

SANTA CLARITA COMMUNITY COLLEGE DISTRICT

Annual Report of the Independent Citizens' Bond Oversight Committee

2023-2024 FISCAL YEAR

Financial and Committee Information as of 6/30/24

Project Status Information as of 5/30/25

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2024 ANNUAL REPORT OF THE INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE SANTA CLARITA COMMUNITY COLLEGE DISTRICT 2023-2024 FISCAL YEAR

The District is pleased to deliver the Independent Citizens' Bond Oversight Committee's 2024 Annual Report to the Santa Clarita Valley. This Annual Report includes an overview of the Region and District Service Area, an explanation of the Independent Citizens' Bond Oversight Committee, highlights of the Committee activities, Measure E funding and capital projects, bond projects active in 2023-2024, and a summary to the bond performance and financial audits.

ABOUT THE DISTRICT

REGION

The Santa Clarita Valley (SCV) includes the communities of Saugus, Valencia, Canyon Country, Newhall, Stevenson Ranch, Castaic, Val Verde, and Agua Dulce. This valley, surrounded by scenic mountain ranges, is the northern gateway to Los Angeles County. Santa Clarita is the third largest city in Los Angeles County, exceeded in number only by Long Beach and the largest city, Los Angeles. Santa Clarita enjoys a lower density of population with space for significant expansion. This is a stark contrast to most cities in the Los Angeles basin where people and companies are simply running out of room. The area is characterized by many canyons that generally run in a north-south direction and slope upward toward the north. The valleys are fertile and once supported agriculture while they are now the location for rapidly growing housing and commercial development. Many of the almost 300,000 residents commute each day to the Antelope and San Fernando valleys and south into the Los Angeles basin.

DISTRICT SERVICE AREA

Changes and significant progress have occurred throughout the SCV over the decades while College of the Canyons (COC)/Santa Clarita Community College District (SCCCD) has been propelled forward by a combination of the community's growth and the unwavering vision of the leadership to transform it into the best community college district in the country. The Santa Clarita Community College District serves a geographic area of 520 square miles in the northwest portion of Los Angeles County in an area known as the Santa Clarita Valley. The district is south of the Sierra Pelona, north of the San Gabriel and Santa Susanna mountain ranges, and boarders Ventura County. The district is 40 miles north of Los Angeles International Airport, north of the San Fernando Valley, and 30 miles east of the Pacific Ocean.

The Valencia campus of College of the Canyons is 34 miles north/northwest of downtown Los Angeles. The 153.4-acre Valencia Campus already includes 825,000 of gross square feet with more than 560,000 square feet in dedicated learning space. Going forward, more space will be provided through a variety of projects before the Valencia campus reaches its final build-out capacity. The next major projects in planning are a renovation of the current 40,000 GSF Student Union and the construction of a permanent Advanced Technology Center.

Prior to July 2021, the Canyon Country Campus contained 56,000 gross square feet with more than 49,000 assigned square feet of dedicated learning space. Since then, the campus has tripled, adding 55,000 GSF with the completion of the Takeda Science Center (opened July 2021) and another 55,000 GSF in the Student Services/Learning Resource Center (opened December 2022) for a total of 166,000 GSF. The next major addition on that campus will be a 27,000 GSF Health and Natural Sciences building.

INTRODUCING THE INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE

California Proposition 39, known as the School Facilities Local Vote Act, passed November 7, 2000. Prop 39 **reduced** the threshold needed to pass local California school district bond issues from a **two-thirds supermajority vote to a 55 percent vote**. California Education Code Section 15278 establishes requirements for an Independent Citizens' Bond Oversight Committee to be established when bond measures are passed under Prop 39. This committee, comprised of local residents, has the main charge of informing the public of how their bond dollars are spent and ensuring expenses are in line with the approved ballot language.

The California Education Code specifies requirements for at least seven Committee members to serve for a term of two years (and no more than three consecutive terms).

