



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, March 12, 2012
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College

MEETING AGENDA

1. **Call to Order**
2. **Introductions**
3. **Public Comment**
Members of the audience wishing to address the Citizens' Bond Oversight Committee may do so during the public comment period. Under provisions of the Brown Act, the Committee is prohibited from discussing or taking action on oral requests that are not part of the agenda. Comments are limited to three minutes per person or as determined by the Committee.
4. **Purposes, Duties and Authorized Activities of the Citizens' Bond Oversight Committee/Review of Ethics Policy Statement** INFORMATION
Mr. David Casnocha, bond counsel from Stradling, Yocca, Carlson, and Rauth, will provide an overview of the purpose of the Committee, its duties, and authorized activities as set forth in the Bylaws. Mr. Casnocha will also review the Citizens' Bond Oversight Committee Ethics Policy Statement.
5. **Review of the Ralph M. Brown Public Meetings Act** INFORMATION
Mr. David Casnocha will briefly outline the requirements of the Brown Act as it relates to the conduct of Citizens' Bond Oversight Committee meetings.
6. **Approval of November 1, 2011 Minutes** ACTION
7. **Accept Bills and Warrants Report** ACTION
The list of payments from bond funds expended through December 31, 2011 will be reviewed for acceptance by the committee.

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| <p>8. Bond Expenditure Status Report
The December 31, 2011 bond expenditure status report will be reviewed with the committee. The February 2012 cost control report will also be presented.</p> | <p>INFORMATION</p> |
| <p>9. Bond Auditors' Reports for 2010-11
The Independent Auditors' Report of the District's bond funds, for the fiscal year ended June 30, 2011, and the District's Bond Performance Audit Report, for the fiscal year ended June 30, 2011, will be reviewed with the committee.</p> | <p>INFORMATION</p> |
| <p>10. State Capital Outlay Funding Process
The process for requesting state funding for community college facilities projects will be reviewed.</p> | <p>INFORMATION</p> |
| <p>11. Facilities Construction Plan Overview
Mr. Ma will provide a summary of the District's facilities construction program.</p> | <p>INFORMATION</p> |
| <p>12. Update on Facilities Projects, Timelines and Schedules
A status report will be provided on all projects. The timelines and schedules for current facility projects will be reviewed.</p> | <p>INFORMATION</p> |
| <p>13. Meeting Schedule
Future meetings of the Committee are scheduled for:
 Monday, June 11, 2012
 Monday, August 6, 2012
 Monday, November 5, 2012 (Annual Organizational Meeting)</p> | <p>INFORMATION</p> |
| <p>14. Suggestions for Future Agenda Topics and Announcements
June 11 meeting -- Committee tour of facilities projects.</p> | |
| <p>15. Adjournment</p> | |

Public records provided to the Committee for the items listed on this agenda may be viewed online at the College's website <http://www.mpc.edu/mpcbond/CitizensBondOversight/Pages/CBOCAgendas.aspx> , at the Superintendent/President's office, Monterey Peninsula College, 980 Fremont Street, Monterey, California during normal business hours, or at the Committee meeting.

Posted: March 7, 2012

**CITIZENS' BOND OVERSIGHT COMMITTEE
BYLAWS**

Section 1. Committee Established. The Monterey Peninsula Community College District (the "District") was successful at the election conducted on November 5, 2002 (the "Election"), in obtaining authorization from the District's voters to issue up to \$145,000,000 aggregate principal amount of the District's general obligation bonds. The election was conducted under Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 *et seq.* of the Education Code of the State ("Prop 39"). Pursuant to Section 15278 of the Education Code, the District is now obligated to establish the Committee in order to satisfy the accountability requirements of Prop 39. The Board of Trustees of the Monterey Peninsula Community College District (the "Board") hereby establishes the Citizens' Bond Oversight Committee (the "Committee") which shall have the duties and rights set forth in these Bylaws. The Committee does not have independent legal capacity from the District.

Section 2. Purposes. The purposes of the Committee are set forth in Prop 39, and these Bylaws are specifically made subject to the applicable provisions of Prop 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the *Ralph M. Brown Public Meetings Act* of the State of California and shall conduct its meetings in accordance with the provisions thereof. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes, as set forth in Prop 39.

The proceeds of general obligation bonds issued pursuant to the Election are hereinafter referred to as "bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under Measure I. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee review.

Section 3. Duties. To carry out its stated purposes, the Committee shall perform the duties set forth in Sections 3.1, 3.2 and 3.3 and shall refrain from the activities in Sections 3.4 and 3.5:

3.1 **Inform the Public.** The Committee shall inform the public concerning the District's expenditure of bond proceeds.

3.2 **Review Expenditures.** The Committee may review quarterly expenditure reports produced by the District to ensure that (a) bond proceeds are expended only for the purposes set forth in the ballot measure; and (b) no bond proceeds are used for any teacher or administrative salaries or other operating expenses.

3.3 **Annual Report.** The Committee shall present to the Board, in public session, an annual written report which shall include the following:

(a) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and

(b) A summary of the Committee's proceedings and activities for the preceding year.

3.4 Duties of the Board/Superintendent/President. Either the Board or the Superintendent/President, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

- (i) Approval of construction contracts,
- (ii) Approval of construction change orders,
- (iii) Appropriation of construction funds,
- (iv) Handling of all legal matters,
- (v) Approval of construction plans and schedules,
- (vi) Approval of Deferred Maintenance Plan and Facilities Master Plan,
and
- (vii) Approval of the sale of bonds.

3.5 Voter-Approved Projects Only. In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the Board has not charged the Committee with responsibility for:

(a) Projects financed through the State of California, developer fees, redevelopment tax increment, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property without bond proceeds shall be outside the authority of the Committee.

(b) The establishment of priorities and order of construction for the bond projects shall be made by the Board in its sole discretion.

(c) The selection of architects, engineers, soils engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are required to complete the project based on District criteria established by the Board in its sole discretion.

(d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) by the Board in its sole discretion and shall report to the Committee on any cost saving techniques considered or adopted by the Board.

(e) The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the activities of the Committee.

(f) The approval of an annual budget for the Committee that is sufficient to carry out the activities set forth in Prop 39 and included herein.

(g) The adoption of a plan for publicizing the activities of the Committee and the determination as to whether a mailer, a newspaper notice or website materials would best suit the distribution of the Committee's findings and recommendations.

(h) The amendment or modification of the Bylaws for the Committee as provided herein, subject to the legal requirements of Proposition 39.

(i) The appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion as part of carrying out its function under Prop 39.

Section 4. Authorized Activities.

4.1 In order to perform the duties set forth in Section 3.0, the Committee may engage in the following authorized activities:

(a) Receive and review copies of the District's annual independent performance audit and annual independent financial audit, required by Article XIII A of the California Constitution.

(b) Inspect college facilities and grounds for which bond proceeds have been or will be expended, in accordance with any access procedure established by the District's Vice President, Business/Finance.

(c) Review copies of deferred maintenance proposal, facilities master plan, or plans developed by the District.

(d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.

Section 5. Membership.

5.1 Number.

The committee shall consist of a minimum of seven (7) members appointed by the Board of Trustees from a list of candidates submitting written applications, and based on criteria established by Prop 39, to wit:

- One (1) student enrolled and active in a community college support group, such as student government.
- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizens' organization.
- One (1) member active in a bona-fide taxpayers association.
- One (1) member active in a support organization for the college, such as a foundation.
- Two (2) members of the community at-large.

5.2 Qualification Standards.

(a) To be a qualified person, he or she must be at least 18 years of age and reside within the District's geographic boundary. The residency requirement does not apply to the student representative.

(b) The Committee may not include any employee, official of the District or any vendor, contractor or consultant of the District.

5.3 Ethics: Conflicts of Interest. By accepting appointment to the Committee, each member agrees to comply with Articles 4 (commencing with Section 1090) and 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code and the Political Reform Act (Gov. Code §§ 81000 *et seq.*), and to complete the Form 700 as required by all "designated employees" of the District. Additionally, each member shall comply with the Committee Ethics Policy attached as "Attachment A" to these Bylaws.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, beginning in November. No member may serve more than two (2) consecutive terms. At the Committee's first meeting, members will draw lots or otherwise select a minimum of two members to serve for an initial one (1) year term and the remaining members for an initial two (2) year term.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) advertising for applications in local newspapers; (b) appropriate local groups will be solicited for applications; (c) the Superintendent/President or his designee will review the applications; and (d) the Superintendent/President or his designee will make recommendations to the Board.

5.6 Removal; Vacancy. The Board may remove any Committee member for any reason, including failure to attend two consecutive Committee meetings without reasonable excuse or for failure to comply with the Committee Ethics Policy. Upon a member's removal, his or her seat shall be declared vacant. The Board, in accordance with the established appointment process shall fill any vacancies on the Committee.

5.7 Compensation. The Committee members shall not be compensated for their services.

5.8 Authority of Members. (a) Committee members shall not have the authority to direct staff of the District; (b) Individual members of the Committee retain the right to address the Board, either on behalf of the Committee or as an individual; and (c) the Committee shall only have the right to receive documents or reports which have been submitted to the Board or which are a public record.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee is required to meet at least once a year including an annual organizational meeting to be held in November.

6.2 Location. All meetings shall be held within the Monterey Peninsula Community College District, located in Monterey County, California.

6.3 **Procedures.** All meetings shall be open to the public in accordance with the *Ralph M. Brown Act*, Government Code Section 54950 *et seq.* Meetings shall be conducted according to such additional procedural rules as the Committee may adopt. A majority of the number of Committee members shall constitute a quorum for the transaction of any business except adjournment.

Section 7. District Support.

7.1 The District shall provide to the Committee necessary technical and administrative assistance as follows:

(a) preparation of and posting of public notices as required by the *Brown Act*, ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the District Board;

(b) provision of a meeting room, including any necessary audio/visual equipment;

(c) preparation and copies of any documentary meeting materials, such as agendas and reports; and

(d) retention of all Committee records, and providing public access to such records on an Internet website maintained by the District.

7.2 District staff and/or District consultants shall attend all Committee proceedings in order to report on the status of projects and the expenditures of bond proceeds.

7.3 No bond proceeds shall be used to provide District support to the Committee.

Section 8. Reports. In addition to the Annual Report required in Section 3.2, the Committee may report to the Board at least semi-annually in order to advise the Board on the activities of the Committee. Such report shall be in writing and shall summarize the proceedings and activities conducted by the Committee.

Section 9. Officers. The Superintendent/President shall appoint the Chair. The Committee shall elect a vice-chair who shall act as chair only when the chair is absent. No person shall serve as chair for more than two consecutive terms.

Section 10. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a two-thirds vote of the entire Board.

Section 11. Termination. The Committee shall automatically terminate and disband at the earlier of the date when (a) all bond proceeds are spent, or (b) all projects funded by bond proceeds are completed.

**CITIZENS' BOND OVERSIGHT COMMITTEE
ETHICS POLICY STATEMENT**

This Ethics Policy Statement provides general guidelines for Committee members to follow in carrying out their roles. Not all ethical issues that Committee members face are covered in this Statement. However, this Statement captures some of the critical areas that help define ethical and professional conduct for Committee members. The provisions of this Statement were developed from existing laws, rules, policies and procedures as well as from concepts that define generally accepted good business practices. Committee members are expected to strictly adhere to the provisions of this Ethics Policy.

POLICY

- **CONFLICT OF INTEREST.** A Committee member shall not make or influence a District decision related to: (1) any contract funded by bond proceeds or (2) any construction project which will benefit the committee member's outside employment, business, or a personal finance or benefit an immediate family member, such as a spouse, child or parent.

- **OUTSIDE EMPLOYMENT.** A Committee member shall not use his or her authority over a particular matter to negotiate future employment with any person or organization that relates to: (1) any contract funded by bond proceeds, or (2) any construction project. A Committee member shall not influence a District decision related to any construction project involving the interest of a person with whom the member has an agreement concerning current or future employment, or remuneration of any kind. For a period of two (2) years after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the District that, as a Committee member, he or she participated in personally and substantially. Specifically, for a period of two (2) years after leaving the Committee, a former Committee member and the companies and businesses for which the member works shall be prohibited from contracting with the District with respect to: (1) bidding on projects funded by the bond proceeds; and (2) any construction project.

- **COMMITMENT TO UPHOLD LAW.** A Committee member shall uphold the federal and California Constitutions, the laws and regulations of the United States and the State of California (particularly the Education Code) and all other applicable government entities, and the policies, procedures, rules and regulations of the Monterey Peninsula Community College District.

- **COMMITMENT TO DISTRICT.** A Committee member shall place the interests of the District above any personal or business interest of the member.

THE

BROWN

ACT

OPEN MEETINGS FOR
LOCAL LEGISLATIVE BODIES

Office of the Attorney General
Bill Lockyer
Attorney General

Prepared by the Division of Civil Law

Chief Assistant Attorney General Andrea Lynn Hoch
Deputy Attorney General Ted Prim, Editor



State of California
Office of the Attorney General

Bill Lockyer
Attorney General

Throughout California's history, local legislative bodies have played a vital role in bringing participatory democracy to the citizens of the state. Local legislative bodies - such as boards, councils and commissions - are created in recognition of the fact that several minds are better than one, and that through debate and discussion, the best ideas will emerge. The law which guarantees the public's right to attend and participate in meetings of local legislative bodies is the Ralph M. Brown Act.

While local legislative bodies generally are required to hold meetings in open forum, the Brown Act recognizes the need, under limited circumstances, for these bodies to meet in private in order to carry out their responsibilities in the best interests of the public. For example, the law contains a personnel exception based on notions of personal privacy, and a pending litigation exception based upon the precept that government agencies should not be disadvantaged in planning litigation strategy. Although the principle of open meetings initially seems simple, application of the law to real life situations can prove to be quite complex.

The purpose of this pamphlet is to provide a brief description of the Brown Act, along with a discussion of court decisions and opinions of this office that add to our understanding by applying it in specific factual contexts. We hope this pamphlet will assist both public officials and those who monitor the performance of local legislative bodies to minimize and resolve disputes over interpretations of the Brown Act. In recent years, both the California Supreme Court and the courts of appeal have recognized the benefit of pamphlets issued by our office. This recognition by the courts, along with many favorable comments from members of the public, strengthens our resolve to continue producing reliable informational materials on the Brown Act and other California laws. Publication of these materials constitutes a tradition of service that we value greatly.

