

2009 Annual Report to the Board of Trustees

Bond Measure V
Citizens' Oversight Committee



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Letter From The Chair

As Chair of the Measure V Citizens' Oversight Committee, it is my pleasure to present the first Annual Report to the Board of Trustees of the Santa Barbara Community College District. The Board of Trustees established this committee in compliance with Education Code Section 15278 and Proposition 39. Our first meeting was held on November 6, 2008 and we have since met four times.

The meetings of the Citizens' Oversight Committee have been well-organized and informative. Information reviewed at each meeting includes Quarterly Financial Reports, Project Expenditure Summaries, and Project Construction Updates. SBCC Staff and Administrators have been very helpful in providing timely information to the Committee as well as responding to the Committees requests for clarification or further information. Unlike many Bond Construction Programs, the Measure V Program is unique in that the College had several projects in various stages of design at the time the Bond was passed by the voters of this community. As such, the College was able to quickly put several projects out to bid and start construction. As a Committee, we are excited about all of the projects currently under construction as well as those that are planned for the future. On behalf of the District, this Committee would like to express its gratitude to the voters of the community, without whom the Measure V Bond Construction Program would not exist.

It is our opinion, based upon the Committee's oversight activities and a review of the independent financial and performance audits, that the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution. With the presentation of this Annual Report, the Bond Oversight Committee members assure voters that Measure V Bond expenditures have been properly made and have been utilized for projects consistent with those identified in the bond measure. It is our sincere hope that you will find this Annual Report informative and comprehensive.

Sincerely,



H. Edward Heron, Chairperson

Executive Summary

2009 was an exciting year for Santa Barbara City College. Several projects began construction, while many others were developed through the planning and design process. The Drama/Music Modernization, Bridge Renovation, and the new Luria Conference and Press Center are currently under construction. Several deferred maintenance projects have been completed or are under design, as indicated herein. In addition, certain capital projects have been accelerated to be constructed earlier than initially planned due to the unavailability of State funding.

Unfortunately, the College was faced with dynamic and difficult financial circumstances, which necessitated the postponement of the School of Media Arts (SoMA) project. SBCC had anticipated receiving \$31,365,000 in State funding. However, the State funding was reduced by the Department of Finance to \$22,522,000 in May 2009. As a result, on August 27, 2009, at the regularly-scheduled meeting, the Board of Trustees voted to indefinitely postpone the SoMA project. While this was a very difficult decision for the Board and the College, it was the fiscally prudent course of action. SBCC Administration consulted with the governance groups of the College and received unanimous support. The end result is that the project is postponed, but should additional funding become available from the State, or from local sources, this project will be re-considered. At that time, the College would need to re-apply for funding for this project through the State Chancellor's Office.

The Citizens' Oversight Committee remains committed to the long-term success of the College and will continue to monitor and provide updated reports on the status of the Measure V Bond Program. The College has experienced unprecedented student growth and through the judicious use of Measure V Funds, the Bond Program will allow SBCC to continue to educate students and prepare for the future by replacing and supplementing existing College infrastructure.

Bond Measure V Overview

Measure V is the Santa Barbara City College Construction Improvement Bond Measure passed on the June 3, 2008 ballot. Measure V asked voters to approve a \$77.2 million bond. Funding from the bond will help the College modernize technology, upgrade the deteriorating infrastructure of aging classroom and office buildings, and improve existing teaching and learning environments.

Measure V was presented under the provisions of Proposition 39, requiring that at least 55% of voters approve a measure for its passage. Measure V received over 70% approval.



Citizens' Bond Oversight Committee

Committee Members:

Edward Heron, Business Representative (Chair)

Tim Tremblay, Business Representative (Vice Chair)

Nicole Ridgell, Student Representative

Lanny Ebenstein, Taxpayer Organization & Community Member Representative

Mark Levine, Senior Citizen Group & Foundation for SBCC Board Representative

Elvira Gomez de Tafoya, Community Member Representative

Marshall Rose, Community Member Representative



Meetings Held To Date:

November 6, 2008

June 18, 2009

February 18, 2010

February 19, 2009

November 12, 2009

Planned Meetings:

June 17, 2010

Schedule of future meetings available on sbcc.edu - Measure V website.