- Members shall serve without compensation.
- The Committee shall be comprised of at least:
 - one member active in a business organization representing the business community located within the district;
 - o one member active in a senior citizens' organization;
 - o one member active in a bona fide taxpayer's organization;
 - one student, both currently enrolled in the District and active in a campus group (the student may serve up to six months after his or her graduation);

- one member active in the support and organization of a district (such as a member of the advisory community college committee or the COC Foundation);
- o and two members of the community at-large.

No employee, official, vendor, contractor, or consultant of the District shall be appointed to the Committee.

The Independent Citizens' Bond Oversight Committee:

• Actively reviews and reports on the expenditure of taxpayers' money for construction to ensure the bond funds are spent in accordance with the provisions of the Bond and is accountable to the public.

The purpose of the Independent Citizens' Bond Oversight Committee is to provide oversight for the bond program, transparency, and communication with the public about bond expenditures. *It does not have the authority to choose, prioritize, or direct bond projects.* During the 2023-2024 fiscal year, the Committee was comprised of eight appointed members, including a chairperson. District staff provided technical and administrative assistance to the Committee.

Position	Name
Chair (Auxiliary Organization - COC Foundation)	Fred Arnold
Vice Chair (Community At Large)	Dan Masnada
(Senior Citizens' Organization)	Kevin MacDonald
(Bona-Fide Taxpayers' Organization)	Missy Cindrich
(Business Organization)	John Estrada
(Community At Large)	James de Bree
(Community At Large)	Martin Fox
Associated Student Government Representative	Ellie Wingo

COMMITTEE ACTIVITIES - 2024

The Committee convened and participated in several key activities central to their main charge, including reviewing program expenditures and annual audits and providing feedback to the Annual Report. The Independent Citizens' Bond Oversight Committee met on two dates during the 2023-2024 fiscal year. Proceedings of Independent Citizens' Bond Oversight Committee meetings included:

- Review and Acceptance of Financial and Performance Audits
- Review Life-to-Date Expenditures Reports
- Review and Affirm District's Compliance with Requirements

- Review Committee Bylaws
- Review Roles and Responsibilities
- Review Committee Membership
- Review Project Status Reports

MEASURE E FUNDING AND CAPITAL PROJECTS

Measure E General Obligation Bonds were authorized in an election held on June 7, 2016. The election approved the issuance of \$230 million of general obligation bonds. Measure E passed with 58.46 percent voter approval. Measure E funds were approved to complete and remodel the Valencia Campus and provide funding for new Canyon Country Campus permanent buildings.

- The first issuance occurred in April 2017 in the amount of \$50,000,000.
- The second issuance occurred in August 2019 in the amount of \$85,000,000.
- The third issuance occurred in November 2022 in the amount of \$70,000,000.
- There is \$25,000,000 available for future issuances, as needed.

The below are Measure E Projects that are currently in progress as of 5/31/25

- ADA Transition Plan Phase 3
- Advanced Technology Center
- Boykin Hall Modernization Phase 2
- CCC Modernization
 - CCC Construction ATEC Yard
- Repairs & Modernization
 - State Block Grant 2022 Building Projects
 - o DMS/Pharm Tech Remodel
 - Valencia ECE Remodel
 - Valencia Signage
 - New Equipment Modernization
- Site Improvement
 - State Block Grant 2022 Site Projects
 - Repave Lots 1 & 2 Valencia
 - Gas Station Project
- Valencia Student Union Remodel

