



Regular Meeting of the Citizens' Oversight Committee

Meeting Minutes Friday, September 20, 2019 Coast Community College District

A Regular Meeting of the Measure M Citizens' Oversight Committee of the Coast Community College District was held on Friday, September 20, 2019 at Golden West College, LRC 250.

Call to Order

Vice Chancellor Andy Dunn called the meeting to order at 10:03 a.m.

Roll Call of COC Measure M Committee Members

Name	Position	Attendance
David Barneich	College Support	Yes
Ralph Bauer	Senior Citizen Organization	No
Diana Carey	At-Large Representative	Yes
Spencer Finkbeiner	Student Representative	No
Frederick Phu Nguyen	At-Large Representative	Yes
Ellen Riley	At-Large Representative	Yes
Joshua Stone	Taxpayers' Association	Yes

Committee Program Management Team and Administration Attendance

Pedro Cortez	Project Support Special Measure M, District Facilities	Yes
Joe Dowling	GWC, Director of Maintenance and Operations	No
Andrew Deaso	CFCE, President	No
Andy Dunn	District, Vice Chancellor, Administration & Finance	Yes
Eric Fallis	District, Director of Public Affairs and Marketing	Yes
Rachelle Favis	OCC, Project Manager, Measure M	No
Randy Flint	CCC, Director of Maintenance and Operations	Yes
Mike Golden	GWC, Program Manager, Measure M	No
Janet Houlihan	GWC, Vice President of Administrative Services	Yes
Karen Lochart	Staff Aide, Measure M	No
Glory Lopez	OCC, Staff Aid, District Facilities, Measure M	Yes
Jerry Marchbank	District, Sr. Director, Facilities/Planning/Construction	Yes
Brett McNevin	District Facilities, Construction Support Coordinator	Yes
Tim McGrath	GWC, President	Yes
Christine Nguyen	CCC, Vice President of Administrative Services	Yes

Rich Pagel	OCC, Vice President of Administrative Services	Yes
Joes Recinos	OCC, Director of Maintenance and Operations	No
Fred Rocha	District, Ex. Director of Information Technology	Yes
Angelica Suarez	OCC, President	Yes
Dana Swart	District, Controller (representing D. Thompson)	Yes
Daniela Thompson	District, Administrative Director, Fiscal Affairs	No
Dave Thompson	District, Interim Sr. Director of Infrastructure & Systems	Yes
Rosalie Triggs	District, Ex. Asst. to the Vice Chancellor, Recorder	Yes
John Weispfenning	Chancellor, Coast Community College District	No

Opportunity for Public Comment

It is the intention of the Coast Community College District to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the Coast Community College District will attempt to accommodate you in every reasonable manner. Please contact the District Administrative Services Office at (714) 438-4612 as soon as possible to inform us of your particular needs so that appropriate accommodations may be made.

Vice Chancellor Dunn offered the floor for public comment. There were no requests to address the committee during Public Comment.

Approval of the June 5, 2019 Meeting Minutes

A motion was made by Joshua Stone accept the meeting minutes from June 5, 2019, with a second motion from Diana Carey. All in favor; no opposition.

Comments from the Vice Chancellor

A. Introduction of New Student Trustee – Tabled

Student trustee Finkbeiner was not able to attend the meeting due to a class conflict.

B. Proposed Meeting Date Handout

The committee reviewed the proposed meeting dates for 2019/20. It was suggested that the May 29, 2020 date be rescheduled as this meeting would fall the day before a three-day weekend. An alternate date will be provided at the November meeting for consent.

C. Review of By-Laws

A review of the By-Laws will take place at the November 15 meeting. Copies will be sent to members in advance to allow sufficient time for review.

D. Selection of Committee Chair and Vice Chair

The positions of Chair and Vice Chair are open due to previous members timing out of their terms. Per the **By-Laws, Section 9. Officers** *the committee shall elect the Chair and a Vice-*

Chair. No person shall serve as chair for more than two consecutive years.

A motion was made by Frederick Nguyen nominating Diana Carey for Chair, a second motion was made by Joshua Stone. All in favor, no opposition.

A motion was made by Diana Carey nominating Ellen Riley for the position of Vice Chair, a second motions was made by Joshua Stone. All in favor, no opposition.

Measure M Funding Report

The Measure M Funding Report is generated by the District Fiscal office as a method to track and report on each of the five (5) bond issuances and the interest earning associated with them in an effort to best manage resources. The purpose of the endowment series is due to a need for our own source of continuing revenue to maintain facilities and refresh our technology, while assuring the public that bond proceeds are spent as promised. As of June 30, 2019 our Authorized General Obligation Bond Authority stands at \$698 million (with \$530 million having been issued to date).

