



COLLEGE OF THE DESERT CITIZENS' OVERSIGHT COMMITTEE 2015-2016 ANNUAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2016



LETTER FROM THE MEASURE B CITIZENS' OVERSIGHT COMMITTEE CHAIR

Dear Coachella Valley Residents,

The Citizens' Bond Oversight Committee is pleased to present its twelfth annual report as required by Proposition 39, the legislative authority of Measure B. As your local representatives, it is our responsibility to oversee the expenditure of bond funds, as approved by the College of the Desert's Trustees, to ascertain that they are spent as specified in the ballot measure.

Measure B was approved by voters in March 2004, and, as required by the terms of the issue, the College Board of Trustees appointed an independent Citizens Oversight Committee. Your seven members represent a cross-section of Coachella Valley residents.

Our open meetings are held quarterly to review and discuss progress reports related to bond projects in various stages of development, expenditures of bond funds, as well as future plans and financial projections. We essentially perform a due diligence function. We question representatives of the College who work on the various projects, as well as the auditors engaged to assure that funds are spent in accordance with Measure B. As a committee, we have been impressed with the College's organization, planning, attention to detail, and the diligence of its staff.

In 2015-16, our Palm Desert campus initiated and completed several projects. Though these projects were smaller in size their impact on the students and staff at College of the Desert were substantial. Several out of date classrooms and offices received updating which not only improved their cosmetic appearance, but addressed functionality and programming needs as well. The highly anticipated Central Campus Redevelopment project which includes the total renovation of the HILB Library and Building C moved out of Programming and Schematic Design. Construction documents are being prepared by the architectural team. The District is excited to bring the College of the Desert Library back to the heart of campus. Planning and design continued for other programs specified in the Bond Measure. These new or renovated facilities replace insufficient or inefficient buildings with new permanent structures.

In the East Valley, both the Indio and Mecca/Thermal Campuses continued to see unprecedented growth in enrollment numbers and programming opportunities. As the population growth in the East Valley continues to escalate, so does the need for expanded facilities and education opportunities for the residents.

The surging enrollment numbers at the Indio Campus created an immediate need for additional classroom space. In 2015-16 the Desert Community College District addressed these urgent needs with the addition of one multi-purpose classroom, four new modular buildings consisting of 3 classrooms and a small library, a book store and two retail opportunities.

An extensive study was completed in 2014 which examined the existing and future needs of Mecca/Thermal and the surrounding communities. Upon completion of this study, the Desert Community College District approved the Mecca/Thermal Expansion Project. This project will expand the existing campus and include additional classroom space, a computer lab and a wet lab space. Community members will want to stay tuned for exciting developments in Mecca/Thermal, which include the addition of a state of the art observatory.

It was an exciting year for our West Valley as well! In Palm Springs, the District continued their efforts to obtain its new proposed site location at the Palm Springs Mall located on Farrell Drive. An Environmental Impact Report was completed in 2016 and was unanimously accepted by the Desert Community College District Board of Trustees. The District also addressed the facility needs in Desert Hot Springs by leasing three modular classroom buildings at the Wenzlaff Education Center. Students are already taking advantage of traditional learning, computer-based courses and a variety of student services.

These projects address the College's most critical facility needs, including safety, energy savings, technology, and training programs in response to community needs. These changes will enable College of the Desert to continue providing an opportunity for a first-class education for the surrounding communities. The College improves the quality of life for the entire region through its training of professionals and workers for the economic based industries of the valley.

Information on past and future meetings and the on-going bond projects can be found at College of the Desert's Website: www.bond.collegeofthedesert.edu. We welcome all members of the public to our meetings. Feel free to contact us with your comments or questions.

Sincerely,

Ken Eklund, *Committee Chair*

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MEASURE B

In March 2004, the citizens of the Coachella Valley approved a general obligation bond measure of \$346.5 million to fund facilities projects to train local residents for jobs, prepare students for four-year colleges and accommodate increasing student enrollment at College of the Desert by:

- Expanding nursing/police/fire-fighting training facilities;
- Repairing sewer systems, leaky roofs, decaying walls, plumbing, electrical systems;
- Upgrading/adding classrooms for computer technology;
- Repairing, acquiring, constructing, equipping buildings, sites, classrooms; and
- Acquiring sites and developing campuses in east and west valley areas.

The Board of Trustees of the Desert Community College District evaluated the District's urgent and critical facility needs, including safety issues, enrollment growth, energy reduction and information and computer technology in developing the scope of projects to be funded.

These are outlined in the College of the Desert Facilities Master Plan, approved on November 19, 2003, and further amended from time to time. In developing the scope of projects, the faculty, staff and students have prioritized the key health and safety needs so that the most critical needs are addressed. The Board of Trustees conducted independent facility evaluations and received public input and review in

developing the scope of the college facility projects to be funded. The projects are listed in the Facilities Master Plan which was unanimously approved by the Board of Trustees. This input of faculty, staff, and community and business leaders concluded that if these needs were not addressed now, the problems would only get worse. In preparing the Facilities Master Plan, the Board of Trustees made five important determinations:

- It is critically important for College of the Desert to provide facilities for job and vocational training to students and adults seeking to acquire job skills demanded by local businesses;
- College of the Desert must provide facilities to increase the number of trained nurses to help relieve the serious nursing shortage in the area;
- College of the Desert must add new facilities and classrooms to meet the rapid growth in the area which has resulted in thousands of new students seeking an affordable local college education;
- College of the Desert must provide facilities for academic programs to students who want to transfer to a four-year college; and
- The mission of College of the Desert is to provide facilities that support adult continuing education classes in subjects like financial planning, accounting and computers.

AUTHORITY AND PURPOSE OF THE CITIZENS' OVERSIGHT COMMITTEE

Measure B was approved under the requirements of California's Proposition 39, the Strict Accountability in Local School Construction Bonds Act, passed by state voters in 2000. As required by Proposition 39, the College of the Desert Board of Trustees appointed an independent committee of citizens to oversee the expenditure of all bond funds. Proposition 39 requires representatives from taxpayer groups, business and industry, senior citizens' organizations and students, and is charged with ensuring that all bond funds are spent as promised on capital

projects within the College district.

Since September 2004, the Committee has been meeting regularly to review the College's bond-funded construction program and to ensure the program maximizes all funding sources and makes the most prudent use of taxpayer dollars. The Committee is also charged with assuring that the College adheres to the requirements of Proposition 39, including spending funds only on those projects identified in Measure B and approved by the voters.

INCOMING BOND OVERSIGHT COMMITTEE MEMBERS FOR 2016-2017



Seven people are responsible for overseeing the \$346.5 million bond issue approved by voters in March 2004 for College of the Desert construction and campus renovations. The group meets quarterly to review expenditures and to see that the Proposition 39 guidelines are followed. They're responsible for an audit and an annual report. They (and the constituencies they represent) are, (from left, top row): **Mr. Vernon Kolzen**, *Chair, College Support Organization*; **Andrew Harker, Ed.D.**, *Vice Chair, West valley Representative*; **Mr. Steven Bayard**, *East Valley Representative*; **Ms. Margie Eklund**, *Senior Citizen Group Representative*; **Ms. Eileen Packer**, *Business Representative*; **Ms. Vicki Shepard**, *Tax Payer Representative*; **Mr. Liam Withrow**, *Student Representative*.



2015-16 CITIZENS' OVERSIGHT COMMITTEE MEMBERS

Ken Eklund
Chair, Senior Citizen Group

Fred Jandt, Ph.D.
Vice Chair, West Valley

Larry Spicer
College Support Organization

Steven Bayard
East Valley

Chris Escobedo
Taxpayers' Association

Larry M. Cohen
Business

Jose Rodriguez
Student

COLLEGE OF THE DESERT PROGRAM MANAGEMENT TEAM

Lisa Howell
Vice President, Administrative Services

John Ramont
Director, Fiscal Services

Mac McGinnis
*Program Manager,
Bond Management Office*

TWELFTH YEAR REPORT: MEASURE B PROJECTS COMPLETED OR IN PROCESS

Since the passage of Measure B in 2004, the District has followed a building program that responds to its Education Master Plan, facilities condition assessment; the need for replacement of insufficient or inefficient facilities; seismic, safety and other building code issues, and long overdue infrastructure and technology upgrades. This process continues to be followed with updated data for educational needs and continuously updated building codes. The District takes seriously its responsibility to be good stewards of the Bond proceeds to ensure the demands of the Bond language and the expectations of the citizens of the Coachella Valley are met while completing right sized, well planned projects that will serve the District and the community far into the future. Planning began on several new projects on the Palm Desert Campus as well as the new facilities planned for east and west valley sites.

