At its January 9, 2008 meeting, the Board expressed an interest in bringing bond program management services, currently being performed by Don Eichelberger of Stegeman and Kastner, Inc., in-house. Over the past few months staff have contacted several community college districts around the local Bay Area to determine how they currently perform program management responsibilities (in-house staff or outsource) and about the satisfaction with their current arrangement. The results of these contacts indicate there is no uniform opinion as to the preferred method of providing project management services. However, there was consensus among those polled that regardless of the method chosen the competency and organizational fit of the individual performing the function is of primary importance to ensure a quality product.

Given the feedback we received from other community college districts, staff is recommending that a new contract with Stegeman and Kastner be awarded for bond program management services for the 2008-09 fiscal year per the terms of the attached proposal. Rationale for making this recommendation includes the following:

- Don Eichelberger has been providing professional, high quality bond program management services to the District since 2002.
- Recent retirements of key district personnel involved in the design and construction of many Measure A bond projects have left a void of staff possessing institutional memory in this area. The potential for legal action surrounding some of these projects further underscores the District’s need to retain the services of someone possessing historical knowledge about them.
- With the completion of the Student Services Building in summer 2009, Measure A bond projects will essentially be completed. At that time, the need for bond program management services will be minimal.
- Returning bond program management services in-house will result in negative impacts to the 50% Law calculation.

The District’s current contract with Stegeman and Kastner for bond program management services was initiated in September 2002. Because of the length of time since this contract was
originated, staff is recommending a new contract be issued for the period July 1, 2008 to June 30, 2009. There is also a remaining balance in the budget for the former contract in the approximate amount of $90,000. This unspent balance will be applied to the budget for the new contract.

RECOMMENDATION:
The President/Superintendent recommends that the Board of Trustees issue a new contract number 3360801 with Stegeman and Kastner, Inc. for consulting and bond program management services and support in the amount not to exceed $270,000.

Attachment: Stegeman and Kastner, Inc. proposal