Independent Citizens' Bond Oversight Committee
Tuesday, August 15, 2017
2 p.m. to 4 p.m.

MiraCosta Community College District
Oceanside Campus – Room 1030

Agenda

I. Welcome

II. Approve Meeting Minutes from May 16, 2017 and In-Service Workshop on June 20, 2017 *(attachments)*

III. ICBOC Handbook

IV. Board Agenda Item to Amend Number of Meetings per Year and Amend Subcommittees

V. Staff Reports

VI. Standing Reports

a. Status of Design
b. Status of Construction
c. Status of Contracts Let
d. Scope of Services for Negotiated Contracts
e. Status of Finance (Cost to Date)

VII. Items for Next Agenda

VIII. Adjournment

Independent Citizens' Bond Oversight Committee **May 16, 2017**
Meeting Minutes **(Approved _____, 2017)**

Members Present:	Debbie Barnum	Lee Reich
	Ray Clendening	Juana Reyes
	Dick High	Yolanda Silva
	Ted Owen	
Others Present:	Geoff Bachanas	Kristen Huyck
	Laurel Dacey	Tom Macias
	John Dacey	Charlie Ng

I. Welcome

Meeting called to order by Ng at 3 p.m. and introductions were made.

II. Staff Reports:

A. Actions by District since passage of Measure MM: (Certified Election Results; Adopted Bylaws for the Independent Citizens' Bond Oversight Committee (ICBOC); retained a Program Management Firm)

- Certified election results and filed with county
- Approved resolution by the board to establish an Independent Citizens' Bond Oversight Committee (ICBOC) and approve the bylaws
- ICBOC established
- Hired program management firm (Kitchell) and hired an independent environmental study firm. Once the environmental study is completed, it will need to go to the board to be adopted as long as there are no environmental issues. The Oceanside site will require an in-depth environmental impact report (EIR) and the San Elijo Campus and the Community Learning Center might qualify for an exemption

B. Independent Citizens' Bond Oversight Committee Bylaws and Proposition 39 (including nature and scope of the Committee's responsibilities)

The purpose of the committee is to:

1. Make sure the district does not issue a bond that exceeds the tax rate
2. Make sure all bond proceeds are spent for permissible things
3. Performance audit/Financial audit
4. Review to see if proceeds are being spent appropriately from a time and cost stand point

Committee members do not have decision-making capacity, however, they do have inquiry-making capacity. Reviewed the bylaws with the committee and the various duties of the committee and the duties of the Board/Superintendent/President. The committee falls under the Brown Act and care needs to be taken to not violate any of the provisions.

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John Dacey asked the committee if they had any questions or concerns? A question was asked if the committee would need to hire an auditor. An external audit firm will complete an audit. There will be a performance and financial audit. Those two audits are bond eligible expenses. Fiscal year ends in June and we close our books mid-August. The auditors will finish their audit around October and will produce their report during November/December to be presented to the board in January. The committee could do their report around the same time or wait until after the district's regular annual report.

Reviewed Membership under the bylaws in addition to the Ethics Policy. A question was asked on whether or not members would need to complete a Form 700 Statement of Economic Interests. Committee members do not need to complete this form.

John Dacey will have notebooks created for committee members that identifies the committee framework, guidelines, eligible project costs, etc.

C. Committee Terms (split original group between one- and two-year assignments for continuity-by preference, or by straws, etc.)

Committee member terms are as follows:

<u>One-Year Term</u>: Lee, Juana, Raye
<u>Two-Year Term</u>: Ted, Yolanda, Debbie, Dick

D. Scheduling of Regular Meetings and Scope of the Committee's Authorized Activities

Meetings are scheduled quarterly as outlined in the bylaws. A request was made to have some in-service training on the Facilities Master Plan (FMP) to bring members up to speed on their duties.

