

OHLONE COMMUNITY COLLEGE DISTRICT  
Citizens Bond Oversight Committee Meeting  
Fremont Campus, Room 7101  
43600 Mission Boulevard, Fremont, CA 94539

Minutes of Citizens Oversight Committee  
October 3, 2011

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**MEMBERS PRESENT:** Bob Douglass, Andrea Francis, Brad Hatton, Frank Pirrone, Hector Rastrullo, Timothy Rodden, Rakesh Sharma, William Wahl, Dennis Wolfe

**MEMBERS ABSENT:** Kevin Feliciano

**OCCD STAFF PRESENT:** Dr. Gari Browning, President/Superintendent  
Scott Thomason, Interim CBO, Administrative Services  
Patrice Birkedahl, PIO and Director, College Advancement  
Arti Damani, Bond Accountant  
Kelly Abad, Assistant to the V.P., Administrative Services

**GUESTS:** Don Eichelberger, Stegeman & Kastner, Measure A Bond Manager  
Casey Michaelis, Gilbane/EIS, Measure G Bond Manager  
Ann Kennedy, Gilbane/EIS, Measure G Bond Manager  
Chris Wilson, Gilbane/EIS, Measure G Bond Manager  
Kerrigan Bennett, District Bond Counsel, Stradling, Yocca, Carlson & Rauth

**OPEN MEETING:** The meeting was called to order by Dr. Browning at 6:04 p.m.

**COMMUNICATIONS  
FROM THE AUDIENCE:** None

**COMMUNICATIONS  
FROM THE COMMITTEE:** None

**SCHEDULED ITEMS:**

**1. Committee Introductions**

The bond oversight committee and attendees introduced themselves. Dennis Wolfe arrived late and was introduced at a later point in the agenda. Kevin Feliciano, who represents the Associated Students of Ohlone, was absent. The complete committee consists of 10 members. Representations are as follows:

- Frank Pirrone – Business Organization
- Rakesh Sharma – Foundation
- Dennis Wolfe – Tax Payers Association
- William Wahl – Senior Citizens Organization
- Brad Hatton – At Large
- Tim Rodden – At Large
- Hector Rastrullo – At Large
- Andrea Francis – At Large
- Bob Douglass – At Large

- Kevin Feliciano – ASOC
2. **Approval of the Agenda**  
The agenda was approved. Discussion of item 7 was deferred until Kerrigan Bennett arrived.  
Moved / Sharma / Seconded / Douglass / All in Favor
  3. **Approval of the June 20, 2011 Minutes**  
The minutes from June 20, 2011 were approved.  
Moved / Sharma / Seconded / Pirrone / All in Favor
  4. **Selection of Chair & Vice Chair**  
Bob Douglass nominated Rakesh Sharma for Chair and Brad Hatton for Vice Chair.  
Moved / Francis / All in Favor
  5. **Term Selections**  
Kelly Abad discussed term limits and each committee member randomly picked either a 1 year term or a 2 year term. This creates overlap of new committee members once each committee member's term is up.  
  
Term selections are as follows:  
1 year term = 1 year first term, 2 year second term  
Brad Hatton, Andrea Francis, Dennis Wolfe, Tim Rodden, Frank Pirrone  
  
2 year term = 2 year first term, 2 year second term  
Rakesh Sharma, Bob Douglass, Hector Rastrullo, William Wahl
  6. **Gilbane/EISPro Introduction**  
Casey Michaelis discussed the process that the District went through in selecting a firm to serve as the Bond Program Manager for Measure G. Gilbane/EISPro was the firm selected by the District. EISPro is responsible for all of the accounting software and accounting staff. EIS stands for Educational Integrated Services. Gilbane is providing the program management support. Chris Wilson has replaced Dustin Notarianni and will be here full-time. Dustin has had a chance to take a position in Japan. Ann Kennedy will provide financial management, track every dollar of the bond and will work with the CBOC. Casey will provide oversight for the bond program.
  8. **Review of the Fourth Quarter Financial and Bond Report**  
Don Eichelberger discussed the fourth quarter financial and bond report. Measure A was passed in 2002. As of the end of this last quarter, the District's expenses paid are just under a quarter. The District is trying to wrap up the Measure A bond to tie up loose ends and close out by the end of this calendar year. There will be some funds left over with Measure A and there will be a process of rolling them over to the Measure G pot. There are a small amount of projects still charged to Measure A, which include Science Modularity Project punch list items, some legal activities that may be resolved by the end of the year and a small amount of work at the Newark Center.

Q: How do we go through the closing process?

A: We may have to talk to David Casnocha about this. There is probably a board action needed for what will happen to the leftover funds. What typically happens when you have two bond measures is that you would name what the Measure A funds would go to and not commingle the funds with Measure G funds.

Q: If there weren't a Measure G bond, would the committee continue until the last penny is spent?

A: Yes, technically as a committee you would be responsible for that last amount of money. Committee will be acting with both hats.

