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**SOUTHWESTERN COMMUNITY COLLEGE DISTRICT
PROPOSITION R CITIZENS' BOND OVERSIGHT COMMITTEE**

Wednesday, September 19, 2012

Members: Joe David Casillas, Thomas Davis, Adela Garcia, Israel Garza, Edward Gutierrez, Matt Kriz, Nicholas Segura, Jr.

Resource Staff: John Brown (Director of Facilities, Operations and Planning); Steven Crow, Vice President for Business and Financial Affairs; Nirav Desai, Consultant, Business and Financial Affairs, Prop R; Lillian Leopold (Chief Public Information and Government Relations Officer); Melinda Nish, Ed.D. (Superintendent/President; Robert Temple (Consultant, SWC)

Date: Wednesday, September 19, 2012
Time: 5:30 p.m.
Place: Southwestern College
900 Otay Lakes Road
Chula Vista, CA 91910
Room L246

Persons wishing to address the Committee should complete a Request for Public Comment card (available at the reception table) and indicate on the card if they wish to speak under Public Comment, or when a specific agenda item is considered. Cards should be submitted to the secretary prior to the start of the meeting. An oral presentation to the Committee does *not* constitute an open discussion on the presentation topic, unless that topic is on the posted agenda. Pursuant to the Brown Act (Government Code Section 54954.2(a)): "No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may *briefly* respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3."

A G E N D A

ITEM	
1. CALL TO ORDER – ROLL CALL	Crow
2. PUBLIC COMMENT	Crow
3. APPROVAL OF MINUTES OF JUNE 21, 2012 (ENCLOSURE)	Crow
4. BOND COUNSEL – REVIEW OF BYLAWS AND RESPONSIBILITIES	Crow
5. ELECTION OF OFFICERS	Crow
6. UPDATE ON PROP R EXPENDITURES	Chair
7. DRAFT FORMAT FOR CBOC ANNUAL REPORT	Leopold
8. OTHER ITEMS	Chair
9. COMMITTEE COMMENTS / REQUESTS	Chair
10. ADJOURNMENT	Chair



Proposition R



At Work!

Southwestern Community College District

Proposition R Citizens' Bond Oversight Committee June 21, 2012

MINUTES

1. CALL TO ORDER

The meeting was called to order at 5:30 p.m. and a roll call was taken.

Members Present: Joe David Casillas, Tom Davis, Matt Kris, Ditas Yamane

Members Absent: Claudia Duran, Nicholas Segura

Staff Present: Melinda Nish, Bob Temple, Lillian Leopold

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES OF JANUARY 18, 2012 (ENCLOSURE)

Motion: Kriz; Second: Casillas. Unanimous approval.

4. APPROVAL OF MINUTES OF MAY 21, 2012 (ENCLOSURE)

Motion: Casillas; Seconded: Kriz. Correction: Siskiyous typo. Unanimous approval of minutes.

5. DISCUSSION OF LEGAL COUNSEL FOR CBOC MEETINGS

Casillas: raised the issue because wholesale litigation statewide involving committees such as ours. The concern is how well are we shielded from any adverse actions by individuals or groups. In particular the annual report is of greatest concern – was the requirements stated in the bond language adhered to. Can the committee get assurance from bond council that requirements have been followed?

Temple: litigation in four cases does not involve oversight committees – involves employees and contractors. Believes that the committee members (as long as they follow bylaws) are covered. At the September meeting we will have bond counsel review the bylaws and conduct an orientation at the meeting and we can request they provide information of what exposures and liabilities may exist for the committee members in their role of CBOC committee members.

Casillas: will ask specifically in September of bond council about liability of committee members and to clarify if there is an umbrella policy covering the committee members.

Temple: it is his understanding that as committee members, they are covered by the District insurances as long as they are acting within the bylaws.

Yamane: during retreat of CBOC is there a possibility of having counsel present to ask questions about content and parameters of CBOC.

