

Riverside Community College District

Citizens' Bond Oversight Committee

2018 - 2019
Annual Report

<http://rccd.edu/cboc>



CITIZENS' BOND OVERSIGHT COMMITTEE

Riverside Community College District appreciates the community's support for students and its colleges. The passage of Measure C in March 2004 provided funding for much-needed projects to accommodate the growing number of students in the District.

Proceeds from the bond are designated to help pay for the acquisition, construction, improvement, and renovation of various college facilities as outlined in the ballot measure.

The Citizens' Bond Oversight Committee (CBOC) of appointed citizens oversees the expenditure of funds and the annual performance audit and financial audit of bond funds and projects. The CBOC, consisting of seven members, is responsible for ensuring that Measure C expenditures follow Proposition 39, and informing how Measure C proceeds are used through annual reports to the RCCD Board of Trustees and the public.

2018-19 CBOC Members:

Clark Dupont, Chair (*At-Large Representative*)

Raymond Hicks, Vice Chair (*College Advisory Group*)

Morrie Barembaum (*At-Large Representative*)

Susan Cash (*Senior Citizens Group Representative*)

James Cuevas (*Business Representative*)

Jeanette Hazelwood (*Student Representative*)

Jason Hunter (*Taxpayers Representative*)

Proceedings and Activities

Meetings of the Citizens' Bond Oversight Committee

The Committee conducts its meetings in accordance with the provisions of the Ralph M. Brown Public Meeting Act Government Code Sections 54950 et seq. Meeting notices and agendas are sent to members of the Committee within the required period and are posted at RCCD campuses and education centers. Meeting notices, agendas, minutes, and documents and reports received by the Committee are a matter of public record and are available through the RCCD website: <http://rccd.edu/cboc> or by calling the RCCD Office of Strategic Communications and Institutional Advancement at (951) 222-8856.



MEETING: JULY 19, 2018

Riverside Community College District
Culinary Arts Academy and District Office
Executive Conference Room 309
3801 Market Street
Riverside, CA 92501

Measure C Financial Update

Measure C Funding

Vice Chancellor of Business and Financial Services Aaron Brown gave an update on the Measure C funding. Committee members were provided information on the Project Commitments Summary (PCS) and Capital Program Executive Summary (CPES) reports. The CPES report is a planning tool used by District Facilities and the colleges as it identifies the allocations and project commitments associated with the funding and balance to plan the projects accordingly. Staff embarked on a process to take to the Board of Trustees; first, the project savings reconciliation report (5/15/18 Agenda Item VIII-D-3) which included a net savings of \$4.3 million, funds that can be repurposed by the colleges, and second, the updated CPES report (6/18/18 Agenda Item VIII-D-2).

Project Commitments Summary Series A, Series B, Series A Refunding, Series 2007 C, Series 2010 D, and Series 2015 E as of June 30, 2018.

Director of Business Services Majd Askar presented the update on the Measure C Project Commitments Summary. Committee members received the financial report with the summary of activities as of June 30, 2018. Changes that occurred since the April 2018 Measure C cash on hand is \$7,269,061, approximately \$585,000 less than in the last report. This reduction is mostly due to expenses related to the RCC Charles A. Kane Student Services Admin project, Phase II parking lot, and IPP and PFP studies. The project closeout amount increased and the in-progress projects were reduced. There was an increase in the program reserve contingency of about \$930,000. As projects closeout, funding either goes back to the College or if funding came from contingency or the reserve account, it will be returned to the appropriate account. The total project commitments decreased; this is reflective of the project savings as there is less funding committed to projects.

Current Capital Program Executive Summary

Brown provided information on the Current Capital Program Executive Summary (CPES) report. Major items that reflect funding updates include the Fuel Cell project at Norco College and the Logic Domain CPM System, Coil School for the Arts, and MLK renovation at RCC.

A discussion about state funding ensued.

