Date: September 15, 2010

Place: Victor Valley Community College, Board Room
18422 Bear Valley Road, Victorville, CA 92395

1.0 WELCOME, ROLL CALL AND CALL TO ORDER
The Victor Valley Community College District Measure JJ Citizens’ Bond Oversight Committee met on Wednesday, September 15, 2010, in the Board Room of Victor Valley Community College. Diana J. O’Malley, committee chair, called the meeting to order at 1:43 p.m.


Absent: Rudy Cabriales, Diane Uli

Six (6) committee members present: Quorum Established at 1:48 p.m.

2.0 PLEDGE OF ALLEGIANCE

3.0 INTRODUCTIONS
Christopher O’Hearn, Interim Superintendent/President; GH Javaheripour, 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 June 16, 2010.
   Motion: Yule; Second: Barker; Motion carried

7.0 REPORTS / DISCUSSION
7.1 Special Reports
   7.1.1 Maintenance Projects s. Upgrades/Repairs
The committee had a phone conference with the College’s bond council, David Casnocha to discuss the difference between maintenance projects versus upgrades / repairs. Casnocha refreshed the member’s memory regarding their very first meeting when they spoke about rules and responsibilities of the committee. The committee’s task is to review the project expenditures to make sure that they follow the bond language for Measure JJ. There are 3 parts to bond Measure JJ – two off-site centers (Public Safety Training Center and Workforce Development Center) and Renovation and Upgrade projects to the Main Campus. Their binders included the resolutions and the 75 word ballot statement (Exhibit B). The ballot statement references the 2007 Educational Master Plan and the 2008 Five-Year Facilities Plan. Whatever is in these documents and was submitted to the State would be authorized as permissible bond funded projects. However, there may be projects that the District chooses to move forward with that may not be expressly written in the bond language, but which does conform to projects or issues (health and safety concerns, non-specified upgrades, etc.) in the referenced documents. Casnocha referenced a lawsuit that arose by a couple of taxpayers against a college, alleging that the bond language was too broad. It was ruled that the 75 word statement and full text ballot are to be referenced for the types of projects that are eligible, but a district cannot be expected to hold to every single dollar as needs can change, however all projects must be Proposition 39 compliant.

Generally speaking any community college that has bond funds may try to do any project, but routine or annual maintenance / repairs are not allowed (i.e., painting, filling pot holes/patching roads). Deferred / Scheduled maintenance are projects that are bigger than routine or annual maintenance (i.e., tear up and replace roads because they are past their useful life, replacing old equipment, etc.) and are allowed. The bigger the scope of work qualifies maintenance projects as a bond project.

Diana referred to the bond language and stated that parking lots are not specifically in there. She wants the CBOC to be able to answer any questions that may come from the community, so asked for clarification. Steve explained why the District chose to repair the parking lots using bond funding. The Full Text Ballot does list safety issues as a priority, and the parking lots that were chosen to be removed and replaced have had many trip and fall complaints and insurance claims.
Neither Chris O’Hearn nor G.H. Javaheirpour was with the District at the time of the election when the larger focus was on the two off-campus centers. Since the November 2008 election, a sudden loss of assessed value in our District has made issuance of the bonds and the previously planned schedule impossible. Because there is not enough money remaining in the first series of bonds received by the District to move forward with the Workforce Development Center, the focus has changed to do as much as possible on the Main Campus. It is normal for priorities to change over time, but with our District this has happened sooner because of the huge hit on assessed values.

This inability to access bond funds has caused a reasonable rethinking of how to best spend the remaining funds that the District has. All K12 Districts in our area are having the same problem. The District has chosen to refocus on what would be the best benefit to the community. Jason’s concern is that those who voted yes are getting something they did not expect. G.H. recapped how much of the bond funds the District has received and how much we have left and stated that the District needed to just swap the priority of the Main Campus and the Workforce Development Center because there are not enough funds to do anything useful out at the Workforce Development Center until more bonds are issued. The District feels that this is in the best interest of the community.

The CBOC wanted to know what the new priority is and if there was some approved list. The parking lots came up again and the committee requested that Casnocha write a letter to G.H. verifying that the parking lots are an approved project. Because this is not an item on the agenda item, it will be included on the next meeting agenda for action.

William Tuck stated that he has received major complaints about the One-Stop project. O’Hearn spoke to this matter and said the Board has discussed the topic at length and right now gkkworks is looking at various areas on the campus that would be the most cost effective to build this project, however, at this point the Board has directed us to move forward for construction of this facility on the side of the hill between lower and upper campus. G.H. jumped to section 7.1.3. of the agenda because it deals directly with this concern (see section 7.1.3.).

Diane requested a defined Main Campus project list be given to the CBOC that includes how the bond language justifies each project.
7.1.2 Program Management Expenses
Another question from the community was brought to a CBOC member regarding the Program Management fees versus the projects completed to date.

A handout was given to the CBOC with a graph that shows the monthly expenditures for PM services from the very beginning of the entire bond program. G.H. explained that with all bond programs it is normal to have a lot of start-up / up-front costs (i.e., development of bond budget, master schedule, design-build request for proposal, etc). Due to the inability to sell bonds, the District did reduce the staff on the Program Management team.

