I. Called to Order

The Board meeting was called to order by Chairperson Nancy Ahlberg Mellor at 5:31 p.m.

II. Communications

A. Public Comments

There were three public comments.

1. Dr. Raúl Rodríguez spoke regarding the Project Labor Agreement (PLA). He noted that he was approached last fall by representatives of local labor unions regarding this issue and they asked if Delta College would consider doing a public labor agreement at the College. He took this under advisement and spoke with the Board of Trustees president and proceeded to do research. The College’s legal counsel has also been engaged in research. Dr. Rodríguez compiled that information but has not yet spoken with representatives of the local union who made the initial request. After the research, he is going to recommend to the Board is that we can do what the unions want through our policies and procedures and not implement a public labor agreement at this time. It doesn’t mean that we wouldn’t do one somewhere down the road. His opinion is that he not for or against them…they have merits, both pro and con. If money could be saved or a project could be done faster, this might warrant a PLA. But there would need to be a good reason behind doing it and not just because there is pressure from unions. At this point in time, he is not recommending a PLA to the Board of Trustees. We will continue to make sure we
hire local and make sure there are apprentices involved in our projects when possible.

2. Kevin Dayton, Associated Builders & Contractors – Mr. Dayton feels there are many negatives beginning with a 15-20 percent higher costs if a PLA were put in place. He encouraged some type of forum or workshop on PLA. Representatives of the unions and contractors could speak on the various sides to this issue. There are five oversight committees in the state that have made recommendations when their boards began looking at the possibility of a PLA.

3. Richard Markuson, Western Electrical Contractors Association (WECA)/American Fire Sprinklers Association/Public Heating Cooling Contractors of California/ Air Conditioning Trade Association - Mr. Markuson stated his appreciation for Dr. Rodríguez’s comments on the PLA. While there is considerable debate about them, there is ample evidence to indicate that project labor agreements result in fewer competitors. Reduced competition results in higher costs for the district. He feels that this falls within the purview of the bond oversight committee as ultimately the committee is responsible to advise the district on fiscal matters, the best use of bond dollars, and when there is evidence that a PLA can result in substantially higher construction costs. He appreciated that the District is not considering going forward with a PLA.

IV. Approval of the Agenda

A motion was made by Committee member Lisa Vigil to approve the agenda; seconded by Committee member Paul Cavanaugh and unanimously approved.

V. Welcome, Introductions, and Announcements

Due to Dr. Stephens’ absence, Director of Facilities Management Maria Baker facilitated the meeting.

- Dr. Raúl Rodríguez, Superintendent/President
- Lee Belarmino, VP of Information Technology & Measure L Bond Program Executive
- Dr. Kathy Hart, Asst. Supt./VP of Instruction
- Maria Baker – Director of Facilities Management
- Raquel Puentes-Griffith – Budget Manager
- Jim Vergara – Public Information Office
- Mark Newton – Kitchell CEM Project Director
- Jeff Jensen – Perry-Smith, LLP
VI. Unfinished Business
There was no unfinished business on the agenda.

VII. New Business

A. Approval of Minutes, November 19, 2009 – There were no minutes to approve at this time. Chair Mellor suggested that she would create minutes from her notes and have them for approval at the next regular meeting.

B. Election of Officers – The nominations were opened for Committee Chair: Committee member Bruce Jonsson nominated Nicole Goehring; Gary Yocum was nominated by Paul Cavanaugh but respectfully declined. Nominations were closed and Ms. Goehring was unanimously elected to fill the Chair position for the coming year and promptly took over the meeting. She asked if any Committee member would like to volunteer for the position of Committee Vice Chair. Lisa Vigil offered to fill this post and the Committee agreed to accept her offer.

C. Auditor’s Report – The auditing firm of Perry-Smith, LLP were selected by the District to perform auditing services not only for the District, but also for the activities relating to the bond funds. Jeff Jensen represented the firm in delivering the report to the Committee and explaining the process. District management had prepared a report regarding the Measure L Bond financial activities for the year ending June 30, 2009. Perry-Smith verified the mathematical accuracy of the report. They selected a sample of 50 expenditures totaling $30,965,006 from a population of approximately 1,190 transactions, totaling $49,885,935. The sample represented about 4% of the number of expenditure transactions and approximately 62% of the dollar value of the total expenditures. It was concluded that the report was mathematically accurate. Of the 50 expenditures tested, it was noted that:
- All expenditures represented valid Bond expenditures.
- All expenditures were properly charged to the project indicated.
- All expenditures were properly coded as to the nature of the expenditure (account classification).
- All expenditures were determined to represent school improvements, not District administrative salaries or other administrative expenses.

Mr. Jensen was questioned as to the actual procedure used for a line item and asked if the firm reviews the contract. He replied that their process is to make sure the District complied with their bid requirements. Their job is not to look at all the things that came under the bid to see how the District selected one bid or another. They look at the invoices that are related to the item, the coding that is on

Nicole Goehring elected chair; Lisa Vigil elected Vice Chair.