The below are Measure E Projects that have been Completed as of 5/31/25

- ADA Transition Plan Phases 1 & 2
- Advanced Technology Center Diamond Place (Temporary) (Construction Only)
- Boykin 105 Remodel
- Canyon Country Campus Student Services/Learning Resource Center
- Canyon Country Campus Central Plant
- Canyon Country Campus Modernization
 - 302 Food Service Modernization
 - Construction Storage
 - o HVAC
 - Modular Upgrades
 - $\circ \quad \text{Signage Project} \\$
 - CCC Shade Structures
- Canyon Country Campus Science/Lecture Building
- Counseling Center Remodel (Canyons Hall)
- Inter-Cultural Center
- Door & Lock Replacement Phase 2
- Repairs and Modernization Projects
 - Bloom Fuel Cell Project
 - Bonelli Cooling Tower
 - Bonelli Lower Level
 - o Cafeteria Remodel
 - Canyons Hall Remodel
 - CCC Early Childhood Education Tick Canyon Fire Repairs
 - Emergency System Repairs (CCC)
 - Hasley Atrium Fireproofing
 - OTA & PTA Labs
 - Performing Arts Center Carpeting
 - Pico Hall Sound Studio
 - Pico Hall Dance Floor
 - Pool Chemical Room Ventilation
 - Sheriff Shed Renovation
 - Towsley HVAC Energy Upgrades
 - Valencia ECE Roofing
- Site Improvements
 - LED Lighting Energy Upgrades
 - Miscellaneous Site Scheduled Maintenance
 - Parking Lot 7 Utilities
 - State Block Grant 2023 Site Projects
 - Towsley HVAC Energy Upgrades
 - Valencia Shade Structures
- Parking Structure Valencia Campus
- PE West Modernization

BOND PROJECTS ACTIVE IN 2023-2024

The projects summarized in the table below were begun, in process, or completed in the 2023-2024 fiscal year using money from Measure E General Obligation Bonds.

Project	2023-2024 Measure E Expenditures	Measure E LTD Expenditures*	Total Projected Project Cost as of 06/30/24**
Boykin Hall Modernization Phase 2, Construction & Equipment	\$7,905,307	\$12,866,789	\$19,815,228
Counseling 2nd Fl Canyons Hall, Construction & Equipment	\$2,023,187	\$2,115,085	\$2,115,214
ADA Transition Plan, Construction & Equip	\$1,615,529	\$5,937,729	\$17,263,175
Health & Natural Sciences Building	\$842,812	\$1,375,232	\$17,375,232
Repairs & Modernization CCC	\$816,426	\$2,776,684	\$3,245,364
ATC - Diamond Place	\$563,304	\$775,542	\$1,011,684
Repairs & Modernization VAL	\$438,954	\$2,783,593	\$22,273,269
Equipment - Computer Replacement/Audio Visual	\$314,072	\$3,266,109	\$12,799,595
Inter-Cultural Center, Construction & Equipment	\$253,934	\$2,116,471	\$2,469,922
Site Improvements	\$226,274	\$764,216	\$4,623,977
Valencia Student Center Remodel	\$195,338	\$1,051,312	\$26,051,312
Student Services Learning Resources Bldg. (CCC) , Const. & Equip.	\$117,994	\$37,482,968	\$37,557,968
Secondary Effects	\$111,234	\$228,695	\$429,619
Advanced Technology Center – Valley Center Dr.	\$104,421	\$218,613	\$32,218,613
Project Management Services/Other Expenses	\$63,595	\$1,348,091	\$3,017,251
CCC - Warehouse/Support Bldgs.	\$53,591	\$78,590	\$78,590

*Please note that these Life-to-Date (LTD) expenditures only reflect those projects with activity in FY 2023-2024 and not the total LTD bond expenditures.

**This represents the total estimated project cost, both actual expenses and projected future costs.

BOYKIN HALL MODERNIZATION PHASE 2

This project will include a full seismic retrofit of the building, a complete modernization of all three floors, and ADA compliant upgrades to the adjacent restrooms and elevator. The state has approved funding for 50% of the design and construction costs of this project.



The building has been occupied and is awaiting final close-out by the DSA, which is planned for December 2024.

COUNSELING – 2ND FLOOR CANYONS HALL REMODEL

This project included the demolition and remodel of the entire Counseling suite in Canyons Hall to better accommodate department needs and ensure privacy/confidentiality for student advisement appointments.



Plans were approved in August 2023. Construction began in October 2023, and the project is currently awaiting DSA/financial close-out.

ADA TRANSITION PLAN (MODERNIZATION AND SITE UPGRADES)

The first phase of the overall ADA Transition Plan project included upgrading all the entry/exits, so they are accessible according to the ADA guidelines. This was completed March 1, 2021.

Phase 2 of the Plan, which includes all exterior remediation and improvements, began October 17, 2022 and was completed in November 2023. Final DSA close-out is planned for November 2024.

Phase 3 of the Plan, which includes building and restroom access, is being rescoped.

