

**BOARD OF TRUSTEES
Mt. SAN ANTONIO COLLEGE**DATE: June 27, 2001

ACTION

SUBJECT: APPROVAL OF BOND ELECTION RESOLUTION**BACKGROUND AND OVERVIEW**

One of the most serious leadership challenges facing the College and Board of Trustees is the problem of aging and inadequate campus facilities. Simply put, Mt. San Antonio College cannot fulfill its mission of providing access to quality educational programs and services in response to the needs of our students and the communities we serve without a safe and quality learning environment. Our students deserve the best education we can give them, and our communities expect that the same quality Mt. SAC education will be there for them in the future. It may not be if a major investment in the future is not made soon. According to a recent Enrollment Simulation Study completed by Dr. Charles McIntyre, Mt. SAC will turn away more than 5,000 students if the facilities problem is not corrected through passage of a local bond.

It is hard to believe that in the 21st Century we are still educating students in former military hospital buildings constructed during the depression and in facilities built from 1948 to 1960. A lot has changed in the last 40 years, except the facilities at Mt. SAC. The past decade has witnessed a major effort to address this problem. In 1991-92 Mt. SAC developed a new Educational & Facilities Master Plan called Vision 2000. The nineties saw the first new campus construction and major investment in major maintenance projects in thirty years. A new Student Services Center was completed in 1994, an instructional performing arts complex in 1996, and the total conversion of the Library into a Learning Technology Center in 1999. Most of the funding for these improvements came from state higher education bonds.

In 1996, the leadership of the College realized that we could no longer rely on state bonds to finance the remaining Vision 2000 Campus Master Plan projects. The entire community college system faces the same facilities problems as Mt. SAC. For this decade, California Community Colleges facilities needs are approximately \$16.7 billion. At the same time, the state projects a tidal wave of 500,000 new students will need to be served by 2007. Compounding the problem, the Chancellor's Office has decided to stretch its limited dollars by not providing any construction funds to accommodate expected growth. In addition, some of our needed instructional and student support services space will never be funded by the state. For these reasons, the Board of Trustees approved a 1997 local bond measure to finance Vision 2000 projects. Since the 1997 bond did not receive the required two-thirds approval, the Board approved a subsequent bond measure in 1999. The problem of aging facilities hasn't gone away. It only gets worse with time.

Although long-range master plans often project enrollment, programs and facility needs 15 years or more, these plans require updating after eight to ten years. Therefore, in January 2000 the President presented to the Board of Trustees a plan for updating the 1992 Master Plan. In February 2000 a 2020 Vision Task Force was established. One of the explicit goals was to use the results of the 2020 Vision planning process to determine what projects should be included in a November 2001 local bond. The College would not be going back to the voters with the exact same list of projects, but a list that reflected current environmental planning and educational needs.

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Working with the 2020 Vision Task Force, in fall 2000, Dr. Charles McIntyre completed a comprehensive environmental scan, prepared twenty-year enrollment projections, and drew implications from this research for educational and facilities planning. Subsequently, Dr. McIntyre prepared for the task force and a smaller facilities action team that was concurrently working on updating our Five Year Capital Outlay Plan for the state, a comprehensive Facilities Planning 2001-2020 report. (See back-up for highlights of this report.) The Facilities Planning report recommended that Mt. SAC:

- Remove and renovate old, and construct new campus facilities
- Develop two new off-campus centers to increase access and participation rates
- Expand on-line learning, with an emphasis on hybrid courses

The report revealed that 67 of 78 campus facilities require major renovation or replacement. Forty-seven of the 67 are in such poor condition that they need to be demolished and replaced.

Mt. SAC's service area will continue to grow in population at a rate greater than Los Angeles County and California in general, driving College enrollments substantially higher by 2010 (6,000 additional students). Technological changes, increasing area income equality, and expected labor shortages will bring about an even greater enrollment increase (an additional 4,000 students), resulting in increased participation rates, especially in the lesser served communities in the district. These students cannot be served without an investment in facilities.

GPRA architects have been working with staff to update the Campus Master Plan based on enrollment projections and the findings in the Facilities Planning 2001-2000 report.

