



Midpeninsula Regional
Open Space District



**MEASURE AA BOND OVERSIGHT COMMITTEE OF THE
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT**

Administrative Office
330 Distel Circle
Los Altos, CA 94022

Tuesday, February 4, 2020

DRAFT MINUTES

ROLL CALL

Chair Gilbert called the meeting to order at 5:30 p.m.

Members present: Paul Betlem, Carla Dorow, Denise Gilbert, Timothy Tomlinson, Bruce Tolley, and Jo Zientek

Members absent: Tom Scannell

Staff present: General Manager Ana Ruiz, General Counsel Hilary Stevenson, Finance Manager Andrew Taylor, Budget & Analysis Manager Carmen Narayanan, Assistant General Manager Brian Malone, Planning Manager Jane Mark, Natural Resources Manager Kirk Lenington, Real Property Manager Mike Williams, Land and Facilities Manager Michael Jurich, Senior Planner Tina Hugg, Executive Assistant/Deputy District Clerk Maria Soria, Budget Analyst I Elissa Martinez, Budget Analyst I Lupe Hernandez

ORAL COMMUNICATIONS

No speakers present.

ADOPTION OF AGENDA

Chair Gilbert stated Item 3 will be heard after the auditor speaks on Item 2, then resume back to Item 2 to continue to review the sample transactions. Chair Gilbert suggested this would give the ad-hoc committee an opportunity to take notes and any comments to discuss at the upcoming ad-hoc committee meeting.

Motion: Committee member Zientek moved, and Committee member Tolley seconded the motion to adopt the revised agenda.

VOTE: 6-0-0

COMMITTEE BUSINESS

1. Approve January 15, 2020 Measure AA Bond Oversight Committee Minutes

Chair Gilbert reported the Committee has received a revised copy of the minutes with Committee member Tomlinson's revisions.

Chair Gilbert also provided additional revisions to the minutes:

- First sentence in first paragraph on page four, add after expenditure "as outlined in the agreed upon procedures".
- Second sentence of the same paragraph after instead add "she suggested," and after twenty-five add "largest".
- Last sentence on page four, delete "...and he will share this information with the auditor, so he can provide an update at the upcoming meeting".

Public comments opened at 5:39 p.m.

No speakers present.

Public comments closed at 5:39 p.m.

Motion: Committee member Tomlinson moved, and Committee member Dorow seconded the motion to approve the January 15, 2020 Measure AA Bond Oversight Committee minutes. as revised.

VOTE 6-0

2. Review documentation supporting the Selected Sample Transactions

Finance Manager Andrew Taylor introduced the District's external auditor Sheldon Chavan from Chavan & Associates. Mr. Taylor noted Mr. Chavan has been the District's auditor since 2015.

Mr. Chavan provided a summary of the work completed during the audit process, including ensuring the District's expenditures were correctly charged to the District's budget funds such as debt, capital improvements, and general funds. Additionally, the auditors focused on bond compliance, testing 70% of Measure AA expenditures and confirmed subprojects were charged correctly. The auditor issued their opinion letter stating there were no issues of noncompliance.

Committee members requested clarification regarding the audit process. Discussion ensued.

Chair Gilbert moved to Item 3 at 5:51 p.m.

Chair Gilbert resumed Item 2 at 5:58 p.m.

Chair Gilbert reviewed the proposed sample selection of expenditures and reviewed the questions previously submitted by the Committee.

Staff provided additional information in response to the questions submitted. All questions previously submitted and prepared responses are included in the record.

Committee members requested clarification regarding the various selected sample transactions.

Committee member Betlem inquired regarding project MAA21-005 public access for Bear Creek asking if the invoice from Granite Rock in the amount of \$524,000 was divided within two projects in the same portfolio.

Mr. Taylor stated the subcontractor was working on three sub-projects within the same portfolio.

Committee member Betlem stated the amounts are correct, but there is no reconciliation between the two projects which makes it difficult to determine how the funds are allocated within those two projects.

Engineering and Construction Manager Jason Lin stated in the future staff will note in the project description the amount for each project to make review easier.

Committee member Tomlinson repeated his request from last year that staff wages be included in the payroll documentation to verify the amount. Mr. Tomlinson asked staff to include this information in next year's sample transactions.

Committee member Tomlinson commented that he is not interested in increasing the auditor's fees if they would increase based on future document requests by the Committee. Mr. Tomlinson requested staff advise the Committee if the auditor's fees would increase due to any requests to provide additional information.

Public comments opened at 6:56 p.m.

No speakers present.

Public comments closed at 6:56 p.m.

3. Appointment of Bond Oversight Committee Ad Hoc Committee

Agenda Item 3 was heard after the auditor's report during Agenda Item 2.

Committee Chair Gilbert called for volunteers to serve on a three member ad hoc subcommittee to prepare a draft Measure AA Bond Oversight Committee Report for submittal to the Board of Directors.

Committee members Gilbert, Tolley and Tomlinson volunteered to serve on the ad hoc committee.

The ad hoc committee members agreed to meet on February 19, 2020 at 9:00 am.

Public comments opened at 5:54 p.m.

No speakers present.

Public comments closed at 5:54 p.m.

4. Review of Timeline and Future Meetings

Chair Gilbert reviewed the Committee meetings currently scheduled and the Committee actions planned for those meetings.

Public comments opened at 6:59 p.m.

No speakers.

Public comments closed at 6:59 p.m.

Committee member Tolley inquired when staff would correct the footer on Appendix A of the Annual Accountability Report.

The Committee decided the correction can be done on next year's Annual Accountability Report.

ADJOURNMENT

Committee Chair Gilbert adjourned the meeting of the Measure AA Bond Oversight Committee at 7:00 p.m.

Maria Soria
Executive Assistant/Deputy
District Clerk