



INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
Friday, March 7, 2008
MINUTES

Call to Order

The meeting was called to order at 12:30 p.m., by Chair Ginny MacDonald.

Members Present: Richard Borevitz, Ginny MacDonald, Michael McDowell, John Nabors, Jr., & George Weiner

Members Absent: Maurice Haight & Pulkit Kanotra

District Representatives: Robert Deegan Superintendent/President
Bonnie Ann Dowd, Asst. Superintendent/Vice President,
Finance & Administrative Services
Mike Ellis, Director of Facilities
Phyllis Laderman, Director of Fiscal Services
Mark Oggel, Communications
Valarie Carlomagno, Administrative Assistant
Christine Brady, Staff Assistant

Public Comments

Public comments were solicited. There were none.

Approval of December 7, 2007 Minutes

MSC: Nabors/Wiener with one change; Ginny MacDonald's name was spelled incorrectly in the Call to Order section. Minutes were edited to reflect this change and they will be posted on the ICOC website.

District Report

New Recorder for ICOC Meetings:

Dr. Bonnie Ann Dowd introduced Valarie Carlomagno, her new assistant, and announced that Valarie will be taking over for Christine Brady as recorder for the ICOC meetings. Dr. Dowd explained that as the Events Scheduler, Ms. Brady's workload was significantly increasing so Valarie would be assuming the ICOC responsibilities. Dr. Dowd thanked Ms. Brady for her service to the Committee in assisting with coordinating of meetings, as well as the excellent job she did preparing the minutes this past year. The ICOC agreed and also thanked Ms. Brady for her service and assistance. Ms. Brady will remain the back-up recorder in the event of Valarie's absence for an ICOC scheduled meeting due to vacation or illness.

Construction Projects Review:

Mike Ellis (Facilities Department Director) provided a handout on the status of Prop M construction projects (Exhibit A) and reviewed it with ICOC members. He reported that the District already has in place A&E teams, an Environmental Consultant, Construction Managers, and CEQA and Soils teams for Series-A projects, in accordance with DSA



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requirements. Labor Compliance and Program Management teams are being finalized and it is anticipated those will be in place by June 2008.

Mr. Ellis continued that in June, demolition will be occurring on the CH, ES, LS, & S buildings. The affected classrooms and offices will be temporarily moved into sixteen modular trailers that will be located in Parking Lot #2. It is estimated that the modular buildings will be in place for approximately three years, when it is anticipated the MIB and S Buildings will be completed. Board Member Richard Borevitz inquired why Lot #2 was selected when it is farthest away from the existing classrooms. Mr. Ellis responded that an evaluation was made of the entire campus and only Lot #2 met the infrastructure criteria for water, electrical, sewer, telephone and disabled access.

Mr. Ellis further reported that as projects come on-line, the District anticipates hiring Construction Superintendents to oversee and work with the Construction Management firms on projects. These individuals will be employees of the District to be funded by Proposition M during its funding duration. It is anticipated that one will be assigned per 100,000 square foot or larger project, and one to oversee smaller projects in increments of 2-3 projects.

Dr. Dowd informed the Committee that she recommended to the Governing Board that it postpone certification of the EIR until reaching agreement with the County of San Diego and CalTrans related to the methodology used to determine traffic impact in the EIR. Community College's use FTES (full-time equivalent) data to identify traffic impact, as compared to the traditional K-12 model of average daily trips. As the EIR would likely be precedent-setting for future EIR studies, the District felt it prudent to agree to methodology used in the EIR with the County and CalTrans before certifying under CEQA guidelines to avoid delay when obtaining permits. It is anticipated that the EIR will be certified by the Governing Board at their June meeting.

Other discussions and responses that took place during the review are summarized as follows:

- There are two (2) 16-inch waterlines at the north end of the Fallbrook property and a separate 16-inch waterline near Highway 76, ensuring feeds from both directions. In addition, the existing sewer lines on the property are more than adequate to accommodate the District's build-out and the rights are secured; however, other developers adjacent to the property have mentioned potentially installing a sewage treatment plant and a pumping station, which would be a benefit to the District.
- The District is in the process of entering into a Letter of Interest (LOI) for the purchase of suitable mitigation land needs identified in the EIR.
- For each building project "User Groups" are formed to review facility, infrastructure, and educational program needs while identifying the best utilization of a proposed building. At the present time, several User Groups are meeting simultaneously on their respective buildings. Often, members will visit

other college sites with similar characteristics or to obtain fresh ideas for building design and function. The President and Vice President of Finance and Administrative Services attend User Group meetings to reinforce the adage, “on time and on-budget” since there are multiple projects waiting in the wings.