Specific projects that are recommended for inclusion in November 2001 bond are attached. Since passage of Proposition 39, which lowered the threshold for passage of local bonds to 55%, staff have been analyzing Prop 39 and involved in other research and planning related to a possible November bond. In December 2000, the College President presented to the Board a complete analysis of Prop 39, a summary of lessons learned from prior bond attempts, and solicited trustee input to bond planning questions.

In January 2001, the Board decided not to engage a public opinion firm to conduct another community survey. They also requested a staff survey to measure the degree of employee support for another bond. The results of that survey showed overwhelming support from staff (85%) for putting a general obligation bond on the November 2001 ballot.

ANALYSIS

1. Campus and Community Support

- A local bond measure and successful bond campaign requires the active support of the Board of Trustees, Foundation Board, and the involvement of the entire campus
- 85% of employees surveyed indicated support for another bond
- 50% of surveyed employees will actively participate as volunteers and/or donate to the campaign
- 2,123 individuals on campus have signed a petition for a local Bond for November 2001. This includes 813 faculty and 980 students.
- The community anticipates that we will have another bond. A recent Community Perception Survey indicates that 78.2% of those responding are very likely or likely to support a Bond Measure for Mt. SAC.
- The 1997 and 1999 bond results both exceeded the 55% approval needed for passage under Prop 39.
- Education is still a high public priority. Los Angeles Community College District just passed a \$1.2 billion bond measure after two unsuccessful attempts.

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2. **Bond Campaign and Prop 39 Requirements**

- A Community/Campus Campaign Committee needs to be established as soon as possible
- Hundreds of community, staff, and student volunteers will have to be recruited to assist in the campaign
- Need to conduct an aggressive student registration drive and bond education program
- Need to agree on a clear, compelling, and consistent message, i.e., "Remember, Restore, Renew"
- The Campaign Committee needs to raise \$150,000-\$200,000 in order to conduct a successful campaign
- The Campaign Committee will need to contract with a professional bond consulting firm to advise and assist the committee and volunteers
- A separate Citizens Oversight Committee needs to be appointed by the Board of Trustees within 60 days of confirmation of election results. It's actually better to appoint the Oversight Committee in advance of the election so the public knows who they are
- Prop 39 requires an annual financial audit and an annual performance audit
- Facilities eligible under Prop 39 include construction, reconstruction, replacement of facilities, including furnishings and equipment and acquisition or lease of real property
- Prop 39 requires a list of specific projects to be funded from bonds.

FISCAL ANALYSIS

- The maximum annual cost is \$25 per \$100,000 assessed valuation in a community college district. Mt. San Antonio College's 2000-01 assessed valuation is \$39 billion and our bonding capacity is \$984 million.
- The average annual cost per \$100,000 assessed valuation for a \$221 million bond would be approximately \$17, the cost of a large pizza. Master plan projects would be completed in phases and series of bonds would be issued as needed over ten or more years.
- Funds necessary to improve facilities are not already in the system and will not be in the future. No other viable alternative to addressing the College's serious facilities problems exists.
- \$20.7 million is anticipated for the new Science Laboratory Building from a March 2002 State Bond. Two Master Plan projects will be funded by non-bond resources – Community Education Center II and Health Services Expansion projects.

RECOMMENDATION

That the Board of Trustees approve the attached resolution related to placing on the November 2001 ballot a General Obligation Bond in the amount of \$221 million to address the serious facilities issues as described above and in recent reports. (See attached Bond Facilities Projects list for included projects.)

Mt. San Antonio College

November 2001 Bond Facilities Projects

The November 2001 Bond Facilities Projects list for Mt. San Antonio College has been developed from meetings with the 2020 Vision Task Force, the Facilities Action Team, specific project planning teams, our facilities consultant and Master Plan architectural firm. The projects have been programmatically conceived to address necessary facility repair, modernization, new construction and technology requirements in order to enable the College to better address current and future needs. Some projects are further along in the planning process than others. These projects will be completed over an 8-10 year time span in several phases according to the Campus Master Plan and Facilities Action Plan.

