

# California Uniform Construction Cost Accounting Commission

## Minutes of June 8, 2010 Meeting

Office of the State Controller  
300 Capitol Mall, Room 635  
Sacramento, CA 95814

### 1. Call to Order

Chairman Cortright called the meeting to order at 10:04 AM and called the roll.

Present: Gene Cortright, Chairperson; Jeffery Armstrong, Vice Chairperson; Eddie Bernacchi, Guiselle Carreon, William R. Dildine, David McCosker, Rod Moresco, Phillip Nelson, Josie Ripoly

Absent: Linda Clifford, Secretary; Robert Byrd, Lisa Miller-Strunk

Guests: Catherine Hilliard, Construction Industry Force Account Council  
Lee Howard, North Coast Builders Exchange  
Cheri Love, PubliConstruction Law  
George Hicks, City Engineer, City of Fairfield

SCO Staff: George Lolas, Assistant Division Chief  
Mike Adams, Manager  
Korinne Kruger, Supervisor  
Scott Taylor, Fiscal Analyst

### 2. Introductions

The commissioners, staff, and guests all introduced themselves.

### 3. Oath of Office

George Lolas administered the oath of office to all of the commissioners.

### 4. Approval of the Minutes for the February 4, 2009

Commissioner McCosker motioned and Commissioner Bernacchi seconded to approve the minutes of the February 4, 2009, meeting without amendment. **The motion passed 9-0.**

Commissioner Dildine requested that staff make drafts of meeting minutes available for review within 30 days of the meeting.

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## 5. Approval of the Minutes for the February 18, 2009

Commissioner Bernacchi motioned and Commissioner McCosker seconded to approve the minutes of the February 18, 2009, meeting without amendment. **The motion passed 6-0 with Commissioners Moresco, Nelson, and Ripoly abstaining.**

## 6. Commission Update

- a. *Report on New Participating Agencies* - Staff presented an updated participating agency list, noting that 736 agencies are now participating in the Act. Staff informed the commission that the City of Lindsey has opted out of the Act.
- b. *Funding Update* - Staff reported that the Commission had \$2,598 of unrestricted donations available for its use.

Commissioner Bernacchi asked staff to clarify how account reviews will be performed if the commission lacks the funds to pay for them.

Commissioner Dildine stated that he feels the commissioners are entitled to travel reimbursement even if the commission doesn't have the funds available.

Commissioner McCosker asked staff to research if CIFAC had paid the full amount of its donation to the commission.

## 7. Public Comment

Guest Lee Howard asked why the meeting was not being conducted via teleconference. Staff stated that the meeting was not being conducted via teleconference because of the nature of the agenda items.

Guest Catherine Hilliard expressed her appreciation for the recent efforts of the commission.

## 8. Staff Comments/Requests

Staff updated the commission on the status of SB 694 and the status of the requirement process for the current commission vacancies. Staff informed the commission that it was current in its FPPC filings and reminded the commissioners of the biennial ethics training requirements.

Commissioner Bernacchi informed staff that the California Municipal Utilities Association would like to be invited to submit candidates for the vacant special districts seat on the commission.

Commissioner Dildine stated that he believes the commissioners are supposed to serve staggered terms.

## 9. Commissioners' Comments/Requests/Questions

Commissioner Bernacchi updated the commission on the status of AB 2184.

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Commissioner Dildine requested that staff provide Commissioner Nelson with a copy of the Bagley-Keene Act.

Commissioner Carreon solicited the opinion of the commissioners on conflicts between the Education Code and the Public Contract Code.

## 10. Old Business

- a. *Lease-Lease Back (LLB)* – Commissioner Carreon led a discussion of whether or not school districts that are participating in the Act can procure a contract through LLB. After discussion and public comment, Commissioner Carreon motioned and Commissioner Nelson seconded that the commission takes no position on the allowance of LLB, as defined by Education Code Section 17400, et seq. and Government Code Section 5956 et seq., under the terms of the UPCCAA. **The motion passed 8-1, with Commissioner McCosker dissenting.**
- b. *Force Account Limits for School Districts* - Commissioner Carreon led a discussion on increasing the force account limits for school districts. **No further action was proposed.**

## 11. New Business

- a. *Review and Approval of Proposed By-Laws* – The commission discussed staff-proposed amendments to the commission’s by-laws. The commissioners made proposed several minor changes to the by-laws. Commissioner Dildine stated that he felt by-laws were not needed, since the Bagley-Keene Act dictated how commission meetings were to be conducted. Commissioner McCosker motioned and Commissioner Carreon seconded that the commission adopt the by-laws as amended. **The motion passed 8-1, with commissioner Dildine dissenting.**
- b. *Review and Approval of Proposed Amendments to the Cost Accounting Policies and Procedures Manual* – The commission discussed staff-proposed amendments to the *Cost Accounting Policies and Procedures Manual*. The commissioners proposed some minor format changes to the manual. Commissioner Nelson motioned and Commissioner McCosker seconded that the commission adopt the proposed amendments to the manual. **The motion passed 9-0.**
- c. *Review and Approval of Proposed Conflict of Interest Code* – The commission discussed adopting changes to the commission’s conflict of interest code that were suggested by the Fair Political Practices Commission. Commissioner Dildine motioned and Commissioner Armstrong seconded that the commission adopt the proposed amendments to the conflict-of-interest code. **The motion passed 8-0, with Commissioner Nelson abstaining.**
- d. *Review and Approval of a Proposed Increase in the Force Account Limit* – The commission discussed the current force account limit and considered adopting a new limit. Commissioner McCosker motioned and Commissioner Bernacchi seconded a motion to not change the force account limits at this time. **The motion passed 9-0.**

## 12. Election of New Officers

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Commissioner Bernacchi nominated and Commissioner McCosker seconded Commissioner Armstrong for Chairperson. **Commissioner Armstrong was elected Chairperson by a vote of 9-0.**

Commissioner Bernacchi nominated and Commissioner Nelson seconded Commissioner Carreon for Vice Chairperson. **Commissioner Carreon was elected Vice Chairperson by a vote of 9-0.**

Commissioner McCosker nominated and Commissioner Cortright seconded Commissioner Clifford for Secretary. **Commissioner Clifford was elected Secretary by a vote of 9-0.**

## **13. Annual Report to the Legislature**

Commissioner McCosker motioned and Commissioner Nelson seconded a motion to authorize Commissioner Cortright, with the assistance of staff, to draft and file the commission's annual report to the Legislature. **The motion passed 9-0.**

## **14. Next Meeting**

The commission did not determine a date for its next meeting.

## **15. Adjournment**

Commissioner McCosker motioned and Commissioner Nelson seconded a motion to adjourn. **The motion passed by a vote of 9-0 at 2:55 PM.**