



College of the Desert Citizens' Oversight Committee 2010-2011 Annual Report

For Fiscal Year Ended June 30, 2011

Letter from the Measure B Citizens' Oversight Committee Chair

Dear Coachella Valley Residents,

The Citizens' Bond Oversight Committee presents its seventh 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 to assure they are spent as specified in the ballot measure.

Measure B was overwhelmingly 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 the Coachella Valley.

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. As a committee, we have been very impressed with the College's highly organized planning, attention to detail, and diligence of staff to assure most efficient management of bond projects.

On the Palm Desert Campus, construction of the Classroom Building progressed and plans for the construction of another classroom building were nearing approval by the Division of State Architect (DSA), which is the reviewing and approval agency for all the District's projects. These buildings will provide facilities for classes currently held in modular buildings located across the campus. Planning commenced for other classroom buildings, specified in the Bond Measure, which will replace insufficient or inefficient buildings such as deteriorating metal buildings with new permanent classrooms and labs.

In Indio, construction plans for a three story building housing classrooms, offices and multiuse rooms are nearing readiness for submittal to the DSA for review and approval. This building will house the programs that are currently held in leased space in the County Building. The East Valley Center, Mecca Thermal Campus continues to be successful drawing students from the east end of the valley. Classes at that center fill quickly.

The title to the property on North Indian Canyon at Tramview Road was transferred from the City of Palm Springs to the District. Master planning commenced for this site which will house College Buildings integrated with the James O. Jesse Desert Highland Unity Center; commercially operated research and development, training and incubation of clean technology businesses, and GreenPark, a 60 to 70 acre photovoltaic site operated by Southern California Edison. The auxiliary facilities focus on revenue generating and practical training sites for the college's students.

These voter approved projects address the College's most critical facility needs, including safety issues, energy savings, technology, and training programs in response to community needs. These positive changes will enable the College of the Desert to continue to provide an opportunity for a first-class education to youth and adults in the Coachella Valley. The College improves the quality of life for the entire region through its training of professionals and workers for the economic base industries of the valley.

Information on past and future meetings and the on-going bond projects can be found at the 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,

Robert A. Spiegel, *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 dollars to fund facilities projects to train local residents for jobs, prepare students for four-year colleges, 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.

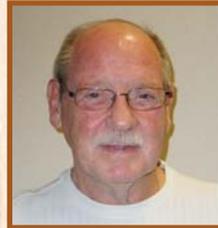
AUTHORITY AND PURPOSE OF THE CITIZENS' OVERSIGHT COMMITTEE

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 2011-2012



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): Robert A. Spiegel, Chair, College Support Organization Representative, Mayor, City of Palm Desert; Mr. Lawrence M. Cohen, Vice Chair, Business Representative, Senior Managing Director and Shareholder, Mesirow Financial; Mr. Robert Flint, Taxpayers' Association Representative, Retired, Manager of Mission Valley Mall, San Diego; (second row) Mr. Geoffrey S. Kiehl, Member-At-Large East Valley Representative, Director of Finance & Treasurer, City of Palm Springs; Ms. Berit Reistad, Senior Citizen Group Representative, Community Service Representative, Home Instead Senior Care; Mr. William H. Waldron, Member-At-Large West Valley Representative; (bottom row) Ms. Cheri Nadell, Student Representative.



2010-11 Citizens' Oversight Committee Members

Mr. Robert A. Spiegel
Chair,
College Support Organization

Mr. Lawrence M. Cohen
Business

Mr. Geoffrey S. Kiehl
Vice Chair, East Valley

Mr. William H. Waldron
West Valley

Mr. Robert Flint
Taxpayers' Association

Ms. Berit Reistad
Senior Citizen Group

Daniel To
Student

College of the Desert Program Management Team

Dr. Edwin Deas
Vice President,
Business Affairs

Mr. Steve Renew
Director, Facilities Services

Mr. Wade Ellis
Director, Fiscal Services

Mr. Mac McGinnis
Program Manager,
Education Information Systems
Professionals

SEVENTH 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.

approval of the Communication Building. This building, located across the courtyard from the Cravens Student Services Center (CSSC) will be the new home of all classes related to language studies. When completed the footprint will be 39,880 sq. ft.



Plans for the redesign of the Monterey entrance are in the works. This project will remediate traffic congestion at the Monterey entrance and turn the space between the new Communication and Cravens Student Services Center buildings into useful assembly and outdoor student life areas.



During the seventh year of the Measure B program, on the east side of the campus, construction of the Classroom Building commenced and has continued. This 40,353 sq. ft. building will have classrooms, large lecture rooms, science labs, the District's MESA program, offices for faculty and staff, and the offices and campus servers of Information Technology and Institutional Research. This will bring together under one permanent roof programs and classes that are currently held in modular or other temporary facilities. Completion is anticipated in Spring 2012.



Architects were selected and planning began for renovation of the existing physical education facility and construction of a new gymnasium. This will resolve the seismic, safety and other code issues in the current buildings. It is anticipated that construction on this project will begin in the fall of 2012.



Construction plans and documents were completed and submitted to the Division of State Architect for review and

SEVENTH YEAR REPORT: MEASURE B PROJECTS COMPLETED OR IN PROCESS



Plans for a Visual Arts building began. This new building will house arts programs which have been held in deteriorating metal warehouse type space for years. The location of the new facility will bring the art students and faculty closer to the campus and the Marks Art Center. Construction on the 13,700 sq. ft. building is anticipated for fall of 2012.

