

IRVINE UNIFIED SCHOOL DISTRICT

ASSET MANAGEMENT PLAN ADVISORY COMMITTEE

March 18, 2004

Call to Order:	The meeting of the AMPAC was called to order by Chairperson Vernon Medeiros at 4:07 p.m.
Roll Call:	Sign in sheet provided for members to sign in.
Members Present:	James Colclaser, Dick Fenner, Ray Hudash, Tim McSunas, Vernon Medeiros, Douglas Rapp, Frank Rugani, Ken Stone, Terry Walker
Members Absent:	Teri Sorey, Janet C. Wang
IUSD Staff:	Vern Medeiros, Deputy Supt./CFO Judy Mueller, Confidential Secretary
Others:	Guests: Guest Speaker, Corinne Loskot – Loskot Consulting Services; Frank McGill, VPCA; Lorrie Lujan-Ruiz – IUSD
Next Meeting Date:	Thursday, April 22, 2004, Superintendent's Conference Room: 4:00 p.m. - 5:30 p.m. The proposed meeting schedule has been approved and is now posted on the IUSD Internet under the Fiscal Information>AMPAC link.

Oral Communications

There were no oral communications.

AMPAC Committee Business

1. Call to Order

- Vernon Medeiros called the meeting to order at 4:05 p.m.

2. Roll Call

- Roll Call completed through Sign In sheet

3. Adoption of the Agenda

- Agenda adopted for the March 18, 2004 meeting.

4. Adoption of Meeting Minutes from February 19, 2003

- Meeting minutes were adopted for the February 19, 2004 meeting.
- Meeting minutes will be posted on the internet for public information.

5. State Funding – Guest Speakers: Corinne Loskot, Loskot Consulting Services and Lorrie Lujan-Ruiz, IUSD Facilities

- Handout Provided: School Facilities Program Issues
 - Background
 - New Construction - State funds 50%
 - Modernization – State funds 60%
 - Preserving Future SFP Eligibility
 - Discussed Deferred Maintenance
 - Typically avoid using the General Fund for Capital Outlay Projects; prefer to use the CFD funds to match
- Focus on Capital Outlay for proceeds
- Lease vs. Sale – it all has to go to capital.
- Identify examples of Capital Outlay?
 - Furniture, equipment, technology

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6. Commercial Lease Options – District Office (Terry Walker)

- DO would be a great medical building – proximal to residential and it would not be an option unless we had the parking 6.8 stalls/1,000 sq. feet – plenty.
- Tenant improvements are often excessive / plumbing, walls, corridors. Potential medical tenants only pay square footage that is usable (not hallways or common areas).
- Load factor is between 12 & 15%
- Discussion with medical brokers – it would not be difficult to lease out.
 - Residential
 - Main thoroughfare (excellent signage)
 - Identify what they purchased this for (neighbors down the street)
 - Cap Rates are between 7%-8%
 - Net Annual Lease Income:
 - Single tenant: approx. \$750,000
 - Multi-tenant: approx. \$700,000
 - Net Sale Income: Approx. \$10 million
 - The District would need the cash to build the DO at another site.
 - Tenant Improvement Funds – Could possibly come from facilities budget (paid back over ten years).
 - We could begin marketing to identify a single tenant now.
 - This building is exempt from Property Taxes now; however, if we leased this out, would we still be exempt of property taxes?
 - If a tenant did not have to pay taxes, we could possibly sell at a greater price, lease at a below market rate, or increase profits from any lease agreement.

7. Community Input Process

- Prefer maximum benefit for the school district, but single family home
- Keep land values strong
- How shall we continue to proceed with the community process
 - Woodbridge Village Association has a resolution
 - Village Park Community Association has provided IUSD/AMPAC with a copy of the resolution by their Board.
 - Committee suggested that even if it looks like “over-kill” get as much community feedback as possible.
 - Possibly hold a Board Workshop to this topic and
 - Post copies of the resolutions we have received
 - Action Item – Vern discuss with Peggy Goetz that we are receiving resolutions from the HOAs.
 - Once the Board takes action on the recommendations, the community will be given another opportunity to provide their input back to IUSD Board of Education.
 - 1st Level of Concern: Discontinuing the site as a school
 - 2nd Level of Concern: What is the use of this site (Board Study Session for AMPAC to provide research and recommendations to the Board)?
 - Irvine World News – acts as the conscience during that study session and will provide more information back to the community.
- AMPAC will help to answer where the most value will be for the community.

8. Other

- Communication Ideas: Possibly send 1 or 2 representatives to the HOAs Board meeting.
 - We ask that Board to put us on their agenda to answer any questions that may take place.

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- Woodbridge Village Association & the three Maintenance Associations (Condo Associations) – Alderwood
 - 2 HOAs – Vista Verde
 - Homeowners would then have the opportunity to provide verbal input as well as AMPAC providing feedback to the home owners.
 - April 22nd will be our next AMPAC meeting.
 - Vern send letters to HOAs and Condo Associations to provide an AMPAC committee person at one of their Board Meetings.
 - Provide list of Capital Projects and monies.
 - Alderwood - Moves to Quail Hill Sept. 2005
 - Identify value on Creekside (Terry Walker)

9. Adjournment

- Meeting was adjourned at 5:05 p.m.

Meeting minutes for 3/18/2004 were approved by the committee on April 22, 2004 and posted on the IUSD Internet on May 1, 2004.