1.0 WELCOME, ROLL CALL AND CALL TO ORDER
The Victor Valley Community College District Measure JJ Citizens’ Bond Oversight Committee met on Wednesday, June 16, 2010, in the Board Room of Victor Valley Community College. Diana J. O’Malley, committee chair, called the meeting to order at 1:34 p.m.


Eight (8) committee members present: Quorum Established

2.0 PLEDGE OF ALLEGIANCE

3.0 INTRODUCTIONS
Christopher O’Hearn, Interim Superintendent/President; GH Javaheiripour, VVCC Vice President of Administrative Services; Steve Garcia, VVCC Director of Facilities Construction and Contracts; Al McQuilkin, gkkworks-District Program Manager; Michelle Messer, Administrative Secretary II (recorder).

Public Guests: None

4.0 AGENDA REVIEW

5.0 PUBLIC COMMENTS
There were no public comments.

6.0 ACTION ITEMS
6.1 Approval of Minutes from March 17, 2010.
   Motion: Yule; Second: Barker; Motion carried
   Abstentions: Dr. O’Hearn & Diane Uli

7.0 REPORTS / DISCUSSION
7.1 Bond Project – Priority Adjustment
   7.1.1 Current Economic Impact on Bond Sales
G.H. discussed the adjustments in administrative staff at the college and new information regarding selling the balance of bonds. The bond underwriter indicated that it will be quite a few years before we can sell the bonds. The original plan was to repay the COPs, purchase the land for the Westside project, build the Eastside project, then go forward with building out the Westside, and finally coming back to upgrade the main campus.

At the time when the college was going out for a bond, it was estimated that we were looking at the average rate of a 5% property assessment increase and based on this we were able to justify a $297 million dollar bond. This was based on $19.95 per $100 thousand revenue value which is generated from the assessed property values to service the bond obligation. These numbers did not happen, so the bond underwriters have looked at property values in our district and have developed several scenarios.

If we figure that our assessed value is going to go up by 7% we would be able to market our bonds in 2012 for $80 million and then again in 2015 for another $80 million. This is not realistic.

The other option was that we would increase the tax rate to $25 per $100 thousand and assume a 6% assessed value – which would provide us the same rates in 2012 and 2015.

The other assumption made was that if we increased our rate to $25 and we only assume 3½% increase in assessed value – we would be able to sell $28 million in 2012, and $6 million in 2015 then wait for the balance when assessed value increases.

Any of these options that indicate the rates would go up to $25 is not feasible because the college made a promise to the community that it would not do this.

At an average of 3% rate of property value increase we might have to wait for another 20+ years before our assessed values reach the point that we can service our existing bonds, based on the $19.95 per $100 assessed value.

In order to not raise the tax rate, as the board committed, the board would rather maximize the use of the current funds, pay its current debt and wait for a more favorable market to sell.

The college has approximately $35 - $38 million of bond funding that has not been committed to any projects. Developing the
Westside project would be impossible with this remaining amount and would leave nothing left for the main campus. The Board of Trustees and Dr. O’Hearn have worked together with support of the staff to come up with a list of main campus projects which are within the scope of the bond language so the focus for the remaining bond funds will be shifted to main campus upgrades.

Mr. Garcia previewed some of the projects that the district will request of the board to consider and authorize for the main campus. A list was compiled and prioritized with safety issues being addressed first along with operation and maintenance costs and projects that would have the biggest impact to the college and its students.

7.1.2 Parking Lot/Street Repairs
A local contractor was hired to remove and replace seven different parking lots during the summer session when students would be least affected. These repairs address many areas where trip and fall issues have arisen.

7.1.3 Campus Landscape Sustainability Upgrades
The district is moving forward with landscape design standards for sustainable landscaping to reduce operation and maintenance costs, use less water all while creating a more beautiful campus.

7.1.4 Main Gymnasium HVAC Replacement
The current system consists of three large swamp coolers which do not work during hot and humid days. This has created health issues for students and staff, particularly in the weight room. This is one of our more immediate needs.

7.1.5 Boiler Replacement
There are three buildings on campus built in the 60s that still have their original boilers. This is an energy efficiency project and will cost about $100 thousand to complete. The college applies for all potential rebate incentives offered for any energy efficiency projects. Generally these rebates go back into the utilities and operating budget.