Ideas and suggestions for future editions of this pamphlet are welcomed and should be addressed to the editor.

Sincerely,

BILL LOCKYER
Attorney General

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INTRODUCTION

This pamphlet concerns the provisions of the Ralph M. Brown Act, which govern open meetings for local government bodies. The Brown Act is contained in section 54950 et seq. of the Government Code. Accordingly, all statutory references in this pamphlet are to the Government Code unless otherwise noted. The pamphlet contains a table of contents, which may also serve as a topical outline for the reader. The pamphlet also includes a brief summary of the main provisions of the Brown Act, along with references to the appropriate Government Code sections and chapters of the text. The text includes a discussion of the law along with tips on how the law should be applied in particular situations. Numerous references are made to legal authorities throughout the text. A copy of the Brown Act in its entirety is set forth in the appendix to the pamphlet. Lastly, the pamphlet contains a table of authorities so that the reader can determine all of the places in the text where references are made to a particular authority.

In preparing this pamphlet, we relied on a variety of legal resources. Appellate court cases were consulted and are cited throughout the pamphlet. While most of the more significant cases are discussed, this pamphlet is not intended to be a compendium of all court cases in this area. In addition, we drew upon published opinions and unpublished letter opinions issued by this office. Attorney General opinions, unlike appellate court decisions, are advisory only and do not constitute the law of the state. However, with respect to the Brown Act, the courts have frequently adopted the analysis of Attorney General opinions, and have commented favorably on the service afforded by those opinions and this pamphlet. (*Bell v. Vista Unified School Dist.* (2000) 82 Cal.App.4th 672; *Freedom Newspapers v. Orange County Employees Retirement System* (1993) 6 Cal. 4th 821, 829.)

Published opinions are cited by volume and page number (e.g., 32 Ops.Cal.Atty.Gen. 240 (1958)). Unpublished letter opinions are cited as indexed letters by year and page number (e.g., Cal.Atty.Gen., Indexed Letter, No. IL 76-201 (October 20, 1976).) Published opinions are available through law libraries and some attorneys' offices. As a general rule, indexed letters are available only in the Office of the Attorney General. Copies may be obtained by a request to the Public Inquiry Unit of the Office of the Attorney General.

If you have specific questions or problems, the statutes, cases and opinions should be consulted. You also may wish to refer the matter to the attorney for the agency in question, a private attorney or the district attorney.

The pamphlet is current through January 2003 with respect to statutes, case law, and Attorney General opinions.

SUMMARY OF KEY BROWN ACT PROVISIONS

COVERAGE

PREAMBLE:

Public commissions, boards, councils and other legislative bodies of local government agencies exist to aid in the conduct of the people’s business. The people do not yield their sovereignty to the bodies that serve them. The people insist on remaining informed to retain control over the legislative bodies they have created.	54950	Ch. I
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GOVERNING BODIES:

Includes city councils, boards of supervisors, and district boards. Also covered are other legislative bodies of local government agencies created by state or federal law.	54952(a)	Ch. I & II
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SUBSIDIARY BODIES:

Includes boards or commissions of a local government agency as well as standing committees of a legislative body. A standing committee has continuing subject matter jurisdiction or a meeting schedule set by its parent body. Less-than-a-quorum advisory committees, other than standing committees, are exempt.	54952(b)	Ch. II
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PRIVATE OR NONPROFIT CORPORATIONS OR ENTITIES:

Covered only if:

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| a. | A legislative body delegates some of its functions to a private corporation or entity; or | 54952(c)(1)(A) | Ch. II |
| b. | If a legislative body provides some funding to a private corporation or entity and appoints one of its members to serve as a voting member of entity’s board of directors. | 54952(c)(1)(B) | |

MEETING DEFINED

INCLUDES:

Any gathering of a quorum of a legislative body to discuss or transact business under the body’s jurisdiction; serial meetings are prohibited.	54952.2	Ch. III
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EXEMPTS:

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| (1) Individual contacts between board members and others which do not constitute serial meetings; | 54952.2(c)(1) | Ch. III |
| (2) Attendance at conferences and other gatherings which are open to public so long as members of legislative bodies do not discuss among themselves business of a specific nature under the body’s jurisdiction; | 54952.2(c)(2),
(3) and (4) | |
| (3) Attendance at social or ceremonial events where no business of the body is discussed. | 54952.2(c)(5) | |

LOCATIONS OF MEETINGS:

A body must conduct its meetings within the boundaries of its jurisdiction unless it qualifies for a specific exemption.	54954	Ch. IV
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TELECONFERENCE MEETINGS:

Teleconference meetings may be held under carefully defined conditions. The meeting notice must specifically identify all teleconference locations, and each such location must be fully accessible to members of the public.	54953	Ch. III
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PUBLIC RIGHTS

PUBLIC TESTIMONY:

Public may comment on agenda items before or during consideration by legislative body. Time must be set aside for public to comment on any other matters under the body’s jurisdiction.	54954.3	Ch. IV & V
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NON-DISCRIMINATORY FACILITIES:

Meetings may not be conducted in a facility that excludes persons on the basis of their race, religion, color, national origin, ancestry, or sex, or that is inaccessible to disabled persons, or where members of the public may not be present without making a payment or purchase.	54953.2; 54961	Ch. V
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COPY OF RECORDING:

Public may obtain a copy, at cost, of an existing tape recording made by the legislative body of its public sessions, and to listen to or view the body’s original tape on a tape recorder or viewing device provided by the agency.	54953.5	Ch. V
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PUBLIC VOTE:

All votes, except for those cast in permissible closed session, must be cast in public. No secret ballots, whether preliminary or final, are permitted.	54953(c)	Ch. VI
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CLOSED MEETING ACTIONS/DOCUMENTS:

At an open session following a closed session, the body must report on final action taken in closed session under specified circumstances. Where final action is taken with respect to contracts, settlement agreements and other specified records, the public may receive copies of such records upon request.	54957.1	Ch. IV, V & VI
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TAPING OR BROADCASTING:

Meetings may be broadcast, audio-recorded or video-recorded so long as the activity does not constitute a disruption of the proceeding.	54953.5; 54953.6	Ch. V
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CONDITIONS TO ATTENDANCE:

Public may not be asked to register or identify themselves or to pay fees in order to attend public meetings.	54953.3; 54961	Ch. V
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PUBLIC RECORDS:

Materials provided to a majority of a body which are not exempt from disclosure under the Public Records Act must be provided, upon request, to members of the public without delay.	54957.5	Ch. V
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REQUIRED NOTICES AND AGENDAS

REGULAR MEETINGS:

<p>Agenda containing brief general description (approximately twenty words in length) of each matter to be considered or discussed must be posted at least 72 hours prior to meeting.</p>	<p>54954.2</p>	<p>Ch. IV</p>
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SPECIAL MEETINGS:

<p>Twenty-four hour notice must be provided to members of legislative body and media outlets including brief general description of matters to be considered or discussed.</p>	<p>54956</p>	<p>Ch. IV</p>
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EMERGENCY MEETINGS:

<p>One hour notice in case of work stoppage or crippling activity, except in the case of a dire emergency.</p>	<p>54956.5</p>	<p>Ch. IV</p>
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CLOSED SESSION AGENDAS:

<p>All items to be considered in closed session must be described in the notice or agenda for the meeting. A model format for closed-session agendas appears in section 54954.5. Prior to each closed session, the body must orally announce the subject matter of the closed session. If final action is taken in closed session, the body generally must report the action at the conclusion of the closed session.</p>	<p>54954.2; 54954.5; 54957.1 and 54957.7</p>	<p>Ch. IV</p>
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AGENDA EXCEPTION:

<p>Special procedures permit a body to proceed without an agenda in the case of emergency circumstances, or where a need for immediate action came to the attention of the body after posting of the agenda.</p>	<p>54954.2(b)</p>	<p>Ch. IV</p>
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CLOSED-SESSION MEETINGS

PERSONNEL EXEMPTION:

<p>The body may conduct a closed session to consider appointment, employment, evaluation of performance, discipline or dismissal of an employee. With respect to complaints or charges against an employee brought by another person or another employee, the employee must be notified, at least 24 hours in advance, of his or her right to have the hearing conducted in public.</p>	54957	Ch. VI
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PUBLIC SECURITY:

<p>A body may meet with law enforcement or security personnel concerning the security of public buildings and services.</p>	54957	Ch. VI
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PENDING LITIGATION:

<p>A body may meet in closed session to receive advice from its legal counsel concerning existing litigation, initiating litigation, or situations involving a significant exposure to litigation. The circumstances which constitute significant exposure to litigation are expressly defined in section 54956.9(b)(3).</p>	54956.9	Ch. VI
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LABOR NEGOTIATIONS:

<p>A body may meet in closed session with its negotiator to consider labor negotiations with represented and unrepresented employees. Issues related to budgets and available funds may be considered in closed session, although final decisions concerning salaries of unrepresented employees must be made in public.</p>	54957.6	Ch. VI
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REAL PROPERTY NEGOTIATIONS:

<p>A body may meet in closed session with its negotiator to consider price and terms of payment in connection with the purchase, sale, exchange or lease of real property.</p>	54956.8	Ch. VI
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REMEDIES AND SANCTIONS

CIVIL REMEDIES:

Individuals or the district attorney may file civil lawsuits for injunctive, mandatory or declaratory relief, or to void action taken in violation of the Act. 54960; 54960.1 Ch. VII

Attorneys' fees are available to prevailing plaintiffs. 54960.5

CRIMINAL SANCTIONS:

The district attorney may seek misdemeanor penalties against a member of a body who attends a meeting where action is taken in violation of the Act, and where the member intended to deprive the public of information which the member knew or has reason to know the public was entitled to receive. 54959 Ch. VII

Return to Main Body



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, November 7, 2011
3:00 PM – Regular Meeting
Sam Karas Room, Library and Technology Center
Monterey Peninsula College

Meeting Minutes

MEMBERS PRESENT: Mr. Scott Coté
Mr. J. Fagan
Mr. Stewart Fuller
Ms. Daphne Hodgson, Chair
Ms. Mary Ann Kane
Mr. Bob Mulford
Mr. Ron Pasquinelli
Mr. Gary Ray, Vice Chair
Mr. Niels Reimers

ABSENT: None

STAFF PRESENT: Ms. Rosemary Barrios, Controller
Dr. Douglas Garrison, Superintendent/President
Mr. Stephen Ma, Vice President for Administrative Services
Ms. Vicki Nakamura, Assistant to the President

OTHERS PRESENT: Mr. Wayne Cruzan
Mr. Joe Demko, Kitchell
Dr. Sophal Ear
Mr. Rick Heuer
Mr. Birt Johnson, Jr.
Mr. Jimmy Panetta
Ms. Patty Rossi

1. **Call to Order**
The regular meeting of the Citizens' Bond Oversight Committee of Monterey Peninsula College was called to order at 3:04 PM by Chair Hodgson.
2. **Public Comment**
There were no public comments.

3. Introductions

Dr. Garrison introduced incoming members Wayne Cruzan, Rick Heuer, Sophal Ear, Birt Johnson, James Panetta, and Patricia Rossi, who will be joining the committee in March.

4. Committee Membership Update

Dr. Garrison noted five members of the Committee, Scott Coté, Daphne Hodgson, Mary Ann Kane, Ron Pasquinelli, and Gary Ray, are completing their tenure on the committee. Individuals for appointment to the committee were solicited to fill “designated seats” per the bylaws. Mr. Pasquinelli and Ms. Kane were representatives of the Monterey Peninsula Taxpayers Association and the GENTRAIN Society, respectively. Both of these organizations were contacted for replacements. Rick Heuer will be representing the taxpayers association and Wayne Cruzan will be the new representative of the GENTRAIN Society. The remaining vacancies on the committee were for representatives of the community at-large. Notices were placed in the local newspaper and on the MPC website. Letters were also sent to attendees at the recent Board candidate orientations conducted by Dr. Garrison. Dr. Sophal Ear, Birt Johnson, and James Panetta were recommended for appointment as the community representatives. Dr. Garrison stated this impressive group of prospective members was approved by the Board at the October meeting. He welcomed the incoming members to the committee.

Dr. Garrison recognized Mr. Coté, Chair Hodgson, Ms. Kane, Mr. Pasquinelli, and Mr. Ray for their service on the committee and presented each with a certificate of appreciation. He expressed thanks for their time and careful attention to their work as committee members.

5. Officers

Dr. Garrison informed the committee that Bob Mulford had agreed to serve as chair for the next year and will preside, beginning at the next meeting. Dr. Garrison acknowledged Chair Hodgson for her leadership as chair during the past two years.

Chair Hodgson opened the floor for selection of the vice-chair position. Mr. Fagan expressed interest in serving and he was approved unanimously.

6. Measure I – History of Bond Issuances and Tax Rates

Mr. Ma introduced Ivory Li and Tim Carty, with PiperJaffray & Co., the District’s bond underwriter, to report on how the bonds have performed and the tax rate.

Ms. Li provided an overview of Measure I, the District’s \$145 million bond measure. Measure I was approved with strong community support of 64.6% of the electorate. The estimated tax charge was \$23.89 per \$100,000 of property valuation. All of the District’s bonds have been issued; Series A was issued in 2003 and was refinanced in 2005. Series B and C were issued in January 2008.

Ms. Li reviewed the history of bond interest rates over the past 20 years. She noted that the District sold the bonds when interest rates were relatively low, below the 20-year average.

Regarding bond tax rate performance, she reported the tax rate levied in the years 2004 through 2012 has been lower than the estimated tax rate of \$23.89. The average tax rate for this time period was \$21.36. Mr. Ma asked about the stability of the tax rate.

