



COLLEGE OF THE DESERT CITIZENS' OVERSIGHT COMMITTEE 2014-2015 ANNUAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2015



LETTER FROM THE MEASURE B CITIZENS' OVERSIGHT COMMITTEE CHAIR

Dear Coachella Valley Residents,

The Citizens' Bond Oversight Committee is pleased to present its eleventh 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.

On the Palm Desert Campus, 2014-2015 saw the completion of new Athletic Facilities including a kinesiology building, eight new tennis courts and a state of the art gymnasium. The Applied Sciences building opened its doors to students in 2014. This facility is the new home of the HVAC, architecture, construction technology and natural resources classrooms and labs. The first phase of the Central Campus Redevelopment project moved through the Programming and Schematic Design phases in 2015. This highly anticipated project includes the total renovation of the Hilb and C building. The District is excited to bring the College of the Desert Library back to 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.

The Desert Community College District's Indio Campus has seen incredible success in its enrollment numbers since it opened its doors in February of 2014. Students from the east valley are eager to take advantage of the new facility resulting in classrooms at full capacity. As per the agreement with the City of Indio, the College submitted plans to Department of State Architects (DSA) for retail space located on the first level as well as an additional classroom to help accommodate the surging enrollment numbers.

The Mecca/Thermal Campus continues to experience great success in drawing students and has seen significant growth in enrollment numbers. In 2014 an extensive study was completed which examined the existing and future needs of 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.

In Palm Springs, the District has refocused its efforts on a location more central to the city. Its new proposed location is the Palm Springs Mall located on Farrell Drive. An Environmental Impact Report is currently underway with anticipated delivery of the report in early 2016.

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.

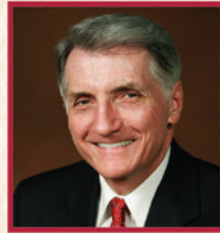
AUTHORITY AND PURPOSE OF THE CITIZENS' OVERSIGHT COMMITTEE

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 2015-2016



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): **Kenneth Eklund**, Chair, Senior Citizen Group Representative; **Fred Jandt, Ph.D.**, Vice Chair, West Valley Representative; **Larry Spicer**, College Support Organization Representative; **Larry Cohen**, Business Representative; **Chris Escobedo**, Taxpayers' Association Representative; **Steven Bayard**, East Valley Representative; and **Jose Rodriguez**, Student Representative.



2014-15 CITIZENS' OVERSIGHT COMMITTEE MEMBERS

Geoffrey S. Kiehl
Chair, East Valley

Kenneth Eklund
Vice Chair, Senior Citizen Group

Larry Spicer
College Support Organization

Fred Jandt, Ph.D.
West Valley

Chris Escobedo
Taxpayers' Association

Larry M. Cohen
Business

Patricia "Tish" Lacy
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
MAAS Companies, Inc.*

ELEVENTH 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.

During the eleventh year of the Measure B program, construction was completed on brand new Athletic Facilities. This project saw the construction of a contemporary gymnasium boasting NCAA basketball courts as well as volleyball, badminton and other court sports. The new gymnasium also includes team rooms and locker rooms. The Kinesiology building houses a new weight room, two multi-purpose rooms and faculty offices. The new gymnasium will include basketball courts, team rooms and locker rooms. The final phase of the Athletic Facilities project included the installation of eight tennis courts. Students have enjoyed these new facilities and rave the ability to practice and play on state of the art facilities.

In 2014, the Applied Sciences building was completed and is now being utilized by students and staff. These facilities house the Desert Community College District's HVAC, architecture, construction technology and natural resources courses. This innovative building consists of exposed mechanical systems and duct work that allow students to surround themselves with material and machinery being taught in their daily course work. This facility also boasts outdoor program space for construction technology.



ELEVENTH YEAR REPORT: MEASURE B PROJECTS COMPLETED OR IN PROCESS

An exciting renovation of the Hilb and C building moved out of the Programming phase and into Schematic Design in 2015. The highly anticipated Central Campus Redevelopment Phase One 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, 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.



Phase two of the Indio Campus project concluded design in 2015 and is currently under review by the Division of State Architects. This phase of the Indio Campus project complies with the District's agreement with the City of Indio to provide retail space on the first floor of the building. Due to unprecedented enrollment numbers experienced in the first full year at the Indio Campus, the need for additional classroom space was a pressing concern. Phase two addresses this concern with the construction of a 1,900 square foot multiuse classroom space.

