



2015 UPDATE

Measure L Citizens' Bond Oversight Committee



North County Campus Above, the new 43,000 square foot Campus Center Building is scheduled to break ground Spring semester 2016 with completion scheduled for Fall 2017.

Interim Housing New compliant modular buildings have been constructed on the San Luis Obispo Campus (bottom left) and North County Campus (bottom right) in order to provide temporary housing for faculty, staff and classroom spaces while the new projects are being completed.

Citizens' Bond Oversight Committee Members

Scott Lathrop
Committee Chair
Community Member

Daniel Cadwell
Vice-Chair
Student Representative

Timothy Roche
Senior Citizens'
Community Member

Mark Johnson
Taxpayers' Organization

Anneka Scranton
Support Organization

Pamela Avila
Business Community

Gayla Chapman
Community Member

David Booker
Community Member

Susan Dressler
Community Member

Patrick O'Hara
Community Member

Committee Meeting Dates:

April 10, 2015
May 14, 2015
August 13, 2015
November 19, 2015
February 11, 2016
May 12, 2016

*For more information
about the Citizens'
Bond Oversight
Committee, past
meetings agendas,
reports to the
community, annual
audits, and policies
and procedures go to:*

<http://www.cuesta.edu/aboutcc/planning/oversightcommittee/index.html>

*Cuesta College is an
EEO/AA institution.*

A Message from the CBOC Chair

On behalf of the San Luis Obispo County Community College District Citizen's Bond Oversight Committee, it is my pleasure as chairman to present to the Board of Trustees the committee's 2015 Annual Report.

In November 2014, the San Luis Obispo County voters passed Measure L authorizing up to \$275 million in bonds to address the District's facility, infrastructure and technology needs. As a condition of approval Article XIII A, Section 1(b)(3) of the California Constitution requires the establishment of the Citizen's Bond Oversight Committee. The committee is charged with verifying, to the best of its knowledge, that bond revenues have been expended only for the purposes so described in Measure L.

In 2015 the committee met quarterly to review project updates and financial reports. The administration, management and staff of Cuesta College have been very thorough in providing timely and accurate information to this committee, answering all questions, and fulfilling all requests for additional information. In addition, staff has provided this committee with campus site tours of future projects.

With this report, the members of the San Luis Obispo County Community College District Measure L Citizens' Oversight Committee, advises, to the best of its knowledge, the Board of Trustees and taxpayers of the district that Measure L Bond expenditures has been properly managed and money has been spent solely for projects identified in the aforementioned bond measure. I trust you will find this Annual Report informative, comprehensive, and an accurate accounting of the Measure L project to date.

Sincerely,

Scott R. Lathrop

Scott R. Lathrop, Chairman
Measure L Citizen's Oversight Committee

A Message from the President

Dear Cuesta College Board members,

Thank you for taking a moment to read through the Measure L Citizens' Oversight Committee (COC) 2015-16 Annual Report. This is the first report created by the COC, and I look forward to sharing future annual reports with the Board of Trustees and the community over the 12-year life of the bond.

After 40 years without a facilities bond, Cuesta College passed Measure L in November of 2014. Its passage was essentially a \$275 million vote of confidence in the educational opportunities and workforce preparation that Cuesta College provides to the county. Cuesta College assured the community it would use the funds to address longstanding facility, infrastructure and technology needs – it has. This report details the progress Cuesta College has made on its promise, allowing the local taxpayers an opportunity to see exactly how their money is being spent. Cuesta College is proud to provide students with an excellent and successful education via improvements to District facilities.

I hope you find this report informative and comprehensive. For additional information on Measure L, please visit the bond's official website: www.cuestacollegebond.info.

Sincerely,

Gilbert H. Stork

Gilbert H. Stork, Ed.D.

Status Report

Tax Rate Increment 2014-15

<i>Year</i>	July 1, 2014 – June 30, 2015
<i>Actual Tax Rate</i>	\$19.25 per \$100,000 of assessed property valuation for the San Luis Obispo County Community College District
<i>First Bond Issuance</i>	March 2015 \$75 Million
<i>Second Bond Issuance</i>	2018 \$70 Million
<i>Third Bond Issuance</i>	2021 \$67 Million
<i>Fourth Bond Issuance</i>	2024 \$63 Million
<i>Bond Ratings</i>	Standard & Poor's Rating: AA- Moody's Rating: Aa2

SLOCCCD Measure L General Obligation Bond Under the Provisions of State Proposition 39

San Luis Obispo County residents voted November 4, 2014, to approve Measure L - Cuesta College affordable education, job training and campus repair Bond, a \$275 million general obligation bond. Funding from the bond is helping the college modernize technology, upgrade the failing infrastructure of decades-old classrooms and labs, and build new teaching and learning spaces.

