



MINUTES

SANTA BARBARA COMMUNITY COLLEGE DISTRICT

Thursday, June 16, 2011

CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

4:00 pm

Luria Conference and Press Center
Santa Barbara City College
721 Cliff Drive

1. Call to order

Ed Heron called the meeting to order.

Committee members present:

Ed Heron, Chair
Joe Bailey
Lee Moldaver
Sally Green

Committee members absent:

Mark Levine
Lanny Ebenstein

Others present for all or a portion of the meeting:

Dr. Andreea Serban, Superintendent/President
Steve Massetti, Measure V Project Manager
Liz Auchincloss, CSEA President
Joan Galvan, PIO
Joan Livingston, Trustee

2. Public comments

No citizen expressed a wish to address the committee.

3. Approval of the minutes of the February 17, 2011 meeting

Upon motion by Lee Moldaver, seconded by Sally Green, the Committee unanimously approved the minutes of February 17, 2011.

4. Status of Measure V projects

Steve Massetti provided highlights from the Measure V Projects report. Drama/Music Modernization is still under construction, the most recent update received from the contractor shows a completion date of mid or late October of this year and it appears to be accurate; Keyless Entry Phase 1 is complete and Phase II is underway and the electronic locks have been added to the scope of work for projects currently underway; Pershing Park Softball Facility Upgrade has been completed; PE Building Door Replacement project has been awarded and will be completed this summer; Gourmet Dining Room Modernization has been completed and opened for business in January; Humanities Building Improvements, the initial design has been submitted to Department State Architect and are addressing some of the comments received from them.; Campus Center Improvements, it was noted that with this project and the Humanities project a different tactic is being used in that a preliminary analysis will be conducted on these buildings, a forensic investigation of the existing facility.; Toilet Replacement project will replace toilets on campus with high-efficiency toilets and valves. The college will be taking advantage of the rebate program being sponsored by the City of Santa Barbara. Track and Field Replacement has been completed; and the Generator Supported Services project has been completed. Mr. Massetti also provided highlights on the ongoing/upcoming campus improvement projects and also the completed campus improvement projects.

5. Measure V bond construction fund analysis

Superintendent/President Serban noted that when the college went out for the bond the vision was that the bond if approved would bring in \$77.2 million and it was estimated that the state would provide funding of about \$92 million. The state never promised any funding, other than for Drama/Music.

Superintendent/President Serban reported the only funding the college was to receive from the state was for the Drama/Music Modernization. The original estimate for this project was \$22.7 million, of which \$10 million was to come from Measure V and \$12.7 million from the state. When the project went out to bid and due to the collapse of the economy, the bid received was \$20 million, less than expected. The state then told the college that since the project came in lower than expected; their promised funding would be reduced by \$10 million. The project was started in June of 2009 and unfortunately ran into problems from the very beginning and there were no as-builts for this project. There were numerous unforeseen conditions and various changes orders had been submitted. To date over \$3 million in change orders had been submitted and approved through the college's internal process that puts the project at \$23 million. There are still issues that are unresolved and change orders continue to be submitted, currently there are about \$6 million in changes orders that puts the project at \$29 million.

The college had planned to use \$17.7 million from Measure V for deferred maintenance projects; however, that amount was quickly depleted when the bridge project came in at \$5 million. Superintendent/President Serban reviewed with the committee members the report that shows projects completed, in process and postponed. The report also showed that there is a \$6 million deficit due to projects that have come in over budget and the \$6 million needed for the completion of Drama/Music brings that amount in at \$12 million. When it became apparent that the state funding would not occur, time was spent on revising the proposed project costs. The Humanities building originally was estimated at \$32 million that project has now been revised to \$14 million. The Campus Center was originally estimated at \$20 million and then the decision had to be made that only cosmetic improvements

would be made and it was revised to \$4.5 million. However, when the preliminary design was conducted the estimate increased to \$14 million. In building the tentative budget 2012 there was discussion with the Board and the majority consensus was that the funding be taken from Measure V rather than the construction fund and to continue discussing all options. Of all the current projects there are only two projects that have high enough scores to receive any matching funding within the next 5-6 years from the state, the Admin Building and the Schott Center. What would need to be discussed through the college governance is if the college continues with Humanities as planned there is not enough money left from the first issuance to complete the Campus Center. The other issue is that there would not be enough money left from Measure V if the state 5-6 years from now recovers and we are given the funding opportunity to go ahead with the Admin Building and the Schott Center. The other issue is that Humanities is currently in the DSA review process and there is a portion of that area that has not been permitted and if the college decides to go ahead with the Campus Center, instead of Humanities Superintendent/President Serban wasn't sure what DSA would do regarding the non-permitted area, they could actually ask us to shut down the area. If it is decided that the college should go ahead with the Campus Center, and hold off on Humanities, there is not much work that has been done on the design work for the Campus Center and it would take some time to get that completed, perhaps a year. There are several options available:

- Go ahead with Humanities
- Try for another bond
- Go ahead with the deferred maintenance projects

Superintendent/President Serban reported that her recommendation to the Board was to use the money from the construction fund and keep going with the projects.

6. Budget Reports

- a. 2010-11 budgeted and expenses year-to-date (Attachment 4)
- b. Overall budgeted, expected and spent to date by major project (Attachment 5)
- c. Tentative budget 2011-12 (Attachment 6)

Superintendent/President Serban reported that these reports were being presented as informational items. It was noted that the tentative budget for the bond construction fund for 11-12 did not include the additional \$6 million needed for Drama/Music and if the decision is to go ahead and use Measure V funds that the ending fund balance would be \$6 million less than what was noted. Then the decision would have to be made as to what would be issued from the balance of the Measure V bond.

7. Proposed dates for future meetings: Thursday, November 10, 2011; Thursday, February 16, 2012; Thursday, June 21, 2012

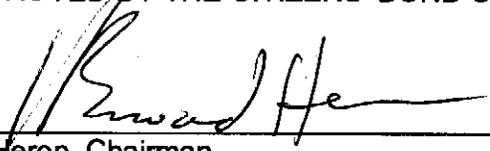
The committee had no problems with the dates presented.

Committee members would like to hear from Superintendent/President Serban once the decision is made on the Humanities Building and the Campus Center.

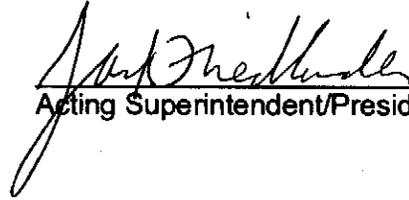
Chairman Ed Heron asked the staff, as he does at every meeting, the following question:

- Have we spent any money at all that you would remotely consider outside of the parameters of Measure V? Superintendent/President response was absolutely not we are very careful how that money is spent.

APPROVED BY THE CITIZENS' BOND OVERSIGHT COMMITTEE November 8, 2011



Ed Heron, Chairman



Acting Superintendent/President