

Citizens Bond Oversight Committee

Ken Coate, Chair

PURPOSE OF THE COMMITTEE

Consistent with the requirements of Proposition 39 (2000 general election), this committee provides citizen oversight of expenditures on two bond measures passed by the voters – Measure P in 2002 and Measure M in 2008. We provide the oversight as determined in both the voter-approved bond measures and as directed by Proposition 39. Proposition 39, passed in November of 2000 as an amendment to the infamous Proposition 13, allows local school bonds to be approved with 55% local vote, but has specific requirements of the Board of Trustees, in particular the establishment of a citizens oversight committee.



CHC Canyon Hall

In general terms, we review bond program expenditures and outside audits to make sure the will of the voters, in passing these two important measures, is strictly followed in accordance with the wording of the original ballot measure. The group is charged with being the eyes and ears of the community, and this responsibility is highly respected by the committee members.

HOW DO WE DO THIS?

Aside from meeting at least three times during the year, we tour job sites, review the actions of the San Bernardino Community College District Board of Trustees on items related to the bond measures, and review the independent CPA bond program audit.

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CBOC MEMBERSHIP

The oversight committee is currently comprised of nine representatives:

Ken Coate, Chair
Business Organization

Kevin Retana
Student, Crafton Hills

Gabriel Jaramillo, Jr.
Student, Valley College

Patricia Small
Senior Citizen Organization

Albert Garcia
Community-at-Large

Sam Irwin
Foundation, Crafton Hills

Betsy Starbuck
Tax Payer Organization

Frank Reyes
Community-at-Large

Linda Roberts-Ross
Community-at-Large

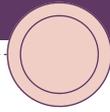
These former members also served during the past year and their participation will be missed.

Alaa El Awar
Student, Crafton Hills

Valerie Lichtman
Tax Payer Organization

Bob Erickson
Senior Citizen Organization

To the best of its ability, the Citizens Bond Oversight Committee believes that the San Bernardino Community College District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution.



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Our meetings provide an opportunity to discuss any questions we have regarding the actions of the Board of Trustees, staff, contractors, or program manager Kitchell/BRj. Progress of each project is detailed, including expenditures, budgeting, scheduling and planning. As much as possible, we try to voice concerns or questions prior to the meetings, but often we find questions are raised in these meetings and staff and the outside program director will respond.

WHAT WAS ACCOMPLISHED?

The new Gymnasium and Stadium at Valley College, with a total project cost of \$69,376,038, represents the majority of the construction at this campus currently under way, and this project will provide a much-needed modernization and upgrade to the Physical Education facilities.

Over the last two years we have seen the Crafton Hills campus undergo a complete revival with nearly \$90,000,000 in new facilities under construction. Details on each project can be found at the end of this report and complete monthly reports reviewed by the committee are best seen online at www.sbccd.org/bfs/Underway. As these projects near completion, the public can see the updated campus landscape and how this college has transitioned into a modern, highly competitive learning facility. Of note is the completion of the Crafton Center, which will house student services, the Crafton store, and Administrative Services, as well as be a true

social and visual center for the campus.

The new Science Building is nearing completion, and the Occupational Education Facility #2 (OE2), although significantly delayed, will be open in 2016. The delays on the Science Building, and, more specifically, the OE2 facility, have drawn the attention of the committee as we are focused on the financial impacts to the District. Presentations were made to the committee by local subcontractors financially impacted by these delays, and although the direct financial impacts to the District were unclear, it was apparent there were severe negative impacts to some local employers. The committee is developing a recommendation that surety company representatives be notified if and when there are problems anticipated in any area supported by surety bonds. These companies provide financial protection for the District and for labor and subcontractors/suppliers through payment bonds.

The Crafton Center project was contracted through a lease/leaseback methodology, and the committee understands that this project was contracted with the proper precedent and consistent with education and government codes. In 2015 the Fifth Circuit Court of Appeals in Fresno

challenged the legality of lease/leaseback contracting, and the committee recommended the District use extraordinary care when contracting with this methodology in the future.

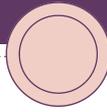
Under the newly revised Board Policy 6610 (BP 6610), the District has engaged and expanded the community outreach programs which encourage local participation, thus returning as much of the labor dollars back into the community as possible. Although the exact figures of local participation can be hard to calculate, we are proud to say that the participation of laborers living within the Inland Empire has been at least 60 percent. These levels of local participation exceeded the District's expectations. This board policy may have some financial impacts on the bond programs, but we do not have any specific data to report on the financial impacts. I believe it is fair to say there was some concern with the committee that the local subcontractors were exposed to financial hardship when there were contract delays or slow payments, and certainly these results on those subcontractors is inconsistent with the spirit of BP 6610.

