ANNUAL REPORT TO THE CITIZENS OF THE WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT ON THE DISBURSEMENT OF FUNDS UNDER THE REQUIREMENTS OF MEASURE H AND MEASURE C

April 2015 – April 2016

The Annual Report of the Citizens' Bond Oversight Committee (CBOC) is required by law in the language of Measure H, which was passed by the voters on November 2, 2004, and the language of Measure C, which was passed by the voters on June 5, 2012, both of which exceeded 55% of the votes cast.

On November 7, 2000, Proposition 39 (The Smaller Classes, Safer Schools & Financial Accountability Act) was approved by the voters, which allowed for a 55% majority vote for college districts to secure bonding for repair and upgrade of various campus structures and to support existing and new programs that are required of the District as part of its commitment to provide a college education at the community level.

Among the restrictions of Proposition 39, in addition to oversight by an appointed citizens' committee, is precluded prohibition against the use of bond monies for administrator salaries and expenses, among other things. The oversight committee must include representation from a bona fide taxpayers' association (1), a business organization (1), and a senior citizens' organization (1). Also included are representatives of the campus student body (1), a District/College Support Organization (1), and the Community-at-large (2). No District employees or vendors are allowed to serve on the CBOC. CBOC members' terms are two years, and they may re-apply for a second two-year term with approval of the Board of Trustees of the District.

Committee members Mr. Paul Cavagnolo (Senior Organization), Mr. Frank Jewett (District/College Support Organization), and Ms. Gail Long (Community-at-Large) have completed their initial term and have agreed to serve a second two-year term. Mr. Bill Hult (Community-at-Large) has completed the second year of his initial two-year term and has agreed to serve a second two-year term. Ms. Shirley Cantu, (Taxpayer Organization Representative) and Mr. Peter Kuo (Business Organization), are in the second year of their initial term. Ms. Cantu is a returning member; she previously served on the committee from 2005-2009, and 2010-2014. The committee is actively seeking a student representative.

The CBOC is governed by the Brown Act of 1971 (The Open Meetings Act) and all meeting agendas are published and publicly placed at least 72 hours prior to any scheduled meeting where official business is to be transacted. The general public is invited to attend all meetings. There are no closed sessions of the CBOC.

ANNUAL REPORT

Concluding its eleventh year, the CBOC continued with its program of oversight and review of Measure H expenditures. Measure H funds were fully expended on February 29, 2016. The CBOC continues its oversight and review of Measure C expenditures. The compliance to Measure H and Measure C priorities and procedures by the District Staff and the CBOC were validated by the recent audit performed by Vavrinek, Trine, Day & Company LLP, which was presented to the

CBOC on March 9, 2016. The auditors conducted a Measure H and Measure C Performance Audit to measure compliance with Proposition 39 and concluded that the District expended funds only for the specific projects approved by the voters. A separate Financial Audit was conducted and concluded that the Financial Statements of the Measure H and Measure C Funds accurately present its financial status.

Through regular meetings and a variety of reports that the CBOC helped draft, the oversight process was timely and consistent.

MEASURE H FUNDING

Sale of General Obligation Bonds

In November 2004, West Valley-Mission Community College District voters passed Measure H, a $235 million bond measure. On May 18, 2006, the District issued the first series of bonds in the aggregate principal amount of $100 million. The final series in the aggregate principal amount of $135 million was issued in May 2009. The District maintained a consistent bond rating from Moody's—Aa2.

Measure H and Measure C - April 2015 through April 2016

The working drawings for the Applied Arts & Sciences Building renovation at West Valley College were submitted to the Division of the State Architect (DSA) on June 26, 2013, and approved on March 26, 2014. This project is funded by both Measure H and Measure C. Construction is underway and expected to be complete in summer 2016, with fall 2016 occupancy.

