

SANTA CLARITA COMMUNITY COLLEGE DISTRICT
Independent Citizens' Bond Oversight Committee

November 17, 2020

MINUTES

(Approved)

College of the Canyons

26455 Rockwell Canyon Road, Santa Clarita, California 91355

Members Present: Mr. Nicholas Lentini, Chair
Ms. Barbara S. Cochran
Mr. Calvin Hedman
Mr. Don Kimball
Mr. Michael Lebecki
Ms. Janette Mireles, Associated Student Government Representative

Members Absent: Mr. Kevin Holmes
Mr. Spencer Leafdale
Ms. Ruthann Levison
Mr. Michael Hogan

Others Present: **District Administration**

Dr. Diane Fiero, Interim Deputy Chancellor, Asst. Superintendent/VP, Human Resources
Ms. Sharlene Coleal, Asst. Superintendent/VP, Business Services
Mr. Jim Schrage, Asst. Superintendent/VP, Facilities Planning, Operations & Construction
Mr. Eric Harnish, Vice President, Public Information, Advocacy & External Relations
Mr. Jeffrey Forrest, Vice President, Economic & Workforce Development
Dr. Ryan Theule, Vice President, Canyon Country Campus and Grants Development
Mr. Jason Hinkle, Associate Vice President, Business Services
Ms. Balbir Chandi, Director, Fiscal Services
Mr. Will Karrat, Director, Facilities Projects

District Staff

Ms. Mary Khair, Accountant, Fiscal Services
Ms. Cher Weiss, Interim Business Services Coordinator
Mr. Jon Young, Business Services Analyst

The Committee Chair, Mr. Nicholas Lentini, welcomed guests and thanked everyone for attending the meeting virtually. He took a moment to recognize the loss of a dear friend of the College, Cheri Fleming. He acknowledged what she has done for the community and for College of the Canyons.

1. PRELIMINARY FUNCTIONS

**Quorum
Established
(1.1)**

Mr. Jason Hinkle, Associate Vice President, took roll call of the Committee Members and stated that the Independent Citizens' Oversight Committee meeting is conducted pursuant to California Government Code

Section 54953, as amended by Governor Newsom’s Executive Orders, that our Members are at their home residences and on campus and all are participating by remote video or teleconference.

Mr. Hinkle then asked each of the Committee Members the following questions:

- Can you hear me well?
- Were you able to hear our proceedings up until now?
- Do you have an electronic copy of the agenda for this meeting?

The following attending Committee Members all responded “yes” to the questions above:

- Nick Lentini
- Don Kimball
- Barbara Cochran
- Calvin Hedman
- Michael Lebecki
- Janette Mireles

A quorum was declared and the meeting called to order by the Chair of the Oversight Committee, Mr. Nicholas Lentini.

The Committee moved approval of meeting agenda.

- Motion: Mr. Michael Lebecki Second: Ms. Ruthann Levison

Record of Vote: 6 – 0
(4 Members Absent)

**Approval of
Agenda
(1.2)**

The Committee moved approval of the January 16, 2020 meeting minutes.

- Motion: Mr. Michael Lebecki Second: Mr. Don Kimball

Record of Vote: 6 – 0
(4 Members Absent)

**Approval of
Minutes
(1.3)**

The Committee Chair, Mr. Nicholas Lentini, welcomed guests.

**Welcome
Guests
(1.4)**

1. FINANCIAL

Review of Life-to-Date Expenses by Project (Measure E) – As of June 30, 2020 and September 30, 2020

(2.1)

Ms. Sharlene Coleal, Assistant Superintendent, VP Business Services, provided an overview of the financial and project summary reports ending **June 30, 2020** and **September 30, 2020**.

As of June 30, 2020

Ms. Coleal stated that there were no audit findings, that everything was in order and the information will be presented in January 2021. She reminded the Committee that Measure E was passed June 7, 2016 and authorized \$230 Million in General Obligation Bond Funds.