CANYON COUNTRY HEALTH AND NATURAL SCIENCES BUILDING (FORMERLY PUBLIC HEALTH BUILDING)

The Canyon Country Campus was completed in 2007, implementing modular buildings for the majority of the campus buildout. Over the last 5 years, and in accordance with the Educational and Facilities Master Plan (EFMP), we began constructing permanent facilities at that campus (Science, SS/LRC and the Central Plant).

Continuing the implementation of the EFMP, the Health and Natural Sciences building, designated for the space currently occupied by Quads 3 and 4, will be the first building to replace much of the campus' original modular buildings. The new one-story, 25,000 sq. ft. building will provide much needed instructional space for Biology, Environmental Sciences, Astronomy, MLT, Chemistry, and several new programs like Diagnostic Medical Sonography and Pharmacy Tech.

Preliminary planning with user groups began in April 2023, and the final building drawings were submitted to the DSA in October 2023.

This project is currently under review for budget and scope.

ADVANCED TECHNOLOGY CENTER – DIAMOND PLACE (TENANT IMPROVEMENT, TEMPORARY)

College of the Canyons is in the process of creating a world-class Advanced Technology Center (ATC) to serve the workforce and economic development needs of the South-Central Coast Region.

The first phase of this endeavor included a tenant improvement project, which consisted of remodeling an existing 13,000 sq. ft off-campus building into a workspace that will allow the District to align its curriculum with Industry Recognized Credentials and provide a modality for documenting "hands on skill attainment" and assessments to demonstrate student readiness to enter the workforce.



The programs planned for this space include: Integrated Advanced Manufacturing/Computerized Machining (CNC), Milling & Tooling, and Integrated Fabrication. Work began at the Diamond Place site in February 2023 and was completed in October 2023.

MISCELLANEOUS REPAIRS AND MODERNIZATION PROJECTS, DISTRICTWIDE

These funds covered a variety of projects to keep the district up-to-date and functional. The planned projects included:

• State Block Grant 2022 Building Projects

This project includes roofing repairs at the Valencia Campus, HVAC/Central Plant equipment repairs/replacement, as well as carpet replacement in various classrooms and faculty offices.

• OTA & PTA Labs

This project remodels/refurbishes three classrooms in Physical Education West (WPEK) for the formation of classroom & lab spaces for the new Occupational Therapy Assistant and Physical Therapy Assistant curriculums.

• Valencia ECE Remodel

This project remodel/renovates portables X-1 & X-7 for improved functionality for the Family Studies/Early Childhood Education programs.

• Valencia Signage

This project renovates existing campus signage, pending scope development.

• <u>New Equipment – Modernization</u>

• CCC Shade Structures

This project erects 8 new shade structures throughout the Canyon Country campus.

• CCC Signage Phase II & III

This project replaces all building, pedestrian, and roadway signage.

<u>CCC Construction ATEC Yard</u>

This project creates "real world" learning space for the Construction Technology curriculum at the Canyon Country campus. The space will be utilized for the instruction/demonstration for framing, exterior carpentry, masonry, etc.

INTERCULTURAL CENTER

College of the Canyons has been preparing for a Multicultural Center for many years. In 2020/2021, students and employees came together to see how we could open one. A group of 90+ employees and students worked together to determine the needs for it. They determined we could open a Multicultural Center virtually until a physical space could be established.

The Multicultural Center opened virtually in November 2021, and an interim space was created in April 2022. In January 2023, the Multicultural Center designation was changed to the Intercultural Center. The Intercultural Center (ICC) will serve as:

- A resource for the campus community while placing the experiences of diverse and historically minoritized and marginalized groups at the center.
- A dynamic learning space with deliberate programming and opportunities to support all members of COC with the goal of increased diversity, equity, and inclusion.
- A place to meet, build community, and serve as another access point/bridge to existing resources.



In collaboration with constituents across the district, the Intercultural Center will be

home to many alliance groups, the Undocucenter, group workshops, events, meeting rooms, an open study space, college and community trainings, counseling services, and student services.