Ms. Li stated there was only one year, 2011, when the assessed valuation was negative. In the district, property values have maintained in comparison to other districts which have experienced double digit decreases. Dr. Ear asked for the cause of the decrease in 2011. Ms. Li explained the assessed valuation is not the same as market value. In recent years, there has been a downturn in the real estate market. Property owners have requested reassessment, resulting in the decrease in 2011. Chair Hodgson added the County assessor wrote down the property assessment in both Seaside and Marina.

Mr. Pasquinelli asked if there was any financial advantage to another refinancing of the bond. Ms. Li explained the Series B and C bonds cannot be prepaid until 2018. The District would need to set up a bond escrow account to earn interest in the next 3-5 years to refinance the bonds in 2018. She estimated the District would need earnings of 1/5% per year until 2018. During this time, the District would not be able to touch the funds in escrow.

7. Approval of August 8, 2011 Minutes

It was noted that Mr. Coté was listed as both present and absent at the August 8 meeting; he was in attendance. A correction will be made.

Mr. Ma provided follow up to a question in the minutes under the Bills and Warrants item. Mr. Ray had questioned the differences in cost for computers purchased for the math lab. Mr. Ma explained the price difference was due to the computers being purchased without the monitors, and the monitors being purchased separately. He provided a handout which clarified the description for the three line items in question.

Motion to approve the minutes of August 8, 2011, as corrected, was made by Mr. Fagan, and seconded by Mr. Mulford. Motion carried unanimously.

8. Accept Bills and Warrants Reports

Mr. Ma asked for questions or comments on the report.

A question was asked whether any of the reimbursements of staff on page 3 were duplications. Mr. Ma responded staff will research to determine if there were any double charges. Mr. Coté expressed concern about staff being directly reimbursed for \$13,000 in out of pocket purchases. Ms. Barrios stated she shared his concern. She requested the staff member to process an open purchase order for these expenses in the future. Mr. Ma noted there has been a history of audiovisual staff installing equipment which staff has purchased and the District has reimbursed. Mr. Heuer suggested staff could also use a Calcard to make the purchase. Mr. Fagan asked about the warranty on equipment purchased this way. Mr. Ma stated he will review the practice.

Mr. Reimer referred to the purchase of 24 computer tables with retractable storage for \$57,000 on page 5 and asked for further information. Dr. Garrison explained the tables are workstations that can be used with a monitor or as a table. Mr. Ma added the platform for the monitor is retractable; the tables are custom made.

Mr. Mulford asked about the purchase of 205 HP flat panel monitors for thin clients on page 5. The description states 71 were purchased for the Education Center and 105 for the Monterey campus; however, those quantities do not add up to 205. Mr. Ma said staff will research and report back. Ms. Kane asked for an explanation of "thin clients." Mr. Coté said thin client is a system where the computer at the desk is minimal and

processing is completed on a big server. As a result, there are large cost savings because there is no need to buy individual computers.

Mr. Fagan inquired about several entries in the report for HGHB Architects for services in 2010. He asked why the invoices are from that far back. Mr. Demko responded some contracts extend for several years and agreements with architects may cover many phases of a project. He will check why the billings are from 2010.

Mr. Fagan also noted an invoice number was missing for the PlanWell retrieval on page 11.

Mr. Mulford questioned art locker inspection services on page 11 and why the cost is so high. Mr. Demko explained every project processed through the Division of the State Architect (DSA) requires a DSA inspector. The art locker project was not small, costing \$250,000. The project involved seismic bracing, foundation work, and ADA compliance improvements. The inspection cost is 2% of the project cost and the billing is by hours. Mr. Ma added ongoing inspection services are provided during the course of construction. Dr. Garrison noted the District has two inspectors of record, a requirement for community colleges.

Ms. Kane asked about the further phases of redevelopment services provided by Dolinka Group, listed on page 4. Mr. Ma confirmed there would be additional work to address underpayments that were found. Phase III will include negotiation with the redevelopment agencies regarding the payment schedule and correcting the underpayments.

Chair Hodgson requested an explanation of PlanWell retrieval. Mr. Demko said American Reprographics offers a system where plans and drawings are maintained online. Copies of drawings are provided as needed, saving time and expense of manual photocopying. She questioned an expense for PlanWell retrieval for \$16,000 on page 9. Mr. Demko explained this expense was for actual drawings and blueprints. Chair Hodgson advised a more specific description be used to distinguish the different services.

Chair Hodgson followed with a question regarding the parking lot B expansion on pages 10-11. She noted two payment applications for Monterey Peninsula Engineering and asked why there appeared to be no retention on the project. Mr. Demko said the retention arrangement depends on the contractor. Larger contractors prefer to have the retention deposited in the bank in an escrow account to earn interest. With smaller contractors, the 10% retention is paid at the end of the project. Parking lot B was a fast project, completed over two months. The contractor was paid 90% with the remaining 10% paid when the project was finalized.

Chair Hodgson commented the same question applies to the humanities project; the first payment was made with no retention indicated. She advised a new state law goes into effect January 1 that reduces the retention to 5%; she did not know if the law also applies to community colleges. Dr. Garrison asked what language would be helpful in distinguishing between the 10% retention held for smaller contractors rather than the retention held in an escrow account. Ms. Hodgson suggested using, "(Retention held by college)," for the smaller contractors.

Mr. Mulford questioned payment application #16 for Dilbeck & Sons on page 2, described as 125% time completed. Payment application #15 was for 100% completion. Staff will research and report back.

Chair Hodgson proposed a formatting change for the closed projects listing on the report. She suggested italicizing the payments to indicate the expenses were not made from the current period.

It was moved by Ms. Kane, and seconded by Mr. Fagan to accept the September 30, 2011 bills and warrants report. Motion carried unanimously.

9. Bond Expenditure Status Report and Cost Control Report

Mr. Ma reviewed the September 30, 2011 bond expenditure status report. Chair Hodgson expressed concerns with the report. While the total completed projects figure of \$61,405,724 can be tied to the bills and warrants report, the overall total of bond funds spent to date (\$101,773,920) cannot. In addition, the year to date payments (\$0) for the Automotive Technology project does not correlate with the payment indicated on the bills and warrants report of \$1,937. She asked how the overall total of bond expenditures was calculated.

Ms. Barrios indicated the bond expenditure report reflects a modified accrual accounting basis. At June 30, liabilities are set up for the prior year; the books are not closed until September 30. The liabilities are included in the prior year expenses in the bond expenditure report. The bills and warrants report represents a cash basis, reflecting when payments are actually made.

Mr. Demko reported the cost control report is prepared for the Governing Board every month. The report shows the status of active projects and tracks the overall budget. He noted projects were added to this month's report. Mr. Demko stated a recommendation will be made to reallocate any bid savings. The life science/physical science project will have bid savings while the theater project is currently over budget by \$1 million.

In response to a question from Ms. Rossi, Mr. Demko stated furniture and equipment is covered by a separate fund with a budget of \$4 million. He indicated this approach resulted in better control of expenditures. Ms. Rossi asked about the "other" category which amounted to over \$1 million for information technology expense. She commented CISCO will provide a discount or donation to community colleges and the vendor may not be applying the discount. Mr. Demko said the "other" category also funds hazardous materials remediation or unforeseen conditions.

10. Annual Report for 2010-11

Dr. Garrison stated the committee is obligated to provide an annual report to the Board of Trustees per the bylaws. A draft report has been prepared for review by the committee. The Chair will present the report to the Board at the November meeting.

Mr. Mulford recommended the length of term be defined in the discussion of committee membership on page 5.

Mr. Coté commented the amount of matching funds the District has acquired is impressive. He noted 35% of bond funds remain to be spent. However, the amount of total expenditures is higher than reflected on page 9 due to state matching funds. He

suggested a footnote is needed to show the percentage of bond funds spent as well as the amount of matching funds coming from other sources. Dr. Garrison noted the total with matching funds is provided on page 20. There was consensus to add this information to the expenditure summary on page 9.

Mr. Pasquinelli commented the past four years as a committee member have been educational for him regarding effective bond oversight. He said the taxpayers association is using the college's reports as a template for Monterey Peninsula Unified School District, Pacific Grove Unified School District, and the regional parks district.

Ms. Rossi suggested including the tax rate performance comments from PiperJaffray in the report. Chair Hodgson cautioned the report is from the committee and the committee could not make these comments. Dr. Garrison proposed including a statement that the tax rate has remained under the estimated rate presented to the voters in 2002.

Motion to approve the 2010-11 annual report with the changes discussed was made by Mr. Reimer, seconded by Mr. Coté. Motion carried unanimously.

Chair Hodgson will present the report to the Board at the November 22 meeting. The annual report will then be posted on the committee's webpage.

11. Update on Facilities Projects, Timelines and Schedules

Mr. Demko reviewed the status of active projects.

Education Center at Marina Permanent Facilities – Mr. Demko said the facilities have been completed. Classes are in session.

Infrastructure – Mr. Demko said the lighted kiosks with location maps have been installed on campus.

Swing Space – Mr. Demko reported interim housing costs are higher than anticipated due to the need for more swing space to accommodate the renovation of the former student services building. The construction schedule for this project was accelerated as state funding became available.

Facilities Committee – Mr. Demko reported the committee recently met to discuss the overbid for the theater project and the bid savings from the life science/physical science project.

Humanities/Former Student Services/Business Humanities – Mr. Demko said the renovation of the former student services building is going well. The contractor is trying to get the building weather tight for winter. When the building is completed, humanities faculty will move in. In future phases, the humanities building will be remodeled and the business humanities building will be demolished.

Mr. Fagan inquired if the favorable bid climate was ending. Mr. Demko responded yes. He said the pool of subcontractors has narrowed and the cost of commodities is increasing. Mr. Fagan asked how a higher bid situation will affect future projects. Mr. Ma stated the district is at the maximum in terms of the number of projects currently underway on campus. Contingency funds were used to cover the higher costs of the theater and gym projects. He commented the district continues to monitor costs and contingencies have been built into all projects. Mr. Demko added

the good news is that the bids for the theater and life science/physical science projects have been received and contracts approved.

Theater – Mr. Demko reported good progress is being made. There will be a new orchestra pit and elevator. The asbestos removal and demolition work went well.

Life Science/Physical Science Buildings – This is two phase project. The two buildings were combined into one project to use one contractor and save on time and costs.

Gym First Floor – Mr. Demko reported the project is \$300,000 over the bid estimate.

Pool/Tennis Courts – Interim housing for the gym project has been placed on the tennis courts. The pool refurbishment will be completed first.

Music – Mr. Demko said the project budget is currently \$1.2 million and supplemental funding is under consideration.

Student Center – Mr. Demko reported schematic drawings have been completed and budgets have been evaluated.

Regarding the master schedule, Mr. Demko reported that schedules are holding for the projects and change orders are being managed. The arts complex will be a challenge to schedule due to the swing space needs of the various programs. The project will likely be phased.

Mr. Mulford asked how many architects are under contract with the college. Mr. Demko said there are five; however, the college primarily uses HGHB, a local firm. Dr. Garrison commented the Board has a strong feeling to use local firms where possible. The college is a major economic driver for the Peninsula economy. Mr. Fagan concurred. He noted Otto Construction, a local contractor, has completed \$24 million in projects at the college, a huge investment in the local community.

12. Meeting Schedule

The meeting dates of March 5, June 11, August 6, and November 5 (annual organizational meeting) were proposed for 2012. Motion made to adopt the proposed meeting schedule was made by Mr. Mulford and seconded by Mr. Coté. Motion carried unanimously.

13. Suggestions for Future Agenda Topics and Announcements

Mr. Fagan announced the Heroes Open II golf tournament would be held Saturday to benefit the Veterans Cemetery project.

Chair Hodgson commented she enjoyed her experience on the committee and learning about the college. She expressed appreciation for the opportunity.

14. Adjournment

Chair Hodgson adjourned the meeting at 5:00 PM.

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Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
Vendor Name	Description of service or purchase	Amount Paid
<u>New Student Services Building</u>		
	<i>Total Expense at September 30, 2011</i>	\$9,374,470.62
Kitchell CEM	Construction management services for August 2011.	\$10,648.50
American Reprographics Co.	PlanWell retrieval. Invoice 8366420.	\$124.73
Apex Signs & Graphics	Provide 1 internally illuminated directory sign.	\$1,789.13
Peninsula Business Interior	Time and material to fill 1 additional gap above dirt walls.	\$434.72
Peninsula Business Interior	Provide labor to build and install 4 wood fills above dirt walls, material included.	\$2,276.33
	To Date Expense through December 31, 2011	<u>\$9,389,744.03</u>
<u>Automotive Technology Building Renovation</u>		
	<i>Total Expense at September 30, 2011</i>	\$958,602.22
	No new expense this period.	<u>\$0.00</u>
	To Date Expense through December 31, 2011	<u>\$958,602.22</u>
<u>Arts Complex</u>		
	<i>Total Expense at September 30, 2011</i>	\$43,239.45
C2G/Civil Consultants Group	Topographic services for the art studio, graphic arts, and art dimensional project.	\$7,500.00
	To Date Expense through December 31, 2011	<u>\$50,739.45</u>
<u>PE Phase II (Gym/Locker Room Renovation)</u>		
	<i>Total Expense at September 30, 2011</i>	\$61,898.48
American Reprographics Co.	PlanWell retrieval. Invoice 8366328.	\$245.93
American Reprographics Co.	PlanWell retrieval. Invoice 8368868.	\$122.21
American Reprographics Co.	PlanWell retrieval. Invoice 8369607.	\$403.84
American Reprographics Co.	PlanWell retrieval. Invoice 8369613.	\$1,035.55
American Reprographics Co.	PlanWell retrieval, distribute bid set and specs. Invoice 8369623.	\$599.74
American Reprographics Co.	PlanWell retrieval of plans and specs. Invoice 8369725.	\$1,426.25
American Reprographics Co.	PlanWell retrieval. Invoice 8369867.	\$192.07
American Reprographics Co.	PlanWell retrieval of plans and specs. Invoice 8370042.	\$165.86
American Reprographics Co.	PlanWell retrieval of plans and specs. Invoice 8370423.	\$164.03
American Reprographics Co.	PlanWell retrieval of plans and specs. Invoice 8370503.	\$365.23

