

MORENO VALLEY UNIFIED SCHOOL DISTRICT

**MINUTES FOR THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE
SCHOOL FACILITIES CORPORATION OF OCTOBER 21, 2014**

The minutes of the Special Meeting of the Board of Directors of October 21, 2014, are being submitted to the Board of Education, acting as the Board of Directors for School Facilities Corporation, for approval at its Organizational/Regular Board Meeting of December 9, 2014. The minutes are a complete and factual record of action taken by the Board of Directors at its Special Meeting of October 21, 2014.

**MORENO VALLEY UNIFIED SCHOOL DISTRICT
25634 Alessandro Boulevard
Moreno Valley, California**

**THESE PROCEEDINGS ARE AUDIO/VIDEO TAPED PURSUANT TO GOV. CODE §54953.5
AND REBROADCAST ON CHANNEL16**

CALL TO ORDER: School Facilities Corporation President Fleming opened the meeting for the Board of Directors at 5:00 p.m.

ROLL CALL: Board of Directors Present
Denise Fleming, Ed.D., President
Gary Baugh, Ed.S., Vice President
Judy D. White, Ed.D., Secretary
Mays Kakish, Chief Financial Officer
Jesus M. Holguin, Board Member
Cleveland Johnson, Board Member
Tracey B. Vackar, Board Member

Administration Present
Dr. Martinrex Kedziora, Assistant Superintendent, Ed. Services
Dr. Robert Verdi, Assistant Superintendent, Human Resources
Sergio San Martin, Director, Facilities
Diane Hellerstedt, Administrative Assistant, Board of Education

PUBLIC COMMENTS ON AGENDA ITEMS
There were none.

ACTION ITEMS: 1. Approval of Minutes of the Special Meeting of the Board of Directors of The School Facilities Corporation of March 11, 2014.

It was moved by Gary Baugh and seconded by Tracey B. Vackar to approve the minutes of the Special Meeting of the School Facilities Corporation of March 11, 2014, as presented.

RECORD OF VOTES:
• G. Baugh – Aye
• D. Fleming – Aye
• J. Holguin – Aye
• C. Johnson – Aye
• T. Vackar – Aye

Vote: Ayes – 5 Nays – 0 Abstain – 0

2. Recommendation to approve Resolution 2014-15-16 of the Board of Directors of the Moreno Valley Unified School District School Facilities Corporation for the easement Exchange Agreement between the Corporation and Mr. Robert Ruiz relative to driveway and street access rights relative to the Bayside/ Charter/ Alternative School Project.

The Moreno Valley Unified School District School Facilities Corporation ("Corporation") is considering a resolution relative to the Corporation's real property owned at the intersection of Cactus Avenue and Indian Street. As part of the construction of the school on the property, the Moreno Valley Unified School District ("District") will be completing certain driveway and street improvements on the northeastern portion of the school site. In order to complete such improvements in accordance with the requirements of the City of Moreno Valley ("City"), it is necessary for the District to construct certain right-turn improvements that will encroach in part on adjacent neighboring property owned by Mr. Robert Ruiz, and authorize complete street improvements to be dedicated to the City.

In order to complete the improvements on Mr. Ruiz's property, the District must acquire a temporary construction easement to encroach on Mr. Ruiz's property for construction purposes, as well as a permanent dedication from Mr. Ruiz to the City for the small portion of his property on which the street turn improvements will be constructed. In exchange for Mr. Ruiz providing such rights, the Corporation will be formalizing a pre-existing agreement with Mr. Ruiz (derived from the prior owner of the Corporation's property) allowing him to utilize a portion of the school site driveway to access his property. An Easement Exchange Agreement has been prepared to accomplish this task, and is currently before the Board for its consideration and, if appropriate, approval.

Chief Financial Officer, Mays Kakish, called upon Moreno Valley Unified School District's Director of Facilities, Sergio San Martin, to provide background information and an overview to the Board.

Extensive discussion was held regarding the Easement Agreement, and strong concerns were raised to agreeing to a permanent easement, since we do not know anything about future owners. Mr. San Martin explained that the easement will be granted subject to Department of Education conditions, which would allow for future action to end the agreement, if necessary. The easement allowing access to the owner's property was also viewed by some as a safety issue, due to the traffic and lack of parking conditions on the public street.

