



SITE
AUTHORITY
CHANNEL ISLANDS

**California State University Channel Islands Site Authority
MINUTES
Regular Meeting
Monday, December 14, 2015**

The California State University Channel Islands (CI) Site Authority (SA) met on Monday, December 14, 2015. The meeting was held at the University Glen Corporate Office on the California State University Channel Islands campus, 45 Rincon Drive, Suite 104-A, Camarillo.

Chair of the Site Authority R. J. Considine, Jr. called the meeting to order at 11:30 a.m. The Secretary gave the roll call and a quorum of members was present.

Members Present: Chairperson R. J. Considine, Jr.; Charlotte Craven; Debra Farar; Kathy Long; Linda Parks; Richard R. Rush

Others Present: Pamela Abbott-Mouchou, Secretary to the Site Authority; Chris Fowler, Aaron Klemm, CSU Chancellor's Office (CO); Ysabel Trinidad and Missy Jarnagin, Division of Business & Financial Affairs; Erik Blaine and Dave Nirenberg, CI Administrative Services; Jones Lang LaSalle (JLL) Representatives Andy Phillips and Javier Rivera; Matthew Brady, Counsel for CI Power; Rolland Vasin and Steve McCann, Vasin Heyn & Co.

Approval of Minutes of October 14, 2015 Special Meeting

Councilwoman Craven made the motion to approve the minutes of the October 14, 2015 special meeting. Dr. Rush seconded the motion, and the minutes were approved unanimously.

Public Comment Period (Pursuant to Government Code section 11125.7)

Chairperson Considine called for public comments.

Mr. Tim Ward, a University Glen resident, said that he would like a copy of Schedule C of the Common Area Maintenance budget. Dr. Blaine responded by saying that it would be provided as soon as revisions were completed.

There being no further public comment, Chairperson Considine thanked those present, and closed the public comment period.

Board Member Comment Period

Chairperson Considine called for Board member comments. There were none.

INFORMATION AND ACTION ITEMS

Information: Campus Update (Rush)

Dr. Rush began his remarks by saying that a letter had been sent to all University Glen residents in response to issues that had previously been brought forward to the Site Authority Board. He said that

the Site Authority would be engaging a property manager, who will be reporting to the University Glen Board of Directors. He added that the Board will begin meeting monthly after the New Year, instead of quarterly, also in response to residents' concerns. A new auxiliary will be created to delineate University and University Glen business activities. Also, the current landscaping contract will be terminated, and CI Facilities Services will assume responsibility for landscaping beginning January 1, 2016. President Rush finished his remarks by saying that he plans to send a letter to University Glen residents later this week that addresses all of the concerns raised earlier this year.

Information: Construction Status Update (Blaine)

Dr. Blaine provided the Board with highlights of construction activities. They included the following:

- Modoc Hall lab installation will be completed by Spring 2016;
- Grand Salon's new lighting work has been completed;
- Student Housing Phase 3's framing work is continuing, and the project is on schedule for completion in the Fall of 2016;
- Islands Café Dining expansion is in pre-construction and that project is on schedule.

Information: University Glen Housing and Rental Update and Financial Report (Blaine/Jarnagin)

Dr. Blaine continued his report to the Board with the following updates:

- No homes are currently on the market, although seventeen homes were sold in 2015;
- Rental properties are 98% occupied;
- Trinket Store vacated their space in Town Center;
- University Glen's annual Toys for Tots campaign, a program to benefit less-fortunate children organized by the local Marine Corp Reserves, has collected over 120 toys so far;
- A letter about El Niño was sent to University Glen residents and to its Board;
- A letter regarding the reduction of 2014-15 Common Area Maintenance (CAM) fees was sent to University Glen residents;
- A corrected memorandum was mailed to University Glen homeowners about home improvements made on University Glen property.

Ms. Jarnagin presented the Site Authority financials through period ending September 30, 2015. She discussed the tax collections and accrual for the prior year, and the implications to the budget as a result of the reduction of the CAM fees.

Dr. Blaine continued by providing further updates on University Glen maintenance and auxiliary items. Project updates will be routinely provided to the Board in future meeting packets.

Supervisor Parks commended the accomplishments made over the recent months and thanked Dr. Blaine for his efforts. Supervisor Long and Chairperson Considine agreed.

Information: Financial Audit for Fiscal Year 2014-15 (Vasin)

Mr. Vasin, Senior Partner of accounting firm Vasin, Heyn & Co., provided highlights of the recent CAM fee audit. He then introduced his colleague, Mr. McCann, who explained to the Board that campus assets are being depreciated faster than the amortization schedule, however, over time, the anticipated revenue will offset the deficit. Councilwoman Craven requested that more details be provided in the financials, possibly through the addition of footnotes to further explain Site Authority debt.

Information: CAM Fee (Vasin/Jarnagin)

Ms. Jarnagin said that during the CAM audit, certain inconsistencies were discovered, however, Site Authority management has responded and will be implementing improvements by January 31, 2016.

Information: CI Power Plant Update and Southern California Edison Negotiations (Blaine/Brady)

Dr. Blaine introduced Mr. Brady, who serves as the CI Power Plant general counsel. Mr. Brady gave the Board a brief history of how CI came to purchase the power plant and recent contract negotiations with Southern California Edison (SCE). He went on to explain that on December 11, SCE offered a 7% lower purchase price for power than what was offered in the initial negotiations.

Mr. Brady stated that SCE would like for the Site Authority to agree to the new terms, and to complete negotiations by the end of 2015. Supervisor Parks asked if she could be provided with a copy of the proposed contract, but Mr. Brady said that SCE considers the contract confidential. Supervisor Parks voiced her concern about whether the new contract would limit revenues due to the proposed dispatchable energy model.

Action Item: Resolution for Approval of Staff to Continue and Finalize a New Power Purchase Agreement (PPA) with Southern California Edison (SCE)

Supervisor Long made the motion to continue to move forward with the new power purchase agreement with SCE, and Debra Farar seconded the motion. A team will be identified to negotiate final language for the agreement, and that team will include the Chair of the Site Authority.

Roll call:

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| Chairperson R. J. Considine, Jr. | Yes |
| Charlotte Craven | Yes |
| Debra Farar | Yes |
| Kathy Long | Yes |
| Linda Parks | Yes |
| Steve Relyea | Absent |
| Richard Rush | Yes |

There being no further business to discuss, the public meeting adjourned at 12:55 p.m.

APPROVED:

California State University Channel Islands Site Authority

Signed: 
Secretary to the Site Authority

Dated: Feb. 1, 2016