Measure C Project Update

Brown provided an update on the current projects at the Ben Clark Training Center. The corrections training platform, which is grant funded, may require an augmentation of Measure C funds, approximately \$300,000-\$500,000. The project is being reassessed, exploring a more permanent structure instead of a modular facility. A ground lease agreement was taken to the Board because the County is now pursuing a licensing agreement. Phase 1 construction, Measure C funded project, may require an amendment to the Board based on fair share contribution to the project.

Director of Facilities Development Bart Doering presented the Measure C project update. Two Measure C projects were approved by the Board:

Agenda Item (VIII-E-1) 6-19-18

2020-2024 Five-Year Capital Construction Plan, Initial Project Proposals and Final Project Proposals

The California Community College Chancellor's Office requires districts to submit an annual Five-Year Capital Construction Plan, Initial Project Proposals (IPP) and Final Project Proposals (FPP) for State Capital outlay funding purposes. RCCD's plan included four IPPs and three FPPs:

Initial Project Proposals

1. Norco College – Library Learning Resource Center
2. Riverside City College – MLK Renovation
3. Moreno Valley College – Center for Human Performance
4. Riverside City College – Cosmetology Building

Final Project Proposals

1. Moreno Valley College – Library Learning Center
2. Norco College – Center for Human Performance and Kinesiology
3. Riverside City College – Life Science/Physical Science

The state of California selects one project each year. This was presented to the CBOC because in order to compete there must be a local match which will come from Measure C funding.

Agenda Item (VIII-E-1) 6-19-18

Cost Proposal for Structural Review for RCC Life Science/Physical Science buildings with Rodriguez Engineering, Inc.

Measure C Project Summary

Director of Facilities Development Bart Doering presented the Measure C project update.

RCC Facilities Master Plan

The Board approved use of RCC Measure C funds of \$500,000 for the Facilities Master Plan Update which is scheduled to be complete in December 2018.

RCC Five-Year Capital Construction Plan –

Life Science/Physical Science Reconstruction

Initial Project Proposal (IPP) submitted to the state (Funding = State: \$21,776,000/ Measure C: \$6,883,000); Gensler was hired to update/refresh the building program for inclusion on the District's Five-Year Capital Construction Plan report. Program/diagrams were finalized for Final Project Proposal (FPP).

MVC Student Services Remodel

MVC is considering options for the Student Service Remodel project due to estimated costs exceeding budget availability.

BCTC Center Phase I

Infrastructure costs included in the Phase 1 Ground Lease are being evaluated by the District before the agreement is finalized with the County.

NC Five-Year Capital Construction Plan – Multimedia and Arts Center

An IPP was submitted to the state (Funding = State \$67,828,000 / Measure C: \$1,629,000).



MEETING: OCTOBER 18, 2018

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Introduction of New Committee Member

Morrie Barembaum introduced Jason Hunter, member of a taxpayer organization, who was appointed by the Board of Trustees at the August Board meeting.

Measure C Audit Report

Controller Melissa Elwood introduced the 2018 Bond Audit Report and Renee Graves, principal with CliftonLarsonAllen LLP. Graves delivered a summary of the audit and provided handouts of the final audit report. The auditor gave the following findings, "A clean unmodified opinion and the financial statements on the bond fund itself are fairly stated and follow appropriate accounting principles." The audit conclusion states, "The results of our tests indicated that, in all significant respects, the District has properly accounted for the expenditures of the funds held in the General Obligation Bond Funded Capital Outlay Projects – Measure C Bond Program and that such expenditures were made on authorized bond projects."

Measure C Financial Update

Project Commitments Summary Series A, Series B, Series A Refunding, Series 2007 C, Series 2010 D, Series 2015 E as of September 30, 2018.

