

BOARD OF EDUCATION

Minutes

**Special Bond Election
Meeting
August 7, 2008
5:30 p.m.**

The Board of Education of the Colton Joint Unified School District met in Special Session on Thursday, August 7, 2008, 5:30 p.m. in the Board Room at the CJUSD Student Services Center, 851 So. Mt. Vernon Avenue, Colton, California.

Trustees Present

Mr. Robert D. Armenta, Jr.	President
Mrs. Marge Mendoza-Ware	Vice President
Mr. Mel Albiso	<u>Clerk</u>
Mr. Mark Hoover	
Mr. Frank A. Ibarra	
Mr. Kent Taylor	
Mr. David Zamora	

Staff Members Present

Mr. James A. Downs	Mr. Roger Kowalski
Mr. Casey Cridelich	Mrs. Julia Nichols
Mr. Jerry Almendarez	Ms. Sosan Schaller
Mrs. Yolanda Cabrera	Mrs. Lucy Bracamonte
Mr. Rick Dischinger	Mrs. Celia Gonzales
Mr. Mike Snellings	Dr. Patrick Traynor
Mrs. Bertha Arreguín	Ms. Katie Orloff
Dr. Diane D'Agostino	Mrs. Frances Frost
Mrs. Mollie Gainey-Stanley	Mr. Michael Townsend
Mrs. Alice Grundman	

Others in Attendance:

Katherine Lew	
Lew Edwards Group	(Bond Consultant)
Dave Casnocha	(Bond Consultant)
Stradling, Yocca, Carlson, & Rauth	
Rod Carter	(Bond Advisors)
RBC Capital Markets	

Call to Order: Board President Armenta called the meeting to order at 5:30 p.m. Board member Frank Ibarra led in the Renewal of the Pledge of Allegiance to the Flag of the United States of America.

Public Comments:

Todd Housley, a resident of Grand Terrace, discussed his concern regarding the Facilities Bond. He stated that the District has not fulfilled the promises made when the *Measure B* bond was passed in 1991 to build a high school, middle school and five elementary schools as well as several specific modernization and improvement projects at various school sites. However, he said that based on the progress that he has seen over the past 18 months under this new administration, including the new strategic plan, he said that he is supportive of putting the new bond proposal on the November ballot.

Gil Navarro, a San Bernardino County Schools Board Member, updated the Board on the issue regarding concurrently enrolled students that have been charged non-resident tuition rates at San Bernardino Valley College (SBVC). After lengthy deliberation with representatives of SBVC, Mr. Navarro said that he spoke directly with the President of SBVC, Dr. Daniels, and that the matter had been resolved. Mr. Navarro was assured by Dr. Daniels that SBVC would uphold their board policy which indicates that AB540 students would be charged resident tuition rates.

Casey Cridelich, Assistant Superintendent of Business, provided the following PowerPoint presentation:

- The Measure B Citizens Bond Oversight Committee has continually reviewed the listing of projects for the last 5 years. They are split into two parts:
 - The Completed projects; and
 - The Projects to be funded.
- In June 2007, the spending of Measure B funds was audited by a CPA and they found that the District complied with the Measure.

Proposed Bond Projects – New Construction

HS #3 - Gym (Grand Terrace)	\$ 15,000,000
HS #3 - Performing Arts Interior (GT)	5,000,000
HS #3 - Stadium Facilities (GT)	5,700,000
MS #5 (Bloomington)	40,000,000
9th Gr Academy (Bloomington)	8,000,000
New HS (9 - 12th grade) (Bloomington)	<u>60,000,000</u>
Total New Construction	<u>\$ 133,700,000</u>

Proposed Bond Projects – Modernizations

Group I

New Math and Science Buildings (Bloomington High School & Colton High School),
Terrace View, Washington, Zimmerman,
Stadium-Kitchen-MP Renovations (BHS & CHS) \$ 62,000,000

Group 2

Crestmore, D'Arcy, Jurupa Vista, Lewis, Cooley Ranch, Grant, Lincoln,
Reche Canyon, San Salvador, Ruth O. Harris Middle School 23,000,000

Group 3

Birney, Grand Terrace, McKinley, Wilson, Grimes, Terrace Hills Middle School,
Bloomington Middle School, Colton Middle School 33,000,000
TOTAL Modernization \$118,000,000

Katherine Lew, President/CEO of the Lew Edwards Group provided the following PowerPoint Report on Community Perspectives and Proposition 39 Bond Viability:

Research Methodology

- A Community Survey was conducted by Fairbank, Maslin, Maullin & Associates August 1-5, 2008.
- Interviews were conducted by telephone with 500 Colton Unified School District residents likely to vote in the November 2008 election.
- The selection of those polled are proportionately reflective of the voters in the District.
- Margin of error for the full sample is +/- 4.4%

