

COLLEGE OF THE DESERT CITIZENS' OVERSIGHT COMMITTEE 2012-2013 ANNUAL REPORT

For Fiscal Year Ended June 30, 2013



LETTER FROM THE MEASURE B CITIZENS' OVERSIGHT COMMITTEE CHAIR

Dear Coachella Valley Residents,

The Citizens' Bond Oversight Committee is pleased to present its ninth 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, and to determine if they were spent as specified in the ballot measure.

Measure B was approved by voters in March 2004. As required by the terms of the issue, the College Board of Trustees established an independent Citizens' Oversight Committee. Your seven oversight 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 College representatives who work on the various projects, as well as the auditors engaged to ensure that funds are spent in accordance with Measure B. Our committee has been impressed with the College's organization, planning, attention to detail, and the diligence of its staff in performance of their duties.

Work is underway on the redevelopment of the central Palm Desert Campus. This includes the completion of the new Math Science Technology Center and the Communication building, which houses classroom functions previously provided in portable buildings. Planning now underway includes the complete renovation of four key buildings and the central campus fountain. These renovations will prepare the space necessary to consolidate all administrative functions in one space and return the historic Hilb Learning Resource Center / Library to its central role as a research, study and tutoring facility. Also, construction has begun on an entirely new Stagecraft Shop facility which supports the Theatre Arts program.

In Palm Springs, agency review continues on plans for a campus that will serve the needs of the west valley.

In Indio, construction continues on a new three-story building that will house classrooms, offices and multi-use rooms. Completion is expected in the winter of 2013-2014. This single-building center will house the programs that are currently conducted in leased space in the County Building. In the east valley, the Mecca/Thermal Center continues to have success drawing students from the east end of the valley.

These voter-approved projects address the college district's most critical facility needs, including adding new campuses and centers that will provide greater access to higher education, safety issues, energy savings, technology, and training programs in response to community needs. These changes will enable College of the Desert to continue to provide an opportunity for a first-class education to youths and adults in all parts of the Coachella Valley. The College provides a vital gateway for Valley students to transfer into four-year colleges and universities. Also, 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,
Geoffrey S. Kiehl, *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.

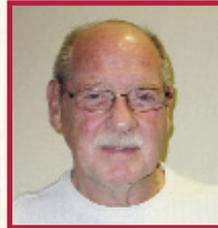
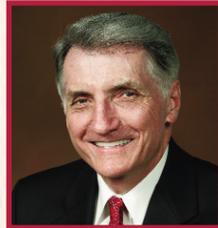
PURPOSE OF THE CITIZENS' OVERSIGHT COMMITTEE

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 advisory 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 2013-2014



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): Mr. Geoffrey S. Kiehl, Chair, East Valley Representative, Director of Finance & Treasurer, City of Palm Springs; Mr. Kenneth Eklund, Vice Chair, Senior Citizen Group Representative, CEO of Safe-T-Proof of Riverside County, Inc.; Mr. Lawrence M. Cohen, Business Representative, Senior Managing Director and Shareholder, Mesirow Financial; Mr. Chris Escobedo, Taxpayers' Association Representative, Assistant to the City Manager, City of La Quinta; Mr. Larry Spicer, College Support Organization Representative, Retired, Real Estate Industry; Mr. William H. Waldron, West Valley Representative, Retired, 3M Company; and Ms. Brenda Valdez, Student Representative.



2012-13 CITIZENS' OVERSIGHT COMMITTEE MEMBERS

Mr. Lawrence M. Cohen
Chair, Business

Mr. Geoffrey S. Kiehl
Vice Chair, East Valley

Mr. Larry Spicer
College Support Organization

Mr. William H. Waldron
West Valley

Mr. Chris Escobedo
Taxpayers' Association

Mr. Kenneth Eklund
Senior Citizen Group

Ms. Brenda Valdez
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*

NINTH 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 ninth year of the Measure B program, on the east side of the campus, construction of the Math Science Technology Center was completed. The building houses several programs and classes that were previously in several locations around the campus including temporary facilities. The new classrooms, large lecture rooms, science labs, the District's MESA program, and offices for faculty and staff, support students and faculty in these disciplines. The offices and campus servers of Information Technology and Institutional Research are also housed in the MSTC building. Classes began in this building in Fall 2012.



Near the campus main entrance on Monterey, construction on the Communication Building was completed and classes began. This building, located across the courtyard from the Cravens Student Services Center (CSSC) is the new home of all classes related to language studies. The two-story, steel framed footprint is 39,880 sq. ft. of classrooms and offices.



The Monterey Entrance was opened in May to create a new gateway to the campus. Construction was complete on a new roundabout that will make it easier for students, faculty and staff to navigate their way around campus. This project remediates traffic congestion at the Monterey entrance. The space between the new Communication and Cravens Student Services Center buildings includes shaded assembly space and seating areas where students can study and rest with access to electricity for their electronic devices.



Construction commenced on an all new gymnasium and renovated Physical Education building, bringing into one zone, several programs housed in other facilities. The renovated building will house a new weight room, two multi-purpose rooms, and faculty offices. The new gymnasium will include team rooms and locker rooms. Both will be highly energy efficient and sustainable.



Construction began for a Visual Arts building located on the northwest side of campus near the existing Music building. The space will provide a new lab and classrooms for programs including: 2D drawing and painting, 3D sculpture, printmaking, photography (both print and digital) and ceramics. The completion of the 13,700 sq. ft. building, expected in the late Spring of 2014, will bring the arts programs closer to

NINTH YEAR REPORT: MEASURE B PROJECTS COMPLETED OR IN PROCESS

the campus which have been held in deteriorating metal warehouse type space for years.



