

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT  
MEASURE C  
CITIZENS' OVERSIGHT COMMITTEE

***Approved Minutes***

Tuesday, January 27, 2009  
5:30pm

New Hanford Educational Center  
Vocational Education Building  
9631 13<sup>th</sup> Avenue  
Hanford, CA 93230

**Citizens' Bond Oversight Committee for Measure C**  
Denis Eymil, Bill Fishbough, Kevin R. Jenkins, Robin Martella-Jones,  
Robert Phillips, Jack W. Schwartz, Gerra Wynn

Members Present: Denis Eymil, Robert Phillips, Jack W. Schwartz, Gerra Wynn and Robin Martella-Jones

Members Absent: Bill Fishbough, Kevin R. Jenkins

COS Representatives Present:

Bill Scroggins, Superintendent/President  
Rod Frese, Vice President, Administrative Services  
Shirley Rankin, Executive Assistant to the Superintendent/President  
Marjorie Scheidt, Hanford Center Coordinator

**1. Call to Order**

Vice Chair Denis Eymil called the meeting to order at 5:45pm.

**2. Public Comments**

No public comments.

**3. Approval of Minutes of June 22, 2008**

Mr. Schwartz moved to approve the minutes as submitted. Mr. Phillips seconded the motion. Motion carried.

**4. Financial Report**

Dr. Frese distributed the financial report for the second quarter of 2008-2009. The balance on account as of January 9, 2009 was \$14,165,726.58. Dr. Frese reviewed expenditures from September 30, 2009 forward. He pointed out the two major costs to date. The first was a payment of \$214,758 made on October 29 to Hanford Joint Union High School as the first installment toward the progress on the science building. This is

part of the agreement with Hanford Joint Union High School and included in the bond language.

Mr. Eymil asked for the specific amount that College of the Sequoias owed the High School District. Dr. Frese responded that the initial amount allocated in the bond was \$500,000; only \$380,000 was needed to upgrade the science labs. Dr. Scroggins added that the labs at the high school would be used for additional space for the College's anatomy, physiology and other science courses to the benefit of both entities.

Dr. Frese reported the second major expenditure was made on December 18, 2009 to Oral E. Micham, Inc., the building contractor, for \$225,913.70.

Mr. Schwartz asked if the College intended to sell bonds periodically. Dr. Frese stated that the College would sell two series of bonds for Hanford. One series has already been sold for about \$14 million. The other bond will be sold for approximately \$8 million.

Mr. Schwartz asked where the bond money would be located after the bonds were sold. Dr. Frese advised that the money is held by the Tulare County Office of Education's Treasury Department and is not directly accessible. The Office of Education is the fiscal agent and provides oversight over the bond money. He explained that the Tulare County Office of Education's Treasury Department then moves the money into the College's construction fund for payment of invoices, when needed.

**5. Payment For Hanford Vocational Technical Building:**

Dr. Frese distributed a letter to the committee dated January 27, 2009. Mr. Eymil asked Dr. Frese to go into greater detail concerning the letter. Dr. Frese explained that the Hanford Vocational Center was built with a grant from the federal government, money from the City of Hanford and money from the College of the Sequoias. He reported that College of the Sequoias was to pay the remainder of the construction costs after the grant from the federal government and the money from the City of Hanford had been paid. This agreement was made in order to fully construct a facility that met the needs of college classes. The amount remaining for the Hanford Vocational Building is \$2.8 million; \$700,000 is equipment cost.

Dr. Frese stated the current invoice from the City of Hanford is due in January. The payment for the vocational building would usually be covered by the College's general fund, and the College would then be reimbursed when the money was received from the State of California. The State currently has cash-flow issues and is withholding payments; College operation money has been reduced by 30 percent for the months of January, February and March. As a consequence, the College is having cash-flow problems.

Dr. Frese reported that the College has a nursing building under construction on the College's Visalia campus. He stated in December, approximately \$1 million was paid to contractors toward the nursing building that the State has not reimbursed. He further stated that the College is carrying between \$600,000 and \$800,000 monthly on the nursing building.

Dr. Frese explained that the College is also building a new gymnasium that will begin construction in February. He stated the cost for the gymnasium is approximately \$12 million, and the College will need to cover the cost of the gymnasium until the State becomes solvent.

Dr. Frese informed the committee that the College would like to use Measure C Bond money to pay the City of Hanford for the remainder of the Vocational Education Building. He stated that the expenditure meets the requirements of the bond, but he felt it was important to inform the committee before any funds were disbursed to the City. He explained that the \$2.2 million would be paid from the College's general funds to complete the Hanford Educational Center.

Mr. Schwartz asked what guarantee the committee had that the bond money would be refunded. Dr. Scroggins replied that the College has already entered into contracts to complete the Hanford Education Center so the District is financially obligated to fund the project.

A brief discussion followed. The committee was in agreement with the District to pay Hanford Vocational Building expenditures out of Measure C Bond money.

**6. Review Terms of Membership:**

Dr. Scroggins stated that the terms of several Citizens' Bond Oversight Committee members will end June 2009. He stated that he would like to maintain a complete committee. Mr. Eymil, Mr. Schwartz, and Mrs. Wynn expressed interest in continuing to serve as committee members. Ms. Martella-Jones requested to wait until May to make a decision. The College staff was asked to research whether or not the board could re-appoint committee members.

**7. Discuss Meeting Dates and Set Date for Next Meeting:**

The next meeting was set for Tuesday, June 2, 2009, at 5:30 p.m.

**8. Adjourn.**

The meeting was adjourned at 6:25 p.m.