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
Vendor Name	Description of service or purchase	Amount Paid
<u>PE Phase II (Gym/Locker Room Renovation) (continued)</u>		
American Reprographics Co.	PlanWell retrieval. Invoice 8370637.	\$204.47
American Reprographics Co.	PlanWell retrieval of plans and specs. Invoice 8371828.	\$165.86
American Reprographics Co.	PlanWell retrieval of plans and specs. Invoice 8372054.	\$165.86
American Reprographics Co.	PlanWell retrieval of plans and specs. Invoice 8372095.	\$165.86
American Reprographics Co.	PlanWell retrieval of plans. Invoice 8372316.	\$232.50
American Reprographics Co.	PlanWell retrieval of plans. Invoice 8372335.	\$187.31
American Reprographics Co.	PlanWell retrieval. Invoice 8372574.	\$167.37
American Reprographics Co.	PlanWell retrieval. Invoice 8372751.	\$204.47
American Reprographics Co.	PlanWell retrieval. Invoice 8372848.	\$204.47
American Reprographics Co.	PlanWell retrieval. Invoice 8373410.	\$165.86
American Reprographics Co.	PlanWell retrieval of plans and specs. Invoice 8374260.	\$165.86
American Reprographics Co.	PlanWell retrieval of gym swing space. Invoice 8370125.	\$222.69
HGHB	Professional design services for August 2011.	\$560.00
HGHB	Professional design services for September 2011.	\$5,040.00
American Reprographics Co.	PlanWell retrieval. Invoice 8374950.	\$773.72
American Reprographics Co.	PlanWell retrieval. Invoice 8375031.	\$252.64
American Reprographics Co.	PlanWell retrieval. Invoice 8375070.	\$514.09
American Reprographics Co.	PlanWell retrieval. Invoice 8375619.	\$698.89
American Reprographics Co.	PlanWell retrieval. Invoice 8375627.	\$224.44
American Reprographics Co.	PlanWell retrieval. Invoice 8375707.	\$227.85
American Reprographics Co.	PlanWell retrieval. Invoice 8379217.	\$36.44
HGHB	Professional design services for the October 2011.	\$1,400.00
Cardinale Moving & Storage Co.	Moving equipment room, office and training room to interim space.	\$6,291.54
	To Date Expense through December 31, 2011	<u>\$84,891.38</u>
<u>Pool Building</u>		
	<i>Total Expense at September 30, 2011</i>	\$120,814.25
	No new expense this period.	<u>\$0.00</u>
	To Date Expense through December 31, 2011	<u>\$120,814.25</u>

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
Vendor Name	Description of service or purchase	Amount Paid
<u>Pool/Tennis Court Renovation</u>		
	<i>Total Expense at September 30, 2011</i>	\$55,745.66
	No new expense this period.	\$0.00
	To Date Expense through December 31, 2011	<u>\$55,745.66</u>
<u>New Education Center at Marina</u>		
	<i>Total Expense at September 30, 2011</i>	\$7,627,995.00
Office Depot	Purchase 20 wastebaskets, 10 recycle containers, and 2 door stops. Total price was \$207.56, but used a credit against this purchase that was for \$198.10, the credit was from a return.	\$9.46
Office Depot	Purchase 10 wastebaskets, medium.	\$45.00
Office Depot	Purchase 10 wastebaskets, slim.	\$47.52
Office Depot	Purchase 8 receptacles.	\$243.52
Contrax	Purchase two lateral file cabinets.	\$1,250.89
Kitchell CEM	Construction management services for August 2011.	\$9,358.50
Williams Scotsman	Rental payment for unit UM2-00635 for the period 12/14/11-1/13/12.	\$461.15
Peninsula Office Solutions	Copier service agreement for the period 9/21/11-10/21/11 for the Kitchell trailer.	\$27.87
PAPE Rents	Rental of portable air conditioning unit with pump for temporary cooling in the data room. Rent from 8/23/11-9/19/11.	\$1,565.33
First National Bank-Dilbeck & Sons	Retention payment #17 for Dilbeck & Sons.	\$11,058.48
Dilbeck & Sons Inc.	Payment application #17.	\$99,526.41
Boyds Asphalt Services	Contracting services consisting of: curb painting of yellow curb for loading zone, red painted curb and supply and install no parking fire lane signs on poles in concrete footing.	\$3,525.00
Cardinale Moving & Storage	Moving service to move furniture and office materials into the new building.	\$890.35
Computerland of Silicon Valley	Purchase two combo express kits.	\$546.48
Kleinfelder	Provide testing and inspection services. Bill thru 9/18/11.	\$3,393.40
Bear Data Solutions Inc.	Consulting services for AT&T/CSME programming support.	\$1,200.00
Computerland of Silicon Valley	Purchase HP Proliant servers for the Marina Education Center.	\$23,562.85
PAPE Rents	Rental of portable air conditioning unit with pump for temporary cooling in the data room. Rent from 9/20/11-10/17/11.	\$1,029.07
HGHB	Professional design services for the month of August 2011.	\$6,480.00
David Foord	Inspection services for the month of September 2011.	\$75.00
Michael Schaffer	Smart classroom installation services. Service from 7/1/11-9/9/11.	\$8,860.00
Dilbeck & Sons Inc.	Payment application #18.	\$136,813.46
First National Bank-Dilbeck & Sons	Retention payment #18 for Dilbeck & Sons.	\$15,201.50

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
Vendor Name	Description of service or purchase	Amount Paid
<u>New Education Center at Marina (continued)</u>		
Carolina Biological Supply	Purchase lab supplies for the anatomy program.	\$546.50
Carolina Biological Supply	Purchase storage cabinet for the anatomy program.	\$568.81
Carolina Biological Supply	Purchase wall cabinet and skeleton cabinet for the anatomy program.	\$2,513.35
American 3B Scientific	Purchase lab supplies for the anatomy program.	\$227.00
Bank Service Center	Purchase 1 Cisco lan base to ip base, and cables.	\$2,802.43
Bank Service Center	Purchase 32 CAT5E coupler.	\$216.92
Computerland of Silicon Valley	Engineering services to include: setup infrastructure in the lab, help delete the old vm images from the pool, create new vm images according to instructions, and setup new hypher virtual machines and add it to clusters.	\$7,500.00
William Scotsman	Rental payment for unit UM2-00635 for the period 10/14/11-11/13/11.	\$461.15
Peninsula Office Solutions	Copier service agreement for the period 10/21/11-11/21/11 for the Kitchell trailer.	\$27.87
Intelliccept	Provide and install skate stopper clips to be installed on benches.	\$3,122.01
US Bank	Purchase 1 micro battery backed cache and cables for server.	\$190.01
Sentry alarm system	Install burglar alarm system, progress billing 75% complete.	\$4,818.59
Sentry alarm system	Install burglar alarm system, progress billing 100% complete.	\$9,678.00
Kleinfelder	Special inspection and testing services. Bill thru 10/16/11.	\$938.00
Singlewire Software	Purchase 1 paging gateway plug-in, and 1 paging gateway hardware appliance.	\$1,326.35
American Reprographics	PlanWell retrieval for the education center as built. Invoice 8377443.	\$1,181.36
American Reprographics	Printing services. Invoice 8380134.	\$4.38
Williams Scotsman	Rental payment for unit UM2-00635 for the period 11/14/11-12/13/11.	\$461.15
Contrax	Purchase four storage shelves.	\$129.34
PAPE Rents	Rental of portable air conditioning unit with pump for temporary cooling in the data room. Service from 10/18/11-11/14/11.	\$1,029.07
Sentry alarm system	Furnish, install, and program cell dialer for fire alarm panel.	\$970.00
Epico Systems Inc.	Install customer provided 10 clock/speakers, 14 each WAP's, and 5 phones.	\$1,377.00
American Supply co.	Purchase equipment consisting of: stepladders, janitor cart, container, Brute tandem dolly, and all purpose cloths.	\$939.30
American Supply co.	Purchase equipment consisting of: dual motor vacuum, upright vacuum, Toro ultra blower, quick clean asc15, and adjust a-glide brush.	\$6,462.13
American Supply co.	Purchase equipment consisting of: ultra shine 2000, speed scrub 20", solution tank, squeegee kit, and super coach vacuum.	\$9,865.23
Peninsula Office Solutions	Copier service agreement for the period 11/21/11 - 12/21/11 for the Kitchell trailer.	\$27.94
Kleinfelder	Special inspection and testing services. Bill thru 11/13/11.	<u>\$1,303.00</u>
To Date Expense through December 31, 2011		<u>\$8,011,853.13</u>

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
		Amount
Vendor Name	Description of service or purchase	Paid
<u>Furniture/Equipment</u>	<i>Total Expense at September 30, 2011</i>	\$2,621,756.48
Office Depot	Purchase of 1 table for the admissions and records reception area for students use.	\$323.26
Teracai	Purchase 8 PS/2 tpe keyboard/video/mouse adapters for thin client servers.	\$1,190.68
Cardinale Moving & Storage	Remove remaining items from the college center and take to the dump.	\$2,272.41
Michael Schaffer	Provide smart classroom services for installations. Service from 8/1/11-8/26/11.	\$1,200.00
Peninsulators	Purchase shades for the student services building.	\$9,880.00
Teracai	Purchase 1 Cisco 19" rack mount kit for catalyst.	\$81.56
Teracai	Purchase 1 Cisco catalyst 3560C 8 port poe switch with ip base and 2 dual uplink for theater project.	\$1,135.83
Media Systems Group	Purchase of 1 Lumen projector.	\$2,257.95
Contrax	Purchase of 4 Haworth Zody task chairs for the Marina Education Center.	\$2,153.96
Barco's Outdoor World	Purchase waste containers for the Marina Education Center.	<u>\$5,772.50</u>
To Date Expense through December 31, 2011		<u>\$2,648,024.63</u>
<u>Swing Space</u>	<i>Total Expense at September 30, 2011</i>	\$4,282,488.23
Mobile Modular Mgmt. Corp	Rental of classroom trailer 39581. Rent from 9/22/11-10/21/11.	\$420.00
Don Chapin Co.	To build an asphalt ramp to provide access to the SAM storage container at the life science general classroom.	\$2,875.00
Geo. H. Wilson Inc.	Provide additional services at the life science general classroom consisting of: hook-up autoclave, replace faucet, and anti-siphon adapters.	\$542.00
Mobile Modular Mgmt. Corp	Rental of restroom unit 31638. Rent from 9/16/11-10/15/11.	\$586.66
American Lock & Key	Rekey general classroom building.	\$436.62
Central Electric	Provide electrical installation services for the gymnasium swing space project. Service thru 9/19/11 and 35% complete.	\$26,862.50
Collins Electric Co.	Change order to add two network printer data outlets in the life science general classroom.	\$587.00
Collins Electric Co.	Change order to provide electrical work throughout the life science general classroom building.	\$4,316.00
Collins Electric Co.	Change order to provide control work for the life science general classroom building.	\$6,421.00
Collins Electric Co.	Change order to install power to restroom modules in the life science general classroom building.	\$8,717.00
Dilbeck & Sons	Power wash concrete and adjust doors at the life science general classroom.	\$504.00
Dilbeck & Sons	Provide and install shelving for the dental lab swing space.	\$991.13

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
		Amount
Vendor Name	Description of service or purchase	Paid
<u>Swing Space (continued)</u>		
Dilbeck & Sons	Professional services provided in the life science general classroom building consisting of: moving additional cabinets, new headers at 107, 111, cut holes for electrical boxes, cut studs for new LVL beams, work at new restroom, install plywood below modular restroom floor and added 2 signs.	\$9,399.00
Scudder Roofing	Remove and repair broken tile as needed on roof at the life science swing space	\$1,352.32
Scudder Roofing	Roof work for life science swing space,	\$6,031.25
Siemens Industry Inc.	Provide and install controls for life science general classroom.	\$9,870.75
Sign Works	Provide and install 8" x 16" 4mm Coroplast (building numbers) at the portable village.	\$450.45
Wasson's Cleaning	Provide janitorial cleaning services to include 9 offices in the gym portable swing space.	\$1,000.00
Wheeler's Flooring	Professional services consisting of: time and material to remove carpet tiles, install commercial sheet vinyl and base in 7 classrooms, and install carpet tile in 1 classroom.	\$43,475.00
Geo. H. Wilson Inc.	Final change order for the life science general classroom, services included: install Siemen's controls, repair existing water leaks, and plumbing work in the portable restroom unit.	\$7,921.00
Beth Benoit	Reimbursement of staff (B.Benoit) for purchase of 2 towel bars for the life science swing space.	\$25.84
Wharf Theatre	Rental of the Wharf Theater for the purpose of presenting a theater performances. Rental period April 5, 2012 thru May 4, 2012. Swing space usage while theater modernization project is underway.	\$3,000.00
Collins Electric Co.	Install additional data access.	\$376.00
Collins Electric Co.	To provide and install a fire alarm device for the restroom in the life science general classroom building.	\$4,675.00
Collins Electric Co.	To provide electrical changes in the life science swing space per the Division of State Architect approval.	\$5,927.00
Division of State Architect	Additional fees for relocation of gym swing space portables.	\$407.27
Axiom Engineers	Commissioning services for life science swing space. Service for the period 8/21/11-9/24/11.	\$1,150.00
Geo. H. Wilson Inc.	Relocate existing fume hoods from the life science building to the general classroom swing space.	\$1,886.00
Don Chapin Co.	Provide and install handrails at the walls next to the theater due to a safety hazard.	\$11,712.95
HGHB	Professional design services for the period September 2011.	\$2,250.00
David Foord	Inspection services for the general classroom swing space and for the gym portables for the month of September 2011.	\$5,175.00
S.M.T. Group	Rental payment for November rent of warehouse for theater rehearsal, scene shop and storage.	\$3,760.90
Central Electric	Provide electrical installation services for the gymnasium swing space project. Service thru 10/20/11 and 60% complete.	\$19,187.50
Xerox Corporation	Move Xerox copier for life science out of room BH 104 to the general classroom swing space.	\$489.33
US Bank Service Center	Purchase of lab supplies for the life science swing space.	\$396.06
Geo. H. Wilson Inc.	Install 3" clean-out at the general classroom swing space.	\$485.79
Mobile Modular Mgmt. Corp	Rental of classroom trailer 39581. Rent from 10/22/11-11/20/11.	\$420.00
Williams Scotsman	Rental payment for unit CPX-62795 for the period 9/29/11-10/28/11.	\$372.00

