

Fountain Valley School District
Superintendent's Office

REGULAR MEETING OF THE BOARD OF TRUSTEES

10055 Slater Avenue
Fountain Valley, CA 92708

October 21, 2010

MINUTES

President Tony McCombs called the regular meeting of the Board of Trustees to order at 6:02pm. **CALL TO ORDER**

The following board members were present:

ROLL CALL

Mr. Tony McCombs	President
Mrs. Judy Edwards	President Pro Tem
Mr. Ian Collins	Clerk
Mrs. Christine Allcorn	Member
Mrs. Nicola Weiss	Member

Motion: Mrs. Allcorn moved to approve the meeting agenda

AGENDA APPROVAL

Second: Mrs. Edwards

Vote: 5-0

There were no requests to address the Board prior to closed session.

PUBLIC COMMENTS

Mr. McCombs announced that the Board would retire into Closed Session. Action was anticipated. The following would be addressed:

CLOSED SESSION

- Personnel Matters: *Government Code 54957 and 54957.1*
Appointment/Assignment/Promotion of employees; employee discipline/dismissal/release; evaluation of employee performance; complaints/charges against an employee; other personnel matters.
- Property Negotiations: *Government Code 54956.8*
Real property negotiator Mr. Paul Burkart will speak to the board about the negotiations concerning the properties at 10055 Slater Avenue, Fountain Valley and 9191 Pioneer and 10251 Yorktown Avenue, Huntington Beach, CA.
- Negotiations: *Government Code 54957.6*
Update and review of negotiations with the FVEA and CSEA Bargaining Units with the Board's designated representative,

Mrs. Rosemary Eadie.

The public portion of the meeting resumed at 7:03pm.
Boy Scout Pack 567 led the Pledge of Allegiance.

PLEDGE OF
ALLEGIANCE

SPECIAL PRESENTATIONS

It is an interest of the Board of Trustees to recognize students who display high achievement, improvement or extraordinary effort. The Board recognized nine outstanding students from Moiola School including Isaiah Escobedo (K), Aubrey Briggs (1st), Kaito Ham (2nd), Ryan Karns (3rd), Quan Vu (4th), Lytra Evans (5th), Noah Stevens (6th), Serinee Tran (7th), and Casey Membrila (8th). Principal Erin Bains was present to congratulate these students on this great honor. She was joined by staff and parents in celebrating these students' achievements.

RECOGNITION OF
STUDENTS FROM
MOIOLA SCHOOL

It is an interest of the Board of Trustees to recognize outstanding parent volunteers who give generously of their time and talents to our schools. From Moiola School, the Board recognized and thanked Jane Pape, Beke Bello and Colin Smythe. Ms. Bain thanked them for their dedication to Moiola School throughout the 2010-11 school year.

RECOGNITION OF
PARENT VOLUNTEERS
FROM MOIOLA SCHOOL

Deputy Superintendent Rosemary Eadie acknowledged the recent generous grant funding to each of the K-5/8 schools in the Fountain Valley School District by the Huntington Beach Assistance League. These grants totaling nearly \$100,000 over the last three years were presented via the Assistance League's philanthropic program called "Links to Learning." Grant Coordinator for "Links to Learning", Maryann Boryszewski and her committee, were present. Mrs. Eadie joined the Board in thanking the Assistance League for its generous support of our district.

ACKNOWLEDGEMENT
OF GRANT
PRESENTATIONS BY
THE HUNTINGTON
BEACH ASSISTANCE
LEAGUE

Following the presentations, Mrs. Edwards read the following Closed Session announcement:

CLOSED SESSION
ANNOUNCEMENT

"In closed session, the Board of Trustees took action to approve the five-day suspension of an employee in the class of bus driver."

BOARD REPORTS AND COMMUNICATIONS

Mrs. Edwards enjoyed Back to School Night at Masuda. She noted that it was a busy evening with the cheerleaders and band performing and that she enjoyed a very nice tour

BOARD REPORTS AND
COMMUNICATIONS

of the classrooms. She also enjoyed the OSCBA presentation by Kevin Gordon on school finance. She also attended and enjoyed the Mayor's Breakfast presentation by Bill Habermehl and noted the number of wonderful things that he had to say about the Fountain Valley School District. She enjoyed the Taste of Fountain Valley as well as the ACE Committee meeting. She attended the OCSBA/ACSA joint dinner and enjoyed the presentation by Sherry Skelly Griffith. And she also enjoyed the Mayor's Breakfast and the presentation from the Registrar of Voters.

