



Santa Monica Community College District
Citizens' Bond Oversight Committee
MEETING - JANUARY 26, 2005
MINUTES

A meeting of the Santa Monica Community College District Citizens' Bond Oversight Committee was held on Wednesday, January 26, 2005 at 8 a.m. at Santa Monica College, **Drescher Hall Room 300-E** (the Loft), 1900 Pico Boulevard. Santa Monica, California.

I. CALL TO ORDER

2. ROLL CALL

Linda Sullivan, Chair - Present
Paul Leoni, Vice-Chair - Present
Clarence Chapman - Present
Veronica Lopez - Present
Eleanore Meyer - Present
Ed Moosbrugger - Present
James Mount - Present
Herb Reich - Present
Herb Rose - Present
Bertrand Staggers - Present
Irma Vargas - Not present
Pierce Watson - Present
Joe Weichman - Present
Allen Weiss - Present

Others Present:

Thomas Donner, Interim Superintendent/President
Randal Lawson, Executive Vice-President
John Jalili, Committee Advisor
Lisa Rose, Committee Coordinator
Bruce Smith, Public Information Officer

3. APPROVAL OF MINUTES

Motion was made by Joe Weichman and seconded by Pierce Watson to approve the minutes of the Citizens' Bond Oversight Committee meeting of July 21, 2004. *Unanimously approved.*

Motion was made by James Mount and seconded by Herb Reich to approve the minutes of the Citizens' Bond Oversight Committee meeting of October 20, 2004. *Unanimously approved.*

4. APPOINTMENT OF MEMBER REPRESENTING TAXPAYERS' ORGANIZATION

Chair Linda Sullivan welcomed Clarence Chapman, who was unanimously appointed by the Board of Trustees on November 15, 2004 to serve on the Citizens' Bond Oversight Committee for a two-year term, 2004-06.

5. REPORTS and DISCUSSION

Linda Sullivan recognized the absence of Piedad Robertson and stated that she will be missed. Randy Lawson reported the following "interim" administrative reorganization resulting from Piedad Robertson's retirement: Tom Donner has been appointed Interim Superintendent/ President; Randy Lawson, Executive Vice-President; Marvin Martinez, Provost Bundy Campus; Dianne Berman, Director Bundy Campus; Robert Sammis, Vice-President, Planning and Development; Jeff Shimizu, Vice-President Academic Affairs.

Bundy Campus - Update

- The Board of Trustees approved a Bundy Campus master plan at its meeting on January 10, 2005. The study will be completed by June 2005 and at a later date be incorporated into the college-wide Master Plan to address future plans for facilities. The two-story and four-story buildings at the Bundy campus will probably be refurbished.
- The driving element in planning the Bundy Campus is the instructional program. Continuing the effort to move programs and traffic away from the main campus, the tentative plans are to move stand-alone programs such as nursing and education (which includes early childhood development) and general education offerings.
- In response to a question about entitlements (square footage torn down), entitlements must be included in the Master Plan, or lost. Entitlements would normally apply to the City of Los Angeles. However, there are some questions about the controlling agency - City of Los Angeles or DSA (Division of State Architect). State educational projects are not subject to local zoning.
- The Stewart Street access from the Mar Vista residential community has been closed except for emergency vehicles. If the City of Santa Monica continues to deny access to the Bundy Campus from Airport Avenue, other options will be considered rather than use Stewart Street that would be a temporary last resort. Some proposals have been made to the City of Santa Monica for the College to assist with Airport Park and building parking under the park.
- Hopefully, the Bundy Campus Master Plan will resolve what the real traffic numbers are and provide some history about the property into consideration. The fact that it was previously a busy site (BAE) needs to be recognized.

Measure S

- The Board took action to assign oversight of Measure S to the existing Citizens' Bond Oversight Committee. It will be more efficient to combine oversight for both bonds to one committee. Reports for the two bonds will be on different color paper and the issues will be addressed separately within the minutes.

Expenditure Report

The Expenditure Report with totals for 2003-04 for Measure U Projects was distributed.

- There have been two sales of bonds (Measure U); a sale of Measure S bonds will be needed in April/May, amount to be determined.
- The first draw down of Measure U has been expended. Almost \$4 million left from the first issue. Another Measure U draw down will be needed in fall, 2005. The District tries to delay bond sales and use the cash it has because it delays the tax effects.
- The draw down is about \$3 million of the second issue which leaves about \$19 million. That money draws interest that is dedicated back to the project.
- Cash reserves are with the Los Angeles County Treasurer's Office pooled investment account earning a small amount of interest.
- Matching cash flow with projects has been an issue because the cost of construction has been increasing more than expected.
- The sale of bonds is advertised in financial journals and the major buyers of investment quality bonds are usually insurance groups and banks.

Other Topics

- An opinion was provided by the Office of the Attorney General that "a school district may use Proposition 39 school bond proceeds to pay the salaries of district employees to the extent they perform administrative oversight work on construction projects authorized by a voter approved bond measure." This does not apply to administrative functions to support the committee.
- In response to a question about PaperMate leaving Santa Monica, Tom Donner responded that the college has the responsibility to look at properties on the market related to the goal of moving programs and traffic from the main campus and considering joint projects with the City of Santa Monica and the SMMUSD. This particular property does not lend itself to being a general office or classroom building and it is further complicated by an existing eight-year lease.
- Public Information Officer Bruce Smith will include the Citizens' Bond Oversight Committee on distribution lists to receive information about the college.
- It was suggested that the meeting in July be held at the Bundy site.
- Previous information provided on construction projects going over estimates still applies. The bids for the Liberal Arts Building came in so high that the project was redesigned and rebid. Underground parking was not included because of the cost. At this time, the District is waiting for bids to come in.
- The Student Services building is being designed with underground parking and has been submitted to Chancellor's Office for funding, so that Measure U funds can be maximized and used for elements that the Chancellor's Office won't fund (underground parking, for instance).
- In response to a concern about the best use of Measure U funds (i.e., funding underground parking versus a new

building for instruction), there is a need to replace parking that is eliminated when a new building is constructed on that site. The District will be exploring other underground parking possibilities since increasing open space is desired.

6. OLD BUSINESS

Annual Report

Review of District Audit Report (as it pertains to Measure U funds) and Approval of Annual Report, 2003-04

The Annual Report for 2003-04 includes a statement that the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution and a summary of the Committee's proceedings and activities for 2003-04.

The Audit Report and statement from the Auditor addressing the incorrect reporting of an expenditure transferred to Measure U has not yet been received. Both documents will be forwarded to the Committee as soon as received and the issue will be placed again on the agenda for April 20, 2005. The Auditor will be invited to attend that meeting.

Therefore, approval of the Annual Report for 2003-04 will be deferred until the April meeting.

7. PUBLIC COMMENTS

None

8. ADJOURNMENT

Meeting was adjourned by 9:22 a.m.

The next meeting of the Citizens' Bond Oversight Committee will be held on Wednesday, **April 20, 2005 at 8 a.m.** in Business Building Room 111.