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September 21, 2017

Kolvira Chheng  
Asst. Superintendent of Business Services  
Alum Rock Union Elementary School District  
2930 Gay Avenue  
San Jose, CA 95127

Re:      Response to District's Second Request for Documents, dated September 14,  
         2017

Dear Mr. Chheng:

I am in receipt of your letter of September 14, 2017, wherein you request that Del Terra Real Estate Services ("Del Terra") produce all documents relating to all services it has performed pursuant to the Alum Rock Unified School District's Measure J and I Bond Programs.

First, Del Terra has never disputed the terms of the applicable Program Management Agreement relating to Del Terra's documentation requirements and it will, as it has in the past, comply with the terms of that Agreement in responding to the District's request for all documents relating to its Services. However, while your letter repeats the District's request for Del Terra to produce relevant documents originally identified in its August 4, 2017 letter, it fails to identify the numerous discussions that Del Terra has had with you since that date as to how Del Terra should comply with that request.

As you are aware, Del Terra pointed out that if it were to produce all documents requested by the District, including all of the project documents generated by the contractors performing District Bond Measure J construction projects, the amount of documentation will be in the terabytes. Based on that information, you agreed that a mass production of documents would not be helpful to the District. Instead, I noted that Del Terra had provided the District with numerous reports and documents and suggested that the District first determine what documents it had in its files and Del Terra would provide whatever was missing. Based upon our discussions, confirmed by Bond Program meeting minutes, you agreed to that approach.

Your September 14, 2017 letter departs from that approach and requests that Del Terra produce all documents referenced in its August 4, 2017 letter. Del Terra will comply with that request and has begun gathering the substantial amount of documentation requested by the District.

Your September 14, 2017 letter notes Del Terra's repeated assertion to the District that it has previously provided documents to the District pursuant to its obligation under the Program Management Agreement and requests that Del Terra provide proof of the delivery and the present location of those documents. Respectfully, those requests fail to take into consideration the seven changes in the District CBOs that have occurred over the past three years. Having lived through those changes, they were extremely disruptive and it is clear that there has been little to no coordination between CBO's who have left or been terminated and their replacements in terms of turning over their files. Moreover, after several attempts to assist the District develop a repository for project related documents at the District, the District simply did not have the basic document control resources to permit Del Terra to help develop such a system. Del Terra has pointed this out to the District on numerous occasions and is not responsible for the lack of such a system at the District. The District has previously acknowledged finding Del Terra documentation it did not know existed at the time of the FCMAT audit and we have confirmed with Louie Moran, District Facilities Director, that he has reports and other documents submitted by Del Terra relating to the Bond Program in his possession.

Del Terra has its own internal document control system relating to the District's Bond Program documents and as mentioned above, Del Terra is gathering all of said documents pursuant to your September 14, 2017 letter. This is not a simple effort and will take a reasonable amount of time to complete. As many of these documents have been previously provided, Del Terra also reserves its right to seek compensation for additional services based upon the duplication of effort that it is required by the District's request.

I should note that this letter has not responded to all of the points in your letter, some of which I respectfully disagree with, and the lack of a specific response should not be interpreted as any kind of admission. Rather, Del Terra is more interested in attempting to move forward with a stable District administration to meet the goals of the Measure J and I Bond Programs. As such, Del Terra will begin to produce all of the documents requested. Because of the volume, Del Terra will produce files as they are ready for transmittal.

Should you have any questions or wish to discuss the subjects discussed herein, please feel free to contact me.

Sincerely



Luis D. Rojas  
President and CEO