

APPROVED



Magnolia Public Schools

Minutes

Audit/Facilities Committee Meeting

Date and Time

Thursday December 9, 2021 at 6:00 PM

Location

<https://zoom.us/j/98398352804?pwd=ZmJDUIitUL2NsQjhEN2RRQVgrUTAxUT09>

Meeting ID: 983 9835 2804 **Passcode:** 715551

One tap mobile: +16699009128,,98398352804# US (San Jose)

Audit/Facilities Committee Members

Mr. Mekan Muhammedov, Chair

Ms. Diane Gonzalez

Dr. Umit Yapanel (alternate)

CEO and Superintendent

Mr. Alfredo Rubalcava

Committee Members Present

D. Gonzalez (remote), M. Muhammedov (remote)

Committee Members Absent

None

I. Opening Items

A. Call the Meeting to Order

M. Muhammedov called a meeting of the Audit/Facilities Committee of Magnolia Public Schools to order on Thursday Dec 9, 2021 at 6:01 PM.

B. Record Attendance and Guests

Refer to attendance information stated above.

C. Approval of Agenda

D. Gonzalez made a motion to approve the agenda as presented.

M. Muhammedov seconded the motion.

The committee **VOTED** unanimously to approve the motion.

Roll Call

D. Gonzalez Aye

M. Muhammedov Aye

D. Public Comments

B.Lopez, Chief External Officer, welcomed everyone to the meeting and thanked the Board for their continued commitment. No further comments were made.

E. Announcements from CEO & Superintendent and Committee Members

A.Rubalcava, CEO & Superintendent, and Committee Members had no announcements at this time.

II. Recommended Action Items

A. Approval of Form of Purchase and Sale Agreement for the Acquisition of the Property Located at 7111 Winnetka Ave for MSA-5

P.Ontiveros, General Counsel & Director of Facilities, presented to the Committee the form of purchase and sale agreement for the property located in Winnetka for Magnolia Science Academy-5. In a prior Committee Meeting, the members were informed of a non-binding letter of intent that was signed which laid out the essential terms of the formal purchase and sale agreement. P.Ontiveros, laid out the process in which after the agreement is signed a good faith deposit will be made to escrow and MPS will have a 90-day due diligence period. If MPS decides not to go forward by or before the 90-day period the deposit will be refunded to MPS. Staff will come back to the Committee and Board for any further approvals for this project. B.Lopez, Chief External Officer, presented enrollment projections and analysis surrounding the area. Staff addressed Committee Members questions.

M. Muhammedov made a motion to approve the form of Purchase and Sale Agreement, attached as Exhibit A (the "PSA"), for the acquisition of the real property located at 7111 Winnetka Ave, Winnetka (the "Property") approximately 2.5 miles away from the Magnolia Science Academy—1 campus in Reseda, (2) grant the MPS CEO and Superintendent the authority to negotiate and approve such changes to the PSA as he shall deem

necessary and appropriate and in the best interest of MPS, and to sign and deliver the same in order to open escrow for the acquisition of the Property, and (3) grant the MPS CEO and Superintendent the authority to assign the PSA to a wholly owned subsidiary of Magnolia Properties Management, Inc. for the purposes of financing and closing the transaction or to a wholly owned subsidiary of Pacific Charter School Development, Inc., a California non-profit public benefit corporation focused on developing facilities charter schools ("PCSD"). Staff further recommends that the Committee recommend and move that the Board adopt the same.

D. Gonzalez seconded the motion.

The committee **VOTED** unanimously to approve the motion.

Roll Call

M. Muhammedov Aye

D. Gonzalez Aye

III. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:26 PM.

Respectfully Submitted,

M. Muhammedov