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# APPROVED MINUTES

## CORAL ACADEMY OF SCIENCE LAS VEGAS SPECIAL MEETING OF THE BOARD OF GOVERNORS

### Meeting Information

Date: Tuesday, August 28, 2018  
Time: 5:30 p.m.  
Location: Sandy Ridge Campus, 1051 Sandy Ridge Ave. Henderson, NV 89052

### **Posting of Agenda:**

This agenda was posted at the following locations:

Coral Academy of Science Las Vegas ("CASLV"), Green Valley Library, Enterprise Library, James Gibson Library, Paseo Verde Library, Whitney Library, CASLV website at [www.caslv.org](http://www.caslv.org), and Nevada Public Notice website at <http://notice.nv.gov>.

### **Format / Procedures / Rules:**

*[See Agenda for information regarding format, procedure, and rules governing the meeting]*

### Agenda

**Call to order** Ms. Diggins called the meeting to order at 5:35 p.m.

**Roll Call** Present: Ms. Diggins; Ms. Hayman; Ms. Kazelskis, Mr. Zhang, and Dr. Warren.  
Mr. Tandogan joined the meeting via teleconference. Absent: Mr. Gibson

### **Pledge of Allegiance**

#### **A. Public Comment (*Information*)**

*[Please see the Agenda for the procedures and rules regarding Public Comments.]*

There were no public comments at this time.

#### **B. Consent Agenda (*Possible Action*)**

*[Please see the Agenda for the procedures and rules regarding the Consent Agenda.]*

##### **1. Approval of June 28, 2018 Special Board Meeting Minutes**

Motion to approve the Special Board Meeting Minutes, with one clerical change in the roll call (that Dr. Warren was in attendance), by Ms. Diggins, Seconded by Dr. Warren.

**ACTION:** Motion unanimously carried.

##### **2. Approval of July 11, 2018 Finance and Facilities Subcommittee Meeting Minutes**

Motion to approve the Finance and Facilities Subcommittee Meeting Minutes, by Ms. Kazelskis, Seconded by Mr. Zang.

**ACTION:** Motion unanimously carried.

#### **C. Discussion/Possible Action Items**

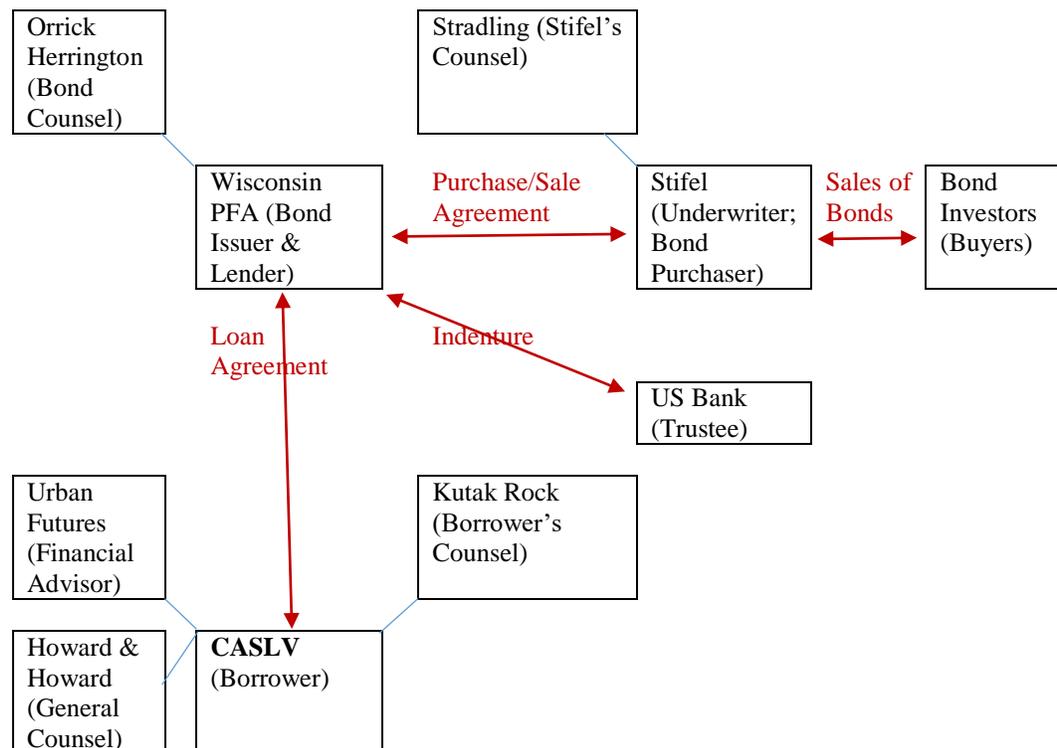
- 1. Adopt a Resolution Approving Bond Financing and Certain Documents Relating Thereto, Authorizing Signatories with Respect Thereto, and Confirming the Membership of the Board of Governors**