- Prop M construction projects will not be affected by the State budget crisis as they are funded through the sale of Series-A bonds. The Multidisciplinary Instructional Building (MIB) is a State-funded project that has already been approved and funded by the State in its capital outlay plans. The Library/Learning Resource Center is also a State-funded project. A Final Project Proposal (FPP) with initial design has been submitted and is currently in the Governor’s Budget for 2008-09; however, the State will have to bring a bond authorization to the voters before funding is finalized.

Report on State Matching Funds:

Mike Ellis distributed a handout (Exhibit B) describing the complex process the District must follow in order to obtain matching funds from the State on construction projects. Mike reported that as a result of the passage of Prop M, the District has been successful in obtaining state capital outlay funding because the District is eligible for points in the evaluation process for determining state fund allocation that it wasn’t eligible for prior to passage of Proposition M.

Discussion continued about State Matching funds and included:

- Costs involved in IPPs (Initial Project Proposal) are basically in-house “staff costs.” With an FPP, an architect is involved, and costs are more significant. An FPP submission basically locks the District into that building proposal (square footage, location, number of classrooms, cost estimate, etc.) The cost estimate provided by the District is what the State considers in the process, so it’s critical that project information on the FPP be comprehensive and accurate. Only one FPP can be approved per year, per site, and the FPP doesn’t expire. The District’s plan is to submit one FPP per year.

Sustainable Design and LEED’s Information:

A handout was distributed in response to questions raised at the last ICOC meeting on LEEDS and Sustainable Design (Exhibit C). Mike Ellis reported the following:

- The District has been participating in energy and water conservation for over 23 years. As reported at the last meeting, SDG&E awarded Palomar College with a \$131,000 check for its energy efficient design of the Natural Sciences Building. This check was the largest ever given by SDG&E to a San Diego community college district thus far. The District is continuing to work closely with SDG&E to continue to make the campus as energy efficient as possible. In addition, the District incorporates alternative energy processes into everyday system operations, such as photo voltaic co-generation, to lower our utility costs and be more environmentally friendly.

- “LEEDs” stands for, Leadership in Environmental and Energy Design, and is essentially a green building rating system. All of the District’s A&E Teams have accredited or certified LEED’s Architects and have been asked to design new building using LEED’s guidelines. The cost of a LEED’s certification is expensive – at least \$150,000 or more per building depending upon certification level attained. As a result, the District has determined that rather than seek official LEED’s certification, it would use bond funds towards construction. As grants become available or the cost for certification comes down, the District may consider applying for certification at that time.
- The California Community Colleges Board of Governors has implemented an Energy and Sustainability Policy (3.1), requiring energy conservation in both design and usage on California campuses by 2011-12 of at least 15%. In support of their policy, the State Board of Governors has authorized a Cost Incentive Program that will provide a funding source to implement the changes. New construction will receive 2% of the construction costs and renovation projects will receive 3% of construction costs. This is another way the District can utilize State funds to augment the cost of construction, since all buildings are expected to be designed according to LEED’s standards.

The following summarizes discussions and responses that took place:

- Information will be uploaded to Palomar’s ICOC website identifying the guidelines for LEED’s certification and a paragraph or two mentioning the District’s participation in energy design and savings programs. Photographs of ICOC members will be posted on the website, as well.
- The District was to be a test-site for a SDG&E energy conservation program utilizing an existing co-gent plant near the swimming pool area. The idea was to transmit hot water from pipes near the swimming pool to the library, then the men’s and women’s locker rooms and back to the pool, effectively heating all of those areas. Natural gas and high voltage infrastructure were already in place to assist with this heating method; however, the project was put on hold as the District did not have the \$125,000 in general funds needed to partner with SDG&E.
- Palomar has implemented several water conservation strategies to stretch available budget dollars. All toilets are “low flow” and the new buildings will have flush sensor toilets. In addition there is an irrigation water-well on campus that is over 500 feet deep. The water has a high solid content, however, and must be augmented with water obtained through the City. George Weiner suggested that the District looking into dealing directly with water providers such as Poseidon (a proposed water desalinization plant) to ensure future water acquisition.
- Michael McDowell suggested that a separate page be developed for the ICOC website entitled, “Leveraging Your Prop M Dollars”, providing the public with a visual representation of the value of Prop M funds versus the dollars actually

spent. The page could include the value of conservation efforts in architectural design and usage, obtaining matching State funds, interest income from prudent investment and any other program that stretches Prop M funds.

