

CITIZENS' BOND OVERSIGHT COMMITTEE

Riverside Community College District
Executive Conference Room #309
3801 Market Street, Riverside, CA 92501
4 p.m. – October 18, 2018

AGENDA

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| I. | Call to Order | Morrie Barembaum, <i>Chair</i> |
| II. | Approval of Minutes
Minutes from July 19, 2018
<i>Recommended Action: Approval</i> | Morrie Barembaum, <i>Chair</i> |
| III. | Introduction of New Member
<i>Information Only</i> | Morrie Barembaum, <i>Chair</i> |
| IV. | Measure C Financial Update
Measure C Audit
<i>Information Only</i> | Aaron Brown, <i>Vice Chancellor
Business & Financial Services</i> |
| | Project Commitments Summary
Series A, Series B, Series A Refunding,
Series 2007 C, Series 2010 D, Series 2015 E
<i>Information Only</i> | Majd Askar
<i>Director Business Services</i> |
| | Current Capital Program Executive Summary
Report (CPES)
<i>Information Only</i> | Aaron Brown, <i>Vice Chancellor
Business & Financial Services</i> |
| V. | Measure C Projects Update
Board Reports - August through September
Using Measure C funding
<i>Information Only</i> | Bart Doering, <i>Director,
Facilities Development</i> |
| | October 2018 Measure C Project Report
<i>Information Only</i> | |
| VI. | Business from Committee Members
Review Draft 2017/18 CBOC Annual Report
<i>Information Only</i> | Morrie Barembaum, <i>Chair</i> |
| | Recruitment of New Member
<i>Information Only</i> | |
| | Committee Organization
<i>Recommended Action: Approval</i> | |
| | 2019 Meeting Dates
<i>Recommended Action: Approval</i> | |

VII. Public Comment

VIII. Adjourn

Minutes of the Citizens' Bond Oversight Committee Meeting
Riverside Community College District
Culinary Arts Academy and District Office
Executive Conference Room CAADO 309
3801 Market Street
Riverside, CA 92501
October 18, 2018 – 4 pm

Members Present:

Morrie Barembaum – left at 5 pm
James Cuevas – arrived at 4:20 pm
Clark Dupont
Jeanette Hazelwood – arrived at 4:15pm
Jason Hunter

Members Absent:

Raymond Hicks

Staff/Guests:

Aaron Brown, *Vice Chancellor, Business and Financial Services*
Peggy Cartwright, *Associate Vice Chancellor Strategic Communications & Institutional Advancement*
Majd Askar, *Director Business Services*
Bart Doering, *Director, Facilities Development*
Melissa Elwood, *Controller*
Renee Graves, *Principal CliftonLarsonAllen LLP*

Call to Order: 4:10 pm

Approval of Minutes

Approved Cuevas /m Barembaum/s vote: 4-0, 1 abstention

Introduction of New Member

Morrie Barembaum introduced Jason Hunter, member of a taxpayer organization, who was appointed by the Board of Trustees at the August Board meeting.

Measure C Financial Update

Measure C Audit

Controller Melissa Elwood introduced the 2018 Bond Audit report and Renee Graves, principal with CliftonLarsonAllen LLP. Graves delivered a summary of the audit and provided handouts of the final audit report. The auditor gave the following findings, “A clean unmodified opinion and the financial statements on the bond fund itself are fairly stated and follow appropriate accounting principles.” The audit conclusion states, “The results of our tests indicated that, in all significant respects, the District has properly accounted for the expenditures of the funds held in the General Obligation Bond Funded Capital Outlay Projects – Measure C Bond Program and that such expenditures were made on authorized bond projects.”

A discussion about the audit ensued between the auditor, District staff and committee members.

Measure C Financial Update

Project Commitments Summary Series A, Series B, Series A Refunding, Series 2007 C, Series 2010 D, Series 2015 E as of September 30, 2018.

Director of Business Services Majd Askar presented the update on the Measure C Project Commitments Summary. Committee members received the financial report with the summary of activities as of September 30, 2018. Measure C cash on hand decreased approximately \$1.3 million primarily due to expenses related to RCC Kane Student Services Administration project, expenses were approximately \$906,000. Other expenses included the initial project proposal (IPP) and final project proposal (FPP) related to MVC, NC and RCC master plan studies with Gensler. There was an increase to interest income of about \$146,000 due to the reconciled 2017-18 interest income to actual from budgeted and the anticipated 2018-19 interest. Under other income, the District received a settlement through a nationwide lawsuit in the amount of \$2,816.

A reduction in the incentive program fund for the fuel cell project at Norco College was noted. Southern California Edison informed the District that it was no longer eligible to receive incentive payments. The fund was reconciled to reflect the actual receipt of \$507,676 a reduction of \$392,000.