Construction of the Intercultural Center began October 12, 2022 in the lower level of Bonelli Hall and was completed in June 2023. The Ribbon Cutting for the Intercultural Center was held on September 13, 2023. The DSA close-out was completed in December of 2023. Non-DSA work continues for the conference room.

SITE IMPROVEMENTS

These funds covered a variety of projects to keep the district up-to-date and functional. The planned projects included:

• State Block Grant 2022 Site Projects

This project repaves a section of Stadium Way (W Fire Road) from the stadium to the baseball field.

• Sheriff Shed Renovation

This project replaces and renovates the sheds used by Sheriff Academy instructors.

• Gas Station Project (Partner Funded)

This project proposes the alteration of Stadium Way (W Fire Road) to intersect with the gas station/restaurant property owned by the Sahika Corporation and connect the Valencia Blvd and Tourney Rd intersection.

VALENCIA STUDENT UNION

The programs within the Student Center have expanded, so the current space distribution does not meet current operational needs. In addition, wayfinding is difficult throughout the building. During this modernization, the existing footprint of the building will remain the same; however, the program spaces will be reorganized to meet contemporary program needs and provide easier wayfinding for students and staff.

Initial user group meetings and design planning began in November 2022. Working drawings were submitted in June 2023.

This project is currently under review for budget and scope.

CANYON COUNTRY STUDENT SERVICES LEARNING RESOURCES BUILDING

This structure is a 55,000 square-foot mirror building to the Science/Lecture Building. It will house Admissions and Records, Financial Aid, Counseling, Student Health, EOPS, Career Center, DSPS, CalWORKS, Veterans, Student Business Office, Library, TLC, Switchboard, Reprographics, Tech Center, Classrooms, and Staff offices.



The project began in November 2020. Furniture installation began October 17, 2022. The District occupied the building the first week of December 2022. The Ribbon Cutting for the building was held on Tuesday, April 25th, 2023. The DSA close-out occurred in June 2023.

ADVANCED TECHNOLOGY CENTER (PERMANENT)

The second and final phase of ATC development will be an on-campus building. Originally the District was working with a local developer to purchase a 30,000 square foot "build to suit" warehouse facility at Valley Center Drive. Since then it has been determined that the size and scope of that project would not meet the instructional or industry needs of an ATC. Now the District is looking to build a much larger scale ATC on the Valencia campus which will be used to train students in the operation of advanced manufacturing/computerized machining, welding/material joining, robotic welding, integrated personal fabrication, and construction technologies.

This project is currently under review for budget and scope.

VALLEY CENTER DRIVE PROPERTY

The ATC was originally planned to be an off-campus building located at Valley Center Drive. Since the District has changed direction and will now use space at the Valencia campus to build the Permanent ATC, the property that was originally purchased at Valley Center Drive will be used for another off-campus structure to house a GO Bond approved District building.

This project is currently under review for budget and scope.

SUMMARY OF MEASURE E AUDIT

In accordance with Proposition 39, each year that the District has unexpended bond proceeds, it engages an independent CPA firm to perform Financial and Performance audits of the Measure E General Obligation Bond Fund (the Fund"). This year's General Obligation Bond Financial and Performance audits were performed by Eide Bailly, LLP. The auditors issued three reports which are discussed in greater detail below.

FINANCIAL STATEMENT SUMMARY:

Eide Bailly performed an audit of the Fund's financial statements for the year ended June 30, 2024. The audit was performed in accordance with both Generally Accepted Auditing Standards and Government Auditing Standards. Eide Bailly's audit opinion states that the financial statements present fairly in all material respects, the Fund's financial position. The following is a summary of the changes in the Fund Balance for the year ended June 30, 2024.

Beginning Fund Balance	\$ 86,071,243
Local Revenues (Interest Earned)	\$ 3,547,488
Change in FMV of Cash Held by LA County	\$ 1,519,511
Treasury	
Less Expenditures	\$ (15,645,972)
Ending Fund Balance	\$ 75,492,270

INTERNAL CONTROL AUDIT SUMMARY:

Eide Bailly issued a report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on the audit of the Fund's financial statements for the year ended June 30, 2024. Internal controls are accounting procedures designed to detect and correct misstatements on a timely basis.

