

Measure Q Citizens' Bond Oversight Committee

District Board Room – District Office

6:30 p.m. – 8:00 p.m.

Meeting Minutes for September 21, 2017

Members Present: Jim Hossfeld, Bruce Bauer, David Brandt, Alberta Christy, Irma Avila Macias, Kenneth Nguyen, Manuel Peña and Erik Peterson

District Staff Present: Peter Hardash, Carri Matsumoto, Adam O'Connor and Dr. Linda Rose.

1. Call to Order: Mr. Hossfeld called the meeting at 6:31 p.m.
2. Approval of Minutes – May 18, 2017
Mr. Hossfeld called for a motion to approve the Measure Q Citizens' Bond Oversight Committee Minutes of the May 18, 2017 meeting. A motion was made by Ms. Christy, seconded by Mr. Peterson and approved unanimously
3. Draft Measure Q Annual Report to the Community – Mr. Hardash
A draft report was presented in a tri-fold format. Financial information is included indicates a clean audit. The Board of Trustees will receive the audit report in December. As of June 30, 2017, \$61 million has been spent. Approximately \$71 million was issued in Series A bonds and is expected to be spent by February 2018.

The draft report uses a banner from last year celebrating Santa Ana College's 100th anniversary. It was suggested that this be changed and updated. An error stating this was the 2nd annual report instead of the 3rd annual report will be corrected. Additionally, dates of service for Trustee Hernandez's and Dr. Rose's name will be added to the back page. The report will primarily be sent electronically with limited hard copies printed.

Mr. Hossfeld called for a motion to approve the Annual Report. A motion was made by Mr. Peterson to approve the draft with the amended corrections, seconded by Ms. Macias and unanimously approved.

4. Measure Q Projects Update – Ms. Matsumoto
Central Plant Project:
This project is currently in construction and is roughly 80% complete. The project is still on target for completion on time as delays have been mitigated. The project is expected to be closed out in Spring 2018. The last phase of underground utility work is underway. Several building have been connected to the new Edison electrical supply and 75% of the building have been connected to new domestic water.

The new fountain has been poured, with landscape to follow after flatwork is complete. The Centennial Circle tree is scheduled to be installed in mid-October with brick installation to begin after. The opening celebration is planned for February 2018.

Dunlap and Chavez buildings have been connected to the chilled water loop and testing is ongoing. Continued testing will take place as more building are connected.

Johnson Demolition:

This project is currently out to bid. It is a two-phase project: phase one includes the building demolition and phase two includes subsurface demolition. Bids are due September 28, 2017 and phase one is desired to begin in October and continue through Spring. Phase two will go out to bid in Fall 2018.

Johnson Student Center:

This project is currently in the last phase of design, with 100% CDs. It is anticipated to be submitted for review in December 2017. The center is planned to be opening in Spring 2021. The budget is slightly deficient.

Science Center:

This project is currently out to bid, with bids due October 4, 2017. The district is using a lease-leaseback delivery method for this project. Prequalification is complete for contractors and 11 C licenses. Target start of construction is December 2017 with opening in June 2020.

Parking Lot at 17th and Bristol:

This project is currently on hold. The lot will be used for overflow parking for contractors during construction projects.

Ms. Matsumoto also discussed the impacts of escalation with the committee. Current observations suggest approximately 4-6% increases in cost on projects. There have been struggles with bidder for some projects. To help mitigate these issues, projects are budgeted on a project-to-project basis and inflation costs are factored in to project budgets.

5. Measure Q Financial Report – Mr. O'Connor

Not much has changed since the last meeting. Approximately \$30 million has been spent this far. Most of the spending has been that of previously encumbered funds. The information provided was prior to year-end closing and interest will be added after closing. Aside from escalation, it is on budget.

6. Measure Q Series B Sale Timeline – Mr. Hardash

There was \$71 million from the Series A bonds, and Series B is estimated at \$70 million. A resolution will be taken to the Board of Trustees on November 13, 2017 to approve the sale of the bonds. Pre-pricing is planned for January 9, 2018. The cash deposit for the sale of the bonds is expected around February 1, 2018. The bonds are tax exempt, but the status must be verified before sale.

7. Santa Ana College Update – Dr. Rose

Dr. Rose informed the committee that the Athletic teams were off to a good start for the 2017/2018 school year. She discussed the new Phlebotomy course offered, both sections of which were full and waitlisted. Santa Ana College was the only community college in the US to receive an Upward Bound Veteran's Grant, which will provide \$1.3 million over five years. Dr. Rose also discussed the kick off of the new free bus pass program for students of Santa Ana College and Continuing Education students on both campuses. The program appears to be well received, and there will be a nominal fee for students to receive the bus pass for the second year. Additionally, the campus is focusing on encouraging enrollment in hopes to restore enrollment levels.

The Board of Governors visited Santa Ana College and Dr. Rose was given positive feedback on the visit. The event spanned two days and was livestreamed, giving some publicity to the campus.

The Remington Center is now open and houses mixed use space with Santa Ana Unified. There will be adult education and advanced high school programs at this location. There have also been some renovations and changes to furniture around campus to make spaces more inviting to students. Students seem to be tolerating the ongoing construction well.

Ms. Christy brought to the attention of the committee a program being developed between Santa Ana College and St. Joseph Health Services for fixing medical equipment. It will be the only program in the area and guarantees a job to students that complete the program.

8. Committee Comments

Several committee members near the end of their terms were asked if they would like to serve an additional term. Those who would like to extend will be recommended to the Board of Trustees.

The committee members shared brief comments.

9. Adjournment

Mr. Hossfeld called for a motion to adjourn the meeting. A motion was made by Ms. Macias, seconded by Mr. Peña, and approved unanimously. The meeting was adjourned at 7:40 p.m.