

Annual Report to the Community-2006
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
Bond Oversight Committee
February, 2007

Voters in San Mateo County generously voted to approve two separate bond measures (Measure C in 2001 and Measure A in 2005) which together will provide \$675 million in funding to update, modernize, and retrofit the three community colleges serving County residents: Cañada College, College of San Mateo and Skyline College. As required by law, the District Board of Trustees established a Bond Oversight Committee in 2001 composed of community leaders with expertise in finance, accounting, education and local government. The 11-member Committee is charged with the responsibility to assure voters that bond proceeds are expended only for construction, reconstruction, rehabilitation or replacement of College facilities in compliance with the ballot language approved by voters, and that no funds are used for teacher or administrator salaries or for other operating costs.

During the past year, the Bond Oversight Committee met quarterly to review the District's bond project plans, timelines and proposed expenditures. At each meeting, the Committee was provided with financial and project plan updates describing the bond-related activities undertaken by the District during the quarter. Throughout the year, members of the Bond Oversight Committee also toured facilities under construction as well as newly completed buildings.

The accounting firm of Vavrinek, Trine, Day & Co., LLP (VTD) conducted both a financial and a performance audit of bond expenditures and activities for both bond funds—Measure C and Measure A. The firm found that the bond fund financial statements present fairly the financial position and results of operations for each respective fund. As part of a performance audits, VTD reviewed approximately 25% of 2005-06 expenditures for each of the bond funds and found that the use of funds was consistent with the stated purposes of the respective bond measures approved by voters. As of June 30, 2006, the District had expended \$153,225,586 and committed an additional \$22,001,872 in Measure C funds—85% of the total Measure C authorization. In addition, the District has expended \$32,198,507 and committed \$499,817 of Measure A funds—7% of the total authorization.

During 2006, District and College administrations continued extensive planning, scheduling and campus consultation regarding the scope and sequence of the major bond projects (modernization, new construction, repair) that are taking place at all three Colleges. The District has invested a considerable amount of staff time in pre-construction planning and consultation activities in order to assure that bond project funds are efficiently and effectively expended on College improvements that will benefit students for generations to come. The District staff has also worked aggressively to secure additional State, local and private funding to supplement bond funds. To date, the District has secured more than \$58.6 million from these sources and anticipates that it will be successful in securing another \$60 million for facilities projects from various State sources e.g., community college capital outlay and deferred maintenance funds, and funds from the voter-approved Statewide educational facilities bond.

The major activities that took place during the past year include:

- The **Walter H. Moore Regional Public Safety Center** (RPSC) at College of San Mateo opened on June 14, 2006. This 9,244 square-foot facility is a joint use facility shared by College of San Mateo and the South Bay Regional Public Safety Training Consortium. The RPSC provides training facilities for Peninsula law enforcement agencies; the Consortium will provide public safety training for police academy candidates. The new building includes two large classrooms for group training, a mat room, locker room and restroom facilities, as well as administrative offices and a break room. With the RPSC strategically located in the athletic zone of the CSM campus, students will be able to use the surrounding area for their physical training. Total cost of this project was \$4.4 million funded from bond funds, donations and a major grant from the Walter Moore Foundation.
- The new **Science Building at College of San Mateo** opened in time for the start of the Fall 2006 semester; the official ribbon cutting was held on September 8, 2006. Work on the adjacent Planetarium was completed in January 2007. The 55,000 square foot Science Building provides a new technologically sophisticated home for the physical and life sciences at CSM, replacing facilities that were outdated, beyond their functional service life, and too expensive to renovate to meet current and future program needs. The Science Building includes laboratories for earth sciences, physics, anatomy/physiology, botany, zoology, microbiology and chemistry. In addition, there is an Observatory and various preparation and storage rooms, as well as offices for science professors. The final cost of this CSM flagship project was \$28.4 million, funded entirely by Measure C.
- Construction continued on the Skyline College flagship project—the **Skyline Student Union and Science Annex**—two new buildings that are located in the heart of the campus. The **Student Union** houses a food court and dining area, bookstore, cyber café, and security office on the first floor. The second floor accommodates student activities, a study lounge, a meeting center and the associated students' offices. Students at Skyline College voluntarily increased their student fees in order to support this project. The **Science Annex** includes new, state-of-the-art biology and chemistry labs and support spaces as well as the Science/Math/Technology Division Office. The ribbon cutting for these buildings took place on February 14, 2007. Total cost of this project is projected to be \$33 million, funded by Measure C, State funds and student fees.
- The Cañada College flagship project, the new **Library and Student Resources Center**, is expected to open in August 2007. This \$31.7 million project is primarily funded through State Capital Outlay grants totaling \$21.9 million; the remaining amount is funded by Measure C. The project will complete the campus, providing vertical access (elevators and stairs) from the primary parking areas down to the main quad level. The three-story 75,917 square foot building features library services on the upper floors a learning resource center and a fully integrated student services “one-stop shop” at the quad level.
- In 2006, the District completed issuance of all Measure C proceeds and accelerated issuance of Measure A proceeds in order to take advantage of a market opportunity to capture low interest rates and enhance investment earnings. In April and December, the District completed two bond sales: the April issuance totaled \$175.5 million and the

December issue totaled \$332.6 million. Because the all-in interest cost of the two issues was significantly below what had originally been projected, San Mateo County taxpayers will save more than \$95 million in debt repayment over the next 30 years. In addition, the District will earn an estimated \$41 million in interest earnings on the Measure A debt, all of which will be used on capital improvement projects at the Colleges.

In addition to the flagship projects described above, a number of other renovation and infrastructure projects were completed during 2006. These projects include seismic upgrade and modernization of the Skyline College Building 3 Gymnasium and Building 8 Instructional Center; renovation of College of San Mateo Building 9 KCSM; completion of various ADA accessibility improvements; completion of a number of energy efficiency projects; various individual classroom upgrades including installation of technology infrastructure and audio-visual equipment to support modern pedagogical methods, and installation of new, state-of-the-art fire alarm systems at College of San Mateo and Cañada College. Projects still under construction and scheduled for completion in early 2007 include modernization of Cañada College Building 17 Lecture Hall and improvements to the Cañada College central quadrangle. Projects scheduled to be under construction in Spring 2007 include the Cañada College Science and Engineering Buildings 18 and 16, and renovation of the Cañada College Bookstore.

The Bond Oversight Committee is pleased with the results of the District's efforts. More detailed information about the College District's bond projects, timelines, and expenditures-to-date are available on the District's web page: smccd.net. From the first page, go to "Quick Links" and go the Bond Oversight Webpage, where you can find the bond projects list, minutes, agendas and reports considered by the Bond Oversight Committee. If you still have questions or concerns, please contact the Bond Oversight Committee at christensen@smccd.edu.

The Bond Oversight Committee invites community members to attend its meetings which are held quarterly at the College District Office, 3401 CSM Drive, San Mateo CA 94402. All meetings are open to the public; meeting dates and agendas are posted on the District web site.

Bond Oversight Committee :

Jim Wyatt, Chair

Marion McDowell, Co-Chair

Members:

Marta Bookbinder

Coleman Campbell

Chris Eden

Stanley Gross

Rose Jacobs-Gibson

Gene Klein

William Nack

Ruth Nagler

Patrick Cheng