

**LOS ANGELES COMMUNITY COLLEGE DISTRICT
BOARD OF TRUSTEES
BUDGET AND FINANCE COMMITTEE
Educational Services Center
Board Room – 1st Floor
770 Wilshire Boulevard
Los Angeles, California 90017
Wednesday, December 16, 2009
9:00 – 10:00 a.m.**

Committee: Kelly G. Candaele, Chair; Georgia L. Mercer; Sylvia Scott-Hayes

Participants: Nabil Abu-Ghazaleh, Pierce; James Angelica, First Southwest; David Beaulieu, DAS; David Brownstein, Citigroup; A. Susan Carleo, LAVC; Gary Colombo, ESC; Jack E. Daniels III, LASC; Larry Eisenberg, ESC; Carl Friedlander, Los Angeles College Faculty Guild, Jerry Gold, First Southwest; Jeanette Gordon, ESC; Camille Goulet, ESC; Thomas Hall, ESC; Joy McCaslin, Pierce; Jamillah Moore, LACC; Linda Spink, LAHC; Lisalee Wells, Fulbright Jaworski; Tyree Wieder, ESC

Trustee Candaele called the meeting to order at 9:06 a.m.

PUBLIC SPEAKERS

None.

REPORTS/RECOMMENDATIONS

Interim Energy Program Financing Needs

A document entitled “Interim Energy Program Financing” was distributed.

Ms. Jeanette Gordon indicated that the investor for the Purchase Power Agreement (PPA) withdrew from the Southern California Edison service territories. She further indicated that the Los Angeles Department of Water and Power (LADWP) has not agreed to a PPA at this time. In the interim, the Los Angeles Community College District (LACCD) is entering into a short-term loan for two to three months to obtain \$44 million by December 31, 2009 to finance the energy projects at East Los Angeles College (ELAC), Los Angeles Southwest College (LASC), Los Angeles Harbor College (LAHC), and Pierce College. This will enable the District to seek alternative financing options in order to take advantage of certain tax savings benefits. She deferred to Mr. David Brownstein.

Mr. Brownstein discussed the short-term loan with respect to the three percent taxable loan for the first six months. Thereafter, the interest would increase to ten percent. The LACCD is expected to pay the loan before six months with a traditional issuance of Certificates of Participation (COPs).

Ms. Lisalee Wells distributed a document entitled “School/Community College District Financing Options—Fulbright & Jaworski LLP” and discussed its contents with respect to the COPs functions and long-term agreement.

There was further discussion regarding the interim energy program financing options.

Ms. Gordon indicated that Com. No. ICI. Resolution of the Board of Directors of LACCD Improvement Corporation Approving the Corporation’s Role in the Purchase of Electrical Energy for the Los Angeles Community College District Through the Delivery of Certain Certificates of Participation and the Execution and Delivery of Certain Legal Documents In Connection Therewith, and Com. No. BF3 Resolution Approving, Authorizing and Directing Taxable Certificates of Participation, 2009 Series A items are on today’s Board agenda for action.

Motion by Trustee Scott-Hayes, seconded by Trustee Candaele, to recommend staff's recommendation to the full Board for approval of the two items pertaining to the purchase of electrical energy for the LACCD through the delivery of COPs.

APPROVED: 3 Ayes

New Business

None.

ADJOURNMENT

Motion by Trustee Mercer, seconded by Trustee Scott-Hayes, to adjourn.

Without objection, so ordered.

The meeting was adjourned at 10:10 a.m.