



COLLEGE OF THE DESERT CITIZENS' BOND OVERSIGHT COMMITTEE 2018-2019 ANNUAL REPORT

FOR FISCAL YEAR ENDING JUNE 30, 2019



LETTER FROM THE MEASURE B AND MEASURE CC CITIZENS' BOND OVERSIGHT COMMITTEE CHAIR

Dear Coachella Valley Residents,

The Citizens' Bond Oversight Committee is pleased to present its 15th annual report as required by Proposition 39, the legislative authority of both Measure B and Measure CC. As your local representatives, it is our responsibility to oversee the expenditure of Bond Funds, as approved by the Desert Community College District Board of Trustees, to ascertain that they are spent as specified in the ballot measure language.

Measures B and CC were approved by voters in 2004 and 2016 respectively, and as required, the Desert Community College District Board of Trustees appointed an independent Citizens' Bond Oversight Committee, comprised of seven members who represent a wide 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 planning and financial projections. We perform a review and monitoring function to help ensure transparency and accountability. We receive regular briefings and data from the District and outside auditors as part of a continuous review process. Members are responsible for helping to assure compliance with Measure B and Measure CC requirements. As a committee, we appreciate the District's organization, planning process, and quality of information provided for consideration.

The Coachella Valley is experiencing unprecedented growth and as a result College of the Desert is experiencing enrollment growth at a rate that is among the highest in the State of California. The College is responding by expanding facilities that are consistent with its Educational Master Plan and the 2019 Facilities Master Plan. The Capital Development program is assisting the District in fulfilling its commitment to provide all College of the Desert students with modern facilities capable of providing high demand and integrative programs.

The picturesque sites of College of the Desert are utilized by residents and visitors to the Coachella Valley. Whether attending one of the many events hosted by the College or enjoying the Street Fair on the weekend, College of the Desert facilities serve the entire community!

Measures B and CC Bond projects attempt to address the College's most critical facility needs, including safety, conservation, technology advancements and modern training space in response to curriculum and community needs. These facilities and their programs enable the College to continue providing an opportunity for a first-class education. College of the Desert stimulates economic growth and helps to improve the quality of life for the entire region through its education and training of individuals and professionals who become part of the workforce for Coachella Valley businesses and ventures.

Information regarding the Citizen Oversight charge, memberships, agendas and meetings can be found at: www.bond.collegeofthedesert.edu. We welcome members of the public to our meetings.

Sincerely,

Andrew Harker, Ed.D.

2019-2020 Citizens' Bond Oversight 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 and 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, and electrical systems;
- Upgrading/adding classrooms for computer technology;
- Repairing, acquiring, constructing, equipping buildings, sites, classrooms; and
- Acquiring sites and developing campuses in the eastern and western Coachella Valley.

The Board of Trustees of College of the Desert Community College District, the governing Board of College of the Desert, evaluated the District's urgent and critical facility needs, including safety issues, enrollment growth, energy reduction, 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. These projects are listed in the Facilities Master Plan and were unanimously approved by the Board of Trustees. Input from 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 computing.

MEASURE CC

In November 2016, a \$577.8 million Bond Measure to invest in the future of the College, its students and the Coachella Valley community was approved by more than 71 percent of voters. Funds will be dedicated to building a Palm Springs location, reducing overcrowding by building new classrooms and laboratories throughout the valley and expanding educational opportunities and access to meet the expanding needs of the local community and economy. College of the Desert will meet these expectations by:

- Upgrading nursing, first responder, law enforcement, job and career training classrooms;
- Expanding career and support facilities for veterans and military;
- Improving and expanding science labs, electrical systems and computer technology;
- Repairing leaky roofs, bathrooms and disabled accessibility; and
- Acquiring, constructing and repairing facilities, sites and equipment.

As of the 2018-2019 school year, the College enrolled more than 16,000 students. It is currently one of the fastest growing community colleges in California with enrollment up 34 percent since 2012. About 84 percent of students are the first in their family to attend college.