Financial Data Report:

Phyllis Laderman presented the Financial Data Report through the end February, 2008. She reported that the District's Prop M funds are kept at the County of San Diego and they do a good job with investing, generating a return of approximately \$4.3 million in interest since the Series-A bonds were sold. Interest earned from Prop M funds is also restricted and cannot be used for any other purpose than those identified in the bond measure resolution. Discussion ensued regarding the economic downturn and how that will affect investment income. Dr. Dowd explained that prior to the bonds being sold an analysis was conducted based on many variables and a projection made by the investment bankers as to the expected interest to be earned over the life of the bond series to determine the bond sale structure. Ms. Laderman added that laws have been tightened up on how counties can invest funds and that the safety of the investment is paramount. Additionally, while not mandated by the State, it is the policy of the District to report its investments and rate of return to the Governing Board every quarter to keep them apprised. Further, the District's outside auditors monitor the investments and serve as another measure of oversight.

An inquiry was made as to when the District will sell the next bond series. Dr. Dowd replied that initial estimates were sometime in 2010; however, several factors will be considered before that determination is made to include construction progress, securing of State capital outlay funds and impact on educational programs. As a rule, the District cannot sell the next bond series until they have expended 85% of the previous series' funds.

This concluded the District's report to the ICOC Committee:

Comments From Members Generated the Following:

- Ginny MacDonald requested a sign at the Fallbrook Campus stating "Future Home of Palomar College." She felt that this would be an excellent way to showcase Palomar College and suggested that since Prop M funds cannot be used for the sign, perhaps the District could get a sign company to donate it. With regard to signage on the San Marcos campus, she suggest that the District consider having "sandwich board" type signs indicating building locations especially when there is an ICOC meeting for those from the public that might wish to attend. Lastly, Ms. MacDonald requested that Campus Police be notified when there is an ICOC meeting and where the meeting will be held to avoid any confusion and provide direction to attendees. Dr. Dowd said that the District would look into all of these suggestions and report back at a future ICOC meeting
- George Weiner informed the committee that the plan to construct an overhead bridge from the Sprinter station to the college cannot proceed until a lawsuit is

settled with the City of San Marcos. He expressed concern about pedestrians crossing the street against traffic and suggested some type of flashing light be installed to warn drivers about pedestrians crossing. Dr. Dowd and Mr. Ellis responded that the crosswalk was a city government not college issues; however, they would suggest that the college's Safety and Security Committee consider whether or not there was something that could be done on college property at a future meeting.

- Dr. Dowd reviewed the dates for FY2008-09 ICOC meetings if the committee chooses to continue to meet on the 1st Friday of the quarterly month, which is as follows: September 5, 2008; December 5, 2008; March 6, 2009; and June 5, 2009. In addition, she reminded the committee that three of the members are serving one-year terms and their terms were expiring as of June 30, 2008. Those members would need to apply for reappointment by the Governing Board. Dr. Dowd explained the process and timeline involved and informed the members that the three openings would also be publicly noticed in accordance with By-Laws for the ICOC.
- Finally, Dr. Dowd reminded the members that as mandated in Section 3.3 of the By-Laws, the ICOC Committee shall present to the Governing Board, in public session, an annual written report which includes a summary of the Committee's proceedings and activities for the preceding year, as well as a statement of compliance with Article XIII A, Section 1(b)(3) of the California Constitution (which relates to government accounting and how the District is using public funds – the outside audit will verify compliance). She distributed samples of reports from other citizen oversight committees to provide members different ideas for the Palomar ICOC Annual Report due to be published after completion of the annual accountability and performance audit by the external auditors. A working committee was suggested to start thinking about a design and format for the report over the summer. Ginny MacDonald and Michael McDowell agreed to be on the committee and will work with Mark Oggle (or his designee) and Dr. Dowd on content and layout with the focus being on creating a report that is transparent, thorough, and serve as a marketing tool for the District's efforts. Michael McDowell felt that printed copies of the Annual Report should be limited only to those necessary, and an electronic version posted on the ICOC website for the general public to review. Dr. Dowd said that she would work with those previously named to find a day/time to meet this summer.

Adjournment

The meeting adjourned at 2:28 p.m., with Ms. MacDonald informing the Committee that she will be on vacation for the June 6th meeting. She stated that John Nabors, Jr., Co-Chair of the ICOC will serve as Chair of the June 6th meeting.

Dr. Dowd reported that as soon as the Governing Board has appointed the three members to the ICOC, which is anticipated to occur in July, she will contact members to



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schedule the first meeting of academic year 2008-09. If current format is followed, the meeting will be held on September 5, 2008, at 12:30.