Currently offices for administrative services are housed in several areas, some of which in temporary modular buildings. Plans began for the Administration Building which will bring all of the administrative services together in more efficient and interrelating space. Construction start is anticipated in late 2012 or early 2013.



Career Technical Education programs will move into a new building, now in planning. They are currently held in deteriorating metal buildings and buildings with seismic, safety and other code concerns. A renovated existing building and outdoor labs, along with a new building with classrooms, labs and offices, will provide for a consolidated facility for all of these programs.

Architects were selected and planning started for the Early Childhood Development facility which addresses code and other compliance issues. This facility will be



located immediately adjacent to the existing building on campus and will provide classrooms, observation rooms, offices and a kitchen.



In Indio, at the former site of the Greyhound Bus Station, a three story building housing classrooms, labs, offices and support space will be erected. Plans are nearing readiness for submission to the State Architect for review, and construction is expected to commence in fall of 2012. These classrooms replace those currently held in leased space in the County Building and at other locations in the east valley.



A project at North Indian Canyon and Tramview Road, West Valley Center in Palm Springs, will be the site of a very highly sustainable campus providing for four 'pillar' programs. These pillars, a response to needs identified by the community, are a significant opportunity for partnerships with business, industry and other educational institutions: (1) Hospitality and Tourism; (2) Media & the Arts; (3) Allied Health; and (4) Sustainability Technology. The Master Plan for the site is well underway and programming for the first phase of buildings and site improvements has begun.

ADDENDUM

Subsequent to the period covered by this report, the District conducted a review in the Fall of 2011 to reaffirm 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 by the District 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 COD

Two projects were awarded LEED Silver certification; the Barker Nursing Complex and the Public Safety Academy. Leadership in Energy and Environmental Design (LEED) was developed by the U.S. Green Building Council and provides a framework for identifying and implementing practical and measureable green building design, construction and operations.

More buildings have been submitted for LEED certification and those awards are anticipated in the upcoming years.

As well, the College working with consultants developed its own Sustainability Guidelines, and Sustainability Performance Targets, which inform all projects and are intended to be the baseline for sustainable design and operations for all of the District's Facilities. 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 Lund & Guttry LLP, a local valley firm, 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, 2011

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, 2011	Actual Costs August 1, 2004 through June 30, 2011	Total Budget
JOB AND CAREER TRAINING PROJECTS			
Barker Nursing Complex	\$ 0	\$ 10,962,344	\$ 10,962,344
Burn Tower	0	2,875,267	2,875,267
Career Technical Education (C.T.E.)	537,006	537,006	12,000,000
Child Development Center	47,411	47,411	5,500,000
Nursing Building Renovation	869,900	3,536,941	3,550,000
Public Safety Academy Phase I	0	14,911,665	14,911,665
Subtotal	\$ 1,454,317	\$ 32,870,634	\$ 49,799,276
CLASSROOM BUILDINGS AND FACILITIES			
Administration Building	\$ 215,648	\$ 215,648	\$ 8,750,000
Alumni Centre	0	2,714,816	2,714,816
Athletic facilities	555,494	587,622	21,410,000
Aquatics Swimming Pool Demolition	0	290,087	290,087
Athletic Training & Fields	25,086	1,087,778	1,130,743
Business Building Renovation	0	4,540,458	4,465,621
Classroom Building	6,835,815	9,913,200	23,800,000
Communications Building	647,549	1,403,193	25,100,000
Cravens Student Center	229,194	22,852,946	22,973,516
Culinary Kitchen	0	410,529	410,529
Dining Hall Renovation	130,173	6,151,281	6,190,309
East Valley Phase I	51,145	9,787,370	10,000,000
Indio Educational Center	678,414	1,106,645	20,000,000
Liberal Arts Building Renovation	5,866	5,866	5,500,000
Scene Shop	0	74,676	74,676
Science Labs	0	223,624	223,624
South Modular Buildings	0	3,867,843	3,867,843
Visual Arts Building	229,100	229,100	8,000,000
Voice over I.P. communication	0	964,487	964,487
West Valley Desert Hot Springs	0	0	10,000
West Valley Phase I	940,772	2,043,097	39,990,000
Wireless Access	0	322,555	322,555
Subtotal	\$ 10,544,256	\$ 68,792,821	\$ 206,188,806
HEALTH AND SAFETY PROJECTS			
Subtotal	\$ 4,371,359	\$ 33,734,408	\$ 43,720,610
ENERGY EFFICIENCY IMPROVEMENTS			
Central Plant	0	13,107,766	13,107,766
Subtotal	\$ 0	\$ 13,107,766	\$ 13,107,766
SAFETY, SECURITY AND SITES			
Subtotal	\$ 155,712	\$ 10,446,231	\$ 15,290,862
OTHER			
Planning & Program Management	2,583,025	15,394,522	20,848,788
Contingency	0	0	12,183,780
Future Projects	0	0	21,017,842
Subtotal	\$ 2,583,025	\$ 15,394,522	\$ 54,050,400
Total	\$ 19,108,669	\$ 174,346,382	\$ 382,157,720

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 p.m. in the Alumni Centre Conference 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 13, 2012 3 p.m.

June 12, 2012 3 p.m.

September 11, 2012 3 p.m.

Alumni Centre Conference Room

DESERT COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES

Becky Broughton • Chuck Hayden • John Marman

Michael O'Neill • Bonnie Stefan

Aries Jaramillo, *Student Trustee*

Jerry R. Patton
College President



43-500 Monterey Ave., Palm Desert, CA 92260