MEASURE C FUNDING

Sale of General Obligation Bonds

In June 2012, Measure C, a $350 million General Obligation bond measure, was approved by the voters. On August 21, 2012, the District issued the first series of bonds in the aggregate principal amount of $100 million. The bond rating from Moody's was Aa2. In February 2015, the second series of bonds were issued in an aggregate principle of $150 million. The bond rating from Moody's and Standard & Poor's was AAA. Given the higher bond rating, the District refunded at a lower interest rate about $28 million in bonds that had been issued previously as part of Measure H. This provided a savings of $6.6 million.

Measure C – April 2015 through April 2016

The plans for the Underground Main Point of Entry replacement project were submitted to DSA in December 2013 and approved November 2014. Construction started March 30, 2015, and was completed in March 2016.

The working drawings for the Facilities Replacement Building at Mission College were submitted to DSA on July 30, 2013, and approved on February 12, 2014. Construction started June 2014 and completed summer 2015. The building was occupied on September 17, 2015. This project is expected to be LEED Silver equivalent with commissioning.

West Valley College Parking Lot 7 was repaired, resurfaced and restriped in August 2015.

These projects were approved by DSA and are under construction.

- MC Wellness and Human Performance Center
- MC Main Building Replacement Project Phase II
- WVC Facilities Replacement Building
- MC-WVC Fire Alarm Replacement

Working drawings for these projects were submitted to DSA.

- WVC Student Services Building
- WVC Planetarium Replacement Building
- WVC Business and Administration of Justice Building Renovation

FINANCIALS

The CBOC reviewed the process that it and the Measure H and Measure C staff use to measure the performance level of reporting expenditures and to review the accuracy of the financial presentations. The CBOC uses established procedures as its guide to review and report the staff's methods of reporting bond expenditures.

FINDINGS

The goal of the CBOC was to review its actions to assure that the expenditure of funds were consistent with the requirements of Measure H and Measure C and to prepare a statement to be included in the Annual Report of the CBOC for presentation to the Board of Trustees.

The CBOC finds that appropriate procedures to approve and report any and all movements of monies from contingency, and between delineated projects, are in place. Reports to identify time frames and critical path points are produced and reviewed at all CBOC meetings.

Those reports that allow for CBOC oversight of bond money expenditures are listed as follows:

A. MEASURE H AND CAPITAL OUTLAY PROGRAM and MEASURE C AND CAPITAL OUTLAY PROGRAM PROJECT PROGRESS REPORTS:

   Pre-Design Phase, Preliminary Design Phase, Working Drawings Phase, Bid and Award Phase, Construction Phase, and Construction Projects Completed.

B. UPDATE ON MEASURE H and MEASURE C EXPENSES BY PROJECT PHASE.

   West Valley Projects, Mission College Projects, Central Services Projects.

C. UPDATE ON MEASURE H and MEASURE C EXPENSES FOR ALL PROJECTS.

D. MEASURE H and MEASURE C VENDOR CONTRACTS WITH EXPENDITURES PER PROJECT.

E. MEASURE H and MEASURE C PROGRAM MASTER SCHEDULE

The CBOC finds that the District's provision of information to the committee, appropriate staffing to update said reports, and prompt response to CBOC requests results in accurate information and allows the CBOC to provide positive oversight of the expenditure of public monies. The CBOC meets quarterly, as per the by-laws, due to the established, consistent, and thorough reporting regimen.

The CBOC thanks the Measure H and Measure C staff members for their commitment to being prompt and factual and for maintaining high standards of transparency. The CBOC is also grateful for the skilled administrative support provided by District staff during the past year.

Respectfully Submitted:

Frank Jewett, Chair

Attachment:

1. Annual CBOC Update on Measure H Bond Program; Expenditures through June 16, 2015, based on the June 21, 2011 Project Priority List for District Services, the May 20, 2014, Project Priority List for Mission College, and the April 21, 2015, Project Priority List for West Valley College.

2. Annual CBOC Update on Measure C Bond Program; Expenditures through January 31, 2016, based on the September 15, 2015, Project Priority List.

