

BOND OVERSIGHT COMMITTEE MEETING
MINUTES OF JUNE 28, 2004

Those in attendance were:

Susan Boyd	Craig Steele	Julie Markowitz
Robert Louk	Doug Leeds	Melissa Schiller
Scott Lorenz	Barry Franzen	William Choi
Sue Leabo	David Casnocha	Cindy Wilcox
Mike Leininger		

The meeting began at 8:40 a.m.

Dr. Leabo opened the meeting with introductions of the Bond Oversight Committee members. Those in attendance were the Bond Oversight Committee members and Bond Counsel, David Casnocha, with Stradling, Yocca, Carlton and Roth. The bylaws were distributed along with a roster of the committee members. Mr. Casnocha discussed the requirements of the district with the passing of the bond. The Bond Oversight Committee is a requirement of the district due to the 55% passing requirements. The last Bond Oversight Committee had no boundaries, but with Proposition 39 a Bond Oversight Committee is a requirement. The manner in which school districts implement Proposition 39 is the board approves a resolution establishing the Bond Oversight Committee and bylaws for the committee. The goal for today's meeting is to walk through the bylaws and inform the committee what their goals are.

Mr. Casnocha walked through the bylaws. Mr. Casnocha stated the most important sentence in Section 1 is, "The committee does not have independent legal capacity from the District." Mr. Casnocha discussed the Brown Act requirements of the Bond Oversight Committee.

In Section 3 Duties were discussed. The duties of the Bond Oversight Committee are to inform the public, review expenditures and provide an annual report. The Bond Oversight Committee reviews the expenditures after the expenditures have been made to assure the expenditures are within the guidelines of the Facilities Master Plan and Exhibit B. Dr. Leabo briefly discussed the current projects from Exhibit B. Mr. Casnocha informed the Bond Oversight Committee they have no authority to prioritize the projects. Dr. Leabo stated each site has a Facilities Committee, their major responsibility is to recommend priority for projects. Members of the Bond Oversight Committee expressed concern they will merely be a rubber stamp committee. Mr. Casnocha responded the decisions are made by the board. While the Bond Oversight Committee can't stop or change funds already spent the committee can be vocal at board meetings to express their concerns. Most Bond Oversight Committees meet quarterly. However, the Bond Oversight Committee can meet as frequently as they want. The Bond Oversight Committee has the right to ask for and receive any documents that have already gone to the board. The committee can not ask staff to prepare documents strictly for the committee. The Bond Oversight Committee also has the right to judge whether everyone is doing a good job. Ms. Markowitz questioned the responsibilities of the Site Facilities Committee. Dr. Leabo discussed the procedures and purpose of those

committees. The sites recommend projects, the architects draw the plans, the district goes to bid with alternate bids, and then choices on bids and alternate bids will be reviewed.

Mr. Steele discussed the expectations and disappointments of the previous Bond Oversight Committee. Mr. Steele stated the district needs to be sure the site committees don't expect everything on the list to be completed.

Mr. Franzen requested clarification on capitalized expenditures and requested a discussion with the district auditors to clarify capitalized expenditures.

Mr. Casnocha discussed the individual and committee liabilities. Insurance coverage for the committee was discussed. Dr. Leabo will check with ASCIP, the districts' insurance company to assure the committee has coverage under the district's current insurance policy.

The terms of the committee were discussed. The current terms are two years. Most districts are better serviced by not having a complete turn over of its members all at once. It was agreed with the start of the Bond Oversight Committee terms will vary from one to two years. Craig Steele, Scott Loren and Doug Leeds have a one year term; all other members will have two year terms. Dr. Leabo appointed Craig Steele as Chair of the committee, appointment was accepted.

Vice Chair nominations were made. Ms. Markowitz nominated Ms. Boyd as Vice Chair. Ms. Boyd was appointed Vice Chair. Potential meeting times and dates were discussed. Mr. Steele asked Dr. Leabo when information would be available from Osborn and PCM3. Dr. Leabo responded early October, late September. Mr. Steele suggested we have an organizational meeting prior to that to decide how the committee will do their jobs and the committee will be ready for the architects and construction manager.

Mr. Casnocha reviewed District Support to the committee. It was agreed Ms. Bergner, Secretary to the Superintendent, would be responsible for the minutes of the committee.

Mrs. Wilcox suggested a voluntary tour of the facilities.

The district has sold its first \$15,000,000. The official statement of the first series bond was distributed for review. The bond will close July 14. The committee requested copies of the book. District will request from Chuck Youtz. Dr. Leabo reported on the bond presentation. The additional \$10,000,000 will be issued in approximately two years.

Opportunity for the public to comment:

There were no public comments.

The meeting was adjourned at 10:20 a.m.

The next meeting was scheduled for September 16th at 7:30 a.m. in Room 41 at 4490 Cornishon Avenue, La Canada, California.