Survey Objectives

- Assess community attitudes about local schools and their needs
- Understand how voters view school funding needs, in the current economic environment
- Identify voter attitudes of interest, concern and school project priorities
- Test Ballot Measure language
- Evaluate the tax tolerance of voters in the current economic environment

What We Learned

- Should the Board of Education wish to pursue it, a \$225 Million Proposition 39, General Obligation Bond is definitely feasible in November 2008.
- A hypothetical ballot question was asked three times in the survey:
 - The first “ballot ask” resulted in a base of 60% support, when respondents had no other information.
 - Support grew 11 points -- to 71% support after education and information about the needs.
 - Support leveled to 65% after a variety of information about the District was asked, comfortably above the Margin of Error and demonstrating good viability for a potential bond.

District constituents respond significantly to information and education, which means that the District and/or an Independent Community Campaign should be proactive in providing information about the needs as soon as possible.

Ballot Question Tested

THE LOCAL CLASSROOM REPAIR, SCHOOL CONSTRUCTION and EDUCATION IMPROVEMENT MEASURE. To provide quality education, reduce overcrowding, improve every neighborhood school, and qualify for state matching grants by building elementary, middle and high schools; improving math, science, job training classrooms; replacing portables; upgrading technology/wiring; increasing security systems; and acquiring, constructing, repairing school equipment/sites/facilities; shall Colton Unified School District issue \$225 million in bonds at legal rates, requiring citizen’s oversight, audits and no money for administrators’ salaries?”

Community Concerns

- Citizens are concerned about overcrowded classrooms in public schools and growth in our community. *(73% of those surveyed)*
- The effect of state budget cuts on local public schools is a serious issue and concern for your constituents. *(76% of those surveyed)*
- Citizens value the public schools and believe that quality schools help to maintain strong property values. *(72% of those surveyed)*

Large-Scale Bond Project Priorities Identified by the Community

- Ensuring every school in the District receives funding for repairs and improvements to their neighborhood schools *(77% extremely/very important)*
- Completing the construction of a third community high school in Grand Terrace to relieve overcrowding *(71% extremely/very important)*
- Building classrooms at all grade levels, to relieve overcrowding *(70% extremely/very important)*

More Specific Bond Project Priorities Identified by the Community

- Providing the facilities and learning tools to retain and attract excellent teachers *(82% ext/very important)*
- Improving libraries, repairing aging classrooms and reading, science and computer labs *(72% ext/very important)*
- Replacing outdated restrooms, plumbing and sewer systems, decaying walls, doors and inefficient windows, and installing energy efficient systems *(69%-72% ext/very important)*
- Meeting handicap accessibility requirements *(74% extremely/very important)*

Thematic Information of Greatest Interest to the Community

- “Education and health experts agree that kids need physical education programs to stay out of trouble, focus, perform well in school and prevent childhood obesity. [A bond] measure will fund essential projects necessary for physical education programs important for student health and academic performance.” *(78% much more/somewhat more incl.)*
- “Overcrowded school increase the potential for student violence and make it difficult to evacuate schools quickly during an emergency, such as a fire or school shooting. [A bond measure] will make our schools safer.” *(78% much more/somewhat more incl.)*

Overall Election Environment

- Understandably, voters are extremely concerned about gas prices.
- However, 76% of your respondents are extremely or somewhat concerned about the effect of state budget cuts on local schools.
- Only 38% of District respondents are extremely or somewhat concerned about the amount they pay in local property taxes.
- November 2008 will have a very high level of participation from Democrats and Latinos, who constitute a core base of the District's bond support.

Is November 2008 a good time to proceed?

- Absolutely. The upcoming Presidential Election presents a unique opportunity that won't exist for another eight years.
- Record-setting numbers of demographics more likely to be supportive will be represented at the polls in 2008, such as women, Democrats, younger families and Latino voters.
- Though we are in a recession, the State's fiscal crisis and its potential effect on education has only increased voters' concerns about protecting local schools.

We strongly recommend that the District proceed with placement of a bond on the November 2008 ballot, with a unanimous statement from the Board.

Specific Action Steps Needed

Immediate, short-term action steps include:

- Acting on the resolution and Bond Materials before the Board, and submitting adopted materials to the County Registrar of Voters.
- Updating Community Opinion Leaders, District staff and parent stakeholders.
- Providing informational and factual information on the District's website.

As the District's constituents do respond significantly to information, dissemination of legally-permissible, factual information by the District or activities through an independent Community Committee are strongly recommended.

