



VICTOR VALLEY COMMUNITY COLLEGE DISTRICT MEASURE JJ BOND PROGRAM

Citizens' Bond Oversight Committee

(Information Only – No Action Required)

PROGRAM STATUS REPORT

DECEMBER 16, 2009

I. PROGRAM UPDATE

The following summarizes major activities completed since the August 26, 2009 report.

II. PROGRAM BUDGET SUMMARY (Attachment A)

The Bond Program Budget was finalized and approved by the District in November 2009. The attached approved budget summary includes bond revenues, expenditures and balances through November 2009.

III. PROJECT SUMMARY

Eastside Public Safety Training Center:

Project Awarded:	August 11, 2009
Design-Build Team:	Highland Partnership/Carrier-Johnson Architects
Contract Amount:	\$ 25,000,000
Total Project Budget:	\$ 29,946,466
Project Completion:	Construction Completion – December 2011

Current Project Status:

Schematic design (SD) was completed as scheduled on September 24, 2009. Design Development (DD) was completed on November 11, 2009. Highland Partnership anticipates submitting the first package to DSA in early January 2010. The District's environmental consultant, Dudek, has been working on the technical studies needed to support the environmental document being prepared for the project. Over the past few months, Dudek has prepared the biological assessment, conducted a cultural resources review of previously-prepared documents, prepared a Phase I Environmental Site

Assessment and started the air quality impact analysis. Linscott, Law & Greenspan (LLG) has been preparing the traffic study for the project. All technical studies are set to be completed by the end of December. The Mitigated Negative Declaration (MND), which is the environmental document needed to fulfill the District's obligation under the California Environmental Quality Act (CEQA) is set to be complete in January 2010, with public review and comment of the MND occurring in mid-February 2010. Overall, the project remains on schedule.

Eastside Center Status:

A formal educational center is a Commission approved off-campus operation owned or leased by the parent district and administered by a parent community college. It offers instructional programs leading to certificates or degrees conferred by the parent institution. The Commission recognizes, as does the Chancellor's Office, that educational centers are a cost-effective alternative to building full-service campus. They can increase learning productivity, promote local economic development and help community college districts to serve rural and remote areas.

Center Status provides the following benefits that outreach centers are not eligible for:

- Eligibility for State Capital Outlay funds.
- Maintenance Costs are allocated separately from other campuses.
- Each Commission approved center receives a base allocation of \$1,000,000.

The average community college district spends approximately 2-3 years obtaining formal educational center approval for an outreach site. The California Postsecondary Education Commission (CPEC) Guidelines outline the necessary steps to gain this formal status. Included in the process is a mandatory outreach effort to neighboring institutions to determine the potential impact of a new center on their institution. Furthermore, documents must be created that outline the future of the educational center and demonstrate the need for a center in the proposed location. These documents include a formal Letter of Intent, enrollment and financial projections for submittal to the Department of Finance, a Needs Analysis that will ultimately be approved by the Board of Governors, and an Environmental Impact Report. To complete these documents and move them through the process, a large amount of coordination with various agencies, as well as with neighboring institutions, is required.

The District has approved a proposal from gkkworks to guide the District through the State process for obtaining formal educational status for the Eastside Center, and for completion of the Letter of Intent for the Westside Center.

One Stop Student Services Building:

The College has elected to fund the One-Stop Student Services Building from a combination of bond and non-bond funds. This project will provide much needed space for critical campus services. Planning for this project has been underway for several months.

The District has authorized gkkworks to prepare project scoping documents for a design-build project delivery. The scoping documents will include architectural and engineering outline specifications, site and building concept plans, space programming and scope of work narratives for design-build RFP, and pre-application DSA coordination.

The schedule is as follows:

Issue Design-Build RFP:	March 30, 2010
Project Award:	June 8, 2010
Total Project Budget:	\$ 15,000,000 (Preliminary)
Project Completion:	Construction Completion – September 2012

Solar Generating Facility – Main Campus:

Throughout the planning for bond and non-bond projects on the campus, energy conservation and renewable energy projects have been identified as very high priorities.

Following many weeks of discussion and research by District staff and Program Manager, the Board, on November 10, 2009, approved moving forward with a Request for Proposal (RFP) for a 1MW solar generating facility. On November 13, 2009, a Request for Best & Final Proposal (BAFP) was issued to those firms that had previously submitted proposals, and on November 24, 2009, the District received five (5) responsive proposals.

