

Hartnell College

Measure T Citizens' Bond Oversight Committee (CBOC)

2022 / 2023 Annual Report

MONTH 2023



BUILDING K—COSTUME SHOP AND OFFICES ENTRANCE



MEASURE T ACTIVITY IN 2022-2023

This past fiscal year has seen the completion of Phase I projects with exception of Bldg. E. The Phase I projects are, Soledad Education Center, King City expansion, Nursing and Health Sciences, Bldg. O on the main campus, Bldg. renovation of Bldg. D second and third floor offices and classrooms, the plaza with ADA renovation (exterior elevator) and the Castroville Education Center. The remaining items for completion of Building E are the inspection and sign-off by the state on the new interior elevator and paperwork to close out the project once the sign off is obtained.

This fiscal year also saw the completion of one Phase II project and the start of two others. Bldg. B 2nd Floor was completed. Now, the majority of student services are housed in one building. This was achieved due to the area being vacated by the Nursing and Health Services programs moving into Building O. The renovation of Building K had its notice to proceed issued January 2023. The work on this remodel is anticipated to be a year long project with completion in December 2023. The design and planning phase for the renovation on the athletic practice field and track commenced and at the writing of this report is at the Division of State Architect (DSA) for review and approval. Bldg. J - which is already approved through DSA is scheduled to issue a Request for Proposal in September. This project would start in January 2024. The final project in Phase II is a new building. In the language of the Bond it was identified to be located at the Alisal Campus, however, reviewing program and student needs, the Board of Trustees is in discussion to identify the best location and programs for the new building.

The district financials reports from the district business office, reveal that spending of the funds is at the required pace. The completed projects, for this fiscal year, B -2nd floor and Bldg. O second floor came in over budget. However, for the nursing and health sciences project, additional square footage was added to the building which accounts for a large part of the overage. The second floor of Bldg. B was approximately 11% over budget. Projects still have lingering affects of the supply chain issues first experienced the prior fiscal year due to COVID19. The districts option to keep the management of the Measure T projects "in-house" has saved the district enumerable dollars, as management of construction projects are now going at 10-15% of project budgets. The money saved is used for construction and materials in the current projects. Additionally, there is some interest earned and that too is utilized to pay the project construction costs.

Projects are currently on schedule and close to budget with identifiable reasons for overages.

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JULY AUGUST SEPTEMBER 2022

Measure T work continues in Buildings B, E, and O (Nursing) with preconstruction work on the practice field and Bldg. K. Highlights are:

- Building B 2nd Floor work progresses. Furniture ordered and begin delivery of furniture and equipment.
- Bldg. E Phase 2 starts. Bldg. E cleared for interior demolition.
- Practice Field and Track initial programming meetings with staff and faculty; with consultants; review renderings with programming/design committee & architects for input
- Bldg. K RFP meeting with Lionakis architects. RFP published for contractors to bid.

- Contractor/Owner/Architect Meetings for Bldgs. E, K, B and practice field

OCTOBER, NOVEMBER, DECEMBER 2022

Work continues on Bldgs. B, E and O with pre-construction work on K, and practice field. Highlights are:

- Bldg. K Mandatory walk through for bidding
- Bldg. K Bid opening Nov 4
- Bldg. K review of fixture, furniture & equipment
- Oct. 12 CBOC Meeting (new members) and
- Bldg. B Notice of Completion issued
- Nursing Dec. 14, Notice of Completion issued.
- Bldg. E furniture delivery and set up
- Contractor/Owner/Architect meetings - Bldg. E, K and practice field

JANUARY, FEBRUARY, MARCH 2023

Phase I projects are mostly complete, and Phase II projects start as well as planning/design work. Highlights are:

- Bldg. E re-opens for classes but new elevator material and inspection issues keep project open).
- January 18 2nd meeting of CBOC
- Bldg. K furniture walk through with vendors
- Bldg. K pre-construction meeting; Notice to Proceed issued
- Review IT moves with IT dept.
- Preliminary meetings for re-roof of Bldg. K
- Owner/Contractor/Architect meetings

APRIL, MAY, JUNE 2023

This period finds Bldg. K renovation in full swing, practice field at DSA for review, and Preliminary work on Bldg J starts. Highlights are:

- CBOC holds last quarterly meeting for 2022-23 on the 19th
- IT walk throughs on Building K
- Bldg. E elevator corrections begin
- Bldg. J walk through's with architects
- PE practice field goes to DSA for initial review
- Discussion on location of new building (Alisal) by Board of Trustees
- Pre-construction meeting Bldg. K Re-roof

District voters approved the issuance of \$167 million of general obligation bonds.

