

**SANTEE SCHOOL DISTRICT
REGULAR MEETING
OF THE BOARD OF EDUCATION**

March 17, 2009
MINUTES

9619 Cuyamaca Street
Santee, California

The Board met with student representatives from each school in a student forum. Topics of discussion included: "checking in" with the students, how students can help to keep the new junior high facilities looking good, and establishing new traditions in the new buildings.

A. OPENING PROCEDURES

1. Call to Order and Welcome
President El-Hajj called the meeting to order at 7:08 p.m. and read the District Mission Statement.
Members present:
Dianne ElHajj, President
Dustin Burns, Vice President
Barbara Ryan, Clerk
Allen Carlisle, Member (attended via teleconference)
Dan Bartholomew, Member
Administration present:
Dr. Lisbeth Johnson, Superintendent and Secretary to the Board
Bill Clark, Assistant Superintendent, Business Services
Emily Andrade, Assistant Superintendent, Educational Services
Minnie Malin, Director, Human Resources
Linda Vail, Executive Assistant and Recording Secretary
2. President El-Hajj invited Michaela and Brianna Avila, daughters of Administrative Secretary Evonn Avila, to lead the members, staff and audience in the Pledge of Allegiance.
3. Approval of Agenda
President El-Hajj introduced audience member, Santee Vice Mayor Brian Jones.
It was moved and seconded to approve the agenda with the following modifications: Items E.1.1. and E.1.2. will be tabled to the April 21, 2009 meeting and Item E.3.3. will move to be the first item of discussion under CIP.
Motion: Ryan Second: Burns Vote: 5-0

B. REPORTS AND PRESENTATIONS

1. **Superintendent's Report**
 - 1.1. Developer Fees Collection Report
 - 1.2. Use of Facilities Report
 - 1.3. Enrollment Report
 - 1.4. Schedule of Upcoming Events
 - 1.5. Spring Events and Open Houses
 - 1.6. Computer Using Educator (CUE) Conference CD:
Presenting Santee Teachers

Dr. Johnson shared that a number of teachers from PD and PA presented at the CUE conference in March. Several of the teachers have been invited to present at UCLA SEEDs about technology.

2. Proclamation for Cajon Park School from the Santee City Council

President El-Hajj welcomed Vice Mayor Brian Jones from the City of Santee. Vice Mayor Jones presented the Board with a proclamation from the City Council acknowledging the Santee School District for the modernization and new junior high building at Cajon Park School. Mr. Jones is a former Cajon Park School student. The Santee City Council proclaimed March 18, 2009 as Cajon Park School Day in the City of Santee. President El-Hajj presented the proclamation to Marcia Ginn-May, Cajon Park principal.

3. Spotlight on Education: School Secretaries

Dr. Johnson said it was an honor to recognize the school secretaries. She shared how important their role in the school was and the many tasks they are charged with. The school secretaries make a difference in the lives of children, teachers, classified staff, and administrators. They are miracle workers, angels, and the untold heroines of our schools and the Board wished to thank them for all they do by spotlighting their commitment and service to our children, families and staff. President El-Hajj presented each school secretary with a certificate of appreciation.

4. Spotlight: Bill Clark

President El-Hajj shared it is with a great deal of sorrow the Board must say goodbye to Bill Clark as he takes a promotional assignment in northern California. President El-Hajj presented Mr. Clark with a "Lifesaver" that will be engraved, symbolic of the way he threw the Board a lifesaver when he came on board in the District with a fresh set of eyes and helped lead the District through declining enrollment. Mr. Clark was instrumental in finding the right people to make the right things happen in Santee. Mr. Clark expressed his thanks and he has felt very welcomed, supported, and loved while being in Santee. He said it is a wonderful district with wonderful people and he will miss them all. A reception in Mr. Clark's honor was held following this item. The Board adjourned for the reception at 7:25 p.m. The Board reconvened the meeting at 7:45 p.m.

C. PUBLIC COMMUNICATION

President El-Hajj invited members of the audience to address the Board about any item not on the agenda. There were no public comments.

D. CONSENT ITEMS

Items listed under Consent are considered to be routine and are all acted on by the Board with one single motion. President El-Hajj invited comments from the public on any item listed under Consent. There were no comments.