After voter approval of Measure L, the College Board of Trustees established the Measure L Citizens' Bond Oversight Committee (CBOC) appointing ten members of the community serving staggered terms providing objective oversight of District bond fund expenditures.

The role of the Citizens' Bond Oversight Committee is to determine whether or not the use of the funds is consistent with the original bond measure, inform the public on District expenditures of bond proceeds and to publish an annual report of the year's Measure L activities for taxpayers of San Luis Obispo County Community College District.

Independent Auditors' and Performance Audits

Fiscal Year Ending June 30, 2015

The Citizens' Oversight Committee received the Independent Auditors' Report for the accountants' schedule of proceeds and use of the general obligation bonds of the San Luis Obispo County Community College District as well as a Performance Audit report on the uses of bond monies for the period of July 1, 2014 to June 30, 2015. The reports were prepared by certified public accountants Vavrinek, Trine, Day & Co., LLP.

The Independent Auditors' Report states:

We have audited the accompanying financial statements of the San Luis Obispo County Community College District's (the District), General Obligation Bond Fund (Measure L), as of and for the year ended June 30, 2015. Our responsibility is to express an opinion on these financial statements based on our audit. In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the General Obligation Bond Fund (Measure L) of the District at June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Performance Audit states that the objectives of our performance audit are to:

1. Determine whether expenditures charged to the General Obligation Bond Fund (Measure L) have been made in accordance with the Bond project list approved by the voters through the approval of Measure L.
2. Determine whether salary transactions charged to the General Obligation Bond Fund (Measure L) were in support of Measure L and not for the District's general administration or operations.

Conclusion: The results of our tests indicated that, in all significant respects, San Luis Obispo County Community College District has properly accounted for the expenditures held in the General Obligation Bond Fund (Measure L) and that such expenditures were made for authorized Bond projects.

To view these reports online, go to
<http://www.cuesta.edu/aboutcc/planning/oversightcommittee/financials.html>



About SLOCCCD

San Luis Obispo County Community College District is a medium-sized rural single college district that offers instruction and student support services as Cuesta College at three locations: the San Luis Obispo Campus, the North County Campus, and the South County Center. In addition to serving as locations to offer instructional programs and student services, SLOCCCD sites are centers for various public events, recreational activities, and community education programs.

Capital Projects Update

Maintenance Updates - Roofing & HVAC

Program identified high priority roofing and HVAC replacement four buildings on the San Luis Obispo campus: Building 1100 – Women’s PE, Building 4200 – Auto/Welding, Building 4500 – Electronics Lab, and Building 4600 – Auto Body. Projects were bid April 2015 and awarded May 2015 for all but Building 4200 which is anticipated for Summer 2016. The HVAC and roofing repairs for the three buildings were completed in Fall 2015.

Technology Planning & Implementation

Core infrastructure changes are underway to address failing systems and immediate needs for technology. Cuesta has also purchased and is currently evaluating a “seed server” in an effort to define the new server standard to be implemented in a new server farm to replace existing hardware. A working group made up of members from Information Technology, Facilities Services and Public Safety, are midway in the planning process, reviewing the current environment and examining alternatives actively seeking input from faculty, staff and students from both the San Luis Obispo Campus and North County Campus. WTC Consulting was hired to assist in creation and completion of a Technology Implementation plan to address: data and voice network and infrastructure, servers and storage, classroom technology, and enterprise systems. The plan is expected to be complete February 2016.



ABOVE: New roofing and HVAC equipment on the San Luis Obispo Campus.

LEFT: Existing HVAC equipment and roofing.

BOTTOM: Existing roof condition prior to replacement projects.



Bond Measure L Project Overview

First Issuance

Spring 2015 - \$75 Million

Temporary classroom replacement and new classroom facilities:

Instructional Building – SLO
Campus Center – North County

Critical Repairs & Upgrades:

Roofs
HVAC
Aquatic Center
Infrastructure & Utilities

21st Century Technology Upgrades

Debt Retirement for Capital/Construction Projects

Second Issuance

2018 - \$70 Million

Temporary classroom replacement and new classroom facilities:

Campus Center – SLO
Early Childhood Center – North County

Repairs & Upgrades:

Complex by Complex

21st Century Technology Upgrades

Debt Retirement for Capital/Construction Projects

Third Issuance

2021 - \$67 Million

New classroom facilities:

Trades and Tech Center – North County

Repairs & Upgrades:

Complex by Complex

21st Century Technology Upgrades

Fourth Issuance

2024 - \$63 Million

Repairs & Upgrades:

Complex by Complex

21st Century Technology Upgrades

Project Completion

For more information:

www.cuestacollegebond.info

Capital Projects Update Continued...

Interim Housing

Education Code 17292 necessitated the replacement of non-compliant temporary buildings with new permanent structures. Six existing modular structures on the North County Campus have been replaced with 20 smaller compliant structures until a permanent structure is erected. On the San Luis Obispo Campus, five small non-compliant modular structures have been replaced with five temporary compliant structures in an area removed from the permanent building site. The new interim housing buildings started construction in Summer 2015 and were occupied by the District in time for the Fall 2015 semester.