Measure T Expenditures as of

June 30, 2023

AUDIT AND REPORTS



BUILDING K—ROOM 118 PIANO LAB

BOND ISSUANCE

Project	Expenditure to Date (June 2023)	Issuance / Budgeted Amount (Nov. 2016)
Phase I Projects	Funded Aug. 2017 (A)	\$70,000,000
King City Expansion*	\$11,362,986.00	\$8,175,155.00
Soledad Education Center*	\$12,223,596.00	\$13,180,636.00
Nursing Health Science Building	\$24,913,598.00	\$21,813,640.00
Renovation of Buildings D & E	\$14,669,008.00	\$14,382,866.00
Castroville Education Center	\$13,559,617.00	\$10,890,176.00
Building C Re-Roof	1,497,231.00	\$1,507,426.00
Phase II Projects	Funded AUG 2020 (B)	\$70,000,000
Alisal Classroom Building	TBD	\$13,735,281.00
Renovation Building J	532,437.00	\$9,442,433.00
Renovation Building K	\$5,500,249.00	\$16,372,248.00
Building B 2nd Floor renovations	\$2,278,930.00	\$2,000,000.00
Football/Practice Field	\$334,445.00	\$7,000,000.00
Phase III Projects	Third Issuance (C)	\$27,000,000.00
Renovation of Buildings F, G, H	\$914,318.00	\$22,655,498.00
Renovation Building N	----	\$13,312,619.00
Swing-space Reno/Operations/Legal/ Construction Management/Project Management/Master Planning/Project Contingencies/Secondary Effect Pro- jects	\$3,202,580.00	\$12,532,022.00 (Costs are allocated to in- dividual projects but for chart pur- poses are itemized together)
IT Equipment, ADA, Safety & Security and, Energy Efficiency	\$1,327,821.00	Costs are allocated to individual pro- jects but for clarity itemized together
TOTALS	\$92,316,817.00	\$167,000,000.00

**INDEPENDENT FINANCIAL AND PERFORMANCE AUDITS
June 30, 2023**

The accounting firm of CWDL, Certified Public Accounts issued the Annual Independent Financial and Performance Audits for July 1, 2022-June 30, 2023 on **MONTH DAY 2023**. A presentation of the audits was made to the Citizens' Bond Oversight Committee. In addition to issuing an unqualified opinion, the audit found the financial statements to fairly portray the financial position and changes in Measure T fund balance in accordance with accounting principles generally accepted in the United States. These audits are available at: www.hartnell.edu/bond-oversight-reports-and-audits-0.

STATEMENT OF COMPLIANCE

This Annual Report is submitted to the public and to the Board of Trustees by the Hartnell College Citizens' Bond Oversight Committee in partial fulfillment of the Committee's responsibilities as set forth within Article XIII.A, Section 1 of the State of California Constitution and Sections 15278 through 15282 of the State of California Education Code. The Committee is in agreement that the District is in compliance for the period of this Annual Report.

The table to the left depicts the 3 Phases (issuance) of the Measure T funds. Projects are listed in the first column. The second column is actual expenditures to June 30, 2023. The third column identifies the bond issuance amount (yellow and A, B, C). It also provides initial budgets (2016-17). The budgetary figures may not add up to the phase issuance total, as two groups (IT and Swing spaces) are listed separately, for identification purposes, but are actually accounted for in the budgets/actual expenditures. The table does not reflect additional funds (interest) that accrued over the fiscal year(s).

Phase I projects are complete with the exception of Bldg. E. Material delays impacted this project and it will see completion by start of Fall 2023 semester. Phase II projects have all been started with exception of the Alisal project, this is pending board review. Phase III bond funds have not been released for sale. However some portions of work (roofs) were completed to minimize further damage to the building prior to renovation work being started.

Front Exterior Lobby area with new seating—Building K



Dear Community Members,

Hartnell College's Measure T Citizens' Bond Oversight Committee (CBOC) is pleased to present our 2022-2023 Annual Report regarding the on-going implementation of Measure T funds. Despite a challenging construction environment with higher-than-normal inflation, the College continues to make good progress in maintaining and constructing facilities to serve the needs of its students and the community.