1.1. Approval of Minutes

2.1 Approval/Ratification of Expenditure Warrants

2.2 Approval/Ratification of Purchase Orders

2.3 Approval/Ratification of Revolving Cash Report

2.4 Acceptance of Donations

2.5. *Pulled for separate consideration.*

2.6. Approval of Live-On Resident for Cajon Park School

3.1. Adoption of Resolution in Support of Applications for State School Facility Hardship Funding

3.2. Ratification of Services for Additional Hazmat Sampling, Removal and Reporting (Chet F. Harritt, Hill Creek, and Prospect Avenue Schools)

3.3. *Pulled for separate consideration.*

3.4. Approval/Ratification of Proposal from Capitol PFG for a School Facility Needs Analysis 2009 Update

4.1. Approval to Apply for the Community-Based English Tutoring (CBET) Program for 2009-10

4.2. Approval of Annual Application to Renew Funding to Support the Current English Language Acquisition Program (ELAP) for 2009-10

4.3. Approval of Contract for Nonpublic, Nonsectarian School/Agency Services and Individual Services Agreement for Nonpublic, Nonsectarian School/Agency Services

4.4. Approval of Intent to Apply for Mental Health Service Act Prevention and Early Intervention Funding

4.5. Recommendation to Expand YALE Preschool Program for 2009-10

5.1. Personnel, Regular

5.2. Approval to Increase the Work Hours of Identified Classified Position

It was moved and seconded to approve the Consent Items with the exception of Consent Items E.2.5. and E.3.3.

Motion: *Bartholomew* **Second:** *Burns* **Vote:** *5-0*

E.2.5. Adoption of Resolution of Intention to Dedicate Easement to Padre Dam Municipal Water District (*Pulled by Member Carlisle for separate consideration.*) Member Carlisle reported he would abstain from voting on this item because the item is connected with his employer. Member Ryan moved approval.

Motion: *Ryan* **Second:** *Burns* **Vote:** *4-0 (Carlisle, abstain)*

E.3.3. Approval/Ratification of Final Contract Amount for Sycamore Canyon and Cajon Park 20 Classroom Addition (*Pulled by Member Carlisle for separate consideration.*) Member Carlisle wished to congratulate staff for the savings achieved on the modernization projects. Member Carlisle moved approval.

Motion: *Carlisle* **Second:** *Bartholomew* **Vote:** *5-0*

F. DISCUSSION AND/OR ACTION ITEMS

President El-Hajj invited comments from the public on any item listed under Discussion and/or Action. There were no comments.

1.1. Board Selection of 8th Grade Promotion Assignments

Tabled and will return to the April 21, 2009 meeting.

1.2. Board Policies: BP2201 Administrative Responsibilities and BP 9240 Board Development

Tabled and will return to the April 21, 2009 meeting.

1.3. Prospect Avenue P.R.I.D.E. Academy Proposal

Dr. Johnson reported that at the January 6, 2009 special board meeting, the declining enrollment at Prospect Avenue School was discussed and if enrollment did not increase grades 7-8 students may eventually need to move to another campus. There was concern about siblings following those students and causing an additional decrease in the enrollment. To prevent this, the discussion included looking at a magnet or academy focus. There has been a great investment in technology through QZAB which offers options to children for this type of instruction. Principal Cheryl Bowen presented a proposal for an academy focus at Prospect Avenue School in order to attract increased enrollment to the school, create maximum use of technological resources, and expand the academic focus, beginning in 2009-10. Prospect Avenue has achieved a high level of success in student achievement and will have a completely modernized school for students in Santee and surrounding districts. Mrs. Bowen introduced the PRIDE Academy concept, a purposeful and rigorous innovation. PRIDE Academy could be the first school in Santee offering project based learning infused with technology in every classroom throughout the school.

Member Burns asked if the Academy would be under the District umbrella and how it would affect student transfers and district policies. Mrs. Bowen said everything would remain the same and the school would continue to receive Title 1 funds.

Member Burns asked if currently enrolled students must go through the application process. Mrs. Bowen said she would like all students to go through the application process to feel a special part of the Academy. The application process would not screen out students living in the Prospect Avenue attendance area because the goal is to keep the current students and get back students that have left to go to other schools. Dr. Johnson said the resident students would not be asked to leave just as at the GATE schools.

