SUMMARY NOTES

Committee Members Present/Area of Representation:
Dana Cox ......................... Business Organization/Montclair Chamber of Commerce
Bill Huff ........................... Taxpayer's Organization
Kelly McMenomy ............... Member
Janet Ryerson ................. Senior Citizen's Organization/Rancho Cucamonga
Jack Van Blarcom .......... Member

Bernards and Chaffey College Personnel Present:
Earl Davis, Steve Menzel, Kelvin Okino, Cid Pinedo, Sharon Schroeder, and Bill Winslow

Welcome and Introductions:
The meeting was convened at 5 p.m. by Dana Cox, chair of the Oversight committee. Introductions were made by COC members and Chaffey personnel present.

Public Comments:
None

Facilities Updates – Fontana and Rancho Campuses:
A PowerPoint report was presented to the committee by Bernards’ Program Manager, Bill Winslow. This presentation detailed completed projects, projects under construction, projects in bid and award, projects in design, projects in planning, a program schedule, and the status of Measure “L” funds. Bill also provided copies of the report for the committee members and staff.

For detailed information, this report is available on the Chaffey College Measure L Bond Citizens’ Oversight Committee website: http://www.chaffey.edu/coc/index.shtml

Retention of Performance Audit Firm – Earl Davis
Earl addressed the retention of auditing firm, Vicenti, Lloyd and Stutzman, LLP, to conduct this year’s performance audit. This would be the second year of a three-year contract, not to exceed $7,600. The committee approved the retention of this firm.

Questions/Answers/Discussion:
Q: When was the original bidding done on the Fontana Phase III Academic Building?
A: The bid date was in February. The contract was awarded by Board in March. Construction began mid-April. By law we must take the lowest and most responsible bid. Once agreed upon, we cannot renegotiate the bid.

Q: Who was Michael Alexander?
A: Former vice president, dean, and professor who was greatly respected by administrators, faculty, staff, and students. Dr. Alexander passed away approximately two years ago.

Q: With metal stud framing how do you hang pictures?
A: Flat metal backings are placed behind drywall which supports pictures. For heavier items, mollys may be used.

Q: Can we hold a meeting at the Fontana site?
A: Yes, our fall, 2010 meeting will be held at the Fontana campus.
Q: What are bond refinance fees?
A: Please see attached report from Mr. Rod Carter.

Q: Are there any updates on energy projects?
A: We instruct our contractors to plan and build “green.” A Sustainability Committee has been formed with a Sustainability Master Plan in the works. An investment-grade audit will be done this summer to better understand how we are using energy. Once this is done, we will have the information necessary to become more efficient and be able to plan for future energy projects which would best serve the District.

Q: How long do the current COC members’ terms run?
A: Terms expiring at the end of May, 2010 – Suzie Colón, Dana Cox, and Jack Van Blarcom
Terms expiring at the end of June, 2010 – James Applewhite II
Terms expiring at the end of September, 2010 – Kelly McMenomy, Janet Ryerson, and Wayne Scaggs
All members mentioned above will be invited to the fall, 2010 meeting. In addition, it is requested that those terming out pass along recommendations for their replacements.

Conclusion:
The meeting concluded at 6:14 p.m.

*The next meeting of the Citizens’ Oversight Committee will be held at the Fontana Center in fall, 2010.*
On July 9th 2002, Chaffey Community College District issued its Election of 2002 General Obligation Bonds, Series 2002A in the aggregate amount of $47,565,000. The District and RBC Capital Markets have determined that by refinancing certain maturities of the Series 2002A Bonds, the District would be able to use a portion of the savings for qualified projects; additionally, local taxpayers would realize overall tax savings.

The 2005 Refunding Bonds would advance refund the 2002A Bonds. With an advance refunding, the District is selling bonds to fund an escrow account. This escrow account will pay principal and interest on the 2002A Bonds being refunded until such date as they are callable – July 1, 2012. At that time, the escrow will pay all remaining principal outstanding plus a prepayment premium for early redemption of the 2002A Bonds. By issuing the 2005 Refunding Bonds and funding the escrow account, the District will no longer have an obligation to make payments on the 2002A Bonds being refunded.

The District and RBC Capital Markets structured the issue so that the District is paying the obligations sooner than originally anticipated; though the District is currently anticipating refunding bonds with a final maturity of 2028, the 2005 Refunding Bonds have a final maturity of 2010. This structure allows the District to generate significant savings while still accommodating future bonds issues.

Below is a chart showing key figures related to the proposed refunding:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Par Amount of Refunding Bonds</td>
<td>$26,280,000</td>
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<tr>
<td>Par Amount of Bonds Refunded</td>
<td>$22,680,000</td>
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<tr>
<td>Savings as % of Refunded Bonds</td>
<td>11.49%</td>
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<tr>
<td>Total Gross Savings to Taxpayers</td>
<td>$9,584,320</td>
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<tr>
<td>Total net present value Savings</td>
<td>$2,606,130</td>
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<tr>
<td>Amount to District</td>
<td>$2,300,000</td>
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<tr>
<td>Par Amount of Bonds Remaining</td>
<td>$13,660,000</td>
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