Measure H 2010/2011 highlights the CALL and CAT buildings

Two new state-of-the-art buildings were debuted at open houses last May 13th and 14th. They were the new Center for Assessment and Lifelong Learning (CALL) Building at the main campus at 411 Central Ave. and the Center for Advanced Technology (CAT) located at the Alisal campus at 1752 East Alisal Street.

On the main campus attendees walked from the parking structure into the welcoming new plaza surrounded by the state of the art Library, the new Center for Life Long Learning and the newly renovated College Center. Student hosts led guests through the new student center, bookstore, cafeteria, Pete’s Coffee and smoothie shop, game room, and senate offices. Next they viewed the one stop enrollment center, the Salinas Valley Memorial Healthcare Systems Nursing Education Center before returning to the plaza to enjoy barbeque and music.

At the Alisal campus visitors attended grand opening festivities and took tours of the state-of-the-art CAT. Guests had the opportunity to meet and mingle with faculty and students in agriculture, ag technology, computer science, sustainable design and construction, welding, and diesel mechanics.

Measure H funds along with state bond funds paid for the new buildings and renovation projects. The Measure H Bond money was passed by voters in November 2002. Private funding was used to purchase the technological resources to equip core laboratories.
Dear Community Member:

The citizen’s Bond Oversight Committee herewith presents our 2010-2011 Annual Report to the Hartnell College Governing Board and the public, finding that Proposition H bond expenditures have been issued properly, only for projects identified in the bond measure, and that no bond funds were used unlawfully for teacher or administrator salaries. This assurance is supported by the financial and performance audits that were completed on November 16, 2011 by the accounting firm Vicenti, Lloyd, & Stutzman LLP.

When Hartnell Community College District voters approved Measure H in 2002 to authorize $131 million dollars in general obligation bonds, rules established by Proposition 39, required a Bond Oversight Committee to affirm that funds are spent only on designated improvement projects. The committee reports that, to the best of its knowledge, the college is in full compliance with the responsibilities as described in Article XIIIA of the California State Constitution.

At a time when fiscal conditions have caused Hartnell College to adjust operating budgets, some people have questioned spending money to modernize or construct buildings. We are reminded that voters who approved Measure H imposed specific limits. Bond funds were authorized only for the long-term improvements and expansion that are described in this report. By law, bond funds may not be used for current operating budgets. The improvements reported here are in fulfillment of a covenant with taxpayers. Timely completion will improve the quality and capabilities of the college to serve many future generations of students.

As committee chair, it has been my honor to work with committee members and district staff to help fulfill Measure H’s promise.

Respectfully,

Bob Perkins, Chair

CALL Facts

The CALL building, completed in 2011, is designed to provide one stop services ranging from assessment, registration and financial aid to transcripts and special services for students with disabilities, veterans, Extended Opportunity Program Services (EOPS), and CalWorks. Multiple purpose smart classrooms, tutorial and computerized nursing labs, faculty offices, and meeting rooms are located on the second floor.
**Bond Issuance**

District voters approved the issuance of $131 million of general obligation bonds on November 5, 2002.

### Bonds Issues

- **Series A**: Bonds were issued in April 2003 in the amount of $35 million.
- **Series B**: Bonds were issued in June 2006 in the amount of $35 million.
- **Series C**: Bonds were issued in May 2009 in the amount of $12.6 million.
- **Series D**: Bonds were issued in June 2009 in the amount of $48.4 million.

Photo: Alisal Campus Landscape Project

### Statement of Compliance

The 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.

### Conclusions

The Measure H Citizens’ Bond Oversight Committee finds that Hartnell College has complied with the spirit and requirements of state law, and the commitment made to the voters in accounting for and expending public bond funds.