A resolution is being brought before the Board of Trustees on October 23 to authorize the final issuance of \$168 million in Coast Community College District Election of 2012 General Obligation Bonds, Series 2019F. The issuance will conclude in the January time frame and will provide us with an influx of cash flow that will allow us to continue to execute the already established plan of work.

A second resolution will also be brought forth on October 23 for the Refunding (refinancing) of General Obligation Bonds Series 2013A. This will result in an estimated savings of \$10 million to the tax paying community.

A question was posed by member Stone regarding the term “refunding.” A. Dunn responded that the bonds are being restructured or refinanced to replace an existing debt obligation under different terms.

A detailed informational package on the bond issuances will be sent out to the committee members once the Trustees have approved the resolutions and details have been finalized.

Measure M Endowment Quarterly Report

In 2014 Measure M funded an endowment of \$60 million. This is an 18-year revenue stream that was created in order to have a stable source of income to maintain the building efforts and the facilities of the numerous Measure M projects; this was done because we could not rely on state funding. The funds were invested for a five-year term, and beginning this fiscal year we are able to draw-down funds from the endowment for use by the individual college campuses. The initial investment of \$60 million, plus the interest earnings to date of \$7,721,996 provides a total of \$67,721,996 in the endowment fund.

Coastline College has a draw-down available of \$93,840, Golden West’s draw-down is \$386,080, Orange Coast’s draw-down is \$320,080, and the District is eligible for a draw-down of \$1.2 million. In the last quarter (April – June) there has not been any activity. Maintenance dollars remain in a holding account for the colleges and will be there when needed. The total endowment draw-down to

date is \$2 million. There are no new projects to report to date. Through the planning process on each campus, committees are currently meeting to determine plans for the upcoming year. The next quarter report will show much more activity.

Member J. Stone inquired about the procedural mechanism for the draw-down and decision making processes on endowment projects.

- J. Marchbank responded that only bond eligible capital expenses are authorized to be used with funds drawn-down from the endowment. These dollars cannot be used for other purposes.
- Member E. Riley inquired about the specifics of using funds for maintenance and operations. It was explained that endowment dollars must be used for capital projects such as the re-roofing a building, not the day-to-day maintenance of a building.
- Marchbank went on to explain the process begins with college campus facility teams or management teams determining a need and a specific project on their campus.
- District facilities is notified by the college of the intent to use funds from a draw-down for an identified project. The Measure M document and statement are reviewed to make sure the project is within the allowable scope of Measure M. If it is an allowable project Is validated, and a line item is created on quarterly report.
- Facilities makes a request to District fiscal for a determine dollar amount and a specific account for that specific purpose is created. Fiscal also reviews the Measure M document and statement to make sure the project is within the allowable scope of Measure M.
- Fiscal then works to liquidate assets and place them into the specific project account.
- Colleges are notified when assets have been liquidated and when they will have access to those funds to move forward with the project.

Measure M Quarterly Report: April 1 – June 30, 2019

Dr. Dunn presented the Quarterly Report for the period of April 1, 2019 through June 30, 2019. The report provides the committee with the overall G.O. Bond Project Status as of June 30, 2019 and includes quarterly project status reports district-wide. Quarterly reports are presented by the college Vice Presidents of Administrative Services, and the district's Executive Director of Information Technology.

A program summary of the projects status, as of June 30, 2019, was presented as follows:

Closed

- CCC College Center Restroom Renovation
- CCC Energy Efficiency Projects
- CCC GG Center Solar P/V Carport system
- GWC Campus Safety/Community Education Building/Main Entry

- GWC Elevator Repairs/Replacement
- GWC Rehabilitation Center Remodel
- GWC Campus-wide Wayfinding/Signage Plan
- GWC Math & Science Improvements
- GWC MDF/Communication Relocation
- GWC Security & Access Infrastructure
- GWC Technology Projects
- OCC IDC Phase I (Business, Math, Computing Center)
- OCC Energy Efficiency Projects
- OCC Solar PV/Adams Parking Improvements
- OCC Watson Hall Renovation
- OCC Recycling Center
- OCC Legacy Hall

Financial Closing

- CCC Le-Jao Student Resource Center
- OCC Securitization Fund
- GWC Criminal Justice Training Center
- GWC Student Services Center
- OCC Clark Center
- OCC Planetarium

In Construction

- CCC Newport Student Support Center
- GWC Math/Science Building
- OCC Student Union Complex
- OCC Adaptive PE, Gym, & Pool
- OCC Maritime Academy Expansion

In Design

- CCC College Center Student Support Center
- GWC Language Arts Complex
- OCC IDC Phase II (Language/Social Science)

