

MARIN COMMUNITY COLLEGE DISTRICT
MEASURE B 2016

MEETING MINUTES
CITIZENS' BOND OVERSIGHT COMMITTEE MEETING
JANUARY 19, 2022

LOCATION:
ZOOM CALL

CITIZENS' BOND OVERSIGHT COMMITTEE, MEMBERS PRESENT

Margaret De Somma	Chair and Representative, At-Large
Jeff Gunderson	Vice Chair and Representative, At-Large
Richard Jensen	Representative, Senior Citizens' Organization
Bruce Schauble	Representative, Senior Citizens' Organization
Jason Lau	Representative, Support Organization
Jim Grossi	Representative, Business Organization

CITIZENS' BOND OVERSIGHT COMMITTEE, MEMBERS ABSENT

Vacant	Representative, Taxpayers Association
Vacant	Representative, Student Organization

MARIN COMMUNITY COLLEGE DISTRICT, STAFF PRESENT

Isidro Farias	Director of Capital Projects
Katy Bauer	Executive Assistant

CONSULTANTS

Jeff Scogin	A Kennedy Group, Financial Manager
Mike Chegini	A Kennedy Group, Communications Manager
Beth Rhodes	Gilbane Building Company, Manager, Communications and Outreach

I. CALL TO ORDER

The Citizens' Bond Oversight Committee (CBOC) meeting was called to order by Margaret De Somma at approximately 4:31 P.M.

II. ZOOM ETIQUETTE

Mike Chegini reviewed the protocols for the virtual format: the meeting would be recorded, Committee Members and District staff are panelists and would be able to mute and unmute themselves, and that roll call would be required for each action item.

III. ROLL CALL

Katy Bauer took roll call. Margaret De Somma, Jeff Gunderson, Bruce Schauble, Richard Jensen, and Jason Lau were present, establishing a quorum. Jim Grossi joined at approximately 4:35 P.M.

IV. ACKNOWLEDGEMENT OF SERVICE

Isidro Farias informed the Committee that Paul Premo passed away over the holidays, and acknowledged Paul Premo's years of service on the Committee since it was formed. Isidro Farias said that a certificate of appreciation will be signed by President Coon and sent to Paul Premo's family. Margaret De Somma added that in addition to his role on this Committee, Paul Premo also served on the Coalition of Sensible Taxpayers for Marin and set an example for us all with his civic engagement in the community and on behalf of the citizens of Marin County.

V. APPROVAL OF AGENDA

Margaret De Somma made a motion to approve the agenda with no changes. The motion was carried by the Committee Members present (6 approvals).

VI. RESOLUTION PERMITTING ONLINE MEETING (AB 361)

The Committee reviewed and discussed a resolution, adapted from the College of Marin Board of Trustee's Resolution 2021-25, to justify online meetings during the pandemic by declaring a state of emergency still exists. Margaret De Somma made a motion to approve the resolution. Bruce Schauble seconded the motion. The motion was carried by the Committee Members present (6 approvals).

VII. APPROVAL OF MEETING MINUTES FROM JUNE 23, 2021

Margaret De Somma made a motion to approve the June 23, 2021 meeting minutes with no changes. Jason Lau seconded the motion. The motion was carried by the Committee Members present (5 approvals, 1 abstention (Jeff Gunderson)).

VIII. APPROVAL OF MEETING MINUTES FROM OCTOBER 20, 2021

Margaret De Somma made a motion to approve the October 20, 2021 meeting minutes with no changes. Jeff Gunderson seconded the motion. The motion was carried by the Committee Members present (6 approvals).

IX. PUBLIC COMMENT ON NON-AGENDA ITEMS

No comments were received from the public.

X. COMMUNICATIONS FROM STAFF

No communications were received from staff.

XI. FINANCIAL AND PERFORMANCE AUDITS FOR FY 2020-21

The independent auditor, CWDL Certified Public Accountant, conducted the Measure B financial and performance audits for the fiscal year ending June 30, 2021, and Ben Leavitt presented the reports to the Committee. The financial audit report contained two opinions. The first opinion was an unmodified opinion, which is the highest quality opinion that an auditor can render and confirms that the District's financials can be relied upon by the CBOC, the Board of Trustees, and all of the program stakeholders. The second opinion is regarding testing over controls and controls over compliance. This is the most common area to note an exception on a Bond program on a control breakdown, such as a problem with the expenditure approval process. If there was a concern, it would be noted here as a significant deficiency or a material weakness. Based on the results of CWDL's testing, there were no such exceptions for the fiscal year 2020-21. Hence, no audit findings are noted during fiscal year 2020-21. In response to a question from the Committee, Ben Leavitt said that fund balances for construction commitments that are approved

but not spent are not shown on the balance sheet as they are not yet classified as an expenditure. Ben Leavitt then presented the Measure B performance audit for the fiscal year ending June 30, 2021. The performance audit is required per Proposition 39, and is focused on reviewing fiscal year 2020-21 expenditures in the context of the ballot language. Prior to sharing CWDL's opinion that no exceptions were noted on the performance audit, Ben Leavitt reviewed the methodology the firm uses to review performance, and said that the firm sampled \$16 million, or 56%, of the expenditures for fiscal year 2020-21. In response to a question from the Committee, Ben Leavitt confirmed that CWDL conducted the Measure B financial and performance audits for fiscal year 2019-20. In response to another question from the Committee, Ben Leavitt said that the District's refinances are not a part of the scope of CWDL's audit, but their firm can add a supplement to the report showing the District's refinances at no additional charge, if requested. The Committee thanked Ben Leavitt for the positive audit report and presentation.

