SUMMARY NOTES

Committee Members Present/Area of Representation:
  Dana Cox .................. Business Organization/Montclair Chamber of Commerce
  Bill Huff ..................... Taxpayer Organization
  Janet Ryerson ........... Senior Citizen’s Organization/Rancho Cucamonga
  Sue Sundell ................ Foundation
  Jack Van Blarcom ...... Member

Chaffey College Personnel Present:
  Patrick Cabildo, Earl Davis, Tony Espinoza, Steve Menzel, Kelvin Okino, Cid Pinedo, Sharon Schroeder, and
  Henry Shannon

Welcome:
  The meeting was convened at 5:03 p.m. by Sue Sundell, chair of the Oversight Committee.

Public Comments:
  None.

Facilities Development Update - Chino Campus:
  Tony Espinoza, president of California Construction Management, Inc., and Keith Cole, project manager,
  presented a PowerPoint report to the Oversight Committee highlighting construction progress on the Chino campus.
  Handouts of the presentation were also provided to the committee. Highlights of the construction include:

  Recently Completed Projects - Main Instructional Building

  Projects under Construction - Community Center Building and Health Science Building

Also included was a financial report of the Main Instructional Building and Community Center/Health Science Project.

Facilities Development Update - Fontana and Rancho Campuses:
  A PowerPoint presentation created by Bernards was shown to the committee by Bernards Program Director,
  Kelvin Okino. This presentation detailed the various Measure L projects and the status of the Measure L funds. Kelvin
  also provided handouts of the presentation for the committee. Highlights of construction include:

  Projects Completed - Parking Lot 12/Elevator and Marquee

  Recently Completed Projects - Physical Health, Life Science (PHLS) Renovations, and Health and Life Sciences Re-Roof

  Projects under Construction - Visual and Performing Arts Complex/Music Building, Physical Education Athletics - New Gymnasium, and Library Lawn/Fontana Phase II Landscaping

  Projects in Bid and Award - Campus Center West, and Physical Education Athletics - Renovation

  Projects in Design - Fontana Phase III - Academic Building, and Omnitrans Transportation Center

Also included in the presentation was a program schedule, summary of funds, and a graph of remaining funds.

**Annual Proposition 39 General Obligation Bonds Measure L Performance Audit:**

Earl Davis introduced Chaffey College’s Internal Auditor, Patrick Cabildo. Patrick introduced Dan Warden of Vicenti Lloyd & Stutzman, LLP. Dan addressed the committee detailing the results of Performance Audit for Measure L.

The objectives of the performance audit was to determine the expenditures charged, determine whether expenditures charged were made in accordance with the bond project list, note any incongruities or system weakness, and provide the Governing Board and the Citizens’ Oversight Committee with a performance audit as required.

The scope of the audit covered the fiscal period from July 1, 2007 to June 30, 2008. The expenditures tested included all object and project codes associated with the bond projects.

It is the opinion of VLS that Chaffey Community College District complied, in all material respects, with the requirements for the fiscal year ending June 30, 2008.

**Election of COC Chair:**

Outgoing Chair, Sue Sundell introduced Cid Pinedo who opened the floor for nominations for the Citizens’ Oversight Committee Chair. A motion was made by Jack Van Blarcom, and seconded by Bill Huff, approving the nomination of Ms. Dana Cox. By unanimous vote, Ms. Cox was elected chair, to serve a one-year term beginning spring, 2009.

*A copy of all handouts presented at tonight’s meeting will be sent to committee members unable to attend tonight’s meeting.*

**Conclusion:**

The meeting concluded at 6:18 p.m.

*The next meeting of the Citizens’ Oversight Committee will be held in spring, 2009.*
Chaffey College

Citizens’ Oversight Committee
OVERVIEW

• Recently Completed Projects
• Projects Under Construction
• Project Schedule Overview
• Financial Status of the Project
Recently Completed Project

• Main Instructional Building
  Chaffey College Chino Campus

  – Completed Punch List 4/22/08
  – Board Approved Notice of Completion 6/26/08
  – Warranty Period 1 Year 7/2/09
  – No Litigation
Recently Completed Project
At – a - Glance

• Main Instructional Building
Chaffey College
Main Instructional Building
Financial Report
Main Instruction Building

- Original Contract Construction Cost $ 24,724,000
- Total Construction Costs $ 26,211,843
- Contractor Change Orders $ 1,231,060
- Landscape Change Order (RDA) $ 256,783
- Change Orders to Date- Final Figure $ 1,487,843
- 5% Contingency $ 1,236,200
- Total Contingency expended 6.02% $ 1,508,164
Projects Under Construction

• Community Center Building
• Health Science Building
Community Center Building

• The Community Center Building is a joint use facility. This facility will be used by the City of Chino and Chaffey Community College District.

