



309 North Rios Avenue  
Solana Beach, California  
92075

Phone: (858) 792-6937  
Fax: (858) 792-8270  
Email: [jpa@sbsd.k12.ca.us](mailto:jpa@sbsd.k12.ca.us)

## BOARD OF DIRECTORS

**Eric Dill,**

Chairperson,

San Dieguito Union High

School District

**Nancy Lynch,**

Vice Chairperson,

Solana Beach School

District

**Doug Rafner,**

Director,

Del Mar Union School

District

**Mark Risco,**

Executive Director and

Board Secretary

# North City West School Facilities Financing Authority Board of Directors' Meeting

June 11, 2015

309 North Rios Avenue Solana Beach, CA 92075

2:30 p.m.

Phone: (858) 792-6937; Fax: (858) 792-8270

## Welcome...

### PUBLIC COMMENTS

With the exception of personnel items, individuals wishing to address the Board concerning an agenda item (or on other topics pertaining to JPA/CFD jurisdiction) are invited to do so at this time.

In the interest of time, **public presentations are limited to five (5) minutes per person, per topic.** If you wish to speak, please complete a card (located at the sign-in desk); and present it to the Board chairperson before commencement of the meeting. When the chairperson invites you to speak, please state your name, address and/or organization before making your presentation.

**Please note:** The law does not permit complaints and/or charges against an employee or staff member in an open Board of Directors' meeting.

In accordance with the Brown Act, there shall be no action taken for an item that has not been scheduled on a published agenda. Instead, the Board may:

- 1) Acknowledge receipt of the information,
- 2) Refer to staff for further study, or
- 3) Defer the matter to a future agenda.

We appreciate your cooperation.

### PUBLIC INSPECTION OF DOCUMENTS

In compliance with *Government Code 54957.5*, agenda related documents distributed to the Board less than 72 hours prior to meetings are available for inspection at North City West School Facilities Financing Authority executive offices located at 27368 Via Industria, Suite 110, Temecula, California.

### CLOSED SESSION

To consider timely, qualified matters of litigation, personnel, or on real estate negotiations, the Board may meet in a closed session.

### AMERICANS WITH DISABILITIES ACT

In compliance with the *Americans with Disabilities Act*, please contact the director at (858) 792-6937 by **noon**, the day before the Board meeting, to arrange reasonable accessibility for meeting participation.

Please set cellular phones and pagers to **silent mode**, and engage in conversations outside the meeting room.

# North City West School Facilities Financing Authority

## Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

## AGENDA

<u>Items</u>	<u>Page No.</u>
<b>1. CALL TO ORDER</b>	
<b>2. ROLL CALL</b>	
<b>3. PLEDGE OF ALLEGIANCE</b>	
<b>4. APPROVAL OF AGENDA</b>	<b>1-2</b>
<b>5. APPROVAL OF MINUTES</b>	<b>3-5</b>
A. Regular Meeting March 12, 2015	
<b>6. PUBLIC COMMENT</b>	
In accordance with the Brown Act, unless an item has been placed on the published agenda, there shall be no action taken. The Board may 1) acknowledge receipt of the information, 2) refer to staff for further study, or 3) refer the matter to the next agenda.	
<b>7. BOARD DISCUSSION ITEMS</b>	
A. Response to Questions regarding NCWSFFA (Handout)	
<b>8. ADJOURNMENT INTO CLOSED SESSION</b>	
A. Conference with Legal Counsel – Potential Litigation (Government Code Section 54956.9(d)(4).)	
• Facts have arisen creating potential for litigation involving the Authority and MKS Residential.	
<b>9. ADJOURNMENT FROM CLOSED SESSION/RECONVENE REGULAR BOARD MEETING</b>	
<b>10. FINANCIAL REPORTS</b>	<b>6-15</b>
The following reports record the routine business of the JPA/CFD for Fiscal Year 2014/15. Members of the Board, the administration or the public may request that specific items be discussed prior to their acknowledgement.	
A. Executive Summary	
B. Building Permit Activity	
C. Financial Overview	
D. Income & Expenditures (through April 2015)	
E. Trust Fund Balances & Investments	

# North City West School Facilities Financing Authority

## Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

## 11. EXECUTIVE DIRECTOR'S REPORT

- A. Delinquency Management Update For Fiscal Year 2014-15
  - CFD 1- 120 parcels delinquent on first installment as of February 9, 2015. 1.3% delinquency rate.
  - CFD 2- 1 parcel delinquent on first installment as of February 9, 2015. 1.9% delinquency rate.
  - 121 Reminder Letters sent 3/5/15 for CFD 1 & 2
- B. Annual Continuing Disclosure reports for bond issues filed by April 1 due date
- C. Form 700 filings completed by April 1 deadline
- D. Mitigation fee reporting commencing in FY 2015-16 (Gov. Code 66000 et seq.)

## 12. ACTION ITEMS

16 - 27

- A. Consideration and Potential Approval of Mitigation Agreement with MKS; Direction to Staff to Begin Planning for Potential New CFD
- B. Review and Approve NCW JPA Administrative Budget for Fiscal Year 2015/16
- C. Election of NCW JPA Board officers for Fiscal Year 2015/16
- D. Establish dates and time for regular NCW JPA Board meeting for Fiscal Year 2015/16
- E. Approve Annual Special Tax levy for CFD No. 1 Special Taxes for Fiscal Year 2015/16
- F. Approve Annual Special Tax levy for CFD No. 2 Special Taxes for Fiscal Year 2015/16
- G. Approve Resolution 15-02 to appoint representatives and alternates to the San Diego County School Risk Management JPA
- H. Approve signature authority for Fiscal Year 2015/16 for the following: Office of Education warrants and mail; Wells Fargo Zero Balance account; San Diego County Treasurer fund transfers; and Trustee (US Bank) bond fund.

## 13. OTHER

- A. NCWSFFA historical review

## 14. ADJOURNMENT

The next scheduled Board Meeting will be held on [TBD by Board vote]\_\_\_\_\_ at the Solana Beach District Office. The District Office is located at 309 North Rios Avenue, Solana Beach, CA. 92075

# North City West School Facilities Financing Authority

## Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

## ITEM 4

### MINUTES

The Directors of the **North City West School Facilities Financing Authority** and Community Facilities District 1 & 2 of the North City West School Facilities Financing Authority held a **Regular Meeting** on **March 12, 2015** at Solana Beach School District Offices, 309 North Rios Avenue, Solana Beach, CA, 92075. (The letters "JPA" will be used in place of North City West School Facilities Financing Authority and the letters "CFD" will be used in place of Community Facilities Districts 1 & 2).

#### 1. CALL TO ORDER

The meeting was called to order by Chairperson Dill at 2:32 p.m.

#### ROLL CALL


Directors: Eric Dill, Board Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District

#### Quorum Achieved

Other Personnel, Member Districts:

Caroline Brown, Solana Beach School District  
Carlos Estella, Solana Beach School District  
Holly McClurg, Del Mar Union School District

Administration: Mark Risco, Secretary & Executive Director, Willdan Financial Services  
Gladys Medina, Willdan Financial Services  
Bob Quaid, Willdan Financial Services

Guests:  Tyrone Dorward, Best Best & Krieger

#### 2. PLEDGE OF ALLEGIANCE

#### 3. APPROVAL OF AGENDA

Moved by Director Lynch, seconded by Director Rafner to approve the March 12, 2015 agenda  
Ayes: Lynch, Rafner, Dill. Motion Carried: 3:0:0

#### 4. APPROVAL OF MINUTES

- A. Moved by Director Rafner, seconded by Chairperson Eric Dill to approve the minutes of the 11-18-14 Special Meeting minutes.  
Ayes: Rafner, Dill. Abstain: Lynch (not present at the 11/18/15 meeting). Motion Carried: 2:0:1

# North City West School Facilities Financing Authority

## Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

- B. Moved by Director Rafner, seconded by Chairperson Eric Dill to approve the minutes of the 12-11-14 Regular Meeting minutes.  
Ayes: Lynch, Rafner, Dill. Motion Carried: 3:0:0

## 5. PUBLIC COMMENT

There were no comments from the public.

## 6. FINANCIAL REPORTS

There were no comments by the Board on the Financial Statements as of December 31, 2014.

Mr. Risco reported a March 10th inquiry by the One Paseo developer requesting the NCW school fee calculation.

## 7. EXECUTIVE DIRECTOR'S REPORT

Mr. Risco reported on the following.

- NCWSFFA annual financial audit for FY 2014-15 was completed in December with no audit exceptions resulting in a clean opinion by the auditors.
- Delinquency rates for both CFD's remain very low. Two properties have delinquencies outstanding longer than five years, which will initiate foreclosure action by the County.
- Form 700 Statement of Economic Interest for each director and contractor is due to the San Diego City Clerk by the filing deadline of April 1. Willdan is monitoring the preparation of the forms to ensure timely filing by all parties.

