

**California State University Channel Islands Site Authority  
MINUTES  
Regular Meeting  
Monday, May 2, 2016**

The California State University Channel Islands (CI) Site Authority (SA) met on Monday, May 2, 2016. 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 11:37 a.m. The Secretary gave the roll call and a quorum of members was present.

Members Present: Chairman R. J. Considine, Jr.; Charlotte Craven; Debra Farar; Robert Eaton; Kathy Long; Linda Parks; Richard R. Rush; Ysabel Trinidad

Others Present: Erika Beck, President-Designate (introduced to Board members prior to the meeting); Pamela Abbott-Mouchou, Secretary to the Site Authority; Chris Fowler, Mary Ek, Steve Lohr, Francis Freire, CSU Chancellor's Office (CO); John Gormley, Missy Jarnagin, Erik Blaine, Dave Nirenberg; Division of Business & Financial Affairs

Approval of Minutes of March 30, 2016 Meeting

Chairman Considine called for a motion to approve the minutes of the March 30, 2016 meeting. Trustee Farar made the motion; it was seconded by Supervisor Long, and the minutes were approved unanimously.

Public Comment Period (Pursuant to Government Code section 11125.7)

Chairman Considine called for public comments.

University Glen resident, Ms. Carolyn Phillips, presented the Board with a Statement to the Site Authority. In her statement she brought before the Board her concerns with regard to the Common Area Maintenance report, and further asked the Board to look into the accounting for the reserves.

Mr. Steve Carrigan of Broadview Mortgage and the Camarillo Chamber of Commerce questioned the formula used to determine pricing of for-sale units in University Glen, suggesting that, in his opinion, the cost is too high. This, he said, makes it difficult for potential home buyers to purchase.

Townhouse owner, Ms. Darcy Lober, asked about the sale of the 88 town homes, stating her concern about her property's value.

Chairman Considine asked if there were further public comments, and being that there were none, he closed the public comment period.

Board Member Comment Period

Chairman Considine called for Board member comments. Supervisor Parks asked for further information about homeowners' concerns. Chairman Considine said that many improvements have been made and homeowners' concerns have been addressed, including the maintenance requests. Supervisor Long said that Ms. Phillips should receive a full response from the SA, and then asked if the

SA was adhering to the priority category list. Mr. Considine assured her that the priority categories, which are articulated in the ground sublease, are being followed. Supervisor Long then asked about disparity in the sales prices, the issue raised by Mr. Carrigan, expressing her desire for marketability for future homeowners while at the same time being fair to current homeowners.

The Board agreed that the issues raised would be addressed in advance of the next meeting, and that a full response would be provided to both Ms. Phillips and Mr. Carrigan.

#### INFORMATION AND ACTION ITEMS

##### Information: Campus Update (Rush)

Dr. Rush informed the Board that CI had completed another successful year, with Commencement planned for May 21. During the morning's Commencement ceremony, an honorary doctorate will be presented to Camarillo children's dentist, Dr. Mark Lisagor, in recognition of his support to the University and generosity shown through his involvement with numerous community, state, national, and international boards and organizations. On May 14, a second honorary doctorate will be presented to Sara Miller McCune for her passionate support for the arts, social issues, and her long-term sponsorship of academic and University initiatives.

On another note, Dr. Rush said that Southern California Edison (SCE) is expected to respond tomorrow regarding the latest negotiations for a seven-year contract. Supervisor Long asked to see the contract, and Dr. Rush said that he would send it to her, once finalized.

##### Information: Construction Status Update (Blaine)

Dr. Blaine informed the Board that both Santa Rosa Village, which is phase three of student housing, and the Dining Commons expansion, are scheduled to be completed in the fall of 2016.

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

Dr. Blaine went on to say that there are two homes in escrow, with four homes sold year-to-date. Rentals are 98% occupied and 99% leased.

University Glen Corporation's name has been changed to University Auxiliary Services (UAS), and is no longer involved with Site Authority operations. UAS will have responsibility for residential and retail dining, catering, vending, and will be positioned to assume additional auxiliary responsibilities in support of the University.

Ventura Investment Company, University Glen's recently engaged property management firm, is participating in the Homeowners Advisory Council meetings. Future minutes from these meetings will be included in SA Board packets.

Ms. Jarnagin then reviewed highlights of the SA financials, noting the comparative analysis that was provided to Board members. Of interest to members was the \$3.3 million accounts receivable variance from last fiscal year, this due to CI Power checks that have not yet been received. Ms. Jarnagin explained that sometimes these payments can be a couple of months in arrears.

##### Information: University Glen Community Advisory Group (Blaine)

With the University Glen Corporation change, a new committee is being formed that will serve as the primary interface between the Site Authority and the University Glen community to ensure open channels of communication on matters of interest to the residential community. This transition will become official on July 1, 2016.

Information: CI 2025 Update (Blaine)

There are three general projects that fall within the CI 2025 initiative. They include the sale of 328 apartments and the Town Center, the development of the 32.5 acre parcel, and the conversion of 88 rental townhomes to for-sale properties.

The sale of the apartments and Town Center has been approved by the CSU Board of Trustees. A Request for Proposal was released for the development of the 32.5 acre parcel, and so far, there have been three responses from interested parties. Currently, there are two townhomes in escrow, with two listed for sale. Six renters have been notified that their homes will go on the market; an example of the notification letter is included in the Board packet.

