
LOS RIOS COMMUNITY COLLEGE DISTRICT
Citizens' Oversight Committee
November 21, 2002
3:30 p.m.
Sacramento City College

Minutes

Members Present: Guy Anderson, Bernard Carlson, Lorraine Darrington, Daniel DiMundo, Thomas Gagen, Joe Gagliardi, Donald Haase, Kenneth Humphreys, Virgil King, Douglas McCauley, Robert Trigg

Members Absent: Sharon Margetts

District

Representatives: Brice Harris, Chancellor
Jon Sharpe, Vice Chancellor, Finance & Administration
Susie Williams, Director, Communications & Research
Theresa Matista, Director, Fiscal Services
Dave Clinchy, Director, Facilities Planning & Construction
Paul Dahms, Director, Facilities Maintenance
Kim Sayles, Grants & Contracts Supervisor
Isolina San Juan, Accountant

Guests: Robert Harris, President, Sacramento City College
Lloyd Rodgers, Vice President, Administration, Sacramento City College
Jamal Miller, Sutter Medical Center Intern to Mr. Gagen

Jon Sharpe called the meeting to order and welcomed everyone. Introductions were made of committee members, district representatives and guests. As yet, there has not been a new student member identified to replace Trenton Hyatt. Trenton was hired as a student employee of the District, and therefore may no longer be on the Citizens' Oversight Committee (COC).

Chancellor Harris thanked everyone for attending, and expressed appreciation for the committee's volunteer time to help Los Rios in this endeavor. Los Rios has never received bond proceeds before and knows the communication link between the public and the District is critical for success. Due to the success of the statewide education bond, Los Rios will also be receiving approximately \$36 million in State bond support which will allow us to keep our building program on schedule. Chancellor Harris said project planning takes a tremendous amount of time, and the actual construction may be the shortest part of the process. The State budget will most likely be worse the next year or two, but Los Rios is a sound financial organization with safeguards in place to weather the storm and survive difficult times.

ByLaws Revision

Jon indicated that the Los Rios Governing Board approved the Bylaws for the COC under Prop 39. The first approved rendition included a statement requiring members to submit a conflict of interest statement. The Board recently modified the Bylaws to eliminate that requirement. The

District Office is identified as the meeting place for this committee, and agendas are posted at various places throughout the District. Jon indicated it may be beneficial for this committee to tour the District, so the meetings will probably rotate to visit other colleges.

Election of Officers

At the July meeting, the committee had discussed election of officers. Two individuals have expressed a willingness to serve as officers of the committee – Bob Trigg as Chair, and Lorraine Darrington as Vice-Chair. Jon opened the nominations for the position of Chair. Mr. McCauley moved the approval of Bob Trigg as Chair to the COC, and Mr. Gagliardi seconded the motion. The committee voted unanimously in favor of Bob Trigg.

Bob thanked the committee and indicated he was looking forward to working with the group. Mr. DiMundo moved to approve the approval of Lorraine Darrington as Vice-Chair, and Mr. McCauley seconded the motion. The committee voted unanimously in favor of Ms. Darrington.

REPORTS

Bond Issuance Update – Series A

At the July meeting of this committee, Jon presented information regarding a successful bond rating by Moody's and Standard & Poor's. The sale of the bonds was consummated August 1st and deposited with the County Treasury, which is acting as the fiscal agent for the District.

Review of Series 1A Expenditures

Jon introduced Theresa Matista, Director of Fiscal Services. Theresa presented a series of schedules depicting the Bond Projects fund appropriations and expenditures as of November 15, 2002. A question was raised regarding the \$9,028,544 to be funded from future issue. Jon indicated that the Series A issue funds have to be expended within three years, and since Folsom Lake Phase 1C will not be completed in three years, that is why there is a split in funding. \$191,531 has been expended for the bond costs and legal counsel. \$683,469 is interest income that will be set aside as contingency funds.

The format shown on the schedules follows the categories reported to the State. As the District moves forward, individual line items will likely change, but these schedules will always reflect the original budget. Mr. Humphreys asked if the State bond has been approved for this project. Jon said yes, Prop 47 passed and \$36 million in State bond funds will be received by Los Rios. The COC will be given an update on expenditures at each meeting. Jon will send the committee a listing of expected projects to be funded by Proposition 47. A question was raised regarding whether the District will seek construction management services. Jon responded that the District is in the process of analyzing the advantages and disadvantages of construction management services. Chancellor Harris said that with a program as big as this, it would be difficult to imagine the District using the same method of construction for all projects.

There will be both State and local expenditures with the next stage of the Bond issuance. The District will receive priority points from the State if we contribute up to 50% of the cost of projects. There should be more building activity in March with several projects well along, some out to bid, and others under construction.

Scheduled Maintenance & Special Repairs (SMSR)

Jon said that one of the requirements under Section 4.1.(c) of the COC Bylaws is that the committee review Scheduled Maintenance and Special Repair (SMSR) proposals developed by the District. The intent is the District report back to the COC on how we are maintaining our facilities. Paul Dahms, Director of Facilities Maintenance, distributed an overview to the committee of the SMSR's. Jon mentioned that Los Rios has done very well comparatively statewide, which is a tribute to the types of projects submitted and our relationship with the State. The Los Rios Maintenance Department does a very good job. Due to the State budget shortfall, the District is expecting less funding in this area, but we have a strong commitment to maintain our facilities.

Planning & Construction Schedules

Dave Clinchy distributed a Tentative Planning and Construction Schedule with Series A Bond projects highlighted. The projects are listed by campus in chronological order with a start date and end date for each project. The parking, bookstore and cafeteria projects are fully funded by the District. The State will not fund these projects because they view them as revenue generating. Jon indicated the District has a difficult time just breaking even with the cafeterias, let alone setting funds aside for cafeteria facilities. The funds generated from our parking lots are used to maintain them. The Transportation Access Parking (TAP) for the El Dorado Center will be bidding next week or shortly thereafter, and completed in late 2003. SCC's Technology Building Modernization is funded 50/50, and the preliminary plans are in progress. The project will go out to bid late 2003, and the building should be occupied the second quarter of 2005. The Cafeteria Modernization at SCC will bid November 22nd, and we hope to occupy June of 2003.

Bob asked if there are advantages with reusing similar projects from one campus to another? Dave responded that it is difficult to save funds on design due to the specific needs and usage of each campus and department there are too many variables and differences. Bob asked if there were any inflationary costs built into the projects that are ongoing for several years. Dave indicated that the State fortunately allows for a Consumer Price Index factor, and the State ratchets up the funds if the project is delayed by the State.

Jon said that with the passage of Prop 47, there will be a lot of construction statewide. Bid prices will probably increase, and there needs to be some consideration for that. There will be some contingency funds with interest income which will help supply equipment which is not funded under Prop 39. Dave indicated the State funding process is very rigid, formula driven, and points oriented. It is good to be aggressive and design projects to fit their priority system.

Future Meetings

According to the COC Bylaws, the next scheduled meeting will be in March. The committee decided to meet on March 20th at 3:30 p.m. at the Folsom Lake College Center. Jon said that if any committee members have any special requests, please contact the Chair or Vice-Chair and the District will prepare any necessary information.

The meeting adjourned at 4:45 p.m. for a tour of Sacramento City College by President Robert Harris.

gm

cc: Board of Trustees Exec Group