7.1.3 Report to the Community 2010
Misinformation was given in a District report to the community that the One-Stop would be a bond funded project. The CBOC annual report does not reflect this information, nor do any Budget reports given to the CBOC. The CBOC requested that we reflect in our meeting minutes that this be revised and requested that the Interim President correct this issue, because all voters received this publication. Casnocha stated there is no legal obligation to modify, but we can put the information on the CBOC website with the correction and the President could include it in his report to the Board at the next Board of Trustees meeting, then it becomes part of the public record.

The CBOC asks that only their report information is sent out, or if the District does send out a report to the community that they pass it by the CBOC to verify the information published is consistent with the information they have been receiving.

They also suggested that the President’s report to the board request recognition from the BOT the reallocation of the bond funds to the Main campus due to the assessed value situation.

7.2 Bond Project Update and Expenditures:
Al McQuilkin reviewed the budget worksheet stating that he has eliminated Phase 1 of the Workforce Development Center since this project is on hold due to the inability to issue more bonds. He included a contract amendment for the Public Safety Training Center for the purchase and installation of a 250KWDC solar photo-voltaic (PV) system that will supply approximately 60% of the Center’s total electricity needs and enable the project to achieve LEED Gold Certification.
The budget reflects expenditures up to June 30, 2010. The uncommitted total at the bottom of the worksheet is higher than last reported due to eliminating Phase 1 of the Workforce Development Center.

The funds allocated for the Science building must be set aside regardless of when the State can fund their portion of this project because if they do decide to fund this project we need to be sure to have our portion of the funding in reserve.

7.2.1 Eastside Public Safety Training Center
The project continues and is on schedule. Nothing significant to report.

7.2.2 Westside Workforce Development Center
It will take anywhere from $40 - $100 million to complete the Workforce Development Center depending on what is planned for this site, which is why the remaining, uncommitted bond funds will not be used at this time for this project.

7.2.3 Main Campus
G.H. reviewed the Main Campus projects. The campus roadways are all in a major state of disrepair, and access issues need to be addressed. He discussed creating new access roads at Francesca and CDC Way, which both would connect to Jacaranda. 2.7 Million has been set aside for Main Campus infrastructure and building upgrades and repairs, including Information Technology upgrades to the fiber system that is now inadequate for the college’s size and is also very old and requires constant patching. The Board approved a $450,000 upgrade to technology hardware. The CBOC questioned if these projects have been run past Casnocha to say they are permissible for use of bond funds. G.H. stated that we did send a project list to him to him, and his only concern was the Landscape Sustainability Upgrade project. The bond language states that landscaping is acceptable if it is tied to a specific project. The District will fund this project with other funds if they move forward.

Steve gave further details on the Main Campus projects. The Main Gymnasium H.V.A.C. Upgrade will replace the current evaporative heating and cooling system which is insufficient and creates a health and safety issue. This system will be replaced with a refrigerated air system that is more dependable and provides a better controlled environment. The boilers in buildings 50 and 52 are over 30 years old and beyond their useful life. These will be replaced with new energy efficient boilers which are projected to show an overall energy savings of 10% based on
actual hours of operation, as well as save on reoccurring maintenance cost. This project is just an equipment purchase and the District’s Maintenance staff will do the labor portion.

The “Loop Road” which circles the entire campus is badly damaged. These roads were designed and installed over 30 years ago and were not designed for today’s heavy vehicle and bus traffic, and it is now past its useful life. The District is looking at a complete removal and replacement of this roadway so that it can handle the amount of traffic and busses that now use the road.

The District is also looking at various energy efficiency projects, such as exterior lighting.

The Fish Hatchery light is being monitored as there is a temporary traffic issue, particularly on Thursday mornings due to high levels of Excelsior and Farmer’s Market traffic. The District is looking at option to solve the problem.

8.0 COMMITTEE TERMS
8.1 A schedule for terms and reporting was developed early on for this committee. Terms for four members will end on March 31 2011. These members have the opportunity to be reappointed for a second 2-year term which will last until March 2013. The District will advertise these open seats beginning October 1 so the Board of Trustees can appoint for the new term at the January or February Board meeting. Those members who are interested in serving another term will have the opportunity to do so, and will be included with any other applicants for review process. Michelle will put a schedule of important dates together for the committee, including terms, meetings, reporting, etc. The next annual report will cover expenditures and project updates up to June 30, 2010 and will be reported to the Board of Trustees at the March 2011 meeting.

9.0 COMMITTEE MEMBERS’ COMMENTS
Bill Tuck said that Hesperia has a website called the Free Press and in it there was an article that claimed it will cost over a billion dollars one all the bonds are paid off. Bill wants to make sure this reporting is accurate. G.H. will get this information and email the committee with his findings. Another citizen was making statements that the District could charge as much as $600 per $100,000 assessed value to homeowners.
10.0 NEXT CITIZENS’ OVERSIGHT COMMITTEE MEETING
The next regularly scheduled meeting will take place Wednesday, December 15, 2010 at 1:30 p.m. in the Victor Valley College Board Room, located in the Administration building #10.

11.0 ADJOURNMENT
Diana J. O’Malley, committee chair, adjourned the meeting at 3:33 p.m.