APPROVED

Magnolia Public Schools

Minutes

Audit/Facilities Committee Meeting

Date and Time
Wednesday January 11, 2023 at 6:00 PM

Location
https://zoom.us/j/92205640153?pwd=cHNIWjlnY0dsQmxDTjZFa0pydzR0Zz09

Meeting ID: 922 0564 0153 **Passcode:** 013089
One tap mobile: +16699009128,,92205640153# US (San Jose)

Audit/Facilities Committee Members
Mr. Mekan Muhammedov, Chair
Ms. Diane Gonzalez
Mr. Daniel Sheehan
Dr. Salih Dikbas (alternate)

CEO and Superintendent
Mr. Alfredo Rubalcava

Committee Members Present
D. Gonzalez (remote), D. Sheehan (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 Wednesday Jan 11, 2023 at 6:04 PM.

B. Record Attendance and Guests

Refer to attendance information recorded above.

C. Approval of Agenda

D. Gonzalez made a motion to approve the agenda as presented.
D. Sheehan seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call

M. Muhammedov	Aye
D. Sheehan	Aye
D. Gonzalez	Aye

D. Public Comments

No public comments were made at this time.

II. Recommended Action Items

A. Recommendation Regarding Waiver of Contingencies for the Purchase of the Property at 16600 Vanowen Street

Since going into escrow for the property at 16600 Vanowen Street, staff has been undergoing an array of due diligence work and continuously engaging with Veronica, Land Use Consultant. P.Ontiveros, General Counsel & Director of Facilities, added that since speaking with lender, CLI Capital, staff received a commitment letter from them to finance the purchase for this property. He mentioned that the terms listed were fairly close to what staff had modeled out prior to the start of winter break. According to the term sheet, once passed the entitlement phase and moving on to the construction phase, CLI Capital will finance 100% of the project. Waiving the contingencies is the next step. The $400,000 that is in the good faith deposit in escrow will become non-refundable once the contingencies are waived, and that money will go towards the overall purchase price. The contingency period expires January 13th and after will have 45 days to close. He mentioned the positive experience from working with CLI Capital in other facilities projects. He also mentioned the strategies to ensure the affordability of this which is seeking entitlements and and selling a few acres of the property. Veronica has spoken with the Neighborhood Council and a representative from the Council Office about this project and its plans and said it was received favorably. Committee Members questions were addressed by staff.

D. Gonzalez made a motion to approve the following actions: (1) the waiver of the contingencies by the deadline of January 13, 2023 for the purchase of the property located at 16600 Vanowen Street in Van Nuys (the “Property”) and the release of good faith funds from escrow in the amount of $400,000 (inclusive which shall be immediately non-refundable, (2) the financing of the purchase of the Property pursuant to the terms and conditions set forth in that certain term sheet dated January 10, 2023 by CLI Capital, (3) the execution by the MPS CEO and Superintendent, or his designees, of such documents and instruments as may be necessary to undertake and complete the foregoing actions and (4) for the Committee to recommend and move that the Board adopt the same.
D. Sheehan seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call

D. Sheehan	Aye
D. Gonzalez	Aye
M. Muhammedov	Aye

B. Approval of Design & Engineering Contract with DLR Group for the Magnolia Science Academy-5 Winnetka Ave Project

Proposal is to approve DLR Group as the architect of record for the project at 7111 Winnetka Ave. P.Ontiveros, General Counsel & Director of Facilities, provided context and background of the project so far. He added that once MPS received the facilities award from the Office of Public Schools Construction under their Charter School Facilities Program of approximately $50 million, the staff primarily Facilities Department spearheaded the effort to close on finalizing a property for MSA-5. Facilities Department prepared an RFP and published it before interviewing the interested candidates. Ultimately, staff decided that DLR Group was the best fit for this project. Mark S., Architect Project Manager, and Andrew T., Principal At-Charge, from DLR group introduced themselves to the Committee, public and staff. They provided their previous background of similar projects. Committee Members questions were addressed by the representatives from DLR Group.
D. Sheehan made a motion to approve the selection of DLR Group to provide architectural and engineering services for MSA-5’s new construction project at 7111 Winnetka Ave in Winnetka (the “Project”) for a total fee of $1,765,500 and further approve that MPS Staff be authorized to negotiate and sign a professional services contract for said services in such form as MPS Staff may deem appropriate and in the best interests of MPS. Furthermore, for the Committee to approve and recommend that the Board adopts the same.
D. Gonzalez seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call

M. Muhammedov	Aye
D. Gonzalez	Aye

Roll Call

D. Sheehan 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 6:46 PM.

Respectfully Submitted,
M. Muhammedov