• The Community Center is a two-story twenty-two thousand square foot building that will host several student services and specialty departments and a Culinary Arts Program.

• This facility will also host City of Chino classrooms, banquet rooms with an exterior loggia area.

• The Community Center is being built in conjunction with the Health Science Building as one project.

• Site work includes walkways, Auto-court, parkway and various site concrete bench structures and Landscaping.
Community Center at-a Glance

• Framed with exterior plaster in progress
Community Center at a Glance

• Exterior Loggia Area and roof
Community Center at-a-Glance

• Second floor open Hallway
Health Science Building

• The Health Science Building is a sixteen thousand square foot building with associated exterior hard-scape site work.

• The Health Science Building will provide a facility to house and satisfy the requirements of state accredited nursing programs and teaching labs.

• This Building is being constructed as one project in conjunction with the Community Center Building
Health Science Building at- a-Glance

- East Elevation Health Science ready for Exterior Plaster
Health Science Building at-a-Glance

• West Elevation Finished Plaster
Health Science Building at-a-Glance

- Open hallway  East elevation
Community Center and Health Science Project Schedule

- Project Notice to Proceed issued July 3, 2007
- Project Scheduled Start Date: July 9, 2007
- Project Scheduled Completion November 8, 2008
- Current Scheduled Completion Date November 12, 2008
- Project approximately 90% Complete
Financial Report
Community Center /Health Science Project

- Original Contract $18,488,837
- Total Contract to Date $18,691,261
- Total Change Orders to Date $202,424
- Outstanding Proposal Exposure $96,697
- 10% Contingency $1,848,884
- Remaining Contingency $1,549,764
- Approved Change Order Percentage 1.09%
Presentation to the
Citizens’ Oversight Committee

October 20, 2008

Presented By:
Kelvin Okino
Bernards Program Director
Overview

- Completed Projects in 2008
- Recently Completed Projects
- Projects under Construction
- Projects in Bid and Award
- Projects in Design
- Projects in Planning
- Program Schedule
- Status of Measure ‘L’ Funds
Completed Projects in 2008

Parking Lot 12/Elevator (Completed May 2008)

Marquee (Completed June 2008)
Recently Completed Projects

- Physical, Health, Life Sciences Renovations
- Health and Life Science Re-Roof
Health and Life Sciences Re-Roof

- Completed: July 2008

New Roof at Health Science Building
Looking Southwest

New Roof at Life Science Building
Looking South

COC Presentation October 20, 2008
Physical, Health, Life Sciences

- Completed: August 2008

Life Science West - Completed Classroom
Looking East

Physical Science - Lecture Hall
Looking South
Projects Under Construction

- Visual Performing Arts Complex
  - Renovation / New Buildings Project
  - Estimated Completion: November 2009 (Contract: Aug. 09)

- Library Lawn Area/Fontana Phase II Landscape Project
  - Landscape and Irrigation on Rancho Cucamonga and Fontana campuses
  - Estimated Completion: November 2008

- New Gymnasium
  - New 22,000 sf Gymnasium
  - Estimated Completion: December 2009
Visual Performing Arts Complex

- Renovation / New Buildings Project
- Estimated Completion: Nov. 2009 (Contract: Aug. 09)
- Phased Milestones
  - Phase 1: Building F, Site/Utilities – August 22, 2009
  - Phase 2B: Building E, Site/Utilities – February 23, 2009
  - Phase 2C: Theater Loading Dock Access – August 22, 2008
  - Phase 3: Renovation Courtyard B/C – May 24, 2008
  - Phase 4A: Renovations Ceramics Yard – August 9, 2008
  - Phase 4B: Building B/C Renovations – January 1, 2009
  - Phase 5: Renovation Accessible Route – June 21, 2008
- Architect: HGA Architects and Engineers
- General Contractor: ProWest Constructors
Visual Performing Arts Complex

- Project Rendering (Exterior)
Visual Performing Arts Complex

- Project Rendering (Interior)
Visual Performing Arts Complex

- Progress Photos

Building B – Completed Demolition
Looking North East

Building C – New Accessible Ramp
Looking East
Visual Performing Arts Complex

- Progress Photos

Building E – Completed Footings/Wall Forms
Looking Southwest

Building F – Wall Construction
Looking Northeast
Landscaping Project

- Landscape and Irrigation Project
  - Rancho Cucamonga Campus
    - Library Lawn and adjacent areas
  - Fontana Campus
    - Lawn area around Ralph M. Lewis Building

- Estimated Completion: November 2008

- Architect: Steven Frenken Landscape Architecture

- General Contractor: Land Forms, Inc.