In 2017, College of the Desert released its 2017-2022 Educational Master Plan, which lays out a plan for the College to continue serving students and the communities of the growing Coachella Valley. The College's Mission, Vision and Values statements were the highest-level driver for the Educational Master Plan. These statements, as well as the Board-adopted Strategic Master Plan, are kept firmly in the forefront as various planning activities take place. Bond Funds from Measure CC will be used to ensure that the vision laid out in the Educational Master Plan comes to fruition.

PURPOSE OF THE CITIZENS' BOND OVERSIGHT COMMITTEE

Measures B and CC were 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 citizen organizations and students. The Committee 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 met 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 Bond Funds only on those projects identified in Measures B & CC and approved by the voters.

INCOMING BOND OVERSIGHT COMMITTEE MEMBERS FOR 2019-2020



Seven people are responsible for overseeing the \$924.3 million bonds, issued and approved by voters since March 2004, for College of the Desert construction and campus renovations. The group meets quarterly to review expenditures and to see that 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. Steven Bayard**, *Vice Chair, East Valley Representative*; **Ms. Becky Broughton**, *Business Representative*; **Ms. Margie Eklund**, *Senior Citizen Group Representative*; **Andrew L. Harker, Ed.D.**, *Chair, West Valley Representative*; **Ms. Vicki Shepard**, *Tax Payer Representative*; **Mr. Aaron Willms**, *Student Representative*; **Vacant**, *College Support Organization Representative*.

2018-19 CITIZENS' BOND OVERSIGHT COMMITTEE MEMBERS

Mr. Vernon Kozlen
Chair, College Support Organization

Mr. Andrew L. Harker, Ed.D.
Vice Chair, West Valley Representative

Mr. Steven Bayard
East Valley Representative

Ms. Margie Eklund
Senior Citizen Group Representative

Ms. Vicki Shepard
Tax Payer Representative

Ms. Eileen Packer
Business Representative

Mr. David Dominguez
Student Representative

COLLEGE OF THE DESERT PROGRAM MANAGEMENT TEAM

Mr. John Ramont
Vice President, Administrative Services

Mr. John White
*Executive Director, Bond Program
and Facilities Planning*

Mr. Mac McGinnis
*Program Manager,
Bond Management Office*

FIFTEENTH YEAR REPORT: MEASURE B AND MEASURE CC PROJECTS COMPLETED OR IN PROCESS

Since the passage of Measure B in 2004, the District has followed a building program that is informed by its family of planning documents and responds to facilities conditioned capital renewal and replacement, seismic, safety, accessibility and building code requirements, along with the need to update infrastructure and data/information technology. The District accepts its responsibilities as stewards of the Bond resources and has made a commitment to comply with Bond language requirements and the expectations of Coachella Valley citizens, and is committed to achieving a high return on investment for the community. Planning continues on new projects for the Palm Desert campus, the Indio Center, the Palm Springs Development Project and other sites and locations as part of the overall College of the Desert capital development plan.

Palm Desert Campus

College of the Desert strives to serve students in the Coachella Valley seeking to enhance their lives through education. In 2019, two years after College of the Desert's implementation of the pEDGE program, which offers two full years of free tuition and fees, the first round of graduates walked the stage marking the largest graduating class in College of the Desert's history. Increasing enrollment necessitates the provision of modern teaching and learning facilities and support space to meet these demands.

Taking center stage is the Bond funded Central Campus Redevelopment Project. This project restores and modernizes the Hilb Library and Building

"C" located in the Palm Desert campus core. The design preserves the original John Carl Warnecke architecture, which holds deep sentimental value to the District and Coachella Valley residents. It provides a modern open concept that is inviting. The Hilb renovation includes the modernization of a 2-story 41,587 square-foot building. The first floor is home to Library operations, while the second floor provides a computer lab, study rooms and office space. The second level is wrapped in floor to ceiling windows, which offer unobstructed views of the vast panorama of the Santa Rosa and San Jacinto Mountains. A renovation of the "C" Building adjacent to the Library provides a dedicated Boardroom and administrative offices.

