

Adopted

# HARTNELL COMMUNITY COLLEGE DISTRICT

## BOND OVERSIGHT COMMITTEE MEETING

### Minutes

October 11, 2004

**PRESENT** Committee Members:

Joey Lasnik, Chair  
Harry Gamotan, Vice Chair  
Karl Bisht  
Edward J. Valeau

**ABSENT** Joe Grainger  
John Inman  
Sharolyn Robinson  
Juan Sanchez

**PRESENTERS** Larry Carrier, Robert Yin

**VISITORS** Marvin and Carla Wolf, Gwen Miller, Ernie Mills, Don Johnson, Don Chapin

**CALL TO ORDER** The meeting was called to order at 3:35 p.m. by Joey Lasnik, Chair.

**INTRODUCTIONS** Committee members, presenters and visitors were introduced and welcomed.

**QUORUM** Joey Lasnik stated that due to the lack of a quorum, the meeting would be conducted for information items only.

**MINUTES** Approval of the July 12, 2004 minutes will be held until the next meeting.

**EXPIRATION OF COMMITTEE MEMBERS** Mrs. Lasnik reminded the committee that at the last meeting, two committee members, Harry Gamotan and Juan Sanchez, had agreed to serve for an additional two years. Karl Bisht informed the committee

**TERMS**

that he is also willing to serve for another two years.

Dr. Valeau stated that the Board of Trustees would be taking action at its November meeting to reappoint these committee members for an additional ~~one~~ two-year term.

**STATUS OF  
CURRENT  
CONTRACTS &  
FINANCIAL  
REPORT**

Larry Carrier stated that contracts for the LRC and infrastructure are substantially complete. The Parking Structure bidding is 80% complete with final bids out. Mr. Carrier stated that we are facing budget challenges related to the price of steel that is driven by the worldwide market. He further stated that we have saved dollars in other areas such as the fire alarm, and we do have contingency funds to cover what needs to be covered. We are basically on budget and on time.

Mr. Carrier stated that the fiscal year-end books have just been closed. The financial statistics are currently with the auditors who will put the information into a report. The report will be forwarded to the Board of Trustees for review at their January meeting.

Mrs. Lasnik suggested that the next Bond Oversight Committee meeting be held in December, after the auditors report has been received, so that it can be reviewed prior to going to the Board.

**CONSTRUCTION  
UPDATE**

Mr. Yin distributed copies of the Phase I project document and reported on construction progress as follows:

- Infrastructure project is 90% complete except for the lawns and shrubs and city tie-in. He expressed appreciation to Granite Construction for their work to keep the project on time and on budget.
- Parking Structure - pile driving was completed on September 15 on schedule. By August 2005 it will be complete with occupancy. Some costs have gone up due to the doubling of prices on rebar/steel.
- LRC - pouring of foundation concrete is set for November 11. Should receive the occupancy certificate in October 2005. It will then take approximately 2 months to move the furniture and technology in. Move in is scheduled for January 2006.
- CALL - the RFP went out and we received 27 requests, 4-5 local firms included. A decision will be made the first week of November and the selected architectural firm will be forwarded to the Board for approval.
- Swing Space Project - the AHT temporary parking project is with the DSA (Division of State Architects). The DSA should give approval next week.
- The Microwave Tower project is complete and functional.

- The College Center Skylight is in the design phase.
- The Performing Arts HVAC Replacement project is delayed due to funding issues. The replacement of mechanical units is mostly funded by Scheduled Maintenance state dollars.

**MEASURE H  
UPDATE**

Mr. Yin stated that overall we are on schedule. The infrastructure is completed and the Environmental Impact Report (EIR) schedule has been published. Every project started is either in process or completed.

Dr. Valeau reminded the committee that monthly Campus Briefings are held which are publicized both on campus and in the community. Interested individuals can also obtain updates on the College's web site.

Harry Gamotan asked for a comparison of our Parking Structure and the City of Salinas parking structure on the corner of Monterey and Market Streets. Mr. Yin stated that the same architect is designing both structures. The College's structure will be two stories – the City's structure will be three stories. Dr. Valeau stated that our design, by tBP Architects, will be esthetically pleasing to the community.

**PUBLIC  
COMMENT and  
DISCUSSION**

Mrs. Lasnik asked for comments and/or questions from community members.

Concerns were voiced that the Bond Oversight Committee may not have done its due diligence regarding the Project Labor Agreement (PLA).

Mrs. Lasnik distributed copies of a letter she had received from Dr. Valeau addressing the responsibilities of the Bond Oversight Committee with regard to the PLA. She read the duties of the Committee as follows:

- Statutory duties of the committee  
The implementing legislation (Sections 15278 through 15282 of the Ed. Code) states that the purpose of the Committee is “to inform the public concerning the expenditure of bond revenues.” This is a general statement, which does not dictate the specific functions of the Committee.
- The specific mandatory functions of the Committee are set forth in the code:
  - Actively review and report on the proper expenditure of taxpayers' money for school construction;
  - Advise the public as to whether the District is in compliance with Article XIII A, Section 1(b)(3);
- The specific mandatory functions of the Committee are set forth in the code;
  - Provide oversight for both of the following:
    - - Ensuring that bond revenues are expended only for

the purposes described in Article XIII A, Section 1(b)(3), and

- - Ensuring that no funds are used for any teacher or administrative salaries or other school operating expenses.