1. Construct new Science Laboratory Building with state and local bond funds.
2. Construct new Workforce Training and Conference Center.
3. Complete comprehensive Campus-Wide Energy Conservation Program
4. Construct two new Off-Campus Centers, one in Pomona and one in the Baldwin Park/La Puente/Hacienda Heights area
5. Construct new Agriculture Laboratory and Classroom Building and modernize other agriculture and farm facilities
6. Construct new Child Development Center and Early Childhood Education classrooms
7. Remodel for safety and efficiency existing classroom buildings into modern, active learning space
8. Remodel for safety the existing Agriculture row building for Business learning space
9. Construct new Business & Computer Technology Center
10. Construct new Design & On-Line Technology Center
11. Remodel existing physical education buildings and construct new Physical Education/Wellness Center
12. Construct new Campus Center to replace existing Campus Café, Mountie Grill, and Express Stop
13. Renovate student support services space.
14. Construct new facility for Welding & Air-Conditioning programs
15. Construct new English as a Second Language Building
16. Construct new Health Careers Building
17. Implement other campuswide renovations and make improvements to provide accessibility for persons with disabilities.

BEFORE THE BOARD OF TRUSTEES
OF MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

In the Matter of:

RESOLUTION

ORDER OF BOND ELECTION UNDER
SECTIONS 15100 AND 15120 OF THE
EDUCATION CODE AND
SPECIFICATIONS OF THE ELECTION
ORDER

SECTION 1. WHEREAS:

A. Mt. San Antonio Community College District (the "District") has an interest in preserving academic excellence and providing superior facilities to its students, in order to foster the maximum success for its graduates;

B. The District therefore needs to make capital improvements to its educational facilities in order to accommodate its students in a safe and sanitary environment and to provide for certain other educational program and safety needs of the District and its students;

C. Article XIII A of the California Constitution excepts from the general one percent (1%) of full cash value limitation those *ad valorem* taxes used to pay for debt service of any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds (2/3) or by 55% of the votes cast by voters on the proposition, at the option of the District;

D. The Board of Trustees of the District (the "board") hereby requests the County of Los Angeles (the "County") to call an election within the District on the question whether bonds shall be issued and sold for the purposes set forth below, to be consolidated with the regularly scheduled Trustee election of the District, set for November 6, 2001;

E. A Notice of Bond Election, containing specification of the order for such bond election, is attached hereto as Exhibit "A," and by this reference incorporated herein and with all the contents thereof by this reference made a part hereof as if fully set forth in this Resolution; and

F. The District will need to expend certain of its own funds, prior to the passage of the bond measure set forth below, and prior to the closing of any bonds authorized thereby, and the Board of Trustees wishes to provide for the reimbursement to the District of such expenditures, to the extent that such expenditures qualify as project costs pursuant to Proposition 39 (defined below) and the Internal Revenue Code of 1986, as amended;

SECTION 2. NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED BY THE BOARD OF TRUSTEES OF MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT, LOS ANGELES COUNTY, STATE OF CALIFORNIA, AS FOLLOWS:

A. All of the foregoing recitals are true.

B. This Board of Trustees does hereby request the County of Los Angeles to call an election on the question of whether bonds of the District shall be issued and sold for the purpose of raising money in the amount and for the purposes specified in the attached and incorporated formal Notice of School Bond Election (the "Bond Election"). This Board also requests that the election be consolidated with the District's regularly scheduled election for members of its Board of Trustees that will be conducted on November 6, 2001. The Bond Election will be conducted pursuant to and in accordance with this Resolution and the specification of the election order in said Exhibit "A," the authority for which Resolution and specification is found in Education Code Sections 15100 and 15266 and Article XIII A, SEC. 1(b)(3) of the Constitution.

C. The purpose of the Bond Election shall be for the voters of the District to vote on the following proposition (the "Bond Measure") which is to appear on the notice of election and upon the ballot as follows:

"Shall Mt. San Antonio Community College District provide modern facilities for the education of students by constructing new classroom buildings, demolishing unsafe obsolete facilities, remodeling and increasing technology capabilities and upgrading the energy efficiency of its existing buildings, furnishing and equipping all buildings, and creating off-campus centers, by issuing \$221 million in bonds, with citizens' oversight and annual audits, and with no money for college employee salaries, at interest rates within legal limits?"

