

OHLONE COMMUNITY COLLEGE DISTRICT  
Citizens' Bond Oversight Committee Meeting  
Ohlone Community College District, Newark Campus  
39399 Cherry Street, Newark, CA 94560; Room NC1100

Minutes of Citizens' Bond Oversight Committee  
June 17, 2013

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**MEMBERS PRESENT:** Bob Douglass, Andrea Francis, Brad Hatton, Frank Pirrone, Rakesh Sharma, William Wahl, Mat Weber

**MEMBERS ABSENT:** Hector Rastrullo, Dennis Wolfe

**OCCD STAFF PRESENT:** Arti Damani, Bond Accountant  
Alex Lebedeff, Director of Purchasing, Contracts, and Auxiliary Services  
Ron Little, Vice President, Administrative Services  
Thomas Moore, Director of Facilities and Modernization  
Farhad Sabit, Director, Business Services  
Kelly Abad, Assistant to the V.P., Administrative Services

**GUESTS:** Casey Michaelis, Gilbane/EIS, Measure G Bond Manager  
Ann Kennedy, Gilbane/EIS, Measure G Bond Manager  
Chris Wilson, Gilbane/EIS, Measure G Bond Manager

**OPEN MEETING:** The meeting was called to order by Bob Douglass at **6:00 p.m.**

**SCHEDULED ITEM**

**1. Introduction of Director, Business Services and ASOC Representative**

Ron introduced Farhad Sabit, Ohlone's new Director of Business Services. Farhad mentioned that his background is in public finance. He worked as a Controller at San Leandro Unified School District and worked at San Jose Evergreen Community College, where they had a \$600-700 million bond measure.

The committee introduced themselves around the room. Mat Weber is the new ASOC President and now the student representative for the CBOC.

**2. Approval of the Agenda**

The agenda was approved as presented.

**Moved** / Sharma / **Seconded** / Francis / **All in favor**

**3. Approval of the 03/18/13 minutes**

*Andy Francis: After reading the minutes, it feels like I attended the meeting.*

The minutes were approved as presented.

**Moved** / Sharma / **Seconded** / Pirrone / **Abstained** / Francis, Weber

**4. Committee Members' Attendance Report**

The committee reviewed the attendance report for accuracy. It was noted that Dennis Wolfe and Hector Rastrullo were absent.

**5. Recognition of Committee Members' Terms**

Bob Douglass presented Tawney Warren a resolution approved by the Board of Trustees and a plaque for her service on the CBOC.

*Tawney Warren: I would like to thank you all. This is very kind of you. It has been a pleasure to be a part of this committee for the past year. Starting in August, I will be attending U.C. Berkeley's Haas School of Business. Over the next year or two, I will be looking to participate in the U.C. Regent System.*

*Bob Douglass: The bar has been set very high by you.*

Bob also gave Rakesh Sharma the resolution that was passed by the Board of Trustees for his service as well.

**6. Committee Members' Terms**

There are three members whose terms are up in September 2013: Bob Douglass, William Wahl and Hector Rastrullo.

*Bill Wahl: I would like to withdraw from serving another term.*

**7. Break for Committee Photo Opportunity**

This item was tabled until later in the agenda. The Chair was hoping for Dennis Wolfe and Hector Rastrullo to show.

**8. Communications from Committee Members**

No communications from committee members.

**9. Communications from Staff**

Ron Little talked about his meeting regarding cash flow. There is a bill in the legislature has not yet been approved by the Senate. This bill would restrict the term of the bonds that school districts could issue for Prop 39 purposes. Currently, districts have a 25-year max and the government code has a 40-year max. Dan McAlister's school bond reform legislative proposal (AB 182) calls for a ratio of 4-1 total debt service to principal for each bond series. It also restricts schools from issuing bonds beyond 25 years under the government code.

There is a lot of debate within Sacramento. This approach would be a little limiting for the current construction bonds. We are looking for a 10-15 year bond program. We have been very good about not issuing deferred interest bonds, called CABs. We will bring this back by January of next year.

*Bill Wahl: What I heard was Sacramento will pass a law that changes the terms of bonds. If voters voted for that, I don't think Sacramento could change it.*

**10. Communications from the Public**

No comments from the Public.

**11. Measure A Financial Update**

Ron Little gave an updated of the Measure A Financials. We have received \$200K in settlements. 2 out of the 7 claims have settled. They have until next Monday to come to a decision. There is another claim that we are hoping to close out this month. The legal costs would then be taken from Fund 41.

*Rakesh Sharma: Are you sure that you won't need more money for legal costs?*

*Ron Little: We are hopeful that it will work out for us. They have had some time, so we are just waiting for a decision.*

## **12. Measure A Bond Projects Update**

Thomas Moore gave a bond project update to the committee. The only current project is the Building 7 HVAC modifications. Pleased to report that the physical work has been done and is complete. Currently, programming and testing of the system and some balancing needs to be done. The costs have been in line with what we have anticipated.