- Contract Amount: $385,000
Landscaping Project

COC Presentation October 20, 2008
Landscaping Project

- Progress Photos (Rancho Cucamonga Campus)

Grubbing and installation of irrigation lines
Looking East

Completed irrigation lines and soil amendments
Looking West
Landscaping Project
Landscaping Project

- Progress Photos (Fontana Campus)

**Completed irrigation lines and grading of site**

- Looking East

**Creating landscape mounds**

- Looking Northeast
Physical Education Athletics – New Gym

- New 22,000 sf Gymnasium
- Estimated Completion: December 2009
  - Basketball/Volleyball Courts
  - Locker Rooms
  - Snack Bar
  - Bleachers for 984 people
- Architect: NTD Architecture
- General Contractor: Edge Development Inc.
- Contract Amount: $8,560,543
Physical Education Athletics – New Gym

- Project Rendering (Aerial Perspective)
Physical Education Athletics – New Gym

- Project Rendering (Main Entrance Perspective)
Physical Education Athletics – New Gym

- Progress Photos

Demolition of tennis courts and Parking Lot #10
  Looking South

Demolition of tennis courts
  Looking Southwest
Projects in Bid and Award

- Campus Center West
  - Architect: MDA Johnson Favaro
  - Anticipated Bid Release: To Be Determined

- Physical Education Athletics - Renovation
  - Architect: NTD Architecture
  - Anticipated Bid Release: To Be Determined
Campus Center West

- Anticipated Bid Release: To Be Determined
Projects in Design

- **Fontana Phase III**
  - Architect: HMC Architects
  - Construction of a new 30,000 sf Academic Building

- **Omnitrans Transportation Center**
  - Architect: HMC Architects
  - Expand existing Omnitrans transit stop
Projects in Design

- Fontana Phase III / Architect: HMC Architects
Projects in Design

- Omnitrans (Site Options) / Architect: HMC Architects

Diagram 4A: Site Alternative locations.

Rancho Cucamonga Campus
Projects in Planning

- Language / Liberal Arts and Letters
- Library
- Other Measure ‘L’ Projects
  - Security System (SSA, Science and Fontana)
  - Physical Science Complex Roof Replacement
  - Physical Science Northwest and Southeast Sector - Remodel
  - Central Plant Build-Out Plan
  - Language Arts/Social Science/Business Education – HVAC Upgrades
Program Schedule

- Measure ‘L’ Build-Out Plan
  - Scheduling of remaining projects has been developed and currently under review by the College
### Summary of Funds

#### Program Funds

(Includes Rancho Cucamonga, Fontana and Chino Campuses)

- Accrued Bond Interest, $8,737,680
- Bond Refinance Proceeds, $2,300,000
- Other Funds, $126,693,292

#### Measure L Bond Funds

(Includes Rancho Cucamonga, Fontana and Chino Campuses)

- Bond Refinance Proceeds, $2,300,000
- Accrued Bond Interest, $8,737,680
- Original Measure L Bond, $229,830,000

#### Fund Source Details

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<th>Fund Source</th>
<th>Amount</th>
<th>Percentage of Total</th>
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<td>$229,830,000</td>
<td>62.53%</td>
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<td>Bond Refinance Proceeds</td>
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<td>Accrued Bond Interest</td>
<td>$8,737,680</td>
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<td>Other Funds</td>
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<td>$8,737,680</td>
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<td>Total Measure L Bond Funds</td>
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## Remaining Funds

### Program Funds

(Includes Rancho Cucamonga, Fontana and Chino Campuses)

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<th>Total Program Funds</th>
<th>$367,560,972</th>
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<td>$131,450,197</td>
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<td>Committed (Expensed or Encumbered)</td>
<td>$236,110,775</td>
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### Measure L Bond Funds

(Includes Rancho Cucamonga, Fontana and Chino Campuses)

