

ITEM 4A

MINUTES

The Directors of the **North City West School Facilities Financing Authority** and Community Facilities District Nos. 1, 2 & 3 of the North City West School Facilities Financing Authority held a **Regular Meeting** on **December 8, 2016** at Solana Beach School District Offices, 309 North Rios Avenue, Solana Beach, CA, 92075. (The letters "NCW" 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 District Nos. 1, 2 & 3).

1. CALL TO ORDER

The meeting was called to order by Chairperson Dill at 1:05 p.m.

ROLL CALL

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

Quorum Achieved

Other Personnel, Member Districts:

Lisa Davis, Solana Beach School District
John Alder, San Dieguito Union School District
Holly McClurg, Director, Del Mar Union School District
Caroline Brown, Solana Beach School District
Cathy Birks, 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: Ty Dorward, Best Best & Krieger.
Warren Diven, Best Best & Krieger.
Wendy Wiles, Bowie Arneson on behalf of Del Mar Union School District.

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF AGENDA

Moved by Director Rafner, seconded by Director Decker to approve the December 8, 2016 agenda
Ayes: Dill, Rafner, Decker. Motion Carried: 3:0:0

4. APPROVAL OF MINUTES

Moved by Director Decker, seconded by Director Rafner to approve the minutes for the 9-8-16 Regular Meeting minutes.
Ayes: Dill, Rafner, Decker. Motion Carried: 3:0:0

5. PUBLIC COMMENT

There were no comments from the public.

6. ADJOURNMENT INTO CLOSED SESSION

Chairperson Eric Dill adjourned to closed session at 1:06 p.m.

A. Conference with Legal Counsel – Potential Litigation with Kilroy Development.

- The Board and Ty Doward from Best Best & Krieger discussed potential options for Kilroy Development direct deposit fees challenge.

Chairperson Eric Dill adjourned from closed session and reconvened open session at 1:57 p.m.

7. FINANCIAL REPORTS

- Authority is solid financially.
- No Building Permits have been pulled for FY 2016-17.

8. EXECUTIVE DIRECTOR'S REPORT

- There were very low delinquencies, CFD 1 and CFD 2 has a delinquency rate of just under .01%.
- Financial audit for FY 2015-16 was just concluded. No issues were presented. The audit report is being prepared.

9. ACTION ITEMS

- A.** Motion by Director Decker, seconded by Director Rafner to accept and file the Series 2002 Interim Arbitrage Rebate Analysis through September 2, 2016.
Ayes: Dill, Rafner, Decker. Motion Carried: 3:0:0
- B.** Motion by Director Rafner, seconded by Director Decker to accept and file the Series 2005A, 2005B, and 2006C Interim Arbitrage Rebate Analysis through September 1, 2016.
Ayes: Dill, Rafner, Decker. Motion Carried: 3:0:0

10. FACILITIES WORKSHOP

- A.** Discussion of future school facilities needs by member agencies.
- Warren Diven with Best Best and Krieger clarified the limits of what school facilities could be financed through the Facilities Financing Agreement and the original NCW Master Plan, which has not been modified based on his research.
 - CFD 1 allowable facilities were limited to specific facilities. CFD 2 allowable facilities were more broad allowing for rehabilitation. All the CFD 1 facilities were those listed in the Master Plan and have been completed expect for the Carmel Valley middle school expansion. Only the CFD 2 funds can be used for the additional broadly described school facilities.
 - Any change to CFD 1 allowable facilities would require a 2/3 approval of registered voters in CFD 1.
 - The Facilities Funding Agreement has no restrictions on the use of the cost overrun monies paid from CFD 1 funds back to the member school districts.
 - Board members requested options for accessing additional CFD 1 funds for needed expansion at the elementary schools and/or replacement of the aged relocatables.
 - State standards of 60% of the permanent classrooms and 40% of the relocatable classrooms were authorized for CFD 1.
 - The NCWSFFA Master Plan may be amended by the Board without a public election to increase the percentage of permanent classroom facilities or replace portable facilities but the amendment would need to be presented to the City of approval.
 - Best Best and Krieger will draft the amendment to the Master Plan to broaden the allowable facilities or propose presenting the modifications in the annual Master Plan update to the City.
 - Willdan will send a copy of the FY 2016-17 Master Plan review letter to all Board members and Warren Diven.

- A special meeting will be scheduled to approve the pending amendment to the Facilities Funding Agreement that will allow advanced funding of existing cost overruns.

11. ADJOURNMENT OF MEETING

Moved by Director Rafner, seconded by Terry Decker to adjourn meeting.
Ayes: Decker, Rafner, Dill. Motion Carried: 3:0:0.

Chairperson Dill adjourned the meeting at 2:58 P.M.

The next Regular Board Meeting will be on March 9, 2017 at the Solana Beach District Office. The District Office is located at 309 North Rios Avenue, Solana Beach, CA. 92075.

Approved by Board at March 14, 2017 Board meeting by vote: 3:0:0



Board Secretary



Date