Member Burns asked if the proposal includes changing the name of the school. Mrs. Bowen said yes, the staff has suggested something new and different for the school. Member Burns expressed his concern about changing the name of the school because of the community attachment to the school's name.

Member Bartholomew liked the proposal and is pleased that there is such staff support. The plan gives the community options for their children and aligns with the District Mission. Member Ryan believes it is a great idea and does not object to a name change. Member Ryan does want to know how it could be financially supported. Member Carlisle believes it is a great concept. President El-Hajj supports the concept and does not have a problem changing the name. She is a little nervous about the funding and how the District can support it. The Board cannot make any promises right now but would like to see if there is a way to support it in the future. President El-Hajj would like to see Mrs. Bowen move forward with the site funds because that is what the QZAB program is all about - teaching students with technology infused into project based learning.

Member Ryan asked Mrs. Bowen when the school would want to begin ordering their new equipment if the Board moved approval. Mrs. Bowen said they would like to go forward ordering the Promethean Boards now. The COWS (computer carts) can be ordered next year.

Member Ryan moved to allow Mrs. Bowen to move forward with the concept outlined in the least expensive proposal presented, name change, and timeline for implementation using the site funds to begin the purchase of equipment.

Motion: Ryan Second: Burns Vote: 5-0

2.1. Approval of Monthly Financial Report

Bill Clark reported the District has performed extremely well with a 1% growth in enrollment, strong ADA percentages, and cash and commercial warrants below the averages. The budget shows a saving as staff is freezing expenditures. Member Ryan moved to approve the Monthly Financial Report for February 2009.

Motion: Ryan Second: Burns Vote: 5-0

2.2. Approval of Second Interim Report

Mr. Clark reported the second interim report is a positive certification and maintains the ending reserve. This positive report is because of the Board's early direction on reductions and planning for expenditures next year. Mr. Clark shared some of the projected savings for unrestricted funds totaling about \$2M which will provide some comfort as the Board approaches mid year and 2009-10 budget reductions.

The District has the opportunity to repay the Early Retirement Debt Payment which would create ongoing savings in the future. Mr. Clark is confident the District can address cash flow requirements, and is prepared to cover mid year reductions for next year.

Mr. Clark shared that the County will work through a review of the second interim report with a checklist and then will issue their opinion letter on the report. There are no anticipated issues from the County.

Member Bartholomew asked about the "Not Met" checks. Mr. Clark said the flags are tripped because as an example, enrollment was projected to decline and we are actually showing a slight increase. Any exceptions to the projections are flagged. Member Ryan moved to approve the District's 2008-09 Second Interim report and related revisions which includes a positive certification.

Motion: *Ryan* **Second:** *Bartholomew* **Vote:** *5-0*

3.1. Solar Project Update and Capital Project Financing

Bill Clark shared that the Board has looked at a number of options for solar to provide shade, reduce energy costs, and provide operating savings.

Dr. Johnson shared the events up to now, which began with a request for proposals to install solar panels at school sites on a plan to purchase (PPP), the collapse of the bond market making financing for the project unworkable, and continuing to seek alternative methods to provide solar at schools. The District has been reviewing options for a power purchase agreement (PPA) and would like to take advantage of the credit incentives if possible. Administration provided a number of options for the Board's consideration. Dr. Johnson also provided the Board with information from CSBA's representative company, Innovative Energy Services and the Center for Sustainable Energy (CSE) and shared that the Board may consider an independent review of solar proposals and these are two agencies that do that.

President El-Hajj invited a member of the public who submitted a request to speak at the podium. Mr. Ned DeWitt, from Borrego Solar, shared that Borrego Solar has been working very hard with the District for almost a year. They entered into an agreement with the District to further develop the project and now have provided a PPA proposal for the District in partnership with Sun Edison. Mr. DeWitt said Borrego entered the process in good faith and has worked hard to find a solution for a successful solar system. They have incurred quite a bit of costs and if the Board decides to consider another firm or another direction, Borrego would need to seek to recover those costs. Borrego would like to return to the Board with a proposal. President El-Hajj thanked Mr. DeWitt for his comments.

