

**SPECIAL MEETING
OF THE SANTEE SCHOOL DISTRICT
FACILITIES CORPORATION**

MINUTES
November 3, 2015

Douglas E. Giles
Educational Resource Center
9619 Cuyamaca Street
Santee, California

A. OPENING PROCEDURES

1. Call to Order and Welcome

President Burns called the meeting to order at 6:58 p.m.

Members present:

Dustin Burns, President
Elana Levens-Craig, Clerk
Dianne El-Hajj, Member
Ken Fox, Member

Administration present:

Dr. Cathy Pierce, Superintendent and Secretary to the Board
Karl Christensen, Assistant Superintendent, Business Services
Tim Larson, Assistant Superintendent, Human Resources/Pupil Services
Dr. Stephanie Pierce, Assistant Superintendent, Educational Services
Lisa Arreola, Recording Secretary

B. PUBLIC COMMUNICATION

During this time, citizens were invited to address the Directors about any item on this special meeting agenda. There was no communication from the public.

C. BUSINESS SESSION

Mr. Christensen explained that in order for the school district to issue new Certificates of Participation, or COPs, to refund a portion of the outstanding 2008 COPs, it is necessary for the Facilities Corporation to adopt this resolution which authorizes execution of various agreements and actions. He mentioned the transaction contemplated in this resolution would work as follows:

- The Facilities Corporation enters into a Ground Lease with the school district to lease the land and improvements of Rio Seco School and Carlton Oaks School from the school district. These 2 schools are referred to in the agreements as "The Property".
- The Facilities Corporation then enters into a Lease Agreement with the school district to sublease the Property back to the school district
- The school district makes Base Rental Payments for use and occupancy of the Property to the Facilities Corporation and the Facilities Corporation assigns its rights to these Base Rental Payments to Wells Fargo Bank through an Assignment Agreement
- The Facilities Corporation also executes a Trust Agreement with Wells Fargo Bank to serve as trustee to execute and deliver new Certificates of Participation
- These Certificates evidence undivided proportionate interests in the Base Rental Payments to be made by the school district under the Lease Agreement and are sold in the open market to investors

The new Certificates will be used to finance the prepayment of the 2008 COPs when they are callable. Mr. Christensen clarified adoption of this resolution by the Facilities Corporation was contingent upon the school district Governing Board adopting its corresponding resolution #1516-12. He mentioned the District's Financial Advisor can present detailed information regarding this potential refunding transaction during the school district's Board Meeting prior to action by the Governing Board.

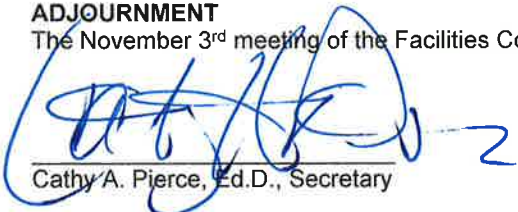
Motion: El-Hajj
Second Fox
Vote: 4-0

Burns Aye
Ryan Not Present
Levens-Craig Aye

El-Hajj Aye
Fox Aye

D. ADJOURNMENT

The November 3rd meeting of the Facilities Corporation was adjourned.


Cathy A. Pierce, Ed.D., Secretary