

---

LOS RIOS COMMUNITY COLLEGE DISTRICT  
**Citizens' Bond Oversight Committee**

March 16, 2017

American River College- Community Room 3

12:00 p.m.

Minutes

*(Approved 11-30-17)*

---

**Members Present:** Richard SooHoo, Joe Debbs, Diane Schachterle, Marty Katz, John Ellis, Thomas Britting, Bill Heinike, Aliane Murphy-Hasan

**Members Absent:** Mario Rodriguez, Katie Kelleher

**District**

**Representatives:** Theresa Matista, Vice Chancellor, Finance and Administration  
Rose Ramos, Associate Vice Chancellor, Finance  
Pablo Manzo, Associate Vice Chancellor, Facilities Management  
Carrie Bray, Director, Accounting Operations  
Irina Bachinsky, Accountant, Grants & Contracts  
Laura Machado, Executive Assistant

**Guests:** Dan McKechnie, Kuldeep Kaur, Thomas Greene

**1. INTRODUCTIONS**

Joe Debbs called the meeting to order at 12:07pm.

**2. PUBLIC COMMENTS**

Thomas Greene welcomed everyone to the meeting.

**3. ELECTION OF OFFICERS:**

Joe Debbs listed the five members eligible to serve as Chair and Vice Chair of the Committee. Joe Debbs nominated Aliane Murphy-Hasan as the Chair of the Committee. Diane Schachterle seconded the nomination. The Committee unanimously voted in favor of Aliane Murphy-Hasan for the office of Chair. Joe Debbs nominated Marty Katz as Vice Chair of the Committee. Diane Schachterle seconded the nomination. The Committee unanimously voted in favor of Marty Katz for the office of Vice Chair of the Committee.

**3. APPROVAL OF MINUTES**

Diane Schachterle moved to approve the minutes. Bill Heinike seconded the motion.

*Motion Carried, 8:0*

## 4. REPORTS

### **Budget Update**

Theresa Matista reported that the Governor issued his budget proposal in January. In May, he will issue a revision of that budget proposal. Theresa went over a summary of the budget proposal and shared the funds the District would receive in the categories identified. On the capital outlay side, out of the 29 statewide facilities projects approved by the Board of Governors, the Governor only provided funding for 5 of those projects, and none of the Los Rios projects were funded. The Governor limited his funding approval to health and safety projects only. We will work with the system office as well as on our own to lobby the legislature to fund the full list including, Los Rios Phase 2 and 3 for the Natomas Center. If we are not successful, we will need to re-evaluate our remaining bond funds to determine what projects we can complete and whether a new bond measure might be appropriate.

### **Review of Expenditures**

Rose presented the financial activities for Measures A and M as of February 15, 2017. Hard copies of the PowerPoint presentation were provided to the Committee.

#### Measure A

To date, \$277.3 million in Measure A funds have been appropriated (this includes interest income as well as the future proceeds from the future Series F) for projects and \$250.7 million has been expended. The total change in expenditures and encumbrances since the December meeting is \$733 thousand. Rose also presented a summary of the financial activity by college location and reported the appropriations to-date amount to 100% of the total Measure A authorization. Expenditures and encumbrances are at 94.3%. Series A, B, C, and D have all been fully expended. The total financial activity for all capital project funds supporting Measure A projects, which include bond, State, and other funding sources was also presented to the Committee. The total appropriations for all funds as of February 15, 2017 are \$426.7 million. Total expenditures to-date are \$396.75 million, with no encumbrances. A list of changes to existing project budgets was also presented to the Committee. A reduction of \$93,906 has been allocated since the December 2016 meeting. Rose reported 53 projects have been completed and two are in design under Measure A.

#### Measure M

Series A of Measure M was issued on October 19, 2010 in the amount of \$130 million and Series B on June 27, 2013 in the amount of \$60 million. It was reported that \$237 million has been appropriated. To date, \$11.9 million has been encumbered and \$173.7 million has been expended. Rose summarized the financial activity by college location and presented the changes and additions since the December meeting. Since December, the total changes were \$646 thousand and the additions were \$7 million. Twenty-three projects have been completed under measure M; six projects are in design and three projects are in construction.

The ARC Liberal Arts (STEM building) and SCC's Mohr Hall projects will be funded both by Measure A and Measure M. The District still has some cash on hand with the last series of Measure M. Theresa said we will issue our last series of Measure A and one from Measure M.

### **Change Orders Reports**

The ARC P.E./Athletic Fields Improvement project change totaled 4.2%. This included the cost for corrective work near the Allied Health building to address drainage problems. We typically see 3-5% in change orders on new construction and 5-7% on modernization projects.

### **SMSR Review**

Theresa explained that a requirement under proposition 39 is presenting information on scheduled maintenance of facilities to the committee. We prepare a report each year showing the amount of funds allocated for scheduled maintenance and special repairs for the current year as well as past. The State allocates Scheduled Maintenance and Special Repairs (SMSR) funding to all districts to support facility projects such as roof replace and repair and HVAC. These funds are allocated as one-time and are intended for either SMSR or for the purchase of instructional equipment. Districts determine the allocations as presented in the report. For the last three years, the state has not required a district match as a condition of receipt of these funds. For 2016-17, the budget committee recommendation was a 60/40 split to direct more of the funds to SMSR, including some for IT infrastructure projects. We have \$5 million this year for SMSR. Even though there is an annual allocation, the State allows the funds to be expended over multiple years to accommodate the planning and bid process as well as timing in terms of access to facilities.

### **Project Updates**

Pablo presented an update on all active bond-funded projects, including photos of each project in its current phase of construction. He also provided a list of projects that will be starting soon. Pablo presented an update on the Science Technology, Engineering, and Math (STEM) building.

### **5. FUTURE MEETINGS**

The next meeting will be on July 27, 2017 at FLC. Theresa thanked Joe Debbs and Diane Schachterle for their service.

### **6. ADJOURNMENT**

The meeting adjourned at 1:00 p.m.

*lm*

cc: Board of Trustees  
Executive Staff