- During the audit Eide Bailly did not identify any internal control deficiencies that would prevent District management or employees to perform such procedures.
- There were no findings of noncompliance or other matters that are required to be reported under Government Auditing Standards.
- There were no audit adjustments.

PERFORMANCE AUDIT SUMMARY:

Eide Bailly conducted a performance audit in accordance with generally accepted audit standards of the Comptroller General of the United States. They tested 59% of the total expenditures incurred and reviewed the associated purchase orders, approved invoices, bid documentation, contracts, and budgets. The results of such tests indicated the following:

• The District has properly accounted for the Fund's expenditures

- Such expenditures were made for authorized bond projects that were aligned with the voter-approved bond project list
- The District appropriately charged one employee's salary and benefits to the Fund as that employee provided direct oversight to Measure E projects

ACCEPTANCE OF THE AUDIT:

On June 30, 2025, representatives of Eide Bailly met with the Independent Citizens' Bond Oversight Committee to present the audit reports. After that presentation the Independent Citizens' Bond Oversight Committee approved accepting the audit reports.

WHAT IS A GENERAL OBLIGATION BOND?

General obligation bonds fund projects such as the renovation of existing classrooms and school facilities, as well as construction of new schools and classrooms. Similar to a home loan, general obligation bonds are typically repaid over 30 years. The loan repayment comes from a tax on all taxable property – residential, commercial, agricultural and industrial – located in the District.

WHAT IS THE INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE AND WHY DOES IT MATTER TO ME?

As required by Education Code Section 15278, the District appoints a committee of local residents, whose main charge is to inform the public about how the bond dollars are being spent. The Committee, known as the Independent Citizens' Bond Oversight Committee, actively reviews and reports on the expenditure of taxpayers' money for school construction to ensure that bond funds are spent in accordance with the provisions of the bond. The Committee is comprised of volunteers who represent specific constituencies, including senior citizens, businesses, or the community-at-large. This additional oversight is important because you pay for these bonds as part of your property taxes.

HOW CAN I BE SURE THAT GENERAL BOND OBLIGATION

FUNDS WILL BE SPENT ON IMPROVING OUR SCHOOLS?

Each year, a fiscal and performance audit of bond expenditures is conducted. The audits verify that SCCCD complied in all material respects with bond measure requirements to expend proceeds only on the school facilities projects specified in the bond measure legislation. The Independent Citizens' Bond Oversight Committee is responsible for reviewing the audit reports and is required to present this information to the public each year.

CAN BOND FUNDS BE USED FOR TEACHER OR ADMINISTRATIVE SALARIES?

No. Only personnel working directly for the bond program are charged to the bond. To manage and coordinate a construction project to completion, personnel are needed to monitor contracts and project funding, oversee construction progress, and perform overall project management and accounting. Bond funds cannot be used to pay teacher or site administrator salaries, pensions or benefits. The annual fiscal and performance audit of the bond measures reviews all personnel charged to the bond and verifies that they are charged properly and meet state requirements.

DOES THE INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE OVERSEE THE ACTUAL CONSTRUCTION?

No. The District's Assistant Superintendent/Vice President of

Facilities oversees the construction.

HOW ARE CONSTRUCTION MANAGEMENT, ARCHITECTS/ ENGINEERS, CONTRACTORS AND PROFESSIONAL CONSULTANTS FOR BOND PROJECTS SELECTED?

District administration defines specific requirements and then solicits proposals from qualified companies willing to work on a project. Contract award recommendations are made to the Board of Trustees for final approval.

WHY DO THE COSTS OF THE PROJECTS OFTEN FLUCTUATE FROM THE ORIGINAL ESTIMATED COSTS?

Construction costs change depending on the cost of materials and the current economy. When the prices of raw materials such as steel or copper wiring rise, it can dramatically increase the cost of the project. In addition, if there are many construction projects underway in the area, it can result in strained labor resources and bids tend to come in higher. Recently the occurrence of many natural disasters in our local area, as well as nationally, has dramatically affected the availability of labor and materials, which create spikes in construction costs and schedules.