

**Rancho Santiago Community College District
2323 N. Broadway
Santa Ana, CA 92706**

BOND OVERSIGHT COMMITTEE

**Wednesday, April 30, 2003, 6:00 p.m.
District Board Room**

Minutes

Members Present: Jim Adams
Barbara deBoom
Rita Kallas
Russell R. Langenbeck
Larry Means
Robert Odle
Salvador Sarmiento
Chongge Vang
Darin Woinarowicz

Members Absent: Tien Tat Chu
Patricia Garcia-Velasquez
Keith Regan
Jason Strickland

District Staff Present: Eddie Hernandez, Jr., Chancellor
Mark Zacovic, Vice Chancellor, Business and Fiscal Services
Joan Barnes, Executive Director, Public Affairs and Governmental
Relations
Robert Partridge, Assistant Vice Chancellor, Facility Planning
Robert Brown, Director of District Support Services
John Nixon, Vice President, Santa Ana College
Steve Kawa, Director of Administrative Services, Santiago Canyon
College
Julie Slark, Assistant Vice Chancellor for Educational Programs
and Services

1. Call to Order and Introductions

Chairman Woinarowicz called the meeting to order at 6:08 p.m. There were no introductions.

2. Approval of Minutes - February 27, 2003

A motion was made, seconded and passed to approve the minutes of February 27, 2003, meeting of the Bond Oversight Committee.

3. Public Presentations

There were no presentations made by members of the public.

4. Resignation of Committee Member Keith Regan - Senior-Citizen Org. Representative

Mr. Woinarowicz indicated that Keith Regan the senior citizen organization representative had resigned and asked Dr. Zacovic to explain how the committee would go about replacing Mr. Regan. Dr. Zacovic said that the committee should forward names of contacts that would represent a senior citizen organization. The individuals do not need to be senior's but would represent senior organizations. The appointment to the committee would be made by the Board of Trustees. Names would be presented to the Board of Trustees via the Chancellor for the replacement. Mr. Woinarowicz asked the committee if they had any recommendations for the replacement. Ms. deBoom suggested Rich Alacon and Bill Cathcart. Mr. Woinarowicz asked how soon the committee would have to fill the vacancy. Dr. Hernandez suggested the names be submitted as soon as possible, forwarded to Mr. Woinarowicz who would then rank them in order and forwarded to Dr. Hernandez and would be presented to the Board of Trustees. Mr. Woinarowicz also suggested that committee members forward any names to Dr. Zacovic via email.

5. Bond Projects Update

Dr. Zacovic introduced Mr. Bob Partridge, Assistant Vice Chancellor for Facility Planning and Mr. Bob Brown, Director of District Support Services who would give an update on bond projects. Mr. Partridge distributed two documents: a) Property Acquisitions Update and b) Measure E Bond Project Update. Mr. Partridge asked for confidentiality on the Property Acquisition Update, as some of these properties are still in negotiations.

Mr. Partridge said that at Santiago Canyon College we are purchasing 18.77 acres from the Irvine Company (just east of SCC) which is nearly \$25 million and is currently in escrow and should be closing within 7-10 days.

The next property is 1465 N. Batavia which is a property that replaces an existing facility we are renting from Orange Unified. In principle the offer has been accepted, and we are waiting on a clearance letter from the county regarding hazardous materials that were present on the site at one time during the manufacturing of micro chips.

The First Christian Church which is adjacent to Santa Ana College is currently in escrow. This property should be closing in about 45 days.

A number of apartment buildings on College Avenue and Martha Lane have either just recently closed escrow or are in negotiations, the most recent acquisition is 1715 Martha Lane which is a 6 unit apartment building which will close in about 45-60 days.

The Wilshire property which is adjacent to the Digital Media Incubator Project will be presented today. This property is a residential property that adjoins the site and allows us a great deal of flexibility in allowing parking spaces for approximately an additional 25 cars if necessary and is in negotiations.

Mr. Woninarowicz indicated that on the 1714 Martha Lane property it says it may be a difficult acquisition, if we have a difficult time acquiring this property will this leave a hole in the plan? Mr. Partridge responded by saying that it will require us to take another look at our master plan for those property, and that he thought it would be acquired. Dr. Hernandez added that the properties that we are currently trying to acquire are just those properties that face Santa Ana College. Ms. deBoom asked that with the lack of affordable housing, there would be 38 families displaced, how is the city of Santa Ana going to deal with that? Dr. Hernandez said that they had a meeting with the city officials who are working with us on that issue and the housing program would work with those families. We also have international students at Santa Ana College that need housing and some of these apartments may be utilized by them. Mr. Partridge said that it is in discussion with the city to close down College Avenue.

Mr. Partridge moved onto the Measure E Bond Projects handout. The first project is number 21 which is the construction of the of the Student Service Classroom building at Santiago Canyon College. Construction began in March of 2003. Mr. Brown said that we have hired the contractor and demolition has begun and would begin working on the foundation of the building within the next month. This project is moving along well.