Welcoming students, staff and visitors to College of the Desert is about to get even more inviting! The Central Campus Quad Renovation removes the existing plaza directly in front of the Hilb Library in its entirety and replaces it with a modern design that includes new landscaping, hardscaping and infinity edge fountain with lighting and jets. The Measure CC Bond will be used to fund this project. The Central Plant Renovation project constructs a new water well to support campus landscape and renovates an existing water well that are integrated with the campus' Building Management System. This project is funded by Redevelopment Agency funds.



FIFTEENTH YEAR REPORT: MEASURE B AND MEASURE CC PROJECTS COMPLETED OR IN PROCESS



East Valley

Completion of the first Indio Center instructional facilities in 2014 brought much needed educational facilities to one of the fastest growing areas in the Coachella Valley. College of the Desert is committed to serving the needs of the students eager to learn and grow through education. Since opening the doors of the Indio Center, enrollment related needs have exceeded classroom space available. College of the Desert worked with the City of Indio to increase the acreage available for development. The Indio Expansion Project includes a new instructional building adjacent to the existing instructional facility connected by a pavilion. This new building is 67,000 square feet and includes student success services, classrooms, science teaching laboratories, faculty and staff offices, a student cafe and open study and collaboration

areas. The District will also complete roughly 10,000 square feet of modifications to the original adjacent instruction facility. The expansion project is in its construction documents phase with construction anticipated during Spring 2021. The project is funded using Measure CC Bond Funds and opening is planned for Winter 2022-23.

The Indio Child Development Center is a new 17,000 square-foot building, with 7,000 square feet of outdoor play yards and shade structures. The new building will accommodate toddler and preschool classrooms and support spaces required for a modern facility. The building will also provide classroom and observation spaces. The Indio Child Development Center is funded using Measure CC Bond Funds.

