

LA CANADA UNIFIED SCHOOL DISTRICT
MEETING OF THE BOND OVERSIGHT COMMITTEE

January 26, 2006

4490 Cornishon Drive, Round Building Conference Room
La Canada, California 91011

The meeting was called to order at 7:40 am by Committee Chair, Craig Steele.

ROLL CALL

Those in attendance were:

Craig Steele	Julie Markowitz	William Choi
Mike Leininger	Barry Franzen	Robert Louk
Celina Lew	Jim Stratton	Susan Boyd
Terry Walker	Melissa Schiller	

Julie Markowitz arrived at 8:00 a.m. Mr. Choi arrived at 8:34 a.m. Melissa Schiller was not present.

There were 2 people in the audience.

APPROVAL OF AGENDA

It was moved and seconded (Franzen/Lew) to approve the agenda. The motion to approve the agenda was adopted unanimously.

APPROVAL OF MINUTES

Mr. Steele reported the minutes of the January 13, 2006 meeting of the Bond Oversight Committee were distributed to the committee members in advance for review. Amendments were made to the minutes. It was moved and seconded (Boyd/Franzen) to adopt the minutes of the January 13, 2006 meeting as amended. The motion to approve the minutes of the January 13, 2006 meeting of the Bond Oversight Committee was adopted unanimously.

COMMUNICATIONS

Mr. Steele reported he attended the most recent construction meeting with Dr. Leininger.

Mr. Stratton reported that he has been talking to legal counsel regarding construction and as a result of these conversations the district is not going out to bid for the Palm Crest, Paradise Canyon or the high school band room and home economics projects. Mr. Stratton commented that review from an outside architectural consultant firm, the community and site committees needs to be done. Further review of contractual relationships also needs to be done. The level of review was discussed. The cost of the review was discussed. Mr. Stratton stated that at this point we would like to maintain a relationship with the architect of record. Mr. Louk asked about timing in terms of how long this process will take and how far it will set back the timeline. Mr. Stratton responded we hope to move quickly but wisely and cautiously. The aim would be several weeks not several months.

Mr. Steele asked what the district's plan is for getting the information out to the community that we are not going out to bid. It was reported that Dr. Leininger has several meetings set for next week to discuss this with the site committees.

The scope of work for Palm Crest, Paradise Canyon and the District Office were discussed.

Mr. Stratton reported the Board has a closed session meeting with legal counsel scheduled for next Wednesday. Mr. Steele asked if the three projects are being looked at in a lump or individually. Mr. Stratton responded the projects will be looked at individually. Mr. Steele thanked Mr. Stratton and Dr. Leininger for their communication and stated it has been very much appreciated. Mr. Steele will keep the committee up to date.

AGENDA

Fund Updates

Dr. Loose distributed fund information. A summary page was distributed. Dr. Loose discussed Fund 21.2, 35.2 and 25. The state money 35.2 is a 60/40 fund. The Minor Mod funds can only be used at the high school. Dr. Loose discussed the beginning balance of the funds and discussed the costs per project. Developer Fees are to be used on the Choral room project.

At the end of construction, Mrs. Clinton, Director of Fiscal Services, will break down the individual project costs by percentage. PCM3 is billing 11.9% of the total projects. Because we are doing multiple projects at once it is currently difficult to break down their costs by project.

Mr. Franzen asked if we actually have the state matching funds in hand. Mrs. Clinton responded that yes the district does have the state matching funds.

Minor Mod money was discussed. If you do not use the funds at the high school the state money is returned and the local match money can then be used towards other bond projects. However, Dr. Leininger reported the district will be using all of the state money. Mr. Franzen asked about specific expenses on the modernization projects.

The bond language was reviewed. Roofing was discussed. Mrs. Dalbeck reported that the roofing project went forward because it was coming from the 1999 bond (Fund 35.1). Because the roofing projects were from the 1999 bond the roofing project happened prior to the first Bond Oversight Committee meeting. Roofing, painting, and white boards are from the matching funds.

Update on Construction Projects

PCM3 and Osborn Architects joined the meeting of the Bond Oversight Committee. Tim Ballard, David Charles and Tib DeMartino were present.

Dr. Leininger distributed an executive summary on the construction projects and briefly updated the committee on the various projects. Options on the LCHS Bldg B Band and Home Economics, Paradise Canyon and Palm Crest were reviewed and discussed.

Developer Fees were discussed. The district is currently starting the paper work to increase Developer Fees. A study needs to be done to justify the fee increase. Historically, the district has received approximately \$200,000 per year. Developer Fees can only be used for growth and expanding an existing program. Developer fees are set by the state. The district is currently collecting \$1.50; the current max by the state is well over \$2.09. Mrs. Markowitz asked if the district could apply developer fees toward the band room. Mr. Stratton responded affirmatively.

The Executive Summary and Summary Budget Status reports were discussed. Minor changes were requested. Dr. Leininger will make the requested changes and will distribute the two summaries to the committee as soon as possible.

Possible recommendation to Governing Board

Mr. Steele stated he put this item on the agenda to have the option to make recommendations to the governing board regarding Palm Crest and Paradise Canyon. However, hearing from Mr. Stratton it seems the recommendation would be to further review the districts options regarding the two projects. Mrs. Markowitz asked whether prioritization is an option for the committee. Mr. Steele responded the Bond Oversight Committee is empowered to report on the appropriate use of bond funds and does not have a role in the prioritization process. Mrs. Boyd stated the committee should have this discussion after the district does their review of the contracts. Mr. Steele stated when the time is right the board needs to have a discussion with the community on what should be done with these projects. Mr. Stratton would like the committee to have this discussion prior to the governing board making any decision.

Mr. Steele stated the committee should get a press release out about the last two meetings. Mr. Steele will draft one and it will be discussed at the next meeting.

SCHEDULING OF FUTURE COMMITTEE MEETINGS

The next meeting of the Bond Oversight Committee was scheduled for April 27, 2006 at 7:30 a.m. at 4490 Cornishon Drive, Round Building Conference Room in La Canada, California 91011

OPPORTUNITY FOR PUBLIC COMMENT

None

ADJOURNMENT

There being no further business to discuss the meeting was adjourned at 10:00 am