <li>• Name of Committee: Change to Independent Citizens' Bond Oversight Committee</li> <li>• Because this committee is an oversight committee and not an advisory committee, the members do not have to fill out the conflict of interest FORM 700.</li> <li>• Wade will check to see if it is possible that the committee and its members be added to as additional insured errors and omissions insurance policy that the district buys for board members or that the district indemnify the members for any liabilities on their insurance policy.</li> <li>• This committee is subject to The Brown Act: 1) All business is conducted in a public meeting and it's properly noticed; 2) only talk about items on the agenda; 3) If there is committee business, that it not be conducted by serial meetings.</li> <li>• Section 3.1 Inform the Public: Add another sentence: In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair, acting on behalf of the committee. The Chair shall only release information that reflects the majority of the committee. The college has to maintain a website for the committee.</li> <li>• Section 3.2 Review Expenditures: Primary responsibility is to review expenditures to make sure they were spent for voters approved projects. Members reviewed Resolution 100 – Resolution of the Board of Trustees of the Desert Community College District Ordering an Election, and</li> </ul>
-------------------	---

	<p>Establishing Specifications of the Order, Exhibit A and Exhibit B – Full Text Ballot Proposition.</p> <ul style="list-style-type: none"> <li>• Section 3.3 Annual Report: There has to be a sentence in the annual report that says that the committee reviewed the expenditures and that the committee concludes that the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution. That means that the bond funds were spent on improvement of school facilities and not on inappropriate teacher or administrative salaries. There was a suggestion to have a draft of the annual report at the September 2013 meeting for review.</li> <li>• Section 3.4 and 3.5 the committee has no jurisdiction over the approval of construction contracts, approval of construction change orders, expenditure of construction funds, handling of all legal matters, approval of construction plans and schedules, approval of all deferred maintenance plans, and approval of the sale of bonds. But the committee is encouraged to ask questions about those items.</li> <li>• Section 4.2 (c ) Review copies of deferred maintenance proposal or plans developed by the District. D. Casnocha encouraged the committee to ask questions about the deferred maintenance plans. For example: How are you paying for its maintenance on a building that was built with bond funds. S. Renew said that the College received approximately seven million dollars of pledges for some of the buildings for deferred maintenance projects. Recently, the College started a life cycle cost analysis. They will do a complete campus wide audit. Plug that information into the maintenance program and then the College will be able to look at future years what the College's cost per year should be. The City of Palm Desert donated two million dollars for the future maintenance of the Public Safety Academy.</li> <li>• Section 4.1 (d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures. Bonds are an evidence of debt. Our debt has been voter approved. Our debt is debt that is paid back solely from property taxes commonly known as a general obligation bonds. General obligation bonds are commonly sold in \$5,000 denominations and as the investor, they get paid interest every six months on the bonds. Is it a correct statement to say that the current status of our bylaws and current law, whatever we need the bylaws to come up to, do not mention, as part of our oversight, the approval of financing instruments, is focused on expenditure of funds. Whether they do a CAB or they do a GO bond, it is not in the committee's purview. The attorney said that 100% is not within the committee's purview. At any time in the history of this committee has the college ever converted to consult with the oversight committee about any terms and conditions of any bond that they planned on issuing. The first time that this committee ever heard about a bond was long after each bond official statements were prepared. This committee has never been involved, never was part of the decision making process at all about how the bonds were going to be sold, how the bonds were going to be approved, what tax rate they were going to be, or whether they were current interest bonds or capital appreciation bonds.</li> <li>• Section 5.4 Term - Now the law says that you can serve two consecutive three year terms instead of two year terms.</li> <li>• Section 11 – Will change to: The Committee terminates when the last annual report has been submitted following the fiscal year in which the last dollar was spent.</li> </ul>	
<b>CONCLUSIONS</b>	Mr. Casnocha will update the update the Bylaws and send them to Dr. Kinnamon.	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
1. Add Revised Bylaws to the agenda for June 11, 2013 meeting	Linda Costagliola	6-11-13