*Rakesh Sharma: What did you do?*

*Thomas Moore: We added duct work to the areas that needed more cooling and we completed quite a few repairs. As we were in the process, the contractors pointed out deficiencies. Some were repaired under warranty and some with our own staff. It allowed us to make the improvements and make the repairs so that we felt comfortable with the final product. We should be closing this project out this month with a notice of completion.*

*Bob Douglass: Did we back charge the contractors for our staff time?*

*Thomas: The staff time has become part of the claim.*

*Rakesh: The only way you figured it out was because you were doing something with the system?*

*Thomas: We have learned lessons from the past, especially in the mechanical areas. We will now do enhanced commissioning, third party quality assurance and quality control. We will test it thoroughly.*

*Ron Little: We will also do some peer review of the designs to make sure they work.*

*Thomas: Commissioning agents will write those into the bid documents. We have spent a lot of time putting together guidelines and standards for all contractors and engineers to use. They will have a document to start from so there is no starting from scratch. This document will be continually edited after each project. We are hoping to move through all projects this way.*

*Tawney Warren: Are the contractors paid on an annual basis or are they paid per project?*

*Thomas: They are paid per project and the cost is absorbed into the cost per project.*

## **13. Measure G Financial Update**

Ann Kennedy went through the Measure G Financials for the period ending March 31<sup>st</sup>. There was some spending in programming, construction, and design. Infrastructure and technology had quite a bit of spending. Looking over the Measure G Program Report, our quarter 2 earnings were posted. There is a quarter lag for posting interest earned.

Since this report was published, there was a bond list revision that was taken to the Board of Trustees. Next quarter's report will show the budget adjustments from the bond list revision. Bond List Revision #3 results in a major realignment and includes: revised project budgets, a consolidation of projects, adjustment of scope, and transfer of scope and budget between projects.

We find at the start of the program there are a lot of ideas about need. Then there are assessments and planning from those ideas. Many times it makes sense to make larger projects from the smaller projects. This bond team went through all of the projects and refined them.

*Rakesh Sharma: The line item and their dollar amounts have stayed in the budget. You've picked those smaller projects up and moved them into whatever you have called it. The projects and scopes were moved about.*

*Ann Kennedy: Yes.*

*Thomas Moore: There was some adjusting in the budget. As you get closer to the project, you can refine the budget for each project.*

*Rakesh: But we do not approve the budget amounts, correct?*

*Thomas: No, the Board of Trustees approves budget amounts.*

*Bob Douglass: That was a good exchange between the committee and staff.*

*Ann Kennedy: Bond list revisions are our way of record keeping when changing a project name, scope or budget. If we change any of those three things, we go back to the Board of Trustees and have that change blessed. This program has settled down nicely with Bond List Revision #3.*

*Ron Little: From a transparency perspective, you have all of the bond list revisions on your website.*

#### **14. Measure G Bond Projects Update**

Chris Wilson went over the Measure G Bond projects update.

- Photovoltaic Energy System: This project has a completion date of September 2013. We were struggling with the contractor but we are making good headway. All of the materials are onsite or in a close warehouse.
- Civil/Infrastructure Project: Some of the project may commence earlier with the coordination needs of athletic fields and swing space.

*Andy Francis: Those are such large pipes. They don't seem very far down in the ground.*

*Chris Wilson: This picture is not of our project.*

*Andy: You mentioned the steel was taken down. Did we not like the quality of the steel?*

*Chris: The quality of the installation and the fabrication was the problem. We have since replaced the contractor.*

- Academic Core Project: The campus programming and design standards are complete. Schematic design is underway.
- South Parking Structure Project: After the Board of Trustees makes an approval, we will have pictures up on the webpage. We are pleased with the selected firm. We had four good firms to choose from.
- Athletic Fields Project: This is an early rendition of where the fields will go and may change. The soccer field may have to relocate. Verde Design has a long history of designing fields.

*Andy Francis: Can you tell us what fields are pictured?*

*Chris Wilson: Baseball, softball and soccer.*

- Upcoming Procurement:
  - Architect Selection: Master Landscape Architect
- Professional Services:
  - Commissioning Agent(s)
  - Roofing Consultant

*Vickie Lau (member of the public): When you go out for a contractor and they do not perform up to par, how do you know ahead of time that they won't give you a product you've asked for?*

*Chris Wilson: In the public arena you have to leave it open to everyone. Every contractor has bad jobs and it is usually due to staffing on that job. With the public bidding requirements, we cannot just pick someone. We do not have that freedom.*

*Ron Little: I would add that the state has recently created some other avenues to use, such as best value procurement, so we do not have to take the lowest bid. We actually used this on the parking structure selection.*

*Brad Hatton: I attended the Ohlone College Gala a couple of weeks ago. What I observed is there was not a flow of movement from the cafeteria to the pond area. Can we look at opening up that room with sliding windows or doors instead of the one opening per section?*

*Thomas Moore: We have talked about renovating Building 5. We tried to narrow what we could do with Building 5 down in the bond list revision.*

*Tawney Warren: With that list, are you also looking at the inclusion of student space?*

*Thomas: It is early to find some of the functions in the building. We know what exists in the building but we're not sure specifically if it will become student offices, a lounge area, etc.*

*Tawney: Since Mat Weber is the new ASOC President, if he were interested, could he be invited to those meetings?*

*Thomas: We do not have a committee for that yet. We have talked about bringing in an architect to program the space. That would then be turned into an actual construction plan.*

*Ron Little: Until we get there, we will most likely be using that space as swing space.*

*Thomas: In the next year or so, we will decide what it is going to be.*

*Rakesh Sharma: Would it be more economical to tear down the building?*

*Thomas: Once we get renovation costs dialed in, we can make a decision. The building has had quite a bit of work around it. It is fairly sound and has good bones. Hyman Hall and the Gym have good bones as well.*

#### **15. Evaluation of Current Meeting**

*Bob Douglass: This was a good meeting. For the next meeting, I'm looking forward to hearing about the Design Bid.*

*Ron Little: We can bring all four designs and then you can guess which one we chose.*

#### **16. Topics for Next Meeting**

- Selection of Committee Chair and Vice-Chair
- Selection of Annual Report Subcommittee
- Auditor Preview

Bob Douglass adjourned the meeting at **6:58 p.m.**