

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

Bond Oversight Committee Annual Report to the Community - 2012

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 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.

During the past year, the Bond Oversight Committee met regularly to review the District's bond project plans, timelines and proposed expenditures. As of June 30, 2011, the District had expended all Measure C funds; therefore, the Oversight Committee only reviewed plans and expenditures from Measure A. At each meeting, the Committee was provided with financial and project plan updates describing the bond-related activities undertaken by the District. 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 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 37% of Measure A expenditures and found that the use of funds was consistent with the stated purposes of the respective bond project lists approved by voters. As of December 31, 2012, the District has expended \$454,083,000 and committed \$2,799,495 of Measure A funds—96% of the total authorization.

2012 in Review

During 2012, the construction pace slowed as most major projects have been completed. District and College administrations continued their collaboration in planning and scheduling construction projects to minimize the impact on the campus communities and to ensure that bond project funds are efficiently and effectively expended on College improvements that will benefit students for generations to come.

District staff also worked aggressively to secure additional State, local and private funding to supplement bond funds; to date, the District has secured more than \$84.3 million from these sources. However, the District is still suffering from the County's loss of \$155 million in funds invested in Lehman Brothers when it went bankrupt in 2008. This caused a loss of \$20 million in District bond project funds; we continue to monitor the bankruptcy proceedings and should learn this year how much of that amount can be recouped. The District also has experienced a decline in State Capital Outlay funds for projects on all three campuses, due to the fact that the State has failed to approve an educational facilities bond since 2006. The District lost \$54 million in previously-approved State funds due to the lack of these educational facilities bond measures. The Lehman and State Capital Outlay losses forced the District to scale back or eliminate several construction projects previously planned.

The good news is that a bill has been introduced in the State Legislature to place a K-14 facilities bond on the ballot for November, 2014. No dollar amount has been specified yet, but district staff will monitor this bill and lobby on behalf of it.

Cañada College

Most of the planned construction projects at Cañada College have been completed. During 2012, the following bond-funded projects occurred at Cañada College:

- The modernization of Building 5 Dining Room (The Grove) was completed in Fall 2012. As part of this project, the interior and exterior dining areas, Career Center, Student Lounge and food-service support facilities have been modernized. Total project cost was \$2M in Measure A funds.
- Minor building improvements in the Gymnasium (Building 1) were completed in Fall 2012. As part of this project, minor ADA accessibility upgrades have been completed and the wood bleachers have been replaced with automated bleachers. Also, bathroom upgrades, the addition of an accessible drinking fountain and hazardous materials removal have been completed. Total project cost was \$500k in Measure A funds.
- The improvements to the tennis courts were completed in Fall 2012. The scope of this project included ADA accessibility and safety upgrades to tennis court surface and subsurface, drainage and improvements to adjacent walkway and parking lot, concrete pads for bleachers, new bleachers, fence and fence fabric replacement. Total project cost was \$1M in Measure A funds.

College of San Mateo

Most of the planned construction projects at College of San Mateo have been completed. This year, the integration of Siemen's Stantrrol aquatics control system with District-standard Schneider building management system was completed in Fall 2012. The scope of this project included monitoring and/or controlling pool heaters, pumps and filtration equipment as well as chemical treatment systems. Total project cost was \$200k of Measure A funds.

Skyline College

Most of the planned construction projects at Skyline College have also been completed. During 2012, the following bond-funded projects occurred at Skyline College:

- The modernization of Building 4 Roof Plaza was completed in Fall 2012. The scope of work included weatherproofing and improvement to the patio by adding plant material, irrigation and tables and chairs. The project cost was \$100k in Measure A funds.
- Minor building improvements in Building 2 Disabled Student Services Program (DSSPS) and Veterans Center were completed in Fall 2012. The scope of this project included ADA accessibility upgrades, painting, flooring, low voltage, AV connections, and hazardous materials removal. The project cost was \$400k in Measure A funds.
- Minor improvements in Building 19 Pacific Heights were completed in Fall 2012. The project scope included ADA accessibility upgrades, roof repair, demolition of existing interior structures, painting, and hazardous materials removal. The project cost was \$150k in Measure A funds.

Districtwide

Sustainability is one of the guiding principles identified in the College District 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 in the areas of energy management, waste reduction/waste management, water conservation, use of renewable and green construction materials, and building orientation and design.

The Bond Oversight Committee continues to be pleased with the results of the District's modernization and new construction efforts. More detailed information about the bond projects, timelines, and expenditures-to-date is available on the District's web site: www.smccd.edu. To navigate to the information from the home page, click on *Bond Oversight Committee* on the District's main web page. There you will find 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.

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

Submitted by Bond Oversight Committee Members (2012):

Steve Dworetzky
Paige Kupperberg, student member
Maritess Lagandaon
Sylvia Merkadeau
Gus Petropoulos
Alan Talansky
Victor Torreano
Adrienne Zanini