5. IRS AUDIT

WADE ELLIS

<b>DISCUSSION</b>	<p>The Internal Revenue Service has become more aggressive in recent years with respect of auditing public agency bond programs. There are two general categories of audits; one is called target audits and the other one is called random audit. Target audits are directed by the Internal Revenue Service against districts who are known to do unwise things.</p> <p>College of the Desert was subject of a random IRS audit. The District received this audit in July. It is being worked on by Wade Ellis and the tax lawyer. When you sell bonds, you make a number of different tax covenants: One is to spend your bond monies within a certain agreed upon period of time and another one is to take all steps to maintain tax exemption. The colleges are asked to show: 1) What did you spend the bond monies on; 2) How much and when did you spend those bond monies; 3) Have you invested unspent bond proceeds and have you earned any arbitrage where investment profit should be paid back to the Federal Government. In 2007, the College sold 223 million dollars of bonds. They agreed to spend 85% of this money in three years. The Districts are frequently delayed in spending bond monies because the division of state architect, who has to approved bond projects, turnaround is slow, and construction costs savings, by having the cost of construction go down after the college budgeted certain dollars for bond projects. Now there is money left over which is good news but the cash was not</p>
-------------------	--

out the door. The college is subject of a random audit and they are answering questions regarding how our expectations in spending the bond monies in 2007 were reasonable based. The IRS reviews your expectations of spending the money. The test is would a third person, unfamiliar with the facts of circumstances, walked in the door and looked at everything that was laid out on the table that served as the basis of the belief that we could spend 85% of \$225 million dollars in five years from December 13, 2007 to December 13, 2012. The test is: would a reasonable person believe that the expectations were reasonable.

W. Ellis said that an IRS agent has been on campus and that he has supplied him with a lot of documentation. The College is faced with three issues that have caused the College not to spend 85% by December of 2012 for the series C, which is the only series that is being looked at by the IRS. One issue is the economy. Right after the College issued these bonds, the economy fell and construction costs went down. The College had a savings of approximately 20 million dollars that would have been spent if the economy did not fall. The second issue is that the approval from the Department of state Architect took six months to a year instead of two to three months for approval. The College could not start a project until they received approval from the Department of State Architect. The only project the College had significant delay on was the Library, which the College was supposed to get 35 million from the State and they did not receive anything. So the College had to move on with that project instead of waiting any further. During the time of the economic crisis, the concrete contractor went bankrupt while working on the Math Science Technology Center building project, which delayed the project six months. The amount that the College needed to spend by December 2012 was 190 million dollars out of the 223 million dollars. The College is 35 million dollars short. The County handles all of the funds except for the series b, which is handled by US Bank in a long term investment. Along with everything else that started in a downward spiral, so did the interest. The interest that the College was anticipating getting by floating all the bonds was substantially less. There was never any positive arbitrage. It's been negative. No claims have been made or any penalties have been made at this time from the IRS.

J. Kinnamon commented on the FTES issue with the State Chancellor's Office. The College is in the process of working with the Chancellor's Office to determine what the dollar amount will be that will impact College of the Desert. The Board of Trustee authorized the FCMAT team, under contract with the College, to review all our processes, change our processes, trained an individual to collect all of our data that gets reported and to validate our processes and numbers. Business Affairs was not part of the reporting process. However, now Business Affairs will be part of the process because the College wants additional checks and balances on the numbers. The College hired a retired chief instructional officer of 40 years that is working with the IT staff on data; how it is collected and how it should be reported, and is providing professional development to all of the College's deans and staff about reporting full-time equivalent students and how colleges are funded. The College responded to the extraordinary audit that FCMAT did. In Title V, there are specific things that institutions need to demonstrate that they have done and the College has demonstrated that it has done all those things. The College is trying to arrange a settlement with the Chancellor's Office so that there will be less of an impact on the students in the future. There has been no decision on what that amount of money will be.

**CONCLUSIONS**

**ACTION ITEMS**

**PERSON RESPONSIBLE**

**DEADLINE**

1. None.

**6. BOND PROJECTS UPDATE  
& BOND PROJECT FINANCIAL  
REPORT**

MAC MCGINNIS & STEVE RENEW

**DISCUSSION**

M. McGinnis and Steve Renew reviewed the following items from a PowerPoint presentation:

**Project Status Reports – Current Projects:**

**Communication Building – (Project in Construction)**

Architect: tBP Architects  
 Construction Manager: ProWest  
 Project Square Footage: 39,800 sq. ft.  
 Construction Start: Fall 2011  
 Estimated Project Completion: Spring 2013  
 Total Project Budget: \$25,100,000  
 Construction Budget: \$17,570,000  
 Expenditures to Date: \$17,327,652  
 Project Update:

- Furniture delivery and installation complete
- AV installation complete
- Landscaping complete
- Building Test & Balance contractor substitution in process
- Carpeting additional product in process
- Completion walk executed; punch list in process
- Construction fence removal schedule in discussion with District
- Substantial completion date rescheduled for 3-15-13

Sustainable Features:

- Will be minimum LEED Silver certified
- Building automation controls to optimize mechanical system
- Water – conserving landscape
- Heating and cooling via central hydronics system
- Photovoltaics
- Shading strategies

The new Communication Building is planned as a two-story steel framed building that will house classrooms, faculty offices, meeting rooms and ancillary spaces.

