

# SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

## Bond Oversight Committee Annual Report to the Community - 2008

### Background

Voters in San Mateo County generously voted to approve two separate bond measures (Measure C in 2001 and Measure A in 2005) which together provided \$675 million in funding for updating, modernizing, and retrofitting the three community colleges serving County residents: Cañada College, College of San Mateo and Skyline College. As required by law, the District Board of Trustees established a Bond Oversight Committee in 2001 composed of community leaders with expertise in finance, accounting, education, construction, sustainability and local government. The 11-member Committee is charged with the responsibility to assure voters that bond proceeds are expended only for construction, reconstruction, rehabilitation or replacement of College facilities in compliance with the ballot language approved by voters, and that no funds are used for teacher or administrator salaries or for other operating costs.

During the past year, the Bond Oversight Committee met quarterly to review the District's bond project plans, timelines and proposed expenditures. At each meeting, the Committee was provided with financial and project plan updates describing the bond-related activities undertaken by the District during the quarter. Throughout the year, members of the Bond Oversight Committee also toured facilities under construction as well as newly completed buildings.

The accounting firm of Vavrinek, Trine, Day & Co., LLP (VTD) conducted both a financial and a performance audit of bond expenditures and activities for both bond funds—Measure C and Measure A. The firm found that the bond fund financial statements present fairly the financial position and results of operations for each respective fund. As part of the performance audits, VTD reviewed approximately 25% of 2007-08 expenditures for each of the bond funds and found that the use of funds was consistent with the stated purposes of the respective bond measures approved by voters. As of December 30, 2008, the District had expended \$204,960,205 and committed an additional \$1,054,515 in Measure C funds—99% of the total Measure C authorization. In addition, the District has expended \$126,083,147 and committed \$192,641,087 of Measure A funds—68% of the total authorization.

### 2008 in Review

During 2008, District and College administrations continued extensive planning, scheduling and campus consultation regarding the scope and sequence of the major bond projects (modernization, new construction, repair) that are taking place at all three Colleges. The District has invested a considerable amount of staff time in pre-construction planning and consultation activities in order to assure that bond project funds are efficiently and effectively expended on College improvements that will benefit students for generations to come. The District staff has also worked aggressively to secure additional State, local and private funding to supplement bond funds. To date, the District has secured more than \$87.5 million from these sources.

This year, the District suffered two significant losses in its capital facilities funds: one as a result of the Lehman Brothers bankruptcy and the other due to the loss of State Capital Outlay funds. The County Investment Pool lost approximately \$155 million in local government funds due to the bankruptcy filing of Lehman Brothers. San Mateo County Community College District was required by law to deposit the proceeds of our bond sales and other cash assets in the county treasury. The Community College District had deposited about \$500 million in the County Investment Pool. Approximately \$415 million represented proceeds from facilities bonds, and most of the remainder of our deposits was from our general fund. The

County Treasurer has estimated that our College District has lost \$20 million in Measure A and Measure C principal and interest. District staff is actively pursuing all available means to try to recoup some of these losses. We are working with federal legislators on a potential “bailout” of local governments which lost money due to the Lehman losses and we have engaged an attorney to investigate all other means of recovery.

Regarding State Capital Outlay funds, the District had applied for and been approved to receive approximately \$54 million in State Capital Outlay funds for projects on all three campuses. This funding was dependent upon the State passing an educational facilities bond in 2008. (For many years the State has floated an educational facilities bond every two years; in 2008, the State decided not to put a bond on the ballot). Without that source of funding, the State Chancellor’s Office made a decision not to fund all projects in the queue. Instead, they required all districts to re-submit requests for proposals. Because of that decision, our District lost \$54 million in State funding. We are currently re-applying for State funding, but we have no information about how successful we will be. The bond funds that were anticipated to be used to support the State Capital Outlay projects will be reallocated.

The Construction Planning Department is still assessing the impact of those losses on the District’s Capital Facilities Plan.

### **Major activities that took place in 2008:**

#### **Cañada College:**

With the completion in 2007 of the new Library and Student Resource Center and the renovation of the main quad, most the remaining work on the Cañada College campus is building renovations, gateways improvements, and completion of the brand new Facilities Maintenance Center.