President El-Hajj said at the last Board meeting the Board requested more information be brought from Manzana Energy. Mr. Clark introduced Art Castaneras who reported Manzana staff visited school sites, developed a site design plan, as the Board requested, and is seeking input from the Board prior to a final design. Mr. Castaneras said Manzana works with Sun Rosendin Electric for design and installation and Sequoia Solar, a local design and engineering company. Both of these companies have statewide school experience and use union labor. He assured the Board that several attorneys have reviewed the contract. There are no up front costs, no maintenance cost, no financial risk, no use of staff, no operational costs, and no required buy out purchase. The proposal provides for \$23M in energy cost savings over the 25 years of the contract with savings during the first 5 years of over \$1M. The buy out option would be for fair market value, which is estimated to be about \$750,000, where the District would then own the system and directly benefit from all savings. The structures are DSA approved, with proven performance in over 70 school site installations. Suggested site plans for solar structure placement for Rio Seco and Sycamore Canyon schools were shown exemplifying a round school and a non-round school. Panels would be placed in the existing lunch area, kindergarten area, lower field, and on the north playground. The systems can be designed with great flexibility on campuses to place them in the correct direction and tilting angle for maximum performance.

Mr. Castaneras shared that Manzana, as part of a contract, would build a system at one school, and if it did not reach the benchmarks and/or design requirements, there would be an option to cancel the contract.

Mr. Castaneras introduced Drew Phillips from Sun Rosendin, and Blair Reynolds from Sequoia Solar. Mr. Phillips is the senior designer for Sun Rosendin and has previously worked with Chevron Solar. He provides unique solutions for the PPA model and has developed a long-term economical design with maximum output for 30 years. They have been listening to what the school and district leadership desire and believe they have designed a project specifically for the PPA model, with optimum output. Eighty percent of the system is in remote areas with the remaining 20% placed as practical shade coverings for students.

Member Carlisle asked if there is anything designed for playgrounds. Mr. Phillips said yes, but based on their design calculations they are able to place them mostly around the outer areas of the school. Member Carlisle is concerned about the aesthetics and said Borrego had designed something that had less poles and was better suited for school use. Mr. Phillips said when it is placed for car port use, they can do more to make it more aesthetically pleasing. However, some beautiful canopies have no practical use for power. They have installed panels at 11 schools in San Jose Unified using aesthetically pleasing designs.

Member Bartholomew asked if this proposal is a PPA package. Mr. Castaneras said it is a hybrid PPA because while you are purchasing the power, the savings and cost is structured differently than a standard PPA.

Member Carlisle said under a PPA they are locked into a kilowatt price. This program is different in that the payments are guaranteed, not based on kilowatt price. Member Bartholomew asked about the original RFP process and why Manzana would not be required to go through the same process. Mr. Clark explained that the original approach was a district owned system. A PPA does not require the RFP process because you are not buying the system, you are purchasing the energy.

Member Bartholomew said if Borrego also has a recommendation for a PPA structure, he would want to hear it because he feels some responsibility and that the process should be the same for all vendors.

Member Carlisle said he believes the Board needs to hear all of the options and would like to have the Center for Sustainable Energy review any process the Board considers. Member Carlisle also wants to know how a system works and how the proposed numbers were arrived at before he supports it. He also believes there is an obligation to Borrego and is concerned about any contractual obligations. Member Carlisle would like a full analysis of every site and to see what the structures look like. He asked if there was time for that without losing the credit extensions. Dr. Johnson said we need to investigate whether we have time to meet the extension timelines and to be sure that the extensions belong to the District and not to a vendor.

Member Ryan said in considering how we got to this place, it began with Envision and Borrego working together and then it was just Borrego. She believes we have been fair in the process and should investigate if any legal commitment has been made. Member Ryan is concerned that credit extensions were received without the District's knowledge. No vendor should make decisions, outside inquiries, or outside requests without direction from the District or the Board. She said it is not right for a company to go to a Congressman to ask for an earmark on our behalf without direction from the Board to do so. The Congressman's office said they did not understand that the District did not direct Borrego to submit the letter requesting an earmark and they would provide a two-day extension on the letter to allow the District to submit a required form. Under these circumstances, the Congressman's representative was uncertain that if there was a \$3.5M award, if the award would go to the District or the vendor. A letter was also sent to Barbara Boxer for an appropriation, with Santee School District as the requestor, which is totally inappropriate without direction from our Board. She believes that the Board needs to take back control. Member Bartholomew said he spoke with Mike Harrison from Congressman Hunter's office and was told they received a request for an earmark from Borrego and was concerned because a request for funds from the stimulus package had already been received.

