

Annual Report

Letter from the Committee Chair



I am pleased to share with you the Cabrillo College Citizens' Measure D Bond Oversight Committee's second report to the community. In March 2004, a \$118.5 million general obligation bond request was approved by more than 62 percent of the voters.

Shortly after the bond measure was approved, the Cabrillo College Governing Board appointed a seven member Bond Oversight Committee. The duties of the committee are:

- Review bond expenditures to ensure that proceeds have been expended for the purposes set forth in Measure D and ensure that no bond proceeds are used for any faculty or administrative salaries or other operating expenses;
- Inform the public concerning the District's expenditures of bond proceeds;
- Present to the Governing Board an annual report of the committee's proceedings and activities of the previous year; and
- Provide a statement indicating whether the District is in compliance with bond requirements.

With this report, the Citizens' Oversight Committee members assure voters that Measure D bond expenditures have been properly made, and only for projects identified in the bond measure, as delineated in California Education Code 15278. I am pleased to announce that the first annual audit was performed by Armanino McKenna LLP and the audit disclosed no instances of non-compliance with the terms of Proposition 39 or Measure D.

This has been an exciting year for the Measure D projects. The Enrollment Services Center was completed in time for the beginning of classes in August 2005. The 510 space parking structure is scheduled for completion in late 2006. The Student Activities Center is scheduled for completion in spring 2007. The Arts Education Classrooms project is now under construction with an estimated completion date of summer 2008. The Allied Health Classrooms project is currently in design development with plans to begin construction in summer 2007. In addition, numerous projects have been completed to provide better campus access, upgrade heating and air conditioning systems, and provide necessary building painting and repairs.

The committee looks forward to working with the District again in 2006-07 in the ongoing execution of the Facilities Master Plan.

Kris Reyes, Chair

Second Report to the Community on Measure D March 2004 through June 2006

INSIDE

Committee Members	2
About Prop. 39	2
Expenditures	3-4
Projects	5
Issues & Conclusions	6

*Cabrillo
College*



From left: Mike Siegel, Lou Tuosto, Kris Reyes, Rodney Brooks, Harriet Duzet

Members of the Bond Oversight Committee

Jack Baskin	Member At Large <i>(Two-year term expires 6/06)</i>
Rodney Brooks	Member At Large <i>(Two-year term expires 6/06)</i>
Harriet Duzet	Senior Citizen <i>(Two-year term expires 6/07)</i>
Tila Guerrero	College Support Organization <i>(Two-year term expires 6/07)</i>
Mike Siegel	Student <i>(Two-year term expires 6/07)</i>
Kris Reyes	Business Representative <i>(Two-year term expires 6/06)</i>
Lou Tuosto	Taxpayers Association <i>(Two-year term expires 6/06)</i>

About a Proposition 39 Bond Measure

Supporters approved Cabrillo College Measure D under the provisions of Proposition 39, which requires a minimum 55 percent approval by the electorate. Proposition 39 bonds also call for the appointment of an independent Citizens' Oversight Committee within 60 days of election results certification. By statute, the committee must include:

- A member of the business community
- An active member of a senior citizens organization
- A member of a taxpayers association
- An enrolled student active in a community college group
- A member of a college support organization
- Two members representing the community at large

Committee members serve in an uncompensated capacity for two years and may not exceed two consecutive terms. No District employee or vendor, contractor, or consultant to the District may serve on the committee.

Committee Meetings

The Citizens' Oversight Committee met five times in the 2005-06 fiscal year. Meeting dates and minutes of prior meetings are available at the bond oversight web page at: <http://www.cabrillo.edu/internal/facilities/measured/index.html>. For questions or comments about the committee and its activities, please call (831) 479-6406. All meetings are open to the public.

Bond Issuance and Expenditures through June 2006

The Cabrillo Community College District's initial bond series received an AA-rating and the initial offering, Series A in the amount of \$60 million, was issued in May 2004. The District will issue bonds in subsequent phases as projects progress.

Facilities projects are publicly bid as required by contract code and the District has endeavored to make qualified local contractors aware of the projects and assist them with the public bidding process to facilitate work for local residents.

Measure D funded projects that have been completed or were in progress as of June 30, 2006 are on the next page.

Measure D Funded Facilities Master Plan Projects¹

As of June 30, 2006

Schedule A

Projects in Progress	Measure D Funding Category	Amount Budget	Paid to Date (thru 6/30/06)
Arts Education Classrooms (AEC)	AEC Project	\$42,597,190	\$5,673,930
Allied Health Building	Health and Wellness	\$17,846,659	\$499,078
Allied Health Parking Structure	Health and Wellness	\$10,500,000	\$4,232,891
Allied Health Equipment	Equipment	\$1,209,977	\$0
Student Services Complex	Student Services	\$18,564,459	\$7,220,431
Stadium Bathroom Renovation	ADA Access and Safety	\$30,000	\$11,617
Bond Audit		\$10,000	\$0
Total in Progress		\$90,758,285	\$17,637,947

Schedule B

Projects in Planning	Measure D Funding Category	Amount Budget	Paid to Date (thru 6/30/06)
Building 200 (Theater) Renovation Building 400 Boiler Pipe Replacement Building 300 Upgrades Allied Health Secondary Effects	Building Upgrades	\$7,610,000	\$96,506
Furniture and Equipment for Building 200 Furniture and Equipment for Building 300	Furniture & Equipment	\$1,215,000	\$164,427
West Soquel Pedestrian Overcrossing and AEC ADA Corridor Campus Wide Signage	ADA Accessibility	\$400,000	\$149,483
Watsonville Library Preliminary Budget	Watsonville	\$2,500	\$1,930
Total in Planning		\$9,227,500	\$412,346

¹Only Measure D funding is shown. Funding from other sources is excluded.