**Monterey Entrance (Project in Construction)**

Architect: PMSM Architects

Construction Manager: ProWest

Project Square Footage: Exterior Site Work

Estimated Construction Start: Summer 2012

Estimated Project Completion: Summer 2013

Total Project Budget: \$5,300,000

Construction Budget: \$3,500,000

Expenditures to Date: \$3,652,251

Project Update:

- All walls are sacked in preparation for sand blasting on 3/1/13
- Landscaping continues at the east side of project
- Grading at east side complete
- CM is working on a method to protect the bolts for the shade structure from rust, since the bolts wells are being filled with water and dirt
- Discussions in process with District to place additional lights at northeast area of site
- New flag pole pricing obtained for review with District

Sustainable Features:

- Public transportation
- Drought Tolerant Landscaping
- Efficient irrigation system utilizing reclaimed water

This project includes the widening of the entrance (in conjunction with the City) to the college at Monterey Avenue and also the adding of hardscape and landscape between the Communication and Student Services buildings.

It was mentioned that some people make U-turns at the start of the turnabout to exit the campus or they will turn left to cut across instead of going around. There will be signage and road striping. Most everybody seems to be obeying the traffic rules.

The construction budget is 3.5 million and so far the college spent 3.652 million for construction, design fees, DSA fees, special testing, inspections, surveys, construction management and the percentage complete of construction is at 81%. They had to add another figure to the budget to include the shade structure. 1.8 million of the 5.3 project budget is for soft costs, which is approximately 30%. Soft costs are typically in the 30% range. Design is at 8%, construction manager 10%, program management is 2-3%, DSA is at 1%, inspector 6-7%. The soft costs are based on the 5 million and the additional \$300,000 is for the shade structure.

**Indio Education Center (Project in Construction)**

Architect: gkkworks

Construction Manager: gkkworks

Project Square Footage: 40,000 sq. ft.

Estimated Construction Start: Fall 2012

Estimated Project Completion: Fall 2013

Total Project Budget: \$22,000,000

Construction Budget: \$16,068,813

Expenditures to Date: \$4,739,485

Project Update:

- First pour of pile caps complete
- Installation of reinforcing in pile caps continues
- Poured concrete for pile caps and footings in Area A (north end)

- Executed OCIP applications sent to insurance agent
- Phase 2 contractors' NTP commence on 3/1/13
- Receiving and processing project submittals and RFIs

Sustainable Features:

- Will be minimum LEED Silver certified
- Architectural environmental control
- Public transportation

New 3 story building in Indio with classrooms, administration, offices, and commercial retail space. It will provide permanent school space for the COD Indio classes that are currently being held in leased space, and will allow for additional science and laboratory classes that are so impacted at the Palm Desert campus.

**Athletic Facilities (Project in Construction)**

Architect: LPA Architects

Construction Manager: ProWest

Project Square Footage: 26,840 sq. ft.

Estimated Construction Start: Fall 2012

Estimated Project Completion: Summer 2014

Total Project Budget: \$22,265,238

Construction Budget: \$14,480,250

Expenditures to Date: \$5,467,113

Project Update:

- SWPPP installation work in process
- Earthwork contractor on site demolishing flatwork, foundations, grubbing
- EE and CE on site to review location of existing underground utilities; contractor commenced potholing to support that effort
- Demolition continues in Shower/Locker building

Sustainable Features:

- Will be minimum LEED Silver certified

New gymnasium, team rooms, restrooms, shower/locker rooms and maintenance facilities for the Physical Education and Athletics programs, as well as renovation of an initial structure to accommodate weight training, multipurpose rooms and faculty/staff offices for the Physical Education and Athletics programs for the campus. New tennis facilities and athletics quad.

