

MINUTES OF THE MEASURE A BOND OVERSIGHT COMMITTEE  
OF THE CONTRA COSTA COMMUNITY COLLEGE DISTRICT

Date: October 8, 2007

Time: 6:00 p.m.

Place: George R. Gordon Education Center  
500 Court Street  
Martinez, CA 94553

Present: Maria Alegria, John DuBois, Vernon Jones, Leonard McNeil, Colin Nelson,  
Jerry Okendo, Jack Weir

Absent: Gary Bell, Ed Best, Diane Gibson-Gray, Barry Gordon, J. Dale Hudson, Raja  
Hudson

Staff: Helen Benjamin, Deborah Blue, Gene Huff, Patricia Kaya, Ray Pyle

Guests: Kenneth Hambrick, Richard Soderholm

**CALL TO ORDER**

At 6:16 p.m., Jack Weir, Chair, called the meeting to order. Those present introduced themselves, including two members of the taxpayers' association, Kenneth Hambrick and Richard Soderholm.

**AGENDA - ACTION ITEMS**

Approval of Minutes of September 19, 2007

Mr. DuBois pointed out that number one on page one of the minutes should read, "...non-union contractors only use part of their core work force." On motion of Mr. DuBois, seconded by Mr. Okendo, by unanimous vote, the September 19, 2007, minutes were approved as amended.

**GENERAL AGENDA ITEMS – INFORMATION/DISCUSSION**

Project Labor Agreement (PLA)

Since Jack Weir, Chair, placed the above item on the agenda, he asked that Jerry Okendo serve as temporary chair of the committee so that he could discuss this item. Mr. Weir also provided the attachment for committee members to review. Mr. Okendo and the rest of the committee consented to his request. Mr. Weir said it is appropriate for the Measure A committee to review Governing Board enactments regarding the manner in which bond money is spent and he summarized the rules and regulations of the Measure A committee. Mr. McNeil said he had a basic problem with this issue and asked about the District having a PLA. Mr. McNeil said there was general consensus that the Measure A committee would not be politicized and he questioned why the committee would now consider opposing the PLA.

Mr. Weir said there was no issue with the PLA previously because he was unclear on the authority of the Measure A committee. Mr. Weir added that he now has a clearer understanding of the role of the Measure A committee with regard to a PLA and he asked committee members to take a stance against the PLA. Mr. McNeil said Mr. Weir's request is outside the scope of this committee.

Ms. Alegria said the role of Measure A committee members is clear and that it includes reviewing audit reports, expenditure plans, and informing the public. Ms. Alegria said Measure A committee members are not granted any powers to determine how funds are spent. She cited a legal document that stated policy decisions that occurred with Governing Boards should not be entered into on behalf of a citizen group's committee

Mr. Weir said the committee is specifically charged with review of any professional fees. He added the District is using bond money to hire Jake Sloan to negotiate a PLA. Therefore, he said it is in the committee's purview to tell the Governing Board that an inappropriate use of bond money is being spent. He added that PLAs tend to increase the costs of projects and if the cost of the project is increased, Measure A committee members are not maximizing the money to spend on the facilities

Ms. Alegria commented that the San Pablo City Hall was built with a PLA and it was on time and under budget. She said that people need to be careful when reading studies on PLAs and further added that a debate on a PLA is not in the purview of this committee. Ms. Alegria further stated that the Governing Board is the policy maker and also said the committee might want to seek legal counsel on this issue

Mr. Weir summarized the origin of PLAs back to the Depression era in the U.S. Mr. McNeil said the committee should decide whether it has the authority to rescind the PLA and it needs to decide if such an action would cause dissension within the Measure A committee. Chancellor Benjamin said the District's law firm could provide a formal response. Ms. Alegria said a legal opinion would be helpful because she did not recall a committee ever making recommendations on an organization's policy matters.

Mr. DuBois said he has a personal bias with this issue because he has been a non-union contractor for 25 years. Yet, he added that the committee does not have any authority to talk about the PLA because the Measure A committee's charge is clear. Mr. DuBois further stated that if the Governing Board decided to have a PLA as an efficient expenditure then it is not up to the Measure A committee members to tell the Governing Board they are wrong. Mr. Weir said the Governing Board had little debate when the PLA resolution was approved. He said if the PLA is not rescinded he would like the Measure A committee to give the Governing Board very hard criteria and boundaries on what Jake Sloan is doing with the unions and indicate a specific dollar amount for his services. Mr Weir made a motion to this effect and Mr. Nelson seconded the motion.