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
		Amount
Vendor Name	Description of service or purchase	Paid
Swing Space (continued)		
Williams Scotsman	Rental payment for unit CPX-62795 for the period 10/29/11-11/28/11.	\$372.00
Williams Scotsman	Rental payment for unit AME-00440 for the period 9/29/11-10/28/11.	\$1,241.96
Williams Scotsman	Rental payment for unit AME-00440 for the period 10/29/11-11/28/11.	\$1,241.96
Williams Scotsman	Rental payment of unit CPX-67301 for the period 10/3/11-11/2/11.	\$427.47
Williams Scotsman	Rental payment of unit CPX-67301 for the period 11/3/11-12/2/11.	\$427.47
HGHB	Professional design services for the life science swing space. Service for August 2011.	\$3,900.00
HGHB	Professional design services for the life science swing space. Service for September 2011.	\$2,925.00
Mobile Modular Mgmt. Corp	Rental of restroom unit 31638. Rent from 10/16/11-11/14/11.	\$586.66
Dilbeck & Sons	Per architectural plans, perform general construction work at the lower floor gym space. 20% complete.	\$13,403.40
HGHB	Professional schematic design services for the life science swing space. Service for September 2011.	\$1,615.00
American Lock & Key	Purchase 14 keys for gym portable trailer.	\$68.20
Dilbeck & Sons	Provide labor and materials to hang shelving in the life science general classroom.	\$2,164.00
Collins Electric Co.	Provide and install additional wireless access points in the life science general classroom.	\$376.00
S.M.T. Group	Rental payment for December rent of warehouse for theater rehearsal, scene shop and storage.	\$3,760.90
Pacific Gas & Electric	Deposit for electrical and gas service for temporary service at space being used for the theater.	\$300.00
HGHB	Professional design services for the gym relocatables. Service for October 2011.	\$500.00
Geo. H. Wilson Inc.	Provide and install hook-up for Assistina air supply line at the portable village swing space for the dental lab.	\$930.00
Geo. H. Wilson Inc.	Provide and install a hand wash sink, remove drywall to access the hot, cold and waste lines, and patch the drywall and paint to match.	\$5,403.00
A to Z Rental	Rental of 2 step staging bleacher for dance performance in the dance building while the theater is under construction.	\$819.38
HGHB	Professional schematic design services for the life science swing space. Service for October 2011.	\$1,385.00
Mobile Modular Mgmt. Corp	Rental of restroom unit 31638. Rent from 11/15/11-12/14/11.	\$586.66
David Foord	Inspection services for the gym portable trailers for the month of October 2011.	\$2,175.00
Geo. H. Wilson Inc.	Provide labor and materials to fix film developer hosing at the dental classroom swing space.	\$460.00
Mobile Modular Mgmt. Corp	Rental of classroom trailer 39581. Rent from 11/21/11-12/20/11.	\$420.00
Central Electric	Provide electrical installation services for the gymnasium swing space project. Service thru 11/18/11 and 97% complete.	\$28,397.50
Kleinfelder	Special inspection services for the portable village swing space. Bill thru 11/13/11.	\$766.50
Patterson Dental Supply	Purchase dental hose and drain fixer for dental classroom swing space.	\$89.02
Golden PMI	Provide services to repair door in the lower gym floor swing space offices.	\$250.00
William Scotsman	Rental payment for unit CPX-62795 for the period 11/29/11-12/28/11.	\$372.00
William Scotsman	Rental payment for unit AME-00440 for the period 11/29/11-12/28/11.	\$1,241.96

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
Vendor Name	Description of service or purchase	Amount Paid
<u>Swing Space (continued)</u>		
Division of State Architect	Application fee for life science general classroom swing space.	\$750.00
Kleinfelder	Special inspection services for the portable village swing space. Bill thru 1/2/11.	\$1,135.50
American Lock & Key	Re-keying pool building.	\$110.00
David Foord	Inspection services for the gym portable trailers for the month of November 2011.	\$2,250.00
S.M.T. Group	Rental payment for January rent of warehouse for theater rehearsal, scene shop and storage.	\$3,760.90
To Date Expense through December 31, 2011		<u>\$4,561,555.99</u>
<u>General Institutional Bond Management</u>		
<i>Total Expense at September 30, 2011</i>		<i>\$4,861,547.08</i>
American Reprographics Co.	PlanWell license fee for August 2011. Invoice 8369005.	\$50.00
American Reprographics Co.	PlanWell license fee for July 2011. Invoice 8363021.	\$50.00
American Reprographics Co.	Close-out binders for facilities manager. Invoice 8369873.	\$583.01
American Reprographics Co.	PlanWell license fee for October 2011. Invoice 8379749.	\$50.00
American Reprographics Co.	PlanWell license fee for September 2011. Invoice 8374584.	\$50.00
Kitchell CEM	Program management services for July 2011.	\$40,750.00
Kitchell CEM	Program management services for August 2011.	\$47,229.00
Kitchell CEM	Program management services for September 2011.	\$32,596.00
Kitchell CEM	Program management services for October 2011.	\$27,478.00
Kitchell CEM	Program management services for November 2011.	\$23,813.00
To Date Expense through December 31, 2011		<u>\$5,034,196.09</u>
<u>Theater Building</u>		
<i>Total Expense at September 30, 2011</i>		<i>\$907,144.10</i>
American Reprographics	Bid addendum 2 for the theatre. Invoice 8361010.	\$1,230.93
American Reprographics	Theater rebid. Invoice 8361070.	\$40.76
American Reprographics	30 rebid theater packages. Invoice 8361567.	\$883.24
American Reprographics	30 rebid theater packages Reissued plans and specs. Invoice 8361727.	\$38.65
American Reprographics	Print 162 rebid, reissued plans, specs and addendum. Invoice 8361788.	\$319.82
American Reprographics	PlanWell retrieval of theater rebid. Invoice 8362675.	\$512.70
American Reprographics	PlanWell retrieval of theater rebid. Invoice 8363559.	\$459.90
American Reprographics	PlanWell retrieval of theatre rebid, plans, specs and addendum. Invoice 8363719.	\$459.90

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
		Amount
Vendor Name	Description of service or purchase	Paid
Theater Building (continued)		
American Reprographics	PlanWell retrieval of theatre rebid, plans, specs and addendum. Invoice 8364957.	\$887.19
American Reprographics	PlanWell retrieval of addendum 3. Invoice 8364963.	\$649.13
American Reprographics	PlanWell retrieval. Invoice 8365173.	\$456.86
American Reprographics	PlanWell retrieval of theater rebid. Invoice 8365496.	\$459.50
American Reprographics	PlanWell retrieval. Invoice 8379480.	\$313.63
West Bay Builders-Bank of Marin	Retention payment deposited with the Bank of Marin for escrow account for application #1.	\$52,794.65
West Bay Builders-Bank of Marin	Retention payment deposited with the Bank of Marin for escrow account for application #2.	\$15,449.35
Coastwide Environmental	Hazardous material removal. 94% complete.	\$53,577.00
Collins Electrical	Disconnect building power and connect three temporary power boxes to facilitate abatement work.	\$1,394.00
Epico Systems	Provided services consisting of: provide labor and material for the installation of customer provided fiber cable from existing mdf to temporary construction trailer for the theatre remodel, terminated 2 strands per side and tested, installed 4 data cables inside trailer.	\$1,833.00
GBMI Inc.	Inspection services for the month of October 2011.	\$4,500.00
Hammel Green and Abrahamson	Professional design services for the period ending 7/29/11.	\$9,000.00
Hammel Green and Abrahamson	Professional design services for the period ending 8/26/11.	\$23,937.50
Hammel Green and Abrahamson	Professional design services for the period ending 9/30/11.	\$3,855.00
Hammel Green and Abrahamson	Professional design services for the period ending 10/28/11	\$6,168.00
Kitchell CEM	Construction management services for August 2011.	\$18,300.00
Kitchell CEM	Construction management services for September 2011.	\$18,300.00
Kitchell CEM	Construction management services for October 2011.	\$18,300.00
Kitchell CEM	Construction management services for November 2011.	\$18,300.00
Kleinfelder	Special inspection services consisting of: administration, and soil services. Bill thru 11/13/11.	\$621.25
M3 Environmental Consulting	Hazardous materials abatement monitoring service for August 2011.	\$23,236.00
M3 Environmental Consulting	Hazardous materials abatement monitoring service for September 2011.	\$7,475.84
M3 Environmental Consulting	Hazardous materials abatement monitoring service for October 2011.	\$12,067.87
West Bay Builders, Inc.	Payment application #1.	\$475,151.83
West Bay Builders, Inc.	Payment application #2.	\$139,044.12
To Date Expense through December 31, 2011		\$1,817,161.72

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
		Amount
Vendor Name	Description of service or purchase	Paid
<u>Infrastructure Phase III/ Miscellaneous</u>		
		<i>Total Expense at September 30, 2011</i>
		\$5,390,976.82
Central Electric	Installation of 13 MPC campus kiosks signs.	\$24,528.00
Ventek International Inc.	Purchase and install 1 parking lot ticket machine for Parking Lot B.	\$10,224.62
Kleinfelder	Special inspection services for the art locker project. Bill thru 8/21/11.	\$682.25
Central Electric	Installation of electrical improvements for the social science building room 202 and room 205.	\$7,070.55
Cardinale Moving & Storage Co.	Move art materials to and from storage containers at the art lockers.	\$415.00
Cardinale Moving & Storage Co.	Move furniture from the social science building to storage containers.	\$1,175.59
M3 Environmental Consulting LLC	Abatement oversight services for the social science building. Service for July 2011.	\$1,792.50
Kleinfelder	Special inspection services for Parking Lot B expansion project. Bill thru 8/21/11.	\$3,319.75
Division of State Architect	Additional fees for the social science and lecture forum projects.	\$43.36
Division of State Architect	Additional fees for the temporary education center project.	\$3,687.22
Division of State Architect	Additional fees for the supportive services testing modular.	\$169.91
Division of State Architect	Additional fees for the Fort Ord temporary education center project.	\$63.51
Otto Construction	Removal of TREX deck at the child development center and replace with concrete pad.	\$18,645.00
HP Inspections Inc.	Special inspections for Parking Lot B expansion project.	\$5,960.00
Monterey County Fence Co.	Construction of a utility cart port at the back retaining wall of the facilities yard to protect the grounds equipment.	\$14,700.00
Tbe Tintworks	Tint office windows in the vice presidents office to reduce heat.	\$670.00
Central Electric	Change order for the 13 MPC campus kiosk signs. Additional work to include: enclosures to house sign power supplies, removal of concrete foundation encountered during the installation of power to location #13 between the gym and the theater.	\$3,657.03
Division of State Architect	Additional fees for the facilities project.	\$1,914.65
Otto Construction	Change order #1 for the art locker project, work consisted of: additional safety fence, gate, shelving changes, notch/patch holes for conduit, and fill voids in with grout.	\$9,237.00
Harry L. Murphy Inc.	Contract services to: remove existing carpet, furnish and install vinyl composition tile and base, patching two carpet areas with owners old carpet and pad.	\$2,975.00
Aurum Consulting Engineers	Consulting services to provide electrical survey of the existing data center infrastructure and generator. Service from 8/16/11-9/15/11.	\$794.50
Aurum Consulting Engineers	Consulting service to provide design drawings for the data center UPS infrastructure upgrade. Service for the period 8/16/11-9/15/11.	\$751.50
American Reprographics Co.	Printing services for the data center ups upgrade. Invoice 8374058.	\$57.80
Otto Construction	Additional work at the student services building.	\$353.00

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
		Amount
Vendor Name	Description of service or purchase	Paid
Infrastructure Phase III/ Miscellaneous (continued)		
Otto Construction	Install solar sign and benches at the new student services building.	\$6,640.00
ACME Awning Co.	Deposit for contractor to provide and install a awning for the student services elevator machine room as required by the state elevator inspector.	\$3,322.00
Ventek International Inc.	Installation services associated with the parking lot ticket machine installed in Parking Lot B.	\$795.00
The Tintworks	Frosted window film for privacy in the: health services department, admissions and records office, supportive service office, testing center and the administration conference room.	\$1,449.00
Collins Electrical Co.	Furnish and install 3 MPC standard Type B walkway lighting fixtures with banner arms at the new student services building.	\$12,442.00
C2G Civil Consultants Group	Provide design services for Parking Lot B expansion.	\$1,690.00
Aurum Consulting Engineers	Consulting services to provide electrical survey of the existing data center infrastructure and generator. Service from 9/16/11-10/15/11.	\$66.50
Aurum Consulting Engineers	Consulting services to provide design drawings for the data center UPS infrastructure upgrade. Service for the period 9/16/11-10/15/11.	\$748.00
Nationwide Power Solutions Inc.	Purchase 1 Eaton Powerware uninterruptible power system and 1 SNMP web adapter.	\$23,551.98
Otto Construction	Furnish and install chair railing at the business, math, computer science building.	\$1,056.00
Odyssey Power	Purchase platinum service plan for UPS/battery maintenance.	\$2,496.25
Boyd's Asphalt Service	Provide and install 1 custom "visitor parking" sign, and 1 custom "motorcycle parking" sign on pole with sleeves, asphalt core drill for sign post and sleeve installation.	\$775.00
Central Electric	Provide electrical work consisting of adjusting occupancy sensors at the social science building.	\$257.04
Central Electric	Provide electrical work consisting of: disconnect power, data, and fire alarm from two trailers, remove all surface mount conduit boxes, remove four signs and return to facilities department. Work was completed at the Marina Education Center trailer.	\$1,403.15
Collins Electrical Co.	Furnish and install ticket dispenser stand at Parking Lot B.	\$3,035.00
Dilbeck & Sons	Contracting services at the social science building consisting of: remove counter top and full cabinets, remove wood book shelves, remove one existing door and frame, patch walls, install new acoustical ceiling, clean up and remove all demo items.	\$22,219.00
Division of State Architect	Access compliance and structural safety fees for locker project.	\$1,036.85
GBMI Inc.	Inspection services for Parking Lot B expansion project. Service for 6/1/11-6/30/11.	\$4,800.00
GBMI Inc.	Inspection services for Parking Lot B expansion project. Service for 7/1/11-7/31/11.	\$3,300.00
Geo H. Wilson Inc.	Mechanical work at the social science 2nd floor project.	\$4,531.00
Green Valley Landscape	Landscape work for the area around the art lockers.	\$6,011.79
HGHB	Professional services to closeout old MPC projects with the Division of State Architect. Service from 10/1/11-10/31/11.	\$4,105.00

