



## Los Angeles Community College District

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Administrative Offices • Dr. Daniel J. LaVista, *Chancellor*

### MINUTES

#### **Bond Steering Committee**

8:30 a.m. on December 7, 2010

In attendance: Larry Eisenberg (LACCD), Tom Hall (LACCD), David Beaulieu (LACCD), Daniel LaVista (LACCD), Coby King (MWW), Don Gauthier (Valley College), Ernie Moreno (East LA College), Judith Valles (Mission College), Armida Ornelas (East LA College), Joanne Waddell (Valley College), Jeanette Gordon (LACCD), Lloyd Silberstein (Build-LACCD), Adriana Barrera (LACCD), Dan Minkoff (Build-LACCD), Marvin Martinez (Harbor College), Adrian Foster (West LA College), Rose Marie Joyce (WLAC), Ken Sherwood (City College), Bharat Patel (Build-LACCD), Mona Garber (Build-LACCD), Michael Finnegan (LA Times).

#### **1) Presentation of minutes**

November minutes approved as revised.

#### **2) 770 building update**

- a. Purpose: To provide an overview and update on the renovations of the district headquarters. Action required: funding recommendation.**

Larry said this item will be deferred pending further clarification.

#### **3) Ti02 study update**

- a. Purpose: To provide an update on the status of the Ti02 study. No committee action required.**

Larry said we still are trying to get the UCLA professor to complete his contract and provide the results. Larry has identified other universities with expertise in nanotechnologies that could do a study – UC Santa Barbara, Rice University, and Purdue University. No buildings are currently being coated with Ti02.

#### **4) West Los Angeles College bond construction program update**

- a. Purpose: To review the status of the bond program at WLAC. No committee action required.**

Three memos were presented. President Joyce explained the WLAC memo. Larry said the mechanisms the building program had in place ultimately prevailed and the bond allocation was appropriately reshaped to allow the college to move forward with its Measure J funds and remaining A/AA funds.

David said we should look at the history to determine how the overrun got to this point. He asserted that district administration wasn't notified about the issue until June 2010, although he said Build-LACCD staff had suspicions in 2009. Rose Marie said there is a significant downsizing of some projects and possible cancellation of a parking structure, but a final decision (about proceeding with projects) has not yet been made.

David asked about the decentralization of the bond program and how Build-LACCD could have missed the signs. Lloyd said the college president and CPM did know they had over-budgeted and made a decision not to deal with it at the time. It was the college's responsibility to deal with this issue in its shared governance process. David asked where the district oversight was during this process. Larry did point out the issue to the president and CPM, and was told that the college would handle it. Lloyd said when it acquired the land to build the road, the college was not over budget at that time, although it was headed in that direction.

Joanne asked why (then-President) Rocha believed more money would be available. She also asked what new information caused a revision of the WLAC memo. Rose Marie said the college community did not realize the authority that Dr. Rocha had. Rose Marie said it didn't change the facts, but was important information to include in the revised memo. Larry said money was spent to buy the 10100 property, and the expectation was that once the road was complete, the excess property would be sold. When Rocha decided to retain the property, he said there should have been a decision to change the budget. In 2008, the district issued a call for development proposals to create a mixed use development on the property, and that failed because of the recession. That left a gap in the budget. Larry said the other assumption that Rocha made, that he didn't share, was that the airport project would be terminated and funds for it would collapse back into the college, with the value of the land it would occupy coming back to the college as well.

David asked if the West shared governance community heard about this. Larry reiterated that no, that idea was not shared with anyone. Larry and Marvin Martinez spent considerable time on the hospitality training project at the airport property. Marvin said Rocha reached out to SW and Harbor to help create a regional site.

Adrian Foster said her term as academic senate president at West (and involvement in the matter) began in July 2010.

Don asked about an \$8 million difference between the budget and overage. Larry said they represent different points in time between expenditures and the budget. David said the Board needs to hear the truth, and the memos are less than candid in saying that the crisis has been averted, and in fact West has spent money that won't be recouped. Rose Marie said no final figure is currently available because negotiations on contracts for projects that will be downsized are ongoing. Larry said there still will be work in those areas. He said the Watson Learning Center, the physical education facilities, and parking structure will perhaps advance. Money was spent for design and programming, but none of that will be lost because it all can be captured in the final design. Larry said the review has resulted in positive changes. He acknowledged that some expenditures won't be recaptured, but each college has explored ideas that it ultimately

decided not to use. The process at West wasn't the most efficient, but we ultimately have a pathway forward.