Ongoing

- CCC Technology Projects
- GWC Energy Efficiency Projects
- GWC Classroom Improvements Fund
- OCC Westside Planning
- OCC Watson Hall Improvements
- OCC Sustainable Landscape Fund
- OCC Technology Projects
- DIST Technology Projects

In Queue

- OCC Chemistry Expansion/Renovation

Planned

- CCC Garden Grove Center Renovation
- CCC Le-Jao Parking Expansion
- GWC Technology Building
- GWC Business/Social Science
- GWC Cosmetology
- GWC Central Warehouse Renovation
- OCC Performing Arts/Dance
- OCC Parking Structure
- OCC Skills Center Renovation

Glossary of Terms

- **Closed** – All activity, both physical and financial, is complete.
- **Financial Closing** – Project is complete, additional punch list items may remain while contracts and financial reconciliation occurs.
- **Construction Completed** - Major work has finished and project is being utilized for its intended purpose.
- **In Construction** – Regular construction activities ongoing.
- **In Design** – Project is in active design/approval.
- **Ongoing** – Project improvements continue until predetermined fund amount is exhausted.
- **In Queue** – Projects awaiting an external funding source.
- **Planned** – Project is identified in the Vision 2020 Master Plan.

Split Budget Summary

Currently there are nine projects that fall into a split funding category where projects are funded by both Measure M and non-Measure M funds. Budgets for these nine projects totals \$157 million, with \$55 million coming from other Non-Measure M funding (Prop 51, Capital Outlay) and \$101 million coming from Measure M funding.

Coastline Community College Updates

Ms. Christine Nguyen, CCC Vice President of Administrative Services, provided the following updates for the college:

- **Newport Beach Student Support Center**
The installation of exterior shade structures to enhance student study areas has been completed.
- **College Center Student Support Center**
The project is in the design development phase. Submission to DSA is slated for January 2020. Currently working with SCE and city of Fountain Valley on a utility reroute.
- **Garden Grove Center**

The last project using Measure M Funding for Coastline College is the Garden Grove Center Renovation which is meant to mirror the Le-Jao Student Resource Center. Currently there is not an area for students to gather or to study in between classes. This project is anticipated to start in 2020 by converting existing classrooms into the student center. Renovation is projected at \$1.5M. The project will begin in 2020.

Golden West College

Ms. Janet Houlihan, GWC Vice President of Administrative Services, provided the following updates for the college:

- **Math/Science Building**

Lab casework complete with all sinks and faucets installed. Office storefronts and furniture have been delivered, exterior flatwork activities finalizing prior to landscaping, planning move-in and equipment relocation. Grand opening scheduled for October 10, 2019.

- **Language Arts Complex**

Construction documents are under development while review meeting with M&O and instructional staff are ongoing. Documents are slated to be submitted in late August to the DSA.

A question was posed regarding the usage and maintenance of older buildings and if buildings would be demolished.

- Vision 2030 was referred to as it is currently being created to look at space utilization and the current usage of buildings. Vision 2030 will provide the colleges with plans to move forward and make campuses as operationally practical, feasible, and sustainable as possible. It was noted by A. Dunn that a significant contrast between the 2020 plan and 2030 plan is that 2020 was aspirational and qualitative in nature, and 2030 is quantitative. Meaningful dialogue will take place in early 2020 with the colleges and the Trustees determining a funding plan for Vision 2030.

Member J. Stone questioned the re-allocation of dollars once a project is completed and asked for clarification on the process. What happens to remaining dollars?

- Allocations are made out to the campus and dollars remain on the campus for oversight. There is an internal campus decision making process - if a campus project comes in under budget, then campus facilities, safety and land committees review the measure M projects list that were not going to be funded. They decide which project could be funded and reallocate the dollars to that campus project.
- A. Dunn reminded the committee that the Vision 2020 plan initially showed close to a billion dollars' worth of capital needs. Measure M got us about 70 cents on the dollar. Based on Measure C, we believed we could leverage about another 20 cents or more on the dollar from state funds. Under governor Brown, the state became parsimonious with the release of bond funds. Currently we have only leveraged about \$55 million in state funds. Early in the program we thought that number would be \$200 million. Some Measure M projects may roll forward into

the Vision 2030 plan or perhaps some of the projects are no longer needed due to diminished growth and projects that are now deemed obsolete as we no longer have the growth pressures of a decade ago.

Question from J. Stone regarding best practices that are working and can be shared regarding energy efficient projects.