Report presented by Jeff Jensen from Perry-Smith, LLP.
there to determine whether that matches back to the approved projects under Measure L; they look for the appropriateness of the approval process and to make sure it is a valid expenditure. They review supporting details behind the selected project to make sure it is charged to the right location.

A motion was made by Committee member Paul Cavanaugh and seconded by Committee member Bob Bentz to accept the report pending final approval of the Board of Trustees at their next meeting. The vote passed with Committee member Bruce Jonsson abstaining from the vote.

D. Measure L Quarterly Finance Report (Q1 & Q2) – Budget Manager Raquel Puentes-Griffith presented the Measure L Bond Program financial report (1st & 2nd quarters) as of September 30, 2009, & December 31, 2009, reviewing the closed out projects as well as the projects that are currently active. The Q1 report was sent out to Committee members in January and was included in this agenda for review along with the Q2 report. At the last COC meeting, the Q1 report had not been approved yet by the Board of Trustees, and it was promised to bring it back to the COC along with the Q2 report.

The Bond Program budget for Q1 was $284 million. The current total bond expenditures are $134.5 million. The increase from Q1 to Q2 was $6.3 million. Ms. Puentes-Griffith reviewed the projects and costs associated with them. The total program budget sheet includes both Measure L funds and state matching funds. There are two active projects on the list that have been approved for state matching funds – the Goleman Project and the Math & Science Project. In January, the College received an additional $650,000 state matching funds for the Goleman Project. Since that occurred in January, that will be reported in quarter 3.

Some activity occurred during Q1 that was shown on the Program Contingency summary sheet. There were two projects in that additional funds were transferred into: Football Track and Goleman with a balance as of 9/30/09 of $6.1 million.

Also included in the packet was variance report for the year as well as an active project reference to the ballot language. The variance report compares by project Q1 to Q2. The largest variances are occurring in the projects that are currently under construction, mostly the DeRicco Building and Goleman Project. The ballot language report outlines the five points that were included on the Measure L language:

1. Repair leaky roofs, decaying walls, electrical wiring
2. Improve fire safety
3. Remove asbestos
4. Expanding/establishing Stockton, Manteca, Tracy, Lodi/Galt, Foothill area campuses/education centers
5. Upgrading, acquiring, constructing, equipping buildings, sites, classrooms

All expenditures have been taken and divided them up accordingly as to which ballot language point they satisfy. If they satisfy more than one point, then that cost was divided up among those points evenly to depict that we are satisfying the points on the ballot language.

There were no completed projects during this quarter. 
Upcoming: Notice of Completion issued projects to be closed out in Q3-10:
- North East
- North Road
- Mt. House Off-Site
- Mt. House Portables
- Planetarium

E. Bond Projects Update – Mark Newton, Kitchell CEM Project Director, reported on the current bond projects, as reported to the Board of Trustees last month:

Atherton Safety – This project is nearly complete. The status of this project is that as we moved through it, there were a number of scopes in this project that was felt could be accomplished more economically if the scope were broke out...the replacement of the theatrical draperies within the theaters and the repair that was necessitated by the lifts in the theaters. Both scopes, for economic reasons, were broken out into separate projects. This was done at a reduced costs and the project came out at 8.6 percent below budget.

Budd Remediation – This is a Title IX Project, which means that projects associated with creating equities within access to athletic facilities between sexes. This included creation of new training rooms, new coaches/team rooms within existing Budd locker room areas. The project has been bid and the work will be done in the summer to minimize program disruption. The project should be completed by the fall semester.

District Data Center – This project was built in two phases: the shell of the project has been completed and right now the interior of the facility is under construction. That project is located behind the Central Plant. It is on budget and on schedule with completion at the end of August and a move-in date of fall 2010.

Report presented by Mark Newton, Kitchell CEM Project Director
Science Math Complex – This project has bid with very favorable bid results. The project was originally estimated to come in at $64 million (state funded matching project) and came in at $35 million...some money will be returned to the state. Completion is projected for 2012 with the existing Cunningham Building to be demolished shortly after that. At 110,000 sq.ft., this is the largest Measure L Bond project.

Goleman Learning Resource Center – This project will completely refurbish the existing 54,670 sq.ft., two story building, which was originally constructed in 1974. The existing building was essentially “gutted” so that it could be updated and re-patterned to efficiently serve the needs of the campus for the next 30+ years. Upon completion, the building will retain its exterior character with only hints from the outside of its internal renovations. This is a state funded project with a 50 percent match with local funds. This project is on schedule with a completion date of May 2010.

Science & Math – The construction consists of a new three story math/science complex including a 70,000 sq. ft. laboratory core, with primarily dry labs on the first floor, wet Biology labs on the second floor, and chemistry labs on the third floor. There is 20,000 sq. ft. of office space and 20,000 sq. ft. of classrooms on each floor dedicated to each discipline. The new building replaces the outdated 92,000 sq. ft. science building currently in use. This is a state funded project with a 50 percent state match with local funds. The project is on schedule with an estimated completion date of March 2012. The parking situation was raised as this project takes out one of the parking lots. It was stated that at the beginning of the semester, parking spaces are rented at the old Circuit City parking lot with a shuttle service provided at no cost to the students. It was also noted that a parking study is in the process of being done.