A selection committee conducted interviews of all five proposers and completed a “best value” evaluation. The best value scoring, which included technical and price criteria, resulted in SolFocus, Inc. being the number one ranked proposer.

SolFocus’ proposal provides the District with the latest advanced technology, dual-axis, concentrator PV, coupled with the best price/performance ratio and the lowest installed cost. The guaranteed output from SolFocus’ system will achieve well over \$20 million in savings over 25 years. The system will generate almost \$4 million in incentives from the

California Solar Initiative and an additional \$2 million in avoided cost, tariff and renewable energy credit savings in the first 5 years.

The District plans on funding a portion of the solar facility from Measure JJ funds. Approximately \$1.5 million of the total project cost of \$4,662,840.00 will come from non-bond funds, with the remainder coming from Measure JJ funds.

Westside Workforce Development Center (Phase I):

Project Delivery Method: Design-Build (Same process as Eastside Center)

Revised Project Budget: \$ 32,847,642

Revised Timeline: Program Development, Scoping Document Development, Site Design (Grading, Infrastructure, Hydrology, Off-Site Improvements) – June 2010

Completion of Draft EIR – June 2010

Release RFP for Phase I Building – June, 2010

Complete Final EIR – December 2010

Complete Phase I Site Improvements – December 2012

Current Project Status:

The Westside Workforce Development Center is progressing. Several discussions with the City of Hesperia have helped define and clarify the CEQA process, which is currently underway. Several planning meetings have taken place to develop a site hydrology and drainage plan. Dudek has been working with the District, gkkworks, and project engineers to develop the Project Description for the Westside Center. Dudek will be conducting its biological field work on the Westside site in December. Results of the biological field work can be used by the engineers and the District to consider environmental constraints of the site in site planning. The CEQA process for the Westside Center will commence once the project description has been developed in sufficient detail. An environmental impact report (EIR) will be prepared for the project.

The timeline for program development and scoping document preparation has been modified to coordinate with the expected completion of the draft EIR in June 2010.

Main Campus

LLG has been reviewing previously-prepared existing traffic studies and studying the circulation system of the main campus in order to formulate recommendations for

improving the overall campus circulation and access. Possible adjustments to the campus circulation network and immediate external street system are being considered and evaluated. These alternatives build from and go beyond prior campus evaluations. They are looking at ways to alleviate existing problem areas (like the Bear Valley/Jacaranda intersection) while improving on-campus circulation continuity and further enhancing the connectivity to the surrounding street system. The nature of that connectivity is important in perhaps incrementally reducing the campus reliance on Bear Valley Road, a frequently congested thoroughfare due to it being one of the few east-west corridors to cross the project area (and the Mojave River). This review's initial focus is in supporting the planning activities for the One-Stop Center.

Owner Controlled Insurance Program

In July 2009, the District issued a request for proposal (RFP) for risk management consulting and insurance brokerage services for the Measure JJ Bond Program, including an Owner Controlled Insurance Program (OCIP). On September 8, 2009, the District received proposals from three (3) firms; Wells Fargo Insurance Services, Alliant Insurance Services, and Keenan Associates. gkkworks performed a preliminary evaluation to compare coverages, premiums, fees, and deductibles; as well as limits, exclusions and other conditions. The evaluation indicated that the cost to provide coverage over a 5-year period would be in the range of 1.76% to 2.95% of the cost of construction (COC); with the average being 2.29%. This cost included premiums, fees, and deductibles (where applicable). As a point of reference, the insurance cost included in the proposals we received on the Eastside Center were in the range of 1.04% to 1.39% of COC for GC coverage only. Given these rates, contractor and subcontractor bid deductions could be anticipated to be between 2-3% of COC; therefore, from a purely financial perspective, the OCIP did not offer significant, if any, cost savings.

Looking further at the program itself, the implementation of the OCIP would have imposed a significant additional administrative burden on the District, the cost of which was not factored into the financial evaluation. Additionally, some of the conditions and requirements contained in the proposed OCIP's could have made it more difficult for small local contractors to qualify for coverage, therefore making it more difficult to obtain the desired level for local participation. There was also the likelihood that the construction program would extend beyond the period of coverage proposed, which would have required additional management fees over and above what was proposed.

The combination of these factors has led us to conclude that an OCIP is not a viable program and should be dropped from further consideration.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'A. McQuilkin', with a long horizontal flourish extending to the right.

