



Citizens Bond Oversight Committee

Meeting Minutes

July 29, 2019

Members Present – **Betsy Starbuck**, Representing a Bona-Fide Taxpayer Organization; **Evelyn Olive**, Representing Students; **Sam Irwin**, Representing a Foundation; **Frankie Jimenez**, Representing a Local Business Organization; **Don Averill**, Representing Senior Citizens; **Dana Carter**, Member at Large; **Jim Mulvihill**, Member at Large; **Sonja Wilson**, Member at Large; **Kristin Washington**, Member at Large

Members Absent – None

District Staff Present – **Kevin Horan**, CHC President; **Farrah Farzaneh**, Director of Facilities Planning & Construction; **Angel Rodriguez**, Senior District Director of Marketing, Public Relations & Legislative Affairs; **Ryan Smith**, Campus Project Manager

Others Present – **David Casnocha**, Bond Counsel, SYCR

I. WELCOME/INTRODUCTIONS

The meeting was called to order at 5:05 p.m. Self-introductions were made. Committee members were advised that Betsy Starbuck had been appointed as chair on behalf of SBCCD, given her past experience in the role. Sam Irwin nominated Don Averill for vice-chair. Jim Mulvihill seconded the nomination and Don was elected by the following vote.

Ayes:	Starbuck, Averill, Carter, Irwin, Jimenez, Mulvihill, Olive, Washington, Wilson
Noes:	None
Absent:	None
Abstentions:	None

In accordance with the by-laws, members drew lots to determine which would serve one-year terms initially. By way of signing their names randomly on a sheet, it was determined that Evelyn Olive and Betsy Starbuck will serve initial one-year terms.

II. PUBLIC COMMENT

There was no comment from the public.

III. COMMITTEE MEMBER TRAINING

The meeting was turned over to Bond Counsel David Casnocha of Stradling, Yocca, Carlson & Rauth to provide orientation and training. David gave a history of bond measures at SBCCD. Measures P & M were served by the former committee. This committee is working under amended and restated bylaws for Measures CC and M. Measure CC passed November 2018 on a 55% basis which requires that SBCCD abide by Proposition 39. This includes passing a resolution, providing a project list to voters, agreeing to have annual audits; and establishing and

empowering a CBOC. Committee powers are derived from state legislature and the bylaws were prepared in accordance with Ed Code.

It is an independent bond oversight committee. This doesn't mean that the committee can define its own rules, but rather that it is independent from conflicts of interest, i.e. members are not employees of a SBCCD. David encouraged members to read the bylaws.

The committee is subject to Brown Act regulations, including:

1. All business of CBOC done in public.
2. Committee can only discuss topics on the agenda. (Requests to put items on the agenda should be passed to CBOC recorder Kelly Goodrich.)
3. Prohibition of serial committees in any form i.e. one member tells a member, that member tells another member, and so on... This behavior violates the Brown Act by discussing (serially) topics outside the public eye.

David reviewed bylaws at length:

- › Section 3.2, Review Expenditures, is the main function of the CBOC. Committee members shall review expenditures and should expect to get a paper report detailing projects, expenditures, and the purposes of expenditures. Reports are presented after the expenditures occur although staff is encouraged to advise committee members of upcoming plans for projects and expenditures.
- › He referred CBOC members to the bond resolution pages A-1 and B-1. Exhibit A is a generic description for all projects under Measure CC. Exhibit B contains the bond project list and tax rate of \$0.025/\$100 tax. David emphasized that all the projects on Exhibit B are valid whether they are highlighted or bolded or not.
- › David talked to committee members about Attorney General Opinion 04-110 and its but-for language. For example if CBOC members see a report that shows SBCCD employee salary, members should ask who is getting paid. Would they have a job but-for Measure CC? Kristin Washington asked about the members' role. Can they dictate how information should be captured and presented? David advised that the CBOC cannot dictate.
- › In an aside, he mentioned that if and when a CBOC takes issue with a district's handling of its bond proceeds, there is really no remedy in place for the CBOC to effect correction. Rather, a taxpayer would have to bring a lawsuit in order to stop action. An oversight committee does have political remedies. For example, if a CBOC member requested information and was refused with no explanation or response, the committee could, with a majority vote, authorize the chair to invite the Chancellor to an upcoming meeting to discuss. If still dissatisfied, the committee, again based on a majority vote, could authorize the chair to speak to the Board of Trustees in open session.
- › Duty 3.1, Inform the Public, was reviewed. Only the chair will address the Board acting on behalf of the committee. David advised that CBOCs tend to inform the public electronically by establishing a website and deciding what content they think might be helpful. It may perhaps ask about college newsletters where the oversight committee can have some space.

- › The CBOC makes an annual report as described in 3.3. It was suggested that staff would provide samples so that the committee can direct it to prepare such a report. Most reports are done on a fiscal year basis for the year ending June 30 of the prior fiscal year. The audits ought to be the sum of the financial reports. Annual reports need to contain the sentence described in 3.3 (a) indicating whether the District is in compliance with the requirements of Article XIII A, Section (b)(3) of the California Constitution; as well as a summary of the committee's activities for the preceding year.
- › David commented that the CBOC may want to request that SBCCD add them to its liability coverage.
- › Duties 3.4 and 3.5 are not the responsibility of the committee, but members will likely hear about the activities.
- › Section 4, Authorized Activities was reviewed.
 - CBOC members should see copies of the audits at the same time the Board does. The audit reports will likely be sent to them via email advising the day and time the report will be submitted for acceptance to the Board.
 - It is the CBOC's right to tour the facilities and the colleges can arrange this.
 - Committee members might ask how SBCCD is planning to handle and fund deferred maintenance of new facilities.
 - Under 4.1 (d) members might ask if SBCCD is using double-paned windows or if it has considered use of joint facilities.
 - David noted that, however, that if SBCCD doesn't take CBOC suggestions, it does not imply illegal expenditure of funds.
- › Committee members have a right to receive any information from the public record. They do not have authority to direct staff.
- › CBOC might want to get a presentation from the accountant regarding the bond audit.
- › CBOC should stay in-tact until money has been spent; audit has been done; and a final report made.
- › Betsy asked if members had to file a Form 700. David replied that they are not an advisory board, and, therefore, do not need to file.
- › It is hoped that SBCCD will sell its bonds in the Fall. At that point the proceeds will go to the County treasurer. SBCCD draws out what it has to pay but doesn't actually handle the money.

Betsy asked for questions. There were none and she thanked David for his presentation.

IV. CURRENT STATUS OF BOND PROGRAM

Farrah Farzaneh shared the good news that the State will be partially funding the estimated \$98 million SBVC Technical Building project. Due to the state's involvement, however, there will be additional timeline constraints. AECOM was awarded a contract as the Project Manager at the

May 16, 2019, Board meeting. Staff is working to get CEQA and Underground Utility Mapping underway. She introduced SBCCD Project Manager Ryan Smith.

Committee members discussed Measure M and Betsy asked for a list of Measure M project expenditures to be presented at the next meeting. There should be an annual report on Measure M. Angel Rodriguez mentioned that the District's will soon be launching a revised website and the URL will be forwarded to CBOC members.

VI. FUTURE MEETINGS & ADJOURNMENT

The next meeting was scheduled for Tuesday, November 19, 5 pm. Items to be discussed include the website, a Measure M briefing, the Measure M audit and the Annual Report.

Betsy adjourned the meeting at 6:25