Questions and Answers / Board Comments:

Board President Armenta asked how long the survey lasted and whether the survey responses came from all three geographic regions of the District. Katherine Lew responded that the survey lasted approximately 20 minutes and that many respondents were eager to give their opinions during the survey which caused some of the surveys to last longer than 20 minutes. She also said that responses came from throughout the District. Board President Armenta asked if there was less than 50% support rating from any particular geographic area of the District. Katherine Lew responded that the survey indicated that greater than 50% of the respondents support the bond in all geographic areas of the District.

Board member Ibarra requested that the bond proposal be aggressively promoted within the community, including the District website.

Dr. Manuela Sosa, a Colton resident, asked if the survey was also conducted in Spanish. Katherine Lew responded that bilingual interpreters were available for anyone that requested this service.

Board member Taylor noted that in comparing the consultant's survey results and the results on the spreadsheet that Casey Cridelich provided, the consultant's report appeared more positive. Katherine Lew responded that the Lew Edwards Group report combined the 'definite Yes' survey responses with the 'lean Yes' survey responses for an overall 'Yes' vote; (65% favorable).

Board member Zamora asked whether the respondents to the survey expressed concern about the District's credibility and accountability regarding the proceeds from the previous bond. Katherine Lew responded that there was a very balanced survey conducted and that after very positive, educational, and challenging statements, you end up with 65%. She also said that the community expects a high level of fiscal accountability and a degree of specificity.

Board member Albiso asked about the selection of who was surveyed. Katherine Lew responded that the respondents were those "likely to vote in November 2008" not "high propensity voters".

Presentation by Bond Counsel

Dave Casnocha, a representative of Stradling, Yocca, Carlson, & Rauth, gave a presentation to the Board. He explained that the bond measure that would appear on the November 2008 ballot provides a greater level of specificity regarding the District's authority to spend the bond proceeds. Based on the regulations set forth in Proposition 39, the District will have an annual independent performance and financial audit, will restrict bond expenditures to those items listed in exhibit B in the proposition ballot and establish a bond oversight committee. Mr. Casnocha explained that the new bond measure will outline the specific projects by type and list those projects as adopted by the resolution. The exact text of the resolution will be included, in its entirety, in every sample ballot. This list is not designed to make promises to the public of how the money will be spent; rather, it is designed to provide guidance to the citizen's oversight committee about how the money can be spent in accordance to the desires and approvals that were given to the District by the voters. Accordingly, the list is organized by categories such as new construction, renovations, health and safety projects, technology projects and the like rather than by school sites.

Questions and Answers / Board Comments:

Board member Mel Albiso asked if Action Item #2 had to be voted on at this board meeting or whether it could be postponed until a later. Assistant Superintendent Cridelich informed Mr. Albiso that Action Item 2 was an update to the retainer for the bond counsel and that the contract does not need to be updated at this meeting in order for the bond to be included on the ballot. Board member Albiso recommended that a subcommittee be formed to allow the board an opportunity to be included in the review process and suggested that other firms be allowed to respond to an RFP to provide this service.

PowerPoint presentation from RBC Capital Markets:

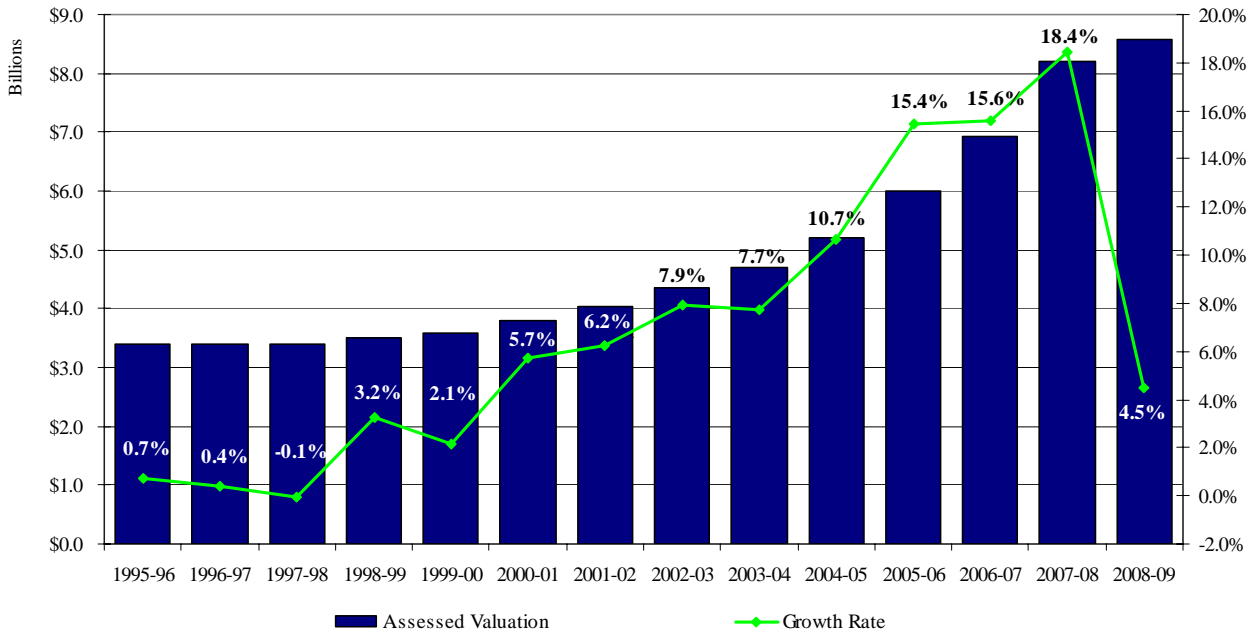
Assistant Superintendent Cridelich introduced Rod Carter, Managing Director of RBC Capital Markets. Mr. Cridelich informed the Board that RBC Capital Markets participated in Measure B series A, B, and C issuances and essentially paid for all the issuance costs with the premiums on the bonds so none of the proceeds were paid out for issuance costs. All the proceeds were given to the District to be spent on projects.