The Board of Trustees chose to develop a surety bonding assistance program that will use an outside consultant, at considerable cost, to assist small local



SBVC Gymnasium

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minority and women-owned businesses with their bonding programs so that they can compete on projects with the District. The presumption was that the potential additional bidders would create enough additional competition to overcome the cost of the program. No real data was provided to support this presumption, and the committee was not able to confirm any financial benefit of this program to the District.

In December of 2014 the Board of Trustees passed a "Community Benefits Agreement". This agreement is better known as a "Project Labor Agreement", and these agreements give substantial advantages to union contractors vs. non-union contractors. Since no contracts have been bid under this Community Benefits Agreement since it was adopted, we have no way of knowing if the agreement has had any financial impact. Preliminary research by the committee did not support the agreement as we believed the data

suggested these agreements tend to increase, not decrease, the cost of construction. Although the information about bidding with and without project labor agreements is hard to calculate and can be somewhat speculative, we will continue to look at the potential impacts in future reports to the community.

In last year's report the committee communicated strong frustrations with the Board of Trustees about implementing actions with potential financial impacts, in particular the community benefits agreement and the bonding assistance program, without considering the input of the CBOC. As a result, the Board of Trustees has responded by having the committee report to the Board, either verbally or in writing, three times a year, including the annual report. The committee appreciates this proactive approach by the Board, and the acknowledgement of the committee's purpose and efforts.

As the District works toward developing

a set of prequalification standards for contractors and key subcontractors, it was the recommendation that the District look to local resources willing to participate in the process as a service to the community. Construction trade organizations and surety organizations are willing to provide input at no fee, and we encourage the District to look to the collective experience of these organizations.

Community colleges compete for students, and must serve their communities in many ways. By these modernizations and new facilities, the campuses at Crafton Hills and Valley College are prepared to provide the state of the art facilities designed to attract students and serve them well into the future. We encourage the community to visit each of the campuses and see these improvements personally, and we also encourage the community to scrutinize the board actions when it comes to bond expenditures.

BOND PROGRAM CONSTRUCTION PROJECTS

CHC PROJECTS UNDERWAY...

CANYON HALL (AKA NEW SCIENCE BUILDING)

Budget: \$26,805,517
Construction Start: 12/13/2013
Est. Completion: 3/16/2016

This is a new two-story, fire-sprinklered building that provides over 30,000 square feet of space with modern science labs to address the needs of the chemistry, microbiology, anatomy, and biology programs. The project consists of lab, lab support, lecture, and office spaces. Site improvements will also address campus circulation at the project site. The building is designed as

laboratory-oriented to accommodate integration of technology, safety and accessibility and is designed to be LEED Silver.

PUBLIC SAFETY & ALLIED HEALTH BUILDING (AKA OCCUPATIONAL EDUCATION 2)

Budget: \$23,320,806
Construction Start: 12/16/2013
Est. Completion: 1/31/2016

This project includes demolition of the existing OE2 building, construction of a new OE2 building, and site improvements. The new building will address the needs of the Fire Technology, Emergency Medical Services, Public Safety, and Respiratory Care programs. It consists of lecture, lab, office,

vehicular storage and fire drill yard spaces. There will also be a series of site improvements to address existing and future site conditions. The project is designed to achieve a LEED Silver rating.

NEW CRAFTON CENTER

Budget: \$31,347,128
Construction Start: 4/11/2014
Est. Completion: 3/31/2016

This project provides 46,000 square feet of space and consolidates college administration and a number of student services into one new building. The project includes a bookstore, food service, Student Life/Welcome Center, Administration, Financial Aid, Admissions & Records, Counseling, and

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BOND PROGRAM CONSTRUCTION PROJECTS

CHC Allied Health



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Health Services. It is designed to achieve a LEED Silver rating, but is currently in Gold status.

PE COMPLEX

Budget: \$6,952,080
Construction Start: 8/9/2013
Est. Completion: 2/28/2016

This project provides 10,000 square feet of new space to address the Health & Physical Education program needs. It includes dance/yoga space, fitness center, and office spaces. Site improvements will include ADA access to the new Aquatic Center. The project is designed to achieve a Leadership in Energy & Environmental Design (LEED) Platinum rating.

TENANT IMPROVEMENTS (CHS 1ST FLOOR, PHASE 1)

Budget: \$162,872
Construction Start: 5/11/2015
Est. Completion: 3/31/2016

Cosmetic maintenance to the first floor of the Chemistry Health Science (CHS) Building classrooms.