- The modernization of Buildings 16 and 18, science/engineering classrooms and labs (\$19 million), was completed in August 2008, in time for the opening of the Fall semester. The modernization scope included a new elevator at Building 16, complete replacement of the HVAC system, ADA upgrades, replacement of laboratory fixtures and equipment and finishes upgrades. This project was funded by Measure C and Measure A funds.
- Construction began in 2008 on the new 14,000 square foot Facilities Maintenance Center at Cañada College and should be completed in March 2009. This \$10.3 million project, which will be completed in the Spring, will provide new offices, work space and truck and car bays and storage areas for the facilities team at Cañada. . This new building is targeted to receive LEED certification (Leadership in Energy and Environmental Design), demonstrating the District’s commitment to sustainable building design and construction. This project was funded by Measure A and State Capital Outlay funding.
- The Gateways, Circulation and Parking project, a \$10 million project, includes landmark new entries at Farm Hill Boulevard and Cañada Road; landscape hierarchies to define vehicular and pedestrian circulation routes; accessible paths of travel for the physically disabled community; emergency vehicle access and other safety and security measures/renovation of old and construction of new parking lots. This project will be completed in Spring 2009 and is being funded with Measure A dollars.
- “Pony Espresso,” a small concession building on the main quad at Canada College was also completed this year. This building has quickly become a favorite gathering point for students and staff.

- In the summer of 2005, Phase 1 renovation for Building 8: Administration, which was funded by Measure C, included the modernization of the President's, Vice Presidents' and adjacent business offices on the 2nd floor. During the summer of 2007, admission and records, counseling, financial aid and business services, which were located on the first floor of the building, were relocated to Building 9, the new 72,000 square foot Library and Student Resource Center. This relocation created the opportunity to provide additional business offices and much needed meeting areas for the campus community. The 2007 Building 8 Phase 2 renovation project, which costs \$2.3 million, mainly addresses the first floor, providing additional offices, conference rooms; a staff break room and work room. Also included in this renovation is the installation of a new air conditioning system for the entire building. This upgrade will be a welcome improvement given the warm summer days that the College experiences. The project is expected to be completed in Spring 2009 and is being funded with Measure A dollars.

### **College of San Mateo**

Construction began in 2008 on the large \$215 million CSM Design/Build Project, which involved demolition of four buildings; construction of two new buildings, a new aquatic center and extensive site work and landscape improvements, including the Fine Arts Courtyard.

- The new 88,000 square foot Building 5: Allied Health and Wellness will be the home for the CSM workforce programs, including dental, nursing and cosmetology; it will also house a new fitness/wellness center and be adjacent to the new aquatic center, featuring an Olympic-sized pool and a second pool for competition warm-ups as well as Adaptive Physical Education. This new building is targeted to receive LEED certification (Leadership in Energy and Environmental Design), demonstrating the District's commitment to sustainable building design and construction. Funding for the building and Aquatic Center is from Measure A.
- The new 140,000 square foot Building 10: Student Center, located near the center of campus, will place critical student services in the heart of the campus. The new facility will unite Student Services into a "One-Stop Shop", including admissions, career services, counseling, health center, financial aid, disabled students programs & services, cafeteria, and bookstore. B10 will also house the new Learning Center, a centralized tutorial and student support lab where students can get assistance across the disciplines from writing and mathematics to speech communication and foreign languages. This new building is also targeted to receive LEED certification (Leadership in Energy and Environmental Design). This building is being funded with Measure A and Certificates of Participation (COP) funds.
- The Fine Arts Courtyard project which consisted of a total remodel of the courtyard and landscaping is currently being completed. This project is being funded with Measure A dollars.
- The Building 14 project included modernization of all of the existing classrooms, including new furniture, window filming, wainscoting, lighting, flooring, and improvements to the ventilation, all with attention paid to energy conservation and use of renewable resources. Walls were reconfigured to create seven medium classrooms with seating for over 40-50 students. All of the remodeled classrooms were outfitted with "smart classroom" technology that will keep CSM at the forefront of modern learning centers. The restrooms were completely reconfigured to provide full ADA access and modern low-flow water conservation technology. The lobby was remodeled to present a new professional and sophisticated entrance to the fully refurbished facility and new Student Lounges were incorporated into the design. This \$5.9 million project was funded with Measure A dollars and finished in time for the Spring 2009 semester.

