

**LA CAÑADA UNIFIED SCHOOL DISTRICT
MINUTES OF THE SPECIAL MEETING OF THE GOVERNING BOARD**

June 17, 2004

The Special Meeting of the Governing Board of La Cañada Unified School District was called to order at 8:30 a.m. by President Andy Beattie on June 17, 2004 in Room 211 at La Canada High School in La Cañada, California. Present were Board Members Andy Beattie, Jinny Dalbeck, Ron Dietel, Cindy Wilcox, and Scott Tracy, Superintendent Sue Leabo, Deputy Superintendent Jim Stratton.

MEMBERS PRESENT: Mr. Andy Beattie, President
Mr. Ron Dietel, Vice President
Mrs. Cindy Wilcox, Clerk
Mr. Scott Tracy, Member
Mrs. Jinny Dalbeck, Member

SPECIAL MEETING

The Special Meeting of the Governing Board was convened at 8:40 p.m. in Room 211 at La Canada High School, La Cañada, California. Present were the five Governing Board Members, Dr. Leabo, Mr. Stratton, Executive Secretary to the Superintendent Kim Bergner. There was one person in the audience. Mr. Beattie led the Pledge of Allegiance to the Flag.

OPPORTUNITY TO ADDRESS BOARD

The following audience members addressed the Board:

None

PROPOSED ACTION ITEMS

1. First Reading

***Loan regarding Sewer Assessment, R179-03-04.** . It was moved and seconded (Tracy/Dietel) to approve Loan Structure on Loan regarding Sewer Assessment, R155-03-4. The City needs to know the loan structure the district is interested in prior to July 16, 2004. Dr. Leabo's recommendation is loan concept 1, which would provide the district with the most flexibility. This twenty year loan requires interest payments for the first five years, and principal and interest payments in the subsequent years. The District can make principal payments at any time during the loan. The second option is a twenty year, fully amortized loan with fixed principal payments of \$20,000 per year. Mr. Beattie stated the flexibility with option one is in the first five years the district can pay whatever the district wants. The second option is fixed payments. Mr. Beattie stated the flex option is the right thing to do. Dr. Leabo stated the aim is to make the interest payments as low as possible over the life of the loan by making principal reductions during the first five years, or at any time during the loan. Both loans have the option of additional borrowing. Mr. Tracy questioned the lock in date for interest on each loan. Mr. Tracy agrees flexibility is important. The additional \$200,000 was discussed. Mrs. Wilcox expressed concern on the long term commitment the board is making for the district. The motion to approve loan concept #1 regarding sewer assessment was adopted unanimously.

2. Second Reading


Approval of Contract for Construction Management Services, R161-03-04. It was moved and seconded (Dalbeck/Dietel) to approve the contract for construction management service with PCM3. Dr. Leabo reported she was asked at the last meeting to contact Osborn Architects to look at providing construction management services to the district. Dr. Leabo reported Osborn Architects expressed some concern regarding submitting a proposal for construction management services due to the circumstances leading up to Dr. Leabo's request. A ballpark proposal was received verbally from Osborn Architect at \$1.6 or \$1.7 million, which is approximately 7 - 8%. Osborn's rate would not include a site manager or additional support staff. Comparisons were made between the two options on construction management services. General Conditions were clarified. The motion to approve the contract for construction management services with PCM3 was adopted by a 4:1 vote, with Mrs. Wilcox being the nay vote.

COMMUNICATIONS

None

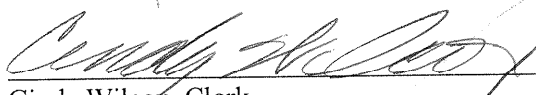
ADJOURNMENT

There being no further business before the Board, the meeting was adjourned at 9:25 a.m. The Next Regular Meeting of the Governing Board will be held on Tuesday, June 29, 2004, at 7:00 p.m. in Room 41 at 4490 Cornishon Avenue.



 Sue Leabo, Superintendent
 Secretary to the Governing Board

MINUTES APPROVED



 Cindy Wilcox, Clerk



 Date