XII. REVIEW AND APPROVAL OF THE ANNUAL REPORT FOR FY 2020-21

Mike Chegini presented the annual report to the Committee. In response to a question from the Committee, Mike Chegini confirmed that the pie chart comparing the expenditures to the remaining balance shows that the District is halfway through Measure B bond program and that the Learning Resources Center's budget currently accounts for a significant portion of the remaining budget. The Committee requested to add the Bill and Adele Jonas Center to the featured project section. In response to a question from the Committee, Isidro Farias said that the District periodically evaluates whether or not a project needs more funding, if a project needs to be deferred or put on hold, or if a project has come in under budget. If a project's budget requires an adjustment, the Bond Executive Team will submit a Bond List Revision to the Board of Trustees. Mike Chegini noted that the Committee can look up the Bond List Revision history on the Measure B website. Once finalized, the Committee Chair shall present the annual report to the Board of Trustees as an action item on the agenda at a regularly scheduled Board meeting. Margaret De Somma said that she would not be able to attend Board meeting on February 15, 2022 until after 6:00 P.M. Jeff Gunderson volunteered to present the report and thanked Margaret De Somma and Mike Chegini, for preparing the report. Margaret De Somma made a motion to approve the fiscal year 2020-21 Annual Report. Bruce Schauble seconded the motion. The motion was carried by the Committee Members present (6 approvals).

XIII. PROGRAM/PROJECT UPDATE REPORT

Isidro Farias provided an update on the Measure B program. Projects in design include the Learning Resources Center (LRC) and the Bolinas Marine Laboratory. The LRC schedule was shown, and Isidro Farias noted that the project has now moved into the construction drawing phase. The Board of Trustees will review proposed exterior materials at the February Board meeting, and staff will then present to the College and general community. There was a community meeting in Bolinas on December 15. Items of discussion included that the project will be broken up into two phases: the first being site improvements, and then construction. The College will need to solicit funding due to a budget shortfall, and the purpose of the meeting was to reassure the community that the District intends to complete the project, but it will take more time. Projects in construction include 830 College Avenue and the Miwok Aquatics and Fitness Center. 830 College Avenue is nearly complete, and staff are expected to move in February 24 and 25. The Miwok dive tower is nearly complete, except for some miscellaneous punch list items, with a formal opening expected in February. In response to a question from the Committee, Isidro Farias said that geotechnical consultants have been hired to mitigate excess moisture in the soil at Bolinas. Isidro Farias said the soil issues will be addressed via foundation improvements and excavations.

XIV. FINANCIAL AND COMPLIANCE ITEMS

- a. Jeff Scogin gave an overview of the Measure B 2016 Program Financial Reports for the period from inception through September 30, 2021. An overview of the Whole Program Report was presented, including the total program allocation of \$265 million original authorization, plus the taxable and non-taxable earned, and un-earned interest, and non-bond (Other) funding which includes Rotary

and dive tower donations, and Certificates of Participation. An overview of the Cost Status spending charts was provided and it was noted that the District is just a little bit farther than halfway along in the bond program. The Project Summary Report was presented, which only includes bond funding. The main project that had a high amount of spend in the current quarter was the LRC with \$838 thousand of spending. Jeff Scogin explained that the over spent budgets in project K03 (Performing Arts) and I47 (Bldg 27) were due to a budget sweep out of these projects in Bond List Revision (BLR) #14 and additional expenditures taking place after BLR #14. There was an increase in both project's budgets in BLR #15 to cover the additional expenditures that came in after BLR #14. Jeff Scogin also noted the credit in the quarterly spend column of the report for D53 (Environmental Impact Report) which was due to an accrual adjustment. In response to questions from the Committee, Isidro Farias said that the majority of the major capital projects are nearing completion, except for the LRC, which is why the quarter bond expense has trended down. Isidro Farias said the Bolinas Field Laboratory funding shortfall is approximately \$2.5 million, which is subject to change due to cost estimates at the time the project is bid out. Margaret De Somma made a motion to approve the Measure B 2016 Program Financial Reports for the period ending September 30, 2021. Jeff Gunderson seconded the motion. The motion was carried by the Committee Members present (6 approvals).

- b. No questions were sent to Bond Counsel in the last quarter.

XV. REVIEW OF COMMITTEE MEMBERSHIP

Katy Bauer reviewed current committee membership and noted, with the passing of Paul Premo, there are now two vacancies on the committee; one for a taxpayers association representative and one for a student representative. Katy Bauer asked the Committee to actively recruit for these positions. Margaret De Somma said that she would reach out to the Coalition of Sensible Taxpayers of Marin, which Paul Premo had served on. Katy Bauer said she would ask Greg Nelson to consider reaching out as well. Margaret De Somma noted that Jeff Gunderson and herself will reach the end of their third terms in April of 2023.

XVI. NEXT MEETING DATES

The Committee reviewed the next meeting dates and agreed that no changes to the schedule were needed. The next meeting will be an in-person meeting at the Indian Valley campus, pending guidance and protocols related to the pandemic and in-person meetings.

XVII. FUTURE AGENDA ITEMS

- a. Bond Counsel Training. Mike Chegini said that as new members join the Committee, all members should receive the full training on the Committee's bylaws and responsibilities. Bond counsel will be invited to the next meeting to provide an overview. In response to a request from the Committee, Mike Chegini will ask bond counsel if they can provide an overview or refresher on the Brown Act as well. In response to a request from the Committee, Mike Chegini will see if the training can be a stand-alone meeting, so members who have already attended the training can skip the meeting.

XVIII. ADJOURNMENT

The meeting was adjourned at approximately 5:45 P.M.