Quarterly meetings are currently scheduled as follows and will be held on Tuesday's from 2 p.m.-4 p.m., location TBD:

First Quarter—August 15, 2017
Second Quarter—November 14, 2017
Third Quarter—February 20, 2018
Fourth Quarter—May 15, 2018

The first in-service training is scheduled for Tuesday, June 20, 2017 from 2 p.m.-4 p.m. The following should be sent to committee members before the next meeting:

- Links for the FMP documents
- Instructions on what to review
  - Executive Summary
- Link to Measure MM website

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In-service:

- Recap and answer any questions the committee might have from organizational meeting
- Determine criteria that is important to the committee that they would like to see in reviewing documents
- Provide an outline on where we currently are on projects

E. No Bond Funds Can be Spent on ICBOC

Reiterated that bond funds cannot be spent on ICBOC.

F. Goals and Next Steps (for Measure MM and the ICBOC)

Kristen Huyck and Kitchell will assist with communications and getting information out to the public as we move forward. It was suggested that progress updates be provided to the community and to also create a FAQ to be placed on the website. Charlie will speak with Sunny regarding the best means to keep the public up to date.

III. Nominations and Motion to Elect Committee Chair (one-year term)

Motion to nominate Debbie Barnum as Committee Chair.
[Ted/Raye] MSP

IV. New Business (Meeting turned over to Chairperson)

A. Adoption of Regular Meetings Schedule

First Quarter—August 15, 2017
Second Quarter—November 14, 2017
Third Quarter—February 20, 2018
Fourth Quarter—May 15, 2018

B. Questions for Staff/Counsel Not Previously Addressed during Meeting;

If you have any questions, please email Eva at evbrown@miracosta.edu and include all committee members so everyone is receiving the same information.

As a matter of protocol, since the meeting dates were determined under Staff Reports, C. Scheduling of Regular Meetings and Scope of the Committee's Authorized Activities, a motion needs to be made to approve the meeting dates as discussed.

Motion to approve and accept the meeting dates as stated under Staff Reports, C. Scheduling of Regular Meetings and scope of the Committees Authorized Activities.
[Barnum/Owens] MSP

Dick High asked if Debbie would share her construction management experience with the committee. Debbie will send out information to the committee outlining her background experience

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E. Other topics.

None.

V. Old Business

None.

VI. Adjourn

Meeting adjourned at 4:12 p.m.

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Independent Citizens' Bond Oversight Committee **June 20, 2017**
Meeting Minutes **(Approved _____, 2017)**

Members Present:	Debbie Barnum	Lee Reich
	Ray Clendening	Juana Reyes
	Dick High	Yolanda Silva
	Ted Owen	
Others Present:	Geoff Bachanas	Tom Macias
	Laurel Dacey	Charlie Ng
	John Dacey	Katie White
	Kristen Huyck	

The meeting was called to order at 2:03 p.m. by Charlie Ng. Committee introductions were made.

I. Review Draft of Independent Citizens' Bond Oversight Committee (ICBOC) Handbook—Comments/Suggestions

The committee reviewed the Independent Citizens' Bond Oversight Committee (ICBOC) handbook, reviewed the committees' responsibilities, and reviewed what has taken place so far as a committee:

- Measure MM passed in November 2016
- ICBOC established
- ICBOC held first meeting and determined board positions

Debbie Barnum handed out to the committee a paper on *Oversight Committee Best Practices* that was approved by the San Diego County Taxpayers Association (SDTPA). This handout can also be found on the SDTPA website.

Discussion was held on changing the number of meetings the committee meets in a year from four times per year to eight times per year. Members were advised that all meetings are covered under the Brown Act and meeting agendas must be posted 72 hours in advance of any meeting. John Dacey further advised the committee on the Brown Act and communications outside of the meeting and what can and cannot transpire. All public entity meetings must be open to the public. Closed session meetings are an exception, however, topics are very limited on what can be discussed. Most items under this committee are open to the public. The public may speak at meetings by submitting a request to the committee and they will have an allotted time they can address the committee. Committee members cannot respond to the questions during the meeting, however, the Committee Chair can direct staff to provide the response to the citizen, and the committee will be copied on the response. Due to all committee business being done as a committee, the committee cannot gather as a majority outside a meeting to discuss the bond. Anything over three persons is considered a meeting. Be careful of email chains as well. This type of communication is not open to the public and would be violating the act—this also includes social media.

