Summary Minutes

SOCIAL MEETING
OF THE
CITIZEN STREET OVERSIGHT COMMITTEE

Monday, November 9, 2009, 7:00 p.m.
El Cerrito City Hall
Hillside Conference Room
10890 San Pablo Avenue

Roll Call at 7:06 p.m.

Present: Committee Members Ozselcuk, Kessler, Al Miller
Absent: Committee Members Roberton, Thomas Miller

Other Attendees: Staff Liaison Jerry Bradshaw

1. Staff Liaison Report
   Following up from prior meeting, the question was asked whether signatures are required or advisable on documents such as the minutes and resolutions. Checking with the City Clerk and other committee liaisons, there is no City standard for signatures. Most other bodies do not affix signatures. This committee has only produced one written document (the annual report to the City Council), and the chair did sign that, which makes good sense as the summary of the core mission of the committee. Staff was asked what happens to minutes after they are approved. The “DRAFT” watermark is removed, and they are transmitted to the City Clerk for posting to the website. They are also placed in the official file (binder) for the Committee business. Asked how long the City is required to keep the official file, liaison Bradshaw said he didn’t know, but it would likely be specified in the City’s record retention policy. All proceedings of the meetings including minutes and other documents presented in the meetings are public records and are available to the public for viewing.

2. Comments from the Public
   None.

3. Approval of Minutes
   No comments or corrections.


4. Committee Standing Rules
Liaison Bradshaw provided a copy of the standing rules as compiled at the September meeting. Chair Miller stated that they accurately reflect previous discussion. He views them as protocol. If someone feels they are not being followed, then contact the Chair. All committee members present reviewed them and had no suggested changes, but deferred further discussion until all committee members are present.

**Action taken:** no action.

5. **Review Sample Contractor’s Invoices**

Prior to discussing the sample invoices, there was a review of the overall funding structure of the Street Fund. The annual revenue is approximately $1.3 million. About $750,000 will go for the annual debt service to retire bonds; the remainder (approximately $550,000) will go towards street projects and other necessary expenses. In the first three years of the program, there were an additional $10.5 million in bond proceeds to put towards street projects. Once the large amount of bond proceeds are expended, the annual scope of work will be determined by the funds available for projects ($550,000 annually), plus any other money allocated by the City for street work. The bonds are structured to be paid off in 30 years.

**Question:** Is it the job of the committee to verify that a contractor is paid the full amount of the contract? No, that is the job of the project manager. It is the job of the committee to verify that monies that are paid were for the appropriate work (street improvements).

Liaison Bradshaw handed out pages dealing with revenues as a follow up from the September meeting. A two-page report from the City’s finance system showed $1,348 million coming into Measure A in FY 08-09 from sales tax. We budgeted $1.29 million. An email from the City’s auditor accompanied by a four-page report from the State Controller shows the State reports $1.07 million in Measure A sales tax coming to the City, but that shows only cash paid through June 30 2009. The City will accrue the FY09 revenues that came to the City after June 30th (the final three entries from the City report). With that adjustment, the two reports match.

Included in Committee packet were sample invoices and one page from the expenditure report originally handed out at the September meeting. The first example is of a major construction contract, which is paid in a different format due to the 10% retention requirement. This includes a Certificate of Payment which is a summary of the contract and payments and contains authorizing signatures. Next page is a progress summary showing each contract pay item and all change orders with a progress-to-date summary. This also shows the status of the retention account. This is backed up by the contractor’s invoice or payment request.

**Note:** Two pages titled “Curb Ramp Construction” were inadvertently attached to the packet. They don’t relate to the discussion.

Avila Project Management invoice: the invoice shows he is doing 7 different tasks with 3 different skill levels being billed. The second page is a city form where we break the invoice into the various accounts. The account numbers beginning with “211” are Measure A projects. The item labeled Patch Paving for $7,747 (second one from top) corresponds to the highlighted item on the expense report summary.
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Question: How do we know that each invoice is actually coded properly? The Public Works Department has developed various tracking processes that are project based, vendor based, and budget based. In addition, there are various reviews that happen from month to month. Finally, if an expense is charged to the wrong account, it can also be noticed in the other account that had an extra charge. We conduct various reviews and occasionally find a mistake, but we are confident that no significant mistakes go unnoticed. Chair Miller stated that the City’s finance system and budgeting process has won awards.

The committee did not review the other sample invoices.

Question: If a committee member wants to review more detailed reports in order to be comfortable in certifying the appropriateness of the expenditures, is that possible? Yes, these are all public records and staff can make arrangements for anyone to review any documents they wish.

Committee member Kessler stated that the material presented along with the fact that the trustee is reviewing invoices prior to releasing bond funds gives her a high level of confidence. She also noted that when the bond funds have been expended, the process will be simpler.

Chair Miller stated that the processes set up by PW and Finance give him confidence.

**Action taken:** no action taken

6. **Future Agenda Items and Meeting Schedule**  
The draft standing rules indicates the next meeting would be the 4th Monday in January (25th).  
The agenda would include:

   - Election of officers
   - Adopt Standing rules
   - Review of auditor’s report and consider approving the annual report

7. **Adjourned** at approximately 8:28 p.m.