

2011 Annual Report to the Board of Trustees

Bond Measure V
Citizens' Oversight Committee

**SB
CC**
SANTA BARBARA
CITY COLLEGE



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Letter From The Chair

February 17, 2012

As Chair of the Measure V Citizens' Oversight Committee, it is my pleasure to once again present the Measure V Annual Report to the Board of Trustees of the Santa Barbara Community College District. Upon passage of Measure V, the Board of Trustees established this committee in compliance with Education Code Section 15278 and Proposition 39. Our first meeting was held on November 6, 2008 and we have since met ten times. As the members of the Board are aware, one committee member and the student member ended their terms in 2011 and the committee membership has changed as of February 2012. I welcome the new members and wish to express my heartfelt thanks to the outgoing members.

As in the past, the meetings of the Citizens' Oversight Committee have been well-organized and informative. Information presented and reviewed at each meeting includes the most recent Financial Reports, updated Project Expenditure Summaries, and general Project Construction Updates. SBCC Staff and Administrators have been very helpful in providing timely information to the Committee as well as responding to the Committee's questions. As a Committee, we are excited about all of the projects completed, those currently under construction as well as those that are planned for the future. On behalf of the District, this Committee would like to express its gratitude to the voters of the community, without whom the Measure V Bond Construction Program would not exist.

It is our opinion, based upon the Committee's oversight activities and a review of the independent financial and performance audits, that the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution. With the presentation of this Annual Report, the Bond Oversight Committee members assure voters that Measure V Bond expenditures have been properly made and have been utilized for projects consistent with those identified in the bond measure. It is our sincere hope that you will find this Annual Report informative and comprehensive.

Sincerely,



H. Edward Heron, Chairperson

Executive Summary

Several projects were completed in 2011 (notably, the Softball Facility Upgrade, the Gourmet Dining Room Modernization, a Campus-wide Toilet Replacement Project, and several Painting Projects), some were constructed throughout the year (Drama/Music Modernization), a number of projects began construction, while still others were developed through the planning and design process. The following pages present updates on projects that have been completed or are under construction, several of which were also featured in previous years' Annual Reports, as well as information on new and upcoming projects.

During 2011, there were three Citizens' Oversight Committee meetings, at which all aspects of ongoing and upcoming projects were presented. In addition, committee members visited some of the projects to see the progress first hand. The committee is excited about the progress to date and looks forward to completion of the projects underway. The committee also welcomes members of the public to its meetings, and encourages everyone to continue supporting SBCC and Measure V through completion of the projects and beyond.

The Citizens' Oversight Committee remains committed to the success of the College and will continue to monitor and provide reports on the status of the Measure V Bond Program. Through the judicious use of Measure V Funds, the Bond Program will allow SBCC to continue to educate students and prepare for the future by replacing and supplementing existing College infrastructure.



Bond Measure V Overview

Measure V is the Santa Barbara City College Construction Improvement Bond Measure passed on the June 3, 2008 ballot. Measure V asked voters to approve a \$77.2 million bond. Funding from the bond will help the College modernize technology, upgrade the deteriorating infrastructure of aging classroom and office buildings, and improve existing teaching and learning environments.

Measure V was presented under the provisions of Proposition 39, requiring that at least 55% of voters approve a measure for its passage. Measure V received over 70% approval.

Citizens' Bond Oversight Committee Members:

Edward Heron, Business Organization (Chair) 2nd Term Ends November 2012

Sally Green, Community-At-Large (Vice Chair) 1st Term Ends November 2012

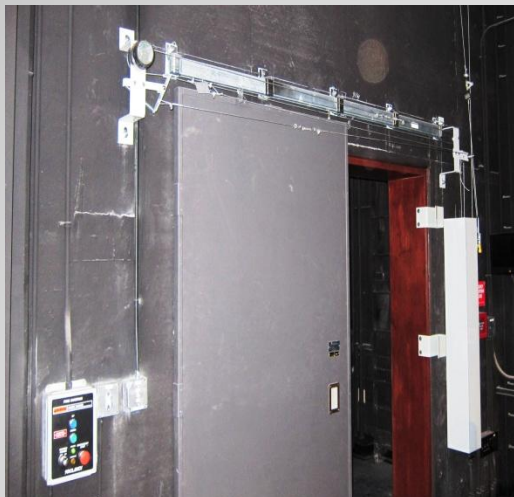
Lanny Ebenstein, Taxpayer Organization Outgoing Member