---

**PROJECT** | **STATE FUNDS** | **MEASURE H** | **TOTAL EXPENDITURES**
--- | --- | --- | ---
Campus Infrastructure Phase I | $3,473,184 | $3,473,184 | $3,473,184
Parking Structure | $26,340,343 | $26,340,343 | $26,340,343
Learning Resource Center (LRC) | $21,700,000 | $6,099,839 | $27,799,839
PA ADA Project | $1,139,644 | $1,139,644 | $1,139,644
MDF Data Center | $1,343,786 | $1,343,786 | $1,343,786
Equipment Modernization | $594,457 | $594,457 | $594,457
Main Campus EIR | $154,535 | $154,535 | $154,535
AHT Relocation | $473,015 | $473,015 | $473,015
CAB Refresh #1 | $233,702 | $233,702 | $233,702
CAB Refresh #2 | $113,633 | $113,633 | $113,633
CAB Refresh #3 | $529,223 | $529,223 | $529,223
CAB Refresh #4 | $243,511 | $243,511 | $243,511
NE Landscape Project | $1,634,701 | $1,634,701 | $1,634,701
CALL Building | $10,910,000 | $8,812,960 | $19,722,960
PE Renovation Project | $6,143,314 | $6,143,314 | $6,143,314
Pool Renovation | $812,535 | $812,535 | $812,535
Campus Lighting Phase I | $564,225 | $564,225 | $564,225
Campus Lighting Phase II | $91,835 | $91,835 | $91,835
Student Center | $7,539,360 | $7,539,360 | $7,539,360
Alisal Campus Center for Advanced Technology | $14,850,000 | $20,046,619 | $34,896,619
King City Energy Eff Roof | $63,140 | $63,140 | $63,140
King City Land Acquisition | $3,063,767 | $3,063,767 | $3,063,767
Alisal Landscape Project | $556,444 | $556,444 | $556,444
Alisal Entrance Sign | $26,670 | $26,670 | $26,670
City Sidewalk Phase I | $307,363 | $307,363 | $307,363
City Sidewalk Phase II | $23,906 | $23,906 | $23,906
Misc | $1,566,043 | $1,566,043 | $1,566,043

TOTAL | $47,460,000 | $91,991,772 | $139,451,772

* A complete detailed list can be obtained upon request

**BOLD** projects indicate projects added in 2010-11

As of June 30, 2011
FUTURE PROJECTS (PARTIAL LIST)

<table>
<thead>
<tr>
<th>Project</th>
<th>Projected Estimate Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Science Center</td>
<td>$33,000,000</td>
</tr>
<tr>
<td>CAB Renovation</td>
<td>$8,000,000</td>
</tr>
<tr>
<td>Technical Training Building</td>
<td>$8,500,000</td>
</tr>
<tr>
<td>PE Field House</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Campus Way-finding (Signage)</td>
<td>$125,000</td>
</tr>
<tr>
<td>Equipment Modernization</td>
<td>$200,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$51,325,000</strong></td>
</tr>
</tbody>
</table>

As of June 30, 2011 a total of $91,991,772 had been spent of the Measure H funds and there is a total of $45,613,272 remaining. Note that the two amounts add up to more than the approved $131,000,000. The total includes interest earned and the refunding (*) of the bond ($6,605,044.00). In addition, it should be noted that $47,460,000 in State Capital Bond Funds were provided as matching funds on three of the projects.

(*) Refunding occurs when an entity that has issued callable bonds calls those debt securities from the debt holders with the express purpose of reissuing new debt at a lower coupon rate. In essence, the issue of new, lower-interest debt allows the company to prematurely refund the older, higher-interest debt.

Note: Any remaining funds from a project goes back into Measure H for future projects.

Bond Oversight Committee
- Bob Perkins, Chair
- Terry McHenry
- Julie Tucker
- Celia Perez Martinez
- Michael Payne
- Bruce Adams
- Anahi Alcibar

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 for by the Attorney General’s opinions.

For More Information:
- www.hartnell.edu/h
- or call 831-755-6900

Independent Financial and Performance Audits

The accounting firm Vicenti, Lloyd, & Stutzman LLP, presented the Annual Independent Financial and Performance Audits to the Board of Trustees on November 29, 2011. In addition to issuing an unqualified opinion, the audit found the financial statements to fairly present the financial position and changes in Measure H fund balance in accordance with accounting principles generally accepted in the United States.

These audits are available at: www.hartnell.edu/h