Rod Carter, Managing Director of RBC Capital Markets, gave the following PowerPoint presentation:

Proposition 39

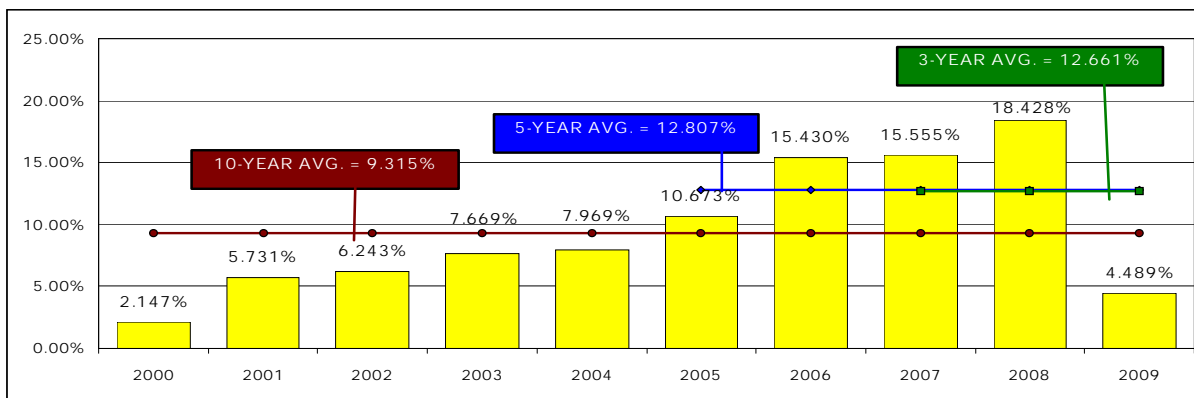
- 55% Voter Approval
- Accountability and Spending Requirements
 - Annual Financial & Performance Audit
 - Specific List of Projects
- Maximum Tax Rate
 - \$60 per \$100,000 Assessed Valuation
- Citizens' Oversight Committee
 - 7 members
 - 1 member who is active in a business organization
 - 1 member active in a senior citizens' organization
 - 1 member active in a bona fide taxpayers association
 - 1 parent or guardian of a student currently enrolled in the District
 - 1 parent or guardian that is an active member of the PTA or School Site Council
 - 2 members of the community at-large

