



## Citizens' Bond Oversight Committee

Meeting Minutes

October 22, 2020 – 6:00 p.m.

Zoom Conference Call

<b>Present:</b>	John Gould Gordon Machado Jim Rogers John Flaherty Judi Johnson Elvira Robinson Natalie Rusterholz	Community At-Large Business Community Senior Citizens' Organization Community At-Large Taxpayers Association Support Organization Student Representative
<b>Staff:</b>	Dr. Kathleen Rose Denee Pescarmona Jan Bernstein-Chargin Ann Kennedy Matt Kennedy Mike Chegini Carol Anderson Damon Felice	Superintendent/President Vice President of Academic Affairs Public Information Officer Financial Manager, AKG Program Manager, AKG Communications Manager, AKG Program Support, AKG SBCC Project Manager, Felice Consulting Services

### 1. **CALL TO ORDER**

The meeting was called to order at 6:10 PM with a quorum by John Gould.

### 2. **ROLL CALL**

Roll call attendance was taken.

### 3. **APPROVAL OF AGENDA**

Judi Johnson made a motion to approve the agenda, seconded by Elvira Robinson. The agenda was approved as presented by a roll call vote.

### 4. **APPROVAL OF JULY 23, 2020 MINUTES**

Elvira Robinson made a motion to approve the minutes, seconded by Judi Johnson. The minutes were approved as presented by a roll call vote.

### 5. **COMMENTS FROM THE PUBLIC**

There were no comments from the public.

### 6. **COMMUNICATIONS RECEIVED BY COMMITTEE MEMBERS**

There were no communications received by committee members.

### 7. **STAFF REPORTS**

Dr. Rose informed the committee that the District successfully sold \$120M worth of bonds. AKG will discuss this later the agenda.

Campus locations are still closed to the public with the exception of a few career education classes, with social distancing protocols and safety measures in place. There is a guard station located at the south entrance and all visitors (staff, students, etc.) must be on a list and are screened before being allowed to enter campus.

The focus of the District remains on serving students, helping with basic life needs: food pantry, Cares Act dollars, etc., as well as Wi-Fi stations and laptops, anything that will help reduce the digital challenge many of our students face.

The District received the following Grants:

- A Housing Security and Homeless Grant from the State Chancellors Office. The District received \$500K for this year and the next two years to offer housing, rehousing, etc. for our students.
- Federal Hispanic-Serving Institutions (HSI) Title V Grant to continue Guided Pathways, focus on students and wrap around services. The District will receive \$600K a year for the next five years.

The District started the FY with a \$9.9M Tentative Budget deficit but was able to present the Board of Trustees with a balanced Adopted Budget, with a promise to track and monitor our budget needs in a comprehensive way. Leadership and classified have agreed to furlough days and we are hoping to not repeat the need for furlough days next year.

Despite everything, our students are incredible, resilient, showing up and providing feedback on how to improve.

Measure X is a bright spot. Despite the pandemic, Measure X continues.

#### **8. ANNUAL REPORT PREPARATIONS**

The Annual Report process begins now. We need 1-2 volunteers to work on the Annual report. The process will take place via email. A draft will be presented at the next CBOC meeting and John Gould, as chair, will present the annual report to the Board of Trustees. John Gould, Elvira Robinson, and Natalie Rusterholz will participate in the process. Only three members of the CBOC can participate in the Annual Report preparations, otherwise it is a quorum and constitutes a meeting.

#### **9. PROGRAM OVERVIEW AND PROJECT UPDATES**

Matt Kennedy gave a Measure X program overview and project update.

##### **San Benito County Campus Questions**

Ms. Johnson asked if the San Benito County Campus (SBCC) Design-Build Entity (DBE) firms are interviewed together. Mr. Kennedy noted that each DBE has individual proposer meetings which are confidential. Each DBE team meets individually with the selection committee.

Ms. Robinson asked who is on the selection committee. Per Mr. Kennedy, the selection committee is comprised of: Dr. Rose, Michael Renzi, Denee Pescarmona, Judy Rodriguez, Jeff Gopp from the District are on the committee as well as Damon Felice, SBCC Project Manager.

Ms. Robinson wanted to clarify that the District will recommend one of the final three DBE firms to the Board for approval on January 12, 2021. Mr. Kennedy confirmed that that is correct.

Mr. Rogers visited the site and noted that it seems that there is a lot of work that must be done on the site before building can begin. How many acres is the SBCC site and are the parking lots shown on the proposed site plan part of the site? The SBCC is 77 acres

and the parking lots are part of the site. The red dotted line shows the boundary of work for phase 1, not the entire site.

Ms. Robinson wanted to know how many entrances there will be to the new campus? Mr. Kennedy noted that there will be one entrance to the campus from Cielo Vista. There are no entrances from Airline Highway. Airline Highway is a county road, and the District would need permission from the County to have an entrance from Airline Highway. The County has restricted the District from having ingress/egress from Airline Highway. There is an emergency egress from the site from Parking Lot 2 for emergency vehicles.

Ms. Robinson asked what the distance is between Airline Highway and the SBCC Center. Mr. Kennedy answered that there are several hundred feet from Airline Highway to the SBCC center. Per the environmental assessment, the open area between the highway and the center must be a “green zone” and there can be no building there.

### **Gilroy Campus Questions**

Ms. Robinson wants to know when the pedestrian bridge will be completed. Mr. Kennedy stated that if the Department of the State Architect (DSA) approves the plan documents in November 2020, the bid process can begin, which would take a few months and construction can begin in Spring 2021. Construction should be completed fairly quickly, most likely by next year.