## 8. ACTION ITEMS

- A. Motion to receive the FY 2013-2014 NCWSFFA Audited Financial Statement.  
Moved by Director Lynch, seconded by Director Rafner  
Ayes: Lynch, Rafner, Dill. Motion Carried: 3:0:0
- B. Motion to approve the FY 2014-2015 Master Plan Letter to the City of San Diego.  
Moved by Director Rafner, seconded by Director Lynch,  
Ayes: Lynch, Rafner, Dill. Motion Carried: 3:0:0
- C. Motion to amend the FY 2014-2015 NCWSFFA Expense Budget for Outside Legal Fees to \$34,500, Executive Director to \$82,000 and Outside Consultants to \$114,385.  
Moved by Director Rafner, seconded by Director Lynch  
Ayes: Lynch, Rafner, Dill. Motion Carried: 3:0:0



# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

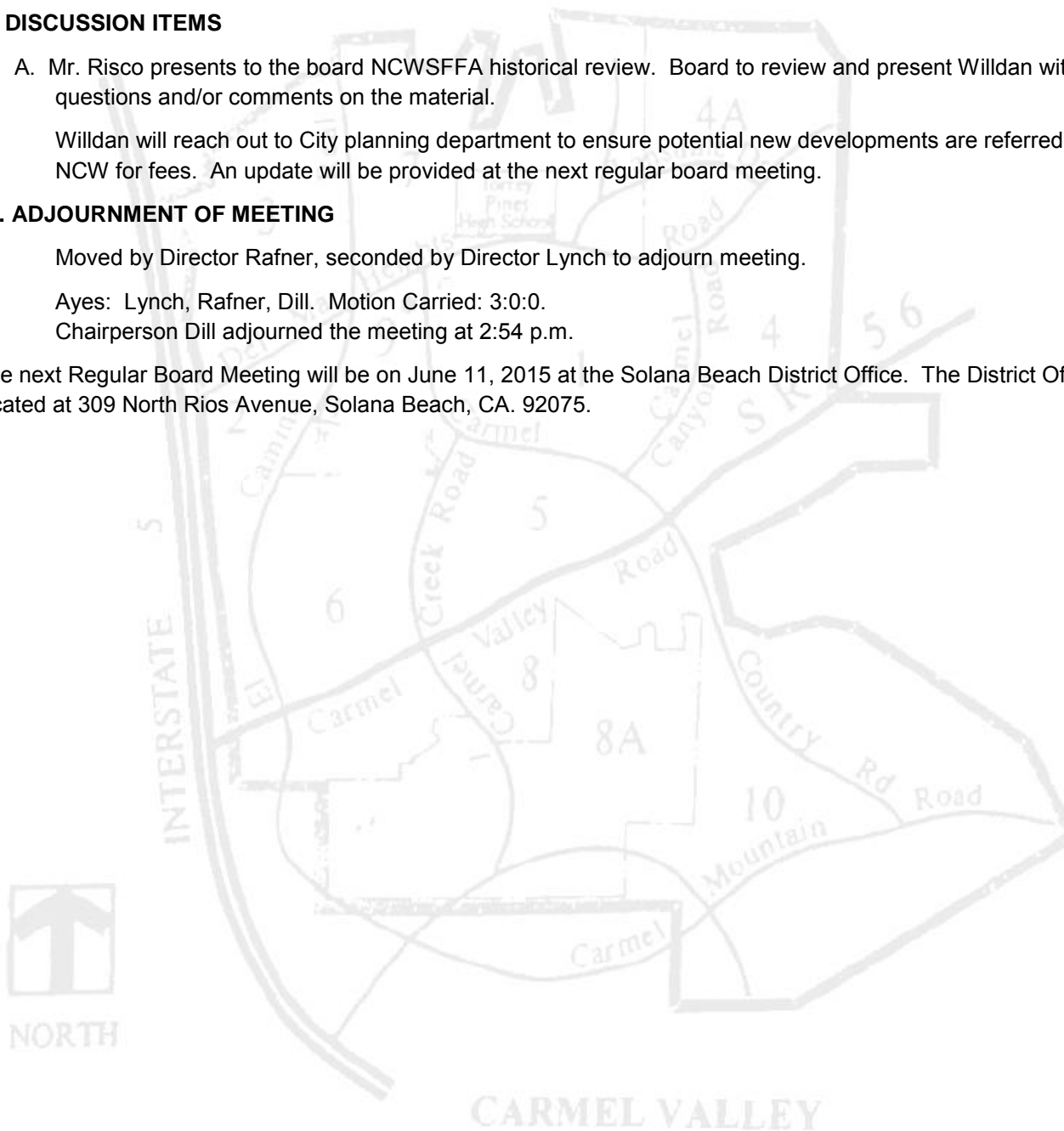
## 9. DISCUSSION ITEMS

- A. Mr. Risco presents to the board NCWSFFA historical review. Board to review and present Willdan with any questions and/or comments on the material.  
  
Willdan will reach out to City planning department to ensure potential new developments are referred to NCW for fees. An update will be provided at the next regular board meeting.

## 10. ADJOURNMENT OF MEETING

Moved by Director Rafner, seconded by Director Lynch to adjourn meeting.  
  
Ayes: Lynch, Rafner, Dill. Motion Carried: 3:0:0.  
Chairperson Dill adjourned the meeting at 2:54 p.m.

The next Regular Board Meeting will be on June 11, 2015 at the Solana Beach District Office. The District Office is located at 309 North Rios Avenue, Solana Beach, CA. 92075.



# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

## ITEM 10A

### **SUBJECT: EXECUTIVE SUMMARY, FINANCIAL REPORTING THROUGH APRIL 30, 2015**

#### **1. Building permits/One-Time Special Tax (Permit fees) for CFD No.1:**

For Fiscal Year 2014/15, there were no building permits issued through April 30, 2014.

In May, twenty two (22) MFR permits were issued and \$36,960 one-time special taxes collected. Annual special tax levy on the units will be \$27,368 commencing in FY 2015-16.

#### **2. Direct Deposit Master Plan school fees:**

For Fiscal Year 2014/15, Fund 18 (25-18) was established to account for Direct Deposit School Fees.

Direct Deposit Fees of \$27,043 were received in FY 2014/15 relating to one single family permit.

Combined Direct Deposit Fees for FY 2013/14 and FY 2014/15 total \$287,063.

#### **3. CFD No. 1 Special Tax Collections:**

Received 9 of the 13 apportionments for Fiscal Year 2014/15 totaling \$5,704,902.46

#### **4. CFD No. 2 Special Tax Collections:**

Received 9 of the 13 apportionments for Fiscal Year 2014/15 totaling \$50,999.84



CARMEL VALLEY

# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

**ITEM 10B-1  
 CARMEL VALLEY RESIDENTIAL BUILDING PERMITS**

*Current Fiscal Year 2014-15  
 As of May 31, 2015*

DATE	DEVELOPER	NGH	DEL MAR			SOLANA BEACH			C.V. TOTAL			ANNUAL	Project Name
			SF	MF	TOTAL	SF	MF	TOTAL	SF	MF	TOTAL	SPECIAL TAX	
5/11/15	CR Carmel Valley LLC			22	22				0	22	22	\$ 27,368	Carmel Row
<b>TOTAL</b>			0	22	22	0	0	0	0	22	22	\$ 27,368	