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
		Amount
Vendor Name	Description of service or purchase	Paid
Infrastructure Phase III/ Miscellaneous (continued)		
M3 Environmental Consulting LLC	Provide abatement oversight services for the social science building. Service for August 2011.	\$413.50
PARC Environmental	Provide hazardous material demolition work on the 2nd floor of the social science building.	\$4,900.00
Teracai	Purchase 1 Cisco catalyst 3750X 48 port data lan base.	<u>\$5,689.25</u>
To Date Expense through December 31, 2011		\$5,620,597.87
PSTC Parker Flats		
<i>Total Expense at September 30, 2011</i>		<i>\$34,379.38</i>
EMC Planning Group Inc.	CEQA process for the public safety training center project at Parker Flats. Service for the month of July 2011.	\$3,674.41
EMC Planning Group Inc.	CEQA document for the public safety training center project at Parker Flats. Service for the month of October 2011.	\$1,671.74
EMC Planning Group Inc.	CEQA process for the public safety training center project at Parker Flats. Service for the month of September 2011.	\$4,662.48
EMC Planning Group Inc.	CEQA process for the public safety training center project at Parker Flats. Service for the month of August 2011.	<u>\$4,275.42</u>
To Date Expense through December 31, 2011		\$48,663.43
Humanities, Bus-Humanities, Student Services		
<i>Total Expense at September 30, 2011</i>		<i>\$752,375.95</i>
HGHB	Professional design services for the period August 2011.	\$15,909.60
Kitchell CEM	Construction management services for the month of August 2011.	\$8,500.00
Otto Construction	Payment application #2.	\$63,863.10
M3 Environmental Consulting LLC	Hazardous material abatement monitoring services. Service for August 2011.	\$5,642.25
CS & Associates Inc.	Consulting services consisting of: providing labor compliance review for the humanities building project. Service from 7/5/11-8/5/11.	\$716.57
CS & Associates Inc.	Consulting services consisting of: providing labor compliance review for the humanities building project. Service from 8/5/11-9/5/11.	\$716.57
Casner Extermination Co.	Termite treatment and removal services at the old student services building.	\$585.00
American Reprographics Co.	PlanWell retrieval for the humanities building. Invoice 8358708.	\$221.37
Kleinfelder	Special testing and inspection services. Bill thru 9/18/11.	\$5,496.50
American Reprographics Co.	Printing services for the humanities building. Invoice 8370516.	\$7.55

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
		Amount
Vendor Name	Description of service or purchase	Paid
<u>Humanities, Bus-Humanities, Student Services (continued)</u>		
David Foord	Inspection services for the month of September 2011.	\$5,850.00
Kitchell CEM	Construction management services for the month of September 2011.	\$8,500.00
Kleinfelder	Special testing and inspection services. Bill thru 10/16/11.	\$3,996.00
PARC Environmental	Hazardous material abatement monitoring services for the student services building. 90% complete.	\$6,500.00
Otto Construction	Payment application #3.	\$97,563.60
CS & Associates Inc.	Consulting services consisting of: providing labor compliance review for the humanities building project. Service from 9/5/11-10/5/11.	\$716.57
HGHB	Professional design services for the month of October 2011.	\$9,545.76
Kitchell CEM	Construction management services for the month of October 2011.	\$8,500.00
David Foord	Inspection services for the month of October 2011.	\$3,675.00
Otto Construction	Payment application #4.	\$237,485.70
Kitchell CEM	Construction management services for the month of November 2011.	\$8,500.00
Kleinfelder	Special testing and inspection services. Bill thru 11/13/11.	\$2,268.50
David Foord	Inspection services for the month of November 2011.	\$6,600.00
Barrie D. Coate & Assoc.	Consulting services consisting of: on-site visit to review the plan to construct paving in the root zone of a Monterey cypress tree and inspect the tree and the exposed roots after the existing paving had been removed.	\$891.16
To Date Expense through December 31, 2011		\$1,254,626.75
<u>Business & Computer Science Building (includes Math)</u>		
		<i>Total Expense at September 30, 2011</i>
		\$2,215,417.93
No new expenses this period.		\$0.00
To Date Expense through December 31, 2011		\$2,215,417.93
<u>Life Science & Physical Science</u>		
		<i>Total Expense at September 30, 2011</i>
		\$1,059,344.18
Otto Construction	Application payment #1.	153,580.50
Kitchell CEM	Construction management services for August 2011.	22,290.00
PARC Environmental	Removal of 145 concealed TSI fittings that were discovered during abatement.	14,827.00
PARC Environmental	Remove and dispose of asbestos/lead, tubes and ballast that are affected by the renovation. Work was done in compliance with all state and federal regulations.	96,726.00

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
		Amount
Vendor Name	Description of service or purchase	Paid
Life Science & Physical Science (continued)		
American Reprographics	Bid planning printing for the life science building. Invoice 8360358.	81.51
American Reprographics	PlanWell retrieval. Invoice 8360506.	86.63
American Reprographics	Bid plan printing for the life science building. Invoice 8358704.	255.00
American Reprographics	Bid plan printing for the life science building. Invoice 8358707.	257.65
American Reprographics	Bid plan printing for the life science building. Invoice 8360011.	270.09
American Reprographics	Bid plan printing for the life science building. Invoice 8360818.	492.96
American Reprographics	Bid plan printing for the life science building. Invoice 8359696.	1,609.59
Otto Construction	Application payment #2.	148,885.20
Axiom Engineers	Commissioning services for the period 9/2/11-10/22/11 for the life science and physical science building.	2,240.00
Kleinfelder	Special inspection services which include: administration work. Bill thru 10/16/11.	275.50
HGHB	Professional design services for the month of September 2011.	10,040.00
Kitchell CEM	Construction management services for September 2011.	22,290.00
Cardinale Moving & Storage	Moving offices out of the life science building.	710.00
M3 Environmental Consulting	Hazardous material abatement monitoring. Service for August 2011.	12,422.11
Monterey Bay Unified Air Pollution	Additional fee for air permits for exhausting chemicals from the life science and physical science building.	24.00
Kleinfelder	Special inspection services which included: soil sampling, and administration. Bill thru 9/25/11.	796.50
Collins Electric Co	Provide power for the greenhouse at the old life science building.	635.00
Various Vendors	Purchase of plans for the life science and physical science building.	(875.00)
HGHB	Professional design services for the month of October 2011.	12,967.60
Kitchell CEM	Construction management services for the month of October 2011.	22,290.00
American Reprographics	PlanWell retrieval for life science and physical science. Invoice 8377283.	213.99
Urban Lumberjacks	Removal of pine trees in conflict with new utility tie-in point.	1,180.00
David Foord	Inspection services for the life science and physical science building for the month of October 2011.	3,450.00
Kleinfelder	Special inspection services which included: project management and administration. Bill thru 11/13/11.	4,222.50
Otto Construction	Application payment #3.	343,784.70
Kitchell CEM	Construction management services for the month of November 2011.	22,290.00
Cardinale Moving & Storage	Rental of 4 storage containers for physical science for the period September thru December 2011.	3,162.61
David Foord	Inspection services for the life science and physical science building for the month of November 2011.	3,900.00
To Date Expense through December 31, 2011		\$1,964,725.82

Monterey Peninsula College		
Bills & Warrants Report		
Through December 31, 2011		
		Amount
Vendor Name	Description of service or purchase	Paid
<u>Closed Projects</u>		
Old Library		\$21,279.52
Early Start - Walkway/Safety Improvements		\$225,630.18
Early Start - Telephone System Upgrades		\$599,414.48
Early Start - As Built Drawings		\$209,792.00
Early Start - Roof Repairs		\$480,255.64
Early Start - HVAC Repairs	Social Science/Computer Science buildings.	\$618,538.68
Early Start - Landscaping	Library technology area.	\$438,292.96
Early Start - Vehicles		\$187,070.27
Early Start - Master Signage Plan		\$53,890.42
Early Start - Auto Technology Bldg	HVAC replacement.	\$16,443.00
Drafting Bldg	Furnace replacement.	\$13,974.00
Early Start - New Plant Services Bldg	Costs over state funding for new building.	\$487,574.35
Early Start - Demolition of Old Plant Services Bldg		\$63,521.68
Environmental Impact Report - Campus		\$154,162.67
Business & Computer Science Bldg	Seismic design.	\$7,981.84
Humanities Bldg	Seismic design.	\$16,375.04
International Center Bldg	Blueprints.	\$14.71
Physical Science Bldg	Architectural Services, for potential elevator replacement.	\$6,986.44
Life Science Bldg	Architectural Services, for potential elevator replacement.	\$7,793.83
Pool/Tennis Courts	Preliminary architectural services.	\$206.00
Physical Education Facility		\$1,488,294.29
PE Field/Track		\$14,848,446.67
Fitness Phase IB		\$899,827.93
College Center Renovation		\$23,608.41
Social Science Renovation		\$863,696.74
Music/Theater Building		\$22,732.50
Family and Consumer Sci		\$67,671.12
Gymnasium Building	Floor/Seismic/Bleachers.	\$877,847.00
Lecture Forum Renovation		\$2,117,203.20
Child Development Center		\$1,029,198.71

Monterey Peninsula College Bills & Warrants Report Through December 31, 2011		
Vendor Name	Description of service or purchase	Amount Paid
<u>Closed Projects (continued)</u>		
Infrastructure/Parking		\$20,886,001.04
Infrastructure 2		\$2,481,606.93
New Administration/Old Library Building		\$4,712,191.10
Public Safety Training Center Renovation		\$7,478,201.30
	To Date Expense (closed projects) through December 31, 2011	<u>\$61,405,724.65</u>
	Total Payments (Closed Projects, Under Construction, and Planned Projects)	<u>\$105,243,085.00</u>

BOND EXPENDITURE REPORT 12/31/11

Total Budget With Other Funds	Projects	A Total Bond Budget	B Total Bond Prior Year Expenses	C 2011-2012	A-B-C	(B+C)/A	
				Year to Date Bond Payments	Bond Budget Balance	% Bond Cost	% Construction Schedule
	In Process						
\$1,000,000	Auto Technology Building	\$1,000,000	\$958,602	\$0	\$41,398	96%	100%
\$2,300,000	Business Computer Science	\$2,300,000	\$2,215,418	\$0	\$84,582	96%	100%
\$4,000,000	College Center Renovation	\$4,000,000	\$0	\$0	\$4,000,000	0%	0%
\$4,000,000	Furniture & Equipment	\$4,000,000	\$2,306,403	\$341,622	\$1,351,975	66%	71%
\$7,690,000	Humanities, Bus-Hum, Student Services	\$3,845,000	\$544,624	\$710,003	\$2,590,373	33%	50%
\$6,466,000	Infrastructure - Phase III	\$6,466,000	\$4,796,407	\$824,191	\$845,402	87%	95%
\$14,500,000	Life Science/Physical Science	\$14,500,000	\$1,003,982	\$960,744	\$12,535,274	14%	25%
\$9,100,000	New Ed Center Building at Marina	\$9,100,000	\$7,513,699	\$498,154	\$1,088,147	88%	100%
\$9,500,000	New Student Services Building	\$9,500,000	\$9,182,287	\$207,457	\$110,256	99%	100%
\$3,940,128	PE Phase II - Gym/Locker Room Renov.	\$3,940,128	\$61,898	\$22,993	\$3,855,237	2%	5%
\$2,000,000	Pool/Tennis Courts Renovation	\$2,000,000	\$176,560	\$0	\$1,823,440	9%	0%
\$4,600,000	Swing Space / Interim Housing	\$4,600,000	\$3,912,266	\$649,290	\$38,444	99%	100%
\$9,305,016	Theater	\$9,305,016	\$826,796	\$990,366	\$7,487,854	20%	30%
\$1,667,699	General Contingency	\$1,689,498	\$0	\$0	\$1,689,498	0%	0%
\$80,068,843	Total in Process	\$76,245,642	\$33,498,942	\$5,204,820	\$37,541,880		
	Future						
\$4,387,987	Arts Complex	\$4,387,987	\$43,239	\$7,500	\$4,337,248	1%	0%
\$1,200,000	Music	\$1,200,000	\$0	\$0	\$1,200,000	0%	0%
\$12,000,000	PSTC Parker Flats	\$6,000,000	\$34,379	\$14,284	\$5,951,337	1%	0%
\$17,587,987	Total Future	\$11,587,987	\$77,618	\$21,784	\$11,488,585		
	Completed						
\$1,057,576	Early Start/Completed-HVAC Repairs	\$618,539	\$618,539	\$0	\$0	100%	100%
\$2,965,574	Early Start/Completed-New Plant Serv Bldg	\$487,574	\$487,574	\$0	\$0	100%	100%
\$599,414	Early Start/Completed-Telephone System	\$599,414	\$599,414	\$0	(\$0)	100%	100%
\$67,671	Family Consumer Science	\$67,671	\$67,671	\$0	\$0	100%	100%
\$1,517,774	Gym - floor/seismic/bleachers	\$877,847	\$877,847	\$0	\$0	100%	100%
\$2,481,607	Infrastructure - Phase II	\$2,481,607	\$2,481,607	\$0	\$0	100%	100%
\$20,886,001	Infrastructure - Phase I	\$20,886,001	\$20,886,001	\$0	\$0	100%	100%
\$2,117,203	Lecture Forum Renovation	\$2,117,203	\$2,117,203	\$0	\$0	100%	100%
\$7,427,191	New Admin / Old Library Renovation	\$4,712,191	\$4,712,191	\$0	(\$0)	100%	100%
\$5,413,198	New Child Development Center Bldg	\$1,029,198	\$1,029,198	\$0	\$0	100%	100%
\$21,420,211	Other Early start / completed	\$1,950,012	\$1,950,012	\$0	\$0	100%	100%
\$17,336,569	PE Field Track, Fitness Building	\$17,236,569	\$17,236,569	\$0	\$0	100%	100%
\$863,697	Social Science Renovation (inc. Seismic)	\$863,697	\$863,697	\$0	\$0	100%	100%
\$7,478,201	Public Safety Training Center Renov.	\$7,478,201	\$7,478,201	\$0	\$0	100%	100%
\$84,153,686	Total Completed	\$61,405,724	\$61,405,724	\$0	(\$0)		
\$181,810,516	Total All Projects	\$149,239,353	\$94,982,285	\$5,226,604	\$49,030,464		
	General Institutional-Bond Management		\$4,861,445	\$172,751			
			\$99,843,730	\$5,399,355			
	Total Bond Funds Spent to Date		\$105,243,085				