The Role Of The Citizens' Oversight Committee

As promised to the voters, and as required by law, the Santa Barbara Community College District Board of Trustees has adopted a resolution establishing the Measure V Citizens' Oversight Committee. There are seven established seats on the committee, the required minimum under the laws governing the establishment and implementation of the Citizens' Oversight Committee.

Members are selected based upon criteria established by Proposition 39:

- One active member from the following: a business organization representing the business community located in the district; a senior citizens' organization; a bona-fide taxpayers' association; a support organization for the College; and, a student enrolled in a community college support group.
- Two members of the community at large.

Members of the Citizens' Oversight Committee are appointed for one- or two-year terms and may not serve more than two consecutive terms. Members serve on the committee without compensation. The committee is an advisory committee, and does not have a legal capacity independent from the District. The duties of the committee are to review expenditures, to inform the public, and to provide an Annual Report to the Board of Trustees in an open session at a Board meeting.

Meetings are scheduled as indicated on the previous page. Meetings are held in Room A218C of the MacDougall Administration Center on the College's Mesa Campus. All Committee meetings are open to the public and are subject to the provisions of the Brown Act.

Period Covered By The Report

To accurately reflect the information contained in the audited financial report, the financial analysis section of this report covers the time period from July 1, 2008 to June 30, 2009.

Report On Independent Financial And Performance Audits

The District has received, and the Citizens' Oversight Committee has reviewed, the financial and performance audit for the Measure V Bond Construction Fund for the fiscal year ending June 30, 2009. Glenn, Burdette, Phillips & Bryson, an independent auditing firm, prepared the report to comply with Proposition 39 accountability within the California Constitution. The report stated:

"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure V Bond Construction Fund of the Santa Barbara Community College District as of June 30, 2009, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America."

Financial Compliance Confirmation

All expenditures authorized by Measure V have been reviewed by the Citizens' Oversight Committee to ensure that the money was spent only on improvement projects as required by Proposition 39. All funds expended from Measure V will be audited annually by an independent accounting firm.

The Citizens' Oversight Committee has reviewed expenditures and projects, and finds that the District is in compliance with Article XIII A Section 1(b)(3) of the California Constitution and consistent with the District's approved Measure V local bond measure.

Oversight Committee Activities

Over the past year, the committee has been an active participant overseeing Measure V expenditures and activities. The committee has reviewed various budget and project issues. In accordance with Proposition 39, the committee has regularly reviewed bond expenditures, as well as the independently conducted financial and performance audits.

Measure V Project Status

For purposes of reporting current activity on the projects contained within the Measure V Bond Program, this report covers the calendar year ending December 31, 2009.

Capital Construction Projects

Drama/Music Modernization:

The Modernization of the Drama/Music Facility is partially state-funded. State funding for this project was secured in previous years. The remaining funding is from Measure V. During the reporting period, the design was completed, approval was obtained from the Division of the State Architect (DSA) and the project was put out to bid. The project was put out to bid in three packages: Core and Shell; Theater Specialties; and Audio/Visual. Bids were received on April 17, 2009. The Board of Trustees awarded the three contracts, subject to approval of the State Department of Finance, on April 23, 2009. The low bidder for the Core and Shell and Theater Specialties packages was Diani Building Corp. The low bidder for the Audio/Visual package was Frank Schipper. Subsequently, the College and Schipper agreed to terminate the contract due to issues with the scope of work included in the Audio/Visual package. At the September 24, 2009 Board of Trustees meeting, the Board awarded the Audio/Visual contract to Diani Building Corp.