Expenditures through Jan 31, 2016

ANNUAL CBOC UPDATE ON MEASURE H BOND PROGRAM

Based on Jun 16, 2015 Project Priority List

		All Funds	Capital Outlay	Bond Interest	Land Corp/Other	Measure H Funds			
Project Number	Description	Total Project Budget	State Funds	Bond Interest Funds	Land Corp/ Other Funds	Bond Funds	Bond Funds Expended	Bond Balance	% Spent
	Measure H Bond & Capital Outlay Program								
1	Total Construction Projects	$ 305,752,471	$ 46,750,220	$ -	$ 24,002,251	$ 235,000,000	$ 235,000,000	$ -	100%
2	Bond Interest	$ 6,373,546	$ -	$ 6,373,546	$ -				
3	Construction Program Totals	$ 312,126,017	$ 46,750,220	$ 6,373,546	$ 24,002,251	$ 235,000,000	$ 235,000,000	$ -	
4	**West Valley College Projects**	$ 156,782,503	$ 38,168,520	$ 2,292,282	$ 19,321,701	$ 97,000,000	$ 97,000,000	$ -	100%
5	Program Management	$ 3,543,544	$ -	$ -	$ -	$ 3,543,544	$ 3,543,544	$ -	100%
6	Program Contingency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
7	Operation Expenses	$ 993,353	$ -	$ -	$ -	$ 993,353	$ 993,353	$ -	100%
8	Educational Master Facilities Plan	$ 159,565	$ -	$ -	$ -	$ 159,565	$ 159,565	$ -	100%
9	Environmental Impact Report	$ 146,536	$ -	$ -	$ -	$ 146,536	$ 146,536	$ -	100%
10	Aquatic Center Project	$ 7,725,085	$ -	$ -	$ -	$ 7,725,085	$ 7,725,085	$ -	100%
11	Campus Technology Center	$ 21,614,039	$ 16,694,674	$ -	$ -	$ 4,919,365	$ 4,919,365	$ -	100%
12	Science and Math Replacement/Addition	$ 7,758,673	$ 5,628,806	$ -	$ 63,935	$ 2,065,932	$ 2,065,932	$ -	100%
13	Science and Math Building Renovation	$ 20,119,411	$ 15,845,040	$ -	$ -	$ 4,274,371	$ 4,274,371	$ -	100%
14	ADA Barrier Removal Plan	$ 2,042,733	$ -	$ -	$ -	$ 2,042,733	$ 2,042,733	$ -	100%
15	Utility Infrastructure Modernization	$ 6,535,351	$ -	$ -	$ -	$ 6,535,351	$ 6,535,351	$ -	100%
16	Surface Improvements	$ 8,832,914	$ -	$ -	$ -	$ 8,832,914	$ 8,832,914	$ -	100%
17	Infrastructure Modernization - Projects	$ 173,000	$ -	$ -	$ -	$ 173,000	$ 173,000	$ -	100%
18	Interim Housing/Swing Space/Wet Labs	$ 6,194,941	$ -	$ -	$ -	$ 6,194,941	$ 6,194,941	$ -	100%
19	Campus Center Building Renovation Phase I	$ 14,159,578	$ -	$ -	$ -	$ 14,159,578	$ 14,159,578	$ -	100%
20	Language Arts and Social Science Recon	$ 18,506,680	$ -	$ -	$ -	$ 18,506,680	$ 18,506,680	$ -	100%
21	Classroom & Student Services Fac. Upgrd	$ 1,390,909	$ -	$ -	$ -	$ 1,390,909	$ 1,390,909	$ -	100%
22	Solar Photo Voltaic System Project	$ 7,353,744	$ -	$ 2,292,282	$ 5,061,462	$ -	$ -	$ -	
23	Applied Arts and Science Remodel	$ 29,532,447	$ -	$ -	$ 14,196,304	$ 15,336,143	$ 15,336,143	$ -	100%
24	Total West Valley College	$ 156,782,503	$ 38,168,520	$ 2,292,282	$ 19,321,701	$ 97,000,000	$ 97,000,000	$ -	100%
25	West Valley Bond Funds Unallocated	$ 0				$ 0			