Mr. Collins enjoyed Back to School Night at Talbert. He noted that it was well attended. He also enjoyed the Taste of Fountain Valley and noted the fun environment and good time had by all. He also enjoyed the Mayor's Breakfast presentation by Bill Habermehl and noted that the district's success has led Orange County to be highest in the State. He enjoyed the FVEF meeting as well as the ACE meeting and the Candidates' Forum, hosted by SPC. He noted what a nice job each of the candidates did. He also enjoyed visits to Newland, Courreges and Tamura as well as the Rachel's Challenge presentation at Fulton and the OCSBA/ACSA joint dinner.

Mrs. Allcorn enjoyed the OCSBA presentation and noted that the attendance for CSBA's annual conference looks to be good as reported there. She enjoyed Back to School Night at Fulton as well as the Taste of Fountain Valley. She agreed that the Rachel's Challenge presentation at Fulton was very powerful and she also enjoyed the Mayor's Breakfast presentation by the OC Registrar of Voters. She attended the FV Music Live benefit concert meeting and noted the event planning is progressing nicely. The concert will be held January 29, 2011 at the HBHS Auditorium.

Mrs. Weiss enjoyed the Taste of Fountain Valley and was pleased to report that the evening went well. She also enjoyed Back to School Night at Talbert, noting that as her first BTS at a middle school it was a great experience. She also attended the FVEF meeting and enjoyed the OCSBA dinner as well as visits to Newland, Courreges and Tamura. She attended the FV Music Live benefit concert planning meeting as well as enjoyed both Mayor's Breakfast presentations.

Mr. McCombs enjoyed Back to School Night at Masuda and noted that it was a very nice evening. He also loved the Taste of Fountain Valley this year and had a great time. He attended the Candidates' Forum and noted that all candidates represented themselves well. He also enjoyed a tour of the Orange County Sanitation District and was also to see the working elements there. He noted some reminders including Masuda's Veterans' Day Celebration on November 9th and Talbert's soccer tournament on November 17th.

STAFF REPORTS AND PRESENTATIONS

Assistant Superintendent Steve McMahon provided an update for the Board of Trustees on the California State Budget for 2010-11 and its effect on the Fountain Valley School District. He explained that the Recession is over although statewide recovery in California will be slower than the rest of the nation. He noted that key factors indicating recovery include unemployment and construction. He noted that the State budget has been adopted, although was 100 days late with a \$19 billion shortfall and \$1.5 billion in cuts to education. He noted that mandated costs funding has been restored although the door does remain open to midyear cuts. He explained about 90% of the district's Federal Jobs Funding monies have arrived and must be used by September 2012. He noted that flexibility options regarding CSR are set to expire in June 2012 and in June 2013 all other flexibility options end. He noted the Kindergarten bill signed by the Governor that delays the start date for Kindergarten for one additional month over the next 3 years and allows for transitional Kindergarten.

2010-11 STATE BUDGET
REPORT (ORAL AND
WRITTEN)

PUBLIC COMMENTS

There was one request to address the board. A district parent addressed the board on the district's food allergy policy and the bullying of students in our district with food allergies.

PUBLIC COMMENTS

LEGISLATIVE SESSION

Motion: Mrs. Edwards moved to discuss Item 5 on the agenda, Acceptance of Proposals, Approval of Most Desirable Proposal and Delegation of Authority to Negotiate Purchase and Sale Agreement for Most Desired Proposal Subject to Waiver Requirements.

