

ORANGE UNIFIED SCHOOL DISTRICT
Facilities Subcommittee Meeting of the Board of Education
October 4, 2016
7:30 P.M.

Subcommittee Board Members: Tim Surr ridge, Chair, Kathy Moffat and Rick Ledesma, Members

Agenda Documentation: If available, backup documentation for items on the agenda will be posted on the District's website.

Meeting Location: District Education Center, 1401 N. Handy St., Bldg. B, Orange CA 92867

MEETING MINUTES

A. OPENING PROCEDURES

Mr. Ledesma called the meeting to order at 7:40 P.M.

A.1 Roll Call

Mr. Ledesma and Mrs. Moffat present. Mr. Surr ridge was absent.

A.2 Pledge of Allegiance

Mr. Ledesma invited the audience in reciting the Pledge of Allegiance.

A.3 Approval of Agenda

Mrs. Moffat motioned to approve the agenda; second by Mr. Ledesma.
Motion passed 2-0-1

A.4 Approval of Minutes:

To be submitted for approval at a future date.

A.5 Next Meeting:

October 17, 2016 at 6:00 P.M.

B. PUBLIC COMMENT

B.1 Public Comment

Members of the public are invited to speak on matters related to the District's facilities at this time. Members of the public may speak on individual items of interest in the agenda as the items are discussed. Speaking time is limited to three minutes per speaker.

Public Comment: None.

C. DISCUSSION ITEMS

C.1 Facilities Subcommittee Organizational Meeting for Program Management Services

The Facilities Subcommittee will discuss the process they will follow with respect to evaluating and interviewing Program Management Services for recommendation to the Board of Education. Discussion will also include dates for scheduling the consultant interviews.

Presenter: Joe Sorrera, Assistant Superintendent, Business Services

Discussion:

The Subcommittee established an organizational process for interviewing program management services in anticipation of Measure S. Four (4) firms submitted their proposals on or before the advertised deadline date of September 28, 2016.

Additional discussion by the Subcommittee members established the following directions to staff:

- Invite all four (4)-program management firms to present on Monday, October 17, 2016 at 6:00 P.M., District Office, Conference Room B
 - Subcommittee reserved Tuesday, October 18, 2016, as backup meeting date
- Presentations would consist of a flexible use of 20 minutes for presentation and 20 minutes for questions and answers
- Project Management Service Proposals to be given to Subcommittee members by Friday, October 7, 2016

C.2 Bond Financing Presentation

Mr. Adam Bauer from Fieldman Rolapp and Associates presented information on bond financing.

Presenter: Adam Bauer, Chief Executive Officer of Fieldman, Rolapp & Associates

Discussion:

Mr. Bauer's current presentation addresses specifically the \$29 tax rate and the \$288 million proposed general obligation (GO) bond resolution. Mr. Bauer clarified the limitations and requirements of the GO Bonds. The time of issuance and the assumptions over the term of the bond are critical to the sale of the bonds. In addition, a Citizen Oversight Committee is currently in place and well ahead of the 60-day certification requirement posed by the county if the measure passes. Pent-up assessed value, turn-over of homes, Capital Appreciation Bonds (CAB), Current Interest Bonds (CIB), payment ratios, and like terminology were discussed and its relevancy to the District's current bond proposal explained by Mr. Bauer.

The Subcommittee considered the possibility of the states, Proposition 51, passing and how it could influence the way the District would employ its strategy in the issuance of its bond sales.

A Subcommittee member requested that information from Mr. Bauer's presentation be put into a factual 'user friendly format' in an effort to dispel the misinformation in the community. Staff cautioned dissemination of information must be kept factual and not seen as bond promotion.

Lastly, Mr. Bauer explained Debt Service Bonds, coupon values, premium bond sales, and their application to the District's debt service and principal pay downs.

D. ACTION ITEMS FOR RECOMMENDATION TO THE BOARD OF EDUCATION

None

FUTURE AGENDA TOPICS:

None

ADJOURNMENT:

Mr. Ledesma adjourned the meeting at 8:45 P.M.