Construction of the Early Childhood Development building began in summer of 2013. This facility is located immediately adjacent to the existing building on campus and enables the Center to offer more teaching and learning opportunities for COD students with classrooms, observation rooms, offices and a kitchen.



The plans for the new Career Technical Education were approved by DSA and the project was sent out to bid, with construction scheduled to begin in Fall 2013. This facility will house classes that 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.



In Indio, at the former site of the Greyhound bus station, construction is well underway for a three-story building of 40,000 sq. ft. The new structure will house classrooms, labs, offices and support space. Construction is expected to be complete in time to occupy in Spring of 2014. These classrooms replace those currently held in leased space in the County Building and at other locations in the east valley.



The design process was completed and plans submitted to the DSA on the new Stagecraft Shop located next door to the Theatre building. The 3,345 sq. ft. shop will take about a year to construct. Construction is expected to begin fall 2013. Currently faculty and students use a small outdoor area to learn about stage design and build sets for upcoming performances.



Planning continues for the renovation of the buildings in the center of the campus for the relocation of Library and Academic Skills services, offices of administrative services, and community meeting space that are housed in several areas, some of which in temporary modular buildings. This will bring all of the Learning Resources into a cohesive space, where now they are distributed in make shift locations across the campus, as well as bringing administrative services together in a more efficient and interrelating space.

Plans for the West Valley Campus in Palm Springs continue to be reviewed by regulatory and other governing agencies.



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

This year the College was awarded its first LEED Gold certification for a renovation, the renovated Nursing Building. The Nursing Building Renovation, completed last year, was submitted for certification with enough points to be awarded the Gold rating. More buildings, the completed MSTC and the Communication Buildings, have been submitted to the USGBC for 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 Desert Community College District "...has

properly accounted for the expenditures held in the Bond Funds (Measure B) and that such expenditures were made for authorized Bond projects. There were no salaries of administrators charged to the Bond Funds for District general administration or operations. District procedures for disbursement of funds were applied in accordance with laws and regulations, as well as approved by the Board of Trustees." The audit has 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, 2013

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, 2013	Actual Costs August 1, 2004 through June 30, 2013	Total Budget
JOB AND CAREER TRAINING PROJECTS			
Applied Sciences	\$ 469,720	\$ 1,718,371	\$ 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	616,276	910,063	5,924,000
Nursing Building Renovation	820	3,549,167	3,538,287
Public Safety Academy Phase I	0	14,911,665	14,911,665
Subtotal	\$ 1,086,816	\$ 34,926,877	\$ 50,592,563
CLASSROOM BUILDINGS AND FACILITIES			
Alumni Centre	\$ 0	\$ 2,714,816	\$ 2,714,816
Athletic Facilities	5,190,715	8,212,824	22,020,201
Aquatics Swimming Pool Demolition	0	290,087	290,087
Business Building Renovation	0	4,598,036	4,598,036
Central Campus Redevelopment	1,019,659	1,410,538	37,550,000
Communications Building	9,928,711	19,906,550	20,959,659
Cravens Student Center	42,419	22,956,638	22,967,480
Culinary Kitchen	0	410,529	410,529
Dining Hall Renovation	0	5,399,909	5,399,909
East Valley Phase I	1,250	9,789,852	9,913,929
Imaging	219,737	234,737	400,000
Indio Educational Center	7,148,017	9,298,917	23,000,000
Math Science Technology	3,017,795	23,687,397	24,440,932
Relocations Project	411,781	434,780	1,500,000
Scene Shop	0	74,676	74,676
Science Labs	0	223,624	223,624
Soil Contingency	0	0	1,401,500
South Annex	0	3,867,843	3,867,843
Stagecraft Shop	167,474	167,474	2,135,000
Temporary Dining Facilities	0	752,840	752,840
Visual Arts Building	1,882,782	2,521,420	8,515,353
Voice Over I.P. Communication	0	964,487	964,487
West Valley Desert Hot Springs	0	1,140	1,140
West Valley Phase I	1,806,854	5,355,616	39,990,000
Wireless Access	0	322,555	322,555
Subtotal	\$ 30,837,194	\$ 123,588,285	\$ 234,414,596
HEALTH AND SAFETY PROJECTS			
Subtotal	\$ 1,772,393	\$ 38,540,043	\$ 40,005,897
ENERGY EFFICIENCY IMPROVEMENTS			
Subtotal	\$ 445,508	\$ 16,339,315	\$ 16,715,186
SAFETY, SECURITY AND SITES			
Site Improvements	\$ 0	\$ 2,052,498	\$ 2,052,498
Central Annex	0	2,308,330	2,308,330
Monterey Avenue Improvements	4,103,444	6,478,760	6,948,114
Security Cameras and Emergency Phones	0	256,369	452,664
South Parking Lot	0	1,004,767	1,004,767
Western Parking Lot	0	2,831,387	2,831,387
Subtotal	\$ 4,103,444	\$ 14,932,111	\$ 15,597,760
OTHER			
Planning & Program Management	2,634,094	21,300,848	30,019,385
Subtotal	\$ 2,634,094	\$ 21,300,848	\$ 30,019,385
Total	\$ 40,879,449	\$ 249,627,479	\$ 387,345,387

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 11, 2014, 3:30 p.m.

June 10, 2014, 3:30 p.m.

September 9, 2014, 3:30 p.m.

Cravens Student Services Center
Multi-Purpose Room

2012-2013

DESERT COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES

Becky Broughton • Mary Jane Sanchez-Fulton
John Marman • Michael O'Neill • Bonnie Stefan, Ed.D.
Andrew Campbell, *Student Trustee*

Joel L. Kinnamon, Ed.D.
College President



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