Colton Joint USD Assessed Valuation Growth from 1995-96 to 2008-09



Colton Joint USD Historical Assessed Valuation Patterns

HISTORICAL ASSESSED VALUES				DISTRICT AVERAGE GROWTH RATES			
FISCAL YEAR	DISTRICT TAXABLE ASSESSED VALUE	ANNUAL CHANGE IN ASSESSED VALUE	ASSESSED VALUE GROWTH RATE	NUMBER OF YEARS	YEAR AVERAGE GROWTH RATE =	DISTRICT AVERAGE GROWTH RATE	
1996	1997	3,407,643,542	13,584,400	0.400%	1	YEAR AVERAGE GROWTH RATE =	4.489%
1997	1998	3,405,281,008	-2,362,534	-0.069%	2	YEAR AVERAGE GROWTH RATE =	11.459%
1998	1999	3,515,934,528	110,653,520	3.249%	3	YEAR AVERAGE GROWTH RATE =	12.661%
1999	2000	3,591,421,895	75,487,367	2.147%	4	YEAR AVERAGE GROWTH RATE =	13.476%
2000	2001	3,797,245,781	205,823,886	5.731%	5	YEAR AVERAGE GROWTH RATE =	12.807%
2001	2002	4,034,304,037	237,058,256	6.243%	6	YEAR AVERAGE GROWTH RATE =	12.091%
2002	2003	4,343,677,237	309,373,200	7.669%	7	YEAR AVERAGE GROWTH RATE =	11.459%
2003	2004	4,689,844,795	346,167,558	7.969%	8	YEAR AVERAGE GROWTH RATE =	10.807%
2004	2005	5,190,371,957	500,527,162	10.673%	9	YEAR AVERAGE GROWTH RATE =	10.243%
2005	2006	5,991,236,901	800,864,944	15.430%	10	YEAR AVERAGE GROWTH RATE =	9.315%
2006	2007	6,923,183,610	931,946,709	15.555%	11	YEAR AVERAGE GROWTH RATE =	8.871%
2007	2008	8,198,982,258	1,275,798,648	18.428%	12	YEAR AVERAGE GROWTH RATE =	8.126%
2008	2009	8,567,070,632	368,088,374	4.489%	13	YEAR AVERAGE GROWTH RATE =	7.532%



Tax Rate Analysis for 2008 Election

SUMMARY OF G.O. BOND POTENTIAL SOURCES & USES OF FUNDS

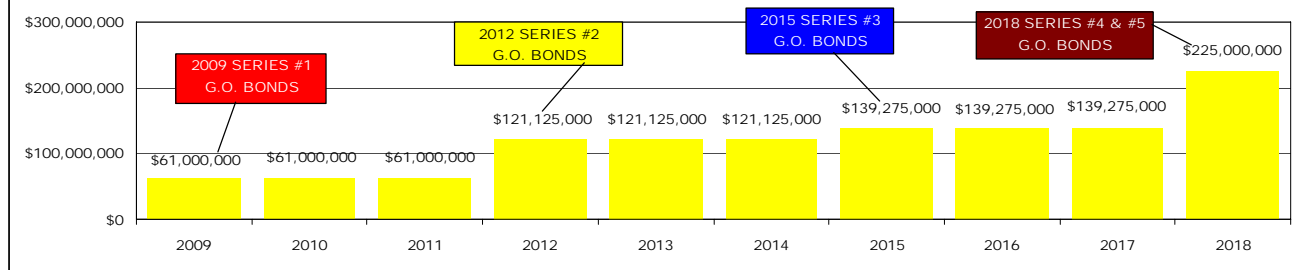
SOURCES OF BOND FUNDS	BOND SERIES #1 AMOUNTS	BOND SERIES #2 AMOUNTS	BOND SERIES #3 AMOUNTS	BOND SERIES #4 AMOUNTS	BOND SERIES #5 AMOUNTS	COMBINED BOND AMOUNTS
Bond Principal Amount	\$61,000,000	\$60,125,000	\$18,150,000	\$20,525,000	\$65,200,000	\$225,000,000
PLUS: G.O./JPA Bond Premium Amount	1,871,988	1,803,036	645,991	720,654	2,062,390	7,104,059
PLUS: BAP Transferred Proceeds	0	0	0	0	0	0
TOTAL SOURCES OF FUNDS =	\$62,871,988	\$61,928,036	\$18,795,991	\$21,245,654	\$67,262,390	\$232,104,059

USES OF BOND FUNDS	AMOUNTS	AMOUNTS	AMOUNTS	AMOUNTS	AMOUNTS	AMOUNTS
Bond Costs of Issuance Estimated Amount	\$1,871,988	\$1,803,036	\$645,991	\$720,654	\$2,062,390	\$7,104,059
Bond Debt Service Fund Amount	0	0	0	0	0	0
BAP PAYOFF AMOUNT	0	0	0	0	0	0
Bond Project Fund Amount	61,000,000	60,125,000	18,150,000	20,525,000	65,200,000	225,000,000
TOTAL USES OF FUNDS =	\$62,871,988	\$61,928,036	\$18,795,991	\$21,245,654	\$67,262,390	\$232,104,059

5-YR HIST. AV	12.8067%
10-YR HIST. AV	9.3148%
FUTURE AV	
AVG. NEEDED	4.5414%

SUMMARY NOTES	BOND SERIES #1	BOND SERIES #2	BOND SERIES #3	BOND SERIES #4	BOND SERIES #5
ISSUE YEAR	2009	2012	2015	2018	2018
ISSUE TYPE	ED. CODE	ED. CODE	ED. CODE	ED. CODE	GOV. CODE
SERIES TERM	25-YEARS	25-YEARS	25-YEARS	25-YEARS	40-YEARS
AVG. INT. RATE	5.49%	5.75%	5.80%	5.80%	6.10%
AVG. YIELD	5.25%	5.55%	5.65%	5.65%	6.00%