- Golden West has been successful in the infrastructure of a central plant that allows for energy efficiency. An HV tech puts the entire college schedule into the system which then automates the heating and cooling of the buildings at the appropriate times, thus improving the overall environment. If solar becomes a possibility on campus, then that would bring utilities down as well. Additionally, all new construction is built with a focus on natural ventilation technology (Title 24 regulation).
- J. Marchbank reminded the committee that throughout the District, we have gone to LED lighting per Prop 39 of 2012. This is not shown in the current report as it was paid from other funding sources.
- There is a sustainability committee at OCC and they are currently looking at a battery storage system. OCC is looking to expand their PV system to a 3 to 3.5 mega-watt system along with the battery storage project.

Orange Coast College

Dr. Rich Pagel, OCC Vice President of Administrative Services, provided accolades to his program team and their efforts regarding the following projects:

- **Planetarium**
Project construction is complete. End users are currently occupying the building. Financial closing in on-going.
- **Clark Center**
This is being used as a swing space (a transition building). This is the most construction the campus has seen in 40+ years and that includes the campus housing projects. Parking is an issue on campus; however, the fairgrounds have ample parking and we have parking agreement with them. We have a shuttle scheduled between the fairgrounds and the campus as well as allowing students the use of bikes and skateboards on campus. A construction web-site has also been implemented so that students and faculty are made aware of the top 5 changes occurring on campus on a weekly basis.
- **Maritime Academy Expansion**
Construction has commenced. The temporary shoring of retaining walls is complete and the pedestrian bridge concrete abutments are in progress. April of 2021 is the scheduled completion. Additionally, a pedestrian bridge is being built so that students do not have to cross Pacific Coast Hwy.

- **Student Union Complex**
Construction is ongoing. Fall of 2020 is the expected completion.
- **Kinesiology/Adaptive PE/Aquatics**
Construction is ongoing. Steel erection complete. Interior and exterior framing ongoing. Pool excavation is in progress. April 2020 is the expected completion date.
- **Language/Social Science Building**
The bid phase is ongoing.
- **Watson Hall Improvements**
Furniture installation is complete.

District Information Technology Projects

District Director of IT, Fred Rocha provided the following updates:

- Introduction of Dave Thompson, new Senior Director of Infrastructure and Systems who is picking up the baton Ralph Looney who is now working at the State Center Community District. D. Thompson is will be attending the COC Measure M meetings going forward and will present on District-wide technology.
- IT has an emphasis on two large initiatives that are slated to improve our student and staff experience through finding efficiency and reducing expenditures.
 - Reduction of costs through the replacement of older technology, thereby freeing up dollars that can be given back to the enhancement of the student experience.
 - Moving data storage and leveraging cloud services thereby eliminating the need for costly “on the premise” servers which have great cooling and electricity costs coupled with the expenses associated with hardware and overall requirement of purchasing hardware. Remaining expenditure of \$304,008 for the migration of Microsoft email and archiving.
- VoIP Conversion, which relates to the Ring Central project is in the final stages of completion. There are still some services that use the old analog system and the use of copper lines. The task at hand is translating the analog signal (copper line phones) to a digital signal. Project expenditure of \$380,550 with final phase expected to be completed in the next six months.
- Help desk software expense of \$34,630 was for the purchase of new licenses to upgrade software of intake calls from students and staff. The help desk staff also uses this to grow a frequently asked question base for support, as well as a wiki to increase staff knowledge and by doing so, providing greater detail when responding to inquiries.

A request was made from member Stone to provide a budget that shows the savings for new technology verses old technology. He would like to promote the cost savings we are experiencing by having the new technologies in place.

Financial Report Summary

Dr. Andy Dunn, Vice Chancellor of Finance & Administrative Services, recounted the following:

- Fourth Quarter, April 1 – June, 30, 2019, Measure M Bond Expenditures: \$45,508,483 or we are executing upwards of \$90,000 per hour into our college campuses.
- Measure M Bond Expenditures Inception to June 30, 2019: \$340,327,394.

Discussion

A discussion ensued regarding how to handle general questions and responses going forward. Dr. Dunn expressed that he is available to respond to questions via email and in doing so, he will include all committee members in his response(s). Additionally, the question(s) may become a discussion item on the next agenda going forward.

Reporting changes and formatting of the Quarterly Report is occurring due to the migration to the Cloud and the conversion of Banner 9. A sample report was provided to the committee for review and comment. The new report is designed to be shorter and more efficient; there are similarities between the new and old report. Program slides will have some slight changes. Tabular financial sheet is going to look at scope, schedule and budget summary, we would not be looking at line item costs, but a more meaningful higher-level cost. The overall report will be reduced from 80+ pages to 30+ pages for a cost savings.

Adjournment

Chair Diana Carey adjourned the meeting at 11:50 a.m.

Next Meeting

- **Date & Time:** November 15, 2019
- **Location:** Orange Coast College, Admin, 108, 10:00 a.m. to 12:00 p.m.