

Hartnell College

Measure T Citizens' Bond Oversight Committee (CBOC)

2020 / 2021 Annual Report - **DRAFT**
MONTH AND DATE, 2021



KING CITY CORNER OF 2ND AND LYNN STREET



THIS ISSUE

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MEASURE T ACTIVITY IN 2020-2021

During the fiscal year 2020-21, Covid-19 challenges proved little against the rapid completion of projects in Phase I of the District's General Obligation bond known as Measure T. Projects remained on course for successful completion and this has served Hartnell College in a timely fashion too, since completion of such projects proved ready as Fall 2021 semester began. Within Phase I three (3) projects were completed including the creation and expansion of the Education Centers in Soledad and King City, in addition to the improvements and upgrades made to Building D classrooms and Quad or plaza area of the main campus. These visionary projects have come to fruition with much time, precision and determination to extend higher learning opportunities to more residents of our District.

The focus continues as we optimistically trail blaze ahead to complete Phase I, and begin the upcoming Phase II of the Bond and tackle those identified crucial projects which are set to be started in the upcoming year. These projects that will complete Phase I are:

Nursing and Allied Health Building, located on the main campus, it will be home to innovative medical sciences and healing practices for our highly respected and recognized health professional programs.

Castroville Education Center, designed to support Castroville and its surrounding North Monterey County communities to accomplish their education goals.

Building E classroom renovation, the completion of renovations to the classrooms in this building which did see the renovation of the first floor bathrooms and the start and close completion of a new interior elevator upgrading for ADA needs in this report's fiscal year.

The upcoming year will also see the start of the Series B (issued in August 2021) projects. These are:

Main Campus Building J and K, are expected to receive an upgrade design and improvements to the buildings systems. These projects will be out for review by the Division of State Architect (DSA) and are expected to be ready to bid for Spring 2022.

Furthermore, other identified needs such as the additional Alisal campus building, as Part of Phase II are to be further discussed and identified.

All in all, the work has been of tremendous need for our District. The progress and project improvements through the support of taxpayer funded G.O. Bond (Measure T) continues to make impactful strides and is well on its way to its further realization of fruitful accomplishments for our community.

JULY 2020

20 King City: Furniture ordered
21 Soledad: Building framed and sheathed
22 CBOC: First quarterly meeting
24 Quad: Ext Elevator shaft concrete pour
24 NAH: (Nursing & Allied Health) Bldg. Steel framing on site

AUGUST 2020

19 Soledad: Furniture order placed
27 King City: Windows installed; drywall
28 Quad Elevator poured/site grading
31 G.O. Series B Bond funded by sale

SEPTEMBER 2020

17 King City: Stucco application started
21 Bldg. K Site Walk Architect & Design Committee
25 Quad: Sod placed
30 NAH: Interior rough flooring and Canopy
30 Soledad: Stucco application 2nd coat
30 Bldg. J Site Walk Architect & Design Committee

OCTOBER Through DECEMBER 2020

Work continues on all projects with highlights noted
Oct. 13 Bldg. K: Initial floor plans drafted
Oct. 14 Bldg. J: Site visit MPC Visual Arts remodel with Architect & Design Committee
Oct. 22 Castroville: Ground Breaking Ceremony
Oct. 28 CBOC Meeting
Dec. 7 Quad: Exterior plaza completed
Dec. 9 Castroville: Underground systems dug
Dec. 28 Bldg. C:NTP (Notice to Proceed) Re-Roof

JANUARY Through MARCH 2020

Work continues on all projects with highlights noted
Jan. 11 Soledad: Furniture delivered
Jan. 20 Bldg. J: Design Meeting
Jan. 26 NAH: Exterior Insulation applied
Jan. 27 CBOC Meeting
Mar. 18 King City: Notice of Completion

APRIL 2020

2 Soledad: Notice of Completion
22 - CBOC 4th quarterly. mtg. (ZOOM)

MAY 2020 -

Work continues all projects.
30 Bldg. D Classroom renovation completed
31 Bldg. C ReRoof Notice of Completion

JUNE 2020

Bldg. E Elevator work to begin early to take advantage of campus closing.

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



SOLEDAD EDUCATION CENTER —Main Entry

BOND ISSUANCE DRAFT

Project	Expenditure to Date (June 2020)	Issuance / Budgeted Amount
Phase I Projects	Funded Aug. 2017	\$70,000,000
King City Expansion	\$11,345,938.00	\$8,175,155.00
Soledad Education Center	\$11,388,009.00	\$13,180,636.00
Nursing Health Science Building	\$15,090,217.00	\$21,813,640.00
Renovation of Buildings D & E	\$13,180,314.00	\$14,382,866.00
Castroville Education Center	\$6,487,830.00	\$10,890,176.00
Building C Re-Roof	1,497,231.00	----
Phase II Projects	Funded AUG 2020	\$70,000,000
Alisal Classroom Building	TBD	\$13,735,281.00
Renovation Building J	238,770	\$9,442,433.00
Renovation Building K	\$1,381,223.00	\$16,372,248.00
Phase III Projects	Third Issuance	\$27,000,000
Renovation of Buildings F, G, H	\$914,318.00	\$22,655,498
Renovation Building N	----	\$13,312,619
Projects Contingencies/ Construction Cost Escalation/Secondary Effect Projects (BLDG B)	251,533	\$23,039,448.00
Swing-space Reno/Operations/ Legal/Construction Management/ Master Planning/Measure T Bond Election	\$2,295,620.00	Costs are allocated to individual projects but for clarity itemized together
IT Equipment, ADA, Safety & Security and,Energy Efficiency	\$1,160,055.00	Costs are allocated to individual projects but for clarity itemized together
TOTALS	\$65,231,058.00.00	\$167,000,000