Increased in-progress projects increased by \$3.2 million for the Student Services Welcome Center project at MVC and the 2018-19 feasibility and salary line for anticipated expenses in the upcoming year.

Q – Hunter: Do you expect more project salaries?

A – Brown: This is not just for salaries, a consultant assists with load ratio calculations and IPP and FPP submissions to the state.

Most of the highlighted items in the report are related to a budget increase for the MVC Student Services Welcome Center project for the feasibility and planning. Additional expenses noted are related to the Kane Student Services Administration project for the master planning and the Culinary Arts Academy District Office project.

Q – Cuevas: The MVC Student Services project budget shows a change because it wasn't in the last report?

A – Askar: Since the last meeting an augmentation of \$3.2 million was taken to the Board for approval

Current Capital Program Executive Summary

Vice Chancellor of Business and Financial Services Aaron Brown provided information on Current Capital Program Executive Summary (CPES) report for period ending September 2018. This planning and tracking tool identifies the commitments for Measure C funds. The summary page gives bottom line number for the remaining and uncommitted funds for each entity. At this point there is approximately \$25 million uncommitted.

Q – Hazelwood: Norco College has a negative figure, did they go over in their spending?

A – Brown: There isn't a formal process for budgeting feasibility planning and staffing as it relates to the allocation funds. There is a process in the budget system to account for it, but from the planning tool this was never identified. In the future we will move funds to account for this.

Q – Hunter: Is the District eligible for matching funds for any projects? Where are those accounted for?

A – Brown: Yes. They are not on this report. We initially planned that the majority of funding would come from the state, but for nearly eight years we have not received any funds from the state allocation. Prop 51 is only funding life safety projects and our projects don't qualify.

Q – Hunter: Regarding electronic document storage, what is that?

A – Brown: We will research this item and provide additional information to the committee.

Q – Hunter: Does Prop 39 cover maintenance?

A – Brown: No, it does not cover on-going maintenance.

Q – Hunter: Please explain scheduled maintenance

Measure C Project Update

Director Facilities Development Bart Doering presented the Measure C project update. The following Measure C projects items were approved by the Board:

Agenda Item (VIII-C-1) 8/21/18

Student Services Welcome Center Project – Amend the Moreno Valley College Student Services Project and approve development of the Moreno Valley College Student Services Welcome Center Project; and approve a total budget of \$14 million, including the reallocation of \$11 million from the Student Services project.

Agenda Item (VIII-C-2) 8/21/18

Architectural Services for the Student Services Welcome Center Project - The selection of HPI Architecture for architectural services for the Moreno Valley College Student Services Welcome Center Project and approve the agreement in the amount of \$1,089,050, including reimbursable expenses.

Agenda Item (VI-B-6-d) 9/17/18

Agreement for Professional Services with Facilities Planning and Consulting Services, Inc. (FPCS)

A discussion about project timing and funding ensued.

Measure C Project Summary

Director Facilities Development Bart Doering presented the Measure C project update.

Riverside City College

RCC is working on the Master Plan update working with Gensler, a Board presentation is scheduled for December.

The College's five-year capital construction plan with the state includes the Life Science/Physical Science Reconstruction which has been turned into an FPP and submitted to the state for approval.

Moreno Valley College

MVC is working on the Student Services Welcome Center project, funding for this project was increased from \$11 million to \$14 million.

The County provided infrastructure costs which were presented to the District regarding the Ben Clark Training Center Phase I project. This information is being reviewed.

Norco College

The College's five-year capital construction plan with the State includes the Multimedia and Arts center, which is still an IPP.

Q – Hunter: How often does the list of Measure C projects change?

A – Brown: Our list has types of projects. The specific projects are listed on the commitments. The master planning process helps inform the project decisions.

Business from Committee Members

Selection of Officers:

Cuevas nominated Clark Dupont as committee chair. Committee members voted 5-0 in favor, Dupont will begin as chair beginning January 2019. Selection of vice chair will be discussed at the next meeting.

CBOC Annual Report

The committee reviewed the 2018 CBOC Annual Report and recommended submitting it to the Board of Trustees for approval.

2019 Meeting Dates

Meeting dates for 2019 were approved as follows: January 17, April 18, July 18 and October 17.

Approved: Cuevas m/ Barembaum/s

Member Recruitment

Associate Vice Chancellor, Strategic Communications & Institutional Advancement Peggy Cartwright shared that Susan Cash, senior citizen representative, submitted her resignation. Recruitment for a new member is on-going.

Public Comments

None

Meeting Adjourned 5:45 pm