**No permits have been submitted for period ending May 31, 2015.**



CARMEL VALLEY



# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

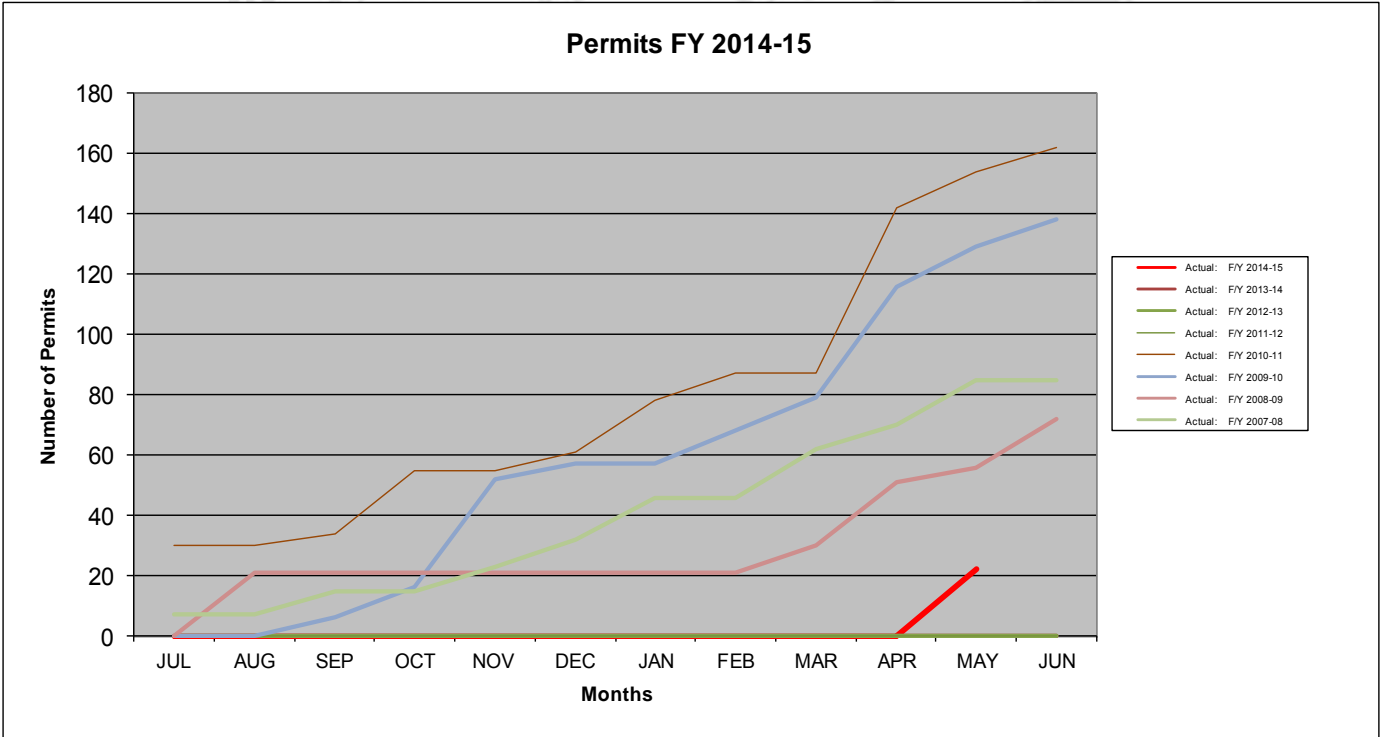
**ITEM 10B-2**

**CARMEL VALLEY RESIDENTIAL BUILDING PERMITS**

**YEAR TO DATE TOTALS**

*Current Fiscal Year 2014-15*

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Actual: F/Y 2014-15	0	0	0	0	0	0	0	0	0	0	22	
Actual: F/Y 2013-14	0	0	0	0	0	0	0	0	0	0	0	0
Actual: F/Y 2012-13	0	0	0	0	0	0	0	0	0	0	0	0
Actual: F/Y 2011-12	0	0	0	0	0	0	0	0	0	0	0	0
Actual: F/Y 2010-11	30	30	34	55	55	61	78	87	87	142	154	162
Actual: F/Y 2009-10	0	0	6	16	52	57	57	68	79	116	129	138
Actual: F/Y 2008-09	0	21	21	21	21	21	21	21	30	51	56	72
Actual: F/Y 2007-08	7	7	15	15	23	32	46	46	62	70	85	85



# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

## ITEM 10C

### FINANCIAL OVERVIEW

The financial overview consists of three parts:

#### **ITEM 10C-1 - Summary of Current Funds Available for Future Projects**

Shows funds on deposit as of the beginning of each fiscal quarter, less current fiscal year encumbrances, resulting in the balance of unencumbered funds available for future projects.

Funds held in the San Diego County Treasury (through the S.D. County Office of Education).

**Fund 18** (25-18): Capital Facilities/Mitigation Fees.

**Fund 77** (21-09): CFD No. 1 Special Tax Funds.

**Fund 78** (21-10): CFD No. 1 Special Taxes collected by the County of San Diego.

**Fund 79** (35-00): CFD No. 2 Special Taxes collected by the County of San Diego.

**Fund 83** (21-25): Del Mar Neighborhood #8A School Site Fund.

**Fund 84** (21-25): Del Mar Neighborhood #8A School Construction Fund.

Currently inactive funds: 76, 80, 81, 82

#### **ITEM 10C-2 - Financial Status of Approved Projects**

Shows the annual approved project budgets, the year to date project expenditures (by county fund or bonds), the percent of budget spent year to date, and the resulting unspent balance remaining for the fiscal year.

# North City West School Facilities Financing Authority

## Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

### ITEM 10C-1

#### SUMMARY OF CURRENT FUNDS AVAILABLE FOR FUTURE PROJECTS

Current Fiscal Year 2014-15  
As of April 30, 2015

	Dec 31, 2013	April 30, 2014	June 30, 2014	Sept 30, 2014	April 30, 2015
<b>FUNDS ON DEPOSIT</b>					
Fund 18, Mitigation Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$287,182.00
Fund 76, subordinate tax fund	6,248.00	6,258.60	6,258.66	6,264.82	6,283.98
Fund 77, CFD #1 devel fees & check acct	1,257,796	1,259,919	1,519,939	1,521,346	1,265,867
Fund 78, less semi-annual bond payments	6,361,213	8,496,064	11,092,623	5,496,460	9,551,501
Fund 79, Master Plan fees & CFD #2	(6,758)	-	25,648	35,698	55,640
Fund 80, SBSB #6 site	-	-	-	-	-
Fund 81, La Costa Canyon	-	-	-	-	-
Fund 82, SBSB #6 construction	-	1	-	-	-
Fund 83, DMUSD #7 land	84,896	85,040	85,040	85,123	85,384
Fund 84, DMUSD #7 construction	4	4	4	4	4
1997C Bond Construction Fund	-	-	-	-	-
2002 Bonds Special fund	41,054	41,054	41,054	41,054	41,054
2005A & B Bonds Project Fund	4,707,771	4,707,792	4,713,203	4,713,386	4,718,817
<b>Total Unrestricted Funds on Deposit</b>	<b>\$12,452,224.51</b>	<b>\$14,596,133.16</b>	<b>\$17,483,769.49</b>	<b>\$11,899,337.46</b>	<b>\$16,011,732.71</b>
<b>ENCUMBRANCES</b>					
Carmel Valley Middle School Expansion	\$ 5,368,166	\$ 5,368,166	\$ 5,368,166	\$ 5,525,448	\$ 5,525,448
La Costa Canyon High School					
Torrey Pines H.S. C.S.R. addition					
Ashley Falls School					
Ashley Falls addition					
Sage Canyon School (Neighb. #10)					
Sage Canyon 8 Relocatables					
Del Mar School (Neighb. #8A) site	72,852	72,852	72,852	72,852	72,852
Del Mar School (Neighb. #8A) construct.					
Other Del Mar JPA Relocatables					
Solana Pacific School construction					
Administration	81,520	18,098	10,647	178,714	179,752
NCW JPA Reserve					
<b>Total Encumbrances</b>	<b>\$ 5,522,538</b>	<b>\$ 5,459,116</b>	<b>\$ 5,451,665</b>	<b>\$ 5,777,014</b>	<b>\$ 5,778,052</b>
<b>SUMMARY</b>					
Total Unrestricted Funds on Deposit	\$ 12,452,225	\$ 14,596,133	\$ 17,483,769	\$ 11,899,337	\$ 16,011,733
Encumbrances (current fiscal year)	(5,522,538)	(5,459,116)	(5,451,665)	(5,777,014)	(5,778,052)
<b>Unencumbered Funds Available</b>	<b>\$ 6,929,687</b>	<b>\$ 9,137,017</b>	<b>\$ 12,032,105</b>	<b>\$ 6,122,324</b>	<b>\$ 10,233,681</b>

# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

**ITEM 10C-2**

**FINANCIAL STATUS OF APPROVED PROJECTS**

Current Fiscal Year 2014-15  
 As of April 30, 2015

		C.V. MIDDLE SCHOOL	DEL MAR ELEM. N #8A School	TOTAL PROJECTS	ADMIN.
F/Y 2014/15	L		\$ 72,852	\$ 72,852	
BUDGET	C	\$ 5,525,448	\$ -	\$ 5,525,448	\$ 268,635
EXPEND.	L			\$ -	
FUND 78	C			\$ -	\$ 166,685
EXPEND .	L			\$ -	
FUND 79	C			\$ -	\$ 13,066
EXPEND.	L			\$ -	
FACIL. FUND.	C			\$ -	
TOTAL	L			\$ -	
EXPEND.	C	\$ -	\$ -	\$ -	\$ 179,752
PERCENT	L		0.0%		
OF BUDGET	C	0.0%	0.0%		66.9%
BALANCE	L		\$ 72,852	\$ 72,852	\$ -
REMAINING	C	\$ 5,525,448	\$ -	\$ 5,614,331	\$ 88,883

# North City West

## School Facilities

### Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

**ITEM 10D-1**

**INCOME TO DATE, Funds 18, 76, 77, 78, 79, 80, 81, 82, 83, & 84**

Current Fiscal Year 2014-15  
 As of April 30, 2015

DATE	ITEM NO.	SOURCE	FUND 18 (25-18)		FUND 77 (21-09)		FUND 78 (21-10)			FUND 79 (35-00)				FUND 76 (21-62)	FUNDS (21-00,25)
			MITIGATION INCOME	INTEREST INCOME	PERMIT FEE INCOME	INTEREST INCOME	TAX APPN. INCOME	INTEREST INCOME	MISC. INCOME	TAX APPN. INCOME	INTEREST INCOME	PERMIT INCOME	MISC. INCOME	INTEREST INCOME	INCOME
7/16/14	CT	County Int, 100% 6/30/14				\$ 1,407.80			\$ 9,896.63			\$ 9.45		\$ 6.16	\$ 83.69
7/17/14	CT	Apportionment #13	-	-	-	-	17,187.00	-	-	-	-	-	-	-	-
8/12/14	CT	Apportionment #1	-	-	-	-	5,287.84	-	-	-	-	-	-	-	-
9/9/14	CT	Apportionment #2	-	-	-	-	11,911.61	-	-	-	-	-	-	-	-
9/18/14	CT	Mitigation Fee								27,043.00					
9/19/14	J0995	Refund Special Tax - Undeliverable Check					452.00								
9/24/14	12-353587	Refund Special Tax					(113.00)								
10/7/14	CT	Apportionment #3					7,547.16			3,035.30	-	-	-		
10/24/14	CT	County Int, 100% 9/30/14				1,367.97		6,862.61			15.24			5.63	76.54
11/4/14	CT	Apportionment #4					337,703.62			3,789.00					
12/10/14	CT	Apportionment #5					1,369,313.31			11,196.00					
1/13/15	CT	Apportionment #6					2,959,508.58			23,014.00					
1/20/15	CT	County Interest 12/31/14				1,560.91		6,186.83			41.47			6.43	87.34
2/10/15	CT	Apportionment #7					290,681.75			2,501.54					
	AT3725	Transfer from Fund 35-00	27,043.00							(27,043.00)					
3/10/15	CT	Apportionment #8					335,833.00			3,110.00					
3/19/15	12-401093	Mark Wazny and Janet Han_PO Refund					(339.00)								
4/7/15	CT	Apportionment #9					369,928.59			4,354.00					
4/20/15	CT	County Int, 100% 4/20/15		119.01		1,612.03		10,218.55			73.10			7.10	96.41
<b>YEAR TO DATE TOTAL INCOME</b>			<b>\$ 27,043.00</b>	<b>\$ 119.01</b>	<b>\$ -</b>	<b>\$ 5,948.71</b>	<b>\$ 5,704,902.46</b>	<b>\$ 33,164.62</b>	<b>\$ -</b>	<b>\$ 50,999.84</b>	<b>\$ 139.26</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25.32</b>	<b>\$ 343.98</b>
<b>FORECAST TOTAL INCOME</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,401,728.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 67,798.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>PERCENT COLLECTED YEAR TO DATE</b>							<b>67.9%</b>			<b>75.2%</b>		<b>NA</b>			



# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

**ITEM 10D-2**

**EXPENDITURES TO DATE, Funds 18, 76, 77, 78, 79, 80, 81, 82, 83, & 84**

Current Fiscal Year 2014-15  
 As of April 30, 2015

DATE	VENDOR	PURPOSE	WARRANT / SOURCE	EXPENDITURES			(21-10) Semi-Anl Paym. Int. & Principal
				(21-10)	(35-00)	(21-10)	
				FUND 78	FUND 79 54907 ADMIN	TOTAL EXPEND.	
07/29/14	US Bank	Transfer to Trustee for Debt Service	12-337065	\$ 1,201,944.22		\$ 1,201,944.22	1,201,944.22
07/29/14	AT&T	Phone Service July 11 thru Aug 10	12-337066		30.48	\$ 30.48	-
07/29/14	Best Best & Krieger LLP	Legal Services Rendered thru June 30	12-337067		1,244.18	\$ 1,244.18	-
07/29/14	US Bank	Administrative Fees 6/1/14-5/31/15 (2012A)	12-337068		2,400.00	\$ 2,400.00	-
07/29/14	US Bank	Administrative Fees 6/1/13-5/31/14 (2006C)	12-337068		3,062.50	\$ 3,062.50	-
08/07/14	US Bank	Transfer to Trustee for Debt Service	12-339110	4,438,840.35		\$ 4,438,840.35	4,438,840.35
08/14/14	Best Best & Krieger LLP	Legal Services Rendered thru July 31	12-340892		1,729.84	\$ 1,729.84	-
08/22/14	AT&T	Phone Service Aug 11 thru Sept 10	12-342982		30.20	\$ 30.20	-
09/02/14	Best Best & Krieger LLP	Refund of over payment	DO1930/J1319		(1,244.18)	\$ (1,244.18)	-
09/24/14	Best Best & Krieger LLP	Legal Services Rendered thru August 31	12-353588		116.02	\$ 116.02	-
09/24/14	Bondlogistix	Interim Arbitrage Rebate Report - Series 2005A & B, 2006C	12-353589		1,500.00	\$ 1,500.00	-
09/26/14	AT&T	Phone Service Sept 11 thru Oct 10	12-354611		36.31	\$ 36.31	-
09/26/14	San Diego County - Mapping Dept.	NCW Map (Carmel Valley South)	12-354612		16.00	\$ 16.00	-
10/20/14	A001506 External Transfer USD	Self Liability Insurance	A001506		4,145.00	\$ 4,145.00	-
11/07/14	AT&T	Phone Service Oct 11 thru Nov 10	12-367752	34.90		\$ 34.90	-
11/07/14	Best Best & Krieger LLP	Legal Services Rendered thru Sept 30	12-367753	5,638.71		\$ 5,638.71	-
11/07/14	Bondlogistix	Interim Arbitrage Rebate Report - Series 2002	12-367754	1,500.00		\$ 1,500.00	-
11/07/14	US Bank	Administrative Fees 9/1/14-8/31/15 (2002)	12-367755	2,700.00		\$ 2,700.00	-
11/18/14	Best Best & Krieger LLP	Legal Services Rendered thru Oct 31	12-370961	1,289.53		\$ 1,289.53	-
11/25/14	AT&T	Phone Service Nov 11 thru Dec 10	12-373501	44.90		\$ 44.90	-
11/25/14	Del Mar USD	Demographic Study Fees-Enrollment Projection for FY 13-14	12-373502	22,470.15		\$ 22,470.15	-
11/25/14	San Dieguito UHSD	Demographic Study Fees-Enrollment Projection for FY 13-14	12-373503	7,059.25		\$ 7,059.25	-
11/25/14	Solana Beach SD	Demographic Study Fees Enrollment Projection for FY 07-08 thru FY 13-14	12-373504	30,855.63		\$ 30,855.63	-





# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

DATE	VENDOR	PURPOSE	WARRANT / SOURCE	EXPENDITURES			(21-10) Semi-Anl Paym. Int. & Principal
				(21-10) FUND 78	(35-00) FUND 79 54907 ADMIN	TOTAL EXPEND.	
01/09/15	AT&T	Phone Service Dec 11 thru Jan 10	12-382970	34.90		\$ 34.90	-
01/09/15	Best Best & Krieger LLP	Legal Services Rendered thru Nov 30	12-382971	4,209.34		\$ 4,209.34	-
01/09/15	Solana Beach SD	Cash Conference for Caroline Brown Oct 28-29, 2014	12-382972	760.84		\$ 760.84	-
01/09/15	Wilkinson Hadley King & Co. LLP	Billing for the 2014 Annual Audit	12-382973	4,500.00		\$ 4,500.00	-
01/14/15	Willdan Financial Services	Professional Services Rendered from July 2014 through November 2014	12-384363	42,479.15		\$ 42,479.15	-
01/16/15	Willdan Financial Services	Continuing Disclosure Compliance Review Services	12-385059	4,000.00		\$ 4,000.00	-
01/23/15	Best Best & Krieger LLP	Legal Services Rendered thru Dec 31	12-386514	3,910.00		\$ 3,910.00	-
02/11/15	US Bank	Transfer to Trustee for Debt Service-Warrant cancelled 2-26-15	12-391342			\$ -	-
02/11/15	US Bank	Transfer to Trustee for Debt Service	12-395264	1,471,719.16		\$ 1,471,719.16	1,471,719.16
03/06/15	Best Best & Krieger LLP	Legal Services Rendered thru Jan 31	12-397316	2,577.02		\$ 2,577.02	
03/19/15	AT&T	Phone Service Dec 11 thru March 10	12-401092	135.72		\$ 135.72	
03/30/15	Best Best & Krieger LLP	Legal Services Rendered thru Feb 28	12-403956	3,841.00		\$ 3,841.00	
04/09/15	Willdan Financial Services	Professional Services Rendered from Dec 2014 through February 2015	12-405799	25,975.41		\$ 25,975.41	
04/21/15	Best Best & Krieger LLP	Legal Services Rendered thru March 31	12-408387	2,669.02		\$ 2,669.02	
<b>Total Expenditures To Date:</b>				<b>\$ 7,279,189.20</b>	<b>\$ 13,066.35</b>	<b>\$ 7,292,255.55</b>	<b>\$ 7,112,503.73</b>



# North City West

## School Facilities

### Financing Authority

Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

#### ITEM 10E

#### Trust Fund Balance and Investments

Current Fiscal Year 2014-15  
 As of April, 2015

USB Account	Account Description	Issuer	Investment Type	Rating S&P/Moodys	Date Purchased	Maturity	Term Years	Investment				
								Par	% Rate	Mkt Value	% Yield	
131352-004	2002 Reserve Fund	FHLB	Note	AA+/AAA	12/18/2012	11/20/2015	2.92	\$ 235,000	0.500	\$ 235,408	0.330	
		FNMA	Note	AA+/AAA	12/18/2012	11/15/2016	3.91	229,000	1.375	232,171	0.540	
		FNMA	Note	AA+/AAA	12/18/2012	12/20/2017	5.01	240,000	0.875	240,014	0.800	
		FNMA	Note	AA+/AAA	9/18/2013	9/18/2018	5.00	240,000	1.875	246,033	1.845	
		First American Treasury	MMK					256,615	-	256,615	-	
							<b>Total</b>	<b>\$ 1,200,615</b>		<b>\$ 1,210,241</b>	<b>0.699%</b>	
											Weighted	
790415-003	2005B/2006C Reserve Fund	FHLB	Note	AA+/AAA	12/18/2012	11/20/2015	2.92	\$ 350,000	0.500	\$ 351,728	0.330	
		FNMA	Note	AA+/AAA	12/18/2012	11/15/2016	3.91	341,000	1.375	351,996	0.540	
		FNMA	Note	AA+/AAA	12/18/2012	12/20/2017	5.01	351,000	0.875	352,289	0.800	
		FNMA	Note	AA+/AAA	9/18/2013	9/18/2018	5.00	360,000	1.875	360,513	1.880	
		US Bank	MMK					379,725	0.020	379,718	0.020	
							<b>Total</b>	<b>\$ 1,781,725</b>		<b>\$ 1,796,244</b>	<b>0.706%</b>	
											Weighted	
790415-004	2005B Project Fund	GE Capital	CP	A-1+ / P-1	7/31/2014	4/27/2015	0.75	\$ 4,500,000	0.160	\$ 4,494,600	0.162%	
		US Bank	MMK					218,812	0.020	218,812	0.020	
							<b>Total</b>	<b>\$ 4,718,812</b>		<b>\$ 4,713,412</b>	<b>0.162%</b>	
							<b>Grand Total</b>	<b>\$ 7,701,152</b>		<b>\$ 7,719,897</b>	<b>0.391%</b>	
											Weighted	