D. In compliance with Proposition 39, the Bond Measure is subject to the following requirements and determinations:

- (1) proceeds of the general obligation bonds to be issued by the District under the Bond Measure (the "Bonds") shall be used only for construction, rehabilitation, equipping of District facilities, or the acquisition or lease of real property for District facilities;
- (2) a specific list of District projects to be funded by the Bonds under the Bond Measure shall be prepared by District officials prior to the Bond Election and approved by the Board, and the Board shall make the evaluations as required by Proposition 39 in developing the list;
- (3) the Board shall conduct annual, independent financial and performance audits until all Bond funds have been spent to ensure

that the proceeds of the Bonds shall have been used only for the projects listed in the Bond Measure;

- (4) the tax rate levied as the result of the approval of the Bond Measure at the Bond Election shall be no more than \$25 per \$100,000 of taxable property value within the District; and
- (5) the Board shall appoint a citizens' oversight committee to inform the public concerning the spending of the proceeds of the Bonds.

E. The President and Chief Executive Officer of the District is hereby authorized to contract with the County for the performance of any or all duties incident to the holding or conducting of the Bond Election. The County is hereby requested and authorized to perform such duties as may be required by law, necessary or useful, or customary and appropriate in the conduct of said Bond Election.

F. The precincts, polling places for said precincts within the District, and persons appointed and designated to serve as election officers for said Bond Election will be those determined, designated, and appointed pursuant to County ordinance by the County Registrar of Voters (the "Registrar").

G. The Registrar is requested to request the Los Angeles County Counsel to prepare an analysis of the Bond Measure and to supply it to the Registrar for use in the sample ballot.

H. The County Board of Supervisors is requested to permit the Registrar to render all services relating to the Bond Election, for which services the District agrees to reimburse the County, such services to include the publication of the Formal Notice and a Tax Rate Statement (described in Section 9401 of the Elections Code).

I. This Board finds and determines that the action herein taken is categorically exempt from the provisions in the California Environmental Quality Act ("CEQA") pursuant to Sections 15061(b)(3) and 15378(b)(4) of Title 14 of the California Administrative Code. The President and Chief Executive Officer shall cause the Notice of Exemption attached as Exhibit "B" to be filed with the County Executive-Officer Clerk pursuant to CEQA and said Title 14.

J. The President and Chief Executive Officer of the District shall, not later than 88 days prior to the date of the Bond Election, cause a certified copy of this Resolution to be delivered to the following officers in the County of Los Angeles:

- (1) Registrar
- (2) County Counsel (courtesy copy only)

K. The Board expects the District will incur certain expenses in connection with the planning for the Projects (the "Reimbursable Expenditures"), for which it wishes the

District to be reimbursed from the proceeds of sale of the bonds authorized by the Election (the "Bonds"). Therefore, the Board presently intends and reasonably expects to issue the Bonds as tax-exempt obligations within 18 months of said expenditures for Project purposes, or the date upon which the Projects are placed in service or abandoned, whichever is later (but in no event more than 3 years after the date of the original expenditure of such moneys, and to allocate an amount of not to exceed \$15 million of the proceeds of the Bonds to the Reimbursable Expenditures in connection with the Projects. All of the Reimbursable Expenditures covered by this Resolution were made not earlier than 60 days prior the date on which this Resolution is adopted.

L. Paragraph K above is adopted for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This Resolution does not bind the Board to make any expenditure, incur any indebtedness, or proceed with the financing, acquisition, equipping or construction of the Projects.

As President of the Board of Trustees of Mt. San Antonio Community College District, County of Los Angeles, State of California, I hereby certify that the following Resolution, proposed by Member _____, and seconded by Member _____, was duly passed and adopted by said Board of Trustees at a regular meeting thereof held on June 27, 2001, at ____ p.m., California time, in the regular meeting room of said District, in the City of Walnut, State of California, by the following vote, to wit:

AYES: _____

NAYS: _____

ABSENT: _____

Given by my hand this 27th day of June, 2001, at the City of Walnut, State of California.