It was postulated that making changes to the easement agreement may cause the property owner to change his mind, since this would be a change in the terms to which he already agreed. He might ask for some type of payment in exchange, as concerns were also raised about the impact this may have on the property value for the owner, perhaps affecting his ability to sell in the future.

Suggestions of delaying the Action Item to allow for more investigation and discussion were contemplated. In response to the question as to the effect of waiting on this item, it was answered that it could delay the opening of the school, which is targeted for August 2015. This was noted as a big concern.

With clear difference in opinion of Board members, but with intention of assuring the decision of the Board as a whole, Board of Directors President Fleming asked if someone wanted to present a motion.

It was moved by Tracey B. Vackar and seconded by Dr. Denise Fleming to approve Resolution No. 2014-15-16 for the Easement Exchange Agreement, amending the agreement to add an end clause for the easement upon sale of the property.

RECORD OF VOTES:

- G. Baugh – Nay
- D. Fleming – Aye
- J. Holguin – Nay
- C. Johnson – Nay
- T. Vackar – Aye

Vote: Ayes – 2 (Fleming, Vackar) Nays – (Baugh, Holguin, Johnson)

MOTION FAILS

Citing confidence in the agreement as presented and the desire to move forward and not lose time on the construction project, Gary Baugh attempted to make a motion for both Action Items 2 and 3 jointly. Direction was given to take the items one at a time, beginning with Item 2.

It was moved by Gary Baugh and seconded by Jesus M. Holguin to approve Resolution 2014-15-16 as presented.

Before a vote could be taken, further discussion ensued. Concerns were raised again about the uncertainty of responsibility of future owners, and an example was cited from a similar situation at Canyon Springs High School, which has resulted in calls for changes and ongoing complaints throughout the years. Caution was urged in burdening future Boards with such potential unknown problems and liabilities.

Questions were posed regarding who had authority to negotiate the easement agreement, and there was disagreement on the protocol as to whether this should be brought to the Board during Closed Session first, in order to answer questions and receive clear direction and backing of the Board. Mr. San Martin stated that this action is a result of conditions required by the City, and as a matter of completing the school construction project, District staff, with legal counsel assistance, brought this to the property owner. In answer to further concerns stated, it was noted that the property owner did not have an attorney, but was made aware of his right to seek counsel.

Returning to the motion on the table, Dr. Fleming called for a vote on Mr. Baugh's motion to approve Resolution 2014-15-16 Easement Exchange Agreement as presented.

RECORD OF VOTES:

- G. Baugh – Aye
- D. Fleming – Nay
- J. Holguin – Aye
- C. Johnson – Aye
- T. Vackar – Nay

Vote: Ayes – 3 (Baugh, Holguin, Johnson) Nays – 2 (Fleming, Vackar)

MOTION PASSES

3. Resolution 2014-15-17 of the Board of Directors of the Moreno Valley Unified School District School Facilities Corporation authorizing the execution and delivery by the Corporation of an Offer of Dedication to the City of Moreno Valley relative to a perpetual easement and right of way for public highway purposes, including utilities and service facilities, adjacent to the Bayside / Charter / Alternative School Project

The City of Moreno Valley requires an offer of dedication from the Corporation with respect to those certain street improvements needed for the school project on Cactus Avenue that will be located on the Corporation's property. The "Offer of Dedication" is needed so that the City will assume responsibility for the District's street-related improvements at the end of the school site driveway once completed and accepted by the City. This Resolution is before the Board to approve the Offer of Dedication to the City.

It was moved by Tracey B. Vackar and seconded by Gary Baugh to approve Resolution No. 2014-15-17 for the Dedication Offer as presented.

RECORD OF VOTES:

- G. Baugh – Aye
- D. Fleming – Aye
- J. Holguin – Aye
- C. Johnson – Aye
- T. Vackar – Aye

Vote: Ayes – 5 Nays – 0 Abstain – 0

MOTION PASSES

ADJOURNMENT: There being no further items to come before the Board of Directors for the School Facilities Corporation, the meeting was adjourned at 5:55 p.m.