

CITIZENS BOND OVERSIGHT COMMITTEE FOR MEASURE L
Unadopted Minutes
June 17, 2005

Present: Terence Donovan, Norma S. Galindo, Cathy Kennerson, Tina Lee, Dr. Barbara Macci-Trethewey, Henry Monroy, Bill Thornburg, and Janet Thornburg

Absent: Jim Hanks

Others Present: Tom Hudson, Dean of Business Services, Rick Webster, Director of Maintenance

Selection of Architect

Tom Hudson reported that the Construction Sub-committee went through a lengthy and thorough process in selecting an architect. A request for qualifications was advertised throughout southern California, resulting in 15 inquiries, and six proposals being received. Five architectural firms made presentations to the sub-committee, and Jimmy Sanders was selected.

Project Manager Options

Tom Hudson reported that the sub-committee discussed two options for project management: using a firm or hiring an individual to work for the College. It was decided to hire an individual as project manager, and additional staff as needed. The position of project manager was advertised for three weeks, with no applications received. The sub-committee has decided to allow both firms and individual to apply, and the position is being re-advertised. The deadline to apply is July 15, with six applications received already.

The sub-committee has also discussed bidding the construction out in phases, instead of as one project. There is concern about local construction firms not being able to bid because of not being able to be bonded for a \$25 million project. It is anticipated that construction will go out to bid in February or March, 2006.

Bond Sale Process

Tom Hudson informed the committee of the decision to sell the bonds through competitive bid rather than negotiated sale. The competitive bid process required more of a marketing effort on the part of the college, and Mr. Hudson, Dr. Pai and board member Marion Long traveled to New York to make personal presentations to bond insurers and credit rating agencies. The result was an excellent rating from Standard and Poor's, and a lower cost of bond insurance to achieve a AAA rating. Mr. Hudson stated that this effort probably saved about \$150,000 in insurance cost and a reduced rate to taxpayers over time. The competitive sale was held in January, and the bids were sold on-line. The successful bidder was a CitiBank consortium, with an average rate of 4.49%. The \$25 million in bond proceeds has been deposited with the Imperial County Treasurer.

Self-directed Investment

Tom Hudson reported on the status of the request to the County Treasurer to allow the College to self-direct the investment of the bond money. The Treasurer has again denied the College's request. Mr. Hudson has met with Supervisor Joe Maruca, who suggested that the College meet with County Administrative Officer Robertta Burns. Mr. Hudson estimates that investing the bond money in U.S. Government T-bills would result in an additional 3.5% in interest, or approximately \$1 million.

Next Steps through the Summer

Mr. Hudson reported that the sub-committee will be reviewing resumes for the Construction Manager position, with hiring anticipated by August or September. He would like to have the construction manager on board to work with the architect on drawing plans, as well as surveys, soil testing and other work needed before the construction bids are let.

Capital Projects

Tom Hudson reported that portable buildings will be installed to accommodate new faculty members, growth in enrollment, and to allow other building to be vacated during modernization. Equipment is being purchased for the beginning of the fall semester, including 200 to 300 replacement computers.

Rick Webster, Director of Maintenance, reported on the following modernization projects:

- The #1 modernization project is roofs, and he is currently working with the architect on the bid package. The College will ask that the roofing work be done in the evenings, so as not to disrupt classes.
- Space in the gym is being remodeled into a classroom according to the facility plan approved by the committee.
- Remodeling work has just been completed in the 400 building to enable more science classes to be held.
- The dance room floor has been replaced.
- Two large air conditioning units have been replaced in the 200 and 400 buildings.
- Arrangements are being made to have a mechanical engineer design a more efficient air conditioning system for multizone areas, including damper controls, to achieve a good air balance.
- Emergency lighting is being added to all buildings.
- Work in ongoing to improve the college's power infrastructure, including the addition of high voltage cables, two sector cabinets have been replaced and a new transformer has been installed.
- New flooring has been installed in the 800 building.
- New copper plumbing pipes have been installed in the 1100 building.
- Sprinkler lines are being relocated to accommodate the new modular buildings.
- The English Division office will be remodeled, with insulated partition walls to be installed.

- Applications for the maintenance positions are being screened, and three will be hired.

Capital Projects Expenditures

Mr. Hudson reported that half of the \$58.6 million bond issue has been sold, with \$25,235,000 in proceeds. The other half of the bonds will be sold in the next two or three years. Expenditures to date total \$600,109, including debt on the Certificates of Participation and Lease Revenue Bonds, with another \$73,731 committed but not yet expended. Mr. Hudson also presented a budget of each of the four major areas: Modernization, Science Building, Technology Building and Maintenance and Repair.

College Budget

Mr. Hudson presented information on the 2005-06 Tentative IVC Budget, and reported that another 25 faculty members will be hired and that additional enrollment growth of 22 to 25% is anticipated

Initial Project Proposal to State

Mr. Hudson reported that the College has submitted a funding proposal to the State Chancellor's office to remodel the 400 building (Science). The College will work with a consultant over the summer to further revise the proposal.

M/S/C Janet Thornburg/Kennerson that the Citizens Oversight Committee supports and applauds the efforts of the Construction Sub-committee and Tom Hudson.

Meeting adjourned at 11:20 a.m.

Recording Secretary: Mary Carter