- The second phase of Building 16 included the completion of the lobby renovation including a new lift, making the second floor fully accessible, and a complete remodel of the existing restrooms. The completion of the second phase coincided with the start of the Spring 2009 semester instruction period. This project was funded with \$5.9 million in Measure A funds.
- Building 2 and Building 4 in the Fine Arts Complex were completely modernized. This project included new flooring, and finishes and the installation of “smart classroom” and a complete remodel of the faculty offices. Special attention was paid to improving the acoustics and sound systems in the rooms for the Music Department and light control for the special needs of the 2D, digital, and photographic arts for the Art Department. The Photography classrooms were ready for Summer 2008 and the rest of the Art Department’s instructional spaces were completed in time for the start of the Spring 2009 semester instruction period. This \$ 7.5 million project was funded with Measure A funds.
- CSM also opened a 4,200 square foot satellite center in Half Moon Bay, where the College can offer a variety of classes to meet the needs of Coastside residents. “CSM Coastside” opened in renovated space at Shoreline Station on the Cabrillo Highway near Main Street in Spring 2008, and class enrollments are growing each semester.

### **Skyline College**

- The modernization of Building 7, Science and Allied Health houses health science programs including respiratory therapy, emergency medical technician, and surgical technology. This \$13 million project was completed in December 2008 and funded from Measure A, Measure C and State Capital Outlay dollars.
- A new Facilities Maintenance Center (Buildings 21-24) at Skyline College has been under construction since last Spring and will be completed in Spring 2009. This \$8.2 million (\$5 Million State Capital Outlay and \$3.2 million Measure A) project consists of engineering, custodial, and grounds facilities to maintain campus operations. This new building is also targeted to receive LEED certification (Leadership in Energy and Environmental Design).
- Construction is just about to begin on two new buildings at Skyline College. The new 73,000 square foot Building 4: Multicultural Center, Cosmetology, Classroom & Administration Offices which will house cosmetology, multicultural programs, general classrooms and offices. Building 4 is targeted to receive LEED certification. The new 6,900 square foot Building 11: Automotive Transmission building which will support the very popular automotive technology program at the College. Also part of this \$60.4 million Design/Build project is parking, paving, sidewalk and roadway upgrades; new campus entries; landscape improvements and renovation of existing quads on campus. This project is funded with Measure A funds and expected completion is in 2011.

### **Districtwide**

- The Districtwide Athletics Upgrades project was completed in March 2008 (\$5.9 million). Improvements include the CSM Track and Football plaza area, including a concession stand and ADA-compliant restrooms; CSM softball field, team house and press box; CSM baseball hillside bleachers and stairway; east/west pedestrian pathway; and the Cañada baseball press box.
- Sustainability is one of the Guiding Principles identified in the 2006 Facilities Master Plan. To achieve these goals, the District requires its consultants and contractors to employ sustainable strategies in the projects included in the District’s Capital Improvement Program. The District is proactively looking for opportunities to employ such strategies in the areas of energy management,

waste reduction/waste management, water conservation, use of renewable and green construction materials, and building orientation and design. Moreover, the District is seeking LEED certification (Leadership in Energy and Environmental Design) for the new buildings planned in CIP2, including Skyline and Cañada Colleges' Facilities Maintenance Centers, CSM Building 10N and 5N and Skyline College B4N.

The Bond Oversight Committee continues to be gratified with the results of the District's modernization efforts. More detailed information about the bond projects, timelines, and expenditures-to-date is available on the District's web site: [www.smccd.edu](http://www.smccd.edu). To navigate to the information from the home page, click "*Business & Community*" tab, then *Bond Oversight Committee*. The web pages show the bond projects and information related to the activities of the Bond Oversight Committee: meeting dates, agendas, minutes, and reports. Additional questions and/or concerns should be addressed to the Bond Oversight Committee in care of: [christensen@smccd.edu](mailto:christensen@smccd.edu).

The Bond Oversight Committee welcomes members of the community to its meetings which are held every quarter.

**Submitted by Bond Oversight Committee Members (2008):**

Jim Wyatt, **Chair**  
Marion McDowell, **Co-Chair**  
Linda Asbury  
Marta Bookbinder  
Patrick Cheng  
Gita Dev  
Rose Jacobs-Gibson  
Stanley Gross  
William Nack  
Ruth Nagler  
Laura Saxton