

On a motion by Mr. Shabashov, seconded by Mr. Brudin, the minutes of the December 15, 2005 meeting were unanimously approved.

II. COMMITTEE COMMENTS

Mr. Lewis asked for introductions all around due to the Committee having new members.

III. PUBLIC COMMENTS

None

IV. SPECIAL ITEMS

A. Audit

The Building Fund Audit is a requirement of Proposition 39. Mr. Beck explained that again there is a notice that barnhart as the trustee for the funds paying the multi-prime contractors had on several occasions missed the 10-day requirement. This is a self-imposed limit that the District decided upon to ensure contractors were paid in a timely manner.

Mr. Excell pointed out a statement in the audit “we are not engaged to and did not conduct an examination the objective of which would be the expression of an opinion on compliance”. Mr. Excell asked “if they would do that, would they be looking at contracts?” Mr. Beck responded that is correct and the audit does not make any legal recommendations. On a motion by Mr. Excell, seconded by Mr. Schembri, the Committee voted unanimously to approve the audit.

B. Annual Report

Mr. Excell noticed that the Annual Report states it is generated bi-monthly and asked if this was a typographical error. Mr. Beck replied that was the original intent but that the Annual Report is now being generated quarterly.

Mr. Lewis mentioned that we had savings from 3 schools in architect fees by re-utilizing the design plans and asked if that should be reported in the Annual Report. Mr. Beck indicated it was not necessary to include that in the Annual Report. On a motion by Mr. Schembri, seconded by Mr. Shabashov, the Committee voted unanimously to approve the Annual Report, as amended.

C. Project Status Report

Mr. Lovingier reviewed the Project Status Report available in the Committee members’ agenda packets. Currently, Hamilton Elementary School and Tahquitz High School are the only Measure E projects on the status report. The Hamilton project consists of modular two-story buildings with 13 classrooms to be completed by June 1st. The Hamilton project is also unique in that a middle school is being created as it grows. They are pouring curb and gutter today at Tahquitz High School and after that it will start looking like a school and is scheduled to be completed by summer of 2007. Ms. Brightman indicated pay requests for this project are running \$4 million per month.

D. Financial Report

Ms. Brightman reviewed the Financial Report available in the Committee members' agenda packets. Ms. Brightman stated that we just went out for the last \$6 million of the Measure E Bond. We have spent a little over \$53 million to date and have \$7.6 million left to spend on Hamilton Elementary and Tahquitz High School. Project savings from McSweeny, Harmony and Diamond Valley will go to cover costs on the Tahquitz High School project. We've earmarked money out of 4 CFDs to fund Phase I of Tahquitz High School. Rather than paying developer fees up front, a developer will do a Community Facilities District. The homeowners who buy those homes have a tax they pay for 30 years which goes to fund MWD with the District also receiving a portion. These funds go towards building new schools.

E. Sale of Series E Bonds

Mr. Beck discussed the sale of the Series E Bonds which is the last sale of bonds from Measure E. In January, a presentation was made in San Francisco by District staff and board members to Standard and Poor's for our bond rating.

F. Survey on Quality and Effectiveness of the Citizens' Oversight Committee

Handouts were made available to the Committee members at the meeting. Mr. Beck requested that the members fill out the survey and also feel free to contact him or District staff with any questions or concerns. We would like to ensure that we serve the Committee and public adequately. We plan to do a formal survey within 6-9 months.

G. School Facilities Master Plan

Mr. Beck discussed the Master Plan which was handed out to the Committee members at the meeting. The Master Plan was originally done about 2 years ago and the only weakness last time was that we didn't have a funding plan. We now have a detailed funding plan. We have a need for new construction and upgrading existing schools totaling approximately \$400 million. Some can be funded with CFDs and some could be funded with a future bond, if approved. Mr. Beck also discussed the proposed Domenigioni-Barton land transfer.

H. School Facilities

I. Future Items

J. Other

Mr. Beck pointed out drawings of several planned and proposed new school sites on display in the Board Room. As part of keeping up to date on projects funded by Measure E, Mr. Beck recommended the members tour the Hamilton School site either on their own or contact Mr. Beck or Mr. Lovingier to arrange a tour. Mr. Beck scheduled a tour for the Committee Members, public and the media of the new Tahquitz High School site for Thursday, March 16, 2006, leaving from the District at 5:00 p.m. Transportation for the tour will be provided by the District.

V. ADJOURNMENT

The meeting was adjourned at 7:50 p.m.