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<th>Total Measure L Bond Funds</th>
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<td>Remaining Balance</td>
<td>$61,597,842</td>
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<td>Committed (Expensed or Encumbered)</td>
<td>$179,269,838</td>
<td>74.43%</td>
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Questions and Answers
CHAFFEY COMMUNITY COLLEGE DISTRICT

PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE L
PERFORMANCE AUDIT

Fiscal Year Ending June 30, 2008
CHAFFEY COMMUNITY COLLEGE DISTRICT

PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE L
PERFORMANCE AUDIT

June 30, 2008

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INDEPENDENT AUDITORS’ REPORT

The Board of Trustees
The Citizens’ Oversight Committee
Chaffey Community College District
5885 Haven Avenue
Rancho Cucamonga, CA 91737-3002

We have examined the Chaffey Community College District’s compliance with the performance requirements for the Proposition 39/Measure L General Obligation Bonds for the fiscal year ended June 30, 2008, under the applicable provisions of Section 1(b)(3)(C) of Article XIIIa of the California Constitution and Proposition 39 as they apply to the Bonds and the net proceeds thereof. Management is responsible for the Chaffey Community College District’s compliance with those requirements. Our responsibility is to express an opinion on the Chaffey Community College District’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Chaffey Community College District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Chaffey Community College District’s compliance with specified requirements.

In our opinion, the Chaffey Community College District complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2008.

September 8, 2008

VICE NTI, LLOYD & STUTZMAN LLP
OBJECTIVES

The objectives of our Performance Audit for the fiscal year ended June 30, 2008 were to:

- determine the expenditures charged to the Chaffey Community College District Bond Building Fund;

- determine whether expenditures charged to the Bond Building Fund have been made in accordance with the bond project list approved by the voters through the approval of Measure L in March 2002;

- note any incongruities or system weaknesses and provide recommendations for improvement;

- provide the District Board and the Citizens’ Oversight Committee with a performance audit as required under the requirements of the California Constitution and Proposition 39.

SCOPE OF THE AUDIT

The scope of our performance audit covered the fiscal period from July 1, 2007 to June 30, 2008. The expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than the proceeds of the bonds, were not included within the scope of our audit. Expenditures incurred subsequent to June 30, 2008 were not reviewed or included within the scope of our audit or in this report.
BACKGROUND INFORMATION

In November 2000, the voters of the State of California approved Proposition 39 authorizing the issuance of general obligation bonds by California public school districts and community colleges, under certain circumstances and subject to certain conditions. In March 2002, a general obligation bond proposition (Measure L) of the Chaffey Community College District was approved by the voters of the District. Measure L authorized the District to issue up to $230,000,000 of general obligation bonds to finance various capital projects, and related costs, as specified in the bond measure provisions.

Pursuant to the requirements of Proposition 39 and related State legislation, the Board of Trustees of the District has established a Citizens’ Oversight Committee and appointed its members. The principal purpose of the Citizens’ Oversight Committee, as set out in State law, is to inform the public as to the expenditures made using the proceeds of the bonds issued pursuant to the Measure L bond authorization. The Citizens’ Oversight Committee is required to issue at least one report annually as to its activities and findings.

Section 1(b)(3)(C) of Article XIII A of the California Constitution requires the District to conduct an annual independent performance audit to ensure that the proceeds of the bonds deposited into the Bond Building Fund have been expended only for the authorized bond projects.
PROCEDURES PERFORMED

We obtained the Bond Building Fund general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2008. Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for expenditures to ensure compliance with the requirements of Proposition 39 and Measure L with regards to the approved bond projects list. In accordance with Proposition 39 Measure L requirements, we performed the following procedures:

- reviewed the projects listed to be funded with general obligation bond proceeds as set out in the Measure L election documents;

- selected a sample of expenditures for the fiscal year ended June 30, 2008 and reviewed supporting documentation to ensure that such funds were properly expended on the authorized bond projects;

- verified that funds from the Bond Building Fund were generally expended for the construction, reconstruction, acquisition, furnishing and equipping of District facilities constituting the authorized bond projects;

- verified that salaries charged were for eligible expenditures and were not for salaries of school administrators or other operating expenses of the District.
CONCLUSION

Based upon our procedures performed, we found that for the items tested, the Chaffey Community College District has properly accounted for the expenditure of funds held in the Bond Building Fund and that such expenditures were made on authorized bond projects. Furthermore, it was noted that the funds expended from the Bond Building Fund were not used for ineligible salaries of school administrators or other operating expenditures.