ACCEPTANCE OF
PROPOSALS,
APPROVAL OF MOST
DESIRABLE
PROPOSAL, AND
DELEGATION OF
AUTHORITY TO

Second: Mrs. Weiss

NEGOTIATE PURCHASE
AND SALE AGREEMENT
FOR MOST DESIRED
PROPOSAL SUBJECT TO
WAIVER
REQUIREMENTS

Attorney Andreas Chialtas explained that as a part of the Request for Proposal process, the district has received proposals on the Lamb and Wardlow properties. The board now needs to indicate the most desirable and give the reasons why the selected is the most desirable. He explained that the board would then delegate authority to Dr. Ecker to negotiate the purchase and sale agreement with the most desirable proposal and the agreement would then be brought back to the board at the November 18th meeting. The agreement would then be available for public review for 30-60 days prior to going into Escrow. He explained that the RFP process does not require the board to assign a ranking to each proposal received, although, along with senior managers, his firm put together a suggested ranking of proposals received for the purchase of the Fountain Valley School District surplus properties (Lamb and Wardlow properties). He reviewed this with the board, included below:

1. Tri Pointe Homes, Inc., Option 2: \$40,050,000; \$250,000 Non-refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$6,000,000 and released. Closing to occur 12 months after due diligence period (so 13.5 months total).
2. Tri Pointe Homes, Inc., Option 1: \$31,050,000; \$250,000 Non-refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$3,000,000 and released. Closing to occur 1 month after due diligence (so 2.5 months total).
3. Toll Brothers, \$37,400,000 estimated; Based upon 98 total lots, \$381,632 per lot, final price adjusted reduced accordingly. Eight land purchase payments (\$4,600,000 each at closing and every 3 months thereafter). \$50,000 deposit upon opening of escrow, 45 days due diligence, then desposit increased to \$600,000 total. Closing to 15 days after entitlements and tentative tract maps and appeal period.
4. Lennar, \$32,650,000; \$50,000 Non-refundable deposit upon opening of escrow, 60 days due diligence, then increased to \$5,000,000 total and released. \$250,000 on 7/1/11, 1/1/12, and 7/1/12. Closing to occur 15 days from final tract map or 8/1/12, with two 90-day extensions for \$250,000 each.
5. City Ventures, \$29,250,000 or \$31,250,000; \$250,000 deposit upon opening of escrow, 45 days due diligence, \$100,000 on the 105th, 150th and 210th day. Closing 12 months, with two 90-day

extensions for \$250,000, non-refundable each and \$250,000 upon Final Map for each property. 45 days due diligence. Contingent upon 60 homes and receipt of approvals. Will increase to \$31,250,000 if two-phased takendown is allowed.

6. Christopher Homes, \$28,000,000; \$200,000 refundable deposit with an increase to \$500,000 total at completion of due diligence period, and \$250,000 each 6 months and 12 months later, then all non-refundable. Closing 30 days from all entitlements and approvals. One Extension payment of \$500,000 non-refundable but applicable.

7. Brookfield Homes, \$27,270,000; \$100,000 refundable deposit upon opening of escrow, 60 days due diligence, then increased to \$1,000,000 total and released. Closing to occur in 24 months from feasibility (26 months total). Conditioned upon 101 lots with 10 lot take down at \$270,000 per lot each.

8. Standard Pacific Homes, \$26,350,000; \$200,000 refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$1,000,000 total, then non-refundable and released. Closing to occur in 10 days after tract map or 15 months after due diligence (16.5 total). Three 1 month extensions for \$50,000 each non-refundable deposit. Closing to include \$13,675,000 paid at closing, with \$12,675,000 carried by District Note at 5% paid in full 10 days from Final Tract Map recordation.

9. William Lyon Homes, Inc., \$25,650,000, \$50,000 Refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$500,000 total, then non-refundable, but not released. Closing to occur 18 months from feasibility (20 months total) with 6 possible 1 month extensions for 6% interest above purchase price. Condition include adjustment for assumed estimate for costs of improvements, District pays for ALTA policy, allows access.

10. New Home Company, \$24,500,000; \$100,000 refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$1,000,000 total, then non-refundable, but not released. Closing to occur in 20 days from feasibility if closing conditions met, including: title, no moratoria and obtaining of necessary easements.

11. Van Daele Investment Properties, \$22,500,000; \$100,000 refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$1,000,000 total then non-refundable

and released. Closing to occur upon final tract map approval (estimate 12 months). Purchase based upon 101 lots total.