Faculty Interim Housing

Additional Faculty Interim Housing was needed following the removal of existing non-compliant structures. As a result, two additional complaint structures are being constructed on the San Luis Obispo campus to house displaced faculty until permanent structures are completed. The new faculty interim housing buildings started construction in Fall 2015. The College anticipates occupancy of the buildings by March 2016.

Building Repairs & Upgrades

General building repairs and upgrades were completed in Building 7100 and 9100, creating usable office spaces within existing buildings.

SLO Instructional Building

The Instructional Building is a new 32,000 sq. ft. two-story building on the San Luis Obispo campus that will house the programs and departments displaced by the removal of modular structures. The first floor is comprised of high-capacity multi-discipline classrooms. The second floor will consist of more than 40 offices, staff lounge and meeting rooms. The project drawings were submitted to the Division of the State Architect (DSA) on July 22, 2015 and the College anticipates approval by late January 2016. The college expects to start construction on the building in Spring 2016 with a completion date of Fall 2017.

North County Campus Center

The Campus Center is a new 43,000 sq. ft. two-story building on the North County campus that will house a variety of programs and offices including admissions and records, counseling, financial aid, student life and leadership, health center, bookstore and the cafeteria. The project also includes the demolition of existing buildings: N1000 (Nacimiento Wolf Building), N2000 (Carrisa Building), N3000 (Adelada Building), N4000 (Estrella Building), N5000 (Cerro Alto Building), and N6000 (Santa Lucia Building). The project drawings were submitted to DSA on July 22, 2015 and the College anticipates approval by early February 2016. The college expects to start construction on the building in Spring 2016 with a completion date of Fall 2017.



Rendering of the new Instructional Building on the San Luis Obispo Campus.

ACTIVE BOND PROJECTS

**SAN LUIS OBISPO COUNTY
COMMUNITY COLLEGE DISTRICT**
December 31, 2015

PROGRAM BUDGET

Total General Obligation Bond Authorization	\$275,000,000
Series A Issuance (Non-Taxable)	\$72,400,000
Series A-1 Issuance (Taxable)	\$2,600,000
General Obligation Bond Balance to be Issued	\$200,000,000
Revenue	
Series A Issuance	\$75,000,000
Premium on Sale of Bonds Issuance A	\$6,114,164
Interest	\$224,058
Total Available Revenue	\$81,338,222

Description / Project Name

Total Expenditures (January 1 – December 31, 2015)	
Cost of Issuance	\$195,186
Underwriter's Discount Series A and A-1	\$300,000
Transfer for Debt Services	\$5,828,692
COPs Loan Repayment	\$11,776,478
Program Management	\$465,239
North County Campus Center	\$2,291,667
San Luis Obispo Instructional Building	\$1,681,972
Aquatics Center	\$29,329
Interim Housing	\$1,914,484
Faculty Interim Housing	\$47,845
Roofing/HVAC Replacement	\$1,068,468
Building Repairs & Upgrades	\$67,584
Technology Upgrades	\$288,094
Early Childhood Development	\$29,961
San Luis Obispo Campus Center	\$20,950
North County Campus Trades & Technology	\$71,385
North County Instructional Building	\$43,992
2 nd Issuance Master Planning	\$35,490
Hollister Adobe Planning	\$0
TOTAL EXPENDITURES 2015	\$25,156,817
Total Prior Period Expenditures	\$0
ENDING BALANCE	\$55,181,405



The future facilities of Cuesta College

TOP: Bookstore on the North County Campus

LEFT: SLO Instructional Building faculty office corridor

RIGHT: The typical SLO Instructional Building classroom

BOTTOM: North County Campus Center Entry Lobby

For more Information:
www.cuestacollegebond.info



Your Measure L Dollars at Work!



LEFT: The new cafeteria, just one of the student service facilities within the new North County Campus Center.

RIGHT: The large capacity classroom in the new SLO Campus Instructional Building equipped with projectable whiteboards and flexible furniture configurations.

Second Issuance Planning UPDATE

San Luis Obispo Campus

In addition to the Aquatic Center, the program team will begin schematic design for the SLO Campus Center and Data Center.

Aquatic Center Replacement

The program team is currently researching and designing the complete replacement of both pools on the San Luis Obispo Campus. Construction repairs for the existing pools commenced November 2015 and is anticipated to be complete February 2016.

North County Campus

Projects to begin schematic design for second issuance include the Early Childhood Education Center, Instructional Building, and the Trades & Technology Building.

Return Service Requested

NON-PROFIT ORG.
U. S. POSTAGE
PAID
SAN LUIS OBISPO, CA
93403
PERMIT NO. 10

Highway 1
San Luis Obispo, CA 93403