CARMEL VALLEY

# North City West School Facilities Financing Authority

## Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

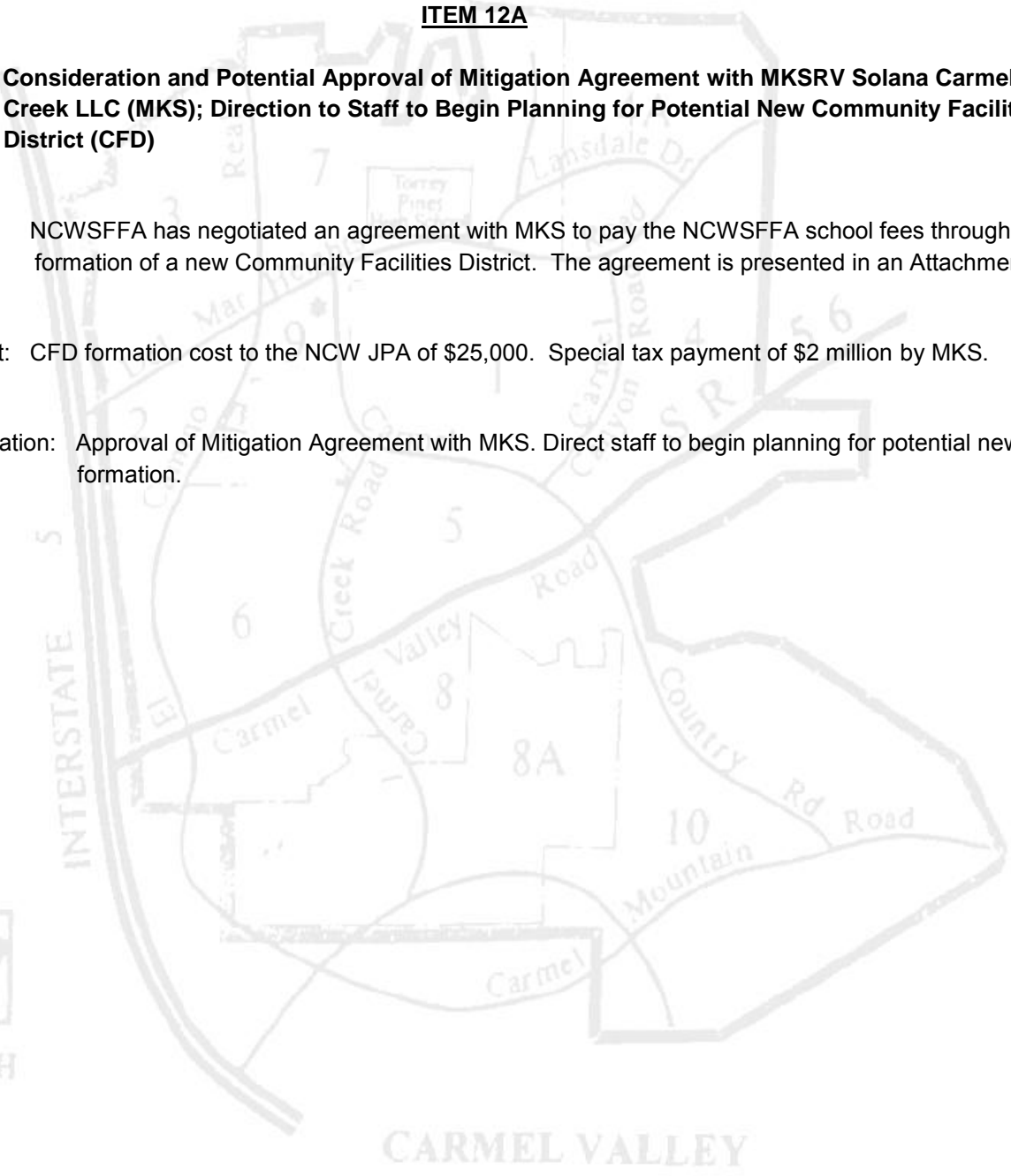
### ITEM 12A

**SUBJECT: Consideration and Potential Approval of Mitigation Agreement with MKSRV Solana Carmel Creek LLC (MKS); Direction to Staff to Begin Planning for Potential New Community Facilities District (CFD)**

**Background:** NCWSFFA has negotiated an agreement with MKS to pay the NCWSFFA school fees through the formation of a new Community Facilities District. The agreement is presented in an Attachment.

**Fiscal Impact:** CFD formation cost to the NCW JPA of \$25,000. Special tax payment of \$2 million by MKS.

**Recommendation:** Approval of Mitigation Agreement with MKS. Direct staff to begin planning for potential new CFD formation.



# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

**ITEM 12B-1**

**SUBJECT: REVIEW AND Approve NCW JPA ADMINISTRATIVE BUDGET FOR Fiscal Year 2015/16.**

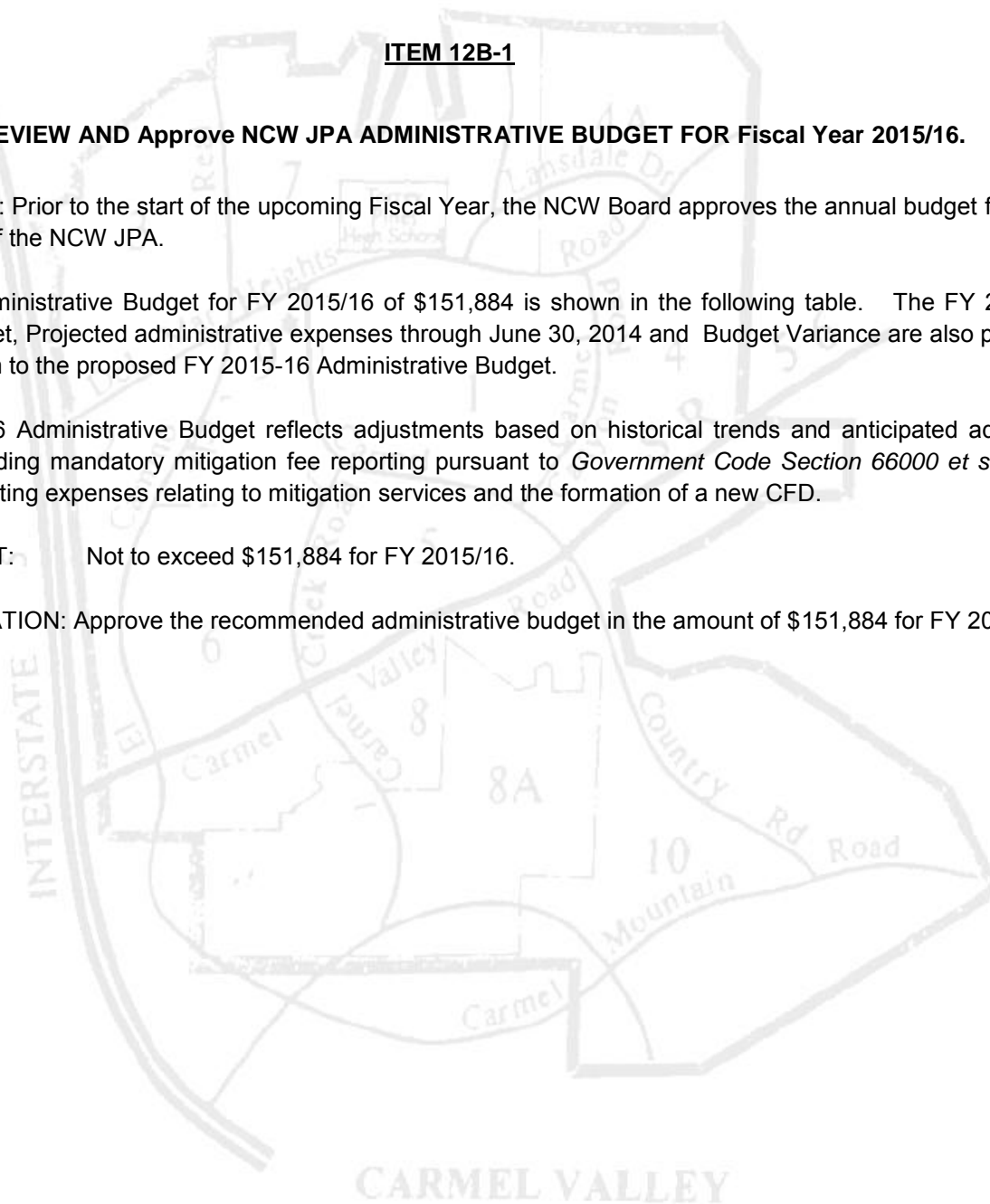
**BACKGROUND:** Prior to the start of the upcoming Fiscal Year, the NCW Board approves the annual budget for administration of the NCW JPA.