CUMULATIVE PROJECT CASH FLOW FROM BOND PROCEEDS ONLY

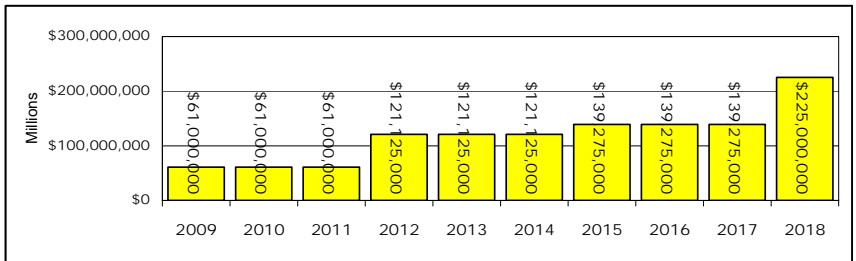


General Obligation Bond Issuance Plan

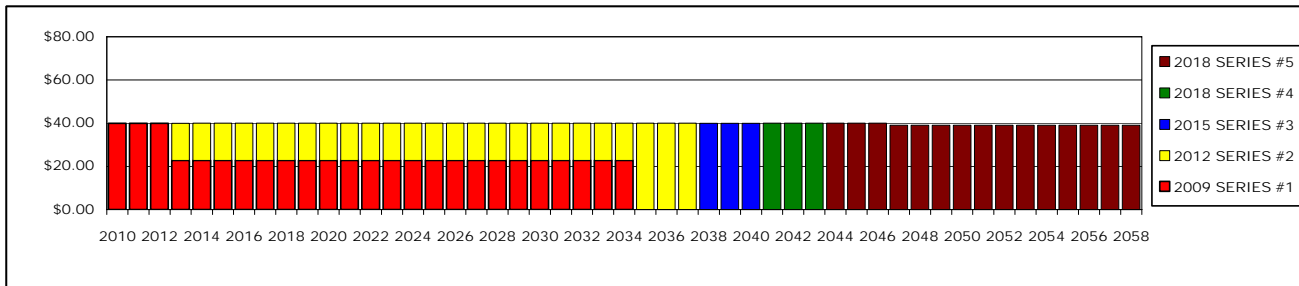
PRELIMINARY BOND SERIES & AMOUNTS

BOND SERIES	BOND SERIES PAR AMOUNT	ISSUANCE YEAR
SERIES #1	\$61,000,000	2009
SERIES #2	60,125,000	2012
SERIES #3	18,150,000	2015
SERIES #4	20,525,000	2018
SERIES #5	65,200,000	2018
TOTAL =	\$225,000,000	10-YEARS

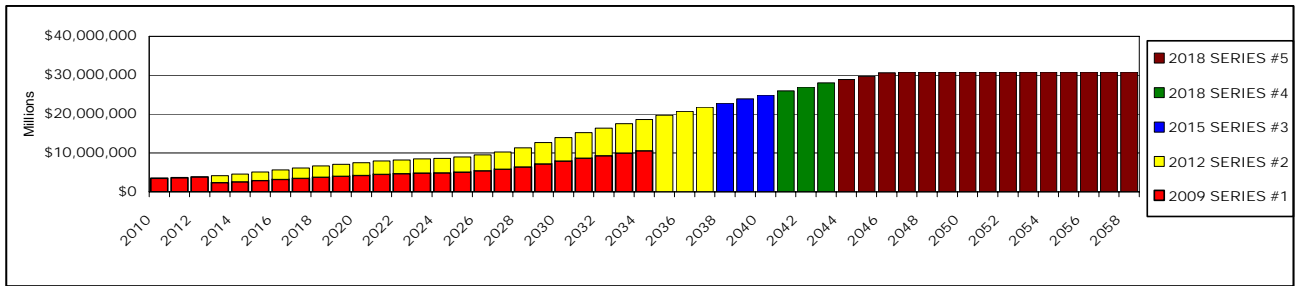
TOTAL BOND PAR AMOUNT ISSUED OVER 10-YEARS = \$225,000,000