President of the Board of Trustees of
Mt. San Antonio Community College District

EXHIBIT "A"

NOTICE OF BOND ELECTION

NOTICE IS HEREBY GIVEN to the qualified electors of Mt. San Antonio Community College District, County of Los Angeles, State of California, that in accordance with law, an election will be held on Tuesday, the 6th day of November, 2001, in said District, between the hours of 7:00 a.m. and 8:00 p.m., during which period and between hours the polls shall remain open, at which election there will be submitted the question of:

Issuing and selling bonds of said District in the principal amount of not to exceed Two Hundred Forty-Eight Million Dollars.

The need for the issuance of such bonds and the purposes for which it is intended that the proceeds of the bond issue will be expended are:

To repair, rehabilitate, renovate and replace portions of current instructional, student services and support facilities at the District, including modernization and enhancements of facilities for safety, lighting and technology access, and to acquire real property, furnishings and equipment as necessary in support of such facilities.

Said bonds proposed to be issued and sold shall bear interest at a rate or rates not exceeding the legal maximum, payable as provided by law and the instruments governing the issuance thereof. The maturity of the bonds shall not exceed the maximum established by law for general obligation bonds of a California community college district which is currently forty (40) years.

All of the foregoing purposes and provision enumerated herein shall be voted upon as one proposition to appear on the ballot as follows:

"Shall Mt. San Antonio Community College District provide modern facilities for the education of students by constructing new classroom buildings, demolishing unsafe obsolete facilities, remodeling and increasing technology capabilities and upgrading the energy efficiency of its existing buildings, furnishing and equipping all buildings, and creating off-campus centers, by issuing \$221 million in bonds, with citizens' oversight and annual audits, and with no money for college employee salaries, at interest rates within legal limits?"

Any arguments against the above proposition shall be filed with the Registrar of Voters of the County of Los Angeles by August 30, 2001 at the following address: 12400 Imperial Highway, Norwalk, California 90651-2317.

The polls for this election shall open at 7:00 a.m. and close at 8:00 p.m. The precincts, places for holding the election, and officers appointed to conduct the election shall be those determined, specified or appointed by the Registrar pursuant to state law.

Dated this ____ day of _____, 2001.

REGISTRAR OF VOTERS OF THE COUNTY OF
LOS ANGELES, STATE OF CALIFORNIA

NOTICE OF EXEMPTION

TO: / Secretary for Resources FROM: Mt. San Antonio Community College ,
District
/ County Clerk
County of Los Angeles

Project Title:

Bond Election (Education Code Sections 15100 and 15120)

Project Location--Specific:

Mt. San Antonio Community College District

Project Location

City: Walnut

Project Location --

County: Los Angeles

Description of Nature, Purpose, and Beneficiaries of Project:

The District administers a college in the County of Los Angeles, California, which has not been improved in a meaningful way for many years. In order to serve the student population, the District now needs to undertake substantial repair, rehabilitation and renovations to its plumbing, electrical, heating, ventilating and air conditioning systems, and updating buildings for technology access, modernizing science laboratories and classrooms.

Name of Public Agency Approving Project:

Mt. San Antonio Community College District

Name of Person or Agency Carrying Out Project:

Mt. San Antonio Community College District

Exempt Status:(Check One)

 Ministerial (Sec. 15073)

 Declared Emergency (Sec. 15071(a))

 Emergency Project (Sec. 15071(b) and (c))

 x Categorical Exemption. State type and section number:

Title 14. Cal. Admin. Code 15378 (b)(4) CEQA Form 3

EXHIBIT "B"

Reasons why project is exempt:

- a. Bond elections have categorical exemption

Contact Person: Area Code: Telephone:

Pat Rasmussen (909) 594-5611 x 5020

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a notice of exemption been filed by the public agency approving the project?

Yes ☐ No ☒

Date Received for Filing: