

Pleasant Hill Recreation & Park District Citizens Bond Oversight Committee For Measure E Projects

Second Quarterly Report of 2010 as of December 31, 2010

I. Introduction

This is the 2nd report of the Citizens Bond Oversight Committee for the period ending December 31, 2010. This report summarizes the work of the Committee and its review of the District's expenditures for the Measure E Bond Projects for the period ending November 30, 2010.

II. History and Overview of the Citizens Bond Oversight Committee

The District placed a bond measure on the ballot in August 2009 for the residents of the District to consider funding for a new Senior Center, Teen Center, Community Center, Pleasant Hill Oaks Park upgrades and additional restrooms at Pleasant Hill Park, Rodgers-Smith Park, and Brookwood Park. Bond Measure E passed on a 75.7% vote. The total Bond amount was not to exceed twenty eight million dollars (\$28,000,000). It was stated in the Measure that an independent community oversight committee be appointed by the District Board to monitor Bond expenditures.

III. Committee Membership

The Bond Oversight Committee is made up of the following: Steve Ganguet, Lisa Hagopian, Harold Jeffrey, Lilly Ng, Marie Simons, Norman Vanhole and Leo Vardas.

During the above period Member Ng submitted her letter of resignation from the Committee due to a job relocation to Southern California. The letter was dated October 14, 2010. The Committee at their December 9th meeting thanked Ms. Ng for her Community involvement and services and wished her the best in her new assignment.

During the month of October the District Board advertised for replacements for Ms. Ng's seat and conducted interviews Wednesday, November 10, 2010. Frank Gorham, a Landscape Architect with Caltrans District 4 Division of Construction was chosen to replace Ms. Ng. Erin Hirst, who has a Degree in City Regional Planning, and worked as a Landscape Architect Assistant for the City of Pleasanton, been a General contractor on Public Bid Projects and is presently employed by the City of San Francisco Unified School District on their Proposition A, 2003 and 2006 Bond Programs for school modernization projects, was chosen as an alternate. Both Frank and Erin were welcomed to the committee at its December 9th meeting.

IV. Duties of the Committee

1. Review the Capital Improvement Budget Expenditure Plan for the Measure E projects beginning in the fiscal year 2009/2010 through the end of the construction projects.
2. Monitor all plans and expenditures to ensure the funds are spent in accordance with Measure E.

3. Review construction expenditures to ascertain whether the construction expenditures are consistent with the budget.
4. Review any major changes in costs previously approved by the District.
5. Report to the voters and the people of the District quarterly regarding the revenues and expenditures of Measure E funds.
6. Review an annual Measure E financial report to ensure the funds are spent in accordance with Measure E.

V. Bond Oversight Committee Activities

The Bond Oversight Committee met December 9, 2010 and the minutes from the August 5th meeting were approved.

One item from that meeting was the establishment of a Construction Sub Committee that would review project construction components such as project schedules, contracts, change orders and review the program controls that the District has established to monitor and manage project Design / Construction. Members Steve Ganguet and Frank Gorham agreed to serve on the Construction Sub Committee.

Another item reported by General Manager Berggren was that the Community Center may be closed earlier than planned, thus moving up the construction process by six months and saving \$300,000 by avoiding the need for certain structural repairs.

The Bond Oversight Committee also set a meeting schedule for the first part of 2011. They will be meeting January 20th, March 17th, and June 16th, 2011.

VI. Sub Committee Reports

The Audit Sub Committee comprised of Harold Jeffrey and Leo Vardas reviewed all contracts, letter of agreements for firms supplying materials to be paid from Measure E funds, all invoices supporting check payments shown on the District's summary of Measure E expenditures of funds and any approved change orders to the contracts and/or agreements. The results of their review were put on spreadsheets together with any comments or questions that required resolution and the District responded and made appropriate adjustments where required.

With regard to the Summary of Change Orders for Measure E Bond Projects dated December 1, 2010 discussed at the meeting, even though all these Change Orders related to the Bond Projects, there was some question of how they came about. For example Item 7, the redesign from a slab on grade to a mat foundation. Was this design started before the Geo-technical Report dated March 10, 2010?

One item of continuing public concern that needs to be addressed by the District Board is the payment to the Dahlin Group for time and materials for the allocation of funds for a feasibility study for a community theater.

The Bond Oversight Committee as a whole continues to show concern about project design changes and their related increasing costs.

All in all the Committee Members were quite pleased with the information received and wishes to thank Mark Blair, the District's Accounting Supervisor and the District staff for their excellent work in supporting Harold's and Leo's review effort and accomplishing their regular work assignments too.

VII. Summary

The Bond Oversight Committee will continue to meet and review Bond Project elements and appreciates the opportunity to advise the District Board and Community about the progress of the Measure E general obligation bond projects.

The Bond Oversight Committee is excited about the substantial progress made during 2010 towards completing the design phases of the various Measure E Bond Projects and looks forward to the construction bidding and following construction activity in 2011.

Submitted by:

The Pleasant Hill Recreation & Park District Citizens Bond Oversight Committee

Attachments:

1. December 9, 2010 Meeting Minutes
2. Attachment A - Contracts and Invoices Study
3. Attachment A - Pie Chart of Expenses
4. Attachment B - Summary Review of the Contract Value and Measure E Expenditures
5. Attachment B - Measure E Expenditures Spreadsheet