TENANT IMPROVEMENTS (CHS, OE1, MSA, PHASE 2)

Budget: \$320,013
Construction Start: 11/23/2015
Est. Completion: 4/30/2016

Cosmetic maintenance to the Occupational Education Building #1 (OE1) and Math Science Annex (MSA) Building, as well as the second floor of the Chemistry Health Science (CHS) Building classrooms.

CHC PROJECTS IN DESIGN...

LABORATORY/ADMINISTRATION (LADM) RENOVATION

Budget: \$15,541,611
Expected Start: 3/14/2016
Est. Completion: 6/30/2017

This project incorporates code compliance upgrades for the entire building as well as

reconfigures existing space into campus police facilities, lecture, lab and office space. The building will be brought up to current access and fire/life safety codes.

STUDENT SERVICES A RENOVATION

Budget: \$7,582,467
Expected Start: 3/14/2016
Est. Completion: 12/31/2016

This project incorporates code compliance upgrades for the entire building as well as reconfigures existing space into offices. The building will be brought up to current access and fire/life safety codes.

COLLEGE CENTER RENOVATION

Budget: \$3,983,864
Expected Start: 8/1/2016
Est. Completion: 5/31/2017

This project incorporates code compliance upgrades for the entire building as well as reconfigures existing spaces. Mechanical, plumbing, HVAC and roof replacement will assist in the maintenance and operation for prolonging the longevity of the building. The reconfigured space will include an event center that the Campus can rent out to the community for events.

PERFORMING ARTS CENTER (PAC) RENOVATION

Budget: \$801,609
Expected Start: On Hold
Est. Completion: On Hold

The PAC project has been temporarily placed on hold, but further programming efforts will be conducted to determine appropriate scope and budget. Currently there is \$2.8 million allocated for this project and funded through Measure M. It is known that additional monies will be needed to complete the desired scope of a full renovation.

CLASSROOM BUILDING TENANT IMPROVEMENTS

Budget: \$302,698
Estimated Start: 5/1/2016
Est. Completion: 7/31/2016
Cosmetic maintenance to Classroom Building (CL) classrooms.

CHC PROJECTS COMPLETED...

MAINTENANCE & OPERATIONS (M&O) RENOVATIONS

Budget: \$1,884,694
Construction Start: 11/17/2014
Completion: 6/12/2015

This project relocates the existing bookstore modular building to the M&O area. It includes renovation of the modular into offices for the M&O staff as well as site improvements. It also includes renovation of the existing M&O offices into storage for a more efficient storage facility.

OCCUPATIONAL EDUCATION 1 BUILDING ROOF REPAIR

Budget: \$250,000
Construction Start: 6/14/2013
Completion: 7/15/2013

This project was required to keep the building safe and operable for several more years. It included roof replacement, partial door replacement and door hardware replacement for lockdown. Planned for future renovation is floor replacement, repainting, and associated hazardous material abatement.

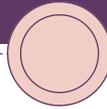
SOLAR FARM

Budget: \$3,642,291*
Construction Start: 6/1/2011
Completion: 1/25/2013

A 1.35MW Solar Farm was constructed. The project included installation of 140 concentrated photovoltaic arrays which will provide 85-95% of Crafton Hills College electricity needs.

**Total Solar Farm Budget was \$7,142,291 with \$3,500,000 funded by Measure P.*

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BOND PROGRAM CONSTRUCTION PROJECTS

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SBVC PROJECTS UNDERWAY...

GYMNASIUM & STADIUM

Budget: \$69,376,038
Construction Start: 6/13/2014
Est. Completion: 6/30/2017

Phase 1 of this project includes demolition of existing tennis and handball courts, hazardous-materials remediation, site work, utility disconnection, and tie-back. Phase 2 is for the construction of a 146,007 square foot, three-story gymnasium building, including ticket booths, concessions, field buildings, bleachers and press box. The project includes a fitness room, men's and women's locker rooms, two basketball courts, a group exercise room, staff office space, and lecture rooms. In addition, the project will provide new sports field lighting, and drought tolerant landscaping. The project is designed to achieve a LEED Silver rating.

SBVC PROJECTS IN DESIGN...

APPLIED TECHNOLOGY BUILDING – PHASE II

Budget: \$930,000
Expected Start: 6/1/2016
Est. Completion: 12/30/2016

Phase II of this project is in Pre-Design phase. The scope of work would include necessary safety and building upgrades needed for the functionality main building. Tentatively, the scope of work includes additional ventilation of the Tool Room and Laboratory spaces, roof repair, and replacement of swamp coolers.

SBVC PROJECTS COMPLETED...

APPLIED TECHNOLOGY BUILDING – PHASE I

Budget: \$3,987,672
Construction Start: 1/16/15
Completion: 12/17/15

Phase I of this project is a renovation of mechanical, electrical and plumbing

systems, including reallocation of program educational space utilization, in the East Wing of the Building. This project includes needed upgrades of outdated utility infrastructure systems for safety, code and features that are no longer suitable or functional for the program today.

