Hartnell College

Measure H Citizens’ Bond Oversight Committee
2011 / 2012 Annual Report

April 17, 2013

Measure H 2011/2012 highlights the Planning and Design of the Technical Training Building, PE Fieldhouse, and New Science Building

The march of progress on Measure H projects is continuing. Currently in the planning or early construction stages are three significant projects that will see extensive development this coming year.

First is the Technical Training Building gracing the Alisal campus at the Center for Advanced Technology. Construction started in October of 2012, with completion set for January 2014. This 16,500 square foot facility will be LEED certified and feature high quality instruction technology. It will house teaching facilities for diesel and auto mechanics, alternative energy auto maintenance, and a large construction laboratory with an emphasis on sustainable construction.

Enhancing the quality of Hartnell’s already respected athletic and physical education programs will be the new Physical Education Field House. The fieldhouse will be a 5,000 square foot facility that will include classrooms, training rooms, concessions, and other amenities. Construction got underway in August of 2012 and completion is anticipated to be in July 2013. While this is a Measure H project, approximately 1/3 of the costs are being funded by the Hartnell College Foundation of its costs are being funded privately.

The new centerpiece of the main campus will be the new Science building, currently in the design development stage. After bids are received, accepted, and contracts placed, the anticipated time to begin construction is August 2013. Construction is projected to take 16 months. Expected to open in December 2015, the building will feature a new planetarium along with teaching facilities for biology, microbiology, chemistry, astronomy, physics, and anatomy. There will also be general lecture spaces.

As these projects reach completion, the projects to be undertaken through Measure H funds will be nearing an end. It takes only a quick tour of the Main and Alisal campuses to see the fantastic educational investments achieved for our community with the passage of Measure H.

Hartnell and LEED

LEED, or Leadership in Energy and Environmental Design, is an internationally recognized green building certification system. It provides guidelines to identify and implement green building desing, construction, operations and maintenance solutions. A LEED certified building is designed to lower operating costs, reduce landfill waste, conserve energy and water, be healthier for occupants, and reduce greenhouse emissions.

In keeping with sustainable design, the Alisal campus will be installing solar-covered parking canopies expected to save $6 million over 25 years or $240,000 per year that will go into educational programs.
Dear Community Members,

The citizen’s Bond Oversight Committee is pleased to present our 2011-2012 Annual Report to the Hartnell College Governing Board and the public, affirming that Measure H funds have been used according to law. All residents can be proud of this investment in our community.

The dollars invested in Hartnell Community College District are only part of the story. In fact, the new buildings themselves are just part of the story. Voters who approved Measure H in 2002 invested in our county's pride and future, in our youth and labor force. The physical improvements will continue to attract citizen support. The modern facilities will attract students and faculty. As Monterey County's needs change, Hartnell can change too, to prepare our youth for future careers, to help our labor force learn new skills, and to meet the needs of our community.

The new projects still to be completed include the Science Center, the Technical Training Building at the Alisal campus, and the PE Fieldhouse. These will increase the college's overall appeal. Other improvements, such as updates to the College Administration Building and new signage, will make the college a more appealing place to learn, work and visit.

The district staff and community members including the Bond Oversight Committee are to be commended for their dedication to seeing that the community’s investment yields an inspiring center for education and future opportunity.

Respectfully,

Bob Perkins, Chair
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

**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 Community College District 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.
Bond Oversight Committee

Bob Perkins, Chair
Business

Terry McHenry, At Large

Julie Tucker, College Support Organization

Celia Perez Martinez, Tax Payer’s Organization

Michael Payne, Senior Citizens Organization

Vearl Gish, At Large

Anahi Alcibar, Student Representative

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

Independent Financial and Performance Audits as of June 30, 2012
The accounting firm Vicenti, Lloyd, & Stutzman LLP, presented the Annual Independent Financial and Performance Audits to the Board of Trustees on December 11, 2012. 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

As of June 30, 2012 a total of $97,384,464 had been spent of the Measure H funds and there is a total of $40,466,514 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 ($6,850,978). 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 and $700,000 has been raised to date for the PE Field House.

(*) 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 District to prematurely refund the older, higher-interest debt.

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

<table>
<thead>
<tr>
<th>FUTURE PROJECTS</th>
<th>PROJECTED ESTIMATE COSTS</th>
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<tbody>
<tr>
<td>Science Center</td>
<td>$28,065,000</td>
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<tr>
<td>CAB Renovation</td>
<td>$1,850,000</td>
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<tr>
<td>Technical Training Building</td>
<td>$6,402,850</td>
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<tr>
<td>PE Field House ($2,304,00 Actual Budget, remainder coming from Foundation)</td>
<td>$1,604,000</td>
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<tr>
<td>Campus Way-finding (Signage)</td>
<td>$126,000</td>
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<tr>
<td>Demo of Annex</td>
<td>$317,500</td>
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<tr>
<td>CAB ADA Compliance (Exterior)</td>
<td>$541,500</td>
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<tr>
<td>CAB Elevator</td>
<td>$491,500</td>
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<tr>
<td>Demo Merrill Hall or Modernization for Cont. Use</td>
<td>$777,500</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$40,175,850</strong></td>
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