Q: A formal process was mentioned about deciding projects for the last amount of money?

A: The Board of Trustees will take action on any projects. The Board accepts those last dollars are begin assigned to specific projects and then would potentially become a Measure G project. The CBOC will only oversee these actions.

## 9. Measure A Bond Projects Update

Don Eichelberger gave an update of the Measure A projects. The current projects include:

- Chemistry Modulars  
Most of the committee saw this project on the job walk.
- Below Grade Water Intrusion  
There is contribution of Measure A funds in the Below Grade Water Intrusion project. The District received substantial funds from the state for the BGWI. This project resolves subterranean water and surface water problems.
- Newark Geo Coils  
Some repair work is being done.
- Division of State Architect (DSA)  
Currently working on certifying projects with DSA. The end result of any project is to get a certification letter from DSA that the project has been built in conformance with plans and specifications. Removes the Board of Trustees from potential liability. DSA is the state agency, which is different from the City of Fremont. Approval is with the state, not the city.

## 7. CBOC Roles and Responsibilities

Kerrigan Bennett stood in for David Casnocha, Bond Counsel, and discussed the roles and responsibilities of the Citizens' Bond Oversight Committee. In order to comply with prop 39, the District has the responsibility of conducting annual performance reports and creating a committee to oversee bond programs. The CBOC represents both Measure A and Measure G. Kerrigan went over the committee by-laws high points.

Section 1:

- The committee doesn't have an independent legal status and is appointed by the Board of Trustees.
- Meetings are public, brown act meetings. Deliberations shouldn't gather outside of the meeting.

Q: Clarify the limit of how many members can be in one place?

A: Cannot be a majority and cannot discuss business.

Q: Will the committee ever have to go to the District's Board of Trustees and meet in closed session?

A: There will be no conversations that would go into closed session. With regard to that, that level of discussion would be between Dr. Browning and the Board of Trustees.

### Section 3: Duties

- Committee will review expenditures, authorize bond projects, inform the public, and produce a written report.
- With regard to determining if bond expenditures are authorized, bond text should be reviewed.
- Expenditures to pay staff have to be attributable to the bond project. If the District could hire an outside consultant to do the work, they can offset those costs with bond moneys.
- Bond auditor does the report and takes examples of expenditures.
- Projects not paid for by bond proceeds are not in the committee's purview.
- Selection of contracts and prioritization of projects are reserved for the Board of Trustees.

### Section 4: Authorized Activities

- Receiving and reviewing annual performance audits.
- Inspection of college facilities, reviewing deferred maintenance proposals, cost measures, use of recycled building materials, energy efficient construction.
- Annual report is a requirement, but committee could report out more often.
- Committee is advisory but communications from the committee should come from the committee as a whole.

Q: When can the committee expect the bond performance audit?

A: June 30<sup>th</sup> is when the District closes the books. Auditors were here last week working on last year's audit. Finish the audits in December and take it to the Board in January. On an annual basis it will take that long to get a report out for the last year.

### Section 5: Composition of the committee

- The committee must consist of a minimum of 7 members. More members can be diluting. Minimum membership includes:
  - 1 member active in a business organization
  - 1 member that is a member of a senior citizens' organization
  - 1 member of the foundation
  - 1 member of a tax payers organization
  - 1 student
  - 2 at large members
- District employees and board members cannot be members of the CBOC.
- The Board of Trustees can remove a committee member for any reason.
- The ethics policy is attached (exhibit B – page 6). This goes over conflicts of interest and specifies members and responsibilities.
- Committee has the right to expect certain support, such as a hosted website where reports are published.

Q: Where are authorized projects?

A: Bond text is included in the binders.

Q: Is there any way to put a timeline a beginning and end to these projects so we have an idea of when that's coming about to start thinking about what's going on as we move forward?

A: We are just getting started with measure G. Measure G update will share some of those details about timelines, when might we break ground, etc. Gilbane will share the timelines as they roll out.

If there are any other questions, contact Kelly Abad.

## 10. Measure G Bond Projects Update

Gilbane gave a brief update on what they have been working on over the last few months.

- Information gathering
- Phase 1
  - Project List  
Want to renovate from the center of campus and build out. Building 1 was part of phase 2, it was decided that there is a higher need to move that into phase 1. Accessibility issues need to be taken care of. Safety and ease of getting materials in and out of the space. Building 8 is also part of the first phase.
  - Budget  
Cost load the schedule. Hard costs are construction costs, soft costs are design, etc. Looked at first three years to see where we are at. Worked with the District's underwriters and legal counsel and found there is an \$80M need. Working to get architects on board. Putting general policies and procedures in place for construction management so that we can reference it at any time. Loading all project budgets by object code for each project. The books will be reconciled each quarter.
  - Schedule
- Series A Bond Sale
- District Facilities Master Plan  
Need to create a District Facilities Master Plan that includes Fremont and Newark. Created a bridge document that was presented to the board and approved in August. Projects are in tab 8 of the binder and total out to the \$349 million. Hired HMC Architects to help with the master planning process. Holding regular meetings with executive team (Dr. Browning and VP's), Bond Implementation Group and Facilities Committee.  
Some information that came from discussions with the District include
  - Not wanting to build too close to high pressure gas line.
  - Planning to have parking where current baseball field is located.
  - There may be some issues with soil.
- Process and Procedure Development
- System Setup

Q: What calculations did you use to come up with the amounts budgeted for each project?