Mark Levine, Senior Citizen Group & Foundation for SBCC 2nd Term Ends November 2012

Lee Moldaver, Organization Supportive of the College 1st Term Ends November 2012

Joe Bailey, Community-At-Large 1st Term Ends November 2012

Ola Smith, Student Representative One Year Term Ends November 2012



Past Meetings:

November 6, 2008

June 18, 2009

February 18, 2010

November 10, 2010

June 16, 2011

February 16, 2012

February 19, 2009

November 12, 2009

June 17, 2010

February 17, 2011

November 8, 2011

Planned Meetings:

June 21, 2012

Schedule of future meetings available on sbcc.edu - Measure V website.

The Role Of The Citizens' Oversight Committee

As promised to the voters, and as required by law, the Santa Barbara Community College District Board of Trustees has adopted a resolution establishing the Measure V Citizens' Oversight Committee. There are seven established seats on the committee, the required minimum under the laws governing the establishment and implementation of the Citizens' Oversight Committee.

Members are selected based upon criteria established by Proposition 39:

- One active member from each of the following: a business organization representing the business community located in the district; a senior citizens' organization; a bona-fide taxpayers' association; a support organization for the College; and, a student enrolled in a community college support group.
- Two members of the community at large.

Members of the Citizens' Oversight Committee are appointed for one- or two-year terms and may not serve more than two consecutive terms. Members serve on the committee without compensation. The committee is an advisory committee, and does not have a legal capacity independent from the District. The duties of the committee are to review expenditures, to inform the public, and to provide an Annual Report to the Board of Trustees in an open session at a Board meeting.

Meetings are scheduled as indicated on the previous page. Meetings are held in the Luria Conference and Press Center on the College's East Campus, 721 Cliff Drive, Santa Barbara. All Committee meetings are open to the public and are subject to the provisions of the Brown Act.

Period Covered By The Report

To accurately reflect the information contained in the audited financial report, the financial analysis section of this report covers the time period from July 1, 2010 to June 30, 2011.

Report On Independent Financial And Performance Audits

The District has received, and the Citizens' Oversight Committee has reviewed, the financial and performance audit for the Measure V Bond Construction Fund for the fiscal year ending June 30, 2011. Glenn, Burdette, Phillips & Bryson, an independent auditing firm, prepared the report to comply with Proposition 39 accountability within the California Constitution. The report stated:

"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure V Bond Construction Fund of the Santa Barbara Community College District as of June 30, 2011, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America."

Financial Compliance Confirmation

All expenditures authorized by Measure V have been reviewed by the Citizens' Oversight Committee to ensure that the money was spent only on improvement projects as required by Proposition 39. All funds expended from Measure V will be audited annually by an independent accounting firm.

The Citizens' Oversight Committee has reviewed expenditures and projects, and finds that the District is in compliance with Article XIII A Section 1(b)(3) of the California Constitution and consistent with the District's approved Measure V local bond measure.

Oversight Committee Activities

Over the past year, the committee has been an active participant overseeing Measure V expenditures and activities. The committee has reviewed various budget and project issues. In accordance with Proposition 39, the committee has regularly reviewed bond expenditures, as well as the independently conducted financial and performance audits.

Measure V Project Status

For purposes of reporting current activity on the projects contained within the Measure V Bond Program, this report covers the calendar year ending December 31, 2011.

Capital Construction Projects

Drama/Music Modernization (Construction Completed):

The Modernization of the Drama/Music Facility is partially state-funded. State funding for this project was secured in previous years. The remaining funding is from Measure V. During the reporting period, project construction continued throughout the year, with the project achieving substantial completion in December 2011. The project was bid in three packages: Core and Shell; Theater Specialties; and Audio/Visual, with one contractor ultimately being awarded all three packages. Construction began in June 2009. Several significant delays occurred on the project, consisting, in part, of unforeseen conditions related to underground conduits and rubble that conflicted with the drilling of the cast-in-drilled-hole concrete piles and additional unanticipated asbestos abatement, as well as necessary project modifications and certain delays caused by unforeseen circumstances, such as the insolvency of one of the major subcontractors. The Drama/Music Building and its two theaters are now in use and are great examples of the College's utilization of new technology in one of its primary teaching facilities.



