

**LA CAÑADA UNIFIED SCHOOL DISTRICT
MEETING OF THE BOND OVERSIGHT COMMITTEE**

September 20, 2006

**4490 Cornishon Avenue
La Canada, California 91011**

The meeting was called to order at 8:00 a.m. by Chair, Craig Steele

ROLL CALL

Those in attendance were:

Craig Steele
Celina Lew
Susan Boyd

Julie Markowitz
Jim Stratton

Mike Leininger
Terry Walker

Dr. Loose and Diane Clinton were also present. Robert Louk, William Choi and Barry Franzen were not present.

APPROVAL OF AGENDA

It was moved and seconded (Walker/Markowitz) to approve the agenda. The motion to approve the agenda was adopted unanimously,

APPROVAL OF MINUTES

Mr. Steele reported the minutes of the June 6, 2006 meeting of the Bond Oversight Committee were distributed to the committee members in advance for review. It was moved and seconded (Markowitz/Walker) to approve the minutes of June 6, 2006. The motion to approve the minutes of June 6, 2006 meeting of the Bond Oversight Committee was adopted unanimously.

AGENDA

Quarterly Fund Update

Dr. Loose distributed a Bond Fund Update.

Audit Update

Dr. Loose reported towards the end of June he contacted Mr. Franzen with the district's auditor information. Mr. Franzen contacted the auditors and discussed criteria for the audit of the bond funds. The auditors were here and reviewed 40 items, about 3%. Of those 40 items there were no findings. The complete written audit report will be coming shortly. When the audit is available Ms. Garcia will attend a BOC meeting to discuss the audit. This is expected to be sometime around November. Mr. Steele reported that Mr. Franzen asked him to report that he is very happy with the outcome of his discussions with the auditors.

Construction Update

Dr. Leininger provided a construction update by distributing project information on the LCHS EMS and LCHS Bldg F Choral and Elevator Bldg B, which are both Osborn projects. Dr. Leininger provided budget information and schedule information on both projects.

Dr. Leininger discussed the LCHS Bldg B and Home Economics project which is being handled through Lundgren Management. Dr. Leininger reported he has been very happy with Lundgren Management. There is someone from Lundgren Management on site every day to oversee this project. The Lundgren contract is currently for 10 months and is based on a single project. The contract is a flat fee.

The Palm Crest and Paradise Canyon projects are pending.

Update on District Office property

Dr. Leininger provided a two page summary from the Palm Drive Review Committee. The Board directed staff to talk to the City of La Cañada Flintridge to get an idea on whether or not they are interested in a Joint Use project at the site. Staff was also asked to confirm with the PCR site committee that a multi-purpose room at the DO site would address the site's desire to reduce the number of lunch periods needed in the current cafeteria. Staff was also asked to work with the state on whether we qualify for Joint Use funds.

Mrs. Markowitz asked if current construction plans at Palm Crest were tied to the decision on the old district office property. Dr. Leininger responded yes, but stated it is the goal of the district to move quickly. Mrs. Markowitz asked if there was a timeline. Mr. Stratton responded there are a number of variables that could stop the DO proposal quite quickly: the City may show no interest and/or we may not qualify for Joint Use funds.

The Joint Use project would be paid half from the state, a quarter from the Joint Use partner and a quarter from the district. Mr. Steele clarified that originally the sale of the district property was to cover the cost of the FIS project. Mr. Steele asked if the City has shown interest in the Joint Use project. Mr. Stratton responded that the two City Council reps at the Joint Use Committee were interested enough to request additional information.

Construction Process Draft

Dr. Leininger provided a draft of the construction process, including new steps suggested by past experience.

Developer Fee update

Dr. Loose provided an update on the Developer Fee Justification Study. At the September 12th meeting of the Governing Board the Board approved by Resolution the

increase of Developer Fees. Fees were increased to \$2.63 for residential and \$.42 for commercial. The increase will take place in November.

Dr. Loose distributed information regarding Fund 25.0 Developer Fees.

Acceptance of Legal Opinion

Mr. Stratton reported that at the last meeting he distributed a legal opinion on the Palm Crest multi purpose room from Martin Fine of Best, Best & Krieger. The legal opinion was reviewed. It was moved and seconded (Markowitz/Walker) to accept the legal opinion from Best, Best & Krieger. The motion to accept the legal opinion from Martin Fine of Best, Best & Krieger on the Palm Crest multi-purpose room was adopted unanimously.

Scheduling of Future Meetings

The next meeting of the Bond Oversight Committee was scheduled for November 29, 2006 at 7:30 am in the district office board room.

The meeting was adjourned at 9:06 am.