Mr. Partridge moved onto number 14 the library building at Santiago Canyon College. This is not a Measure E Project even though it appeared on the ballot. If there are costs over what the state is providing for this project, Measure E funds will be used for its completion. Mr. Partridge expects to get approval to go to bid on the project by May 9, 2003. Ms. Kallas asked that in regards to this library, is it the actual construction of the building or are the required equipment also added into the cost. Mr. Partridge said that it does include equipment which includes furniture however, it does not include the cost of books for the library. If we get authorization for this project, once we publicly bid, construction would begin in July of this year.

Construction of additional parking is going to bid in the next day or two for Santiago Canyon College, this project should be completed in August of this year which would provide additional parking spaces for our students and would be discussed further by Mr. Kawa.

Mr. Partridge said that at Santa Ana College the Digital Media Incubator would be presented to the committee tonight, plans were presented to the Board Facility Committee as well as our full Board in April. The Santa Ana Planning Department has approved the plans and working drawings have commenced. Construction should begin in the late fall of 2003.

Mr. Partridge moved onto number 19, the Public Safety Institute which is an off-site project. This property was provided to us by the city of Tustin and was previously a Marine helicopter base. We have hired the architectural firm of GKK for this project and it is in the planning stage for the facility. The design development should start very soon and construction should begin in the spring of next year. Dr. Hernandez said that we have been working with several tracks and have reached an agreement with the city of Tustin to acquire 15 acres. The 15 acres are not in the school district but adjacent to our district and are actually located in the South County Community College District. As part of the agreement with the city, there is a requirement that the South County deed these 15 acres and transfer them from their district to our school district. We have been working with the city attorneys to move toward receiving the quick claim deed on the parcel. The parcel is divided into two, 12.5 acres is considered clean land and 2.5 acres needs some work, the Navy set aside this parcel to do some clean up activity. We have been notified by the city attorneys that the Navy has signed off on all 15 acres and that clean up has been done. We hired an environmental consultant to ensure that all the clean up was done and done properly, we wanted to do this prior to taking the quick claim deed. This past week the South Coast approved a resolution to transfer the property from their district to ours. The process of changing our boarders includes going to a county committee which is made up of board members of school districts of our county. There will be an official vote which would be in about 60-90 days. This has been a difficult road but one well worth it.

Mr. Woinarowicz asked what will be adjacent to the 15 acres, what will be built on that land? Dr. Hernandez replied that South County is receiving the 65 acres adjacent to us and they have plans to do a variety of projects. The land they are receiving must be used by educational purposes, whereas on our land we can build whatever we want on it.

Mr. Partridge moved onto number 17, the construction of the new women's locker room facility at Santa Ana College. Our board just approved a contract this past Monday and they will be moving along with the plans. In 1991 we had a vision of major renovations regarding physical education. Several years ago we got funding for these projects. We had some problems with Title 9 and the quality of our facilities. We need to have equal facilities for both men and women. The state does not like changes made after a project has been funded however, we came to an agreement with them, they will allow us to renovate the women's locker room and they will continue to give us \$250,000 to fund that project.

Mr. Partridge moved onto the last project which is an ITS project of replacing the aging telephone system. Approximately \$6 million has been set aside for this project.

Mr. Partridge asked if there were any questions? Mr. Odle asked if he had been out lobbying DSA to pay attention to our plans? Mr. Partridge responded that when the district first hires an architect they are instructed to make an appointment with DSA immediately and talk to them about what we are doing. We do that on a routine basis.

6. Digital Media Incubator

_____ Dr. Zacovic introduced Julie Slark, Assistant Vice Chancellor for Educational Programs and Services and her team to make a presentation on the Digital Media Incubator. Ms. Slark distributed a handout on the Digital Media Incubator and introduced the planning team. Dr. Sharon Brown, a faculty member at Santa Ana College, Chris Coe, principle architect at the firm of Arquitectonica and Mr. Bob Partridge. Ms. Slark said this is 28,000 square feet on Bristol and Wilshire on an acre of land which was donated by the city of Santa Ana, construction should begin this fall and the center should open in the end of 2004 or early 2005. There are 3 spaces in this facility. The first floor is 10,000 square feet which we hope to attract businesses to occupy. The 10,000 square feet on the second floor will house 10-15 incubated businesses and the 3rd floor's 8,000 square feet will be educational space. Mr. Partridge said that Chris Coe is the principle from the Los Angeles office of the firm Arquitectonica which was chosen from a group of 18 architects. Mr. Partridge gave a background on Arquitectonica..

Mr. Coe displayed drawings of each floor of the Digital Media Incubator facility and gave a brief description of what will be included in each area.