Before the motion was voted upon, Mr. McNeil told committee members to consider their relationship to the District and cautioned that an adversarial relationship might arise from such a decision. Ms. Alegria objected to the motion and said the Measure A committee should not be interjected into a process which was already undertaken by Jake Sloan. She said a legal opinion was necessary. Dr. Benjamin added that two Board

members meet regularly with the negotiator and that there are parameters, including a threshold on PLA projects of \$10M.

Mr. McNeil asked Mr. Weir to withdraw the motion so as not to pursue a personal agenda. Mr. McNeil further requested that the committee proceed to find out if it had legal authority to consider rescinding the PLA.

Mr. Okendo asked if anyone from the public wanted to comment on this matter. Mr. Hambrick said with a PLA, 80% of the industry would be excluded from bidding on these contracts and it would cause the price of contracts to go up. He noted that since 2001, the federal government has forbidden the usage of PLAs for government projects and added that the District should try and maximize its bond money. Mr. Soderholm said the Mt. Diablo Unified School District (MDUSD) did not have a PLA for phases one and two of its building projects. In phase three, MDUSD wanted a PLA. He noted that a smaller pool of contractors will create higher costs

Mr. McNeil said he recognized the support and opposition for the PLA, but he would like to know who makes the decision on whether the District maintains the PLA. He added the committee would set a precedent if they voted to rescind the PLA. Mr. Weir said he did not want to withdraw the motion for the Governing Board rescind the PLA, and further stated that "the committee respectfully requests that the Board rescind the PLA resolution. Should the Board decline to do so, the committee requests that the Board establish hard and fast negotiating criteria and boundaries that will ensure maximum possible value for taxpayers' dollars." Mr. Weir then proceeded with the motion that was seconded by Mr. Nelson and Mr. DuBois, but was opposed by Mr. Jones, Mr. Okendo, Mr. McNeil and Ms. Alegria.

At this point in the meeting, Mr. Okendo turned the committee chair back to Mr. Weir. Mr. Okendo motioned that the committee should get an opinion from District legal counsel on what the Measure A committee has legal authority over. Mr. McNeil said there was no need for legal clarification and Ms. Alegria pointed out that page three of the rules and regulations of the Measure A committee defined committee operations. Mr. Okendo then rescinded the motion.

Mr. Okendo motioned for clarification on what the committee can and cannot do. The motion was seconded by Mr. Nelson and was unanimously approved.

#### Deferred maintenance policy and management procedures

Mr. Weir summarized a previous meeting he had with staff regarding the establishment of a formal policy to address deferred maintenance. Information from this meeting indicated that bond funds can be used for deferred maintenance. Dr. Benjamin passed out the attached draft of Business Procedure 5.01 regarding scheduled maintenance. The following language was presented to the committee for inclusion in Business Procedure 5.01, Scheduled Maintenance Program:

*Deferred maintenance is defined as the upkeep of buildings and equipment postponed from an entity's normal operating budget cycle due to a lack of funds.*

*Accumulated deferred maintenance results primarily from two causes: Under funding of routine maintenance is one cause of neglect, which allows minor repair work to compound into more serious conditions. The problem is further compounded by choices made during austere financial times when routine maintenance is often deferred to meet more pressing fiscal requirements. The second cause is the failure to take care of major repair and/or restore facilities or building components that have reached the end of their useful life.*

*At the end of each fiscal year, the Chief Facilities Planner will prepare a report to the Governing Board which shall contain the following elements: (1) deferred maintenance projects undertaken in the preceding year; (2) costs of such projects; and (3) revision to the classification or scope of each project.*

Mr. Weir said he would like to make sure that deferred maintenance instances are identified and an administrator agrees that those charges make sense. Mr. Weir said the draft language was satisfactory and he added that the committee does not want bond money spent for something that could have been done through the District's operating budget. Mr. Weir also said that he wants to be able to demonstrate to the public that all decisions on bond money are reviewed by the appropriate executive level. Ms. Alegria asked that a line item for the portion of a project required because of deferred maintenance be highlighted on the project sheets prepared for the committee.

Mr. Weir said specifications within contracts for Measure A 2006 projects should include an architect's estimate of how much it will cost to keep the building operating properly. Dr. Benjamin said there is no control over some ongoing expenses such as utilities, health benefits, etc. Mr. Weir asked that Mr. Pyle give a report on how these matters could be addressed. Mr. Weir also asked that the 2008 meeting dates be sent out again to all committee members.

## **ADJOURNMENT**

There being no further business to come before the Measure A Bond Oversight Committee, the meeting was adjourned at 7:48 p.m.

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