Cost Control Report

2/8/2012

Old Student Services / Humanities / Business

	Budget	Current Projection	Variance	Comments
Design Phase	\$ 1,280,000	\$ 1,100,000	\$ 180,000	Design includes Architect, DSA fees, printing, etc.
Constructn bid	\$ 4,780,000	\$ 4,110,000	\$ 670,000	Actual bid amount.
C.O. Contngcy.	\$ 478,000	\$ 411,000	\$ 67,000	
Test & Inspect.	\$ 240,000	\$ 231,000	\$ 9,000	
Cnstr Mgmt Fee	\$ 383,000	\$ 330,000	\$ 53,000	
Equipment	\$ 132,000	\$ 132,000	\$ -	Equipment partially State funded
Other	\$ 397,000	\$ 300,000	\$ 97,000	Includes hazmat, demolition and IT
Total	\$ 7,690,000	\$ 6,614,000	\$ 1,076,000	

Summary: It is important to recognize that this is a State "match" funded project (State will fund \$3,318,000 and MPC will fund \$3,296,000). The original budget of \$3,845,000 that MPC was to contribute has now been reduced to \$3,296,000 due to the bids coming in lower than the budget. This results in a potential savings to the MPC bond budget of \$549,000 which may be allocated in the future to a contingency fund. Phase 1 (Old Student Services Building) is within budget and ahead of schedule.

Life Science / Physical Science

	Budget	Current Projection	Variance	Comments
Design Phase	\$ 2,600,000	\$ 2,500,000	\$ 100,000	Design includes Architect, DSA fees, printing, etc.
Constructn bid	\$ 9,400,000	\$ 7,352,350	\$ 2,047,650	Actual bid amount.
C.O. Contngcy.	\$ 940,000	\$ 735,000	\$ 205,000	
Test & Inspect.	\$ 350,000	\$ 350,000	\$ -	
Cnstr Mgmt Fee	\$ 650,000	\$ 624,250	\$ 25,750	
Equipment	\$ -	\$ -	\$ -	Furniture and Equipment will be from a separate fund.
Other	\$ 560,000	\$ 938,400	\$ (378,400)	Includes hazmat, demolition, IT and future allowance.
Total	\$14,500,000	\$12,500,000	\$ 2,000,000	

Summary: The current projection anticipates a \$2,000,000 savings to the budget as a result of the bids being substantially lower than the bid budget. The savings may be allocated in the future to the contingency fund.

Theatre

	Budget	Current Projection	Variance	Comments
Design Phase	\$ 880,016	\$ 995,400	\$ (115,384)	Design includes Architect, DSA fees, printing, etc.
Constructn bid	\$ 6,900,000	\$ 7,783,055	\$ (883,055)	Actual bid amount.
C.O. Contngcy.	\$ 690,000	\$ 778,000	\$ (88,000)	
Test & Inspect.	\$ 250,000	\$ 250,000	\$ -	
Cnstr Mgmt Fee	\$ 385,000	\$ 385,000	\$ -	
Equipment	\$ -	\$ -	\$ -	Furniture and Equipment will be from a separate fund.
Other	\$ 200,000	\$ 200,000	\$ -	Includes hazmat, demolition and IT
Total	\$ 9,305,016	\$10,391,455	\$ (1,086,439)	

Summary: The current projection anticipates an overage of \$1,086,439 (largely due to the low bid being \$883,055 over the bid budget). This shortfall may be mitigated by using funds saved from the projected savings of the Old Student Services / Humanities / Business and the Life Science / Physical Science projects.

Gym First Floor				
	Budget	Current Projection	Variance	Comments
Design Phase	\$ 341,600	\$ 341,600	\$ -	Design includes Architect, DSA fees, printing, etc.
Constructn bid	\$ 3,063,583	\$ 3,063,583	\$ -	Actual bid amount.
C.O. Contngcy.	\$ 326,000	\$ 326,000	\$ -	
Test & Inspect.	\$ 149,917	\$ 149,917	\$ -	
Cnstr Mgmt Fee	\$ 168,900	\$ 168,900	\$ -	
Equipment	\$ -	\$ -	\$ -	Furniture and equipment will be from a separate fund.
Other (Hazmat)	\$ 150,000	\$ 150,000	\$ -	Asbestos abatement
Total	\$ 4,200,000	\$ 4,200,000	\$ -	

Summary: The Hazmat abatement and demolition costs were within budget. The main construction has begun and the budget for change orders will be closely monitored. Typically, most change orders result from unforeseen conditions, and exposure is greatest when demolition begins and under floor utilities are installed.

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MPC Education Center at Marina				
	Budget	Current Projection	Variance	Comments
Design Phase	\$ 1,044,000	\$ 1,044,000	\$ -	Includes Architect, DSA fees, etc. for permanent facilities
CEQA/Design	\$ 286,500	\$ 286,500	\$ -	Temporary facilities design and environmental services
Constructn bid	\$ 4,309,949	\$ 4,309,949	\$ -	Actual bid amount for permanent buildings
C.O. Contngcy.	\$ 430,994	\$ 430,994	\$ -	At this time the forecasted change order contingency appears adequate
Test & Inspect.	\$ 275,000	\$ 275,000	\$ -	
Cnstr Mgmt Fee	\$ 288,000	\$ 288,000	\$ -	
Equipment	\$ 366,000	\$ 366,000	\$ -	Furniture and equipment
Site demo	\$ 782,800	\$ 782,800	\$ -	Includes hazmat, demolition and haul-off of six existing buildings
Utility Services	\$ 725,000	\$ 725,000	\$ -	Also included are contingencies for MCWD, PG&E and AT&T
Site work	\$ 287,000	\$ 287,000	\$ -	Includes parking lot
Temp Facilities	\$ 304,757	\$ 304,757	\$ -	Relocatable buildings used during construction
Other	\$ -	\$ -	\$ -	
Total	\$ 9,100,000	\$ 9,100,000	\$ -	

Summary: The project is currently under budget. Work is completed. The past projection anticipated a \$1,900,000 savings to the budget (the original budget was \$11,000,000). The savings have been transferred to a Contingency line item in the Master Budget. The budget of \$9,100,000 appears to be more than adequate as the costs are becoming more defined as the final costs are being reconciled. Additional savings will be transferred to a contingency once all costs are compiled.

Infrastructure Phase III / Miscellaneous				
	Budget	Current Projection	Variance	Comments
Design Phase	\$ 386,000	\$ 386,000	\$ -	Design includes Architect, Const. Mgmt., DSA fees, printing, etc.
Constructn bid	\$ 5,400,000	\$ 5,400,000	\$ -	Projected.
C.O. Contngcy.	\$ 540,000	\$ 540,000	\$ -	
Test & Inspect.	\$ 140,000	\$ 140,000	\$ -	
Equipment	\$ -	\$ -	\$ -	Furniture and equipment will be from a separate fund.
Other	\$ -	\$ -	\$ -	
Total	\$ 6,466,000	\$ 6,466,000	\$ -	

Summary: Infrastructure Phase III includes Parking Lot J, the PE Elevator, Greenhouse, data cabling, parking lots B & C and other site work (sidewalks & lighting, etc.)

**MONTEREY PENINSULA
COMMUNITY COLLEGE DISTRICT**

**MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002
AUDIT REPORT**

JUNE 30, 2011

**MONTEREY PENINSULA
COMMUNITY COLLEGE DISTRICT**

**MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002
FINANCIAL AUDIT**

JUNE 30, 2011

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

JUNE 30, 2011

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INDEPENDENT AUDITORS' REPORT

Governing Board and
Citizens' Oversight Committee
Monterey Peninsula Community College District
Monterey, California

We have audited the accompanying financial statements of the Measure I General Obligation Bonds (the Building Fund) of Monterey Peninsula Community College District (the District) as of June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1 of the Notes to Financial Statements, the financial statements present only the Building Fund and do not purport to, and do not, present fairly the financial position of the District as of June 30, 2011, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also, as discussed in Note 1 of the Notes to Financial Statements, the Building Fund's financial statements are prepared on the modified accrual basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position - modified accrual basis of the Measure I General Obligation Bonds of Monterey Peninsula Community College District as of June 30, 2011, and the results of its operations - modified accrual basis for the year then ended, in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2012, on our consideration of the District's internal control over financial reporting for the Building Fund and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

Vavrinek, Trine, Day & Co., LLP.

Rancho Cucamonga, California
February 15, 2012

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**BALANCE SHEET - MODIFIED ACCRUAL BASIS
JUNE 30, 2011**

ASSETS

Investments	\$ 57,649,860
Accounts receivable	6,327
Due from District	101,000
Total Assets	<u><u>\$ 57,757,187</u></u>

LIABILITIES AND FUND BALANCE**LIABILITIES**

Accounts payable	<u>\$ 1,725,791</u>
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FUND BALANCE

Unreserved	
Designated	56,031,396
Total Liabilities and Fund Balance	<u><u>\$ 57,757,187</u></u>

See the accompanying notes to financial statements.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - MODIFIED ACCRUAL BASIS
FOR THE YEAR ENDED JUNE 30, 2011**

REVENUES	
Local revenues	<u>\$ 166,400</u>
EXPENDITURES	
Supplies and materials	2,683
Services and operating expenditures	613,992
Capital outlay	<u>15,886,149</u>
Total Expenditures	<u>16,502,824</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(16,336,424)</u>
FUND BALANCE, BEGINNING OF YEAR	<u>72,367,820</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 56,031,396</u></u>

See the accompanying notes to financial statements.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

The accounting policies of Monterey Peninsula Community College District Measure I General Obligation Bonds (the Building Fund) conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. Monterey Peninsula Community College District Building Fund account for the financial transactions in accordance with the policies and procedures of the California Community Colleges Budget and Accounting Manual.

Financial Reporting Entity

The financial statements include only the Building Fund of the Monterey Peninsula Community College District used to account for Proposition 39 projects. This fund was established to account for the expenditures of general obligation bonds issued under the Proposition 39 Measure I General Obligation Bonds. These financial statements are not intended to present fairly the financial position and results of operations of Monterey Peninsula Community College District in compliance with accounting principles generally accepted in the United States of America.

Fund Accounting

The operations of the Building Fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Resources are allocated to, and accounted for, in the funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Basis of Accounting

The Building Fund is accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. These fund financial statements do not include the adoption of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as the District was not required to adopt GASB Statement No. 54 under the reporting requirements of GASB Statement No. 35.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. The District's governing board adopts an operating budget no later than July 1 in accordance with State law. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements. The Board revises this budget during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

Encumbrances

The District utilizes an encumbrance accounting system under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid and all outstanding encumbrances are liquidated at June 30 since they do not constitute expenditures or liabilities.

Fund Balance Designations

Designations of fund balances consist of that portion of the fund balance that has been designated (set aside) by the governing board to provide for specific purposes or uses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of GASB Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

This Statement modifies certain requirements for inclusion of component units in the financial reporting entity. For organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the primary government and that organization for it to be included in the reporting entity as a component unit. Further, for organizations that do not meet the financial accountability criteria for inclusion as component units but that, nevertheless, should be included because the primary government's management determines that it would be misleading to exclude them, this Statement clarifies the manner in which that determination should be made and the types of relationships that generally should be considered in making the determination.

This Statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. For component units that currently are blended based on the "substantively the same governing body" criterion, it additionally requires that (1) the primary government and the component unit have a financial benefit or burden relationship or (2) management (below the level of the elected officials) of the primary government have operational responsibility (as defined in paragraph 8a) for the activities of the component unit. New criteria also are added to require blending of component units whose total debt outstanding is expected to be repaid entirely or almost entirely with resources of the primary government. The blending provisions are amended to clarify that funds of a blended component unit have the same financial reporting requirements as a fund of the primary government. Lastly, additional reporting guidance is provided for blending a component unit if the primary government is a business-type activity that uses a single column presentation for financial reporting.

This Statement also clarifies the reporting of equity interests in legally separate organizations. It requires a primary government to report its equity interest in a component unit as an asset. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2012. Early implementation is encouraged.

NOTE 2 - INVESTMENTS

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Investment in County Treasury

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Pool. The District maintains a building fund investment of \$57,649,860 with the Monterey County Investment Pool. The fair value of this investment is approximately \$57,691,064 with an average weighted maturity of 256 days.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the Monterey County Investment Pool is not required to be rated, nor has it been rated as of June 30, 2011.

NOTE 3 - ACCOUNTS RECEIVABLE

The accounts receivable in the amount of \$6,327 represents interest earnings that have yet to be received as of June 30, 2011. All amounts have been determined by management to be fully collectable.

