

**Measure E Bond Citizens Oversight Committee
Annual Report to the
Long Beach Community College District Board of Trustees
December 9, 2003**

On March 5, 2002, the voters of the Long Beach Community College District approved of Measure E, a \$176,000,000 facilities construction and modernization bond measure. This measure was approved under the regulatory guidelines of Proposition 39. In accordance with Proposition 39, the Measure E Bond Citizens Oversight Committee (COC) was established to monitor the expenditures of Measure E and report to the public on Long Beach Community College District's compliance with Proposition 39. At a minimum under Proposition 39, the COC is required to: 1.) Receive and review the annual independent performance audit; 2.) Receive and review the annual independent financial audit as it relates to bond funds; 3.) Review bond expenditures and ensure that bond proceeds are spent on qualified projects and not on administrator or teacher salaries; 4.) Inspect college facilities and grounds where bond proceeds are being spent; 5.) Receive and review deferred maintenance plans; 6.) Review district efforts to implement cost efficiency; and 7.) To prepare an annual report to the Board of Trustees. The COC is pleased to report that to date Long Beach Community College District is in compliance with Proposition 39.

Throughout the committee's inaugural year, it accomplished many objectives and received numerous reports. On September 26, 2002, the eleven-member Measure E Bond Citizens Oversight Committee (COC) held its first meeting. The committee elected a Chairperson and Co-Chairperson. The committee elected Dr. William Marmion to serve as Chairperson of the COC and Mr. Gary Westling to serve as Co-Chairperson. Since that meeting, the committee has amended its By-Laws and established the position of committee Secretary for which Mr. J. C. Squires was elected to serve. The committee currently meets on a quarterly basis and has held four meetings during its first year.

At the committee's initial meeting, it received a thorough briefing on the committee charge by the District's Bond Counsel; President, Jan Kehoe; Board of Trustees Dr. Thomas Clark and Roberto Uranga; and Vice President Eloy Oakley. The committee has since engaged in several discussions about its responsibilities to carry out the requirements of Proposition 39 and the COC can report that it is well equipped to fulfill its duties.

At its July meeting, the committee reviewed the initial series A Bond Issuance of \$40,000,000 which was issued with a favorable bond rating of S&P AAA & Moody's Aaa. This initial \$40,000,000 issuance constitutes the only Measure E Bond funds issued to date and are the subject of the COC's oversight responsibility.

Throughout the year the COC received bond implementation updates from the Bond Implementation Team, headed by Bovis Lend-Lease, who assumes responsibility of contractors and all planned Measure E Bond construction and modernization projects. During the past year, the committee has toured the campus to get a first-hand view of where construction and modernization projects are planned. Progress has been made on the development of the Facilities Master Plan and the scheduling of construction projects. Specifically coming out of the Facilities Master Plan, construction and modernization projects at the Liberal Arts and Pacific Coast Campuses have been identified. The committee has received numerous reports on the progress of bond projects scheduled for the first three (3) years from the Bond Implementation Team, Bovis Lend-Lease; District staff; the Master Planner, RobbinsJorgensenChristopher Architects; the bond underwriter, RBC Dain Raucher; the California Environmental Quality Administration (CEQA) consultant, The Chambers Group; and the labor compliance consultant, the Solis Group. The committee also receives a quarterly expenditure report and quarterly bond process updates. In compliance with Proposition 39, a public information program has been developed and approved Minutes of COC meetings are posted on the District website for public information. The public information program will expand to include construction updates and public service notices as it relates to the temporary impact on traffic and parking due to construction.

Finally, the committee has formed a subcommittee to work with District staff to draft and issue a Request for Qualifications (RFP) for a Performance Bond Auditor. The RFP has been advertised in the Press Telegram. The deadline to receive responses to the RFP was December 3, 2003. The auditor selected will be forwarded to this Board for approval and will conduct the Proposition 39 required performance audit. The COC will review the performance audit as well as the annual financial audit of the Measure E Bond Fund when they are complete.