

Glendale Community College District

September 9, 2014

NEW BUSINESS REPORT NO.

TO: Board of Trustees

SUBMITTED BY: David Viar, Superintendent/President

PREPARED BY: Ron Nakasone,
Executive Vice President, Administrative Services

SUBJECT: MEASURE G BUDGET ALLOCATION

DESCRIPTION OF HISTORY / BACKGROUND

At the July 31, 2013 special board meeting, the Board of Trustees accepted a bid from Malcraft, Inc. to construct the Lab/College Services Building in the amount of \$34,678,000. This bid amount was significantly less than what was previously estimated. The college's match for this project (funded by Measure G) was reduced to \$5,465,000, approximately \$9 million less than what was originally allocated. At the August 26, 2013 meeting, \$1.5 million was approved for energy conservation projects (Phase I). This left approximately \$7.5 million of Measure G funds available to fund other projects. The following needs have been identified which would qualify as an appropriate use of Measure G funds:

1) Lab/College Services \$194,000

The college filed a \$1,386,000 claim with the state to augment the Lab/College Services building budget due to additional costs incurred for unforeseen conditions. The state approved the claim. The augmentation will be shared by the state (\$1,192,000) and the college (\$194,000). It is recommended that the college's share of \$194,000 be funded by Measure G.

2) Lab/College Services Secondary Effects \$1,150,000

The construction of the Lab/College Services building will result in vacated space throughout the campus that must be remodeled. Specifically, the San Gabriel (1st Floor), San Rafael (2nd Floor), Administration Building, Camino Real (2nd Floor) and Sierra Madre (2nd Floor) have space that must be remodeled. A plan for this space was developed by a Campus Development sub-committee and approved through the governance process. An initial cost estimate was developed for the projects and approximately \$1.15 million more will be needed to complete these remodels.

3) Facilities Master Plan \$150,000

The college needs to update its facilities master plan. The last update was in 2002. This plan is needed not only for accreditation but it also can be used if the college is ever interested in putting another General Obligation bond on the ballot.

- 4) Document Imaging System upgrade \$250,000

The Document Imaging system that the college is using is no longer supported by Oracle. This system is used by Accounts Payable, Payroll, Admissions & Records, Human Resources, Financial Aid, CalWORKS, Counseling and the Garfield Campus. The upgrade for this system will cost approximately \$250,000.

- 5) Oracle Financial/Human Resources System upgrade \$600,000

In two years, the Oracle Financial/Human Resources System will no longer be supported by Oracle. The college is currently paying a premium for the maintenance contract for the current system. In addition, the servers are nine years old and need to be replaced. This upgrade will bring the Financial/Human Resource system current.

- 6) Energy Conservation projects \$1,000,000

The college should be ready to start the Phase II projects in the Energy Conservation plan by the end of 2014-15. It is recommended that \$1,000,000 be earmarked for these projects. The funding for these projects will be contingent upon the results of the Phase I projects. A board presentation on Phase I energy conservation projects is scheduled for May 2015.

- 7) PE Remodel \$3,000,000

The next college project funded with state construction funds is the PE remodel. This project will renovate the Verdugo Gym creating locker rooms for both men and women. The project is awaiting state funding but will require a college match currently estimated at \$3 million.

- 8) Reserves \$1,237,286

The remaining Measure G funds will be put in a reserve account for future needs.

COMMITTEE HISTORY

Budget Committee	August 26, 2014
Campus Executive Committee	September 2, 2014

FISCAL IMPACT

\$7,581,286 in Measure G funds will be reallocated from construction savings in the Lab/College Services Building.

RECOMMENDATION

The Superintendent /President recommends that the Board of Trustees approve the reallocation \$7,581,286 of Measure G funds from the Lab/College Services Building project.

GO Bond Financial Status Report as of August 31, 2014

Project	New Allocation As of July 31, 2014	Prior Year Expenditures (a)	2014-15 Expense	2014-15 Encumbrances	Total Expenditures	Total Available	Project Status
1 Lab/College Services	5,465,000	203,196	1,004	91,686	295,886	5,169,114	Winter 2016
*1a LCS - Secondary Effects	1,456,976	35,281	1,500	8,500	45,281	1,411,695	Fall 2016
*2 Energy Conservation	1,500,000	415,258			415,258	1,084,742	Ongoing
*3 Server Room Upgrade	1,500,943	1,500,943			1,500,943		Complete
*4 Cafeteria Remodel	498,500	498,500			498,500		Complete
5 Infrastructure	1,991,399	1,991,399			1,991,399		Complete
6 Planning	834,759	834,759			834,759		Complete
7 Technology (b)	8,243,547	8,243,547			8,243,547		Complete
8 Garfield Campus (c)	22,898,692	22,898,692	53,060		22,951,752	(53,060)	Complete
9 Facility Renovation	2,480,697	2,480,697			2,480,697		Complete
10 Allied Health (e)	10,294,917	10,294,917			10,294,917		Complete
11 COPS Payment	306,453	306,453			306,453		Complete
12 Temp O & M Bldg	229,524	229,524			229,524		Complete
13 Network/Telephone	1,978,103	1,978,103			1,978,103		Complete
14 Science Center	6,989,932	6,989,932			6,989,932		Complete
15 Parking (d) (1185 spaces)	26,178,157	26,178,157			26,178,157		Complete
16 Health & Wellness (A/C for Gym)	994,480	994,480			994,480		Complete
17 Athletic Facilities	4,417,324	4,417,324			4,417,324		Complete
18 Costs of Issuance	83,357	83,357			83,357		Complete
19 Contingency Reserves	7,581,286					7,581,286	
Total	105,924,236	90,574,709	55,564	100,186	90,730,459	15,193,777	

Notes:

- (a) Prior year expenditures adjusted to reflect transfer of expenditures per Board approvals.
 - (b) Allocation includes \$3,100,000 for PeopleSoft implementation from reserves, Lab/College Services and interest.
 - (c) Garfield Campus project reflects additional funding from reserves and completed projects.
 - (d) Reflects \$5.6M addition, \$1M from Allied Health, transfer of expenses to other projects, additional \$466,323 from reserves to cover cost increases.
 - (e) Reflects additional \$8M, Foundation donation and transfer of \$267,176 to Garfield project approved by Board February 2009.
- * Server Room Upgrade funded with initial reallocation of \$1,500,000 from Lab/College Services Building.
 - * Cafeteria Remodel funded with \$498,500 from Lab/College Services building.
 - * Breakdown and delineate cost of Secondary Effects of Lab/College Services Project for tracking purposes.
 - * Energy Conservation Projects reallocated \$1,500,000 from Lab/College Services Building.