



MINUTES

SANTA BARBARA COMMUNITY COLLEGE DISTRICT

November 6, 2008

CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

4:00 pm

A218C

MacDougall Administration Center
Santa Barbara City College
721 Cliff Drive

1. CALL TO ORDER AND INTRODUCTIONS

Superintendent/President Serban welcomed the committee and called the meeting to order. She asked that everyone present introduce themselves.

Committee members present:

Edward Heron, Business Representative

Tim Tremblay, Business Representative

Sean Knotts, Student Trustee Representative

Lanny Ebenstein, Taxpayer Organization & Community Member Representative

Mark Levine, Senior Citizen Group & Foundation for SBCC Board Representative

Elvira Gomez de Tafoya, Community Member Representative

Committee member absent:

Marshall Rose, Community Member

Others present for all or a portion of the meeting:

Dr. Andreea M. Serban, Superintendent/President

Ignacio Alarcon, President Academic Senate

Liz Auchincloss, President CSEA

David Casnocha, Bond Counsel (Stradling, Yocca, Carlson & Rauth)

Leslie Griffin, Controller

Joan Livingston, SBCC Board Trustee

Des O'Neill, President of SBCC Board of Trustees

Joe Sullivan, Vice President Business Services

2. PUBLIC COMMENTS

No citizen expressed an interest to address the Committee.

3. ROLES AND RESPONSIBILITIES OF THE OVERSIGHT COMMITTEE

Mr. Casnocha provided an overview of Prop 39 and its context and that the bylaws are intended to implement the Education Code requirements for the empowerment of the Citizen's Oversight Committee and many provisions of these bylaws are taken from the Ed Code, some are not in the Ed Code, but are part of the organization of bylaws of any type of committee.

Mr. Casnocha distributed a document containing information regarding the Brown Act. He reviewed the document with the committee members. He also spoke about Resolution No. 24 Ordering an Election and Establishing Specification of the Election Order and Resolution No. 2 that established the Citizens' Bond Oversight Committee and Approving Bylaws.

Mr. Casnocha reviewed with the committee the bylaws and highlighted some areas:

- The Committee does not have legal capacity independent from the District. This committee is an advisory committee.
- This Committee falls under the Brown Act. Each member received a copy of the Brown Act. The only items that can be discussed at a meeting are agenda items that have been noticed. If members have a topic that needs to be discussed with the committee, they should bring it to the attention of the Chair in advance of the agenda so that proper discussion can take place at the meeting. Participation in these meetings can be done by phone with proper notice in the location where the call will be made. Serial meetings are prohibited by the Brown Act.
- Conflict of Interest Form 700 does not need to be filed by this committee.
- The college will supply administrative support to the Committee. The college will follow the Brown Act by posting agendas, copying materials, supplying a room and keeping records for the committee.
- The Committee will review expenditure reports of dollars spent using Measure V funds. There will be times when there will be much to report and there will be times when there is nothing to report. Therefore, committee meetings that have been scheduled may be canceled due to lack of activity.
- The duties of the Committee will be to review expenditures. The expenditure reports are produced by the college and should be reviewed to ensure that bond proceeds were spent only for the purposes set forth in Measure V. Measure V is the sum of three different documents: Exhibit A of Resolution 24 (2007-08) provides the acquisition of improvement of property and the acquisition of equipment, as the general authorized purpose of the measure. Exhibit B provides the full text of the ballot proposition and does not constitute a contract with the voters. The project list is not to tell the voters how the money will be spent, but to help the oversight committee work through the expenditure of funds so that the Committee can determine that the funds were spent on the type of projects that the voters had approved. Exhibit B describes the kinds of projects that will be undertaken with bond proceeds. The list does not represent a list of every single project that will be done; it represents a list of types of projects that are authorized to be done. These projects are listed in the Santa Barbara Community College District Long-Term Facilities Plan, approved by the Board on January 24, 2008.
- The Board of Trustees will prioritize the projects. The Committee can ask how the Board prioritized the projects, should they be asked by the community why certain projects were not completed.

