



MINUTES

SANTA BARBARA COMMUNITY COLLEGE DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

Thursday, November 12, 2009
4:00 pm
A218C

MacDougall Administration Center
Santa Barbara City College
721 Cliff Drive

1. Call to order

Committee members:

Ed Heron, President
Tim Trembly, Vice President
Elvira de la Tafoya
Lanny Ebenstein
Marshall Rose
Nicole Ridgell, Student Trustee

Others present for all or a portion of the meeting:

Dr. Andreea Serban, Superintendent/President
Dr. Jack Friedlander
Joan Galvan
Joan Livingston, Member Board of Trustees
Steve Massetti
Des O'Neill, Member Board of Trustees

2. Public comments

No citizen expressed an interest to address the committee.

3. Approval of the minutes of the June 18, 2009 meeting

Upon motion by Mr. Rose, seconded by Ms. Tafoya, the Committee approved the minutes of the June 18, 209 meeting.

4. Committee membership

- a. New student member – Ms. Nicole Ridgell, SBCC Student Trustee

Upon motion by Ms. Tafoya, seconded by Mr. Rose, the Committee approved Ms. Nicole Ridgell, as the new student member on the committee.

- b. One-year term committee member: Mr. Lanny Ebenstein served a one-year term; he can continue for a second two-year term

Upon motion by Mr. Rose, seconded by Ms. Tafoya, the Committee approved Mr. Lanny Ebenstein to serve a second year.

5. Revised estimated bond funding and spending

Superintendent/President Serban reported that the state's fiscal crisis has resulted in a very different picture from what was assumed and what is now actually occurring with state matching funds for a variety of projects. In the original bond measure materials, there were certain expectations about state matching funding for a number of these projects. At the time when the original list of projects was put together, only two projects had actually been approved by the state, the School of Media Arts and Drama/Music. The other projects were included not because the projects had been approved by the state, but it was assumed that the state would go forward with obtaining bonds for capital construction for education at the same pace as in the past. Obviously, what happened in 2008-09 has changed the way the state goes out for bonds; the state provides a score for every construction project that is submitted to the state and the score is a combination of various factors, such as the age of the building, utilization, and health and safety factors. The only projects from the list that had received a high score from the state were the Schott Center and the Administration Building Modernization and this gives them a good probability to receive state funding in the next five to six years. The others on the list do not have high enough scores to have a chance to receive any state funding for the next 10 years or more. The next bond that the state will go for in 2010 will be for such a small amount that we will not see any funding for these projects from that bond.

Superintendent/President Serban noted that at the previous meeting of this committee the conversation was started with regards to the School of Media Arts building. Subsequently, Tim Trembly joined a study session we had with our Board, on behalf of Ed Heron and the committee, because the funding for SoMA had become problematic. As a result of the shifting of state funding, the District had to consider that given the new fiscal reality of the state and of the College, the needs of the College in terms of our aging infrastructure, and the need to maximize our Measure V funding, the College produced a revised estimate of spending for the projects. In December 2008, we were able to successfully sell the first issuance of the Measure V bonds for \$47 million and at some point in the future we will go for the second issuance. Administration reviewed and discussed the College's situation that since only three projects really had certainty of funding, we have to decide what could be done and how could spending be maximized. The result of the discussion and the revision of the bond funding and spending are provided in attachment 2.

Ed Heron wanted the committee members to be clear on the postponement of SoMA. The

timing was such that it was in between bond meetings, so the committee was not able to meet and provide input. Mr. Heron met privately with Superintendent/President Serban, as an individual, not as the President of the Bond Committee, and provided his thoughts, which were that he felt that the public would like to see a lot of things done rather than building only one building. Mr. Heron asked Mr. Trembly to report on the study session of the Board of Trustees he attended. Mr. Trembly reported that this is a time of uncertainty and didn't feel that the committee would have been able to provide any definitive recommendation. Mr. Trembly agreed that the College made the right decision about SoMA.

