

Physical Resources Committee

Meeting of February 6, 2013

1:30 p.m.

Executive Conference Room – District Office

Meeting called by: Peter Hardash

Time called: 1:30 p.m.

Attendees: Patricia Alvano, Ed Cervantes, Mike Collins, Sue Garnett, Peter Hardash, Steve Kawa, Jim Kennedy, Sylvia LeTourneau, Linda Melendez, Craig Nance, Adam O'Connor, Alex Oviedo, Marti Reiter and Raul Rodriguez

Minutes

Agenda item: Welcome – Mr. Hardash called the meeting to order at 1:30 p.m. Update on Darryl Odum: Mr. Odum is undergoing bypass surgery today and will be on medical leave for the next few months.

Agenda item: Bond Projects Update

Discussion: Mr. Hardash reviewed the Power Point presentation of pictures instead of the regular project summary which is maintained and updated by Mr. Odum.

- SAC 15th Street entrance: entrance and tile detail
- SAC College Avenue: fencing, lighting and landscaping
- SAC Signage: at the entrance of College Avenue and 17th, including back lighting
- SAC Track & Field: Bleacher pads and equipment storage
- SCC Gymnasium: aerial view, entrance to gym, ticketing area, curtain dividers, bleachers, exercise room, cardio and weight areas, locker room, restrooms and dance room.
- SCC Humanities: aerial view, bridge connecting Humanities and Science Center, landscaping and curbing. Interior stairs, classroom and the 290 seat auditorium.
- SCC Loop Road: previously shaped as a “D”, now loops around the entire campus
- SCC Pool: Pool filter room; video surveillance cameras will be added to pool area
- SCC M&O: Roof replacement is complete; building has been turned over to the campus.
- SCC Chapman Avenue entrance: will reopen when Humanities is complete.

Mr. Hardash updated the committee on the following:

- The soccer field at SAC should be completed over the summer.
- Planning continues on the central plant project. The district is looking at the lease/leaseback model. An attorney along with our consultants will talk to the Board Facilities committee at their next meeting to educate the Board on how lease/leasebacks works.

- The Board of Trustees certified the Measure Q election results on February 4, 2013. The 60 day window to establish a Citizens' Bond Oversight Committee has begun. The Board of Trustees approved the resolution to establish a separate oversight committee just for Measure Q. Applications are being accepted by the Chancellor's office, the deadline is February 22, 2013. Applicants must live or work within the SFID area and cannot be an employee of our district. The application information is available on our website at: <http://www.rscgd.edu/Bond-Projects/Measure-Q/Pages/Oversight-Committee-Application.aspx>. Mr. Hardash reviewed the composition of the required membership categories for the committee per Prop 39. The first meeting will be scheduled after the Board of Trustees approves the recommendation for the committee.
- Measure E – Two refunding/refinancings last year have now saved the taxpayers almost \$10 million accumulated. Total, approximately \$14 million in savings to the taxpayers over the last two years.
- Dr. Rodriguez informed the committee that when Measure E was approved in November 2002, the ballot language did not say that the funds would be spent 50/50 between the two colleges; however, the voters in the Santa Ana College (SAC) area expressed their concerns, during the Measure Q campaign, that Measure E was mostly spent at Santiago Canyon College (SCC). After review of the financial details, there is a large imbalance in the distribution of the funds and SCC was allocated approximately \$31 million more than SAC. In November 2012, there was a Board of Trustees election where three new members of the SAC service area were elected on to the RSCGD Board. The new Trustees are concerned about the imbalance of fund allocation between the colleges. There are a number of reasons why SCC was allocated \$31 million more than SAC. There are funds left in Measure E to finish out the projects at SCC, i.e. Humanities Building, parking lots and moving of modular structures; once complete, the remaining funds will be reallocated to SAC to try to address the imbalance.

Mr. Kawa said SCC has an issue with the distribution of funds because the refurbishing of the "D" building was supposed happen after Humanities is complete followed by the removal of portable buildings, will there be funds for that? Dr. Rodriguez responded that we will have to look into how much it costs and what other sources of funding are available such as redevelopment dollars. Mr. Kawa asked about the OEC issue, portable buildings are being used for OEC classes. Dr. Rodriguez said we do not know yet, work continues on the issues.