April 2017 Bond Issuance #1	\$50,000,000 – Fully Expended
Bond Issuance #1	\$ 1,772,975
August 2019 Bond Issuance #2	\$85,000,000
Bond Issuance #2 Estimated Interest	<u>\$ 1,150,998</u>
Total GO Bond Funds Available	\$137,923,973

Issuance Premiums

Ms. Coleal shared that the premiums received through the issuance of the bonds are used by the District to pay for costs of issuance and debt service. The premiums received for the first two issuances of Measure E are as follows:

- April 2017 Bond Issuance #1 \$3,499,569
- August 2019 Bond Issuance #2 \$ 331,500
- Total Premiums Received through Issuance: \$3,831,069

Life to Date GO Bond Expenditures:

As of June 30, 2020:

- The April 2017 Bond Issuance #1 in the amount of \$51,772,975 has been fully expended.
- The August 2019 Bond Issuance #2 has expended \$6,098,821 of the \$85,000,000.

Some of the projects for which the total expenditures occurred include:

- CCC – Modernization (HVAC & Modular)
- PE West Modernization
- Boykin 105 Remodel
- Boykin Hall Modernization Phase 2
- Door & Lock Replacement Phase 2
- Student Center Modernization
- ADA Transition Plan
- Parking Structure Valencia
- CCC- Central Plant
- CCC – Science & Lecture Building
- CCC – Student Services Learning Resource
- Technology
- Miscellaneous Repairs, Modernization & Site Improvements

Contractually Obligated / Encumbered / Budgeted:

Ms. Coleal informed the Committee that the Board of Trustees has authorized the expenditures of bond funds against certain contractual obligations. Of these contractual obligations, as of June 30, 2020 there are outstanding amounts pending against Measure E:

- Outstanding Contracts: \$37,434,308
- Encumbrances: \$ 0
- Budgeted for Anticipated Project Costs: \$40,896,157
- Total Contractually Obligated/ Encumbered/ Budgeted: \$80,052,177

Other Funding Sources:

Ms. Coleal stated that \$145,657,723 is estimated to come from other funding sources to augment Measure E funds for various projects. The sources are as follows:

- Measure M Contributions \$ 24,346,834
- Future Issuances of Measure E \$100,261,472
- Other Funding Sources (i.e. State Bond, Rebates & Prop 39) \$ 21,049,417
- Total Funding Sources (other than Current Issuance & Interest) \$145,657,723

Total Estimated Project Costs of \$137,923,973

Ms. Coleal reviewed the handouts that detail out the project and summarize the detail in the Measure E reports with past expenditures and future planned expenditures, and also estimates of other funding sources the District has identified to augment Measure E funds.

A question was raised as to if there is an expiration date on the bond? If you do not use it, do you lose it? Ms. Coleal answered that the general rule is to expend 85% of the funding issued within 3-5 years so we are well within the legal requirements of expending the funds in a timely manner.

As of September 30, 2020

Ms. Coleal reviewed the Life-to-Date Expenses by Project (Measure E) as of **September 30, 2020** (3 months later) and stated that the estimated interest increased slightly over June 30, 2020.

- April 2017 Bond Issuance #1 \$ 50,000,000 – Fully Expended
- Bond Issuance #1 \$ 1,772,975
- August 2019 Bond Issuance #2 \$ 85,000,000
- Bond Issuance #2 Estimated Interest \$ 1,950,998
- Total GO Bond Funds Available \$138,723,973

Issuance Premiums

- April 2017 Bond Issuance #1 \$3,499,569
- August 2019 Bond Issuance #2 \$ 331,500
- Total Premiums Received through Issuance: \$3,831,069

Life to Date GO Bond Expenditures:

As of June 30, 2020:

- The April 2017 Bond Issuance #1 in the amount of \$51,772,975 has been fully expended.
- As of September 30, 2020, the August 2019 Bond Issuance #2 has expended \$9,170,102 of the \$85,000,000.