12. Integral Communities, \$22,000,000; \$100,000 refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$600,000 total, then non-refundable, but not released. Closing to occur 5 days from Tentative Trace Map approval and appeals period.

13. QVT Mount Auburn Capital LP, \$22,000,000 estimated; \$50,000 refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$100,000 total, then non-refundable, but not released. Closing to occur in 30 days from due diligence (2.5 months total) with \$3,000,000 cash and \$19,000,000 Seller Financing at 5% paid monthly. Balance due upon approval of grading permit. Assumes 101 lots at \$217,822 per lot, price reduced accordingly if fewer.

14. Pulte Homes, \$21,400,000; \$50,000 total refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$950,000 total, then non-refundable, but not released. Additional \$900,000 at 270th day. Closing 10 days after tentative tract map approval and appeals periods.

15. EtcO Homes, \$21,000,000; \$50,000 non-refundable deposit and \$450,000 refundable deposit upon opening of escrow, 45 days due diligence, then \$450,000 also non-refundable. Monthly \$80,000 "interest" payments made after due diligence, but applicable to purchase price. Cash at Closing, 60 days from 24 months with tentative tract map or recorded final tract map.

16. DR Horton, \$20,665,000 – LAMB ONLY; \$50,000 refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$450,000 total, then non-refundable and released. Closing to occur in the later of 10 days from approval of final map or 12/1/2011. Closing conditioned upon unappealable approvals. At closing, \$1,000,000 paid as down payment, and then payments based upon prorated amount at each home closing.

17. Pacer Development, \$18,300,000 estimated; \$50,000 refundable deposit upon opening of escrow, 30 days due diligence, then non-refundable and additional deposits of \$50,000 per month are paid, all applicable to sale price. Final purchase price to be determined by \$310,000 per final approved lots. Closing to occur 5 days after final approvals or 18 months,

whichever later.

18. JCC Homes, \$17,150,000 or \$22,050,000; \$100,000 total non-refundable deposit upon opening of escrow, 60 days due diligence. 90 day closing, but extension options for additional deposits of \$500,000 total every 90 days – 540 days total maximum closing date. Price difference is due to bonus amount in event buyer receives entitlements for the construction of certain home sized consistent with City Code Requirements as preferred by its architect.

19. West Coast Housing Partners, LLC., \$15,245,000 or \$18,540,000; \$50,000 refundable deposit upon opening of escrow, 45 days due diligence, then increased to \$100,000 total, then non-refundable, but not released. Closing to occur in 15 days from due diligence. Price determined by chosen option: \$15,245,000 cash, or \$18,540,000 with \$4,635,000 down and 3 additional payments for \$4,635,000 in 6 months intervals after closing.

Based on the proposed sale price, deposit amount, fewer to no conditions and closing timeline, Mr. Chialtas explained that Tri Pointe option 2 is the most desirable.

Motion: Mrs. Edwards moved to approve Tri Point Homes, Inc., option 2 as the most desirable based upon the reasons stated by Mr. Chialtas, i.e., proposed sale price, deposit amount, fewer to no conditions and closing timeline.

Second: Mrs. Weiss

Mr. McCombs expressed his agreement with the evaluation of the proposals received and the choice of Tri Point Homes, Inc., option 2 as the most desirable.

Vote: 5-0

Motion: Mrs. Allcorn moved to approve a delegation of authority to the Superintendent, or his designee, to negotiate and final Purchase and Sale Agreement for the most desire proposal, which Purchase and Sale Agreement shall be presented to the Board at a future Board meeting.

Second: Mrs. Weiss

Vote: 5-0

Mr. McCombs requested that items 6B Personnel, item 4.10 and item 6J Resolution 2011-21: Notice of Completion and Acceptance/Talbert Roofing Project be pulled for separate vote.

CONSENT
CALENDAR/
ROUTINE ITEMS OF
BUSINESS

Motion: Mrs. Allcorn moved to approve the Consent Calendar/Routine Items of Business with the exception of items 6B, item 4.10 and 6J.