The project is currently underway, with construction beginning on June 15, 2009. Some delays have occurred on the project, consisting primarily of unforeseen conditions related to additional unanticipated asbestos abatement and underground conduits which conflicted with the drilling of several large cast-in-drilled-hole concrete piles. It is anticipated that the construction of this modernization project will be completed during the Fall 2010 semester, barring any further unforeseen delays.



Capital Construction Projects (continued)

School of Media Arts Building:

Due to a reduction in State funding, the planned School of Media Arts project has been indefinitely postponed. After careful consideration, the Board of Trustees voted to postpone the construction of this project. Several options were considered in order to continue with this project, but after weighing the available options, the decision was made that the project should be postponed in order to maximize the utilization of Measure V in order to better serve the community and SBCC students. The College has proceeded with completion of design and submittal to DSA. Should the necessary additional funding be obtained at some point in the future, the College intends to move forward with the construction of this project. The postponement of this construction has further taxed the existing facilities, as certain areas originally anticipated to be vacated by this project will continue to house their current occupants.

Humanities Modernization:

During the past year, it has become clear that the anticipated State funding will not be available for this project, therefore all funding will be from Measure V. Due to the postponement of the SoMA project, and the understanding that State funding will not be forthcoming, the College has accelerated the schedule for this project, and will attempt to begin construction in 2011, instead of beginning construction after the completion of the SoMA project. To that end, the College has begun the process of hiring an architect to perform the planning, design, DSA processing, and construction administration of the Humanities Modernization. The Program Management Team and College Administrators have held project initiation meetings with representative of users of this building to begin planning for this project. It is anticipated that a designer will be selected at the beginning of 2010. Depending on several factors, including the completion of the Drama/Music Modernization in time to allow for adequate swing space, this project is anticipated to begin construction during the Spring 2011 semester.

Capital Improvement Projects (continued)

Campus Center Modernization:

During the past year, it became clear that the anticipated State funding will not be available for this project, therefore all funding will be from Measure V. The College has elected to increase the funding for this project by \$1 Million in funds originally slated for SoMA. Due to the postponement of the SoMA project, and the understanding that State funding will not be forthcoming, the College has accelerated the schedule for this project, and will attempt to begin construction in 2011, instead of beginning construction after the completion of the SoMA project. To that end, the College has begun the process of hiring an architect to perform the planning, design, DSA processing, and construction administration of the Campus Center Modernization. The Program Management Team and College Administrators have held project initiation meetings with representatives of the users of this building to begin planning for this project. It is anticipated that a designer will be selected at the beginning of 2010. Depending on several factors, including coordination with the Humanities Modernization and the completion of the Drama/Music Modernization in time to allow for adequate swing space, this project is anticipated to begin construction during the Summer 2011 semester.



Major Deferred Maintenance Projects

Pershing Park Softball Upgrades:

SBCC has a joint-use agreement with the City of Santa Barbara for the use of Pershing Park facilities for softball and baseball. The softball field has been in need of improvement for many years. One of the Measure V Deferred Maintenance projects is the softball field improvements. Improvements include grading the infield to facilitate drainage, replacement of the dugouts, installation of bullpens and a batting cage, irrigation improvements, and site concrete work. The design has been approved by the City Parks and Recreation Department as well as the Historical Landmarks Committee. It is anticipated that this project will be put out to bid during the Spring 2010 semester and that construction will take place during Summer 2010.

Major Deferred Maintenance Projects (continued)

Luria Conference and Press Center:

The Luria Conference and Press Center is partially funded by a donation from the Luria Family and other private donors . The remainder of the funding is from Measure V. This project involves the demolition of the existing press box, and construction of three new buildings which will serve as a press box, coaches boxes, and



general conference rooms. The design and DSA approval were completed and the project was put out to bid. Bids were received on February 19, 2009 and the contract was awarded to the low bidder, Diani Building Corp, on February 26, 2009. Construction began on April 6, 2009. Construction is currently underway and is anticipated to be completed during the Spring 2010 semester.