Action Item: Fourth Amended and Completely Restated Lease by and between the CSU and Site Authority (Blaine)

Chairman Considine called for the motion to approve the Fourth Amended and Completely Restated Lease by and between the CSU and Site Authority. Supervisor Craven so moved, with a second offered by Mr. Eaton, and the motion was approved unanimously. This item will now move forward to the May 23 Board of Trustees meeting, where it is expected to be approved. A copy of the lease will be provided to the SA Board.

Supervisor Parks asked if property sold is released from SA. Counsel Fowler responded by saying that the land remains state-owned land. It has been affirmed that the SA is not a redevelopment agency, though some aspects are similar. Counsel Fowler promised to reach out to Stradling Attorneys regarding legal and financial implications, and would ask the firm to do a presentation during the August 29 SA meeting.

Chairman R. J. Considine, Jr.	Yes
Charlotte Craven	Yes
Debra Farar	Yes
Kathy Long	Yes
Linda Parks	Yes
Richard Rush	Yes
Robert Eaton	Yes

Action Item: Site Authority Budget FY 2016-17

Prior to approving the budget, Ms. Jarnagin informed the Board that no assumptions were included with regard to the development of the 32.5 acre parcel. The budget does include, however, the assumption that half of the 88 town homes will be sold during the upcoming fiscal year, as well as sub-ground lease revenue from the apartments and the Town Center. Ms. Jarnagin said that this budget reflects the first time that the SA has had a positive bottom line, which will help achieve the SA's mandate to provide funding to the University.

Supervisor Parks noted that over half of revenues will be coming from CI Power, and inquired what would happen to that revenue stream should the SCE negotiations fail. Ms. Trinidad said that if agreement cannot be reached, the current power purchase agreement (PPA) will continue until its expiration in 2018. Supervisor Parks asked again about the possibility of reconnecting power lines that run from Newbury Park. Dr. Rush said that the Site Authority wouldn't have the funding for underground lines, and other complications would play in, as well.

Chairman Considine then called for the motion to approve the Site Authority budget for fiscal year 2016-17. Trustee Farar so moved, with a second offered by Supervisor Long, and the motion was approved unanimously.

Chairman R. J. Considine, Jr.	Yes
Charlotte Craven	Yes
Debra Farar	Yes
Kathy Long	Yes
Linda Parks	Yes
Richard Rush	Yes

Action Item: Authorization to Retain Independent Auditor (Erik)

Discussion with regard to the prior engagement of Vasin, Heyn & Company ensued, and it was noted that this is the firm's sixth year of providing services to the University. Ms. Trinidad explained to the Board that it is efficient to have the same independent auditor for all of the University's auxiliaries, adding that she would be drafting a policy that sets maximum terms and rules of coordination with other auxiliary boards, and will bring the policy to the Board for review.

Supervisor Parks suggested looking within the CSU system to determine if there might be best practices to consider when drafting the new policy. Resident Ms. Phillips then inquired about the findings of the recently conducted CAM fee audit, and was informed that, although it was limited in scope, it was done in accordance with accounting standards.

Chairman Considine called for the motion to approve authorization to retain Vasin, Heyn & Company, with the caveat that this item will be placed on the agenda next year. Councilwoman Craven so moved, with a second offered by Dr. Rush, and the motion was approved unanimously.

Chairman R. J. Considine, Jr.	Yes
Charlotte Craven	Yes
Debra Farar	Yes
Kathy Long	Yes
Linda Parks	Yes
Richard Rush	Yes

Action Item: Election of Officers

Chairman Considine called for nominations for the 2017 Site Authority Board officers. After some discussion, Dr. Rush nominated Chairman Considine to serve a third term in light of his on-going participation with the CI 2025 initiative; Councilwoman Craven made a motion to approve the nomination, and this was seconded by Dr. Farar; the motion passed unanimously. Dr. Rush then nominated Supervisor Parks to serve as Vice Chair. The motion made by Councilwoman Craven, it was seconded by Supervisor Long; and the motion passed unanimously. Dr. Farar made the motion to approve the entire slate of officers, which was seconded by Councilwoman Craven. The motion was unanimously approved:

Chairman R. J. Considine, Jr.	Yes
Charlotte Craven	Yes
Debra Farar	Yes
Kathy Long	Yes
Linda Parks	Yes
Richard Rush	Yes

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

Chairman Considine asked if there needed to be further discussion about this agenda item. Supervisor Long said that if negotiations with SCE fail, she would like to see the University support her recommendation to the California Public Utilities Commission to reconnect power lines to the cogeneration plant. Dr. Rush said that he would ask Counsel Matthew Brady to provide an analysis of the pros and cons of doing so.

Dr. Rush said that President-designate Beck would be a competent and willing participant with the Site Authority. He then thanked the Board for its help in building the University. Chairman Considine thanked Dr. Rush; Supervisor Parks praised Dr. Rush's efforts. Supervisor Long acknowledged the strong core principles to which Dr. Rush adheres, despite challenges. Dr. Rush closed the meeting by saying that he is most proud of the people who joined him during his tenure at CI.

There being no further business to discuss, the public meeting adjourned at 12:40 p.m.

APPROVED: California State University Channel Islands Site Authority

Signed:   
Secretary to the Site Authority

Dated: Aug. 29, 2016