Mr. Woinarowicz asked if there were any questions. Ms. deBoom asked how long can a business stay in the incubator? Ms. Slark said they haven't completed that criteria as of yet and an advisory group would work on that but usually no more than 2 to 2 ½ years. Ms. deBoom asked if there has been any discussion with Chapman University on their proposed film school? Ms. Slark responded that a representative from Chapman University would be on the advisory group and they have a few names they will be contacting. Ms. Sharon Brown who teaches digital arts at Santa Ana College said it was a wonderful experience to see this plan come together. All the facilities are state of the art capable. There will be a special room for a recording studio which will have the technology for wire and wireless capabilities. A curriculum will be designed for virtual business management which will teach businesses to use digital media. Mr. Sarmiento asked when would the first classes be offered at the Digital Media Incubator? Ms. Slark said the first class will probably be in the spring of 2005 and that we currently have some of these classes at Santa Ana College. Ms. Slark said she needed individuals to be referred for the advisory group and that suggestions should be forwarded to her. Also, she would like to know if anyone had suggestions on businesses to occupy the first floor.

7. College Updates

Mr. Steve Kawa, Director of Administrative Services represented Mr. Juan Vazquez, President of Santiago Canyon College. Mr. Kawa showed an old master plan

before Measure E and pointed out the areas where construction has begun. Mr. Kawa suggested that parking is going to be an issue on that campus when construction begins in July of 2003 and said that some planning is being moved up so that students will not be affected by the construction crews, this should free up about 80 parking spaces. Mr. Brown gave an update on when construction in some areas would be completed and how the construction crews would be instructed regarding parking spaces.

Dr. John Nixon, Vice President of Academic Affairs represented Dr. Rita Cepeda, President of Santa Ana College. Dr. Nixon said the major renovation needs have been put together and are being prioritized to start construction. This summer a project on the library will begin which will close the library for 70-80 days. Mr. Nixon said there is excitement on the Santa Ana College campus regarding all the renovations and new construction and that the District Construction Coordinating Committee had been formed. Mr. Nixon said that parking is an issue on the campus and temporary parking may be across the street where the apartments and church currently stand. Dr. Hernandez said that we will be closing on the church fairly soon and that the Santa Ana Historical group had contacted the District regarding the purchasing of the church. They indicated that they wanted to discuss the stained glass windows that were in the original church in 1891 and they want to try and figure out how to preserve the windows. Dr. Hernandez does not anticipate any issues with any of the other properties around Santa Ana College as they are not historical structures. The District wants to help the historical group to preserve those windows and will work with them. Mr. Sarmiento said to keep an eye out for anyone trying to register anything in the church as historical. Mr. Odle said that one thing that the District might want to consider is to take photographs of what is presently in the church as an archive.

8. Status of Project Labor Agreement (PLA)

Dr. Hernandez said the Board approved an agreement by a 5-2 vote in a meeting months ago which is to operate under a PLA for the parking facility. We will monitor the progress and will document the experiences which will provide us with some history on whether it works.

Dr. Zacovic introduced Linda Melendez, the Assistant to the Vice Chancellor for Business and Fiscal Services and thanked Libby Dracup for supporting this committee until the Assistant to the Vice Chancellor was replaced.

Dr. Zacovic said that in terms of the receipt of the bond funds, we did receive the \$96 million and that the bonds sold for a premium because of their investment value. Dr. Zacovic distributed a handout on the reimbursement resolutions. Dr. Zacovic said that one is dated January 2002 and one dated January 2003. The Board of Trustees had to pass a reimbursement resolution stating that it was their intent to reimburse when bonds were sold. Some reimbursements are coming to the District for each of these resolutions.

Dr. Zacovic said that the Form 700 needed to be turned into the District offices as soon as possible and we are required to provide the county with this information.

Dr. Zacovic moved onto the audit updates and said that the we were looking into rehiring the firm of Macias, Gini and Co. to do the financial and performance audits for the district and two colleges and would like the recommendation of this committee to move this item to the Board for approval. Ms. deBoom asked why we do not use an Orange County auditor. Dr. Hernandez said we go through a bidding process and the issues are background and experience in community colleges and our previous auditors had very little experience in school work. Dr. Hernandez added that the auditors work for the Board of Trustees who in turn meet with the auditors privately with their requests. Mr. Woinarowicz asked for a motion to recommend the firm of Macias, Gini and Co. to conduct the audits for the three foundations, the motion was moved and seconded to move forward for approval by the Board.

Dr. Zacovic said that at the last meeting several members expressed that they would like the underwriters to make a presentation to this committee about their work and they will be here at the July meeting to answer any questions the committee may have. All questions should be forwarded to Dr. Zacovic.

Dr. Hernandez explained the District Construction Coordinating Committee. A meeting is called and every project is updated so all members of the committee which is made up of individuals from the colleges and the District will be up to date on the progress of each project. The members of this committee can better answer questions made by faculty, students or support staff regarding the construction and renovation status on the campuses. The minutes of this committee is shared with the Board of Trustees so they can be in a better position to make decisions.

Mr. Woinarowicz asked for questions. There were no questions at this time.

10. Future Meeting

Mr. Woinarowicz reviewed the schedule for the next meeting of the committee and suggested July 23 or 24, 2003. Mr. Odle said he would be away from July 18-25. The committee decided the next meeting would be on Thursday, July 24 at 6:00 p.m. in the District Board Room.

Mr. Chongge Vang distributed and invited the committee to the API Heritage Month Celebration.

11. Adjournment

A motion was made, seconded and passed to adjourn the meeting at 7:45 p.m.