This brings the total expenditures of Measure E to:

- Bond Issuance #1 \$51,772,975
- Bond Issuance #2 \$ 9,170,102
- Total Expenditures \$60,943,077

\$60,943,077 is 45% of the Total Measure E Proceeds Committed. These funds have been spent on approved projects from the initial issuance in April 2017 to the current reporting period ending September 30, 2020. \$3,071,281 of this amount was expended from July 1, 2020 through September 30, 2020.

Contractually Obligated / Encumbered / Budgeted:

- Outstanding Contracts: \$37,434,308
- Encumbrances: \$ 635,118
- Budgeted for Anticipated Project Costs: \$39,711,470
- Total Contractually Obligated/ Encumbered/ Budgeted: \$77,780,897

Some of the projects for which the total expenditures occurred include:

- CCC – Modernization (HVAC & Modular)
- PE West Modernization

- Boykin 105 Remodel
- Boykin Hall Modernization Phase 2
- Door & Lock Replacement Phase 2
- Student Center Modernization
- ADA Transition Plan
- Parking Structure Valencia
- CCC- Central Plant
- CCC – Science & Lecture Building
- CCC – Student Services Learning Resource
- Technology
- Miscellaneous Repairs, Modernization & Site Improvements

Miscellaneous projects active and planned in the following categories:

- Repairs & Modernization
- Site Upgrades
- Secondary Effects
- Technology

Other Funding Sources:

Ms. Coleal stated that \$145,657,723 is estimated to come from other funding sources to augment Measure E funds for various projects. The sources are as follows:

- | | |
|--|----------------------|
| • Measure M Contributions | \$ 24,346,834 |
| • Future Issuances of Measure E | \$ 99,750,003 |
| • Other Funding Sources (i.e. State Bond, Rebates & Prop 39) | <u>\$ 21,049,417</u> |
| • Total Funding Sources (other than Current Issuance & Interest) | \$145,146,254 |

Total Estimated Project Costs of \$138,723,973

A question was raised as to whether we could use these funds for response to the COVID-19 pandemic? Ms. Coleal answered, as a public agency, College of the Canyons has received \$3M in Institutional Funding, through the CARES Act, to use for instruction and student transition to remote education. We have also received a COVID-19 Block Grant totaling \$1.7M to use for physical improvements, PPE and Cleaning. No bond money has been used on COVID-19 expenses.

Ms. Coleal asked the Committee if they had any additional questions. There were none.

2. FACILITIES

(3.1)

Facilities Update

Mr. Jim Schrage, Assistant Superintendent Vice President, Facilities Planning, Operations & Construction provided an update on the active projects funded by both Measure M & E.

- **Canyon Country Science / Lecture Building** – (\$40.4M; \$11.5M Measure M / \$28.9M Measure E)
The team is making great progress on expanding the campus and building out the Canyon Country Science building. The 55,000 square foot building will house 24 Faculty Offices, 8 Lecture Rooms, 2 Computer Labs and 8 new laboratory classrooms. Most of the work within the Science Building is complete. Currently working on installing the lighting, architectural specialties and installation of fume hoods followed by

flooring. Furniture will be installed on December 1, 2020. Exterior wall panels, storefront glass and doors are near 100% completion. HVAC equipment on the roof and throughout the Science Building are nearly complete and ready for startup. The Amphitheater/Patio, will seat 200 people for events and will be the best outdoor space in the district. With the passage of this bond we have tripled the size of the Canyon Country Campus. During the 20-month construction schedule this project has had some setbacks that have caused delays in completion, a very wet winter, fires and the Covid-19 Pandemic.