NOTE 4 - INTERFUND TRANSACTIONS

Due from Capital Outlay Projects Fund	<u>\$ 101,000</u>
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NOTE 5 - ACCOUNTS PAYABLE

The accounts payable represents amounts owed to vendors for both ongoing and completed construction projects in the amount of \$1,725,791 as of June 30, 2011.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

NOTE 6 - FUND BALANCE

Fund balance is composed of the following element:

Unreserved	
Designated	<u>\$ 56,031,396</u>

NOTE 7 - COMMITMENTS AND CONTINGENCIES

As of June 30, 2011, the District had the following commitments with respect to the unfinished capital projects:

<u>CAPITAL PROJECTS</u>	<u>Remaining Construction Commitments</u>	<u>Expected Date of Completions</u>
New Education Center Building at Marina	\$ 605,038	2011-2012
Furniture and Equipment	14,038	2014-2015
New Student Services Building	503,766	2011-2012
Human/Bus-Hum/Old Student Services	5,228,761	2013-2014
Theater	8,807,757	2012-2013
Life and Physical Science	9,284,402	2013-2014
Infrastructure - Phase III	1,167,970	2015-2016
PE Phase II - Gym Locker Room Renovation	4,946,625	2012-2013
Swing Space/Interim Housing	725,454	2014-2015
General Institutional Bond Management	247,000	Ongoing
	<u>\$ 31,530,811</u>	

The projects are funded through a combination of general obligation bonds and capital project apportionments from the State Chancellor's Office.

Litigation

The District is not currently a party to any legal proceedings.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Governing Board and
Citizens' Oversight Committee
Monterey Peninsula Community College District
Monterey, California

We have audited the accompanying financial statements of the Measure I General Obligation Bonds (the Building Fund) of Monterey Peninsula Community College District (the District) as of and for the year ended June 30, 2011, and have issued our report thereon dated February 15, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

The management of Monterey Peninsula Community College District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's Building Fund (Measure I) internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's Building Fund (Measure I) internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's Building Fund (Measure I) internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's Building Fund (Measure I) financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Governing Board, District Management, and the Citizens' Oversight Committee and is not intended to be and should not be used by anyone other than these specified parties.

Vannex, Trine, Day & Co., LLP.

Rancho Cucamonga, California
February 15, 2012

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS
JUNE 30, 2011**

None reported.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2011**

None reported.

**MONTEREY PENINSULA
COMMUNITY COLLEGE DISTRICT**

**MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

PERFORMANCE AUDIT

JUNE 30, 2011

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BONDS
ELECTION 2002**

**PERFORMANCE AUDIT
JUNE 30, 2011**

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**INDEPENDENT AUDITORS' REPORT
ON PERFORMANCE AUDIT**

Governing Board and
Citizens' Oversight Committee
Monterey Peninsula Community College District
Monterey, California

We were engaged to conduct a performance audit of Monterey Peninsula Community College District (the District) Proposition 39 Measure I General Obligation Bond Funds (the Building Fund) for the year ended June 30, 2011.

We conducted this performance audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

Our audit was limited to the objectives listed within the report which includes determining the District's compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. Management is responsible for the District's compliance with those requirements.

In planning and performing our performance audit, we obtained an understanding of the District's internal control in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

The results of our tests indicated that the District expended Proposition 39 Measure I General Obligation Bond Funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution.

Vavrinek, Trine, Day & Co., LLP.

Rancho Cucamonga, California
February 15, 2012

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BOND
ELECTION 2002**

**PERFORMANCE AUDIT
JUNE 30, 2011**

AUTHORITY FOR ISSUANCE

The Measure I Bond Funds were issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California *Education Code* and other applicable provisions of law.

The Bonds were authorized to be issued pursuant to a request of the District made by a resolution adopted by the Governing Board of the District.

The District received authorization at an election held on November 5, 2002, to issue bonds of the District in an aggregate principal amount not to exceed \$145,000,000 to finance the construction and modernization of certain District property and facilities, the acquisition of equipment, and to pay the costs of issuance associated with the Bonds. The proposition required approval by at least 55 percent of votes cast by eligible voters within the District (the Authorization).

In December 2005, the District issued the 2005 General Obligation Refunding Bonds in the amount of \$33,304,385. The Bonds were used to advance refund a portion of the outstanding Bonds from the first series of the authorized Bonds, Series A. The second and third series of authorized Bonds issued was in January 2008; the District issued Series B in the amount of \$9,004,530 and Series C in the amount of \$95,994,770, respectively.

PURPOSE OF ISSUANCE

The net proceeds of the Bonds issued under the 2002 Authorization will be used for the purposes specified in the District bond proposition submitted at the Election, which include the financing of the construction, and modernization of certain District property and facilities, the acquisition of equipment and to pay the costs of issuance associated with the Bonds.

AUTHORITY FOR THE AUDIT

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools, and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities", upon approval by 55 percent of the electorate. In addition to reducing the approval threshold from two-thirds to 55 percent, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in *Education Code* Sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BOND
ELECTION 2002**

**PERFORMANCE AUDIT
JUNE 30, 2011**

2. The community college district must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction, and information technology needs in developing the project list.
3. Requires the community college district to appoint a citizens' oversight committee.
4. Requires the community college district to conduct an annual independent financial audit and performance audit in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States of the bond proceeds until all of the proceeds have been expended.
5. Requires the community college district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

OBJECTIVES OF THE AUDIT

1. Determine whether expenditures charged to the Building Fund have been made in accordance with the Bond project list approved by the voters through the approval of the Measure I.
2. Determine whether salary transactions charged to the Building Fund were in support of Measure I and not for District general administration or operations.

SCOPE OF THE AUDIT

The scope of our performance audit covered the period of July 1, 2010 to June 30, 2011. The population of expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2011, were not reviewed or included within the scope of our audit or in this report.

PROCEDURES PERFORMED

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2011, for the Building Fund (Measure I). Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Article XIII A, Section 1(b)(3)(C) of the California Constitution and the Measure I as to the approved Bond projects list. We performed the following procedures:

1. We reviewed the procedures for disbursement of funds related to the voter approved general obligation bond to determine if procedures were applied in accordance with laws and regulations, as well as policies approved by the Governing Board.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BOND
ELECTION 2002**

**PERFORMANCE AUDIT
JUNE 30, 2011**

2. We reviewed construction expenditures totaling 52 percent of all expenditures from the detailed accounting of expenditures to determine if proceeds expended are for specific projects as listed in the voter approved bond language. Our sample included transactions totaling \$8,561,749 of the total expenditures of \$16,502,824.
3. We selected a total of 52 percent of actual expenditures incurred through the Measure I Building Fund, and verified that expenditures were charged to the appropriate object code classification within the general ledger.
4. We verified that a separate building fund of the District has been established to account for the receipt of bond proceeds and expenditure of the funds for the period of July 1, 2010 through June 30, 2011.
5. We noted no salary transactions charged to the Measure I Building Fund.
6. We analyzed the balance of Measure I Bond Funds available at June 30, 2011.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BOND
ELECTION 2002**

**PERFORMANCE AUDIT
JUNE 30, 2011**

GENERAL OBLIGATION BOND FUND - ALL SERIES

REVENUES AND OTHER FINANCING SOURCES

2003-2004	Proceeds from sale of bonds	\$ 40,000,000
2003-2004	Interest income earned and paid	485,875
2004-2005	Interest income earned and paid	799,782
2005-2006	Interest income earned and paid	1,529,143
2005-2006	Proceeds from refunding of bonds	4,240,051
2006-2007	Interest income earned and paid	1,441,914
2007-2008	Proceeds from new issuances	108,628,528
2007-2008	Interest income earned and paid	1,308,722
2008-2009	Interest income earned and paid	198,008
2009-2010	Interest income earned and paid	621,134
2010-2011	Interest income earned and paid	166,400
		<u>159,419,557</u>

EXPENSES AND OTHER FINANCING USES

2003-2004	Expenses	1,318,754
2004-2005	Expenses	2,815,133
2005-2006	Expenses	9,574,342
2006-2007	Expenses	20,713,267
2007-2008	Expenses	22,925,031
2008-2009	Expenses	16,162,764
2009-2010	Expenses	13,376,046
2010-2011	Expenses	16,502,824
		<u>103,388,161</u>

Net Fund Balance at June 30, 2011	<u>\$ 56,031,396</u>
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CONCLUSION

The results of our tests indicated that, in all significant respects, Monterey Peninsula Community College District has properly accounted for the expenditures held in the Building Fund (Measure I), and that such expenditures were made for authorized Bond projects. There were no salaries of administrators charged to the Bond Funds for District general administration or operations.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BOND
ELECTION 2002**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2011**

None reported.

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
MEASURE I GENERAL OBLIGATION BOND
ELECTION 2002**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2011**

None reported.



To the Governing Board and
Citizens' Oversight Committee
Monterey Peninsula Community College District
Monterey, California

We have audited the basic financial statements of the Measure I General Obligation Bonds of Monterey Peninsula Community College District (the District) for the year ended June 30, 2011, and have issued our report thereon dated February 15, 2012. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter and meeting about planning matters with management.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no adjustments noted during the audit that were proposed to management.

Disagreements With Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

To the Governing Board and
Citizens' Oversight Committee
Monterey Peninsula Community College District
Page 2

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 15, 2012.

Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

This information is intended solely for the use of the Governing Board and management of Monterey Peninsula Community College District and the Monterey Peninsula Citizens' Oversight Committee and is not intended to be and should not be used by anyone other than these specified parties.

Valerie J. Time, Day & Co., LLP.

Rancho Cucamonga, California
February 15, 2012

MPC
Active Bond/Facility Projects Update
February 8, 2012

Humanities / Old Student Services / Business Humanities – The project is receiving State matching funds. Phase 1 (Old Student Services Building) construction is ahead of schedule and the interior work is 95% completed. Furniture will be installed early March, and the move-in is scheduled over spring break (in late March).

Theatre – Concrete work on the orchestra pit is nearly completed. The substructure for the elevator is complete, and the elevator walls will begin to be constructed. As of this date, no significant unforeseen conditions have been discovered that could impact budget and schedule. Work is progressing as scheduled and completion is still scheduled for February 2013.

Life Science / Physical Science Buildings – There are two phases in this project with the First Phase being the Life Science building, and once it is completed the renovation of Physical Science will commence. The interior framing and metal stud walls have been installed. HVAC duct work is being installed. Electrical and plumbing pipe have been installed in the walls, and drywall installation has begun. The old windows have been removed and replaced with new high performance windows (which will lower utility bills). Work on Life Science is progressing as scheduled with completion in June 2012. The Life Science building will then be occupied and the Physical Science departments will be relocated to interim housing that the Life Sciences have vacated.

Gym First Floor – The hazardous materials were abated over the holiday break when the campus was vacated. Main construction work began in January 2012, and the demolition is mostly completed. Concrete floors are being sawcut for trenching for the utilities and foundations for the lockers. The project is on schedule and anticipated to be completed in November 2012.

Swing Space – The “Swing Space Village” is located adjacent to and south of the Theatre, and classes are being conducted in the building. The General Classrooms Building has been modified to accommodate Life Science and Physical Science programs, and Life Science classes are being conducted in the building. The architect has received approval from DSA to convert the General Classrooms building to accommodate the Physical Science department this summer (construction on the Physical Science building is scheduled to begin late summer).

Infrastructure – Site work (directional kiosks, lighting, parking lots, sidewalks) will be ongoing for the next few years.

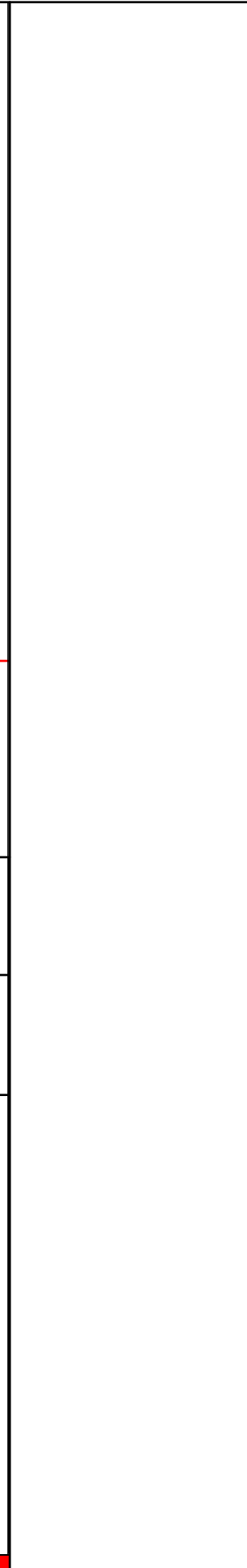
Pool/ Tennis Courts – Work can only begin after the gym first floor work has been completed in December of 2012.

Student Center – The Architect has prepared schematic drawings for available space options. Planning meetings have involved student representatives and ASMPC has reviewed and approved the schematic drawings.

Facilities Committee – The Committee meets on a regular basis to review project budgets and schedules. A report will be forthcoming on the Committee’s recommendations.

Arts Complex – The Arts Complex project is comprised of the Art Studio Building, Graphic Arts (Drafting), Art Ceramics Building and the Art Dimensional Building. Preliminary design work and a series of meetings have been conducted to identify potential scope so that the architect can move forward with the drawings and estimate.

Description	Early Start	Early Finish	2017												
			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Old Student Services/Humanities/Bus Humanities															
Old Student Services Construction	JUL052011 A	FEB242012													
Humanities Construction	JAN232013	NOV282013													
Demo Business Humanities	DEC272013	MAY262014													
Theater															
Theater Construction	OCT032011 A	FEB012013													
Music															
Music Construction	JUL242015	MAY092016													
Life and Physical Science															
Life Science Construction	SEP072011 A	MAY252012													
Physical Science Construction	SEP112012	JUL112013													
Gym Shower and Lockers															
Gym Construction	JAN252012 A	NOV142012													
Pool and Tennis Courts															
Tennis Courts Construction	MAY312013	NOV112013													
Pool Construction	JUN282013	DEC312013													
Student Center															
Student Center Construction	AUG262013	JUL312014													
Art Studio/Ceramics/dimensional/Inter. Center															
Art Studio Constuction	OCT112013	JUL222014													
Art Ceramics Construction	OCT112013	JUL222014													
Art Dimensional Construction	AUG272014	MAR122015													



**Monterey Peninsula College
MPC Master Project Schedule**

Start date	JUN082010
Finish date	MAY092016
Data date	FEB082012
Run date	FEB092012
Page number	1A
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