

Measure X: Grossmont-Cuyamaca Community College District \$348 Million General Obligation Bond Measure

SDCTA **OPPOSES** the Grossmont-Cuyamaca Community College District bond measure. The District has not submitted any information to the SDCTA requesting its endorsement. All information in this brief was obtained from the District's web site and contains limited detail. It is unclear whether the District has or will adopt SDCTA recommended best practices, or if the District has met the key provisions of the SDCTA Bond Support Criteria. The SDCTA believes that if the District was unable to provide detailed information about the financials and management of its bond program for analysis despite numerous attempts to retrieve this information, it is also likely not to be transparent with the public about these details. Furthermore, the District intends to negotiate a project labor agreement with various trade unions for the completion of its projects, which goes against SDCTA commitment to fair and open competition.

- In 2012, voters passed a \$398 million General Obligation bond measure for facilities improvements in Grossmont-Cuyamaca Community College District.
- The SDCTA supported this measure, but revoked its support in 2015 based on the fact that the District violated its pledge to promote fair and open competition for taxpayer-funded projects.
- On July 19, 2016 the Board adopted Resolution 17-004 to put a \$348 million bond measure on this November's ballot.
- Funds will be used to create a job-training center and veterans' centers in East County, as well as make improvements to several facilities and classrooms throughout the District.
- The District prioritized job training facilities, Veterans support programs and educational resources, and the expansion of affordable education opportunities for local students when creating a project list for the bond program.

Measure X: Grossmont-Cuyamaca Community College District \$348 Million Bond Measure

SDCTA Position:

OPPOSE

Title: *Measure X: Grossmont-Cuyamaca Community College District \$348 Million Bond Measure*

Election: November 2016

Description: The issuance of \$348 million in Proposition 39 General Obligation Bonds with an increase in property taxes by a maximum of \$25 per \$100,000 of assessed value to fund school modernization.

Jurisdiction: Local

Vote: 55% Super Majority

Fiscal Impact:

Rationale:

SDCTA OPPOSES the Grossmont-Cuyamaca Community College District bond measure. The District has not submitted any information to the SDCTA requesting its endorsement. All information in this brief was obtained from the District's web site and contains limited detail. It is unclear whether the District has or will adopt SDCTA recommended best practices, or if the District has met the key provisions of the SDCTA Bond Support Criteria. The SDCTA believes that if the District was unable to provide detailed information about the financials and management of its bond program for analysis despite numerous attempts to retrieve this information, it is also likely not to be transparent with the public about these details. In 2012, voters passed a \$398 million General Obligation bond measure for facilities improvements in Grossmont-Cuyamaca Community College District. The SDCTA supported this measure, but revoked its support in 2015 based on the fact that the District violated its pledge to promote fair and open competition for taxpayer-funded projects. The District again intends to negotiate a project labor agreement with various trade unions for the completion of its Measure X projects.

None of the District's senior staff, Board members, or Independent Citizen Oversight Committee members attended SDCTA's "Envisioning and Managing Legitimate and Effective Public School Bonds" course on May 13, 2016.

Background:

Grossmont-Cuyamaca Community College District consists of two campuses that serve approximately 27,000 students every semester. Grossmont Community College was built in 1961 and serves nearly 19,000 students, while Cuyamaca Community College was constructed in 1978 and serves nearly 9,000 students. The District offers hundreds of degree and certificate programs and flexible schedules to expand opportunity for more students to receive an education.

In 2012, voters passed a \$398 million General Obligation bond measure for facilities improvements in the District. The SDCTA supported this measure, but revoked its support in 2015 based on the

fact that the District had entered into a project labor agreement for construction projects funded with bond proceeds and violated its pledge to promote fair and open competition for taxpayer-funded projects.

After a recent review of facilities by the Board of Trustees, the District determined critical needs and developed a project list while considering veterans, job training, class size, safety, and technology.

Proposal:

On July 19, 2016, the Grossmont Community College District Board of Trustees voted to place a \$348.0 million school bond measure on the November 8, 2016 ballot.

The ballot question expected to be put before voters will read as follows:

“EAST COUNTY/GROSSMONT/CUYAMACA COMMUNITY COLLEGES AFFORDABLE COLLEGE, JOB TRAINING, CAMPUS REPAIR, VETERAN SUPPORT MEASURE. To repair classrooms/lab, prepare veterans, workers/students for technology, business, science/other jobs, construct Workforce Training Center, support East County economic development, remove asbestos/lead paint, repair gas, electrical/sewer lines, repair, acquire, construct facilities, sites/equipment, shall Grossmont-Cuyamaca Community College District issue \$348,000,000 in bonds at legal rates, no money for administrators’ salaries, independent audits, citizen oversight, all funds used locally?”

The District has not submitted a request for support from the San Diego County Taxpayers Association (SDCTA) and has not provided the SDCTA with materials for analysis.