A proposed Administrative Budget for FY 2015/16 of \$151,884 is shown in the following table. The FY 2014-15 Amended Budget, Projected administrative expenses through June 30, 2014 and Budget Variance are also provided as a comparison to the proposed FY 2015-16 Administrative Budget.

The FY 2015/16 Administrative Budget reflects adjustments based on historical trends and anticipated additional expenses, including mandatory mitigation fee reporting pursuant to *Government Code Section 66000 et seq.* and legal and consulting expenses relating to mitigation services and the formation of a new CFD.

**FISCAL IMPACT:** Not to exceed \$151,884 for FY 2015/16.

**RECOMMENDATION:** Approve the recommended administrative budget in the amount of \$151,884 for FY 2015/16.



# North City West

## School Facilities

### Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

**ITEM 12B-2**

**NCW/JPA ADMINISTRATIVE EXPENSE BUDGET**

*FY 2014/15 OUTLOOK AND FY 2015/16 PROPOSED BUDGET*

ACCOUNT DESCRIPTION	FY 14/15 Amended BUDGET	FY 14/15 Year End PROJECTED	FY 14/15 Over/(Under) BUDGET	FY 15/16 Proposed BUDGET
Supplies	\$ 100	\$ 16	\$ (84)	\$ 50
Travel/Conference	3,000	\$ 2,225	\$ (775)	3,000
Dues & Subscriptions	250	\$ -	\$ (250)	100
Telephone	500	\$ 452	\$ (48)	500
Insurance	4,000	\$ 4,145	\$ 145	4,300
Contingency	1,000	\$ -	\$ (1,000)	1,000
Audit, annual	5,800	\$ 5,800	\$ -	6,000
Arbitrage Calculation	5,000	\$ 3,000	\$ (2,000)	5,000
Office of Education	8,100	\$ 8,100	\$ -	8,100
Bond Trustee	10,000	\$ 8,163	\$ (1,838)	9,000
Outside Legal services (1)	34,500	\$ 34,088	\$ (412)	12,000
Executive Director (2)	82,000	\$ 82,000	\$ (0)	58,000
Outside Consultants (3)	114,385	\$ 60,385	\$ (54,000)	44,834
		\$ -		
<b>TOTAL EXPENSES</b>	<b>\$ 268,635</b>	<b>\$208,373</b>	<b>(\$60,262)</b>	<b>\$ 151,884</b>

- (1) Includes regular general counsel services and special mitigation agreement matters
- (2) Executive Director amount is inclusive of expenses, supplies and other services. Includes required mitigation fee reporting beginning in FY 2015-16 and contingency for additional mitigation matters.
- (3) Includes demographic study reimbursements to the school districts and new CFD 3 formation costs

CARMEL VALLEY

# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

**ITEM 12C**

**SUBJECT: Election of NCW JPA Board officers for Fiscal Year 2015/16.**

BACKGROUND: The Joint Powers Agreement of April 15, 1983, section 2D, requires that the Board shall elect a Chairperson, Vice-chairperson, and Secretary to hold office for a period of one year commencing July 1 of each Fiscal Year. The Chairperson and Vice-chairperson must be Directors appointed by each member District. The Secretary may, but need not be, a Director.

At our June meeting, these three Board officers are nominated and elected to serve for the upcoming fiscal year, commencing July 1.

FISCAL IMPACT: None

RECOMMENDED ACTIONS: Nominations for Board Chairperson, Vice-Chairperson and Secretary

1. Move by \_\_\_\_\_, second by \_\_\_\_\_ to elect

\_\_\_\_\_ as Chairperson of the NCW JPA/CFD for fiscal year 2015/16.

2. Move by \_\_\_\_\_, second by \_\_\_\_\_ to elect

\_\_\_\_\_ as Vice-chairperson of the NCW JPA/CFD for fiscal year 2015/16.

3. Move by \_\_\_\_\_, second by \_\_\_\_\_ to elect

\_\_\_\_\_ as Secretary of the NCW JPA/CFD for fiscal year 2015/16.



CARMEL VALLEY



# North City West School Facilities Financing Authority

## Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

### ITEM 12D-1

**SUBJECT: Establish dates and time for regular NCW JPA Board meetings for Fiscal Year 2015/16.**

**BACKGROUND:** Usually each June, the NCW JPA Board sets the dates and times of regular meetings for the upcoming fiscal year. The NCW Joint Powers Agreement requires the Board hold at least one regular meeting in each 3 month (quarterly) period of each year. Usually, Board meetings are set for the 2<sup>nd</sup> Thursday of the month.

**RECOMMENED ACTION:** Approve the NCW JPA Board regular meeting time, location and dates for Fiscal Year 2015/16, subject to the Directors' schedules.

**FISCAL IMPACT:** None

Approve Proposed Board Meetings for FY 2015-16

**Time:** 2:30 p.m., unless otherwise noted

**Location:** Solana Beach School District conference room, unless otherwise noted  
309 North Rios Avenue, Solana Beach, CA 92075

#### Proposed Regular meeting dates (for Fiscal Year 2015/16)

Thursday, **September 10, 2015**

Thursday, **December 10, 2015**

Thursday, **March 10, 2016**

Thursday, **June 9, 2016**

Note: Considerations before setting calendar:

- Area Superintendents meeting (monthly on 3<sup>rd</sup> Thursday)
- C.A.S.H. conferences & meetings
- June graduation date
- Spring & Winter recess
- District Trustee meetings



# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

**ITEM 12E-1**

**SUBJECT: Resolution No. 15-02 levying the CFD No. 1 Special Taxes in the amount of \$8,327,840 for fiscal year 2015/16.**

**BACKGROUND:** Annually, the JPA/CFD Board must authorize the levy of the annual Special Taxes on the developed residential parcels within North City West (Carmel Valley) CFD No. 1. These Special Taxes generate the revenue necessary to pay the annual debt service on the 2002, 2005B, 2006C and 2012A Bonds, school expenses and administrative costs.

A history of CFD No. 1 Special Taxes levied since inception in 1989 is on the following page.

**FISCAL IMPACT:** Anticipated Fiscal Year 2015/16 revenue of \$8,327,840 (assumes 100% collections).

**RECOMMENDATION:** Approve Resolution No. 15-02 authorizing the Fiscal Year 2015/16 CFD No. 1 Special Tax Levy.

Moved by \_\_\_\_\_, second by \_\_\_\_\_ to levy the Special Tax for Community Facilities District No. 1 according to Exhibit A, Part I of Tax Ordinance No. 7 as detailed in Attachment 1\*

*2015/16 Fiscal Year = 8,305 Parcels \$8,327,840 Special Tax*

The Special Tax Rate utilized in preparing Attachment 1\* above is as follows and is hereby adopted.

Housing Size (habitable square feet)	Annual Special Tax (dollars)
2500 and above	\$1,244.00
2250 to 2499	\$1,131.00
2000 to 2249	\$1,018.00
1750 to 1999	\$905.00
1500 to 1749	\$791.00
1250 to 1499	\$678.00
1000 to 1249	\$565.00
0 to 999	\$452.00



\* The attachment is available for inspection at the JPA/CFD office and will be filed as part of the minutes of this meeting.

# North City West

## School Facilities

### Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

**ITEM 12E-2**

Fiscal Year	No. of Parcels (APN's)	Annual Special Tax Levy
	Cumulative	Cumulative
89-90	1,012	\$1,136,938
90-91	1,290	\$1,663,671
91-92	1,684	\$1,775,055
92-93	1,865	\$1,974,788
93-94	2,132	\$2,144,943
94-95	2,645	\$2,640,931
95-96	3,034	\$3,035,122
96-97	3,393	\$3,242,976
97-98	3,905	\$3,912,884
98-99	4,621	\$4,710,803
99-00	5,094	\$5,167,306
00-01	5,680	\$6,455,967
01-02	6,077	\$6,929,733
02-03	6,303	\$7,118,268
03-04	6,401	\$7,233,627
04-05	6,583	\$7,319,319
05-06	6,834	\$7,506,384
06-07	7,581	\$7,698,530
07-08	7,826	\$7,836,282
08-09	7,909	\$7,937,389
09-10	7,981	\$8,019,158
10-11	8,054	\$8,154,052
11-12	8,209	\$8,301,486
12-13	8,246	\$8,305,218
13-14	8,246	\$8,305,218
14-15	8,283	\$8,300,472
Current Fiscal Year 15-16	8,305	\$8,327,840



NORTH

CARMEL VALLEY

# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

**ITEM 12F-1**

**SUBJECT: Resolution 15-03 levying the CFD No. 2 Special Taxes in the amount of \$64,688 for fiscal year 2015/16.**

**BACKGROUND:** Annually, the JPA/CFD Board must authorize the levy of the annual Special Taxes on the developed residential parcels in the North City West (Carmel Valley) CFD No. 2.

We send a database containing each parcel number and the appropriate Special Tax amount to the County Controller each year. The Special Tax is included in the annual County property tax bill.

**FISCAL IMPACT:** Anticipated Fiscal Year 2015/16 revenue of \$64,688.00.  
 (assumes 100% collections).

**RECOMMENDATION:** Approve Resolution No. 15-03 authorizing the Fiscal Year 2015/16 CFD No. 2 Special Tax Levy.

Moved by \_\_\_\_\_, second by \_\_\_\_\_ to levy the Special Tax for Community Facilities District No. 2 according to Exhibit B., Part I of Resolution 97-4 dated October 21, 1997, as detailed in Attachment No. 2\*.