- **Canyon Country Central Plant** - (\$7.5M; \$2.8M Measure M / \$4.7M Measure E)
Structure is almost complete, testing and flushing out of the Central Plant systems have been completed. Plant is ready for startup once the Science Building HVAC systems are able to put a load on the system.
- **ADA Transition Plan (Modernization and Site Upgrades)** - (\$10M; \$2.5M Measure M / \$7.5M Measure E)
 - **Three phases to the ADA Transition Plan:**
 - 1st - Upgrade all entry and exists so to comply with ADA Standards (Waiting for DSA Certification)
 - 2nd – Modifications to parking areas and site paths of travel (Going soon to DSA Certification)
 - 3rd - Restroom and public space modifications
- **Miscellaneous Repairs and Modernization Projects, Districtwide** - (\$19.3M; \$753K Measure M / \$6.3M Measure E / \$11.6M Future Issuance of Measure E / \$650K Misc. Other)
 - **Funds cover a variety of projects to keep the district up to date and functional.**
 - The active projects include:
 - Bonelli Hall Cooling Tower – Replacing the existing system
 - CCC – Early Childhood Education – Tick Canyon Fire Repairs
 - Chiller and Boiler Maintenance - Ongoing
- **Active Projects Funded by Measure E**
 - **Canyon Country Student Services Learning Resources Building (\$33.5M; Measure E)**
 - Contracts were awarded March 11th, 2020, and we broke ground on March 20, 2020, construction phase is expected to last 20 months. Building will house Administrative Offices, Health & Wellness Center, Learning Center, Library and the Canyons Extension.
 - **Canyon Country Modernization (HVAC & Modulares) (\$4M – Measure E)**
 - **HVAC –**
 - Developed plans and specifications for the replacement of HVAC systems for the modular classroom buildings that include replacing the current wall mounted HVAC units with mini-split heat pump units. Received DSA approval, project publicly bid and awarded in December 2019, and the project will continue through the Spring semester.
 - **CCC – 302 Food Service Modernization (Café)**
 - Existing café was demolished during the groundbreaking. In order to keep food and coffee services, we are relocating the café to CCC 303. The modular café will

include a food prep area, power upgrades, tile flooring, LED lighting, HVAC upgrade, service counter, new casework and equipment.

- **Valencia PE West Modernization (\$5.5M – Measure E)**
 - The modernization included new and remodeled office space, updated lobby restrooms, new ceilings, refinished gym floor with re-striping and a new logo, small gym remodeled, ceiling tiles and new finishes complete the added classroom spaces, flooring and finishes were done in the lower level offices and corridors, and new restroom fixtures were installed in the locker rooms.
 - Project was complete at the start of Spring 2020, and is awaiting final approval and closeout from the State Architect.

- **Boykin Hall Modernization Phase 2 (\$9.6M – 4.8 M – Measure E; \$4.8M – State Match)**
 - The modernization project will include a full seismic retrofit, modernization of all three floors and ADA compliance upgrades. All of the planning is complete, the final construction documents have been finalized and have been submitted to the State Architect for approval. Looking to begin construction Summer 2021.

Mr. Ryan Theule, Assistant Superintendent/VP Canyon Country Campus thanked Jim Schrage and his team for the quality work that they have done on this project and that it has been transformative to the campus. He also thanked the community for the bond and for all of their support to make the improvements possible.

A question was raised if the observatory was open. Mr. Theule answered that there is no observatory, but there are many spaces in the Science Center building for students to do astronomy and physics work.

Mr. Lentini asked the Committee if there were additional questions. There were none.

3. GENERAL

Committee Membership Update (4.1)

Ms. Coleal reminded the Committee that they have served for two, two-year terms for a total of four years. The plan is to bring everyone from this committee back to the Board for approval for a third two-year term.

Comments by Members of the Audience on Any Item NOT ON THE AGENDA (4.2)

Mr. Hinkle commented that per the regulations that were sent out, comments needed to be received by 3:00pm today and we received no comments, so no action needs to be taken at this time.

Mr. Lentini asked there were any additional comments or questions. There were none.

4. ADJOURNMENT AND ANNOUNCEMENT OF NEXT MEETING

Adjournment (5.1)

The meeting was adjourned by Mr. Nicholas Lentini. The next meeting will be scheduled at another time and with advance notice. Ms. Coleal said tentatively, plan for the second week of January before the Board meets. At the next meeting as a reminder the Committee will be receiving the Audit for review and the Auditors will be presenting the findings.