Alexander E. McQuilkin
Program Manager
gkkworks

This report includes information obtained from numerous sources. If you have any questions or concerns about Measure JJ Program related activities or would like to get additional information about ongoing projects, please contact gkkworks, Program Manager at (760) 245-4271 ext. 2290.

Bond Measure JJ Web Page: <http://www.vvc.edu/measurejj/>

Measure JJ Bond Program - Status Report
December 16, 2009

The logo for gkkworks, with 'gkk' in black and 'works' in orange.

MEASURE JJ BOND PROGRAM BUDGET SUMMARY

INCOME				FUND REVENUES	SERIES 1 REVENUES	ACTUAL THRU 9/30/09	SERIES 2 REVENUES	SERIES 3 REVENUES	EXPENDED TO-DATE	% EXPENDED
Offering 1	01 - -	Bond Series 1A	May 7, 2009	54,004,963	54,004,963	54,004,963			53,957,551	99.9%
	02 - -	Bond Series 1B (BABs)	May 7, 2009	12,000,000	12,000,000	12,000,000			2,571,423	21.4%
	03 - -	Bond Series 1C	June 23, 2009	70,017,065	70,017,065	70,017,065			11,038,461	15.8%
Offering 2	04 - -	Bond Series 2 - Estimated	June 1, 2012	80,738,986			80,738,986			
Offering 3	05 - -	Bond Series 3 - Estimated	June 1, 2015	80,738,986				80,738,986		
	- -	Bond Interest (Projected)		-	750,000		700,000	500,000		
Subtotal				\$ 297,500,000	\$ 136,772,028	\$ 136,022,028	\$ 81,438,986	\$ 81,238,986	\$ 67,567,435	22.6%

BUDGET/EXPENSE			PROGRAM BUDGET	SERIES 1 BUDGET	COMMITTED THRU 9/30/09	SERIES 2 BUDGET	SERIES 3 BUDGET	EXPENDED TO-DATE	% COMPLETE
Funds	Account No.	Bond Related Costs	6/30/2009	8/31/2009				Thru 8/15/2009	
1A	01 - - 7131	1997 Certificates of Participation (COP's)	53,450,000	52,050,000	52,050,000	-	-	52,050,000	
1A&B		Reimbursable Bond Related Costs	1,900,000					1,907,551	
	01 - - 4500	Supplies		1,000	1,031.38				
	01 - - 5202	Travel		6,000	6,019.75				
	01 - - 5700	Legal Services - County (Election Costs)		180,000	183,423.75				
	01 - - 5710	Legal Services - General (SASH)		100,000	103,950.19				
	01 - - 5840	Contracted Services (Consultants)		130,000	128,641.56				
	01 - - 6200	Surveys and Fees		58,000	57,318.25				
	01 - - 7131	Debt Redemption (COP Principal)		500,000	500,000.00				
	01 - - 7141	Debt: Interest & Other Charges		925,000	927,166.24				
1B	02 - - 5840	Other Consultants	10,000	10,000					
1B	02 - - 5710	Legal Services - Bond Related	4,462,500	-		1,000,000	1,000,000		
1B	02 - - 5840	Program Management/Project Management	2,530,054	546,133	413,774	500,000	250,000	413,774	
1B	02 - -	Other Costs	-	100,000		-	-	-	
	02	Environmental/Traffic Consultants						18,043	
1B	02 - -	Carryover From Prior Series (Unused Revenue)	-	-		4,546,863	480,444		
1B	02 - -	Program Contingency - 5%	947,750	2,217,661		4,071,949	4,061,949		
Subtotal Other Bond Costs			\$ 63,300,304	\$ 56,823,794	\$ 54,371,325	\$ 10,118,812	\$ 5,792,393	\$ 54,371,325	74.75%