Palm Desert Campus

A renovation of the HILB Library and C Building moved out of Schematic Design and into Design Development in 2015-16. The highly anticipated Central Campus Redevelopment project brings the College Library and Learning Resource Center back to the heart of the campus. The District has taken extensive steps to preserve the original John Carl Warnecke architecture which holds deep sentimental value to the District and the Coachella Valley community. A total renovation of the C Building which is adjacent to the HILB Library, will finally provide the campus with a dedicated large multi-purpose meeting space and Administrative Offices. Anticipated completion of this project is spring of 2019.

Multiple projects were completed in 2015-16 on the Palm Desert Campus. Although the projects did not come in the package of new facilities, these small projects made a huge impact on the students and staff at College of the Desert. The projects included a new home for the TRiO program, new classroom space and a computer lab at South Annex, cosmetic improvements to Carol Meier Hall 1 & 4, and upgrades to the Music building. Design Development for renovation of the existing Administration Building also commenced in 2016 which includes new Adjunct Faculty space.



TWELFTH YEAR REPORT: MEASURE B PROJECTS COMPLETED OR IN PROCESS

East Valley



Phase two of the Indio Campus Project concluded Design in 2015 and is currently in construction. This phase complies with the District's agreement with the City of Indio to provide retail space on the first floor of the building. Answering the need for additional classroom space, an additional 1,900 square feet was incorporated into the plan to provide students with a multi-purpose space. Students took advantage of the new Bookstore which opened to serve their needs at the beginning of the 2016 fall semester.



In response to strong enrollment numbers and projected growth, the Board of Trustees approved the expansion of the existing Mecca/Thermal Campus. This expansion project incorporates a new Interdisciplinary Lab and Prep Room, a Computer Lab and one general use classroom into the existing campus program.

These new facilities work to specifically address curriculum needs of the citizens who reside in the surrounding communities as identified by a study completed in 2014. Construction on the project commenced in 2016 and is expected to see completion winter 2016/17.

West Valley

The vision of a state of the art Palm Springs campus came closer to fruition in 2015/16. An in depth Environmental Impact (EIR) study commenced in 2015 and was completed early 2016. The Desert Community College District Board of Trustees voted unanimously to approve both the EIR and the proposed new campus site at the old Palm Springs Mall. The Desert Community College District is committed to building an environmentally responsible facility that is central to the West Valley and the City of Palm Springs' thriving hospitality and performing arts community.



The Desert Community College District recognized the deep need for higher education facilities in the City of Desert Hot Springs and responded quickly by occupying three modular classroom buildings at the Wenzlaff Education Center. Students are already taking advantage of traditional learning, computer-based course and a variety of student services.



ADDENDUM

The District reaffirms the efficacy of continuing the bond program to completion at a time when it faces operating budget challenges due to reductions in state funding. It was concluded that it was essentially impractical to contemplate suspension of the bond program and in fact there are at least ten good reasons for pursuing it to completion:

1. It enables COD to develop new campus sites and facilities to serve the entire Coachella Valley during the second 50 years of the College's existence.
2. It addresses contemporary health and safety, disability access, and building code compliance requirements.
3. It gives students and faculty access to the highest quality teaching and learning environments which is critical to our mission.
4. It enables renovation of substandard and no-longer-fit-for-purpose facilities and permits systematic replacement of all modular buildings.
5. It facilitates the replacement of aging and inefficient services infrastructure.
6. It takes COD closer to contemporary technology standards.
7. It positions COD long-term to meet the demands of a growing and diversifying valley population once the short-term state funding crisis is overcome.
8. It provides the opportunity for COD to practically demonstrate leadership in sustainability stewardship in all its new buildings and campuses.
9. It must be aggressively pursued to completion because the bond funds must be expended in a defined timeframe for the purposes identified in the bond election and we are currently enjoying the most favorable construction market in years.
10. It represents a significant economic development driver for the valley in its own right currently and in the longer term through the facilities created.