**West Valley Campus - Palm Springs (Project in Design)**

Architect: HGA Architects

Construction Manager: Sundt Construction

Project Square Footage: 50,000 sq. ft. (Phase I)

Estimated Construction Start: Spring 2013

Estimated Project Completion: Fall 2014

Total Project Budget: \$43,000,000

Project Update:

- Project is at DSA for review. After approval, will move into the bidding phase for this project.
- Meeting scheduled with AE re 100% Constructability Comments
- Draft EIR reviewed by District
- DWA looking for larger line due to two wells tying in together – pending
- Riverside Flood control looking for an additional 30' easement – pending

Sustainable Features:

- Will be minimum LEED Gold certified
- Public transportation
- Solar Energy
- Sustainable Site
- 5 Zero Planning

Construction of a new LEED Gold free-standing 50,393 square feet 3 story Administration Building, 3,200 square feet single story DEEC Storage Building and 5,900 square feet single story Central Utility Plant, & 162 space on-site parking which includes a bus drop-off area. The project will provide educational opportunities to the student population of the western service area of Palm Springs.

Southern California Edison was teaming with the College to provide what is called "GreenPark" on the western part of the site; approximately 60 acres. The College went through design and worked out issues with the surrounding community. Just before the end of the year, Edison pulled out of the deal because their infrastructure would not handle that much more load to their system. Where their plant is they don't have the infrastructure from this site to the plant to the substation to deliver the power. They don't plan on upgrading that for some time. The electricity that would be produced from the solar field exceeded their capacity to receive it.

The College is still planning on having photovoltaic on the site but it will be used for the campus itself.

**Applied Sciences (Formerly Career Technical Education) - (Project in Design)**

Architect: HGA Architects  
Construction Manager: Gilbane  
Project Square Footage: 21,741 sq. ft.  
Estimated Construction Start: Summer 2013  
Estimated Project Completion: Summer 2014  
Total Project Budget: \$12,045,000

Project Update:

- Plans in review at DSA and A number assigned; anticipated first comments by mid-March
- Meeting scheduled with CM to discuss site logistics and power relocation schedule

Sustainable Features:

- Will be minimum LEED Silver certified

This project encompasses both the Agricultural Sciences, which will be renovated along with a new Greenhouse and Lath House, and a new Applied Sciences building that will be home to the HVAC, Drafting, Construction Technology, Natural Resources, classrooms and Labs. The Dean and Faculty offices will also be in this building.

**Child Development Center (Project in Design)**

Architect: HMC Architects  
Construction Manager: None  
Project Square Footage: 10,314 sq. ft.  
Estimated Construction Start: Spring 2013  
Estimated Project Completion: Summer 2014  
Total Project Budget: \$5,620,000

Project Update:

- Pre-bid walkthrough held
- Addendum No. 2 underway
- RFI log created; deadline is March 8<sup>th</sup> for substitutions/RFIs
- Job Walk attendee list posted online
- Geotechnical report posted for online distribution
- SWPP Plan in process
- Testing/Inspection contract complete

Sustainable Features:

- Will be minimum LEED Silver certified

New laboratory providing direct observation of two separate early childhood groups. Support spaces for the young children and staff are included to facilitate the groups while allowing students the opportunity to monitor the interaction and behavioral development of the children.

**Central Campus Redevelopment (Project in Design)**

Architect: LPA Architects  
Construction Manager: ProWest  
Project Square Footage: 66,526 sq. ft.  
Estimated Construction Start: Summer 2014  
Estimated Project Completion: Spring 2016  
Total Project Budget: \$37,550,000

Project Update:

- AV/IT Board Room Meeting held with users, architect and IT consultant
- FF&E Meeting held with architect and FF&E consultant
- Fountain/Plaza Survey of existing condition conducted
- Design Development User Group Meetings held
- Supplemental Site Survey requested by architects in process
- Receipt of CM Schematic Estimate received on Feb. 28th

Sustainable Features:

- Will be minimum LEED Silver certified

Complete renovation of 4 buildings and the central campus fountain plaza. The renovations will prepare spaces to consolidate all administrative functions together and return the Hilb Learning Resource Center/Library to its central role as a research, study and tutoring facility.

**Visual Arts (Project in Design)**

Architect: Perkins & Will  
Construction Manager: Gilbane  
Project Square Footage: 13,710 sq. ft.  
Estimated Construction Start: Spring 2013  
Estimated Project Completion: Spring 2014  
Total Project Budget: \$8,475,000

Project Update:

- Issuance of contracts to contractors commenced
- CM trailer delivered to laydown yard

- Insurance agent received OCIP application
- First construction meeting held

Sustainable Features:

- Will be minimum LEED Silver certified

New building with offices, a multi-purpose classroom, new lab space for 2D art, photography, ceramics & screen printing classes, a wood shop, and a large outdoor yard for kilns and 3D art. It will allow the Art programs to relocate into spaces designed specifically for these programs.

**Stagecraft Shop (Project in Design)**

Architect: PMSM Architects

Construction Manager: None

Project Square Footage: 3,346 sq. ft.