*2015/16 Fiscal Year = 52 Parcels \$64,688.00*

The Special Tax Rate utilized in preparing Attachment 2\* above is as follows and is hereby adopted.

Housing Size (habitable square feet)	Annual Special Tax (dollars)
2500 and above	\$1,244.00
2250 to 2499	\$1,131.00
2000 to 2249	\$1,018.00
1750 to 1999	\$905.00
1500 to 1749	\$791.00
1250 to 1499	\$678.00
1000 to 1249	\$565.00
0 to 999	\$452.00

\* The attachment is available for inspection at the JPA/CFD office and will be filed as part of the minutes of this meeting.



# North City West

## School Facilities

### Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
 Nancy Lynch, Vice Chairperson, Solana Beach School District  
 Doug Rafner, Director, Del Mar Union School District  
 Mark Risco, Executive Director and Board Secretary

**ITEM 12F-2**

Fiscal Year	No. of Parcels (APN's) Cumulative	Annual Special Tax Levy Cumulative
99-00	18	\$22,392
00-01	18	\$22,392
01-02	18	\$22,392
02-03	18	\$22,392
03-04	18	\$22,392
04-05	52	\$64,688
05-06	52	\$64,688
06-07	52	\$64,688
07-08	52	\$64,688
08-09	52	\$64,688
09-10	52	\$64,688
10-11	52	\$64,688
11-12	52	\$64,688
12-13	52	\$64,688
13-14	52	\$64,688
14-15	52	\$64,688
Current Fiscal Year 15-16	52	\$64,688



CARMEL VALLEY



# North City West School Facilities Financing Authority

## Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

### ITEM 12G

**SUBJECT: Resolution 15-04 appointing representatives and alternates to the San Diego County Schools Risk Management JPA**

**BACKGROUND:** The North City West JPA carries liability and errors and omissions insurance through the San Diego County Schools Risk Management JPA.

The NCW Board annually appoints representatives immediately to insure representation at the semiannual and other risk management meetings where member voting is required. Staff recommends that alternates be added to insure the Risk Management JPA has a quorum at each meeting.

For Fiscal Year 2014-15, the NCW Board appointed Mr. Mark Risco and Ms. Gladys Medina of Willdan Financial as the regular representatives and Carlos Estrella with Solana Beach School District and Eric Dill with the San Dieguito Union High School District as alternate representatives should Mr. Risco or Ms. Medina be unavailable to attend a meeting. Staff recommends these same authorized representatives for FY 2015-16. The following Resolution 15-02 will authorize their participation.

**FISCAL IMPACT:** None.

**RECOMMENDATION:** Approve Resolution 15-04 designating Mark Risco and Gladys Medina as authorized representative and Carlos Estrella and Eric Dill as alternate representatives of the NCW JPA to the San Diego County Schools Risk Management Joint Powers Authority.



CARMEL VALLEY

# North City West School Facilities Financing Authority

## Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

### ITEM 12H

**SUBJECT: Review and Approve Resolutions and signature authority for Fiscal Year 2015/2016 for the following: Office of Education warrants and mail; Wells Fargo zero balance account; San Diego County Treasurer Fund transfers; and Trustee (US Bank) bond fund.**

BACKGROUND: Annual Approval of Signature Authority is required for the San Diego Office of Education. The following are the current authorized signers for NCW JPA.

1. Warrant signing authority (2 Signatures required): Mark Risco, Gladys Medina, Eric Dill
2. Receive Office of Education mail and pick up warrants: Mark Risco, Gladys Medina, Eric Dill
3. Checking account signature authority at Wells Fargo Bank (2 Signatures required): Mark Risco, Gladys Medina, Eric Dill
4. San Diego County Treasurer wire transfers: Mark Risco, Gladys Medina
5. US Bank bond fund transfers: Eric Dill, Mark Risco

FISCAL IMPACT: None

#### RECOMMENDATION:

Approve Resolution 15-05 authorizing Mark Risco, Gladys Medina and Eric Dill to sign school orders.  
Approve Resolution 15-06 Mark Risco, Gladys Medina and Eric Dill to receive emails and pickup warrants.  
Approve Mark Risco and Gladys Medina to authorize wire transfers to US Bank for debt service payments  
Approve Mark Risco, Gladys Medina and Eric Dill as authorized signatories for Wells Fargo Bank accounts  
Approve Mark Risco and Eric Dill as authorized signatories for US Bank bond fund accounts

RECORDING REQUESTED BY AND

WHEN RECORDED, RETURN TO:

North City West School Facilities Financing Authority  
309 N. Rios Ave.  
Solana Beach, CA 92075

---

**MITIGATION AGREEMENT & LIMITED RELEASE**

This Mitigation Agreement and Limited Release ("Agreement") is entered into effective the 28th day of April 2015 (the "Effective Date"), between, on the one hand, MKSRV Solana Carmel Creek LLC, a Delaware limited liability company ("MKSRV"); and, on the other hand, North City West School Facilities Financing Authority ("NCWSFFA"), as the final agreement between MKSRV and NCWSFFA regarding the amount of school facility or development impact mitigation necessary to mitigate the impacts of students generated from the MKSRV project, as detailed below. Both MKSRV and NCWSFFA are referenced herein at times collectively as the "Parties."

**RECITALS**

This Agreement is made with reference to the following facts and circumstances:

A. The MKSRV Project: MKSRV is developing a multi-family residential development in the Carmel Valley area of San Diego County (APN numbers 307-023-38 and 307-023-40, the "Project"). The legal description of the Project is attached hereto as Exhibit "A." When completed, the Project will consist of a 181-unit multifamily apartment development.

B. NCWSFFA is a Joint Powers Authority created and administered by its members, the Del Mar Union, Solana Beach and San Dieguito Union School Districts (the "Districts"). NCWSFFA's primary responsibility is to ensure that appropriate mitigation/financing is provided for the Districts' school facilities within the North City West/Carmel Valley area consistent with its formational documents and as approved by the City of San Diego ("City").

C. NCWSFFA has informed MKSRV that the Project is within the North City West/Carmel Valley planning area, and is thus subject to the school facilities mitigation requirements in the North City West School Facilities Master Plan adopted and approved by the City and the Districts. Accordingly, NCWSFFA contends that the Project is required to pay "Direct Deposit" school mitigation fees (the "Direct Deposit Fees") or provide for other alternative mitigation/financing that ensures that the impacts of the students generated by the Project on school facilities are appropriately mitigated.

D. NCWSFFA and MKSRV have met and discussed the standards for mitigation of such impacts under applicable State law and the North City West/Carmel Valley planning documents and have agreed that it is in their mutual best interest to enter into this Mitigation

## Agenda Item 12A - Attachment

Agreement to ensure that appropriate funding/financing is available as necessary to mitigate the impacts of the students generated by the Project on the Districts' school facilities.

E. This Agreement resolves all such mitigation funding/financing issues, and provides for the creation of a new Community Facilities District which shall be solely for the Project (the "New CFD").

F. MKSRV's participation and cooperation in implementing this Agreement is intended to constitute complete mitigation of the impact of the development of the Project upon NCWSFFA and the Districts in lieu of any Direct Deposit Fees, or any other fees which the NCWSFFA and/or the Districts might have imposed, or be able to impose, on the Project pursuant to Education Code Section 17620 or Government Code Sections 65970, *et seq.* and 65995, *et seq.* as applicable.

NOW, THEREFORE, in consideration of the covenants contained herein, the undersigned agree as follows:

1. Purpose. The purpose of this Agreement is to establish a method of funding the school facilities needed to house potential students generated by the Project and to operate and maintain such school facilities. By entering into this Agreement and complying with its terms, MKSRV shall be deemed to have fulfilled and mitigated their entire obligation to assist in funding school facilities to house the Project students pursuant to Education Code Section 17620 *et seq.*, Government Code Sections 65970, *et seq.* and/or 65995, *et seq.* as applicable.
2. Community Facilities District. NCWSFFA shall, within one hundred eighty (180) days from the Effective Date, create the New CFD through its designated consultants and legal counsel. This time period may be extended by mutual written agreement of the parties, or if a delay is caused by events outside NCWSFFA's or the Districts' control. The first fifty-thousand dollars (\$50,000.00) of NCWSFFA's costs for such New CFD creation incurred from outside vendors (such as NCWSFFA consultants and law firms) shall be split equally (50/50) between the Parties, with MKSRV to reimburse NCWSFFA a maximum of twenty-five thousand dollars (\$25,000) within thirty days after detailed invoices are provided. All of NCWSFFA's costs in excess of the first fifty-thousand dollars (\$50,000.00) shall be paid solely by NCWSFFA. MKSRV agrees, at MKSRV's own expense, to assist NCWSFFA in the creation of such New CFD, and take all actions reasonably necessary as the property owner to help NCWSFFA form the New CFD, including, but not limited to, aiding NCWSFFA in forming the New CFD so that it can authorize the levy of the special tax for the Payment referenced below, along with associated analysis and arguments. The Parties agree to work cooperatively, in creating the New CFD. Prior to the actual creation of the New CFD, MKSRV has the right, to be reasonably exercised by it, to approve any and all formal CFD documents before they are used. The New CFD shall either be promptly dissolved by NCWSFFA upon receipt of the Payment discussed below, or if NCWSFFA desires to keep it in existence after the Payment is received, neither MKSRV (including its successors and assigns) or the Property shall be charged by the New

CFD, NCWSFFA, or the Districts for anything related to the New CFD, and will have no responsibilities of any kind related to it. Immediately upon receipt of the Payment through the New CFD as described herein, NCWSFFA shall record a Notice of Cessation of special tax pursuant to Government Code section 53330.5 stating that the obligation to pay the special tax has ceased and the lien imposed by the recordation of the Notice of Special Tax Lien as part of the formation of the New CFD is extinguished. Additionally, should any of the events occur that are listed in sections 3(a), 3(c), or 5 below, then NCWSFFA shall record a Notice of Cessation of special tax pursuant to Government Code section 53330.5 stating that the obligation to pay the special tax has ceased and the lien imposed by the recordation of the Notice of Special Tax Lien as part of the formation of the New CFD is extinguished.

