



Citizens' Oversight Committee Meeting Minutes

Meeting No. 1 – Orientation Meeting	Meeting Date April 1, 2008			
Meeting Time 4:30 – 5:40 p.m.	Recorded By A. Charles			
Attendees: <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> Members: Amin Almuti H. Andy Franklin Linda Lautenberger Elmo Wedderburn James Zumwalt </td> <td style="width: 33%; vertical-align: top;"> Alternates: Bob Barksdale Lawrence Donovan William Kaplan Claudia Spencer </td> <td style="width: 33%; vertical-align: top;"> Staff: A. Charles T. Horton K. Mayo M. McArthur C. Westphall </td> </tr> </table>		Members: Amin Almuti H. Andy Franklin Linda Lautenberger Elmo Wedderburn James Zumwalt	Alternates: Bob Barksdale Lawrence Donovan William Kaplan Claudia Spencer	Staff: A. Charles T. Horton K. Mayo M. McArthur C. Westphall
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Agenda Item	Action Taken			
<i>Welcome & Introduction</i>	Introduction of Members, Alternates, and Staff present.			
<i>Public Comment</i>	No comments.			
<i>Project Overview</i>	<p>Staff provided an overview of the Earthquake Safety Program.</p> <p>The Committee asked if all of the funding for the Earthquake Safety Program is currently available. Staff indicated the funding is currently available.</p> <p>The Committee asked how much of the program is their responsibility to review and question. Is it the committee's responsibility to question the costs and the retrofits that are being proposed? Staff indicated that there are two independent review panels and substantial oversight for the technical portion of the program. There are very specific responsibilities for the COC, which are to ensure that the tax proceeds are being used to pay for earthquake safety retrofits and not other BART programs. Staff is happy to discuss any other aspects of the program with the COC.</p> <p>COC Members from the original committee commented that in the last</p>			



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	<p>two years, the COC has raised questions on technical issues in the direction of schedule, cost, cost reduction, etc. BART has been open to answering questions.</p>
<p><i>COC Function Overview</i></p>	<p>Staff provided an overview of the function of the Citizens' Oversight Committee.</p> <p>COC Members from the original committee commented that they have checked to see if BART has gone through the processes you'd normally use and to see if things were done with best practices. Contingency and escalation are also big factors in the retrofit and they have been brought up.</p> <p>The Committee asked if the funding from other sources is spread out on the program elements listed on the Bond Financial Report or if they are they earmarked for specific things. Staff indicated that the funds are earmarked for certain items. RM2 funding is specifically for the tube. Caltrans money is specifically for aerial structures that cross over local streets and highways.</p> <p>The Committee asked about the terminology on the Bond Financial Report; is the forecast basically the budget? Staff indicated that the forecast should match the budget. The forecast total should always add up to \$980 million. Staff indicated that they would break out management reserve as a separate line item for the next Bond Financial Report. The Committee wanted further clarification that the forecast plus the management reserve would equal the budget. Staff confirmed this statement.</p>



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	<p>The Committee asked about the bond costs. Staff explained that the bond costs are built into the bond when it is issued. The line item for "Bond Costs" on the Financial Report has become another reserve for the project.</p> <p>The Committee asked if BART intends to return the bond funds that are not used. Staff indicated that bonds would only be issued for the funds needed for the retrofit.</p> <p>The Committee asked if the public's tax bills for this item will vary based on the number of bonds BART issues. Staff confirmed that they would.</p> <p>The Committee asked where the interest cost comes from for the bond. Staff indicated that interest costs would be built into the value of the tax and is not included in the bond.</p>
<i>Review of Legal Matters</i>	<p>The Committee asked if there was a conflict of interest would a member need to recuse themselves. Staff indicated that this has not yet happened and would have to be a topic of discussion when and if it occurs.</p>
<i>Selection of Chairperson and Vice Chairperson</i>	<p>Committee members asked for clarification of the function of the alternates. Should they plan to attend all of the meetings? Do they get to vote? The members commented that it would seem that that would be the only way to be able to serve as an alternate. Staff indicated that the alternates are treated the same as the members, with the exception being that they do not vote. Attendance is recommended so that in the event that a chair needs to step down the alternate can take over.</p>



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	<p>The Committee asked how often the chair reports to the BART Board. Staff indicated that the chair would make annual reports to the BART Board.</p> <p>COC Members from the previous committee commented that they had been involved in the front end planning and reviewing how things are organized. Once construction begins the COC will need to watch progress verses cost. The members also indicated that the audit team came and presented at the last meeting; will a report be provided? Staff indicated that the audit team is compiling a report and it will be presented when complete. The past COC Members informed the new Committee that at the last meeting the group asked the audit department to review their meeting materials to determine if they have been performing their duties and fulfilling their responsibilities. The past COC members suggested that this is something the COC might want to do annually.</p> <p>H. Andy Franklin was nominated and elected as the Chair for the 2008 Citizens' Oversight Committee.</p> <p>Jim Zumwalt was nominated and elected as the Vice Chair for the 2008 Citizens' Oversight Committee.</p>
<i>Selection of Future Meeting Date</i>	<p>The Committee asked if the schedule lends itself to key points for meeting. Staff indicated that they would review the schedule to make some recommendations for the next meeting. Staff estimates that there will be seven or eight contracts advertised this year. The Committee indicated that it would be more effective to meet after the bids are received, either before or after the contracts are awarded by the BART Board.</p>



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	<p>The Committee asked if there was an engineer's estimate for the \$980 million or if it is for the full \$1.3 billion. Staff indicated that there was a baseline budget, which would be the equivalent of an engineer's estimate, for the \$1.3 billion. Staff indicated that they could create a baseline budget for the \$980 million for the next meeting.</p>
<i>Request to Add Items to Future Meeting Agenda</i>	<p>A transition meeting was previously scheduled for May 29th. It will provide an opportunity for the previous COC members to transition to the new members. This meeting date is a conflict for two of the new committee members and will be rescheduled.</p>
<i>Expense Report</i>	<p>Staff provided an overview of the types of expenses that are reimbursable. This includes costs for travel to the meeting such as BART fares, mileage, bus fare, and parking.</p>
<i>Public Comment</i>	<p>No comments.</p>
<i>Adjournment</i>	<p>Meeting was adjourned at approximately 5:40 p.m.</p>