Mr. Nance added that part of the imbalance is the SCC Gym - \$20 million; the previous Chancellor made the decision for the Gym when the funds were offered to both colleges. The D building is in serious need of renovations, the leaking roof and mold issues are keeping some deans out of their offices. Dr. Rodriguez said he will continue discussion with President Vazquez regarding the necessary repairs.

Mr. Hardash added that there is scheduled maintenance funds sequestered for this type of repair, the more urgent issues such as the roof replacement for the D building is on the scheduled maintenance list. Based on what the Board is saying, the Chancellor wants to see the transfer of funds completed as soon as possible. Funds are being identified as far as commitments/identified encumbrances to make sure there are sufficient funds to complete the projects. The District Operations Center had approximately \$400,000 left in unallocated funds for the telephone replacement system; those funds have already

been transferred to the unallocated funds line, the project has been zeroed out. It appears there is \$3.6 million in unallocated funds at SCC which will be moved to SAC but we are not sure, encumbrances need to be reviewed first. Also, the hardscaping and landscaping behind the Humanities Building will need to be funded and completed prior to finalizing the project. Currently the \$14 million unallocated plus what is left over from SCC will be moved to SAC. Bond Counsel gave us a clock of 18 months to spend down the remaining funds otherwise there are questionable taxing issues to the investors. There may be some projects that were charged to redevelopment that may be charged to Measure E instead.

Mr. Nance said that rumors are circling that SAC already has Measure Q, so why take the Measure E funds from SCC, how should he respond. Dr. Rodriguez said that Measure Q and Measure E are two different things.

Agenda item: Prop 39 – The California Clean Energy Jobs Act

Discussion: Mr. Hardash distributed and reviewed the Governor’s Budget Summary 2013-14 on the Clean Energy Efficiency Projects. This Prop 39 is not the Prop 39 related to bonds. There aren’t clear details behind this. The document states that \$49.5 million is identified for Community Colleges, however, this is controversial such as the Prop 98 minimum funding guarantee. This is being challenged; distribution is being based on FTES rather than pending projects. We have projects such as the central plant ready to go. LED lighting throughout the campuses and district office would qualify for these funds.

Agenda item: Assistant Vice Chancellor, Facility Planning Hiring Process Update

Discussion: Mr. Hardash informed the committee that the deadline for applications for the position is February 21st. The screening committee will meet in March, followed by interviews and final interviews and hopefully a new Assistant Vice Chancellor by April/May.

Agenda item: Campus Facilities Meetings Update

Discussion: Approved Minutes from the SAC Facilities Committee meeting on October 15, 2012 were distributed as information. Dr. Collins said the committee will meet again on February 19th and will meet with HMC Architects on the phasing of projects and programming principles. There have been several infrastructure issues on the campus lately. The campus is excited about the new projects coming on line. The approved Minutes from the SCC Facilities Committee meeting on November 5 and December 3, 2012 were distributed as information; there were no questions or discussion. Mr. Kawa said the SCC Facilities Committee will meet next week. The committee continues discussion on OEC, the D building and parking issues.

Agenda item: Bond Budget Update

Discussion: Mr. O’Connor distributed and reviewed the Measure E projects summary dated February 4, 2013. Santa Ana College projects are 87% complete; Santiago Canyon College is 97% complete and the District Operations Center projects are 100% complete. A total of \$333,799,268 of the \$372,516,318 (which includes original issuance, interest and refunding proceeds) has been spent/encumbered.

Agenda item: New Planning Process

Discussion: The Planning committee will present the new planning process to the Board on February 19th. This committee will officially become the Physical Resources Committee (PRC). Moving forward, the materials for this meeting will be distributed electronically in an effort to save trees and demonstrate “green” distribution.

Agenda item: Meeting Minutes – November 7, 2012

Discussion: Minutes were distributed – a motion was made by Mr. Cervantes, seconded by Mr. Kennedy and approved unanimously. Dr. Collins abstained.

Agenda item: Future Meeting Schedule

Discussion: The next meeting is scheduled for Wednesday, March 6, 2013 – Foundation Board Room, Santa Ana College.

Other: Ms. Alvano asked for a status on OEC. Dr. Rodriguez said we are working on it and it will take some time, possibly another 60 days or so. Information will be shared when we have an idea as to what the timelines will be. Mr. Hardash added that there are some access compliance issues that must be addressed first and approved by DSA.

Adjournment: 2:30 p.m.