Capital Construction Projects (continued)

Humanities Building Modernization (In Design):

As noted in last year's Annual Report, the anticipated State funding is not available for this project, therefore all funding is from Measure V. The College has accelerated the schedule for this project, and will begin construction in 2012. The College has hired an architect to perform planning, design, Department of State Architect (DSA) processing, and construction administration of the Humanities Modernization project. The Program Management Team, Design Team and College Administrators have met with representatives of the user groups throughout the design and permitting process. Final DSA approval was received in December 2011. This project is anticipated to begin construction during Summer 2012, improving existing teaching facilities, providing additional accessibility and restroom space, and replacing aging and outdated technology, along with other building-wide improvements.



Capital Improvement Projects (continued)

Campus Center Modernization (In Design):



As noted previously, the originally anticipated State funding is not available for this project. The College hired an architect to perform a building analysis of the existing facility. At the conclusion of the building analysis phase, it became apparent that the existing facility requires more substantial improvements than initially anticipated, including certain structural improvements. The College has subsequently hired an architect to perform a feasibility study, preliminary design, cost estimate, and preparation and submittal of a Final Project Proposal to the State Chancellor's Office. The purpose of this study is to determine whether the College will proceed with a modernization project, as initially anticipated, or if the building will require replacement. The Program Team and College Administrators have held meetings with user group representatives to begin planning for this project. The current plan is to begin construction upon completion of the Humanities Building Modernization. Depending on several factors, including completion of the Humanities Modernization in time to allow for adequate swing space, as well as funding, design, review and approval, this project is anticipated to begin construction no earlier than Summer 2014.

Major Deferred Maintenance Projects

Campus-Wide Energy Management System (Under Construction):

This Measure V-funded project has been implemented in two phases. Phase I involved the analysis of all major existing energy using equipment on campus. The end result of this phase was a complete design for Phase II implementation. Through the use of greater equipment control, and efficiency principles, the College will benefit from this project with lower energy costs and more efficient workspaces. Phase I was approved by the Board of Trustees on April 23, 2009, and the work was performed throughout the Summer and Fall 2009. Phase II was approved by the Board of Trustees on October 29, 2009. Implementation of Phase II began during 2010 and continued throughout the reporting period.

Major Deferred Maintenance Projects (continued)

West Campus Snack Shop Remodel (Under Design):

In order to increase customer flow capacity, the District is undertaking a project to improve the West Campus Snack Shop. The project will modify the current layout of the snack shop and will replace much of the equipment in the snack shop. The current kitchen will remain. The current plan is to remove indoor seating and improve outdoor seating areas. This project involves no State funding. Construction is anticipated to begin in late 2012.

Wake Center Cosmetology Conversion (Under Design):

The current Cosmetology facility is currently located in an off-site location rented by the District. The project will relocate the Cosmetology Program to the Wake Center. The College has contracted with KBZ Architects to prepare the design documents. This project involves no State funding. Construction is anticipated to begin in 2013.

Learning Resource Center (LRC) Interior Improvements (Under Design):

This project, which involves no State funding, will renovate the existing LRC and will improve layout, flow, and lighting. The project is under design by KBZ Architects and construction is anticipated to begin in 2012, with the work being completed throughout the summer, in order to reduce the impact on users.

Keyless Entry/Electronic Locks (Under Construction):

The College has begun installing electronic locks and keyless entry systems throughout the campus. To date, the locks have been installed in portions of the Administration Building, the Physical Sciences Building, the Luria Conference and Press Center, and the Drama/Music Building. The next phase involves installation in the IDC, Student Services and additional areas within the Administration Building.



Major Deferred Maintenance Projects (continued)

Luria Conference and Press Center (Completed):



The Luria Conference and Press Center was partially funded by donations from the Luria Family and other donors. The remainder of the funding was from Measure V. This project involved demolition of the existing press box, and construction of three new buildings: a press box, coaches boxes, and conference rooms. The project involved replacement of the surrounding deteriorated paving with new concrete, installation of new handicap accessible viewing areas with companion benches, new handrails, new stadium signage, refinishing of the stadium walls, and a roof-top video area for sporting events.