Shima/CAT Program – This project provides for a modest expansion of the Shima Center in order to retain the CAT Program on campus. The expansion would include additional sop space, exterior open air laboratory and a new diesel laboratory shop area. This project is on schedule with a completion date of March 2012.

F. Annual Report Update – Public Information Office staff Jim Vergara noted that last December a timeline was put together regarding the annual report. Due to circumstances beyond his control, the timeline didn’t get out to Committee members until January and by that time was behind schedule a month. He went ahead with the layout, working with Rick King Designs, who worked on the project for the past couple of reports. He noted that from
this draft, the Committee could gradually update the information in the report. To do this, Mr. Vergara would work with Rick King to get a text version of the report. Some of it is the same and doesn’t need to be changed, but the some will need upgrades. If he could be the text material from the COC and made the obvious updates, then he could submit it back to the COC in an editable version for review. Once the changes are made that the COC wants, he could submit it back to Rick King to insert them in the document.

A motion was made by Committee member Nancy Ahlberg Mellor to have an ad hoc committee of two members, Bob Bentz and Bruce Jonsson, take a leadership role and work with Mr. Vergara on the layout of this report. They would then come back to the Committee with the draft report for the Committee’s approval. This motion was seconded by Committee member Paul Cavanaugh. The motion unanimously passed. Previous Committee Chair Nancy Ahlberg Mellor will write the chairperson’s letter for the 2008-09 annual report.

A motion was made by Committee member Cavanaugh and seconded by Vice Chair Lisa Vigil to schedule a special study session to review the report. It was further suggested to invite Bond counsel David Casnocha to this meeting to provide an orientation for new Committee members on the role of the Citizens’ Oversight Committee. The motion was passed unanimously. A meeting will be scheduled in April.

V. Committee Member Comments

- Committee Vice Chair Lisa Vigil commented that she is looking forward to working with the team and doing what she can to continue making this Committee successful.
- Committee member Paul Cavanaugh shared what he received in the mail in regards to the newsletter he received in the mail from the Howard Jarvis Taxpayers Association. Included was a chart of every senator and assembly member in the state of California that voted on measures that would increase taxes.
- Committee member Bruce Jonsson stated that he has great faith in the school and confidence in the staff. He expressed discouragement regarding the auditor’s report and felt that he did not get an adequate answers for his questions from the auditor. He noted that the Committee is supposed to review the deferred maintenance. He feels this needs to be addressed and expects it to be on an agenda for a future meeting.
- Committee member Gary Yocum agreed with Mr. Jonsson regarding the deferred maintenance issue.

Moved, seconded, and approved to appoint an ad hoc committee to work on the draft annual report.

Moved, seconded, and approved to schedule a special study session to review the draft annual report and have an orientation for new Committee members.
He asked Mr. Belarmino and Ms. Baker for their assistance in providing this information. The committee needs to deal with or make clear in the report that they haven't been provided with the information.

- Committee member Nancy Alhberg Mellor thanked the Committee for her year as chairperson and she enjoyed working with the team.

- Committee member Bob Bentz stated that he believes in acting in a virtuous way, and felt that this group has done that. The group has an added value to the Committee.

He also reported that he attended a meeting of California Alliance of Retired Associates (CARA) in Manteca. As the Senior Citizens’ Representative of the COC, he felt obligated to go out and attend a meeting of a retired group. He told this group about the COC and gave them a copy of the annual report.

A year ago, he complained of graffiti on campus and after talking with Mr. Belarmino and showing him where it was, a painter was called to the scene and it was taken care of immediately. He thanked Mr. Belarmino for his assistance.

Mr. Bentz received information to attend a dedication of a room that was set up for the Veterans on campus. He had noted that when the DeRicco complex was toured, the Committee was shown a space that was to be available to be used by the Veterans. Being a Veteran, and working with Veterans, Mr. Bentz was disappointed that the Veterans were removed from the DeRicco building and relocated to Budd 310, which he feels is too far away from the DeRicco (Student Services) building. He feels that space needs to be allowed in that building for the Veterans…taking the space allocated for CalWORKs.

- Chair Nicole Goehring thanked the Committee for elected her to be the chairperson for this coming year. She noted that she had some “tough shoes” to fill, as Committee member Mellor had done an excellent job. She stated she is anxious to learn more and work with the group and do all she can to be effective. One of the things that is important to her as a member of this Committee is to maximize bond revenue use by implementing cost saving measures. It is also important to learn about things that might be proposed to them such as Project Labor Agreements (PLAs) that could possibly increase the costs for the bond measure. She also thanks Dr. Rodriguez for clearing up the information and was pleased that the College is not going forward with the PLA.
VI. Other Business/Comments

A motion was made by Committee Member Bruce Jonsson to adjourn the meeting. Committee Member Bob Bentz seconded the motion. The motion was unanimously approved, and the meeting was adjourned at 7:55 p.m.

Respectfully submitted,

Maria Baker for Jon C. Stephens
Vice President of Business Services

Meeting adjourned