

ANOTHER PUBLIC-PRIVATE PARTNERSHIP DISASTER

California: Delta College Tracy Center-Mountain House Campus

The Delta College Tracy Center-Mountain House campus is another 3P disaster from around the world – a disaster much like the failures (SR 91 and SR 125) that have cost California taxpayers hundreds of millions more than they should have. Because they are so profitable, it is not a surprise that multi-national companies and Wall Street investment houses want to bring more such 3Ps to the “lucrative” California market.

What the experts say:

According to a 2008 San Joaquin County Civil Grand Jury Report, “The public/private partnership between Delta and developer has delayed construction and has and will cost Delta in many ways such as money, credibility, and community support. Public/private partnerships are fraught with complications. Differing goals and divergent project timelines make these partnerships extremely difficult to work successfully.”¹ The *Stockton Record* reports that the cost of pursuing a campus at Mountain House has “soared to \$94 million from \$55 million.”²



The Public Interest Alternative

- Require competitive bidding.
- Require public oversight, design and inspection to ensure public safety and cost controls.
- Utilize tax exempt public financing which is as much as 35 percent lower than private borrowing.
- Tolls should be reinvested in our transportation and other public infrastructure.
- Prohibit non-compete clauses and cash payments that prevent improvements to competing public roads, increasing congestion.

¹“San Joaquin County Civil Grand Jury: Final Report” – Case No. 12-06 – San Joaquin Delta Community College

²“Delta Trustees Charged with Wasting Millions in Bond Funds,” *The Stockton Record*, June 19, 2008