Pershing Park Softball Upgrades (Completed):

SBCC has a joint-use agreement with the City of Santa Barbara for the use of Pershing Park facilities for softball and baseball. The softball field improvements include grading the infield to improve drainage, replacement of dugouts, installation of bullpens and a batting cage, irrigation improvements, and accessibility improvements. The design was approved by the City Parks and Recreation Department, the Historical Landmarks Committee and the Building Department.

La Playa Stadium Track and Field Replacement (Completed):



This project involved removal and replacement of the existing synthetic track and field surfaces. This facility is heavily used not only by the College, but also by the community at large. Resurfacing both the track and field have helped ensure an optimal environment for SBCC teams, Physical Education courses, and community members who use the stadium for walking, running, and exercise. The original construction schedule contemplated two separate facility closures, one over the summer break, and another over the winter break. By working closely with the contractor and subcontractors, the College was able to eliminate the second facility closure and completed the entire scope of work throughout the summer months, shaving several months off the original schedule. In 2011, the field was selected to receive a “Field of the Year Award” by the American Sports Builders Association.

Major Deferred Maintenance Projects (continued)

Ongoing Deferred Maintenance Projects:

- Horticulture Area Improvements
- Patio Repair at Gym Entrance
- Emergency Phone System Improvements
- Disabled Access Upgrades

Upcoming Major Deferred Maintenance Projects

- East Campus Snack Shop Improvements
- Physical Education Facility Interior Improvement Projects

Completed Deferred Maintenance Projects

- Interdisciplinary Center – Paint Exterior
- Business Communications Building – Paint Exterior
- Kinko's Early Learning Center Improvements
- West Campus Parking Structure Pigeon Deterrence
- Student Services and Physical Science Buildings Trellis Repair and Refinish
- Campus-Wide Energy Management System (EMS) Ph 1
- ECC 1-15 – Replace HVAC Units
- Landscape Improvements at Ramps and La Playa Stadium
- Sports Pavilion Hallways and Lobby Interior Painting
- Handrail at Sports Pavilion Upper Walkway
- Physical Education Building – Paint Exterior
- Marine Diving Technology Boat Storage Area
- New Flooring in A-183 and Marine Diving Tech Classroom
- OE-180 Replace Heating System
- ESL Roofing Repair/Replacement
- ECC Roofing Repair
- Student Services Building Carpet Replacement
- Elevator Upgrades
- Wake Center Resurface Parking Lot
- Network Infrastructure Improvements
- ECC-1, 2, 3 Exterior Painting



This is a partial list of completed, ongoing, and upcoming projects. This list is not intended to be all-inclusive. The Measure V project list remains subject to change in order to best fit the ongoing needs of the College. The Administration and the Program Management Team will continue to ensure that the Citizens' Oversight Committee is informed of upcoming project changes as soon as information is available.

Santa Barbara Community College District General Obligation Bond Expenditure Report

July 1, 2010 – June 30, 2011

Santa Barbara Community College District Measure V Bond Construction Fund Balance Sheet June 30, 2011

| | |
|--|----------------------|
| Assets | |
| Cash in county treasury | \$ 23,327,446 |
| Accounts receivable | 43,146 |
| Total assets | <u>\$ 23,370,592</u> |
| Liabilities and Fund Balance | |
| Liabilities: | |
| Accounts payable and accrued liabilities | \$ 2,631,081 |
| Due to other funds | 8,426 |
| Total liabilities | <u>2,639,507</u> |
| Fund balance: | |
| Restricted | <u>20,731,085</u> |
| Total fund balance | <u>20,731,085</u> |
| Total liabilities and fund balance | <u>\$ 23,370,592</u> |

Statement of Revenues, Expenditures, and Changes in Fund Balance June 30, 2011

| | |
|---|----------------------|
| Revenues: | |
| Local revenue | \$ 223,992 |
| Total revenues | <u>223,992</u> |
| Expenditures: | |
| Academic salaries | 22,687 |
| Employee benefits | 2,764 |
| Books and supplies | 2,754 |
| Services and other operating expenditures | 144,055 |
| Capital outlay | <u>14,621,923</u> |
| Total expenditures | <u>14,794,183</u> |
| Excess of expenditures over revenues | (14,570,191) |
| Fund balance - beginning of year | <u>35,301,276</u> |
| Fund balance - end of year | <u>\$ 20,731,085</u> |



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