ANNUAL CBOC UPDATE ON MEASURE H BOND PROGRAM

		All Funds	Capital Outlay	Bond Interest	Land Corp/Other	Measure H Funds			
Project Number	Description	Total Project Budget	State Funds	Bond Interest Funds	Land Corp/ Other Funds	Bond Funds	Bond Funds Expended	Bond Balance	% Spent
26	**Mission College Projects**	$ 108,575,372	$ 4,456,094	$ 2,438,727	$ 4,680,551	$ 97,000,000	$ 97,000,000	$ -	100%
27	Program Management	$ 3,543,543	$ -	$ -	$ -	$ 3,543,543	$ 3,543,543	$ -	100%
28	Program Contingency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
29	Operational Expenses	$ 1,043,353	$ -	$ -	$ -	$ 1,043,353	$ 1,043,353	$ -	100%
30	Main Building Third Floor Reconstruction	$ 5,348,885	$ 4,456,094	$ -	$ 242,013	$ 650,778	$ 650,778	$ -	100%
31	Master Plan	$ 532,844		$ -	$ -	$ 532,844	$ 532,844	$ -	100%
32	Initial Study for EIR	$ 203,560	$ -	$ -	$ -	$ 203,560	$ 203,560	$ -	100%
33	Utility Survey (Infrastructure)	$ 140,771	$ -	$ -	$ -	$ 140,771	$ 140,771	$ -	100%
34	Hospitality Management Reconstruction	$ 8,798,625	$ -	$ -	$ -	$ 8,798,625	$ 8,798,625	$ -	100%
35	Infra Upgrade-Elec/Data/Tele/Sewer/Water	$ 9,884,683	$ -	$ -	$ -	$ 9,884,683	$ 9,884,683	$ -	100%
36	Main Building Replacement Phase 1: Building 1E	$ 65,312,763	$ -	$ -	$ -	$ 65,312,763	$ 65,312,763	$ -	100%
37	Childcare Replacement	$ 3,576,853	$ -	$ -	$ -	$ 3,576,853	$ 3,576,853	$ -	100%
38	Main Bldg Fire Alarm Upgrade	$ 860,898	$ -	$ -	$ -	$ 860,898	$ 860,898	$ -	100%
39	Solar Photo Voltaic System Project	$ 6,877,265	$ -	$ 2,438,727	$ 4,438,538	$ -	$ -	$ -	
40	Classroom and Student Services Upgrades	$ 2,451,329	$ -	$ -	$ -	$ 2,451,329	$ 2,451,329	$ -	100%
41	Total Mission College	$ 108,575,372	$ 4,456,094	$ 2,438,727	$ 4,680,551	$ 97,000,000	$ 97,000,000	$ -	100%
42	Mission Bond Funds Unallocated	$ -				$ -			
43	**Central Services Projects**	$ 46,768,143	$ 4,125,606	$ 1,642,537	$ -	$ 41,000,000	$ 41,000,000	$ -	100%
44	Program Management	$ 1,497,785	$ -	$ -	$ -	$ 1,497,785	$ 1,497,785	$ -	100%
45	Debt Service Restructuring (*)	$ 16,449,757	$ -	$ -	$ -	$ 16,449,757	$ 16,449,757	$ -	100%
46	Program Contingency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
47	Operational Expenses	$ 243,318	$ -	$ -	$ -	$ 243,318	$ 243,318	$ -	100%
48	Information Systems Building	$ 9,515,224	$ -	$ -	$ -	$ 9,515,224	$ 9,515,224	$ -	100%
49	IS Interim Housing	$ 1,329,839	$ -	$ -	$ -	$ 1,329,839	$ 1,329,839	$ -	100%
50	Server Replacement	$ 1,440,340	$ -	$ -	$ -	$ 1,440,340	$ 1,440,340	$ -	100%
51	Data Network	$ 7,085,829	$ -	$ -	$ -	$ 7,085,829	$ 7,085,829	$ -	100%
52	Master Plan - Central Services	$ 187,211	$ -	$ -	$ -	$ 187,211	$ 187,211	$ -	100%
53	Fire Alarm System Replacement	$ 4,699,427	$ 4,125,606	$ -	$ -	$ 573,821	$ 573,821	$ -	100%
54	Information Systems Support Facility	$ 3,640,133	$ -	$ 1,642,537	$ -	$ 1,997,596	$ 1,997,596	$ -	100%
55	Police Building Renovation	$ 679,281	$ -	$ -	$ -	$ 679,281	$ 679,281	$ -	100%
56	**Total Central Services**	$ 46,768,143	$ 4,125,606	$ 1,642,537	$ -	$ 41,000,000	$ 41,000,000	$ -	100%
57	Central Services Bond Funds Unallocated	$ -				$ -			