ESTIMATED FUTURE AVERAGE TAX RATES PER \$100,000 OF PROPERTY VALUE = \$39.76



ESTIMATED FUTURE ANNUAL BOND PAYMENTS OVER COMBINED BOND REPAYMENT TERM



Combined G.O. Bond Debt Service & Estimated Tax Rates

PERIOD	BOND YEAR	ADJUSTED AV @ 4.54%	2009	2012	2015	2018	2018	COMBINED	TAX
			BOND SERIES \$61,000,000	BOND SERIES \$60,125,000	BOND SERIES \$18,150,000	BOND SERIES \$20,525,000	BOND SERIES \$65,200,000	BOND SERIES \$225,000,000	RATE PER \$100,000
1	2009	\$8,567,070,632	BONDS ISSUED					\$0	\$0.00
2	2010	\$8,738,412,045	3,490,365					3,490,365	\$39.94
3	2011	\$9,087,948,527	3,630,179					3,630,179	\$39.94
4	2012	\$9,633,225,439	3,848,290	BONDS ISSUED				3,848,290	\$39.95
5	2013	\$10,403,883,474	2,367,085	1,789,468				4,156,553	\$39.95
6	2014	\$11,444,271,821	2,604,294	1,968,415				4,572,709	\$39.96
7	2015	\$12,817,584,440	2,917,409	2,204,625	BONDS ISSUED			5,122,034	\$39.96
8	2016	\$14,099,342,884	3,209,650	2,425,087	0			5,634,737	\$39.96
9	2017	\$15,368,283,744	3,498,968	2,643,345	0			6,142,313	\$39.97
10	2018	\$16,597,746,444	3,779,286	2,854,813	0	BONDS ISSUED	BONDS ISSUED	6,634,099	\$39.97
11	2019	\$17,759,588,695	4,039,184	3,059,651	0	0	0	7,098,835	\$39.97
12	2020	\$18,825,164,017	4,281,835	3,243,231	0	0	0	7,525,066	\$39.97
13	2021	\$19,766,422,218	4,496,177	3,405,392	0	0	0	7,901,569	\$39.97
14	2022	\$20,557,079,107	4,676,224	3,541,608	0	0	0	8,217,832	\$39.98
15	2023	\$21,173,791,480	4,816,661	3,647,856	0	0	0	8,464,517	\$39.98
16	2024	\$21,597,267,310	4,915,000	3,718,907	0	0	0	8,633,907	\$39.98
17	2025	\$22,461,158,002	5,105,000	3,875,000	0	0	0	8,980,000	\$39.98
18	2026	\$23,808,827,482	5,415,000	4,105,000	0	0	0	9,520,000	\$39.99
19	2027	\$25,713,533,681	5,855,000	4,425,000	0	0	0	10,280,000	\$39.98
20	2028	\$28,284,887,049	6,435,000	4,875,000	0	0	0	11,310,000	\$39.99
21	2029	\$31,679,073,495	7,205,000	5,465,000	0	0	0	12,670,000	\$39.99
22	2030	\$34,846,980,845	7,935,000	5,995,000	0	0	0	13,930,000	\$39.97
23	2031	\$37,983,209,121	8,645,000	6,545,000	0	0	0	15,190,000	\$39.99
24	2032	\$41,021,865,851	9,335,000	7,065,000	0	0	0	16,400,000	\$39.98
25	2033	\$43,893,396,461	9,995,000	7,555,000	0	0	0	17,550,000	\$39.98
26	2034	\$46,527,000,249	10,595,000	8,015,000	0	0	0	18,610,000	\$40.00
27	2035	\$49,318,620,264		19,725,000	0	0	0	19,725,000	\$40.00
28	2036	\$51,784,551,277		20,705,000	0	0	0	20,705,000	\$39.98
29	2037	\$54,373,778,841		21,745,000	0	0	0	21,745,000	\$39.99
30	2038	\$57,092,467,783			22,795,000	0	0	22,795,000	\$39.93
31	2039	\$59,947,091,172			23,935,000	0	0	23,935,000	\$39.93
32	2040	\$62,344,974,819			24,895,000	0	0	24,895,000	\$39.93
33	2041	\$64,838,773,812				25,935,000	0	25,935,000	\$40.00
34	2042	\$67,432,324,764				26,965,000	0	26,965,000	\$39.99
35	2043	\$70,129,617,755				28,045,000	0	28,045,000	\$39.99
36	2044	\$72,233,506,288					28,885,000	28,885,000	\$39.99
37	2045	\$74,400,511,477					29,755,000	29,755,000	\$39.99
38	2046	\$76,632,526,821					30,645,000	30,645,000	\$39.99
39	2047	\$78,931,502,626					30,850,000	30,850,000	\$39.08
40	2048	\$78,931,502,626					30,850,000	30,850,000	\$39.08
41	2049	\$78,931,502,626					30,850,000	30,850,000	\$39.08
42	2050	\$78,931,502,626					30,850,000	30,850,000	\$39.08
43	2051	\$78,931,502,626					30,850,000	30,850,000	\$39.08
44	2052	\$78,931,502,626					30,850,000	30,850,000	\$39.08
45	2053	\$78,931,502,626					30,850,000	30,850,000	\$39.08
46	2054	\$78,931,502,626					30,850,000	30,850,000	\$39.08
47	2055	\$78,931,502,626					30,850,000	30,850,000	\$39.08
48	2056	\$78,931,502,626					30,850,000	30,850,000	\$39.08
49	2057	\$78,931,502,626					30,850,000	30,850,000	\$39.08
50	2058	\$78,931,502,626					30,850,000	30,850,000	\$39.08
51	2062	\$78,931,502,626					30,850,000	30,850,000	\$39.08

