



City College of San Francisco

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MINUTES

SAN FRANCISCO COMMUNITY COLLEGE DISTRICT CITIZENS' BOND OVERSIGHT COMMITTEE PROP A 2001 / PROP A 2005 / PROP A 2020

Friday, October 7, 2022, 1:00 PM – 3:00 PM

Via Zoom Conference Call

Zoom Recording: https://ccsf-edu.zoom.us/rec/share/x11JMwK_BCjAZIQ9CgENqXfWRwEXzEVLRE1ufQPn-iHHwd2MsqN8SdaMvp5N24gC.GhXBKHdtHwY1O8xg

1. Call to Order by Chair Han Zou at 1:01 PM
2. Roll Call for attendance
 - Pete Gallegos – excused – proxy voting by Member AJ Thomas
 - Dennis Kelly (Vice-Chair) - present
 - AJ Thomas - present
 - Orlando Galvez- not present
 - Christine Hanson - present
 - Thomas Havey - not present
 - Shanon Lampkins-Jones - present
 - Rafael Musni - not present
 - Linda Fadeke Richardson - present
 - Steven Tang - present
 - Han Zou (Chair) - present
3. Approval of Agenda
 - a. There were no comments or questions from any of the committee members. There was a motion to approve by Member Richardson, which was seconded by Vice-Chair Kelly.
 - b. Roll Call Vote
 - Ayes: Kelly, Thomas, Hanson, Lampkins-Jones, Fadeke Richardson, Tang, Zou (7)
 - Nays: 0
 - Abstentions: Gallegos (1)
 - Motion passed.
4. Resolution for Online Meeting
 - a. There were no comments or questions from any of the committee members. Motion to approve was made by Member Thomas, seconded by Member Richardson.
 - b. Roll Call Vote
 - Ayes: Gallegos, Kelly, Thomas, Hanson, Lampkins-Jones, Fadeke Richardson, Tang, Zou (8)
 - Nays: 0
 - Abstentions: 0
 - Motion passed.

5. Approval of the Meeting Minutes from 8/5/22
 - a. Public comments by David Pilpel: 1. Mr. Pilpel stated that he did not see any bylaws allowing proxy voting for this committee. 2. Page 9 would read better as “it was up to the district IF (in place of IN) compliance with the bond measure”. 3. On page 10 Member Kelly’s name is misspelled. Also, the word “bond” should be the plural use “bonds”.
 - b. A motion to amend the minutes with the grammatical corrections noted by Mr. Pilpel was made by Vice-Chair Kelly and seconded by Member Hanson.
 - c. Roll Call Vote
Ayes: Gallegos, Kelly, Thomas, Hanson, Lampkins-Jones, Fadeke Richardson, Tang, Zou (8)
Nays: 0
Abstentions: 0
Motion passed.
6. Updates from the Chair – Chair Zou
 - a. Emails – One email was received and was shared with the Chair and Vice-Chair regarding minutes from the previous meeting. Chair Zou stated that these comments will be added to meeting minutes as an addendum.
7. Public Comments not on the agenda
 - a. Wynd Kaufmyn commented that regarding the contract with Kitchell that was significantly modified, this was approved along with the purchase order by the board. She further stated that this is not transparent, and she would not like to see this happen again.
 - b. David Pilpel commented that although several items relate to the annual report and its findings, he didn’t see a discussion of how that information gets communicated to the public and voters. He stated that in the past there has been a postcard to the public and asked if that is planned.
8. Responses to Questions raised during the 8/5/22 meeting
 - a. Kitchell Change Order
 - i. Ann Kennedy reported as follows: Everyone has received the cover letter that sets context and articulates what occurred. The auditor was requested to check her working papers. The district set about verifying data by public record (as performed by Ms. Kennedy). Ms. Kennedy reviewed her worksheet and comments for the committee (page 19 of the packet). Modification 5 was a 3-line-item modification which amended the contract amount from \$8 million to \$13 million. These modifications were approved by the Board of Trustees via the standard contract modification process on 3/26/2020. This modification appears again in a future board item on 12/10/2020. The 12/10/2020 Board Item was a review of purchase orders that were issued in November and were being ratified by the Board of Trustees in December. The board had approved this contract commitment in March, but the Purchase Order was not issued at that time, which is why it came up again on a ratification list. The auditor pulled this purchase order for testing. The auditor looks at a specific point in time. What the auditor presented was correct. The confusion occurs because the date of the approval of the contract modification and the date of the purchase order ratification are different. These are two distinct Board items with different purposes.
 1. Member Fadeke Richardson stated the fact that Ms. Kennedy can go back and trace these items and make this presentation implies that the question related to transparency and process for managing the contracts has been addressed in terms of the obligations of the committee and its members.
 2. Member Hanson thanked Ms. Kennedy for a great presentation and asked for further clarifications. Member Hanson commented that it was confusing at the beginning why the resolution from 6/23/22 didn’t reflect this money and that the amount goes back a couple of years and questioned if the reason was because it was encumbered. Ms.