Campus-Wide Energy Management System:

This Measure V-funded project has been implemented in two phases. Phase I involved the analysis of all major existing energy using equipment on campus. The end result of this phase was a complete design for Phase II implementation. Through the use of greater equipment control, and efficiency principles, the College will benefit from this project with lower energy costs and more efficient workspaces. Phase I was approved by the Board of Trustees on April 23, 2009, and the work was performed throughout the Summer and Fall of 2009. Phase II was approved by the Board of Trustees on October 29, 2009. Implementation of Phase II began over the 2009-2010 winter break and will continue through the Spring 2010 semester.

Major Deferred Maintenance Projects (continued)

Pedestrian Bridge Deck Repair/Replacement:

The existing pedestrian bridge between the East Campus and West Campus was constructed approximately 30 years ago. It is a wood-framed structure with concrete columns connecting the East and West Campuses. The major structural members are constructed from glue-laminated wood beams. This project initially involved replacement of the deck walking surface, minor structural upgrades of the beam-to-column connections, replacement of handrails, painting of the entire structure, and various minor improvements. The project was put out to bid and bids were received on April 7, 2009. On April 23, 2009, the Board of Trustees voted to award the construction contract to Cushman Contracting Corp. Construction began during Summer 2009 and great efforts were made to ensure that the bridge remained open for student and staff use while classes were in session.



Once construction began, it was found that over time the bridge had sustained major structural damage due to water and termite damage. In order to keep the bridge in operation and ensure the safety of students and the public, the College instructed the contractor to design and install necessary shoring and to proceed with construction on a “time and material” basis. After careful analysis, it was determined that all ten major horizontal beams required replacement. The work has continued and is anticipated to be completed during the Spring 2010 semester. The 70’ long glue-laminated beams are constructed of Alaskan Yellow Cedar, instead of Douglas Fir, in order to prevent future water damage.

Major Deferred Maintenance Projects (continued)

Ongoing/Upcoming Anticipated Deferred Maintenance Projects:

- La Playa Stadium Track and Field Replacement
- Campus-Wide Electronic Keyless Entry System
- Kinko's Early Learning Center Improvements
- Emergency Phone System Improvements
- Generator Supported Services Expansion
- Gourmet Dining Room Modernization
- Disabled Access Upgrades
- HVAC Replacement and Upgrades
- Exterior Painting Projects
- Interior Painting Projects
- Interior Flooring Replacement Projects
- Learning Resource Center Improvements
- Physical Education Facility Interior Improvement Projects
- Cosmetology Conversion – Wake Center
- East Campus Snack Shop Improvements
- West Campus Snack Shop Improvements
- Wake/Schott Centers Parking Lot Resurfacing
- Trellis Repair and Refinishing
- Roofing Repair and Improvements
- Campus-Wide Network Infrastructure Improvements



This is a partial list of anticipated upcoming projects. This list is not intended to be all-inclusive. The Measure V project list remains subject to change in order to fit the ongoing needs of the College. The Administration and the Program Management Team will continue to ensure that the Citizens' Oversight Committee is informed of upcoming project changes as soon as information is available.

Santa Barbara Community College District General Obligation Bond Expenditure Report

July 1, 2008 – June 30, 2009

SANTA BARBARA COMMUNITY COLLEGE DISTRICT
MEASURE V BOND CONSTRUCTION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
JUNE 30, 2009

Revenues

Revenue limit sources:

State apportionments	\$ 47,000,000
Total revenue limit sources	47,000,000

Other local revenue	466,267
Total revenues	47,466,267

Expenditures

Academic salaries	7,837
Classified salaries	18,238
Employee benefits	402
Books and supplies	4,614
Services and other operating expenditures	101,523
Capital outlay	4,135,520
Total expenditures	4,268,134

Excess of Revenues Over Expenditures	43,198,133
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<u>Fund Balances - Beginning of Year</u>	-
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<u>Fund Balances - End of Year</u>	\$ 43,198,133
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SANTA BARBARA CITY COLLEGE

