

BOND OVERSIGHT COMMITTEE MEETING MINUTES
Wednesday, January 28, 2004
District Office Board Room

CALL TO ORDER AND ROLL CALL: The meeting was called to order at 7:30 p.m. Members of committee in attendance: Susan Cassens, June Rono, Chris Jew, Mary Larsen, Dale Osborn, John Saludes, Liz Chew, LeRoy Christopherson, and Jorge Licea. Guest: Jan Feintuch

APPROVAL OF AGENDA & MINUTES: The agenda was unanimously approved and seconded. There was a correction to the minutes under "Approval of minutes". Susan mentioned that minutes should be e-mailed when possible to each member. The minutes, with corrections, were then unanimously approved and seconded.

STAFF REPORTS:

FINANCIAL INFORMATION: Chris Jew distributed the Financial Month End Report for October, November, and December of 2003 (Phase I), and September 2003 (Phase II) and summary pages. He suggested that the summary pages be sent with the minutes each month, and the detail pages be handed out at the meeting. He also commented that detail sheets and summaries that were questioned did in fact equal each other.

Jorge asked if there would be an amphitheatre at Vinci Park. Leroy answered that it would be a partial amphitheatre and combine it with the Modernization. June mentioned that we would be replacing and relocating the picnic tables.

UPDATE ON LITIGATION: Chris Jew announced that we are going forward with the litigation. It was scheduled to begin in January, but the surety's legal council asked not to start until February due to former litigations, so it will start the first week in February.

In looking at the deposition information, legal council advised Chris that they feel the information supports our position. They felt Noble was not strong enough in the past, but now seem to feel the information is strong enough to move forward.

June informed us that if arbitration goes in our favor, approximately \$6 million will go into Modernization Phase II. The settlement will include attorney fees. He felt we have a strong case based on case law, but there are no guarantees.

STATUS OF MODERNIZATION PROJECTS:

Phase I: June Rono informed us that we are still in the process of close out. Laneview and Northwood have submitted all the paperwork necessary for close out. Noble and Ruskin still have a few documents that need to be submitted.

Phase II: Leroy Christopherson gave a presentation he had presented at the Board Meeting. It basically went over costs for modernization and showed how over budget we already are and

where we may be able to make some adjustments. Copies of this presentation can be obtained from Leroy.

June mentioned that we are trying to use only money we have, and not to rely on arbitration money.

June thought we were going to have to put fire sprinklers in all of Brooktree, Majestic Way, and Summerdale at an expense of \$250,000 per school, but we just found out today that we are within code compliance, so this will be a large savings.

The next meeting is scheduled for Wednesday, February 25, 2004, and everyone will receive notification by e-mail.

The meeting adjourned at 8:30 pm.

JF:hjs