Kennedy responded that the board approved the management of the district to go

forward with a contract activity, and that is one step. The management can choose to not implement all or part of the contract until a later time. That is why there is a separation in time on a couple of things. This was during a period of changing management in the district and changes in the structure of the program. Kitchell funds were rolled forward in time, so when you look at the total that comes forward, you have to look at the time as well. Three entity modifications in one board item made things complicated, but there were multiple contracts and documents packaged in the one board item. When the board convened in 3/26/20 the Kitchell contract was \$8 million, so the modification was against that when it was increased. The purchase order was not issued at that time.

- 3 Associate Vice Chancellor Alberto Vasquez noted that the increase was approved on 3/26/2020 but it took time to use those funds.
- 4 Member Hanson asked if the CBOC should be looking at the purchase orders. Ms. Kennedy explained that she would not recommend that because it can create further confusion. She did check with multiple districts on the matter and found their systems handled the PO ratification in a similar manner. The ratification of POs can be confusing because it is not the approval. It would be better to look at contract approvals rather than the purchase orders, because it the contract being approved by the board at that time. It does not mean that it is being put to use at that time. The PO is the opportunity to bill.
- 5 AVC Vasquez stated that any purchase orders must be shown with the board approval items to make a modification, which can be several months later. Ms. Kennedy noted that because the board meets only a certain number of times, the team gets approval in advance so there is no slowdown in the process when the team is ready to go. The objective is to be ahead on the approval so there is no latency in issuing the purchase order. It was reiterated that this work for Kitchell only, not the other 2 companies involved.

b. District Report on Finding/Curative Action/New Controls

- i. Dr. al-Amin addressed the letter included in the meeting packet (page 31) with the following comments: As stated, this letter addresses the salaries that were incorrectly coded to the bond funds and the measures taken to correct that. We have a process in place to review of coding for not only bond funds but for all funds. The bond fund has been reimbursed. We have confirmed with legal counsel that our actions are satisfactory.
 - 1 Member Fadeke Richardson stated her question from the previous meeting was if there is a process in place to identify incorrect coding for the contracts. She further stated that the fact that the auditor was able to identify and report the issue and that we now have a process in place, in her opinion the system works. Member Fadeke Richardson stated she had also asked for the specific discrepancy amount compared to the overall expenditures for the period to determine the significance of the amount. The letter indicates proper measures are in place, and that is what the public expects from the committee. The college is now in compliance with this system. She further remarked that she agrees and accepts Dr. al-Amin's letter.
 - 2 Member Hanson asked if there was there any explanation from bond counsel as to his role in giving opinions on spending during this time period. She stated recalling a meeting in which Vice Chancellor Sohn and counsel Casnocha were jovial about how closely they were working on these questions. Ms. Kennedy provided the response that she was the one who spoke to counsel and the question asked was very specific to the question raised in the minutes from the previous meeting. Nothing contextual was asked, just the specific question (the wording of which was confirmed by Vice-Chair Kelly). The question was if the curative steps satisfied the question of compliance Vice-Chair Kelly stated that as

disturbing as this issue has been he is pleased with the outcome and the letter from Dr. al-Amin.