The projects undertaken with Measure T funding are divided into three phases. Phase I Projects are mostly complete and Phase II Projects have all been started (except for the Alisal project, which is pending Board review). Phase III bond funds have not been released for sale; work on Phase III projects will begin after that is done. Important construction milestones can be seen in the right-hand column of Page 1 of this Annual Report. Noteworthy achievements include the Notice of Completion for the Nursing Building and Building B. Also, significant progress has been made with Building K.

The Citizens' Bond Oversight Committee (CBOC) closely monitors the expense of bond funds that were approved by voters with the passage of Measure T on November 8, 2016. The CBOC is responsible for the following:

- To inform the public concerning the District's expenditure of bond proceeds
- To review expenditure reports produced by the District to ensure that bond proceeds were expended only for the purposes as described in Measure T
- To present to the Board an annual written report which includes:
 - o A statement indicating whether the District is in compliance with Article XIII A, Section 1(b)(#) of the California Constitution
 - o A summary of the Committee's proceedings and activities for the preceding year

As part of our work, the oversight committee attests to the Hartnell CCD and the public that, to the best of our knowledge, the District is in full compliance with the responsibilities as described in Article XIII A of the California State Constitution. (This article of the State Constitution and other relevant documents are posted on the Hartnell College Measure T website for review.) The CBOC members assure the community that Measure T bond expenditures have been issued properly, and only for projects identified in the bond measure and that no funds were used unlawfully for teacher salaries, faculty and college administrator salaries, pensions and other operating expenses. This assurance is supported by the financial and performance audits that were completed for year endings of June 30, each year from 2017 through this fiscal year 2023 by the accounting firm Crowe Horwath in which Hartnell College was found in full compliance in all respects for every year.

The CBOC will continue to fulfill its duties over the next several years until all expenditures have been made as stated in Measure T.

I'm grateful for the opportunity to have served as CBOC chair and to have worked closely with the committee and college staff in preparing this Annual Report to the community.

Thank you,

Timothy Miguel, Chair Citizens' Bond Oversight Committee for Fiscal Year 2022-23

CONSTRUCTION TO START FALL 2023



FUNDING BY MEASURE T

TRACK AND PRACTICE FIELD RENDERING

MEASURE T 2022-23 FINAL SUMMARY & A LOOK TO 2023-24

To reiterate from the first page, the completed projects to date, (Phase I) has all but one project completed. Building E is anticipated to be completed in early Fall.

Phase II projects have begun with the renovation of Bldg. K Performing Arts which started in January 2023 and on schedule for completion Dec 2023.

The Design / Programming for the Practice field and track was completed and the architects submitted the plans and specifications to the Division of State Architect for review and approval. Once approval is received an RFP will be published for proposals.

Bldg. J. Visual Arts building has DSA approval. The district anticipates going out to bid for the project with an RFP (request for proposal) in September, with approval of the board. It would then start construction January 2024 and be a year long project.

The future will determine the location of the new building once the district has fully reviewed student needs and program requirements.

Once completion of Phase II projects is close to being done, Phase III bond fund will go out for sale. This is the last sale segment of the three phases and will be for \$27,000,000.00 the remainder of the \$167,000.000 that was approved by the voters.

This phase will include renovation of the remaining buildings on Main Campus — Buildings F, G and H (physical education) and Building N, (Merrill Hall). These represent the oldest buildings on campus.

F, G and H also qualify for matching funds from the state. The district has already applied for these matching funds and anticipate word from the state as early as the end of the fall semester.

In addition the district continues to look to utilize outside funding sources to augment the Measure T funds. Where funds such as deferred maintenance and available grant funds are offered or accessible, these are used to expand the amount of work that can be done under the bond funds, and aid in covering any cost increases that are felt in today's construction industry since the COVID years.

The committee looks forward to bringing you new information upon completion of the next fiscal year 2023-24.

Bond Oversight Committee

**Timothy Miguel, Chair,
Member At Large**

**Sonia Jamarillo, Co-Chair,
Business Organization Representative**

**Paul Farmer, Member
Business Organization Representative**

Colleen Stanley, Member At-Large

**Willard Lewallen, Member
College Support Organization Rep.**

Lupe Kinnear, Member

RESPONSIBILITIES OF CITIZENS' BOND OVERSIGHT COMMITTEE

- ♦ To monitor expenditure of bond funds
- ♦ Assure the expenditures are for the purpose approved by the voters
- ♦ Inform the public of bond expenditures and revenues
- ♦ Report to the public, District compliance with California's Constitution Article XIII A Section 1(b)(3) as provided by the Attorney General's opinions.