Ms. Robinson questioned if once the structural assessments (canopies, covered walkways, trellises, Mechanical, Electrical, Plumbing) are complete, will these issues be remedied? Mr. Kennedy noted that in the Measure X budget, there is a budget for Site Improvements, Security, and Infrastructure for the Gilroy campus. Assessments are being completed so that we can craft what the most important projects are and develop the scopes for the projects. As an example, two items are already being moved forward due to an immediate need: Pedestrian Bridge and Fire Alarm Upgrade.

Mr. Flaherty had the following questions regarding COVID and the future of Distance Learning:

- (a) Will flexibility be included in the design of new buildings on the Gilroy campus?
- (b) Regarding the assessments mentioned above, what is the District doing differently today that they were not doing last year, specifically in regard to HVAC systems? Will HEPA filters be included in new construction or retrofits?
- (c) What is the District doing for standard upgrades? What are the construction firms doing in respect to training on new standards?
- (d) What will the cost impact be on new standards and retrofits?
- (e) These issues should be addressed in the annual report, we don't want to overlook the future.

Ms. Kennedy addressed the above concerns noting that these questions are being raised and discussed across the state. The annual Community College Facility Coalition (CCFC) conference will be held in November where it is anticipated that new guidelines will be presented. There will be ongoing training. Many of the speakers at these meetings are from the Division of the State Architect (DSA). Information is being shared among Facilities staff across Northern California. These are concerns for all architectural firms and is at the forefront of their designs. They have not received guidance but are aware of the need for HVAC improvements, etc.

Mr. Kennedy added that while architects are looking for guidance, they are actively designing space plans that allow for physical distancing in the classroom.

Mr. Kennedy also noted that with the increase in Zoom classes and Distance Learning, the need for technology was identified early on and a project and budget for Information Technology (IT) was developed and approved by the Board of Trustees.

Mr. Flaherty noted that he is concerned that the standards will be minimum standards and he encourages the District to use innovation and think about designing classrooms for the future. He would like to see Gavilan on the cutting edge.

## **10. PROGRAM FINANCIAL UPDATES**

### **Bond Sale**

Ms. Kennedy reviewed the summary of the recent bond sale. The bond sale was very successful:

- (a) \$40M of tax-exempt bonds (Series B) were sold and carry a 3-year spend down rule.
- (b) \$65M of taxable bonds (Series B-1) were sold.
- (c) Ms. Johnson wanted to understand what paragraph 3 of the executive summary meant:

*While issued in a low interest rate environment, Gavilan will have the option to refinance these bonds in the future. At any time after August 1, 2030, if interest rate conditions at the time allow, both the Series B and B-1 bonds may be refinanced to further reduce the bond payments and lower taxes on Gavilan taxpayers.*

Ms. Kennedy explained that while the interest rates on the issued bonds are historically low, if after August 1, 2030 interest rates are even lower, the District can enter the refunding process (refinance). While this process may reduce the interest rate, it cannot extend the repayment timeline, the savings go back to the taxpayers.

- (d) The District was able to refund Measure E at the same time as the Series B and B-1 bond sale resulting as a savings to the taxpayers. Ms. Robinson asked if the \$700K savings will go to Projects or back to the taxpayers. Ms. Kennedy noted that it is a savings to the taxpayers.

### **FY19-20 Q4 Financial Reports**

Ms. Kennedy reviewed the FY19-20 Q4 financial reports, noting that these reports are from inception through FYE 19-20. Should there be any changes following the auditors review we will bring those changes back to the CBOC at our next meeting. The auditors will be at the next meeting to present the Measure X bond audit. Ms. Kennedy noted the negative spend on the Project Summary Report due to the consolidation of Projects 3201 and 3203. The negative spend in 3201 is due to the new IT Infrastructure project. IT expenses were moved to the new IT project.

Ms. Robinson made a motion to accept and receive the 2019-2020 4<sup>th</sup> quarter Project Summary Report and Whole Program Report as presented. Mr. Flaherty seconded the motion. Approved by roll call vote, the motion carried.

Ms. Johnson asked how the CBOC members can access the report. Mr. Chegini answered that all the reports are on the Measure X website.

11. MEMBER TERM CHART

The term chart was reviewed. There are four terms ending in April 2021. Ms. Anderson will reach out to those members to see if they would like to be considered for a second term. If those members would like to continue, they can reply to the email stating their intent and permission to use the members current application for their term renewal. Ms. Anderson will submit their term renewal to the Board of Trustees at the March meeting.

Ms. Robinson asked what the dates are that members of the public can apply for any open positions. Ms. Kennedy and Mr. Chegini confirmed that applications are always open on the Measure X website. All applications are kept on file should a position be vacated for any reason.

Ms. Robinson asked how many terms a member can serve. Ms. Kennedy noted that members can serve three consecutive two year terms. If a member wants to serve more than the three consecutive two year terms, they must exit the CBOC for one year and then reapply.

12. FUTURE MEETING DATES

The following CBOC meeting dates were agreed upon:

- January 21, 2021, Zoom
- April 22, 2021, Zoom
- July 22, 2021, Zoom

Ms. Kennedy noted that the most important meeting of the year is the January meeting. This is when the committee will hear from the auditors and review the annual report.

Ms. Robinson asked when the next SBCC Ad-Hoc committee meeting is scheduled for. Dr. Rose will have to check when the next meeting is and get back to the committee.

13. TOPICS FOR NEXT MEETING

In addition to the standing agenda topics, we will hear from the auditors and review the annual report.

14. ADJOURNMENT

A motion was made by Judi Johnson to adjourn the meeting. The motion was seconded by Elvira Robinson. The meeting was adjourned at 7:46 PM.