-Issue regular reports on the results of activities, at least once a year.

It was noted that the College held a Bidders' Conference which was highly publicized and open to the public. The conference was well attended and information on scheduled maintenance and state mandates was given to attendees.

Mr. Yin stated that a PLA designates that a project will be a union project and dictates the prevailing wage.

Members of the community voiced the following concerns:

- The PLA makes non-union contractors totally non-competitive due to the \$14/hr, health care, pension, vacation, along with the \$14/hr duplicate payment they would have to pay to the union under the PLA.
- Schools pay 25-26% above cost when under a PLA.
- Is this the best value for the people? Are people getting the opportunity to bid under the PLA?
- Would like to have a summary of the bids – who is doing what?
- The audit should be published.
- PLA says that you have hired a consultant.
- Southern California colleges are now using Hartnell as a model to use PLAs.
- Recommended that the Bond Oversight Committee publish documents similar to the ones published by the Salinas Union High School District Bond Oversight Committee.
- Community member distributed two documents: Beacon Hill Institute Policy Study September 2003 "Project Labor Agreements and the Cost of School Construction in Massachusetts, and the Beacon Hill Institute September 2004 Project Labor Agreements and the Cost of Public School Construction Projects in Connecticut.
- Not asked for their input into the PLA.
- Want open competitive system, union, non-union, locals can make the decision to participate and not have a PLA tell them that they can't participate.
- Even though public comment is solicited at each meeting, suggested that the Bond Oversight Committee add "Public Comment" on to the agenda format.

- Asked for a summary of bids.

One community member stated that he had contacted the Attorney General's office with regard to the PLA. The community member stated that the Bond Oversight Committee is not in compliance with Ed Code 15278 and 15283, i.e., timeline of appointment and composition of committee.

Dr. Valeau stated that it seemed drastic to ask the Attorney General to investigate without first asking for a meeting with the President/ Superintendent or the Bond Oversight Committee. Mrs. Lasnik concurred stating that rushing into such an adversarial position instead of first having a face to face meeting was inappropriate.

Dr. Valeau stated that a number of districts have a lag time between finding the committee member and the actual appointment by the Board, and that he does not believe that all those districts would be expected to return Bond dollars based on the time factor.

Mrs. Lasnik stated that the committee members represent various constituent groups as follows:

- Business – Joe Grainger
- Senior Citizens – Joey Lasnik
- Taxpayer's Organization – Karl Bisht
- Student – Sharolyn Robinson
- Support & Organization of District - John Inman
- Two members at large – Juan Sanchez, Harry Gamotan

Mrs. Lasnik stated that the Board of Trustees had made the appointments upon application and that the committee members' positions had been well publicized in the news media and on the College's web site. She further stated that an annual report had been given to the Board at its September Board meeting.

Dr. Valeau stated that Hartnell is one of the largest employers in Monterey County with 500+ employees. He stated that the administration has a fiduciary responsibility to manage the institution, which takes into consideration the best expenditure of resources. Administration takes seriously the charge that the Board has given - to expend Bond dollars and to make sure that the community participants in the projects. Hartnell is held to high scrutiny by the community regarding Measure H and provides monthly Campus Briefings. Additionally, information is available on the college's web site and we highly publicize meetings which the community is invited to attend.

Dr. Valeau stated that the Bond Oversight Committee has the responsibility to ensure that Bond dollars are used appropriately, and the College has the responsibility to expend those funds. He stated that together we are good stewards of the public's funds.

In response to a community members assertion that the college had hired a consultant, Dr. Valeau stated that the college has not hired a consultant to guide the projects. Mr. Carrier noted that we cannot control how other school districts in California characterize PLAs.

Dr. Valeau stated that the Project Labor Agreement would be going to the Board of Trustees on October 15. The Board will hear concerns from community groups at that time.

Mr. Carrier will forward a copy of the Summary of Bids to the Builders' Exchange and the Salinas Valley Chamber of Commerce for distribution.

Mrs. Lasnik noted that although members of the audience had valid concerns, this conversation should be held with Dr. Valeau and not with the Bond Oversight Committee. Further, the audit will go to the Board of Trustees in January and become a public document at that time.

Mrs. Lasnik stated that this discussion needed to continue but not in this venue. She suggested that the Salinas Valley Chamber of Commerce and Dr. Valeau set a meeting to go through this and revisit the PLA.

Mrs. Lasnik thanks the community members for their comments.

**NEXT MEETING** The next quarterly meeting of the Bond Oversight Committee will be held in December (date, time, place to be announced).

**ADJOURNMENT** The meeting was adjourned at 4:30 p.m.