Estimated Construction Start: Spring 2013

Estimated Project Completion: Fall 2013

Total Project Budget: \$1,900,000

Project Update:

- DSA review underway; AE preparing for back-check
- Engineering docs expected next week
- Supplemental spot elevations conducted per DSA request
- Site visit executed to modular factory

New facility that directly supports Theatre Arts functions held on campus. Spaces include a scenery workshop, full costume shop, makeup studio with cast changing facilities, and music/vocal practice rooms.

**4 Week Look Ahead Schedule for 05/30/12 to 06/27/12**

This information was provided so that everyone could see what is going to happen over the next four weeks on the campus.

**Financial Report**

Project Allocations Budget

- Completed Projects:
  - Bond + Other Budget: \$90,154,705
  - Bond + Other Expenses: \$90,154,705
- Current Projects – Ongoing:
  - Bond + Other Budget: \$281,954,446
  - Bond + Other Expenses: \$129,124,602
  - Balance: \$152,829,844
- Future Projects:
  - Bond + Other Budget: \$31,500,000
- Contingency
  - Bond + Other Budget: \$2,784,383
- Central Contracted Management Fees:
  - Bond + Other Budget: \$20,949,879
  - Bond + Other Expenses: \$20,112,582
  - Bond Balance: \$837,297
- Total Summary of Projects Bond + Other Budget: \$427,343,413
- Total Summary of Projects Bond + Other Expenditures: \$239,391,888
- Total Summary of Projects Bond + Other Balance: \$187,951,524
- Funding Sources:
  - Bond Series "A" - \$65,000,000
  - Bond Series "B" - \$57,850,000
  - Bond Series "C" - \$223,648,444
  - State - \$3,144,000
  - RDA - \$38,219,954
  - Interest - \$30,000,000
  - Refunding - \$7,500,000
  - Foundation - \$400,000
  - Rebates - \$1,331,031
  - Surety - \$249,984
  - TOTAL Funding Sources: \$427,343,413
- Deferred Projects
  - Total Deferred Projects: \$47,013,440

There was a request to see more broad categories listed than looking at only one figure. For example, soft costs, hard costs, equipment and furniture. This list could be added on as a supplement. Another request was made to include what was spent on bond series A, B and C.



	<b>Upcoming Events:</b> No events currently scheduled.	
<b>CONCLUSIONS</b>	<p>L. Cohen posed the following question to M. McGinnis and S. Renew; "Are you aware of any bond proceeds that were expended for purposes other than those set forth in Measure B?" M. McGinnis responded, "No." Steve responded, "No."</p> <p>L. Cohen posed the following question to M. McGinnis and S. Renew; "Are you aware of any bond proceeds that were used for any teacher or administrative salaries of the college or for other operating expenses" M. McGinnis responded, "No." S. Renew responded, "No."</p> <p>L. Cohen posed the following question to M. McGinnis and S. Renew; "Are you aware of any expenditures from bond proceeds that were made for purposes other than those approved by the voters in Proposition 39?" M. McGinnis responded, "No." S. Renew responded, "No."</p>	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
1. None		

7. FUTURE AGENDA ITEMS

LARRY COHEN

<b>DISCUSSION</b>	<ul style="list-style-type: none"> <li>Revised Bond Budget: Each year the College reviews the allocations the College has with all the projects. In some cases, there may be savings from other projects that may be added to another project. The last three bids that came in, they came in above what the College estimated or allocated. Now the College is going through all of the projects one more time to see if they need to put an escalation factor on each project and from where would the College get that additional allocation. The sources the College would have would be savings from projects that are completed, from a project down on the list that is in the sequence that needs to be taken off the list and are there other sources of funding. As they work through this process, the first step would be to take it to President's Cabinet for approval and then take it to the Board of Trustees. They look at the enrollments and check to see if the buildings are the right size still and in the right place. They look at how the education side has changed and look at what the projects are. In this case, it is mostly driven by the escalation of construction costs of the last three projects; Art Building, Athletic Facilities and the Indio Campus.</li> <li>Enrollment Services.</li> <li>Revised Bylaws: As part of the bylaws, that the District indemnifies the committee members from any liabilities on their insurance policy.</li> </ul>	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
1. Add Revised Bond Budget, Enrollment Services and Revised Bylaws to agenda at June 11, 2013 meeting.	Linda Costagliola	6/11/13
Meeting adjourned at 5:37 p.m. by a motion from L. Spicer, seconded by C. Escobedo. No opposed. All Approved. Motion Passed.		