



**Palomar Community College District
1140 West Mission Road
San Marcos, CA 92069-1487**

**INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
Friday, June 5, 2009
MINUTES**

Call to Order

The meeting was called to order at 12:35 p.m., by Ginny MacDonald, Chair of committee.

Members Present: Richard Borevitz, Claudia Duran, Maurice Haight, Ginny MacDonald and George Weiner

Members Absent: Michael McDowell

District Representatives: Robert Deegan, Superintendent/President
Bonnie Ann Dowd, Asst. Superintendent/Vice President,
Finance & Administrative Services
Mike Ellis, Director of Facilities
Laura Gropen, Interim Director, Marketing
Phyllis Laderman, Director of Fiscal Services
Eileen Poole, Contracts Specialist

Guests: Tiffiny Hickey

Public Comments

Public comments were solicited. There were none.

Approval of Minutes – March 6, 2009

MSC: Duran/Borevitz. The minutes were approved and will be posted on the ICOC website.

District Reports

VP Dowd gave a status report advising members that at the Governing Board meeting of June 10, 2009, there will be an action item on the agenda to approve appointment of members for a two year term to the ICOC for the following categories:

- One member active in a support organization for Palomar College, such as a foundation or advisory council
- One member active in a bona-fide taxpayer's association
- One member representing the community-at-large.
- One member active in a business organization representing the business community located in the District.

Bonnie was pleased to announce that her recommendation to President Deegan is to re-appoint all four incumbents (Borevitz, MacDonald, McDowell, and Weiner) to the above mentioned categories for a 2nd term was accepted and will be presented to the Governing Board for approval at the June 10, 2009 meeting.

Bonnie proposed the following quarterly meeting dates for the upcoming fiscal year 2009-10 assuming the committee wished to continue with practice of meeting quarterly. The committee agreed that meeting on a quarterly basis was a good idea and will therefore meet on the following first Fridays at 12:30 pm:

- September 4, 2009
- December 4, 2009
- March 5, 2010
- June 4, 2010



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Bonnie began the district reports by informing the members that prior to bidding out Prop M projects the District has decided to implement a program to pre-qualify contractors for the specific projects. Some of the reasons being, and recommended by legal counsel, is to reduce the amount of work and time involved in evaluating bids from unqualified contractors; encourages well-qualified contractors to price their bids more competitively with the knowledge that they will only be competing with other qualified bidders; and to reduce significantly, if not eliminate problems associated with low priced bids submitted by bidders of doubtful capability.

Bonnie then asked Mike Ellis to provide an update on construction progress to date for Series A projects. Mike distributed a handout outlining the current status of Prop M construction projects (Exhibit A) and reviewed it with ICOC members:

Some highlights of Exhibit A are as follows:

New Health Sciences Bldg: Construction of the steel has begun. The Project is moving along quite well.

San Marcos Campus CEQA/EIR Study – Completed the first screen check; the study will be presented for Public Review and Input in July.

Theater Addition & Remodel – In final design phase.

Landscape Improvements – San Marcos – Ad Hoc Committee approved concept plans at 30% completion. Review of plans at 65% completion is scheduled for September, 2009.

Information Services Technology Projects – Voice over IP conversion was completed this month. Expansion of wireless service around campus is continuing along with the upgrade of computers.

Infrastructure Improvements – Staff are working with SDG&E and the District's Contract Services' department to coordinate plans for the bidding process and scheduling of work. Richard Borevitz asked what preventative measures are being taken in order to prevent outages prior to the commencement of the upgrade. Mike responded that we are continually monitoring the electricity usage to ensure that we do not go over the present usage capacity.

Escondido Center North Wing Retrofit; Industrial Technology Building; and Multi-media Lab & Planetarium - Mike advised the members that the projects are still at DSA (Department of State Architect) awaiting approval. Ginny Mac Donald inquired whether there will be a delay getting projects through DSA because of the mandated state furloughs. Mike Ellis responded that we are experiencing a little bit of delay in DSA on change orders; however, DSA is telling us that we are still on schedule for when we expect project approvals to come out of DSA.

PC North Education Center – In reference to the mitigated wetlands that the District is required to purchase to comply with the Fish & Game Commission, Richard asked if we are protected in the event that the company that holds the property in trust that was purchased for mitigation purposes defined in the EIR went bankrupt. Bonnie replied that she doubted that District would have any liability since the Fish & Game Commission and other county agencies have already accepted the mitigation plan that has been set up in perpetuity; however, she would check with the District's consultant, Jim Whalen, who handled locating, negotiating, and purchasing the offsite mitigation property and will get back to the Committee with an answer.