Adrienne asked what types of documentation and signatures will be required to prevent this from happening again. Lloyd said that a new process has been in place for five or six months. To bid and award a project, budgets have to be balanced, and that requires documents and signatures. Lloyd said the EIR required additional access to the college, and that required about \$70 million in unexpected expense, which everybody knew about, but at that point, there was plenty of money left to plan. Armida said at East, Build-LACCD has scrutinized every dollar spent and she finds it hard to believe they missed a more than \$100 million budget overage at West. Lloyd said West was the only college that did not use Build-LACCD for checks-and-balances. Joanne asked if there some sort of insurance for this misuse of funds. Jeannette said this issue was about the budget, but the money wasn't spent.

Ernie said Lloyd's characterization of decentralization is incorrect. He said there has been more centralization since the passage of Measure J. Larry said he disagreed with Ernie. He said the program management team (PMT) backed off involvement in colleges after URS came on board. Ernie said his college was never authorized for any expenditure beyond its allocation in a centralized or decentralized structure. Larry said eight of nine colleges use the PMT for a level of oversight that West chose not to do.

The chancellor suggested that the committee coalesce around the comments and provide a recommendation.

David said he is considering a motion to ask the chancellor to look into URS's actions and see how this was handled by it at the district level. Larry said a thorough investigation has occurred, and the committee should now look at how to deal with this issue as we move forward. Don suggested that CPM directives be shared with campus faculty and staff. The chancellor said if there is a continuing interest in exploring issues beyond those at West, then the committee should deal with that separately. He said a good deal of work has gone into the memos, and he will not throw them to the curb. The chancellor said this topic was presented as an update with wide circulation to the Board and others. But he said all parties have met their obligations with this report.

Action: Chancellor will discuss formalizing approvals with Lloyd and Larry.

Joanne suggested that memos to CPMs also be sent to college bond committees. The chancellor said that the person who receives information at the campus should be responsible for disseminating those communications. Ernie said we should not build additional in protocols because this should not be able to happen under our current system of protocols.

The committee discussed whether West is satisfied with the process and plans. David said it was misleading to describe the college community as satisfied given the cost in time and money. Larry said it was pleased with the process used to resolve the problem. The chancellor said David had other venues in which to bring these issues forward.

**5) Committee membership / leadership structure**

- a. Purpose: To consider a request of committee member Don Gauthier that the committee add a faculty member, revamp the committee structure to include co-chairs, and to request the drafting of committee by-laws to define membership, roles and procedures. Action required: Committee will be asked to vote to assign a group, or subcommittee, to draft by-laws and to determine the timeframe, if required by the vote.**

Don said he has had discussions with members of the committee to define bylaws and committee membership structure, and to set up a subcommittee, if necessary, to do this. He said he would like this to be a steering committee instead of a (forum for) reports from the PMT. The committee needs to agree how the agenda is formed, who the members are, etc. Larry said Bond Steering was created by a previous chancellor as an advisory committee, and to this day remains an entity of the chancellor. It is not a shared governance committee in that respect. Larry said with David's input, the membership was broadened to include more faculty input. Larry said the notion of bylaws is overly rigid to deal with the issues of the day.

David said Larry's initial statement was exactly what he was looking for. The chancellor said the governance handbook addresses many of Don's questions. It may need some refinements in terms of process. The chancellor brought the discussion to the point of recognizing we have some issues in a \$6 billion program with about 600 construction projects, but overall we are doing very good work and we are working collaboratively in the great majority of cases.

**6) December 10 special Bond Steering meeting**

- a. Purpose: Review final agenda for follow-on meeting to October 22 special Bond Steering meeting. No committee action required.**

Larry said there will be another prep meeting this week to refine the agenda. An agenda committee including Lloyd, David, Joanne and Larry is addressing the questions that have been answered and is rearranging questions to better facilitate discussion. The committee discussed the format of the agenda. The chancellor said the meeting must promote a cooperative environment.

**7) Inici contract**

Larry said an extension of the Inici contract will be on the December 15 BOT agenda. The sole source form has been completed.

**8) New business**

Armida asked about Health Careers Academy. Larry said that discussion is not ready to come back to Bond Steering yet.

**9) Adjourn**

Adjourned at 9:52:00 AM.

*The next meeting will be at 8:30 a.m. on Tuesday, January 18, 2010 in the district office first-floor hearing room.*