Director of Business Services Majd Askar presented the update on the Measure C Project Commitments Summary. Committee members received the financial report with the summary of activities as of September 30, 2018. Measure C cash on hand decreased approximately \$1.3 million primarily due to expenses related to RCC Kane Student Services Administration project, expenses were approximately \$906,000. Other expenses included the initial project proposal (IPP) and final project proposal (FPP) related to MVC, NC and RCC master plan studies with Gensler. There was an increase to interest income of about \$146,000 due to the reconciled 2017-18 interest income to actual from budgeted and the anticipated 2018-19 interest. Under other income, the District received a settlement through a nationwide lawsuit in the amount of \$2,816.

A reduction in the incentive program fund for the fuel cell project at Norco College was noted. Southern California Edison informed the District that it was no longer eligible to receive incentive payments. The fund was reconciled to reflect the actual receipt of \$507,676 a reduction of \$392,000.

Increased in-progress projects increased by \$3.2 million for the Student Services Welcome Center project at MVC and the 2018-19 feasibility and salary line for anticipated expenses in the upcoming year.

Most of the highlighted items in the report are related to a budget increase for the MVC Student Services Welcome Center project for the feasibility and planning. Additional expenses noted are related to the Kane Student Services Administration project for the master planning and the Culinary Arts Academy District Office project.

Current Capital Program Executive Summary

Vice Chancellor of Business and Financial Services Aaron Brown provided information on Current Capital Program Executive Summary (CPES) report for period ending September 2018. This planning and tracking tool identifies the commitments for Measure C funds. The summary page gives bottom line number for the remaining and uncommitted funds for each entity. At this point there is approximately \$25 million uncommitted.

Measure C Project Update

Director Facilities Development Bart Doering presented the Measure C project update. The following Measure C projects items were approved by the Board:

Agenda Item (VIII-C-1) 8/21/18

Student Services Welcome Center Project – Amend the Moreno Valley College Student Services Project and approve development of the Moreno Valley College Student Services Welcome Center Project; and approve a total budget of \$14 million, including the reallocation of \$11 million from the Student Services project.

Agenda Item (VIII-C-2) 8/21/18

Architectural Services for the Student Services Welcome Center Project - The selection of HPI Architecture for architectural services for the Moreno Valley College Student Services Welcome Center Project and approve the agreement in the amount of \$1,089,050, including reimbursable expenses.

Agenda Item (VI-B-6-d) 9/17/18

Agreement for Professional Services with Facilities Planning and Consulting Services, Inc. (FPSC)

Measure C Project Summary

Director Facilities Development Bart Doering presented the Measure C project update.

Riverside City College

RCC is working on the Master Plan update working with Gensler, a Board presentation is scheduled for December.

RCC's five-year capital construction plan with the state includes the Life Science/Physical Science Reconstruction which has been turned into an FPP and submitted to the state for approval.

Moreno Valley College

MVC is working on the Student Services Welcome Center project, funding for this project was increased from \$11 million to \$14 million.

The County provided infrastructure costs which were presented to the District regarding the Ben Clark Training Center Phase I project. This information is being reviewed.

Norco College

NC's five-year capital construction plan with the State includes the Multimedia and Arts center, which is still an IPP.

Business from Committee Members

Cuevas nominated Clark Dupont as committee chair. Committee members voted 5-0 in favor, Dupont will begin as chair beginning January 2019.

Received resignation of CBOC member Susan Cash effective Oct 18, 2018.



MEETING: APRIL 18, 2019

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Measure C Financial Update

General Obligation Bond Issuance History

Chet Wang, Financial Advisor from Keygent, LLC provided a report to the Committee on the issuance history of the bond. The District has issued \$310,003,424 of the \$350 million Measure C authorization in six series of bonds. \$39,996,576 of the Measure C authorization remains unissued. Three series of refinancings have occurred to take advantage of lower interest rates.

Project Commitments Summary Series A, Series B, Series A Refunding, Series 2007 C, Series 2010 D, Series 2015 E as of March 30, 2019.