Review of SDCTA Bond Support Criteria:

Program Description, Budget & Funding, Execution Plan

The District prioritized job training facilities, Veterans support programs and educational resources, and the expansion of affordable education opportunities for local students when creating a project list for the bond program. The project list as presented to voters in the ballot language reads as follows:

PROVIDE JOB TRAINING AND VETERAN SUPPORT:

Facility Improvements To Support Economic Development in East San Diego County

Goals and Purposes: Grossmont College and Cuyamaca College provide essential job training for students of all ages, veterans, and local residents. This measure will build new, state-of-the art classrooms and labs, expanding access to training programs, that help students learn new skills and find better paying jobs in business, technology, nursing, early childhood education, public safety, advanced manufacturing and other high-demand careers.

The Chamber of Commerce and leading economists believe this measure, and the public-private partnership it will create between our community college and local businesses, will be a critical economic engine for our area, including creating thousands of good-paying jobs and increasing investment in our area.

- Expand and improve facilities which provide job training and support services to military veterans and their families.
 - Upgrade classrooms, science labs and technology classrooms to better prepare students to transfer to four-year colleges and universities.
 - **Build a career and job training campus focused on preparing students, Veterans, and workers for technology, aerospace, defense, manufacturing, engineering and other jobs.**
 - Upgrade and construct vocational and job training classrooms.
 - Upgrade classroom technology.
 - Upgrade facilities to increase programs to meet the workforce needs of East County.
- PROVIDE AN AFFORDABLE EDUCATION

PROVIDE AN AFFORDABLE EDUCATION FOR LOCAL RESIDENTS AND VETERANS

Goals and Purposes: The cost to attend the California public universities has risen to at least six times that of attending a community college, therefore, more local students and their families rely on Grossmont College and Cuyamaca College to start their education and save tens of thousands of dollars. Additional funds are needed to ensure local students have the B-3 opportunity to earn collect credits and certifications, learn job skills at a reasonable price, and transfer to four-year universities.

Grossmont and Cuyamaca Community Colleges and their higher education centers have served thousands of military veterans, many of who have recently returned from war zones and face challenges including post-traumatic stress disorder and permanent disability. This measure will upgrade and expand veteran services and job training so returning Service Members receive the support they need to complete their education and enter the civilian workforce.

- Replace deteriorating gas, electrical and sewer lines.
- Improve water conservation.
- Improve facilities for healthcare, nursing and dental programs.
- Update classrooms and labs for science, technology, engineering and math-related fields.
- Remove asbestos and lead paint from classrooms and facilities.

The District also listed several routine maintenance and repair projects and modernization projects that would be permitted under the bond measure.

SDCTA notes that there are no estimates available for any of the above projects and no way to validate the efficacy of costs assigned to each project. There are also no schedules for construction provided. The Long Range Facility Master Plan and a Deferred Maintenance Plan on which to

determine if the District is addressing long-term maintenance of its facilities with the proposed bond measure are unavailable for comment.

Ballot Resolution and Language

On July 19, 2016, the District adopted a ballot resolution to put a \$348 million bond measure to vote in November. No information has been provided to verify if the District has adopted SDCTA recommended language and best practices in its policies. The District has not included SDCTA recommended language regarding joint use of facilities in its ballot measure.

SDCTA “Envisioning and Managing Legitimate and Effective Public School Bonds” Course:

No senior staff, Board members, or Independent Citizen Oversight Committee members from Grossmont-Cuyamaca Community College District have attended SDCTA’s “Envisioning and Managing Legitimate and Effective Public School Bonds” Course. This course covers financing, construction, and governance in regards to school facilities bonds.

Fiscal Impact:

No information has been provided, and no information is available on web sites to validate the estimated fiscal impact of the bond measure on District taxpayers. No schedule of bond sales, schedule of prior years Assessed Valuation (AV) history, or projected AV growth that has been utilized to arrive at the bond size has been provided.



Grossmont-Cuyamaca Community College District Bond Support Application and SDCTA Bond Support Criteria			
Criteria Item	Info Provided?	Criteria Met?	Comments
Program Description	No	No	The District did not provide any information to the SDCTA
Program Budget and Funding	No	No	The District did not provide any information to the SDCTA
Cost Estimation and Feasibility	No	No	The District did not provide any information to the SDCTA
Program Justification	No	No	The District did not provide any information to the SDCTA
Facilities Master Plan & Facilities Needs Assessment	No	No	The District did not provide any information to the SDCTA
Program Execution Plan	No	No	The District did not provide any information to the SDCTA
Fair and Open Competition	No	No	The District did not provide any information to the SDCTA
Bond Financing & Technology	No	No	The District did not provide any information to the SDCTA
Deferred Maintenance and Major Repair & Replacement Plan	No	No	The District did not provide any information to the SDCTA
Complete Ballot and Resolution Language	Yes	No	1) Ballot language and resolution for \$348 million was adopted on July 19, 2016
			2) Ballot language does NOT outline project list by site
Provision for an "Independent Citizens' Oversight Committee"	No	No	The District did not provide any information to the SDCTA
Adoption of SDCTA School construction and Professional Services Procurement Best Practices	No	No	The District did not provide any information to the SDCTA
Certification of Governing Board Members and Oversight Committee Members	No	No	The District did not provide any information to the SDCTA
Limited Use of District's "Education" Funds	No	No	The District did not provide any information to the SDCTA
Joint Use of Facilities	No	No	The District did not provide any information to the SDCTA
Opposition to Special Elections			
Follow-Up Bond Requirement			