Member Burns agrees that he is bothered because the Board needs to have the control. Vendors have gone to financiers and now congressmen on behalf of the District without direction of the Board and it is not acceptable to him.

President El-Hajj asked if everyone in the room was clear about not representing the District without clear direction from the Board.

Dr. Johnson presented administration's recommendation which included a number of options for Board consideration including:

1. *Given the many challenges faced by the District, should the District continue with a solar project at this time?* There was consensus by the Board to continue forward with solar.
2. *Given the highly competitive nature of the solar industry, should the District close existing contracts/proposals and proceed with a new request for proposal (RFP)?* There was consensus by the Board that they had not received enough information to consider this recommendation.
3. *Entertain a presentation by a previous vendor regarding various financial options for solar using stimulus money and a PPA?* Members Bartholomew and Carlisle were in favor, Members Burns and Ryan were opposed. President El-Hajj was uncertain because she does not know the obligations to the previous vendor, has not compared a PPA and Manzana's proposal, the Facilities Committee has not looked at a PPA, and she has not seen a PPA.
4. *Is there sufficient time, education, and/or information for the Board to make a decision about current proposals?* Board members asked what is driving the timeline. Dr. Johnson shared the incentive credits are due to expire in April, or if the

extensions belong to the District, in October. If the credits expire, there is a potential loss of \$3M - \$6M in savings on the project to the District.

5. *Should the Board direct administration to bring a contract with Manzana Energy to the Board on March 25, 2009 for final approval?* Member Burns voted no and would like administration to bring the Board a recommendation on which path to follow. Member Bartholomew voted no and would like more information and a recommendation from administration. Member Carlisle voted no and would prefer to open up the proposals again allowing an opportunity for all competitors. Member Ryan would like administration to bring a recommendation from either Borrego or Manzana. President El-Hajj would like to begin the process again.

Following Board discussion and consensus, administration was directed to reexamine the proposals from Borrego and Manzana and return to the Board with a recommendation at a special Board meeting on March 25th about the direction the District should take. Members Carlisle and Bartholomew asked for the Superintendent's analysis to include feedback from the CSBA representative, Innovative Energy Services, Inc. and/or the Center for Sustainable Energy. If the Superintendent is not comfortable with the existing proposals, a recommendation could be for the Board to consider another option, maybe beginning the process again.

3.2. On-Bill Financing Rebate/Incentive Program, SDG&E

Bill Clark reported that the purpose of this item is for the Board to approve an opportunity for the District to apply for zero interest borrowing toward capital improvement projects. Member Ryan moved to authorize administration to apply for an On-Bill Financing program loan from the SDG&E for energy efficiency improvements.

Motion: Ryan **Second:** Burns **Vote:** 5-0

3.3. Authorization to Complete Phase I and Phase II Construction – Adoption of Resolution #0809-35, Development and Issuance of Proposed 2009 Bridge Financing Program

Bill Clark reported the Board is interested in being able to complete Phase I construction and continue with Phase II construction and modernization despite the withholding of eligible funds from the State. The current market will have great benefits if we can proceed with modernization and construction. Mr. Clark introduced Benjamin Dolinka from the Dolinka Group to address capital improvement bridge financing and Eric Hall from Eric Hall & Associates who has been attending State meetings and has information about possible projections for State payments.

Mr. Dolinka said there are three phases that need additional funding: Phase 1 needs \$7M, Phase 2 needs \$20 M and Phase 3 needs \$19M for completion for a total of \$46M. The District can use the unissued debt of Prop R bond funds and owed State funding as assets to fund \$46M in financing.

