RIVERSIDE COMMUNITY COLLEGE DISTRICT
CHANCELLOR’S OFFICE

Report No.: II-B  Date: August 18, 2009

Subject: State Construction Reimbursement Program and Riverside City College –
Wheelock Gymnasium Seismic Retrofit Project and Moreno Valley Phase III
Student Academic Services Facility Project

Background: At the January 27, 2009, meeting of the Board of Trustees, staff presented an
action plan relative to State reimbursement issues concerning several RCCD construction
projects (copy attached). This plan was presented and approved by the Board in response to cash
flow issues concerning the State’s Pooled Money Investment Account (PMIA). Two of the
projects discussed at that time were the Riverside City College Wheelock Gymnasium Seismic
Retrofit project and the Moreno Valley Phase III Student Academic Services Facility project. It
was decided then to proceed with the planning processes for both these projects.

At the Board’s Planning Committee meeting of April 28, 2009, and the regular Board meeting of
June 16, 2009, the PMIA was discussed again in the context of the Riverside Nursing/Science
Building project (copies attached). As staff noted in June, $650 million should be available for
the reimbursement of costs associated with State-funded projects for California community
colleges over the next twelve months. Further, given the State’s difficult cash position, we are
still in a situation where reimbursement could be withheld thereafter, as was done earlier this
year. Thus, as was the case with the Nursing/Science Building project, we have been asked by
the State Chancellor’s Office (SCO) to advise it of our intent to utilize Measure C funds should
State reimbursements not be available. While there is risk associated with so doing, we believe
that the State will ultimately reimburse the District should State cash shortfalls occur during the
construction period. Further, without such letters, these projects will not be funded by the State.

These letters were due in the State Chancellor’s Office July 24, 2009. We were not made aware
of this until July 19. Thus, the RCCD Chancellor signed the letters, and they were faxed to the
SCO. Staff recommends ratification of this course of action. However, if the Board disagrees,
then these letters will be withdrawn.

Recommended Action: It is recommended that the Board of Trustees ratify the submission of
the attached letters from the District’s Chancellor to the State Chancellor’s Office with respect to
the Riverside City College Wheelock Gymnasium Seismic Retrofit project and the Moreno
Valley Phase III Student Academic Services Facility project.

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Chancellor

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