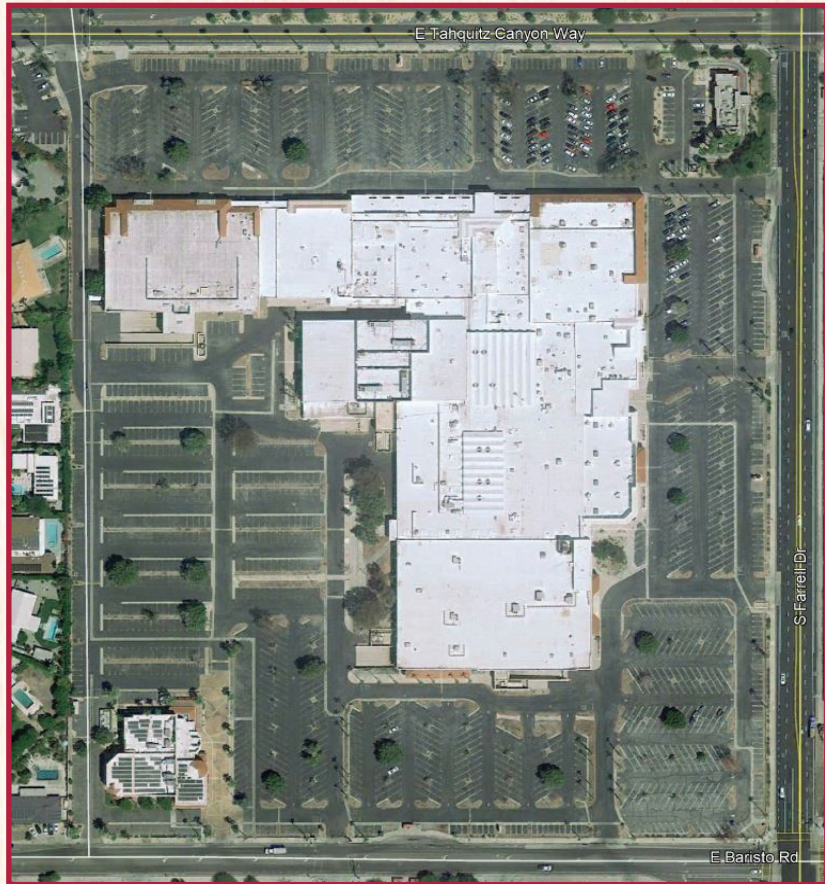


FIFTEENTH YEAR REPORT: MEASURE B AND MEASURE CC PROJECTS COMPLETED OR IN PROCESS

West Valley

In early 2016, the Desert Community College District Board of Trustees unanimously approved the acquisition of the old Palm Springs Mall for the new site of the Palm Springs Development Project. College of the Desert demolished the existing 330,000 square-foot mall during the Summer and Fall of 2019. Demolition clears the way for the highly anticipated Palm Springs Development Project. College of the Desert is committed to building an environmentally-responsible site with facilities and signature programs tailored to the West Valley and the City of Palm Springs thriving hospitality/tourism and events; culinary; digital arts and media; and health education, wellness and nutrition industries.

Did you know that College of the Desert offers a popular Auto Mechanics and Advanced Transportation program? The District is excited to announce that Roadrunner Motors will be relocated from the Palm Desert campus to a new location in Cathedral City adjacent to the Cathedral City Auto Park. The project will provide specialized and general classrooms, teaching laboratories, service vehicle bays and lifts, offices, conference rooms, support space and parking. The building is in its programming phase.



INDEPENDENT FINANCIAL AND PERFORMANCE AUDITS

In compliance with Proposition 39, the Board of Trustees engaged the independent audit firm of Eide Bailly 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 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.

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

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 10 sound reasons for pursuing it to completion:

1. It enables the College to develop new campus sites and facilities to serve the entire Coachella Valley during the second 60 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 are critical to the College's 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 the College closer to contemporary technology standards.
7. It positions the College to meet long-term demands of a growing and diversifying valley population once the short-term state funding crisis has passed.
8. It provides the opportunity for the College to practically demonstrate leadership in sustainability stewardship in all its new buildings and campuses.
9. It must be aggressively pursued to completion because 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

The District's Policy of Sustainability Stewardship and other Sustainability Performance Targets and Guidelines can be found on the District's sustainability webpage, at: www.collegeofthedesert.edu/sustainability. Other planning, sustainability and stewardship resources can be found on the District Bond Program and Facilities Planning web pages at: www.collegeofthedesert.edu/facilitiesplanningresources.

Sustainability interests and efforts at College of the Desert are informed by:

- Desert Community Board Policy No. 3001 on Sustainability Stewardship
- College of the Desert, Sustainability Council
- California Community Colleges Board of Governors, Energy and Sustainability Policy

- State of California – Department of General Services, Office of Sustainability
- California Community Colleges, Office of the Chancellor program and initiatives
- California Proposition 39 and Prop 39 Implementation Guidelines (2014)

It is the practice of the College of the Desert to design new buildings to Leadership in Energy and Environmental Design (LEED) Silver equivalent standards. The building rating system takes into account factors 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 MEMORIAM - VERN KOZLEN



An alumnus of College of the Desert, Vern Kozlen was passionate about higher education and student success.

Not only did he contribute a generous gift for student scholarships on behalf of himself and his late wife Paula, he also served on the Citizens' Bond Oversight Committee and on the

Foundation Board, where he served on the Finance and Investment Committee for many years.

Prior to his retirement in 2007, Vern was the Executive Vice President

and Director of Asset Management Affiliates for City National Bank, where he was responsible for managing the company's relationships with affiliated external investment management firms and other noninterest-income-oriented products.

A member of the first class of students to walk through the doors at College of the Desert in 1962, Vern never forgot the important role the College played in his life.

