

NORTH CITY WEST SCHOOL FACILITIES FINANCING AUTHORITY

And the Community Facilities Districts Nos. 1, 2 & 3

REGULAR BOARD MEETING MINUTES

June 13, 2019

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 **June 13, 2019** at Del Mar Union School District Offices, 11232 El Camino Real, San Diego, CA, 92130. (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 & 3).

1. CALL TO ORDER

The meeting was called to order by Chairperson Rafner at 4:04 p.m.

ROLL CALL

Directors Present: Doug Rafner, Board Chairperson, Del Mar Union School District
Tina Douglas, Board Vice Chair, San Dieguito Union High School District
Vicki King, Solana Beach School District

Quorum Achieved

Other Personnel, Member Districts:

John Addleman, Alternate Director, San Dieguito Union High School District
Cathy Birks, Del Mar Union School District
Caroline Brown, Solana Beach School District
Ty Dorward, Best Best & Krieger

Administration: Mark Risco, Executive Director/Willdan Financial Services
Bob Quaid, Administrator, Willdan Financial Services

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF AGENDA

Motion by King, seconded by Douglas to move agenda Item 8F to 3A.

Ayes: Rafner, Douglas, King. Motion Carries: 3:0:0

Motion by Douglas, seconded by King to approve the March 21, 2019 agenda as amended

Ayes: Rafner, Douglas, King. Motion Carries: 3:0:0

3.A Action: Approve letter to City requesting *Change in Reporting Requirements to City under the Master Plan.*

Board directed Ty Dorward to make certain edits to draft letter and bring back to Board for approval at the September 12, 2019 Regular Board meeting. Edits included:

- Correct year in first paragraph of **Historical Overview** from '981' to '1981'
- Change heading of last segment from "Request" to "Notice"
- Under the same last segment of letter , change "approved" to "approve" in the last sentence.
- Change final sentence to "...please let us know no later than March 1, 2020."

4. PUBLIC COMMENT

- There were no comments from the public.

5. CONSENT AGENDA

- A. Approval of Minutes of Regular Meeting on March 21, 2018.
- B. Approve Annual Special Tax levy for CFD No. 1 Special Taxes for fiscal year 2019/20.
- C. Approve Annual Special Tax levy for CFD No. 2 Special Taxes for fiscal year 2019/20.

Motion by Douglas, seconded by King to approve the consent agenda items.

Ayes: Rafner, Douglas, King. Motion Carries: 3:0:0

6. FINANCIAL REPORTS

- No new building permits or related school fees paid for the fiscal year.
- Unencumbered funds projected to be \$1.2 million at year end for Overrun payments to be divided according to the Facilities Funding Agreement.
- Nine (9) of Twelve (12) apportionments for 2018-19 CFD Special Taxes have been received from the County for CFD 1 & CFD 2 totaling \$8.2 million and \$63,247, respectively.
- Significant expenditures fiscal year to date through April 2019 included \$1.1 million in Overrun payments and approximately \$790,000 to SDUHSD for the Carmel Valley Middle School Expansion.
- Trust investment rate of return on Reserve Funds is currently 2.08%.

7. EXECUTIVE DIRECTOR'S REPORT

- Delinquency rate was reported at 1% for both CFD 1 and 4.80% for CFD 2. CFD 2 delinquency rate is expected to decrease to historical 2% by June 30th.
- Staff is working with SDUHSD on finalizing Overruns on the Carmel Valley Middle School Expansion, currently estimated at \$1.5 million. Final Overrun amount will be determined no later than December 2019 Board meeting and presented for Board approval along with the distribution of the projected \$1.2 million JPA surplus.

8. ACTION ITEMS

- A. Election of NCW JPA Board Officers for Fiscal Year 2019/20.

Motion by Douglas, seconded by King to keep Doug Rafner as Board Chairperson, Tina Douglas as Board Vice Chairperson and Mark Risco as Board Secretary for FY 2019/20.

Ayes: Rafner, Douglas, King. Motion Carried: 3:0:0

B. Establish Time, Location and Dates for Regular NCW JPA Board Meetings for Fiscal Year 2019/20.

Motion by Douglas, seconded by King to approve the proposed Time, Location and Dates for the JPA Regular Board meetings for FY 2019/20.

Time: 4:00 p.m., unless otherwise noted

Location: Del Mar Union School District Office
11232 El Camino Real, San Diego, CA

Proposed Regular meeting dates (for Fiscal Year 2019/20):

Thursday, **September 12, 2019**

Thursday, **December 12, 2019**

Thursday, **March 12, 2020**

Thursday, **June 11, 2020**

Ayes: Rafner, Douglas, King. Motion Carried: 3:0:0

Due to time constraints by Director King, Chairperson Rafner solicited a motion to move action Items 8D and 8E in advance of 8C so that these items can be voted on before Director King's departure.