Superintendent/President Serban reported that the Board of Trustees voted at their August 27, 2009 board meeting to indefinitely postpone the construction of SoMA. It was also noted that the College would not have the funding available to build SoMA in the near future, unless the College were to go out for another bond, just to build SoMA. The state would only fund about \$22 million for SoMA, so the College would need to fund at least \$29 million and that is where the problem arose, because between Drama/Music and SoMA all of the bond funds would have been used on just those two projects, with very little funding for other projects. The College for many years had postponed the major maintenance projects because funding was unavailable and it was anticipated that with the bond money, the College would be able to deal with the needs of our aging infrastructure that impact so many students. The other discussion that took place was that it would not only be the building of SoMA, but also once it was built, the College would have to pay for maintenance costs, utilities costs, etc. and the College currently has problems maintaining its current square footage and adding 60,000 more square footage to maintenance in this fiscal environment would have been a real challenge.

Mr. Heron did note that he emailed the committee members asking them to read and review the recommendation made by the Board of Trustees at their meeting so that they were aware of it and weren't surprised at this meeting regarding the postponement. Lanny Ebenstein noted that he felt that it was a fair argument that because there is much less funding from the State of California that the Board would not be able to do everything that it had originally hoped and that the decision the Board made was that they wanted to postpone one significant project rather than a variety of projects, it is a valid reasonable argument and he felt it was one people would support. SoMA was a very important part of the long range development plan at City College and if the College were to go back at some point in time in the future for a bond just for SoMA, the College could possibly get a 55% vote required to pass such a bond and it would be a positive move for the long range development of the College. Encouraged the Board and the administration to consider going out for a bond as a real option for SoMA, as SoMA got a lot of play as the major project of the bond and if this doesn't happen because of financial reasons that's one thing, however, it should remain on the active plan of the College.

Mr. Heron requested that more details be provided regarding the first bond issuance and the second bond issuance. Superintendent/President Serban explained that there is a requirement to spend 85% of the bond issuance within three years from when the bond was acquired, that means that 85% of the \$47 million needs to be spent by November 2011. It was noted that the projects were reviewed and discussed as to which would be covered under this first issuance of the bond. The major projects that the College will schedule are the Modernization of the Humanities building and the Campus Center. The

Schott Center and the Administration Center Modernization were put into the second bond issuance, for two reasons: one is we don't have state approval as of yet and it's anticipated that state funding could be available for these two project due to their high scores, in the future. There will be no funding available for the Humanities building, nor the Campus Center and the Wake Center Modernization was taken off of the list because 1) it has a very low score so there will be no state funding received for this building in the next 10-15 years and 2) it's a building that is in pretty good shape. The Physical Science East Wing Modernization has also been taken off of the list because it has a very low score and there would be no state funding for this building. Two million was spent on the School of Media Arts building for design, preliminary plans, and working drawings. The unfunded major maintenance projects have been split between the two bond issuances, and we're trying to do as much as possible with \$11.6 million before the November 2011 deadline. The cost estimates being presented today are all subject to change as the projects are moved into the design phase when more realistic costs can be provided.

6. Status of construction projects supported by Measure V

Steve Massetti provided a brief overview of all of the projects listed in the status report.

- School of Media Arts: If the College decides to pursue SoMA in the future there are definite needs for water improvements to the campus.
- Drama/Music Modernization: Under construction, progress is being made on this project, there are some delays inside the theater due to unforeseen conditions that have been encountered and unfortunately will result in additional costs. The A/V projects were split up into three separate contracts, two of the contracts were awarded to Diani Building Corp and the third contract was awarded to Frank R. Schipper Construction. Since the last bond meeting, there were some issues that arose regarding the interpretation of the specifications as to into whose contract's scope of work certain elements of work fell. Frank Schipper requested to withdraw their contract and the College agreed to cancel the contract for convenience. The College then received permission from the State to award to the next lowest responsive and responsible bidder, which in this case was Diani Building Corp.
- Luria Conference and Press Center: Well under construction, a groundbreaking ceremony took place and a structure is now up, structural steel is in place and most of the framing is in place.
- Bridge Deck Repair: Initially this project consisted of replacing the deck, doing a few structural upgrades to the connections between the columns and the beams, new handrails, painting, etc. When the project was started, it was found that the beams were in terrible condition. Working with the structural engineers and shoring engineers, through the contractor, the entire bridge has been shored so that it can remain open to foot traffic. There are 10 glue-lam beams that will be replaced; in addition to that there is repair work that will take place under the bridge deck. This project has gone from a cosmetic minor structural project to a major structural replacement project and, of course, the budget will go up as well. The bridge will remain open until winter break.
- Keyless Entry/Electronic Locks: Eight doors on the main campus have been fitted with these locks and the next phase is to start taking entire buildings and converting them to keyless entry. The first buildings to go through this change will be the Administration Center and Student Services.