Nish: Bond counsel will be at the meeting to discuss these matters.

6. DISCUSSION OF PROP R EXPENDITURES 2012-13 UPDATE AND BOARD OF TRUSTEES APPROVAL (ENCLOSURE)

Davis: wanted to find out what projects are under way and what the budgeted costs are for those projects, how far we are into those projects / how much expended, when they are going to be finished.

Temple: all items that went to May 2012 Governing Board were previously approved by the GB in January of 2011. The dollar amounts may have changed as we get further along with the projects. Corner lot project is the only project deleted (temporarily removed) from Phase I.

Davis: was looking more for an update at each meeting, progress and expenditures as well as budgeted amounts for each project.

Yamane: clarifying – what is being requested is a timeline of projects (instead of a narrative) of progress of projects, estimated time of completion, expenditures thus far, and what the total budgeted amount was for each projects.

Davis: the purpose in asking is to be sure that projects will be completed and that there will be enough funds available.

Temple: updates have been presented to committee at each meeting until the last couple of meetings because Seville was creating these reports. The plan is to be staffed sufficiently in the near future to be able to resume providing that type of report at each CBOC meeting. At the July Governing Board meeting an item is being submitted for approval that would hire a consultant to assist the Vice President for Business and Financial Affairs with Prop R.

Davis: intent was to find out where we are now. For example it is his understanding that the entryway project is estimated to be completed before the Fall semester begins.

Yamane: maybe we can do a formal request (through Superintendent/President) for an updated chart and also have the information posted to the website.

MOTION: Davis – the committee be provided with progress report updated charts at each meeting of Prop R funds of costs / progress of projects, etc. SECOND: Casillas; Unanimous approval.

Nish: this was requested at the last meeting. Minutes from the last meeting reflect that. We are prepared this evening to show you how we would like to present the timeline to you. Mr. Temple will give a verbal report also.

Temple: reiterated that we will be using same format that was used to provide updates in the past will continue to be used. January 2011 Phase I was Governing Board approved. The only item removed from Phase I was the Corner Lot – not eliminated, just suspended. Entry way, Field house, and Central Plan are under way. The Entry Way project is under way and it is expected to be completed before the Fall semester begins and expected to be on budget. In regards to expenditures to date, for everything we have paid for, we have received services. The only thing we may not be able to use that we have received would be the plans from BCA (\$3.1M). The original procurement of the contracts is what is in question.

Casillas: how much of the product developed by BCA will be recoverable and be used in the future as we proceed with the Corner Lot?

Nish: the corner lot is not deleted – it is suspended. Everything in Phase I except Corner Lot is going forward. Between April 1, 2012 and March 31, 2013 the Educational Master Plan and Facilities Master Plan will be developed and they both will determine what will be done with the corner lot. Facilities Master Plan will help provide the answer of the proposal for the future corner lot plans. At this time cannot tell you how much money, if any, will be recoverable from BCA, that will be determined through litigation. Nor can she tell you how much of the work product that we have will be used in the new Facilities Master Plan. These questions will be answered as we go through the Facilities Master Plan process.

Davis: when will Educational Master Plan be finished?

Nish: gave timeline and would like Educational Master Plan by November/December. The plan is to have the Facilities Master Plan completed by April of next year if possible.

Casillas: when will we see the marriage of Facilities Master Plan and Educational Master Plan.

Nish: Educational Master Plan is the foundation for the Facilities Master Plan. Educational needs drive the facilities needs. The marriage takes place when you actually develop and approve the Facilities Master Plan.

Temple: the last Educational Master Plan – growth projections were based on assumptions from 2006-07. These assumptions are obviously no longer valid.

Nish: We have been told that if our Educational Master Plan is more than three years old – it must be revised. We are on track. We want to leverage the Prop R funds with State funds if they become available again. But in order to do that our demographics and projected student needs are then incorporated with assignable square footage and we need to have a correct calculation if we want to be able to go to the State for 50% matching dollars.