Debbie Barnum made a recommendation to establish subcommittees, i.e. finance and construction. Juana Reyes brought to the committee's attention under Bylaws—5.8 Authority of Members, it reads "…the Committee shall not establish sub-committees for any purpose." This will need to be changed in the Bylaws so that the committee will have the

ability to establish subcommittees. In order to have subcommittees, the bylaws will need to be amended, and John Dacey stated that a motion would need to be made to establish subcommittees. Subcommittees will not have any authority and would make recommendations only. This will be added to a future agenda for further discussion.

Under Conflict of Interest, if a committee member feels there is a conflict of interest, notify the committee chair who will advise the district, who will notify John.

Kitchell will be managing the building program, FMP, environmental reports, building design review, and they have established a timeline which will be available for the August meeting. The first draw will be $100M and based upon the schedule, we expect to spend 85 percent of this within three years. We have a schedule and will have that information at the next meeting in August. The project will take approximately seven to ten years.

John Dacey pointed out to the committee that Attachment A is the benchmark to follow. If you do not see things are being followed, you need to bring it to the committees' attention. He shared with the committee under I-VII, the project list can change over time due to the educational master plan changing. John reviewed fiscal accountability and shared there is a legal opinion from the state attorney general stating administrative and teacher salaries cannot be paid from bond funds. However, funds can be used to pay salaries for Kitchell and it can also be used to hire a MCCD employee who works on the bond. A question was raised if both salary and benefits can be paid through the bond. John thinks the answer is no. This is a question we could put to bond counsel for the answer (David Casnocha). Bond funds cannot be used to for teacher or administrator salaries.

Charlie shared with the committee if the district has LRB loans outstanding, the bond language allows the district to pay off these loans. Our finance team has been directed to draw up a resolution to address this item to be paid off. By paying this off, it will give us a better bond rating.

John suggested to the committee to review the link to Robert's Rules of Order for how meetings should be run. The committee reviewed the contact list and gave their preference on what information can be shared with the public. Committee members are not obligated to have their numbers listed. Lee and Dick stated it is okay to list their home number and Juana would like only her email address listed.

A brief discussion was held on how the committee would like to receive their information. The committee would like to receive it both electronically and by paper. Members will be sent the information electronically where they will be able to print it out. Three members requested that their information be mailed to them: Dick, Lee and Ted. It was proposed that the meeting information be sent out as far as possible, following the Brown Act timeframe.

II. Mock Motion Requesting the Board of Trustees to Amend the ICBOC Bylaws to Increase Regularly Scheduled Meetings

The motion today is not official and will need to be handled at an upcoming meeting. A motion will need to be made at a committee meeting requesting to increase the number of meetings from four to eight. This will allow for flexibility to hold additional meetings as needed above the current four established under the Bylaws. An additional motion will need to be made to amend Section 5.8c of the Bylaws to allow subcommittees of the ICBOC to be designated as a whole within our jurisdiction. A roll call will need to be made to approve the motion. Once the motion is approved, it will move to becoming a board item to be approved by the board of trustees.

Please review the bylaws before the next meeting in case anything further needs to be changed. If there is anything further, please notify the committee chair prior to the next meeting.

III. Mock Review and Motion of the Minutes from the Initial Quarterly Meeting

Reviewed procedure of making a motion to approve meeting minutes.

IV. Open Forum for Questions and Answers from ICBOC Members

None.

V. Standing Reports—Format and Detail

Debbie reviewed the standing reports—format and detail she would like to have at meetings. Typically there are standard reports that are provided on a monthly basis. If we could get an overall report (schedule) that would help the committee dive in and understand the projects. i.e. delivery project, design, lease, build. If we do it in a simplified form, that would be helpful. Debbie would like to know:

1. Who we currently have negotiated contracts with? Architects? Design, bid, seal?
2. What is the overall budget and how much has been let? A one-page report showing the architect, project manager, and change order costs.
3. Debbie inquired as to the type of reports Kitchell will be producing.

Due to the volume of information that can be produced, John Dacey suggests that we show whether the projects are on track or whether or not they have gone off course. All the data will be available to the committee if they wish to receive it.

Debbie has some samples of reports she will send to Charlie for review. Charlie advised the committee that he and John are working with a PMO firm to define what the reporting will look like.

VI. Adjourn

Meeting adjourned at 3:41 p.m.

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