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Various members of the finance team were present to talk about their roles in the 2018 bond financing process, which is primarily to raise funds for the Nellis campus construction and purchase of Tamarus campus.

- Andrew Yassa with Stifel Public Finance explained that his company is the Underwriter/Investment Banker, and it is their job to buy and then sell the bonds to the open market and underwrite them.
- Jessica Shaham with Kutak Rock, is a public finance lawyer and explained that each party has to be represented by legal counsel. Ms. Shaham noted that her firm is a public finance firm and experts in public financing, representing transaction participants. Ms. Shaham is our counsel in the bond issuance, and she makes sure our interests are represented in the bond documents. The entire team is present today to receive formal authorization and approval to the upcoming issuance.
- Eugene Clark-Herrera with Orrick Herrington is the bond counsel (as that firm was in the prior bond issuances).
- John Phan with Urban Futures is a financial advisor to CASLV that negotiates the bond terms and works closely with Mr. Nick Sarisahin in helping the school through the transaction. He started working with CASLV in 2014. His primary role in this transaction, as fiduciary advisor, is to negotiate the terms and in particular the interest rates of our bond. When we go out to the market, he works with Stifel's Public Finance team to make sure we are getting the best market rate, looking at pricing comps and other transactions in the nation.
- Kerrigan Bennett with Stradling is the legal counsel to the underwriter (Stifel). He drafted the Prospectus.

Mr. Clark-Herrera asked the Board to picture this arrangement:



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Regarding the transaction and documentation:

The prospectus is a document sent to investors that the entire team has been working on together. The document is to make sure all of our potential investors have all of the information necessary to make a reasonable, informed decision on whether or not to invest.

Mr. Eugene Clark-Herrera mentioned there is a Wisconsin entity (the PFA) that is the governmental entity that is going to issue the bonds and loan us the funds they get from selling those bonds.

As depicted above, Mr. Yassa's firm is underwriting those bonds. His firm is going to buy the bonds from the Wisconsin entity and resell them out into the marketplace. He expressed hope that an extremely large fund, previously not active in charter school bonds, would participate in this one.

Mr. Eugene Clark-Herrera, with help from the others, described the legal documents which the board was approving, primarily consisting of Second Amendments to the 2014 Loan Documents. There was discussion of certain changes. Ms. Shaham stated that in her view, (i) there was nothing unusual or "non-market" in the Documents; (ii) all of the bracketed items or blanks were standard items to be filled in later, at pricing; and (iii) there were essentially no new risk factors, other than the increased debt and issues posed by building on a military base.

The team opened it up for questions from the board noting they are happy to go over any specific documents with them. Ms. Diggins noted none of the board members are bond experts, and since the board just received these documents a few days ago, she asked for help to understand the main points of the documents.

There was discussion of the interest rate and S&P rating.

The board also discussed the amount of the bonds, which the administration expects to increase due to market increases in general contractor pricing in the Las Vegas marketplace.