Motion by Douglas, Seconded by King. Ayes: Rafner, Douglas, King. Motion Carried: 3:0:0

C. Review of Service Vendor Quotes for FY 2019/20.

- Bob Quaid presented an overview of the processing and timing for solicitation the quotes with Willdan administering the Legal, Trustee and Audit services and John Addleman administering the JPA Administration and Arbitrage services.
- At least three vendors were solicited for each service. By the quote due date, only one quote was received for Legal and Auditing services, both from the JPA's current service providers of Best Best & Krieger ("BBK") and Wilkinson Hadley King & Co, LLP ("Wilkinson"), respectively. Three quotes were received Trustee services including the current trustee U.S. Bank. Two qualifying quotes were received for the JPA Administration service, including one from Willdan, and two were received for Arbitrage services, including one from Willdan. A summary report of all quotes was provided as Attachment 8C to the agenda.
- The Willdan stepped out the Board meeting while the Board discussed the JPA Executive Director and Arbitrage services for which Willdan provided a quote.
- The Board elected to continue with U.S. Bank and Wilkinson for Trustee and Audit services, respectively, but to conduct interviews for the Executive Director/Administrator, Legal and Arbitrage services. Each school district was instructed to provide Willdan with the contact information of a law firm for a second round solicitation for Legal services.
- Interviews for will be conducted at a Special Board meeting tentatively scheduled for Wednesday, August 21, 2019 at 3:30 p.m., subject to the availability of a Solana Beach School District Board representative. For Legal services, BBK and one other law firm to be determined will be invited. For the Executive Director service, Willdan Financial Services and

Koppel & Gruber will be invited to present. For Arbitrage services, Willdan Financial Services and BLX will be invited to present. Presentations will be limit to 15-20 minutes.

- A decision will be made at the Regular Board meeting in September on which firms will be retained going forward.

D. Website service agreement with San Dieguito Union High School District.

- John Addleman with SDUHSD presented the Board with a visual display demonstrating the SDUHSD web portal and how NCW parcel data can be provided and GIS mapping can be displayed presenting a benefit to NCW property owners, real estate agents and other interested parties. A link will be placed on the NCW website to the SDUHSD portal. No property owner names will be provided.
- The estimated cost for set up is not to exceed \$1,000 and with annual maintenance of approximately \$500. Mark Risco reported that the existing AT&T phone line was cancelled since it was no longer required as the JPA contact information now showing on the NCW website. This action will free up approximately \$660 annually to offset this web portal annual cost.

Motion by King, seconded by Douglas authorizing Executive Director to enter service agreement with San Dieguito Union High School District to post NCW GIS map and property owner data on SDUHSD website and establish link on NCW website.

Ayes: Rafner, Douglas, King. Motion Carried: 3:0:0

E. North City West JPA Administrative Budget for Fiscal Year 2019/20

Motion by Douglas, seconded by King to approve proposed Administrative Expense budget in the amount of \$129,120 for Fiscal Year 2019/20.

Ayes: Rafner, Douglas, King. Motion Carried: 3:0:0

F. Approve letter to City requesting *Change in Reporting Requirements* to City under the Master Plan.

- The Board noted edits to be made to the letter draft by Best Best and Krieger and instructed them to make the revisions and present the revised letter to the Board for approval at the September 12, 2019 Board meeting.

No Action was taken on this item.

9. DISCUSSION ITEMS

A. Review of JPA Historical Binders.

- Willdan provided two JPA Overview information binders for each of the member school districts. The binders included copies of the NCW Master Plan, GIS maps, CFD statistical data, agreements, etc.

B. Quarterly review of funds available for payment of approved Overruns

- Bob Quaid reviewed the Overrun summary highlighting the amount currently distributed and projected funds to be distributed in December 2019.

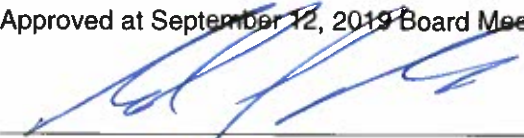
10. ADJOURNMENT

Motion by Douglas, seconded by King to adjourn meeting.
Ayes: Rafner, Douglas, King. Motion Carries: 3:0:0.

Chairperson Rafner adjourned the meeting at 5:17 P.M.

The next Regular Board Meeting will be at 4:00 P.M. on September 12, 2019 at the Del Mar Union School District Office located at 11232 El Camino Real, San Diego, CA.

Approved at September 12, 2019 Board Meeting by vote: 3:0:0



Board Secretary

9/12/19

Date