Temple: Fewer K-12 students are projected, that will affect the projected number for higher education.

7. DISCUSSION OF LEGAL ACTIONS ON PROP R

Temple: There are still pending actions that cannot be shared at this point. The Governing Board is still contemplating formal legal action.

8. DISCUSSION OF COMMUNICATION PLAN AND ANNUAL REPORT (ENCLOSURE)

Leopold: the same presentation (Phase I update \$90M) that Bob Temple presented at the May 9, 2012 Governing Board meeting was shared. Lillian will bring her communication plan to the September CBOC meeting. Groundbreaking for Field house is scheduled for August 1. Lillian plans to help the committee to develop their annual report. A sample report (from Foothill De Anza College) was shared with the committee. The report will include budgetary information regarding the projects as well as photographs and artists renderings of the same.

9. DISCUSSION OF COMMUNITY BENEFITS AGREEMENT

Nish: wanted to bring to the attention of CBOC that there have been ongoing discussions with Governing Board members about looking at a specific type of delivery method for Project Labor Agreement (PLA). Governing Board will need to approve all. The Governing Board delegates and takes recommendations from the Vice President for Business and Financial Affairs, as announced at last meeting Steven Crow begins July 1. Additionally we wanted three consultants to assist with Prop R. The third consultant is going forward to the July 11 Governing Board meeting. Operationally this consultant will be in charge of Prop R (reporting to Vice President for Business and Financial Affairs). The Vice President for BFA will be working with three consultants (for operations) and John Brown. Governing Board directs staff to work with legal counsel and to conduct negotiations with trade unions to develop an agreement. To those Prop R projects to which the agreement covers (which does not mean all projects are covered by the PLA) – but to those that are covered by the PLA anyone that bids on those projects will have to conform to the agreement and use the trade unions in how they conduct their business. It is far too early to know how this PLA plays out because we need to wait for the Vice President for BFA to be on board as they will be integral in the staff component of the negotiations. There are all sorts of competing interests in the PLA such as the trades, the contractors, and the interests of the District. This process will take time to negotiate a community benefits agreement. It is important that this committee know that there are a whole spectrum of delivery methods for construction projects – this is one of those potential types. We have now been formally asked by the Governing Board to begin negotiations on such an agreement.

Casillas: the media covered the Governing Board meeting last week. Governing Board indicated that they wanted to meet with non-union – and he would like to know what they would discuss. Who would represent taxpayers? Lillian may want to cover and expand for publications etc. to help clarify since some of the members of the community only see the negative of PLAs. This could fit in with the community benefits agreement.

Nish: responded that the Governing Board was thinking of several goals: one of the goals is promoting local labor contracts and local business. The Governing Board wanted to support local unionized labor and local business and sometimes these are competing interests. The Governing Board stated in the meeting that they wanted the term inclusivity – meaning not only would the trade unions interests be taken into account but that local business, including smaller contractors that their interests would also be considered as the Governing Board would have the opportunity to understand their interests so as the Governing Board develop their goals (which are then given to staff and counsel for negotiation that the Governing Board feels they have inclusive goals. This is their intent and the Governing Board President has gone on record stating that she would like to have the opportunity, before negotiations begin, to meet with local business and in particular local contractors and to hear directly from them. These are facts that you can share with community members that come to you with concerns about the PLAs. You can also share with them that we are very aware of the pros and cons that have been expressed regarding PLAs. The Governing Board had three education sessions regarding delivery methods for construction. One of those

sessions was specifically on PLAs containing a legal opinion and an operational opinion.

Regarding your request about the community – there were different reports brought to the attention of the Governing Board at the meeting last week. One report from National University is one that would be good to read. We can place something on our website PLA information. There will be utter transparency regarding the PLAs. Costs associated to the PLA's will be reported to the community and posted on website for total transparency. The goal of the Governing Board is that a successfully negotiated and implemented PLA will give maximum value to the dollars, that we will have local labor, local contractors and an Internship program that will be inclusive, not just union apprenticeship programs but inclusive apprenticeship programs. It is the Governing Board's hope that this PLA could be seen as a kind of global benefit to the community.