Funds	Eastside Public Safety Training Center								
1B	02 - 0015 - 5840	D-B Scoping Documents	402,470	319,816	319,816			246,258	
1B&C	02 - 0015 -	D-B Consultant Fee	10,000	10,000					
1B&C	02 - 0015 -	D-B Cost (Design & Construction)	27,246,117	25,000,000	25,000,000			1,468,562	
1B&C	02 - 0015 -	DSA Plan Check Fee	132,587	122,569				-	
1B&C	02 - 0015 -	Community College Plan Check Fee	71,870	66,257				-	
1B&C	02 - 0015 -	Inspection Fees (IOR)	180,000	180,000				-	
1B&C	02 - 0015 -	Group II FF&E	1,235,206	1,250,000				-	
1B&C	02 - 0015 -	Other Costs/Project Contingency - 3% of D-B Cost	100,000	750,000				-	
1B	02 - 0015 -	Project/Construction Management	1,530,499	1,473,086	440,902			440,902	
1B	02 - 0015 -	Labor Compliance	-	100,000					
1B&C	02 - 0015 -	Environmental Consultant	200,000	200,000	200,000			24,338	
1B&C	02 - 0015 -	Professional Services - Legal	-	500,000					
1B&C	02 - 0015 - 5840	Other Costs	-	20,000	25,000			25,000	
Subtotal Eastside			\$ 31,108,749	\$ 29,991,729	\$ 25,985,718			\$ 2,205,061	7.35%

Funds	Westside Workforce Development Center			Phase I		Phase II	Phase III		
1C	03 - 0018 - 6100	Land Acquisition Costs	10,800,000	10,800,000	10,800,000			10,800,000	
1C	03 - 0018 - 5840	Appraisal Fees	-	-	3,500.00			3,500	
1C	03 - 0018 - 6200	ALTA Surveying	12,000	12,000	11,300			11,300	
1C	03 - 0018 -	Professional Services - Legal	100,000	1,750,000		500,000	250,000		
1C	03 - 0018 -	Other Costs	-	-		-	-		
	- -	Phase Scope							
	- -	D-B Scoping Documents	350,000	350,000		400,000	350,000		
	- -	D-B Consultant Fee	10,000	10,000		10,000	10,000		
	- -	D-B Cost (Design & Construction)	28,260,825	28,260,825		40,000,000	50,000,000		
	- -	DSA Plan Check Fee	148,430	148,430		208,300	259,300		
	- -	Community College Plan Check Fee	80,745	80,745		114,286	142,857		
	- -	Inspection Fees (IOR)	180,000	180,000		240,000	200,000		
	- -	Group II FF&E	850,000	850,000		1,500,000	1,250,000		
	- -	Other Costs/Project Contingency - 2% of D-B Cost	120,000	565,216		800,000	1,000,000		
	- - 5840	Project/Construction Management	1,578,947	1,639,382	218,964	2,857,145	2,800,640	218,964	
	- -	Labor Compliance	-	113,043		160,000	200,000		
	- -	Environmental Consultants	500,000	600,000	600,000	50,000	100,000	4,697	
	- -	Civil Engineering Consultant	50,000	50,000		-	-		
1C		Sub-Total Phase I	32,128,947	32,847,642					
2		Sub-Total Phase II	47,250,000			46,339,730			
3		Sub-Total Phase III	68,250,000				28,156,398		
		Bond Funds					28,156,398		
		State Funds							
Subtotal Westside (Bond Only)			\$ 158,540,947	\$ 45,409,642	\$ 11,633,764	\$ 46,839,730	\$ 28,406,398	\$ 11,038,461	9.15%

Funds	Main Campus								
3	0006	Science Building Addition	2,025,000				8,890,000	-	
		State Funds					13,336,000	-	
3		Campus Parking/Roads Improvements	6,075,000				5,900,000	-	
3		Student Services/Admin Building	-	TBD				-	
		Other Funds		15,000,000					
3		Campus Improvements - Phase I	21,600,000			24,000,000			
3		Campus Improvements - Phase II	14,850,000				20,000,000		
Subtotal Main Campus (Bond Only)			\$ 44,550,000	\$ -	\$ -	\$ 24,000,000	\$ 34,790,000	\$ -	0.00%

TOTALS	\$ 297,500,000	\$ 132,225,165	\$ 91,990,807	\$ 80,958,542	\$ 68,988,791	\$ 67,614,847	23.96%
FUNDS REMAINING (UNCOMMITTED)	\$ 4,546,863	\$ 44,031,221	\$ 480,444	\$ 12,250,195			

BOND PROGRAM TIMELINE:										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
SERIES 1	EASTSIDE CENTER, WESTSIDE LAND PURCHASE, WESTSIDE PHASE I, STUDENT SERVICES BUILDING									
SERIES 2			WESTSIDE PHASE II, CAMPUS IMPROVEMENTS PHASE I							
SERIES 3						WESTSIDE PHASE III, SCIENCE BUILDING ADDITION, CAMPUS IMPROVEMENTS PHASE II				