- ii. Public comment was heard from Wynd Kaufmyn objecting to the report. Public comment from David Pilpel that it would help to document/summarize the district procedure for contract procedures and approvals available on the website to the public.

9. Annual Report Fiscal Year 2019-2020

a. Committee Opinion Statement – Chair Zou

- i. There were some Adobe format issues that suppressed certain graphic items from the report that do not affect the content.
- ii. Member Thomas made a motion to amend the committee opinion statement (page 6 of the report, page 30 of the packet). His suggestion was to amend the language of the sentence towards the end of the paragraph to “Based on this, the committee has concluded that the district was initially out of compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution but that the district subsequently took action to bring itself back into compliance.”
- iii. Member Hanson spoke to support the proposed change to make it clear that the compliance was after the reporting period. Member Thomas responded that he feels that his statement captures the item. The nuance of timing is in the report itself, and he would like to keep the statement as is, noting they are meant to be brief. The motion to amend was seconded by Chair Zou. Vice-Chair Kelly supported the statement as being adequate and did not think that adding historical timeline would be an improvement. Member Fadeke Richardson also supported the amendment as submitted.
- iv. Roll Call Vote to amend the statement as outlined by Member Thomas. Motion by Member Thomas, seconded by Vice-chair Kelly.
Ayes: Kelly, Thomas, Lampkins-Jones, Fadeke Richardson, Tang, Zou (6)
Nays: Hanson (1)
Abstain: Gallegos (1)
Motion passed.
- v. Motion to approve the opinion statement was made by Member Thomas and seconded by Member Lampkins-Jones
 - 1. Public comment: Wynd Kaufmyn objected to the amendment as not addressing the facts. David Pilpel provided public that he agrees the amendment is better stated, although not perfect.
Roll Call Vote on Opinion Statement as amended
Ayes: Zou, Kelly, Fadeke Richardson, Lampkins-Jones, Tang, Thomas (6)
Nays: Hanson (1)
Abstentions: 0
Motion passed

b. Annual Report Year 2019-2020 - Review and Approval

- i. Public comment by David Pilpel: page 23 the “c” in City College (likely an Adobe issue); page 25, date of approval 10/7, not 5/13; the contact information is confusing as it references a different Vice Chancellor rather than Facilities; page 28 - various items noted.
- ii. Discussion
 - 1 Member Zou reiterated that the version in the packet is missing some graphic items that are in the report (not related to content).
 - 2 Member Thomas gave compliments to the support staff and Ann Kennedy Group, noting that the reports are getting better visually and are easier for public to read and extract information.

- iii. Motion by Chair Zou, seconded by Member Hanson to change the approval date on page 1 of the report from 5/13/22 to 10/7/22.
Roll Call Vote
Ayes: Kelly, Fadeke Richardson, Hansen, Lampkins-Jones, Chang, Thomas (6)
Nays: 0
Abstentions: 0
Motion passed

Comment by Member Hanson to take into account Mr. Pilpel's suggestions for the next report.

- iv. Motion by Member Fadeke Richardson, seconded by Vice-Chair Kelly to approve the Annual Report Year 2019-2020 with amendments:
Roll Call
Ayes: Kelly, Thomas, Lampkins-Jones, Fadeke Richardson, Tang, Zou (6)
Nays: Hanson (1)
Abstentions: 0
Motion passed.

10. Fiscal Year 2020-2021 Annual Report Appointment of Working Group

- a. Chair Zhou would like to keep the existing working group. Member Tang is not able to continue in his capacity with the working group so Member Lampkins-Jones will be appointed in his place, with Vice-Chair Kelly taking over as chair of the working group. This was an information item with no vote needed.
- b. Public comment heard from David Pilpel who suggested the committee review reports from other bond oversight committees to promote consistency.