Tax Rate Statement for 2008 Election

The best estimate of the tax which would be required to be levied to fund the bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing this statement, is **\$39.94 per \$100,000 of assessed valuation for the year 2009-2010.**

2). The best estimate from official sources of the tax rate which would be required to be levied to fund the bond issue during the first fiscal year after the last sale of the bonds and an estimate of the year in which that rate will apply, based on estimated assessed valuations available at the time of filing this statement, is **\$39.97 per \$100,000 of assessed valuation for the year 2018-2019.**

3). The best estimate of the highest tax rate which would be required to be levied to fund the bond issue and an estimate of the year in which that rate will apply, based on estimated assessed valuation available at the time of filing this statement, is **\$40.00 per \$100,000 of assessed valuation for the year 2033-2034.**

Questions and Answers / Board comments:

Board member Albiso suggested that the Board create a subcommittee to ask specific questions and participate in the selection process of the bond underwriter. He said that he has specific questions regarding the way they handled the sale of the previous bonds.

Board member Ibarra said that he feels that it is important that the Board have an opportunity to ask questions directly and suggested that the subcommittee meet with the bond underwriter and bond counsel immediately in order to report to the full Board at the next regularly scheduled Board meeting.

Superintendent Downs thanked each of the companies for coming this evening and informed them that the District will facilitate meetings between themselves and the Board within the next two weeks. He also assured them that if the Board wants to go in a different direction or with a different vendor that they will be paid for services rendered.

Board member Mendoza-Ware asked for clarification concerning the language of the resolution regarding creating a career technology school; where it is reflected in the spreadsheet; and the amount of the expenditure. She said that she is concerned about how aggressive the list of projects is as compared to the amount of funds the District anticipates receiving from the new bond.

Assistant Superintendent Cridelich informed the Board that the resolution under ‘Construction of New Classrooms’ (5th bullet); should read ‘Create career technology to expand and upgrade vocational education and job training opportunities’. He said that the spreadsheet reflects the expenditure as upgrading facilities at Colton High School and Bloomington High School in order to bring existing schools up to the same standard as the new school. The expenditures are identified in the first three projects listed as adding new computer labs and converting two classrooms into learning labs. Regarding the ambitious list of projects outlined, Dave Casnocha, representing Bond Counsel, explained that Exhibit B of the resolution lists the range of projects that bond money is authorized to be spent on; it is not a promise list of specific projects to be done.

Board Member Hoover expressed his concern regarding; 1) stretching the indebtedness to the year 2058; 2) the District failing to complete the projects that were promised in the previous bond election; and 3) the District providing a list of projects that may be completed versus a list of projects that will be completed.

Board Member Albiso said that the District needs to have latitude regarding construction and modernization projects on the Bond measure because there are times when conditions change, affecting the timeline and/or the scope of a project. Mr. Albiso said that he supports the new bond measure because he sees it as a positive investment for children and because the timing of this opportunity to pass a bond measure is crucial.

Board Action:

Resolution 08-12: #8
Ordering an Election and Specifications of the Election Order (11/4/08)

Agenda item #1: On a motion by Mr. Zamora, seconded by Mr. Albiso, and carried on a 5–2 vote, the Board adopted *Resolution 08-12 of the Board of Education of the Colton Joint Unified School District Ordering an Election and Establishing Specifications of the Election Order*, as presented.

Ayes: Zamora, Albiso, Armenta, Ibarra, Mendoza-Ware
Noes: Hoover, Taylor

Withdrawn

~~Bond counsel agreement with
Stradling Yocca Carlson &
Rauth~~

#9

Agenda Item #2: By Board consensus, item #2 was *withdrawn*..
Further, the Board agreed to form a subcommittee to:

1. Review the presentation made by the Bond Counsel, Stradling Yocca Carlson & Rauth;
2. Review the presentation by Bond Advisors, RBC Capital Markets
3. Review the specifications of the Resolution.

The Board agreed that the subcommittee would be made up of the following board members: Robert Armenta, Frank Ibarra and Mel Albiso.

Adjournment:

At 6:50 p.m. the Board adjourned to the next Regular Board of Education Meeting on August 21, 2008, at the Colton JUSD Student Services Center, 851 South Mt. Vernon Avenue, Colton, California.