SUSTAINABILITY STEWARDSHIP, WALKING THE GREEN TALK AT COLLEGE OF THE DESERT

The College of the Desert is proud to announce the award of LEED Gold Certifications for the Athletic Facilities project. The District is also excited to announce that the Applied Sciences Building is pending LEED Gold Certification.

The District's Policy of Sustainability Stewardship, its Green Council Annual Reports, and other Sustainability Performance Targets and Guidelines can be found on the District's website, at <http://www.collegeofthedesert.edu/community/ss/Pages/default.aspx>.

These, as well as other Bond planning and design documents are available on the Bond website www.bond.collegeofthedesert.edu.

Developed by the U.S. Green Building Council (USGBC), the LEED® Green Building Rating System™ is a framework for identifying, implementing and measuring green building and neighborhood design, construction, operations and maintenance. LEED is voluntary and designed for new and existing commercial, institutional, and residential building, including neighborhood

development. Several categories are used in the LEED Green Building Rating System such as sustainable sites, water efficiency, energy and atmosphere, materials and resources, indoor environmental quality, awareness and education, location and linkages, neighborhood pattern and design, green infrastructure and building, innovation in design /operations, and regional priority.

The LEED rating system is based on a 100 point scale with an extra 10 bonus points available for innovation in design, exemplary performance, or achievement of credits identified as having regional importance on a project's location. LEED certification is awarded based on this scale: 40-49 points Certified; 50-59 points Silver; 60-79 points Gold; and 80+ points Platinum. There are four standard principal types of LEED requirements: prerequisites, core credits, innovation credits and regional priority credits. For more information about LEED® Certification and guidelines visit the U.S. Green Building Council website at www.usgbc.org/.

INDEPENDENT FINANCIAL AND PERFORMANCE AUDITS

In compliance with Proposition 39, the Board of Trustees engaged the independent audit firm of Vavrinek, Trine, Day & Co., LLP, to complete independent audits of the financial records and the construction records of the bond program.

The first issuance for bond sales was for \$65 million in August 2004 and refunded in June 2005 bringing the total to \$73 million. In November 2007, the District issued General Obligation Bonds, Series 2007B in the amount of \$57,850,000. In December 2007, the District issued the final approved principal amount of General Obligation Bonds, Series 2007C in the amount of \$223,648,444. The District's bond insured rating from Moody

and S&P continued as AAA. The audit firm reported that the College of the Desert "...has properly accounted for the expenditures of the funds held in the Bond Fund and that such expenditures were made on authorized bond projects. Further it was noted that the funds held in the Bond Fund and expended by the District were not expended for salaries of school administrators or other operating expenditures." The audit had no adverse findings and no questionable costs were noted.

A copy of the full financial and performance audits can be viewed on the College of the Desert Bond web page at www.bond.collegeofthedesert.edu.

UPDATED BOND PROJECTS EXPENDITURES AND PROGRESS REPORT AT JUNE 30, 2016

Audited results as reported to the Citizens' Oversight Committee by District Staff. Total budget does not include other funding sources. For more details on expenditures go to www.bond.collegeofthedesert.edu.