11. Project update and financial reports – Associate Vice Chancellor (AVC) Vasquez and Jeff Scogin

- a. AVC Vasquez presented a project update.
 - i. Accomplishments to date included bond sales, projects that are currently under review at DSA, completed projects and projects that are in planning/design stages.
 - ii. The Diego Rivera Theatre project reached the design milestone of schematic design submittal. A detailed cost estimate is underway. The next step is for the board of trustees to authorize a recommendation for procuring a contractor using a construction manager at risk program.
 - iii. The STEAM project design has been submitted to Division of The State Architect (DSA), with approval expected this fall. We have been able to keep budget within a 5% delta despite cost escalation and supply chain pressures.
 - iv. Student Success Center – DSA approval is expected. We will need to remove Conlan Hall, as the SSC will be built on the site where that is currently located. We are working on swing space in the bungalows and Rosenberg Library to accommodate staff that will be displaced during the period of demolition and construction.
 - v. Cloud Hall – the architect is performing a structural analysis. DSA is reviewing their findings and proposed solutions to a structural upgrade along with modernization. Destructive sampling of materials is scheduled to take place to determine conditions of building materials.
 - vi. The Utility Infrastructure Project is awaiting approval at DSA. We are awaiting the completion of a couple of legacy projects before we can move forward.
 - vii. 750 Eddy – This project is currently with the state, which is reviewing cost. We are currently awaiting more information. Once we get funding approved by the state there is the component of a fund match in the bond that will need to be addressed.
 - viii. Evans – this project is paused. The CEQA findings were based on the inclusion of the AMT program at the site, so we need to understand the logistics of moving forward with that program paused.
 - ix. Downtown Fire Pump – We have issued notice of completion with the County Recorder.

- x. Rush Stadium Project - Completed August 2021. This project came in under budget by \$280k which will go into contingency.
- xi. Member Fadeke Richardson made comments and asked questions regarding the long-overdue Evans Center project and the timing for moving forward. AVC Vasquez provided brief responses.
- xii. Member Hanson asked questions regarding the construction manager at-risk process for DRT vs. the STEAM and SCC project models. AVC Vasquez outlined the processes in response. Member Hanson also asked question regarding CEQA and Evans project.
- xiii. Chair Zou raised a question regarding the timing of release of funds for 750 Eddy.
- b. Financial Report 2021-2022 presented by Jeff Scogin of AKG.
 - i. The period this report covers is Q4 for Fiscal Year 2021-2022, April, May, and June. As of the production of the report the district had not fully closed the fiscal year, so there may be some slight changes in terms of expenses for the final report that goes to audit.
 - ii. The Rush Stadium bond list revision went to the board of trustees with transfer of excess funds to contingency. That is not reflected in this report, the revision will be reflected in the next meeting.
 - iii. Mr. Scogin provide an overview of the report information for the committee.
 - iv. Member Hanson asked about the procedures for close out of the 2001 bond. Ms. Kennedy explained there is a final audit cycle, and the committee will receive a report (Ms. Kennedy explained the procedures).
 - v. Member Fadeke Richardson requested a report of all projects for the 2001 bond, both completed and pending.

12. Review of Committee Membership Chart – Chair Zou

- a. No comments or discussion. Ms. Kennedy noted that this is now part of the regular packet. It demonstrates the election at the last meeting. It is to help the committee to stay on track for membership.

13. Suggested meeting dates and times – Chair Zou

- a. Proposed meeting schedule quarterly for the 2nd Thursday of the month in January, March, June, and October at the same 1-3 pm time slot.
- b. No comments or questions from the committee. Vice-Chair Kelly noted it would be easier for him if the meetings were at 2 PM instead of 1 PM.

14. Next meeting agenda topics – Chair Zou

- a. First draft of the Annual Report Fiscal Year 2020-2021
 - i. Committee Opinion Statement – Discussion and Vote
 - ii. Annual Report Year 2020-2021 Review and Approval
 - iii. Please submit any additional items to chair or staff before we put together the agenda for the next meeting.

15. Adjournment - Motion by Member Thomas, seconded by Member Tang.

- a. Motion approved by acclamation.
- b. Meeting adjourned at 2:54 PM