AUDITORIUM RENOVATION

Budget: \$10,762,085
Construction Start: 5/28/2011
Completion: 2/28/2015

This project is a renovation of the SBVC's 40,500 square foot auditorium. It includes the rehabilitation and renovation of the existing auditorium building, including mechanical, electrical and plumbing upgrades. The renovation work includes the box office, accessible restrooms, dressing rooms, workshop, black box green room, storage and orchestra pit. It also includes site work, a student plaza, new accessible paths, and restoration of the original historic aesthetic fabric. Project is scheduled for LEED Certified certification.

K STREET LIGHTING

Budget: \$162,550
Construction Start: 3/5/2014
Completion: 9/16/2014
New security lighting installed at K Street.

BUSINESS BUILDING RENOVATION

Budget: \$9,679,430
Construction Start: 6/15/2012
Completion: 8/15/2013
This project renovated the existing Business Building including classrooms, assembly and meeting rooms, offices, landscaping, and site utilities. Improved original building and square footage of 34,000 was increased to 37,890. Upgraded staff offices, restrooms, ADA upgrades, and drought tolerant landscaping. Project is scheduled for LEED Silver Certification.

ADA/SITE SIGNAGE

Budget: \$4,164,141
Construction Start: 5/15/2012
Completion: 5/15/2013

The Americans with Disabilities Act (ADA) project addresses campuswide ADA compliance. The four current construction projects – Gym, Business Building, Central Plant and Auditorium – incorporate walkway repairs within their respective limits of work and a separate ADA upgrade project repaired walkways at the Administration/ Student Services Building, Technical Building, Campus Center and bus stop areas. The Signage project included pedestrian and vehicular way-finding signage improvements throughout campus.

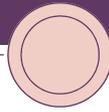
CENTRAL PLANT

Budget: \$17,203,702
Construction Start: 3/15/2012
Completion: 5/15/2013

A new central plant was constructed to provide campuswide cooling. The project consisted of a new central plant building, associated open cooling tower yard, thermal energy storage tank, underground utilities distribution system, and conversion of existing chilled water and rooftop units to the new chilled water source. Over five miles of chilled water piping was installed throughout the campus during the academic calendar. A 60-foot thermal energy storage tank provide the campus with available chilled water in lieu of operating large chillers during peak utility periods. Forecasted utility savings for SBVC are estimated at \$240,000/year and provide long term energy savings to campus utility costs.



SBVC Welding Lab



PROPOSITION 39 BOND BUILDING FUND SCHEDULE OF EXPENDITURES

Fiscal Year Ended June 30, 2015

	Total Project Cost Through June 30, 2014	Costs Incurred During Current Year	Total Project Cost Through June 30, 2015
Measure M Bond Projects			
SBVC Gymnasium and Stadium	\$ 7,152,034	\$ 19,384,658	\$ 26,536,692
SBVC Business Building Renovation	9,381,172	18,184	9,399,356
SBVC Site Infrastructure/ ADA Compliance Project	3,015,891	66,421	3,082,312
SBVC Central Plant/Infrastructure	17,066,126	156,007	17,222,133
SBVC Auditorium Renovation	8,818,100	1,459,420	10,277,520
SBVC K Street Lighting	110,462	4,730	115,192
SBVC Applied Technology	217,555	1,742,647	1,960,202
CHC Student Services Building (Crafton Center)	6,900,274	17,596,644	24,496,917
CHC Science Building	6,337,331	14,042,519	20,379,850
CHC Physical Education Complex	5,943,793	751,778	6,695,571
CHC Performing Arts Center Renovation	221,358	24,036	245,394
CHC LADM Renovation	1,162,369	83,358	1,245,727
CHC Occupational Education 1	280,376	1,377	281,753
CHC Occupational Education 2	7,612,919	11,131,159	18,744,079
CHC College Center Renovation	176,108	78,801	254,909
CHC Student Services A Renovation	631,305	46,972	678,277
CHC Maintenance and Operations Renovation	121,219	1,888,806	2,010,024
CHC Solar Farm	3,901,443	(6,119)	3,895,324
CHC Chemistry Health Science Renovation	165,590	1,213	166,803
CHC Classroom Building Renovation	69,800	1,213	71,013
Total Measure M Projects	\$ 79,285,225	\$ 68,473,824	\$ 147,759,049
Measure P Bond Projects			
SBVC Gymnasium and Stadium	\$ -	\$ 1,682,543	\$ 1,682,543
Total Measure P Projects	\$ -	\$ 1,682,543	\$ 1,682,543