- The Committee was directed to the wording on the ballot regarding the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the project and that if the funds are not available then the District may not be able to complete some of the projects listed in Measure V.
- It is the duty of the Committee to inform the public. This can be done at a regular meeting of the Board of Trustees by making a public report. This information can be posted on the Committee's website which will be provided by the District. Letters can be written to the local newspaper by the Chair, in consensus with the Committee. The Committee will need to decide how they will accomplish this requirement.
- The Committee is required to provide an annual report to the Board in open session at a board meeting. The style, length and contents vary from district to district. District staff usually obtains samples of other colleges' annual reports and provide them to the Committee and they can express an opinion on what their report should contain. District staff will draft a report for the Committee for their review and draft.
- The Committee will **not** have jurisdiction over the following activities:
 - a. Approval of construction contracts
 - b. Approval of construction change orders
 - c. Expenditure of construction funds
 - d. Handling of legal matters
 - e. Approval of construction plans and schedules
 - f. Approval of deferred maintenance plans and
 - g. Approval of the sale of bonds.
- Any concerns regarding projects should be directed to the college's liaisons which are Superintendent/President Serban and Vice President Sullivan. If the committee members have any questions or requests of the District they should contact them.
- Mr. Casnocha reported on the restrictions of membership and terms of the committee members.
- Mr. Casnocha is available as a resource. Any questions should go through the District's liaisons and he will respond to those questions.

4. APPOINTMENT OF CHAIR

Superintendent/President Serban reported that initially the Superintendent/President has the authority to appoint the first Chair to serve for a two year period. Thereafter, the Committee will elect a Chair and Vice-Chair. Superintendent/President Serban asked Ed Heron to chair the committee and he accepted.

5. ELECTION OF VICE CHAIR

Mr. Heron asked for nominations for vice chair. Tim Tremblay agreed to serve as vice chair of this committee.

6. ESTABLISH TERMS OF SERVICE

Superintendent/President Serban recommended that the student serve a one year term. A drawing of lots was held to select the committee member that would serve a one year term. Lanny Ebenstein will serve a one year term. The committee members can serve up to two consecutive terms.

7. ESTABLISHMENT OF MEETING DATES

It was discussed and agreed that the Committee would meet on the following dates: February 19, 2009; June 18, 2009; and October 15, 2009. The meetings will be held at 4:00 pm in A218, unless otherwise noted.

8. REPORT ON PROPOSED BOND ISSUE AND PROJECTS

Superintendent/President Serban reported on the issuance and sale of the bonds. The County has approved the resolution that will allow the College to sell the bonds. A presentation was made to two companies who provide the ratings needed to sell the bonds. Standard and Poor's gave the college with a AA+, which is a very good rating. Moody's gave the College a AA rating, this is slightly lower than the other rating, but is still a very good rating. The bond underwriters are RBC for 75% and Estrada Hinojosa for 25%. It is hoped that the College will be able to sell the bonds around November 18. This first intake of bonds will be for \$47 million and three years or five years down the line the remainder of the amount up to \$77 million will be sold. It is felt that the outcome of the first series will be good and RBC is not worried that the bonds will not sell.

A progress report on the Drama/Music Modernization was provided to the Committee. The other major project that will be taking place on campus is the SoMA building. Monies from the State are available for these two projects. For SoMA, the hope is to start construction in January of 2010. At the next meeting of this Committee, timelines will be provided so that the members will have this information. An overall Project Management Company will be hired to support this project.

9. ADJOURNMENT

Superintendent/President Serban thanked the Committee members and Mr. Casnocha and the meeting was adjourned.

APPROVED BY THE BOND OVERSIGHT COMMITTEE ON FEBRUARY 19, 2009



President, Bond Oversight Committee



Superintendent/President