7.1.6 I.T. Infrastructure Upgrades
The college updated its server farm, dropping from 42 servers to 13. The college will receive $19 thousand in energy credits from SCE for this project. The fiber for I.T. infrastructure is not able to handle the needs of the campus, so old fiber is being removed and new fiber which will support the campus is being installed. All bond expenditures have been solely for infrastructure and
campus upgrades and non has been used for administrative purposes.

7.2 Project Update and Expenditures:

7.2.1 Eastside Public Safety Training Center

The design for this project is complete and is being submitted to the Department of State Architects (DSA) for plan review in three increments. The first is the ground work/site package which has been approved by DSA so this work can begin. The second is the actual building structure, and finally is the fire tower. Submitting the project in increments keeps the schedule moving forward. The plan is to begin ground work by mid July. There has been good success using local contractors. 90% of the work has already been bid out and/or awarded with 43 firms contracted to submit proposals and 16 subcontracts awarded. At this point they are anticipating 80% of the non-restricted* on site labor will be by local workers. The design of the building uses a white aggregate for the masonry material and this is being purchased by Lucerne Valley Quarry. *Restricted means certain trades such as the fire tower which is largely prefabricated and manufactured out of state and then assembled on site.

The Mitigated Negative Declaration was approved by the Board in May and the Letter of Intent for Center status has been completed. Center Status is an important part of this project as it allows you to get maintenance funding for $1 million from the state for your center, and allows you to qualify for state funding for future projects at the site.

The Board approved a change order for the solar project on this site, increasing the size which will provide 65 – 80% of the total building electricity needs. This also allows the building to obtain LEED Gold standard.

7.2.2 Westside Workforce Development Center

Due to the reprioritizing of the remaining bond funds shifting to the main campus, the program manager has shifted the focus of their efforts on the Southern portion of the site as this is the flattest area of the property. Results of preliminary engineering planning studies realized that when the property was divided there was a small piece of land that blocked road access all the way to the district’s on the south side of the site. This small piece of land is owned by Mr. Ross and he is willing to dedicate this additional piece of property to give the district complete access to the project. He will also pay the cost of paving for one of the access roads. They are looking into the CEQA, utility and infrastructure
that can be completed and, the focus will be directed to access and entitlement issues at this time, until the project can begin when bond funds become available.

7.2.3 Main Campus
There will be a presentation on the One Stop Center at the next board meeting (July 13, 2010). This presentation will discuss possible locations giving supporting documentation regarding cost of construction for each location. It still must be determined how this project will be funded (all bond, partial bond and partial non-bond). It was originally thought that this project would not be funded by bond dollars, but at that time we were moving forward with the Westside Workforce Development Center being built first. The decision on how to fund the One Stop project ties in with the total budget for projects and how we will develop the institutional budget for the next 2 – 3 years. Scoping documents have been completed for this project and this was paid for by bond funds.

The solar project has been completed and will be turned over to the district within the next few days. SolFocus wanted to be certain that the project was fully operational before handing it over to the district.

8.0 COMMITTEE MEMBERS’ COMMENTS
Jason Barker will work with G.H. to obtain and review the bond language for Series A, B and C to verify that shift in focus to main campus projects follows what went out to the voters.

New committee member, Diane Uli spoke regarding her participation on the CBOC committee, stating that she feels that higher education for our community is very important as well as how tax payers’ money is being spent. This is what interested her to serve on this committee.

Ed Keiffer congratulated the college on keeping the community informed.

Sheri Schmoll said the solar project is incredible. She has taken groups on tours and people have been very impressed. She is pleased that no wetlands were damaged for this project, as promised.

Diana asked if all members had turned in their Form 700 paperwork. Michelle confirmed that they had.

Dr. O’Hearn closed the meeting by commenting on the main campus projects, stating their importance due to the need to upgrade and create a more sustainable campus for students and staff. He said it is important to show taxpayers that their tax dollars are being spent as promised and it is easy for
them to actually see this by completing projects on the main campus where our students attend. He said it also ties into the college’s upcoming 50th anniversary in 2011. This, in conjunction with the need to improve our campus is a good way to demonstrate that the college is committed to making good use of bond funds.

9.0 NEXT CITIZENS’ OVERSIGHT COMMITTEE MEETING
The next regularly scheduled meeting will take place Wednesday, September 15, 2010 at 1:30 p.m. in the Victor Valley College Board Room, located in the Administration building #10.

10.0 ADJOURNMENT
Diana J. O’Malley, committee chair, adjourned the meeting at 2:48 p.m.