| | Actual Costs for Fiscal Year Ended June 30, 2016 | Actual Costs August 1, 2004 through June 30, 2016 | Total Budget |
|---|--|---|-----------------------|
| JOB AND CAREER TRAINING PROJECTS | | | |
| Applied Sciences | \$ 3,744 | \$ 12,126,282 | \$ 12,157,261 |
| Barker Nursing Complex | 0 | 10,962,344 | 10,962,344 |
| Burn Tower | 0 | 2,875,267 | 2,875,267 |
| Child Development Center | 13,025 | 6,066,890 | 6,067,263 |
| Nursing Building Renovation | 0 | 3,538,287 | 3,538,287 |
| Public Safety Academy Phase I | 0 | 14,911,665 | 14,911,665 |
| Subtotal | \$ 16,769 | \$ 50,480,736 | \$ 50,512,088 |
| CLASSROOM BUILDINGS AND FACILITIES | | | |
| Alumni Center | \$ 0 | \$ 2,714,816 | \$ 2,714,816 |
| Athletic facilities & Aquatics | 0 | 23,700,183 | 23,848,936 |
| Business Building Renovation | 0 | 4,598,036 | 4,598,036 |
| Central Campus Redevelopment | 957,184 | 2,602,688 | 37,550,000 |
| Communications Building | 14,531 | 20,222,675 | 20,222,675 |
| Cravens Student Center | 0 | 22,948,365 | 22,954,567 |
| Culinary Kitchen | 0 | 410,529 | 410,529 |
| Desert Hot Springs | 0 | 1,140 | 1,140 |
| Dining Hall Renovation | 0 | 5,399,910 | 5,399,910 |
| Mecca/Thermal Interim Modulars | 0 | 9,913,929 | 9,913,929 |
| Imaging | 0 | 299,540 | 299,540 |
| Indio Campus | 28,813 | 24,091,497 | 24,091,497 |
| Math Science Technology | 23,316 | 23,996,819 | 24,040,932 |
| Mecca/Thermal Campus Expansion | 126,608 | 263,031 | 29,700,000 |
| Relocations Project | 0 | 699,230 | 898,060 |
| Scene Shop | 0 | 74,676 | 74,676 |
| Science Labs | 0 | 223,624 | 223,624 |
| Soil Contingency | 0 | 0 | 101,500 |
| South Annex | 0 | 3,867,843 | 3,867,843 |
| Stagecraft Shop | 0 | 2,042,836 | 2,042,836 |
| Temporary Dining Facilities | 0 | 752,840 | 752,840 |
| Visual Arts Building | 22,556 | 8,434,163 | 8,434,163 |
| Visual Arts Canopy | 76,549 | 76,549 | 191,190 |
| Voice Over I.P. Communication | 0 | 964,487 | 964,487 |
| West Valley Palm Springs | 9,890 | 5,413,245 | 39,990,000 |
| Wireless Access | 0 | 322,555 | 322,555 |
| Subtotal | \$ 1,259,446 | \$ 164,034,207 | \$ 263,610,280 |
| HEALTH AND SAFETY PROJECTS | | | |
| Subtotal | \$ 4,001 | \$ 39,533,239 | \$ 39,604,435 |
| ENERGY EFFICIENCY IMPROVEMENTS | | | |
| Subtotal | \$ 0 | \$ 16,464,459 | \$ 16,743,568 |
| SAFETY, SECURITY AND SITES | | | |
| Central Annex | \$ 0 | \$ 2,308,330 | \$ 2,308,330 |
| Monterey Avenue Improvements | 22,794 | 6,962,185 | 6,962,185 |
| Security Cameras and Emergency Phones | 0 | 128,745 | 128,745 |
| Site Improvements | 271,762 | 2,595,454 | 2,608,867 |
| South Parking Lot | 0 | 1,004,767 | 1,004,767 |
| Western Parking Lot | 0 | 2,831,387 | 2,831,387 |
| Subtotal | \$ 294,556 | \$ 15,830,867 | \$ 15,844,279 |
| OTHER | | | |
| Planning & Program Management & Contingency | 2,579,007 | 28,812,086 | 32,107,735 |
| Subtotal | \$ 2,579,007 | \$ 28,812,086 | \$ 32,107,735 |
| Total | \$ 4,153,779 | \$ 315,155,594 | \$ 418,422,385 |

STAY IN TOUCH

The Citizens' Oversight Committee meets quarterly to review Measure B projects and progress. All meetings are open to the public and are held at 3:30 p.m. in the Cravens Student Services Center, Multi-Purpose Room on the Palm Desert Campus at 43-500 Monterey Ave., Palm Desert, CA 92260.

For more information on Measure B, the Facilities Master Plan, Citizens Oversight Committee agendas and meeting minutes, go to the COD Bond Website at www.bond.collegeofthedesert.edu or call the College at (760) 773-2511.

UPCOMING MEETING DATES:

December 5, 2016, 3:30 p.m.

March 14, 2017, 3:30 p.m.

June 13, 2017, 3:30 p.m.

September 12, 2017, 3:30 p.m.

Cravens Student Services Center
Multi-Purpose Room

2015-2016

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