Schedule C

Closed Projects	Measure D Funding Category	Expensed Amount
Faculty Offices Buildings 900, 1200, and 2000	Equipment	\$364,487
Utility Relocation Project Southwest Power and Communication Southeast Perimeter Road Construct Parking Lot R	Road and Utilities	\$1,195,918
Enrollment Services Center CTC and Business Office Improvements Building 400 Improvements Exterior Painting Buildings 100, 900,1000, 1500, 1550, 1300, 1400, 1400, & 1600 HVAC Buildings 400, 450, 500, 700 Building 900 Restrooms	Building Upgrades	\$3,029,295
Building 1100 ADA Access Stair Replacement Parking Lots E, F, and G Land Bridge between Bldg 900 and Library	ADA Access and Safety	\$1,202,488
Bond Fee	Interest	\$258,565
Total Closed		\$6,050,754

Schedule D

Remaining Projects	Planning Reserve
Watsonville Classroom Expansion	\$6,997,500
ADA Access & Safety	\$1,367,512
Classroom & Lab Renovation	\$2,398,626
Upgrade Buildings	\$1,432,080
Road & Utilities	\$804,080
Equipment	\$3,710,536
Unallocated Combined with FMP Contingency 1/26/06	\$54
Total remaining projects	\$16,710,388

Total Budget Measure D Projects (Schedules A,B,C, & D)	\$122,746,926
Measure D Bond	\$118,500,000
Interest Projected Through 06/07	\$4,246,926
Total Measure D Funding	\$122,746,926



Student Activities Center

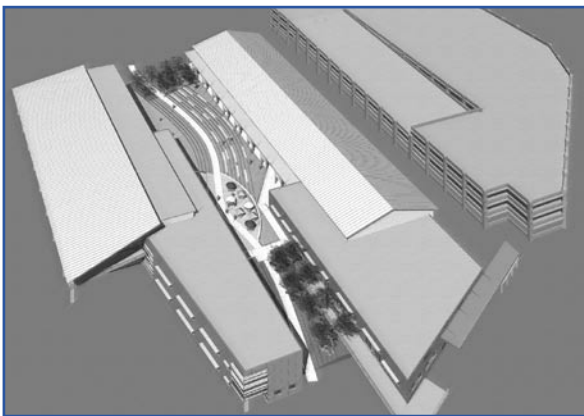
Construction is well underway on the Student Activities Center, a 50,000-square foot, two-level building located in the very center of the Aptos campus on Soquel Drive. The center area around the building project will be landscaped to make this area a hub of student activity. A highlight of the new center will be a new bookstore. The old 3,700 square foot store will be replaced with a modern 10,000 square foot store. In addition, the building will include student assessment and orientation services, student government, student activities, and related programs. Covered parking will be on the ground level to accommodate access to the bookstore and to enrollment services. The Student Activities Center is on schedule to open in Summer 2007.



Arts Education Classrooms

The Arts Education Classrooms project consists of five buildings totaling 122,300 square feet. The project includes a 540-seat theater, a 385-seat music classroom and recital hall, an instructional forum building, a building dedicated to two-dimensional art and one for three-dimensional art. This project will provide triple the number of music practice rooms for students, five music rehearsal spaces, an acting studio, drawing and design studios, dance studios, and classroom space for experimental theater.

In June 2006, the first of the concrete footings was poured for the Arts Education Classrooms project. The project is on target for coming on line in Fall 2008.



Health & Wellness Classrooms & Parking

Preliminary plans have been completed for the construction of a 55,000+ square foot Health and Wellness classroom facility to bring together all health-related disciplines to include Nursing, Dental Hygiene, Medical Assisting, Radiologic Technology, the Stroke and Acquired Disabilities Center, Health Science, and a new Wellness Center. Construction bids will be solicited in Spring 2007 with the goal to begin construction in Summer 2007.

The Health and Wellness Facility parking structure is currently 50% complete. The parking structure will offer 510 parking spaces in the north-east corner of the campus to provide additional parking for those students attending classes on upper campus. The parking structure is on schedule to be completed in late Fall 2006.

Examination of Expenditures

Cabrillo College provides the Citizens' Oversight Committee with comprehensive financial and project updates at committee meetings. Monthly Facilities Master Plan status reports are submitted to the Cabrillo College Governing Board for review. Revisions to the plan are approved by the Governing Board as necessary at the March and August Board meetings. The Citizens' Oversight Committee also receives copies of the monthly reports to the Governing Board.

Issues

The high cost of construction continues to be a challenge facing the College. Cabrillo College staff continues to diligently work with consultants and contractors to keep the projects on schedule and on budget. The California Division of the State Architect (DSA) must approve community college construction projects that affect structural, safety, and access. The DSA's approval process continues to provide challenges to the goal of minimizing delays and additional costs to the projects.

Conclusions

The Citizens' Oversight Committee finds that Cabrillo College has complied with the spirit and requirements of state law in accounting for and expending public bond funds. It has exercised proficient fiscal discretion in selecting best practices to facilitate projects through planning and contract management.