	Measure H Bond Summary	**Total Bond Amount**	**Bond Funds Sold to Date**			**Bond funds Revenue**	**Bond funds Expended**	**Bond Fund Revenue Balance**	**% Spent**
58	Series A Bond funds issued in May 2006	$ 235,000,000	$ 100,000,000			$ 235,000,000	$ 235,000,000	$ -	100%
59	Series B Bond funds issued in June 2009		$ 14,185,000						
60	Series C Bond funds issued in June 2009		$ 120,815,000						

		All Funds	Capital Funds	Measure C Funds			
Project Number	Description	Total Project Budget	State/Others	Bond Funds	Bond Funds Expended	Bond Balance	% Spent
	Measure C Bond & Capital Funds						
1	Total Construction Projects	$ 368,750,525	$ 18,750,525	$ 350,000,000	$ 55,727,252	$ 294,272,748	16%
						$ -	
2	**West Valley College Projects**	$ 175,052,143	$ 17,352,143	$ 157,700,000	$ 15,277,608	$ 142,422,392	10%
						$ -	
3	Program Contingency	$ 12,909,495	$ -	$ 12,909,495	$ -	$ 12,909,495	0%
4	Operation Expenses	$ 482,305	$ -	$ 482,305	$ 447,543	$ 34,762	93%
5	Swing Space for Building Projects	$ 5,400,000	$ -	$ 5,400,000	$ 2,158,135	$ 3,241,865	40%
6	Applied Arts and Science Renovation	$ 29,532,447	$ 15,336,143	$ 14,196,304	$ 6,304,211	$ 7,892,093	44%
7	Student Services Center Replacement Bldg	$ 30,418,569	$ -	$ 30,418,569	$ 1,883,765	$ 28,534,804	6%
8	Business Division & Admin Justice Renovation	$ 15,205,400	$ -	$ 15,205,400	$ 903,092	$ 14,302,308	6%
9	Planetarium Upgrade	$ 5,062,500	$ 750,000	$ 4,312,500	$ 514,841	$ 3,797,659	12%
10	Fine Arts Building - New Replacement Building	$ 11,110,797	$ -	$ 11,110,797	$ -	$ 11,110,797	0%
11	Hum-Fine Arts Bldg Renovation	$ 15,069,645	$ -	$ 15,069,645	$ -	$ 15,069,645	0%
12	Learning Resource Center Reconstruction	$ 29,458,800	$ -	$ 29,458,800	$ 80,340	$ 29,378,460	0%
13	PE Department Building Renovation	$ 11,035,200	$ -	$ 11,035,200	$ 759,597	$ 10,275,603	7%
14	Technology System Refresh Projects	$ 1,350,000	$ -	$ 1,350,000	$ -	$ 1,350,000	0%
15	Vasona Creek Restoration and Green Belt Improv	$ 2,616,000	$ 1,266,000	$ 1,350,000	$ 1,133,559	$ 216,441	84%
16	Parking Lot&Campus Walkway Resurface/Replacement	$ 5,400,985		$ 5,400,985	$ 1,092,526	$ 4,308,459	20%
17	**Total West Valley College**	$ 175,052,143	$ 17,352,143	$ 157,700,000	$ 15,277,608	$ 142,422,392	10%
						$ -	
18	West Valley Bond Funds Unallocated	$ -		$ -		$ -	