Director of Business Services Majd Askar presented the update on the Measure C Project Commitments Summary. Committee members received the financial report with the summary of activities as of March 30, 2019. Measure C cash on hand was \$5,442,796, a decrease of \$228,543, due to expenses primarily related to MVC Student Services Welcome Center project and preparing the IPP / FPP update. Completed Projects costs increased by \$60,435 due to project closeouts added expenses.

Capital Project Executive Summary Report

Vice Chancellor, Business and Financial Services Aaron Brown provided the Capital Project Executive Summary report. Approximately \$12 million in uncommitted funds are earmarked for BCTC Phase 1 project.

Measure C Projects Update

Director of Facilities Development Bart Doering provided the Measure C projects update. The following Board reports using Measure C funds were approved by the Board of Trustees:

Agenda Item (VIII-C-1) 1/15/19

Revised Ground Lease for the Education Center at Ben Clark Public Safety Training Center with the County of Riverside

Measure C Project Summary

Director of Facilities Development Bart Doering presented the Measure C project update. The following Measure C projects items were approved by the Board:

Riverside City College

RCC's five-year capital construction plan includes the Life Science/ Physical Science Reconstruction which has been turned into an FPP and submitted to the state for approval (Funding = State: \$21,776,000 / Measure C: \$6,883,000).

Moreno Valley College

MVC has hired DLR architects to perform the Facilities Master Plan Update. Student Service Welcome Center Project is currently in the final design development stage, and will be moving into the 50% construction stage. MVC has selected Tilden-Coil as their CM.

BCTC Center (Phase 1) Ground Lease was approved by the District/College and went to the January 2019 Board for approval. The college is currently in the process of selecting an architect to start the design work.

Norco College

NC's five-year capital construction plan with the state includes the Multimedia and Arts Center, Initial Project Proposal was submitted to the state (Funding = State: \$67,828,000 / Measure C: \$1,629,000).

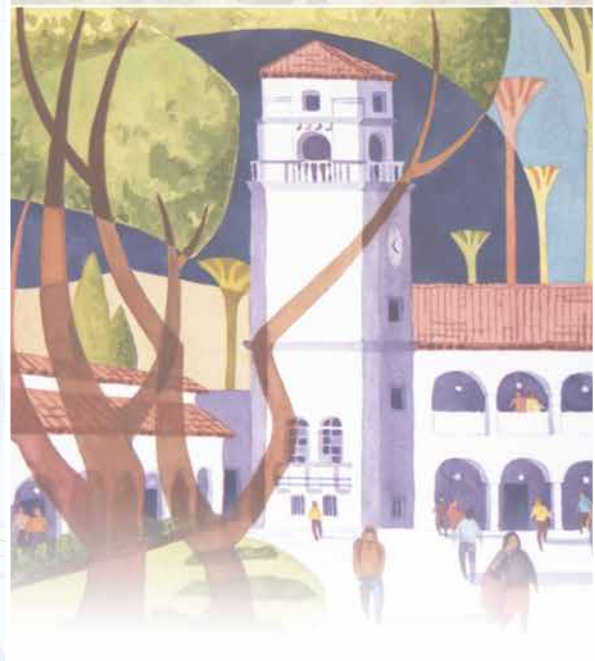


Statement of Compliance

This Annual Report is submitted to the Board of Trustees by the Riverside Community College District Citizens' Bond Oversight Committee. This Committee advises that, to the best of its knowledge, the Riverside Community College District complies with the requirements in Article XIII A, Section 1(b) (3) of the California Constitution. In particular, bond revenue has been expended only for the purposes so described in Measure C and no funds were used for any teacher or administrative salaries or other operating expenses as prohibited by Article XIII A, Section (b) (s) (a) of the California Constitution.

Respectfully submitted:
Clark Dupont, Chair
Citizens' Bond Oversight Committee

Date: November 19, 2019





RCCD | RIVERSIDE COMMUNITY
COLLEGE DISTRICT

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