

Adopted

HARTNELL COMMUNITY COLLEGE DISTRICT

BOND OVERSIGHT COMMITTEE MEETING

Minutes

December 14, 2005

PRESENT	Harry Gamotan, Chair Javier Aldape Sean Dendy Joey Lasnik Donald Young Edward Valeau
ABSENT	Juan Sanchez, and vacant position (taxpayers' organization)
PRESENTERS	Michael Maas, Stanley Crane, Larry Carrier
GUESTS	Ernie Yamane (Steinberg Group), Jon Gold and Dave Kingery (Carr America)
CALL TO ORDER	The meeting was called to order at 3:07 p.m. by Joey Lasnik, as Convener. Ms. Lasnik asked all members and visitors to introduce themselves.
ADOPTION OF AGENDA	By consensus, the agenda was adopted as printed.
MINUTES	By consensus, the minutes of December 7, 2005 were approved as written.
PUBLIC COMMENT	Convener Lasnik called for public comments. No comments were made.
BOND OVERSIGHT COMMITTEE MEMBER COMMENTS	Convener Lasnik called for comments from the Bond Oversight Committee members. Sean Dendy stated that he would not be able to attend the next meeting of the Committee as he will be vacationing in the State of Washington.

**INFORMATION
ITEMS:**

Introduction

Dr. Valeau stated that the meeting would consist of a presentation on the Environmental Impact Report, as requested by the Committee, for East Campus and any relevant updates.

**Environmental
Impact Report**

Dr. Valeau and Michael Maas, with the assistance of Stan Crane, made a power point presentation on the current status of the Environmental Impact Report for the East Campus and West Campus. The presentation included information on the following:

- Team Focus
- East Campus Time Line
- East Campus Financing
- Development of East Campus
- East Campus Recommendations
- West Campus Background
- Environmental Impact Report (EIR)
- West Campus EIR Process
- Respondents to EIR
- Issues Forwarded by Respondents
- Requested Costs Identified in Final EIR
- Transportation Agency Monterey County
- Total Cost Requested Mitigations

Dr. Maas reminded the Committee that the information received in the above noted areas is highly confidential as we are in serious negotiations with the City and County. Dr. Valeau stated that the intent of the Committee receiving this information was to provide an overall view of what is occurring, and for the Committee to discuss current issues.

**Measure H Financial
Report**

Mr. Carrier distributed the *Hartnell Community College District Bond Projects Fun #45 Summary to December 12, 2005*, stating that this document had been previously requested by the Committee. He stated that the spreadsheet included project titles, actuals, balances, amount budgeted for each year, and whether the project is over or under the original budget. Mr. Carrier stated that we are still not over budget for overall expenditures.

Mr. Carrier stated that the college had invested \$35 million which earned interest in the amount of \$557,000 in 2003-04, \$453,000 in 2003-04, and this year to date has earned \$264,000. Additionally, he stated that last year we refinanced the bond and gained an additional \$4

million.

Dr. Valeau stated that this information, along with the bond project budget sheets and master construction scheduled, and the Executive Summary was provided to the Committee so that they could review information and formally present the report to the Board.

Preliminary Audit Report

Mr. Carrier stated that the *Preliminary June 30, 2005 Measure H General Obligation Bonds, Series A with Independent Accountants' Report on Applying Agreed-Upon Procedures* was prepared by Vavrinek, Trine, Day Company.

Mr. Carrier noted that the agreed-upon procedures included:

- an understanding of the internal controls over the disbursement process;
- if the procedures for disbursement of Bond Funds were applied in accordance with laws and regulations;
- to review compliance with expenditure allowances for the 2004-05 fiscal year within the Measure H Bond Initiative;
- to test the appropriateness of Bond expenditures for the 2004-05 fiscal year to the object code classification within the general ledger; and
- to analyze the balance of Measure H Bond Funds available at June 30, 2005 for future expenditures.

Mr. Carrier reported that the audit firm had tested 1/3 of the transaction values, which is a very significant amount, finding no discrepancies. He noted that this is the second clean audit by a CPA certifying that the college is on target.

FUTURE AGENDA ITEMS

No agenda items were forthcoming.

NEXT MEETING DATE

The next meeting of the Bond Oversight Committee will be on Wednesday, January 18, 2006, 3:00 p.m. in the Board Room.

ADJOURNMENT

There being no further business, Chair Gamotan adjourned the meeting at 4:12 p.m.