

SANTA CLARITA COMMUNITY COLLEGE DISTRICT
Measure “M” Citizen’ Oversight Committee

April 24, 2014

MINUTES

(Approved January 15, 2015)

The Santa Clarita Community College District Measure “M” CITIZENS’ Oversight Committee meeting was held on April 24, 2014 in the “future location” of Dr. Van Hook’s office in the nearly completed Administration/Student Services Building, College of the Canyons, 26455 Rockwell Canyon Road, Santa Clarita, California 91355

Members Present: Mr. Nicholas Lentini, Chair
Ms. Barbara Cochran
Mr. Alan Difatta
Mr. Calvin Hedman
Mr. John Hoskinson
Mr. Michael Hogan
Ms. Jill Mellady
Mr. Ryan Joslin

Members Absent: Mr. Kevin Holmes

Others Present: Dr. Dianne Van Hook, Chancellor
Ms. Sharlene Coleal, Asst Superintendent/VP, Business Services
Mr. Jim Schrage, Asst Superintendent/VP, Facilities Planning, Operations and Construction
Mr. Eric Harnish, VP, Managing Director, Government Relations & Advocacy
Mr. Jeff Baratta, Managing Director Piper Jaffray
Mr. Will Karatt, Project Director
Ms. Angel R. Robinson, Business Services, Coordinator

A quorum was declared and the meeting called to order at 4:00 p.m. by the Chair of the Oversight Committee, Mr. Lentini.

**Quorum
Established
(1.1)**

The Committee moved approval meeting agenda.

Motion: Mr. Lentini Second: Mr. Hedman Record of Vote: 8-0

**Approval of
Agenda
(1.2)**

All guests were asked to introduce themselves

Welcome Guests
(1.3)

The Committee moved approval of the January 14, 2014 meeting Minutes.

Approval of Minutes
(1.4)

Motion: Mr. Lentini Second: Record of Vote: 8-0

Mr. Jeff Baratta, PiperJaffray, Keygent Advisor, Public Finance & Management Consulting provided a verbal update and reviewed the PowerPoint on the General Obligation Bond Program including the, interest rates, scenarios, tax rates/projected repayment ratios and prospective timeline.

G.O. Bonds
(2.1)

General obligations are structured based on:

- District project needs
- District assessed value
- Tax rates
- Municipal bond interest rates
- Recently enacted legislation (AB182)

Bond Program scenario:

- Subject to market fluctuations
- Slow Growth progress

Prospective Timeline:

- Draft issuance
- Conference calls with rating agencies
- Receive ratings
- Board of Trustee meeting to adopt resolution
- Price bonds – Interest rates locked in
- District receives bond proceeds

Mr. Lentini asked a question: How many years are the bonds? The last series of Bonds has maturities from 1-25 years. Mr. Calvin Hedman asked what the difference is between regular bonds and premium bonds? Bonds are issued with a face value - the amount that is returned to the investor. Regular bonds are sold at face value. Premium Bonds are sold at a value larger than face value. The additional proceeds are considered "Premium". Premium cannot be used to fund construction. Premium is used to fund costs of issuance.

Sharlene reviewed the Measure M Life Expenditure Life to Date by Project as of 3/31/2014.

1. In addition to Measure M funding of \$125M, \$75M in funding from State match, Measure C, Foundation and other local funding augmented total project funds to \$201M.

2. The Life to Date Expenditures were \$107,007,714, approximately 50% of Total Estimated Project Costs of \$201M.
3. The \$125M in Measure M Funding includes \$83M from the 1st Issuance, \$37M from the 2nd Issuance and \$5M in estimated interest income.

Facility Update-Administrative Building

Facilities (3.1)

Mr. Jim Schrage reviewed the timeline of the Administrative Building and confirmed the building will be ready for occupancy September 29, 2014. Approximately 12-18 months after the main building is done. The 6000 square foot Tenant Improvement (TI) will be built after DSA approval is received. Dr. Van Hook discussed that the original space was approved for a 6000 square foot bookstore. The change in the textbook industry resulted in more emphasis on electronic and non-traditional methods of textbooks, including rentals which Barnes & Noble is the leader in their industry with COC the highest volume of all Barnes & Noble stores. Barnes & Noble opted out of paying for the Tenant Improvement, and the District couldn't pay – gift tax payer funds. The decision to locate other functions with high street traffic will be located in this area such as:

- Veterans
- Community Service
- Foundation
- Switchboard/Mailroom

University Center Space will be reverted to classroom and other use.

College of the Canyon is eligible for modernization funding for the Valencia Campus. Modernization will be done on Bonelli as people move out of spaces to the new A Building. Also, existing instructional space will be converted to lab space, as needed.

Comments by Members of the Audience on any Item NOT ON THE AGENDA (4.1)

Mr. Barry Gribbons and Dr. Van Hook met with Mr. Fred Harris regarding funding for instructional space at the University center. This meeting resulted with funding because of joint use with Public partners, i.e.: CSU, UC

Recent meeting with Dr. Van Hook, Mr. Fred Harris, Mr. Barry Gribbons and Ms. Susan Yeager regarding modernization money available since Valencia campus is fully built out. Our proposal is due July 1, 2014, Jerry Buckley will provide information to support the build out.

Culinary building

An optional tour of the culinary building was scheduled prior to the meeting. The Building is schedule to be completed in Fall 2014.

Barbara Cochran mentioned that she really appreciated the water aerobics classes that were offered years ago. Dr. Van Hook explained that the class schedule selection had to change with student demand as well as other changes to the campus. College of the Canyons, the University Center and its instructional space is a trend setting University in the State of California.

College of the Canyons 45th anniversary will be celebrated Fall 2014.

Mr. Lentini called for adjournment, and thanked everyone for their attendance.

**Announcement
of Next Meeting**
will be sent out
(5.1)