Second: Mrs. Edwards

Vote: 5-0

Motion: Mrs. Allcorn moved to approve Item 6B Personnel, item 4.10

Second: Mrs. Edwards

Vote: 4-0
Abstain: 1, McCombs

Motion: Mrs. Edwards moved to approve Item 6J Resolution 2011-21: Notice of Completion and Acceptance/Talbert Roofing Project

Second: Mrs. Allcorn

Mr. McCombs inquired as to any leaks with the rain at Talbert. Mr. McMahon noted that there were not any leaks at Talbert and that all is fine.

Vote: 5-0

The Consent Calendar included:

- Board Meeting Minutes from September 20th regular meeting
- Personnel Items
- Donations
- Warrant Registers
- Purchase Order Listing
- Approval of Budget Transfers
- Approval of Williams Quarterly Report For First Quarter 2010-11
- Approval of ATEC Service Agreement

- Adoption of Class Size Penalty Waiver Request
- Adoption of Resolution 2011-21: Notice of Completion and Acceptance/Talbert Roofing Project
- Approval of 2010-11 Outdoor Science Education Study Trips
- Non-Public Agency Contracts (Board Members Only)

Non-Public School/Agency	100% Contract Cost	Effective Dates
Therapeutic Education Centers	\$2,106	7/1/10 to 6/30/11
Cornerstone Therapies	\$170	7/1/10 to 6/30/11
Therapeutic Education Centers	\$44,935	7/1/10 to 6/30/11

NEW ITEMS OF BUSINESS

- Mr. Collins Encouraged everyone to participate in the upcoming election by voting on November 2nd. He encouraged everyone to exercise their right to vote.
- Mrs. Allcorn Thanked Mrs. Gandall for her address to the Board. She asked Dr. Ecker to check on the policy referenced going out to parents who indicate a food allergy on their emergency card.
- Mrs. Weiss Thanked Mrs. Gandall for her address to the Board and noted that it is a good to hear from concerned parents. She indicated her interest in seeing a copy of the board policy of food allergies.
- Mr. McCombs Thanked Mrs. Gandall for her presentation and requested that there be research as to having all of the board policies included on the district’s web site.
- Mr. Collins Also requested that the dispensing of the policy to parents who indicate a food allergy on their emergency card be looked into.
- Mrs. Allcorn Noted that it is not just about the policy but also about the bully that occurs for those students with anything different about them. She stressed the importance of remediating and that if things are handled well at Talbert, then it needs to be the same at all sites.
- Dr. Ecker Agreed that bullying always needs to be watched out for and that feedback from the

- sites as far as what they are seeing is important.
- Mrs. Allcorn Suggesting getting a group of students together to gather this information from them as well.
- Dr. Ecker Noted that he would follow up with Mrs. Eadie and the principals regarding this issue. This is the first he has heard of the concern and he will be sure to address it.
- Mr. Collins Again encouraged everyone to exercise their right to vote.
- Mr. McCombs Agreed and echoed Mr. Collins' sentiment on the importance of voting.
- Mr. McCombs Opened the discussion on the upcoming meeting with the City of Huntington Beach regarding crossing guards. He noted that he and Dr. Ecker would attend and asked for another to attend as well.
- Mr. Collins Expressed his interest in attending as this affects his neighborhood directly.
- Mr. McCombs Confirmed that Dr. Ecker, Mr. Collins and he would attend the meeting.
- Dr. Ecker Thanked Mr. McMahon for his presentation.
- Dr. Ecker Agreed with Mr. Collins on the importance of voting. He thanked SPC for the great job that they did with the Candidates' Forum. He noted that it was a very enlightening evening and provided a clear idea of the quality and experience of each candidate. He noted the importance of selecting the right candidates for the board in order to maintain the District's success.
- Dr. Ecker Noted the importance of volunteerism. He noted the hard work of the participants in SPC, ACE, the FVEF and the Taste of Fountain Valley, and the upcoming benefit concert, Fountain Valley Music Live. He noted that all of these efforts go to the heart of volunteerism

and are a part of what makes the District so great.

Dr. Ecker Noted that he will also be sending out a notice to the PT presidents and principals that do not yet have a representative on ACE to get one. He noted that all schools have placed this on their PT budget.

ADJOURNMENT

Motion: Mr. Collins moved to adjourn the meeting at 9:01pm.

Second: Mrs. Weiss

Vote: Unanimously approved

/rh