He said that College of the Desert was there for him when he needed it most and he showed his appreciation by being an ardent supporter of both the College and our students.

His presence will be truly missed.

UPDATED BOND PROJECTS EXPENDITURES AND PROGRESS REPORT AT JUNE 30, 2019

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, 2019	Actual Costs August 1, 2004 through June 30, 2019	Total Budget at June 30, 2019
JOB AND CAREER TRAINING PROJECTS			
Applied Sciences	\$ 0	\$ 12,125,867	\$ 12,125,867
Barker Nursing Complex	0	10,962,344	10,962,344
Burn Tower	0	2,875,267	2,875,267
Child Development Center	0	6,066,890	6,066,890
Nursing Building Renovation	0	3,538,287	3,538,287
Public Safety Academy Phase I	0	14,911,665	14,911,665
Subtotal	\$ 0	\$ 50,480,321	\$ 50,480,321
CLASSROOM BUILDINGS AND FACILITIES			
Alumni Center	\$ 0	\$ 2,714,816	\$ 2,714,816
Athletic facilities & Aquatics	0	23,697,447	23,697,447
Business Building Renovation	0	4,598,036	4,598,036
Central Campus Redevelopment	\$15,999,867	21,060,602	37,550,000
Communications Building	0	20,221,675	20,221,675
Cravens Student Center	0	22,984,365	22,984,365
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	0	24,091,497	24,091,497
Math Science Technology	0	23,997,569	24,040,932
Mecca/Thermal Campus Expansion	(49,904)	3,493,606	29,700,000
Relocations Project	0	699,230	699,230
Scene Shop	0	74,676	74,676
Science Labs	0	223,624	223,624
Soil Contingency	0	0	0
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	0	8,434,163	8,434,163
Visual Arts Canopy	0	180,328	180,328
Voice Over I.P. Communication	0	964,487	964,487
West Valley Palm Springs Phase 1	0	5,403,355	5,403,355
West Valley Palm Springs Campus & Temporary Modulars	1,737,130	12,866,989	34,586,645
Wireless Access	0	322,555	322,555
Subtotal	\$ 17,687,093	\$ 198,681,587	\$ 263,140,398
HEALTH AND SAFETY PROJECTS			
Subtotal	\$ 0	\$ 39,533,239	\$ 39,604,435
ENERGY EFFICIENCY IMPROVEMENTS			
Subtotal	\$ 0	\$ 16,464,459	\$ 16,743,568
SAFETY, SECURITY AND SITES			
Subtotal	\$ 0	\$ 15,830,867	\$ 15,844,279
OTHER			
Planning & Program Management & Contingency	3,078,266	34,683,505	38,435,767
Subtotal	\$ 3,078,266	\$ 34,683,505	\$ 38,435,767
Total	\$ 20,765,359	\$ 355,673,977	\$ 424,248,768

STAY IN TOUCH

The Citizens' Bond Oversight Committee meets quarterly to review Measure B and CC projects and progress. All meetings are open to the public and are held at 3:30 p.m. in the North Annex, Room 1, on the Palm Desert Campus at 43500 Monterey Avenue, Palm Desert, CA 92260.

For more information on Measure B or Measure CC, the Facilities Master Plan, Citizens' Bond Oversight Committee agendas and meeting minutes, go to the College of the Desert Bond website at www.bond.collegeofthedesert.edu or call the College at 760.773.2511.

UPCOMING MEETING DATES:

March 10, 2020, 3:30 p.m.

June 9, 2020, 3:30 p.m.

September 8, 2020, 3:30 p.m.

December 8, 2020, 3:30 p.m.

Location: North Annex, Room 1

2018-2019

DESERT COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES

Bonnie Stefan, Ed.D., Fred Jandt, Ph.D.,
Mary Jane Sanchez-Fulton, Aurora Wilson, Rubén Aríaztlán Pérez,
Jonathan Ramont, *Student Trustee*

Joel L. Kinnamon, Ed.D.
College Superintendent/President



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