The District has issued bonds in Series A, B, and C for \$18M each and D would only provide \$12.3 if they were issued at this time. The District is eligible to issue a bond anticipation note (BAN) for \$18.9M. This type of note is typically used as a tool for public entities because it is well known that when a Prop 39 bond is passed, the entity cannot always get their funds in a timely manner. No payment is due on these bonds until the pay-off in 5 years. The District can only use the proceeds for the authorized use of the GO bonds. When you issue the bonds, there is an obligation that when the bonds are sold, they are used to pay off the bond anticipation notes.

Member Carlisle asked the estimated cost of issuance, interest, and fees. Mr. Dolinka said the cost is about 2%, with underwriter fees of about 1%, assuming credit enhancement is not needed. These costs would come out of the premium, not the bonds. Mr. Dolinka said it is important to move very quickly while the administration team is in place, which will keep the District's rating high.

Member Bartholomew asked if \$18.9M is the threshold for the bond capacity, the cost impact if a lesser amount was borrowed, and the cost associated with two issuances. Mr. Dolinka said the fixed costs would be the same on each issuance and would probably cost an additional \$100,000 to \$150,000 for two issuances.

Member Ryan confirmed that the money could be paid back before the end of the five years. Mr. Dolinka said if State funds came in sooner, the District could use the funds to recall the BAN.

Mr. Dolinka shared the second funding component, Lease Revenue Bonds (LRB) issuance which are backed by the general funds. These bonds put all funds of the District as collateral and are issued with the notion that the State funds that we have applied for are more than adequate to repay the Lease Revenue Bonds. These are five year convertible capital appreciation bonds. The advantage to these dollars is that the Board may authorize the use of these funds. Mr. Dolinka said getting \$26M may be extremely challenging because COPs and QZAB programs are all encumbrances against the general fund and will probably require credit enhancement. Credit enhancement is backing by a major bank and adds an additional cost to the issuance. Credit enhancers like to see school districts complete their projects with the proceeds.

President El-Hajj asked if real property can be used for collateral. Mr. Dolinka said a school site could be used for collateral and they will recommend any development fees be saved toward payment if the revenue does not come in. The District could also

ask the voters for a tax extension. With LRBs, there is an understanding that you will consider another GO bond if the State does not pay the funds owed. Mr. Clark said there is approximately \$36.1M in State funding which has been submitted and the District is eligible for but is frozen by the State. The potential risks to the District for these debts are that the State does not apportion the funds in the next 5 years.

Member Carlisle asked if the District would be ahead by \$11M if we received all \$30M from the State. Mr. Dolinka said yes the District would be ahead by \$11M and that money could be used for other facilities. He cautioned the District would need to be very careful about the financial hardship piece and make sure they are paying for those dollars. Member Carlisle asked if it is feasible to consider completing Phase 1 and Phase 2 projects at this time. Mr. Dolinka said that was a very viable option if the District is concerned about encumbering the general fund for a larger amount. However, it is easier to look at getting funds for the full project rather than going back and asking for more.

The cost of Lease Revenue Bonds is close to 3% to 3.25%. It takes about 60 days to issue Bond Anticipation Notes and 160 days to issue the Lease Revenue Bonds. The Mullen Bill requires the District to go to the County to submit the documents if you are issuing debt that is not voter approved. Mr. Dolinka said he does expect the County Office will oppose issuing the debt. If the Board would like to move forward, Mr. Dolinka could come back on April 21st with the BAN legal documents and on June 16 with LRB documents.

Dr. Johnson asked if QZAB was a better way to finance Phase 1 and Phase 2. Mr. Clark said the summer modernization was eligible to use QZAB funding and it would be less costly and less risky. Mr. Dolinka said issuing QZAB bonds would show additional debt and make the other options less viable and more costly because it could trigger the need for credit enhancements. Barbara Ryan said QZAB debt would not cover the complete cost of the modernization and construction programs.

Mr. Hall shared with the Board that he believes they are on the right track. There is uncertainty out there relying on bond anticipation notes on assessed valuation increases. The Board has done a great job seeking funds for modernization and construction. Schools are very competitive at the State level and are being looked at differently than other State projects. The State wants to wait for interest rates to lower before issuing any bonds to pay for backed up projects. The District is approved for \$3M and should get it as soon as the State is able to issue bonds. Mr. Hall said some of Santee's projects are waiting for allocation approval which is projected to take place in July or August. There is a need to do the projects now to get the best cost for construction. When the cities and states get the federal stimulus money, construction costs will rise. It is just a matter of cash flow at this time.

