

**DEL MAR UNION SCHOOL DISTRICT
BOARD OF TRUSTEES**

**MINUTES OF SPECIAL BOARD MEETING
Del Mar Union School District Office
Conference Room
225 9th Street
Del Mar, CA 92014**

**Monday, February 12, 2007
12:00 p.m.**

Members Present: Annette Easton, President
 Janet Lamborghini, Clerk
 Linda Crawford, Steven McDowell, Katherine White

Staff: Tom Bishop, District Superintendent
 Rodger Smith, Director of Personnel/Facilities

Other: Benjamin Dolinka and Ann Fong, CFD Financial Consultants

BUSINESS TRANSACTED WAS LIMITED TO THE FOLLOWING:

1. Board President *Annette Easton* called the Special Board Meeting of February 12, 2007 to order at 12:01 p.m.
2. On a motion by Member *Lamborghini*, seconded by Member *Crawford*, the board unanimously approved the agenda.
3. Communication From the Public:
 - None.
4. Director of Personnel/Facilities, Rodger Smith introduced the first reading of the Resolution of the Board of DMUSD Trustees of appointing and employing certain consultants in connection with the possible issuance of special tax bonds that could be used to fund a portion of the construction costs of Ocean Air School.

Mr. Smith introduced Mr. Benjamin Dolinka (from Dolinka and Associates) who has served as the district's CFD financial advisor since 1993. Mr. Dolinka explained how the sale of additional bonds for CFD 95-1 could provide the DMUSD with necessary resources that can be used to meet the Ocean Air School construction cash flow. Without the sale of new bonds, the district will not be able to meet its contractual obligation to the Ocean Air contractors.

Mr. Smith and Mr. Dolinka explained that the district had previously used multiple CFDs to help provide adequate resources to construct Sycamore Ridge School.

Board members asked conceptual, financial and construction questions *including: How long had district staff known about the construction cash flow problem? What impact will the sale of additional bonds have on taxpayers? What can be done with the proceeds from the sale of the bonds? Why did the construction cash flow problem occur?* ~~Mr. Smith and Mr. Dolinka answered questions from the Board.~~

Board Member White stated that she was surprised by the need to sell additional bonds and that a \$7 million dollar sale/issuance is significant.

Board President Easton stated that this was the first time that the Board had heard of the need to sell additional bonds to meet the Ocean Air cash flow needs.

Mr. Smith stated the \$7 million bond sale was significant and necessary. Mr. Dolinka answered all Board questions, reviewing the District's history of bond sales through the new JPA, CFD 95-1 and CFD 99-1.

Mr. Dolinka agreed to provide the Board with information about the expenses that will be incurred when the new bond sale is completed.

Mr. Smith stated that the construction schedule of Ocean Air School is consuming \$2 million per month in resources.

The Board President asked about approving the appointment of the financial consultants at the February 28 CFD meeting. Mr. Dolinka informed the Board that a February 28 action would meet the construction schedule requirements.

On a motion by Member *White*, seconded by Member *Lamborghini*, the Board unanimously approved adjournment of the meeting at 12:51 p.m.

Janet Lamborghini, Clerk of the Board

Thomas F. Bishop, Secretary to the Board

Date

Date