

**California State University Channel Islands
SITE AUTHORITY**

**Minutes of Meeting
8 May 2006**

The California State University Channel Islands Site Authority met on Monday, 8 May 2006. The meeting was held in the Training Room of the Administration Building, California State University Channel Islands (CSUCI), One University Drive, Camarillo.

Chairperson Craven presided and called the meeting to order at 11:00 a.m. Following the recitation of the pledge of allegiance, roll call was given and all members were present except for Ms. Linda Parks. Ms. Kathy Long arrived shortly after the start of the meeting at 11:06 a.m.

Members Present:

R. J. (Jim) Considine, Jr.
Charlotte Craven, Chairperson
Debra Farar, Vice Chair
Kathy Long
Richard Rush
Richard West

Members Absent:

Linda Parks

Others Present:

Erik Blaine, CSUCI-University Glen
Joanne Coville, CSUCI
Kenneth High, Attorney, Nordman, Cormany, Hair & Compton
Marlene Jones, Legal Counsel to the Site Authority
David Rosso, CSU Chancellor's Office
Elvyra San Juan, CSU Chancellor's Office
Barbara Thorpe, CSUCI
Elizabeth Velasco, Secretary to the Site Authority

Chair Craven called for the approval of the minutes of the February 13, 2006 meeting. Mr. West moved to approve the minutes, Dr. Rush seconded, and the motion carried unanimously.

The public comment period was opened pursuant to Government Code Section 11125.7. Chairperson Craven called for comments. There being none, Chair Craven closed the public comment period of the CSU Channel Islands Site Authority meeting.

Chair Craven called for board member comments but there were none.

With regards to Item 5, Schedule of Meetings, Chair Craven delayed the item in anticipation of Ms. Long's arrival.

Moving ahead to the President's Report, Dr. Rush summarized the outcomes of three significant visits to CSU Channel Islands during the last two months. First, the Western Association of Schools and Colleges site visit team made a visit in March to the campus which resulted in highly laudatory comments about the University. After this successful visit, it can be expected that full accreditation will be realized by this time next year. Second, the CSU Facilitating Graduation Site Visit Team visited the campus on April 24 and, again, the University received a laudatory report. Last, the campus hosted three CSU Trustees—Carol Chandler, Craig Smith and George Gowgani—who were visiting CSUCI for the first time. Trustees Chandler, Smith and Gowgani were positively impressed with the campus and all expressed their admiration of the University for its progress to date.

Next, Chair Craven called for the approval of the Schedule of Meetings which includes the rescheduled meeting date of September 11 (the August meeting date did not agree with the county supervisors' schedules). Ms. Long moved to approve the revised Schedule of Meetings, Mr. West seconded, and all members were in favor.

Ms. San Juan presented Item 7, Construction Status Update, and reported on construction activities in Phase 1C, 2A, 2B and the Town Center as well as the Broome Library Project. Phase 1C grading and infrastructure is complete. This phase is behind schedule, some units were occupied in January 2006, but the remaining housing units are expected to be occupied in May 2006. The apartments will be finished in June. The demolition of "Home One" was put on hold pending Brookfield's completion of Phase IC construction. With regard to resales, 24 homes have been repurchased by the Site Authority to date and 21 sold.

The Town Center is approximately 80% complete and is significantly behind schedule due to poor performance by the contractor. Project completion date is now December 2006. Cost overruns in project inspection and management are occurring, but should be offset by liquidated damages for the project delay.

Ms. San Juan also discussed the land parcel sale handled by the State Department of General Services (this item was not included in the written report). Bids are coming in and the sale will occur on Wednesday of this same week; the land parcel sale will help fund the purchase of the land for the entrance road.

Next, Mr. West initiated the presentation of the FY 2004/2005 Financial Statements and introduced Ms. Jean Gill. Mr. West then asked that Ms. Gill make the formal presentation to the Board. Ms. Gill reviewed the KPMG audit reports for the CSUCI Site Authority and CSUCI Financing Authority simultaneously because of the integral relationship between the two entities. The audit reports focus on a twelve-month period from July 2004 through June 30, 2005. Both reports gave a clean opinion and are free of material findings. Ms. Gill also pointed out three items of interest: 1) new funding of \$99M in bonds, which is received by the Financing

Authority and then immediately loaned to the Site Authority; 2) additional funding for the Broome Library; 3) an accounting rule which changes the presentation of the figures and requires more disclosure with regard to investments. Ms. Gill then explained the distribution of revenue, most of which is held by the Site Authority, and the debts and assets possessed by the Financing Authority, as well as the bond payment and cash flow processes. Dr. Farar thanked Ms. Gill for a very thorough presentation at the conclusion of her report.

Dr. Blaine submitted Item 9, University Glen and Alliance Budget for FY 2006/07, for approval by the Board. Dr. Blaine remarked that both budgets were unanimously approved by the University Glen Corporation Board at its April 27 meeting. In response to Mr. West's question about whether there have been any forced resales, Dr. Blaine replied that there have been none. In addition, Ms. Coville clarified that sale proceeds are received by the Site Authority and that the University Glen Corporation receives some funds for operating expenses. After a brief discussion about ad valorem taxes, Mr. Considine moved to approve the budget as presented, Dr. Farar seconded, and the motion carried unanimously.

Dr. Thorpe gave the University Glen Housing and Rental Update. With regard to Phase 1C, of the 86 total for-sale single family units and townhomes, 74 orientations and walk-throughs have been conducted; 3 homeowners have cancelled their contracts; 52 have closed; 31 are in escrow, twelve of which have no release date as yet; and 18 rental townhomes are pending release. Of the three homeowners who have cancelled their contracts, University Glen staff are in the process of selling those homes to prospective buyers on the wait list. The Board briefly discussed the reasons behind the three cancellations and the current for-sale home prices. Regarding rentals in Phases 1A and 1B, 98% of the units are leased and 92% are occupied. Concerning Phase 1C, 11 of 18 townhomes have been reserved. Also, the homeowners advisory council will hold elections May 15-30 to fill all five council seats.

There being no further business to come before the Board, the public meeting adjourned at approximately 11:35 a.m.

Immediately following the public meeting, the Board met in closed session pursuant to Government Code Section 11126(e)(1).

APPROVED:
California State University Channel Islands Site Authority



Signed: _____
Secretary to the Site Authority

9/11/2006
Dated: _____