Can't fathom where we will be in the future. How are these numbers anywhere near accurate?

A: This project list was the original list that we used from the District when we first started. We used a square foot dollar amount, soft costs are applied at a percentage above that.

Contingency, inflation, district support and project management is included as a lump sum, which is \$72M. We'll be coming back regularly with bond list revisions. We will add a project, cancel project, go through board process and make those changes for budget or scope, or a schedule change that had to be realigned and then bring to this committee after the board. You will receive the same agenda item as the Board of Trustees. We have to have a beginning point. 6% was used as the starting point. You never know where we'll be at in the future with inflation. We haven't created any other phases because we don't know how many phases there will be.

Q: You made a statement about recording expenses by object codes? Are Gilbane and the District running their own books at the same time?

A: The District is fiscally responsible and checks are issued by the District. District works in fund accounting. Management team works in cost accounting. Gilbane worked with accounting and purchasing. Data will possibly reconcile electronically. At the end of each quarter, before we represent numbers to you, we will be reconciled with the district. Data is going back and forth between the district and Gilbane. Gilbane's accounting person will be working closely with Arti Damani, District's Bond Accountant.

- Phase 1 – Getting Started
  - Planning
  - Assessments:
    - ADA – American Disability Act  
Need ramps or proper slopes, proper access to the buildings. Building 1 won't have that process because there is a major renovation that will take place so that architect will work on that part
  - Budget Validation  
Need to make sure there is enough money to follow through on the projects.
  - Quick Start Projects:
    - Imminent Failure
    - Safety and Accessibility
    - Way-finding and Landscape
    - Renewable Energy Generation (Solar Project)  
Want to put money back into the general fund. We will get the solar project going quickly to save about \$700K per year. Showed the committee where the solar fields will be going. Have a 25-year performance guarantee from the installer. It has been decided to go with the carport option at Newark. Newark already has roof panels, but we're working with PG&E to get money back for the energy usage at Fremont. There is also incentive funding. \$20M project, 12-year payback. Looking at over a \$20M savings at 25 years.
- Bond Program Visualization  
Showed visualization of how the projects will come online. Items are color coded. Blue = design, green = construction, red = demolish, yellow = remodel. This was built based on the initial bond project list. It will continue to get refined as the project list is refined.
- Who we communicate with:
  - Board of Trustees
  - Citizens' Bond Oversight Committee
  - College Council
  - Facilities Committee
  - Bond Implementation Group
  - Project User Groups
  - Faculty, Staff, Students and Neighbors
- How we communicate:
  - Project team communication
  - Bond website
  - Construction alerts/updates
  - Campus presentations
  - Annual Report

More detail will be available with financial reports. You may request more or less detail. Project updates with images will be given at each meeting with images. You will always know what is coming ahead and we'll make use of the website. Annual report will be worked on with the oversight committee. The District currently has a website and Gilbane will work with District to update.

**11. 2010-2011 Annual Report Preparation Update**

The last annual report is located in the CBOC binders in tab 9. The new report is for the fiscal year that just ended. Staff will normally gather information and put together. We would like a subcommittee to work with us for the final draft. The report will be brought back to the December meeting and the committee will vote on it and then go forward for Board approval. Is anyone willing to work with staff to work on the draft? The Chair and Co-Chair will serve as the sub-committee.

**12. Schedule of Upcoming Meetings**

The schedule of suggested meetings was presented. The committee approved the next meeting and tentatively approved the meetings that follow.

Moved / Wolfe / Seconded / Douglass / All in Favor

**13. Evaluation of Current Meeting**

A lot of information was received and this lays the foundation for where we are going. It would be helpful for the committee to have charts to come into campus, which include buildings. A tab can be included for the binders that include illustrations of campus.

One suggestion is to be able to get the minutes right after the meeting so that we know what we did at the last meeting. Kelly Abad will send out minutes within 2 weeks of the meeting. Committee would like to get the minutes and agendas through email and mail.

Another suggestion is for all committee members to provide their photo and name. All agree that this is a good idea.

Committee would like another walking tour prior to the next session. Not really anything for Measure G or any other projects at that time.

**14. Topics for Next Meeting**

- First Quarter Financial and Bond Report
- Schedule of Upcoming Meetings
- Review, Approval and Scheduling of Annual Report Presentation to the Board of Trustees

Rakesh Sharma concluded the meeting.

ADJOURNED: 7:53 p.m.