- **Softball Facility Upgrade at Pershing Park:** The College has a joint use agreement with the City and a project has been designed to upgrade the existing dugouts, add bull pens on each side and the batting cage. City Parks has agreed to these modifications and the next step is to present the project to the Coastal Commission for their approval. The intent is to complete this project over summer 2010.
- **Emergency Phone System:** Working to put a bid package together to replace current emergency phones with emergency blue light phones and to add more of these types of phones on the main campus and Schott and Wake Centers.
- **Generator Supported Services:** A feasibility study was completed and received which would provide in certain buildings generator support during power outages, this would include an Emergency Operation Center, the President's office, the Vice Presidents' offices, and server rooms. Preliminary design has been received with an estimate of about \$200,000. This will be reviewed and then presented to the Board for approval.
- **Gourmet Dining Room (GDR) Modernization:** This project is mostly funded by private funding and a small amount from Measure V. The budget for this project would allow for flooring, walls, ceiling and seating area improvements. Proposals have been received from interior designers and a recommendation will be provided for Board approval at their next meeting.
- **Humanities Building and Campus Center Improvements:** RFP's will be going out for these projects. Have had kick-off meetings with user groups and these meetings will continue with the groups and the selected architect to make sure that we're soliciting and receiving information from them.

7. Major maintenance projects

Superintendent/President Serban noted that this is a collection of about 70 different projects, some of which are way overdue, particularly the work on La Playa Stadium, Physical Education building, improvements to many areas on campus, particularly painting projects and improvements related to the Americans with Disabilities Act. These projects all contain estimated costs and the actual costs will not be known until work begins.

8. Expenditure reports

- a. 2008-09 final
- b. 2009-10 budgeted and expenses year-to-date

Expenditure reports were reviewed with the committee and a copy of the draft of the audit on the General Obligation Bonds was handed out. Superintendent/President Serban reported that this audit is for the year ended June 30, 2009 and reflects information received in attachment 5. Superintendent/President Serban noted that the salaries listed under expenditures are related to work for Measure V projects. For example, in the Drama/Music project, Tom Garey who is the department chair for theater arts, has put in a significant amount of time working with the architect; he received a stipend for that work. As noted before, portions of salaries can't be covered by Measure V funds unless it is specific work performed for a designated project and the amounts paid are very small.

The question was asked about the portable swing space expense. Vice President Sullivan explained that this is the swing space that was put into place on the campus center lawn and also over on the west campus that was built specifically for the Drama/Music remodel, this space will also be used during other construction projects as

well. These temporary buildings are used to house classrooms while construction projects in their areas are completed.

9. Annual report

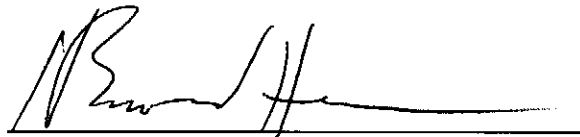
Superintendent/President Serban reported that a template is being drafted for the committee's annual report that will be presented to the Board of Trustees. The information used to complete the template will be provided for review with the intent that Ed Heron will present the report to the Board at their January or February meeting. A request was made to add a summary page where information could be provided regarding the state funding issues and why specific projects were removed. It was also suggested that general information regarding the passage of the bond measure, the selling of the bond, and the impacts and decisions that were made should be included.

Committee agreed that the template was acceptable.

Mr. Heron adjourned the meeting.

Next meetings: February 18, 2010; June 17, 2010

APPROVED BY THE CITIZENS' BOND OVERSIGHT COMMITTEE ON February 18, 2010



Ed Heron, President
Citizens' Bond Oversight Committee



Dr. Andreea M. Serban
Superintendent/President