

**MINUTES OF
WORKSHOP OF THE GOVERNING BOARD
AND BOND OVERSIGHT COMMITTEE**

November 15, 2004

The workshop was called to order at 7:10 p.m. by Andy Beattie, Governing Board President on November 15, 2004 at La Canada High School in the Information Resource Center at 4463 Oak Grove Drive in La Canada, California. Present were Board Members Andy Beattie, Ron Dietel, Cindy Wilcox, Scott Tracy and Jinny Dalbeck; Bond Oversight Committee members, Craig Steele, Chair; Barry Franzen, Melissa Schiller, Robert Louk, Susan Boyd, William C. Choi, Scott Lorenz, Julie Markowiz, Principal Mike Leininger and Superintendent Sue Leabo. There were no public present in the audience. Mr. Beattie asked Mr. Steele to lead the Pledge of Allegiance.

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

There were no public comments

Introductions were made. Marilyn Cleveland and Meredith Reynolds, both attorneys from the law firm Miller, Brown and Dannis were in attendance

AGENDA

Presentation by Miller, Brown and Dannis to review duties of Bond Oversight Committee.

Ms. Cleveland provided a handout entitled, "After the Election: Meeting Proposition 39 Requirements". Ms. Cleveland discussed the Bond Oversight Committee bylaws and the proposed amendments to the Bond Oversight Committee bylaws. Ms. Cleveland also discussed the Proposition 39 General Obligation Bond program roles and responsibilities.

Ms. Cleveland discussed the governing board general powers and stated the Attorney General's opinion concerning whether Proposition 39 can be used on staff that are directly involved in how bond monies are spent. The Attorney General said it was okay to use bond funds for new staff, ok to hire staff to do bond work but not ok to use bond funds on current staff. Ms. Cleveland believes it is ok to use funds to pay for the percentage of work that current staff does towards the bond. Dr. Leabo stated the district is currently not using any bond money to pay for staff salaries.

Ms. Cleveland discussed the requirement for an independent performance audit. Ms. Cleveland stated this performance audit is the same as a regular audit, which is a review of the flow of money and how the funds are spent. Paper trails, contracts and documents are reviewed to make sure there is appropriate documentation. The performance auditor makes sure that the work has actually been done. If the paper work says a roof was done, the auditor will climb up on the roof to see that it has been done. It is mandatory an independent performance audit be performed by someone who is not involved in the project in any way.

Ms. Cleveland discussed the need for the Bond Oversight Committee to make decisions only through public meetings according to the Brown Act. This process may be very different for many of the Bond Oversight Committee members.

Ms. Cleveland went on to discuss the Bond Oversight Committees responsibilities. Ms. Cleveland began this discussion by first stating what the committee will not do. It was stated the Bond Oversight Committee will **not** be involved in the following:

- Bond sale and issuance
- Bid process
- Contractor selection
- Inspection of site without permission from district staff
- Speaking with contractors or others directly
- What funding gets approved for which project
- Which projects will come first
- Change bylaws
- Selection of committee members (or replacement of)

Ms. Cleveland confirmed the district does not have to go out for bid for architects, construction managers or engineers.

The agenda item dated June 8, 2004 entitled Approval of Projects for Phase I of Construction and Exhibit B were reviewed and discussed. Ms. Cleveland stated the agenda item is what the board approved and Exhibit B entitled, "Full Text Ballot Proposition of the La Canada Unified School District Bond Measure Election March 2, 2004" is described by the courts as the contract between the voters and the district. The Bond Oversight Committees job is to report whether the board has met the "contract with the voters".

There was discussion regarding the Bond Oversight Committee's role compared to the Site Committee roles. Ms. Markowitz stated the Bond Oversight Committee members thought they would be more involved in the project decisions. Mr. Beattie clarified the Site Committees met prior to the bond election to discuss site projects in order to prepare Exhibit B. Dr. Leabo reported composition of the Site Committee is generally the principal, two staff members and two parents. The high school committee is two principals, staff from each level and PTSA and SI. Dr. Leabo reported the board has already prioritized many items to be paid for by this bond. The district has spent two years working on the Facilities Master Plan and it was then adopted by the board. \$25 million in projects were then picked out from the Facilities Master Plan. The Board then prioritized the projects in the first \$15 million. Mr. Tracy clarified the Bond Oversight Committee is not a planning committee but an oversight committee. Mr. Steele stated there is a difference of opinions regarding what "oversight" means. In the past, the public thought the bond oversight committee should have been providing more information to the Board. This committee wants to be clear what the committee does and does not do so that the committee can respond to the community regarding what their function is. Mr. Steele stated the letters from the Site Committees are an excellent step for the Bond Oversight Committee. If the Bond Oversight Committee has those letters indicating what needs to be done, and then the

district goes to bid and can get all those projects done, then the Bond Oversight Committee has done their job.

The governing board, the bond oversight committee, and district staff discussed the by laws with Ms. Cleveland and Ms. Reynolds from Miller, Brown and Dannis. The governing board reviewed the proposed changes to the bylaws presented by the Bond Oversight Committee. These bylaw amendments will be presented to the governing board at the December 7, 2004 board meeting.


Mrs. Wilcox suggested joint group tours be set up at each site to provide better information/knowledge about where the first \$15 million would be used. It was suggested anyone interested in attending a tour email Dr. Leabo or her assistant, Kim Bergner.

Mr. Steele will work with Dr. Leabo at setting up the next Bond Oversight Committee meeting.

The next regularly scheduled meeting of the Governing Board is December 7, 2006 in the Information Resource Center at 4463 Oak Grove Drive, La Canada, California.

ADJOURNMENT

There being no further business to discuss the meeting was adjourned at 9:22 p.m.

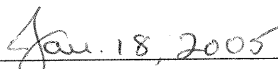


 Sue Leabo, Superintendent
 Secretary to the Governing Board

MINUTES APPROVED



 Jinny Dalbeck, Clerk, Governing Board



 Date