		All Funds	Capital Funds	Measure C Funds			
Project Number	Description	Total Project Budget	State/Others	Bond Funds	Bond Funds Expended	Bond Balance	% Spent
						$ -	
19	**Mission College Projects**	$ 157,700,000	$ -	$ 157,700,000	$ 31,058,317	$ 126,641,683	20%
						$ -	
20	Program Contingency	$ 14,570,697	$ -	$ 14,570,697	$ -	$ 14,570,697	0%
21	Operational Expenses	$ 482,305	$ -	$ 482,305	$ 447,543	$ 34,762	93%
22	Wellness and Human Performance Addition	$ 10,485,737	$ -	$ 10,485,737	$ 6,254,654	$ 4,231,083	60%
23	Mission College Main Building Replacement Phase II	$ 78,499,217	$ -	$ 78,499,217	$ 23,837,302	$ 54,661,915	30%
24	Main Plaza Canopy/Landscaping	$ 3,678,439	$ -	$ 3,678,439	$ -	$ 3,678,439	0%
25	Technology Enhanced Building	$ 23,274,400	$ -	$ 23,274,400	$ 3,700	$ 23,270,700	0%
26	Performing Arts Building	$ 25,194,087	$ -	$ 25,194,087	$ -	$ 25,194,087	0%
27	Technology System Refresh Projects	$ 1,515,118	$ -	$ 1,515,118	$ 515,118	$ 1,000,000	34%
				$ -		$ -	
28	**Total Mission College**	$ 157,700,000	$ -	$ 157,700,000	$ 31,058,317	$ 126,641,683	20%
						$ -	
29	Mission Bond Funds Unallocated	$ -		$ -		$ -	
						$ -	
30	**Central Services Projects**	$ 35,998,382	$ 1,398,382	$ 34,600,000	$ 9,391,327	$ 25,208,673	27%
						$ -	
31	Program Contingency	$ 3,352,822	$ -	$ 3,352,822	$ -	$ 3,352,822	0%
32	Operational Expenses	$ 107,178	$ -	$ 107,178	$ 99,454	$ 7,724	93%
33	District Facilities Building Replacement	$ 16,650,000	$ -	$ 16,650,000	$ 2,705,113	$ 13,944,887	16%
34	Datatel Infrastructure Project	$ 3,108,814	$ -	$ 3,108,814	$ 2,108,814	$ 1,000,000	68%
35	Underground MPOE Replacement	$ 2,700,000	$ -	$ 2,700,000	$ 2,086,097	$ 613,903	77%
36	HVAC and Lighting Energy Retrofit Projects	$ 5,038,062	$ 1,398,382	$ 3,639,680	$ 1,616,971	$ 2,022,709	44%
37	Security, Safety and Monitoring	$ 2,779,896	$ -	$ 2,779,896	$ 535,077	$ 2,244,819	19%
38	Energy Management System Replacement	$ 2,261,610	$ -	$ 2,261,610	$ 239,801	$ 2,021,809	11%
						$ -	
39	**Total Central Services**	$ 35,998,382	$ 1,398,382	$ 34,600,000	$ 9,391,327	$ 25,208,673	27%
40	Central Services Bond Funds Unallocated	$ -		$ -			
	Measure C Bond Summary		**Bond Funds Sold to Date**	**Bond Funds Revenue**	**Bond Funds Expended**	**Bond Funds Revenue Balance**	**% Spent**
41	Series A Bond funds issued in August 2012		$ 100,000,000	$ 250,000,000	$ 55,727,252	$ 194,272,748	22%
42	Series B Bond funds issued in February 2015		$ 150,000,000				