In response to strong enrollment numbers and projected growth, the Board of Trustees approved the expansion of the existing Mecca/Thermal Campus. This campus expansion project incorporates a new interdisciplinary lab and prep room, a computer lab and one general use classroom into the existing campus landscape. 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. This project was submitted to the Division of State Architects in December 2015. The District anticipates a construction start date in the summer of 2016.



Plans for the Palm Springs Campus continue to be reviewed by regulatory and other governing agencies. An in depth Environmental Impact Study commenced in 2015 and will be completed early 2016. The Desert Community College District is committed to building an environmentally responsible facility that is central to the City of Palm Springs' thriving hospitality and performing arts community.

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, 2015

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, 2015	Actual Costs August 1, 2004 through June 30, 2015	Total Budget
JOB AND CAREER TRAINING PROJECTS			
Applied Sciences	\$ 2,256,041	\$ 12,122,538	\$ 12,381,000
Barker Nursing Complex	0	10,962,344	10,962,344
Burn Tower	0	2,875,267	2,875,267
Child Development Center	306,593	6,053,865	6,074,000
Nursing Building Renovation	0	3,538,287	3,538,287
Public Safety Academy Phase I	0	14,911,665	14,911,665
Subtotal	\$ 2,562,634	\$ 50,463,966	\$ 50,742,563
CLASSROOM BUILDINGS AND FACILITIES			
Alumni Center	\$ 0	\$ 2,714,816	\$ 2,714,816
Athletic facilities & Aquatics	5,445,543	23,700,183	23,848,936
Business Building Renovation	0	4,598,036	4,598,036
Central Campus Redevelopment	217,672	1,645,504	37,550,000
Communications Building	19,075	20,207,144	20,229,845
Cravens Student Center	1,811	22,948,365	22,951,480
Culinary Kitchen	0	410,529	410,529
Dining Hall Renovation	0	5,399,910	5,399,910
East Valley Phase I	124,077	9,913,929	9,913,929
Imaging	0	299,540	299,540
Indio Educational Center	414,044	24,062,684	24,079,850
Math Science Technology	(8,115)	23,973,503	24,040,932
Mecca/Thermal Campus Expansion	136,423	136,423	29,700,000
Relocations Project	148,060	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	450,494	2,042,836	2,100,000
Temporary Dining Facilities	0	752,840	752,840
Visual Arts Building	266,188	8,411,607	8,465,353
Voice Over I.P. Communication	0	964,487	964,487
West Valley Desert Hot Springs	0	1,140	1,140
West Valley Phase I	116	5,403,355	39,990,000
Wireless Access	0	322,555	322,555
Subtotal	\$ 7,215,388	\$ 162,774,760	\$ 263,499,881
HEALTH AND SAFETY PROJECTS			
Subtotal	\$ 93,025	\$ 39,529,237	\$ 39,630,751
ENERGY EFFICIENCY IMPROVEMENTS			
Subtotal	\$ 11,445	\$ 16,464,460	\$ 16,955,186
SAFETY, SECURITY AND SITES			
Site Improvements	\$ 14,826	\$ 2,323,693	\$ 2,608,867
Central Annex	0	2,308,330	2,308,330
Monterey Avenue Improvements	11,001	6,939,391	6,949,114
Security Cameras and Emergency Phones	0	128,745	200,000
South Parking Lot	0	1,004,767	1,004,767
Western Parking Lot	0	2,831,387	2,831,387
Subtotal	\$ 25,827	\$ 15,536,313	\$ 15,902,465
OTHER			
Planning & Program Management & Contingency	2,729,754	26,233,079	29,175,447
Subtotal	\$ 2,729,754	\$ 26,233,079	\$ 29,175,447
Total	\$ 12,638,073	\$ 311,001,815	\$ 415,906,293

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:

March 8, 2016, 3:30 p.m.

June 14, 2016, 3:30 p.m.

September 13, 2016, 3:30 p.m.

Cravens Student Services Center
Multi-Purpose Room

2014-2015 DESERT COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES

Becky Broughton • Mary Jane Sanchez-Fulton
Michael O'Neill • Bonnie Stefan, Ed.D. • Aurora Wilson
Eleanor Campbell, *Student Trustee*

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



43500 Monterey Ave., Palm Desert, CA 92260