Measure T Expenditures as of June 30, 2021

AUDIT AND REPORTS

**INDEPENDENT FINANCIAL AND PERFORMANCE AUDITS
June 30, 2021**

The accounting firm of CWDL, Certified Public Accounts issued the Annual Independent Financial and Performance Audits for July 1, 2020-June 30, 2021 on October 19, 2021. 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 identifies the three Series or Phases (issuance) of the Measure T funds. The white lettering indicates work begun or completed during this report's timeframe. The two items, Bldg. K in Phase II and Bldg. H in Phase III, was work determined necessary in the current Phase I to mitigate potential damage or for sequencing of the project. These were re-roof projects and Measure T contribution to the Bldg. K ticket booth. The figures in yellow indicate budgets for current Phase I projects and future Phase II and III projects. White indicates funds expended to date.

COMPLETED PLAZA AND EXTERIOR ELEVATOR at BLDG. D



Dear Community Members,

DRAFT

What a year it has been! As we all continue to adapt to the “new realities” COVID-19 has given us, it is important to take time to acknowledge the things that have gone right in the last year.

The on-going implementation of Measure T is clearly one of those successes that we should celebrate. This year saw significant advances in the construction of a new campus in Soledad, an expanded campus in King City, improved facilities at the main campus, and development of designs for a new campus in Castroville. Hartnell College has been able to move these projects continuously forward throughout all the challenges our community has faced this year. For that, we thank all the staff who work hard to keep the Bond projects moving forward!

When voters approved measure T on November 8, 2016, they did so with intent that the bond be closely monitored by a Citizens’ Bond Oversight Committee (CBOC). The CBOC is responsible for:

- Monitoring expenditure of bond funds.
- Ensuring expenditures are for the purpose approved by the voters.
- Informing the public of bond expenditures and revenues.
- Reporting to the public, District compliance with California Constitution article XIII A, Section 1 (b) (3) as provided for by the attorney general’s opinions.
- Providing an annual report to the Governing Board and the community.

The committee is pleased to present our 2020-21 Annual Report to the Hartnell CCD and the public and reports that, to the best of its 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 is posted on the Hartnell College Measure T website for viewing.) With this report 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 or administrator salaries. This assurance is supported by the financial and performance audits that were presented to the committee on November 20, 2017, November 14, 2018, November 12, 2020 and November 12, 2021 by the accounting firm of Crowe Horwath in which Hartnell College was found in full compliance in all respects.

As the projects are being constructed and moving closer to realization, the Committee continues to follow project costs compared to the original estimated project budgets. Construction costs are currently running higher than the estimated budgets due to a hot construction market that has put a strain on available labor and materials. In response to this the District is maximizing the bond dollars by frontloading key projects into Phase I of the bond. The District is also continuing to seek matching state funding to augment and support Measure T funding. Projects in Phase III, the final bond phase, have the greatest potential to be affected by higher construction costs. The renovations of Buildings F and G (the oldest on campus) are currently foreseen to be supported by matching funds as at this time Phase III is currently underfunded and the District is continuing to review funding opportunities to support these later projects.

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

It has been my pleasure to serve as CBOC chair and to work closely with the committee and college staff preparing the Annual Report to the community.

Thank you,

Grant Leonard, Chair Citizens’ Bond Oversight Committee



NURSING and ALLIED HEALTH BUILDING June 30, 2021

MEASURE T 2020-21 FINAL SUMMARY & A LOOK TO 2021-22

The 2020-21 fiscal year:

- Phase I three projects have been completed. King City, Soledad and the re-roofing of Building C, Bldg. D classrooms & Quad and ready for classes Fall 2021 with Building E scheduled after the renovation of Building B 2nd floor.
- Projects stayed the course through COVID-19.

The 2021-22 Fiscal year:

- Series B (or Phase II) of the General Obligations (G.O.) Bond will be funded August 2021 (Measure T)
- The remainder of Phase I to be completed: The Nursing and Allied Health building, the Castroville Education center, and Building E classrooms. The first two will be complete for Spring 2022 classes and the Building E classrooms will begin renovation following Building B's 2nd floor renovation completion.
- Bldg. J (Visual Arts) and Bldg. K (Performing Arts) will be going to DSA in August and September and then out to bid for work to begin after the completion of the Building B 2nd floor renovation. The time frame of the project construction start is due to the limited available space on campus to house affected classrooms during construction.
- Building B 2nd floor renovations will go out to bid Fall 2021 for work to be completed Spring 2022. This project is waiting for the move out of the nursing & allied health program into their new building.
- A new building on the Alisal campus, part of Phase II, will be discussed further in the next year.



CASTROVILLE Education Center—Work commenced to the application of stucco paper for the exterior finish application June 30, 2021

Bond Oversight Committee Members

- Grant Leonard, Chair**
- Deneen Guss, Member At-Large**
- Mike LeBarre, Member At-Large**
- Kimbley Craig, Member Business Organization Rep.**
- Sam Mori, Member At-Large**
- Timothy Miguel, Member At-Large**
- George Richardson, Member - Taxpayer Organization Representative**
- Vearyl Gish, Member - Senior Organization Representative**
- Frances Wong, Student Member**
- Frances Wong, Member - Student Organization**

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.

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