Mr. Gardberg and Ms. Shaham, as legal counsel, were asked whether they had any reservations regarding the board's approval; they had none.

Ms. Diggins asked before we move on, she wanted to put into the record the board's appreciation, understanding, and acknowledgement of all the hard work they know has gone into this by Mr. Ercan, Mr. Nick and Mr. Gardberg. She noted this is happening because of their excellent work and leadership, and expressed a sincere thank you for all their hard work.

After a thorough explanation was given from each representative and many questions from the board of directors were answered, Ms. Diggins motioned to approve the resolution, Ms. Hayman seconded.

**ACTION:** Motion unanimously carried.

### **D. Approval of Special Education Services (Possible Action)**

Mr. Ercan explained to the board that the special education services company, AIM, gave us a termination-without-cause notice, but did not provide 30 days' notice per our

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agreement with them. Mr. Ercan rectified that. The board discussed the significant concerns the school had with AIM's performance last year.

Mr. Ercan met with a company we have worked with in the past, United Testing Services, which is already recruiting all required personnel.

Ms. Kazelskis recommended that the administration notify parents that we are in the process of contracting with a new company for these services.

Ms. Diggins asked if we are fine within the scope of the purchasing laws, because there was not enough time to vet this. Mr. Gardberg explained there is an emergency exception and clearly this was and is an emergency, since federal laws dictate that services be provided.

During questioning, Mr. Ercan noted that we are looking for a Sp.Ed. Coordinator, but the school isn't big enough to hire each specialty (e.g., vocational therapy) full-time.

The board requested a termination date be added to the agreement with United Testing Services, and that a 30-day notice requirement also be added (if United Testing Services decides to cancel the agreement).

Ms. Hayman motioned to approve United Testing Services for Special Education Services, Mr. Zhang seconded.

**Action:** Motion unanimously carried.

### **E. Executive Director's Update** (Information)

Mr. Ercan presented a video clip from the Eastgate Grand Opening. The Eastgate grand opening was very well attended by dignitaries, board members, staff and students. Mr. Ercan also discussed, among other things, that the Eastgate campus is up and running, with some traffic problems in the pick-up and drop off lines during the first week, but by the second week it was improved and has improved week-on-week.

We were invited to attend the State Public Charter Schools Authority board meeting that was held the same day as our grand opening, where CASLV was recognized and given the opportunity to share with them more about our unique and successful programs.

Mr. Ercan presented the last five years' progress of AP exam passing percentages. According to the College Board's report there is a significant increase in the school's passing rates even though the number of students taking these tests also increased significantly. Mr. Ercan noted not only did our numbers increase but the quality did as well.

He also gave a quick update on the gym construction at Sandy Ridge and invited the board for a quick tour. The gym is expected to be completed at the end of September.

Mr. Ercan has been working with Ms. Diggins on our charter renewal application process, which is a standard application. The application deadline is October 15<sup>th</sup>, and an approval is hoped for on November 30<sup>th</sup>.

The CSAN conference is happening September 20-21. September 21<sup>st</sup> is an all-day session and professional development day for CASLV. The board is invited to attend the sessions and dinner. CASLV students will be singing the national anthem at the dinner. Mr. Zang requested an invitation be sent to the board. Mr. Gardberg offered to purchase a table for the board.

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- F. Closed Session** pursuant to NRS 241.015(3)(b)(2), re, certain Legal matters (Information, Deliberation)

The closed session took place from approximately 7:18 pm. – 7:30 pm.

- G. Discussion/Possible Action Items**

Potential Action(s) re. legal matters heard during the Closed Session (Item E):

There were no actions proposed.

- H. Public Comments** (*Information*)

*[Please see the procedures and rules referenced in item A above.]*

There were no public comments made at this time.

- I. Adjournment** (*Action*)

Ms. Hayman made a motion to adjourn, Seconded by Mr. Zhang.

**Action:** Motion unanimously carried.

The meeting was adjourned at 7:35 p.m.