Casillas: the piece about the apprenticeship program feels this will be positive. He has done some research on man power development and he found that certain companies at one time were anti-union and they developed their own apprenticeship-like programs that were successful. He is in support of this.

Davis: his impression is that when a PLA subject is presented to the voters it is generally rejected. He is hearing that it might or might not be a complete PLA, correct? A PLA applies across the board, always, correct?

Nish: There is no such thing as a standard PLA. Every PLA is determined by the specific acts at the negotiation table. The actual negotiation is between District and trade unions. What you negotiate is not pre-determined. PLAs are not identical, such as the number of projects, how you determine which projects, is it a threshold or not, what do you determine to be equivalent compensation including benefits, how do you determine the apprenticeship programs, what are the escape clauses. Encouraged committee members to express their opinions during open comment period at Governing Board meetings. Public opinion does matter. Mr. Davis is correct, and the Governing Board members are aware that Oceanside, Chula Vista, San Diego all voted out the use of PLAs from municipalities.

10. OTHER ITEMS

Nish: there are three CBOC membership seats to fill, we have advertised, received applications and prepared to go forward with recommendations to the Governing Board for the Business Member and the Community at Large Member. Only one application was received for a student member. The ASO executive board was not specifically informed of the need for a student. Dr. Nish contacted the ASO she was told that they were not aware of the opening on the CBOC for a student member. There is technically no vacancy in the student member position, Claudia is still in the seat until the September meeting. According to the bylaws, the vacancies need to be filled within 90 days of the vacancy. Asked for feedback - would like to extend the student seat search for a couple more weeks so ASO can have an opportunity to get the word out. The student application received is a sound application, it would just be preferable to allow the ASO the opportunity to get the word out and we allow time for us to accept applications. Wants feedback to be sure this is what the committee prefers. We would still go forward to the July 11th Governing Board meeting for the Community At Large, and Business seat recommendation and go forward at the August Governing Board meeting with a recommendation for the student member. Claudia will remain in the seat until the September meeting. Only the Business Member is an utter vacancy. The Business Member would become a member at the July Governing Board meeting. Community At Large and Student members would take their seats in September. Dr. Nish recommends the committee extend the advertising and application period to the student body for two weeks.

Motion: Casillas; Second: Davis; unanimously approved

11. COMMITTEE COMMENTS / REQUESTS

Casillas: community has asked what the relationship currently between the SWC Foundation and Governing Board and Administration. The question was based on some publicity about some activities.

Yamane: encouraged Mr. Casillas to attend Foundation monthly meetings to address this question.

Nish: would like to make a brief comment about this with respect to Prop R and the focused review that was done that did address these issues, there were 7 recommendations and a 20-point action plan that was adopted. One recommendation is specific to the SWC Foundation – they are reviewing and making necessary modifications to their code of ethics – which they have done; and to their fundraising policies. Dr. Nish is also working with them on how they do donations. We are actively tightening up all of the operations of the Foundation and also this is addressed in the action plan. When CBOC members are confronted with these questions from the community you can refer them to the focused review and look at the action plan and look at the recommendations the Foundation is there and additionally the Foundation meetings are open meetings and would encourage interested individuals to attend. Recommended that when asked by community that CBOC members point them to the Focus Review (SEO Report).

Temple: part of the issue had to do with the fundraising and the perception that college staff were raising money other than scholarships. One recommendation was made and the issues resolved.

Davis: question about the future of the CBOC. Will the new members be in place at the next meeting and will the members at that time nominate a chair?

Yamane: yes, the CBOC members will make that nomination.

12. ADJOURNMENT

The meeting was adjourned at 6:55.