In conclusion, Mike explained that there is a lot going on within the District as far as construction projects; however, while we await final DSA approvals there is not much new information to report since the March ICOC meeting.

Bonnie then asked Phyllis Laderman, Director Fiscal Services, to provide a Prop M budget update. Phyllis distributed and reviewed the Financial Data Report for Prop M Bond- Series A Projects as of May 31, 2009 (Exhibit "B"). She noted that as of May 31, 2009, the cumulative expenditures totaled



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\$60,185,477.17. Phyllis informed the Committee that the Auditors will be here in the fall to conduct the District's annual audit and they will also be doing the performance and accountability audit required for Prop M funds. The final reports are expected to be available in January 2010.

George Weiner questioned whether the County or the District controls the Prop M cash in the county fund. Phyllis responded that the County invests our money for us as part of the County pool of investments; however, the District has complete control over the money. Phyllis stated that the District is still experiencing a good return of interest; however, due to the fact that the economy has slowed down and we are spending down on the Prop M cash balance, the interest rate earned is not as good as a few months back. Another question was asked as to how long the County can tie up our money. Phyllis' response was that we have access to the money at all times.

Discussion followed on the recent state financial budget and cash crisis. George Weiner asked if the State can take any of Proposition M cash funds during these hard economic times, and Bonnie responded that they cannot. She further explained that Palomar continues to monitor its cash position and has been fine from an operating cash balance and has not had to borrow funds; however, if we were to require additional cash as a result of the State cash situation, we would borrow from the county, which charges a reasonable rate of interest. Prop M funds cannot be used for operational needs of the District.

State Budget Crisis Impact

Bonnie provided an update regarding the current state budget crisis. She informed the members that at the June 10, 2009 Governing Board meeting she would be presenting a FY 2009-10 Tentative Budget to the District's Governing Board for their consideration and approval. Discussion followed. President Deegan provided an overview as to how the budget crisis will impact the District in reference to expected cuts to our categorical programs, the anticipated increase in student fees, rising unfunded student enrollment, FTES impacts on apportionment, and the District's increasing operating expenses.

Palomar College Accreditation

President Deegan reported that the District had received the Evaluation Report from the Accreditation Team that visited the college on March 9-12, 2009. He noted that overall the report was good; however, the report cited some areas of concern in relation to Student Planning and Student Learning Outcomes. The District is presently in the process of responding to the Evaluation Report and that he would be meeting with the Accrediting Commission on June 9, 2009 to provide further information and address recommendations raised by the team prior to the Commission taking action and releasing their final report.

ICOC Annual Report

Bonnie reminded the members that their Bylaws require that a narrative annual report be presented in a public hearing to the Governing Board by the end of the fiscal year. As previously agreed, the ICOC shall do its presentation at the June 10, 2009 Governing Board meeting. Bonnie reported that she and Laura Gropen have the "final-final" draft of the 2007-08 ICOC Annual Report as compared to the draft that was previously submitted. Bonnie asked Laura to distribute the report, which was then reviewed as to contents and presentation. Ginny MacDonald inquired if the Bond Attorney had reviewed the document. Bonnie advised the final draft was sent to Bond Attorney David Casnocha, however, she had not heard back from him but will ensure that he has approved prior to the board presentation. Members of the ICOC were very pleased with the 2007-08 Annual Report and thanked those Palomar staff who contributed their time and effort to the project. Discussion followed among the ICOC members in preparation of the narrative portion of the annual report for the June 10 presentation to Governing Board members.

ICOC Website

Bonnie introduced Tiffany Hickey, Web Analyst for 3-C Media Solutions. Tiffany had been asked to update and make some improvements to the existing ICOC website. Bonnie then showed the updated website. The ICOC members were pleased with the results. Bonnie acknowledged and expressed gratitude to Tiffany for the skill, time, and effort she contributed in the updating of the website.



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Comments From Members Generated the Following:

All members present also expressed appreciation to Tiffany for doing an outstanding job on the ICOC website.

Adjournment

There being no further business, meeting adjourned at 2:36 p.m. The next meeting is September 4th, 2009. Agenda and minutes will be distributed prior to that meeting with a call for agenda items in advance of their distribution.