Member Carlisle asked if the cost of the bond issuance is less than the additional cost would be if the District delays construction. Mr. Hall said the costs for Phase 1 would be quite severe, up to \$60M because contracts have been awarded and stopping construction brings a lot of complexities and costs that will eventually come out of quality or quantity of work. Purchasing power today is great and the bid climate is currently down 30% which is to the District's advantage.

Member Ryan believes that in order to meet the commitment to the public, there is not much of a choice. This bridge financing is a good option, with guaranteed funds. Member Burns agrees there is a need to meet the promises to the community but there needs to be more discussion about the volume of debt. He does not wish to stop construction because of the liability and safety, and the kids deserve it. Member Bartholomew wishes to meet the commitment and is comfortable with the BAN. The issuance cost of the LRB seems high. Mr. Dolinka said the largest cost for the LRB is the credit enhancement tool and he will do an analysis to see if the market is providing the required savings. Member Bartholomew supports moving forward to put the team together, and fund Phase 1.

Member Ryan moved to adopt Resolution #0809-35 to hire consultants in relation to the development and issuance of the 2009 Bond Anticipation Note and 2009 Lease Revenue Bonds.

Board members wanted the consultants to be clear that authorizing to put the team together to develop the plans was with the understanding that the Board will need to approve moving forward with the bonds. Mr. Dolinka is only commissioned to put the BAN plan together and return with a status update on LRBs.

Motion: Ryan Second: Burns Vote: 5-0

3.4. Approval of Chet F. Harritt Revised Site Plan Classroom Addition Location and Additional Geotechnical Costs

Member Ryan moved to approve additional geotechnical costs at this time and discuss the revised site plan for a classroom addition at Chet F. Harritt at the upcoming Facilities Workshop.

Motion: Ryan Second: Bartholomew Vote: 5-0

3.5. Chet F. Harritt Ballfield Construction: Permitting Update and Consultant Extra Services

Member Ryan moved to approve the extra services of Lightfoot Planning for utility research and off site improvement additional engineering and services and authorize entering into an agreement with the City of Santee to complete ball field improvements at Chet F. Harritt School.

Motion: Ryan Second: Burns Vote: 5-0

3.6. Summer Work Quick Start Proposals Including Pepper Drive Color Change

The Board asked for this item on Quick-Start summer work options for Pepper Drive School and staff direction to move forward with consultants to prepare contract documents in order to bid work to return to the upcoming Facilities Workshop.

3.7. ICOC Membership Vacancy Replacement

Member Ryan moved to open the ICOC application process to fill the ICOC vacancies.

Motion: Ryan Second: Burns Vote: 5-0

G. BOARD COMMUNICATION

Member Burns reported that three of our schools will be sending students to 6th grade camp next week. He invited the Board members to come visit camp.

President El-Hajj reported a date of April 28th has been set for the Board to take Mr. Clark to dinner.

Dr. Johnson reported a letter supporting a safe school grant for the neighborhood near Prospect Avenue was requested and will be submitted.

The Board scheduled a Facilities Workshop for Saturday, May 2, 2009 to begin at 9:00 a.m.

Mrs. Andrade provided the Board with a short student discipline report.

H. CLOSED SESSION

President El-Hajj announced that the Board would meet in closed session for:

1. **Public Employment Matters (Govt. Code § 54957)**
Public Employee Discipline/Dismissal/Release
2. **Conference with Labor Negotiator (Govt. Code § 54956.8)**
Agency Negotiator: Minnie Malin, Director, Human Resources
Employee Organizations: Santee Teachers Association
Purpose: Negotiations
3. **Conference with Legal Counsel (Govt. Code § 54956.9 subdivision b):**
Existing Litigation (Case No. 37-2009-00083936-CU-CO-CTL)
Legal Representation: Nowell A. Lantz, Attorney at Law

The Board entered closed session at 10:40 p.m.

I. RECONVENE TO PUBLIC SESSION

The Board reconvened to public session at 12:25 a.m. No action was reported.

J. ADJOURNMENT

The March 17, 2009 regular meeting adjourned at 12.25 p.m.