3. Mitigation Obligation/Payment through New CFD Funding. Upon the earlier of: (a) three (3) years from the Effective Date; or (b) the date of issuance to MKSRV of a final Permanent Certificate of Occupancy for the Project (the "Payment Date"), MKSRV shall pay to NCWSFFA through the New CFD (and in accordance with the terms and conditions of the New CFD's formational documents) two-million dollars (\$2,000,000) as a full and complete mitigation payment for the Project's impact on school facilities (the "Payment"), expressly conditioned on all the following:
  - a. In the case of the three-year date stated above, MKSRV is still pursuing the Project (thus, for example, if MKSRV has abandoned the Project, it does not have to make the Payment);
  - b. In the case of the Permanent Certificate of Occupancy for the Project stated above, MKSRV shall make the Payment concurrent with its receipt of that Permanent Certificate of Occupancy for the Project; and
  - c. Neither the NCWSFFA, its constituent Districts, nor any other State or local agency has demanded school facility or impact fees, or any other school-related mitigation from MKSRV other than the obligations/payments addressed in this Agreement.
4. Agreement Approval By NCWSFFA Board. This Agreement is expressly conditioned upon the NCWSFFA Board of Directors approving it and authorizing a designated signatory to sign it. Once such approval has been made by the NCWSFFA Board of Directors, proof of same shall be provided to MKSRV.
5. Voiding Of Agreement/Tolling. MKSRV is entering into this Agreement based on the representation and warranty hereby made by NCWSFFA that NCWSFFA is the sole entity authorized to assess the Project with any mitigation school impact/facility fees (which include, but are not limited to fees, charges, or general or special taxes for school facilities or costs). Should some other entity claim the right to require the Project to pay any sort of school impact or school facility mitigation fees, MKSRV shall have the unilateral right to void this Agreement upon

written notice to NCWSFFA. The effect of such notice shall be a voiding of this Agreement, and a concurrent tolling of all claims between the Parties from the Effective Date through the date of that notice, so that the Parties are in no way prejudiced by the passage of time. If the Payment has not yet been made when the notice is sent, MKSRV will be relieved of its obligation to make the Payment. If the Payment has already been made prior to the notice being sent, then NCWSFFA shall return the Payment to MKSRV within 30 days of receipt of the notice.

6. Limited Release By NCWSFFA. Subject to, and conditioned on, its receipt of the Payment and no voiding of this Agreement by MKSRV, NCWSFFA, on behalf of itself and its constituent Districts, hereby releases MKSRV from any and all school facility mitigation or development impact fees, costs, taxes, or other exactions, and agrees that the Payment satisfies all such in full. NCWSFFA agrees that once the Payment is made, MKSRV is released from any and all additional mitigation obligations of any type relative to the Project's impact on the Districts' school facilities, and that neither NCWSFFA nor its constituent Districts shall further assess MKSRV in any manner for school-related fees or charges, including but not limited to any fees, general or special taxes, or charges for any continuing existence or operation of the New CFD. NCWSFFA agrees that neither it nor the Districts shall make further demand for, or impose on the Project, any additional impact fees (including but not limited to school fees), general and special taxes, or other exactions, including any for the existence or operation of the New CFD. However, the foregoing release shall not restrict the Districts from seeking approval of any future general obligation bonds or special taxes for the construction, maintenance or operation of school facilities to be approved by the electorate of the applicable District, so long as such bonds or taxes apply to the entirety of the applicable District and are not just applicable to the Project or the New CFD.
7. Waiver of Right to Protest. Execution of this Agreement is made by MKSRV without protest. MKSRV knowingly and willingly waives their right of protest as may be afforded by Government Code Sections 66020 or any other substantive or procedural provision of law, but only as to NCWSFFA and the Districts, and only as to the amount of school facility or development impact mitigation necessary to mitigate the impacts of students generated from the MKSRV project, as covered by this Agreement.
8. NCWSFFA Acknowledgement of Mitigation/Issuance of Certificate(s) of Compliance. NCWSFFA acknowledges that the compliance with terms of this Agreement makes adequate provision for school facilities needed to house the students generated by the Project. Following execution of this Agreement by the Parties, NCWSFFA shall provide MKSRV a written Certificate(s) of Compliance for the Project so that MKSRV may obtain building permits for the Project. NCWSFFA shall also execute letters or other written materials, as reasonably requested by MKSRV or the City, describing this Agreement and stating that adequate provision for school facilities necessary to house the students generated by the Project has been made in connection with development of the Project.



9. Agreement Unaffected By Changes in Law. NCWSFFA and MKSRV agree that each Party has negotiated in good faith to reach accord on this Agreement, and as such, the Agreement is a legally binding contract between the Parties, enforceable by its terms. The Parties agree that to the maximum extent permitted by law, the Agreement shall not be affected, modified, or annulled by any subsequent change in local, state or federal law.
10. No Admissions: The undersigned understand, acknowledge, and agree that the execution of this Agreement is a compromise of disputed claims and this is not to be construed as an admission of liability on the part of any of the Parties as to those disputed claims.
11. Warrants: Each party represents and warrants that it has not heretofore assigned, transferred, or purported to assign or transfer any liability, claim, demand, action, cause of action or right herein released and discharged, and shall indemnify the other Parties from and against: (a) any liability, claim, demand, action, cause of action or right so assigned or transferred in violation of the foregoing representation and warranty; and (b) any and all liability, loss, claim, expense and/or obligation arising directly or indirectly out of its breach of the foregoing representation or warranty.
12. California Law: This Agreement is deemed made and executed in the State of California and in all respects shall be interpreted, enforced and governed by and under the laws of the State of California.
13. Attorney's Fees And Costs: If any action or proceeding is brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to an award of all incurred attorneys' fees and costs.
14. Entire Agreement: This Agreement (i) constitutes the Parties' entire agreement, including all terms, conditions, definitions, warranties, representations, and covenants, with respect to the subject matter hereof, (ii) merges all prior discussions and negotiations between or among any or all of them as to the subject matter hereof, and (iii) supersedes and replaces all terms, conditions, definitions, warranties, representations, covenants, agreements, promises and understandings, whether oral or written, with respect to the subject matter hereof. This Agreement may not be amended, altered or modified except by a writing signed by all Parties hereto.
15. Cooperation: Each Party hereto agrees to perform any further acts and execute and deliver any further documents reasonably necessary to carry out the provisions of this Agreement.
16. Notices: All notices between the Parties related to this Agreement shall be sent via overnight delivery service to:

MKSRV: Mark J. Hattam, Esq.  
Allen Matkins Leck Gamble Mallory Natsis LLP

501 West Broadway, 15th Floor  
San Diego, CA 92101-3541

NCWSFFA: Tyree Dorward, Esq.  
Best Best & Krieger LLP  
655 West Broadway, 15th Floor  
San Diego, CA 92101

17. No Construction Against Drafter: This Agreement and the provisions contained herein shall not be construed or interpreted against any Party on the grounds that such Party or such Party's attorney drafted this Agreement or any of its provisions.
18. Authority: Any individual signing this Agreement on behalf of an entity represents and warrants that he/she is duly authorized to sign and make this Agreement on behalf of said entity.
19. Binding On Successors And Assigns. This Agreement is binding on all successors and assigns of the Parties.
20. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original. Signatures of the Parties may be obtained by facsimile or e-mail and shall be considered effective upon delivery to the other Party.
21. Recordation. NCWSFFA shall have the right to record a copy of this Agreement in the Official Records of the Recorder for the County of San Diego.

///

///

///

Agenda Item 12A - Attachment

IN WITNESS WHEREOF, the Parties hereto execute this Agreement and make it effective as of the date first written above.

MKSRV Solana Carmel Creek LLC,  
a Delaware limited liability company

By: MKSRV Solana Carmel Creek Investors LLC,  
a Delaware limited liability company, its Manager

By: MKS Residential LLC,  
a Delaware limited liability company, its Manager

By: ReyLenn Properties LLC,  
a California limited liability company, its Manager

By: \_\_\_\_\_  
\_\_\_\_\_, its Manager

By: RV Solana Carmel Creek, LP.  
a California limited partnership, its Manager

By: Solana Genpar, LLC,  
a California limited liability company, its General Partner

By: \_\_\_\_\_  
G.A. Ranglas, its Manager

North City West School Facilities Financing Authority:

By: \_\_\_\_\_

Its: