

**SANTEE SCHOOL DISTRICT
ORGANIZATIONAL MEETING
OF THE BOARD OF EDUCATION**

December 16, 2014
MINUTES

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

A. Opening Procedures

1. President Fox called the meeting to order at 7:03 p.m.
Members present:
Ken Fox, President
Dustin Burns, Vice President
Barbara Ryan, Clerk
Elana Levens-Craig, Member
Dianne El-Hajj, 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, Executive Assistant and Recording Secretary
2. President Fox invited the audience to recite the District Mission and then invited the following students to lead the members, staff, and audience in the Pledge of Allegiance. Chloe Flores, Hunter Flores, Gabriel Carpenter, Wyatt Carpenter, Darby Burroughs, Danae Burroughs, Mickey Agostini, Hayley Ogden, Rylee Ogden, Breezy Edwards, and Ashley Sommerville.
3. Approval of Agenda
President Fox announced Member Levens-Craig was returning from the CSBA Annual Conference and would be joining the meeting a little late. It was moved and seconded to approve the agenda.

Motion:	Burns	Burns	<u>Aye</u>	El-Hajj	<u>Aye</u>
Second	El-Hajj	Ryan	<u>Aye</u>	Fox	<u>Aye</u>
Vote:	4-0	Levens-Craig	<u>Not Present</u>		

B. ORGANIZATIONAL MEETING

1. **Election of Board of Education Officers**
President Fox announced that this meeting was the annual organizational meeting of the Board and asked for a motion to elect 2015 Board officers through rotation according to Board Bylaw 9120 and that Board Bylaw 9120 be revised to reflect the officer rotation for 2015.

Motion:	El-Hajj	Burns	<u>Aye</u>	El-Hajj	<u>Aye</u>
Second	Ryan	Ryan	<u>Aye</u>	Fox	<u>Aye</u>
Vote:	4-0	Levens-Craig	<u>Not Present</u>		

Following the approval of this item, Dustin Burns assumed the leadership of the meeting as the newly elected President. The Board officers for 2015 are: Dustin Burns, President; Barbara Ryan, Vice President; Elana Levens-Craig, Clerk; Dianne El-Hajj, Member; and Ken Fox, Member. Newly elected Board President Dustin Burns thanked Ken Fox for his service the past year as Board President and presented him with an engraved gavel as a gift.

A brief reception was held after the Election of Officers.

2. Board Meeting Calendar for 2015

Member Ryan moved to approve continuation of the existing meeting schedule with meeting dates for 2015 as listed. President Burns noted a special meeting would be called if the Board needed to conduct business outside of the adopted meeting calendar.

Motion: Ryan	Burns <u>Aye</u>	El-Hajj <u>Aye</u>
Second Fox	Ryan <u>Aye</u>	Fox <u>Aye</u>
Vote: 4-0	Levens-Craig <u>Not Present</u>	

3. Board of Education Representatives to Councils, Advisory and Other Committees

President Burns reported he believed Board Members desired to remain on the same committees as 2014. Member Ryan moved for Board members assignments as representatives to Advisory and other committees for 2015 remain as assigned.

Motion: El-Hajj	Burns <u>Aye</u>	El-Hajj <u>Aye</u>
Second Ryan	Ryan <u>Aye</u>	Fox <u>Aye</u>
Vote: 4-0	Levens-Craig <u>Not-Present</u>	

C. REPORTS AND PRESENTATIONS

1. Superintendent's Report

- 1.1. Developer Fees Collection Report
- 1.2. Use of Facilities Report
- 1.3. Enrollment Report
- 1.4. Schedule of Upcoming Events

2. Santee School District Foundation Presentation of Awards for Stuff the Turkey

Dr. Pierce introduced Mike Clinkenbeard, president of the Santee School District Foundation. Mr. Clinkenbeard, along with other Foundation board members, presented each school with their check from the Stuff-the-Turkey fundraiser. All schools participated in the 4th annual Stuff-the-Turkey fundraiser, raising funds to purchase books or materials that support reading for their school. Mr. Clinkenbeard reported the schools raised \$9,475 this year. This brings the total over the four years to almost \$35,000 to purchase books for schools.

A large school and a small school, based on student enrollment, will each receive a school-wide recognition for the highest amount of donations collected. This year, Cajon Park won the large school award collecting \$2,150. Rio Seco came in second place for collecting \$1,750. The first place small school for the 3rd year was Chet F. Harritt for collecting \$925. President Clinkenbeard thanked the schools for supporting this fundraiser and reported the Foundation is delighted to return all of the proceeds to the schools.

Mr. Clinkenbeard expressed his gratitude towards the principals and staff at the schools. Member Ryan thanked the Foundation Board for their work with Stuff the Turkey and for all their other services towards our schools. On behalf of the Board, President Burns stressed his gratitude towards the Foundation Board for their work and support of the schools. He suggested possibly next year, the schools could compete for having the most creative turkey and pictures could be displayed in the Board room.

D. PUBLIC COMMUNICATION

President Burns invited members of the audience to address the Board about any item not on the agenda. There were no public comments.

E. PUBLIC HEARING

1. Recycling of Obsolete Instructional Materials

President Burns opened the public hearing on Recycling of Obsolete Instructional Materials. There were no comments. The public hearing was closed.

F. CONSENT ITEMS

President Burns invited comments from the public on any item listed under Consent.

- 1.1. Approval of Minutes
- 1.2. Agreement with Communication Resources for Schools
- 2.1. Approval/Ratification of Travel Requests
- 2.2. Approval/Ratification of Expenditure Warrants
- 2.3. Approval/Ratification of Purchase Orders

- 2.4. Approval/Ratification of Expenditure Transactions Charged to District Issued Purchasing Cards (P-Cards)
- 2.5. Approval/Ratification of Revolving Cash Report
- 2.6. Acceptance of Donations
- 2.7. Approval of Consultants and General Service Providers
- 2.8. Renew Extended Use of Facilities Agreement with Rise City Church for Use of Hill Creek School
- 2.9. CalSTRS Funding Coalition
- 2.10. Approval to Contract with Capital Public Finance Group to Conduct and Prepare a School Fee Justification Study
- 2.11. Consulting Services for Assistance with E-Rate Application Submission and Maximization of Funding Under New Guidelines
- 2.12. Authorization to Submit for Drought Response Outreach Program for Schools (DROPS) Grant
- 2.13. Approval of Joint Use Partnership Agreement with Lakeside AYSO for Development and Use of Pepper Drive Field
- 3.1. Approval of Amendment of Nonpublic Agency Master Contract with Soliant Health for Gross Motor Services
- 4.1. Personnel, Regular
- 4.2. Approval of New Job Description for Intervention Resource Teacher
- 4.3. Approval of Memorandum of Understanding with Jewish Family Services to Continue to Provide Parenting Series
- 4.4. Approval to Use Public Consulting Group (PCG) to Provide Claims Administration Services for Medicaid Administrative Activities (MAA)
- 4.5. Approval to Increase Work Hours for a Certificated Non-Management Position
- 4.6. Adoption of Resolution No. 1415-14 to Eliminate a Vacant Classified Non-Management Position

<i>Motion:</i>	<u>Ryan</u>	<i>Burns</i>	<u>Aye</u>	<i>El-Hajj</i>	<u>Aye</u>
<i>Second</i>	<u>El-Hajj</u>	<i>Ryan</i>	<u>Aye</u>	<i>Fox</i>	<u>Aye</u>
<i>Vote:</i>	<u>4-0</u>	<i>Levens-Craig</i>	<u>Not-Present</u>		

G. DISCUSSION AND/OR ACTION ITEMS

Business Services

1.1. Consideration of Next Steps for Sale of Renzulli Property

Mr. Christensen explained the Initial Contingency Period for the Renzulli Purchase and Sale Agreement ends December 20, 2014. In accordance with the terms of that agreement, the Developer has requested to invoke the Extended Contingency Period to complete the rezoning and entitlement process. The Developer has obtained approval of initial applications for rezoning and General Plan Amendment from the City Council with a conceptual project of 83 single family detached homes. He has also submitted an application for an Environmental Impact Study defining the parameters of the environmental analysis to be eventually considered for approval by the City and submitted various other forms to the City to initiate the process. In addition, the Developer has conducted a soils investigation and biological study and begun drafting more concrete plans for the residential project that will be included with the final applications for rezoning and General Plan Amendment. The Developer expects the environmental study and applications to be considered by the City Council for final approval as early as May but the actual timeline is subject to change depending on a number of factors.

Mr. Christensen explained there are a number of environmental related studies that remain to be completed including traffic, air quality, and noise. The Developer has also received signed availability letters pertaining to water and sewer from Padre Dam. However, the Developer also learned from Padre Dam that the 10-foot wide utility easement running from the northeast border of the Renzulli property out to Mission Gorge may have insufficient width to provide sewer hookup. Padre Dam has indicated the easement needs to be 30-feet wide. If this turns out to be the case, additional or expanded easements may need to be obtained from neighbors to the north of the

property. The Developer will continue to investigate alternatives and work with Padre Dam on a resolution to this issue. The District will provide appropriate assistance in this regard, if needed.

Mr. Christensen made reference to the written request for an Extended Contingency Period through January 31, 2015. He mentioned discussing with Mr. Grant a financing alternative to obtain cash needed for the Pepper Drive Admin/LRC project. This alternative contemplates closing escrow with title transferring to M. Grant Real Estate Inc. in exchange for an additional cash payment and a promissory note for the balance of the purchase price. In order to allow the District time to work out the details of that transaction, including a possible agreement for advancing developer fees, Administration recommends extending the contingency period through January 31, 2015. The Developer will pay the required \$211,000 additional deposit on/or before December 19. Mr. Christensen explained the plan is to bring back the promissory note and an agreement for advance of developer fees to the January 20, 2015 meeting.

Mr. Christensen displayed the Renzulli property on Google maps to explain the location of the easement. It was moved by Member El-Hajj to proceed with Option 1(a): Extend escrow through January 31, 2015 requiring an additional deposit of \$211,000 to arrange for close of escrow with an additional cash payment of \$1.189 million and a Promissory Note secured by a Deed of Trust from the Developer for the balance of the \$5,275,000 purchase price.

Motion:	El-Hajj	Burns	Aye	El-Hajj	Aye
Second	Ryan	Ryan	Aye	Fox	Aye
Vote:	4-1	Levens-Craig	Abstained		

1.2. **Approval of First Period Interim Report**

Mr. Christensen shared snapshots of all funds, highlighting the changes in fund balances based on the latest assumptions. He explained the First Interim report is compiled before the release of the Governor's budget proposal.

Mr. Christensen explained some of the significant expenditure increases are related to special education. There is a one-time allotment of approximately \$411,000 in one-time Mandated Cost funds. He explained a \$2.6 million deficit in the unrestricted general fund. A \$1.1 million deficit in the restricted general fund is primarily due to the spending of the Common Core one-time funds. The District is projecting a \$168,000 deficit in the Cafeteria Fund. The Deferred Maintenance fund has a \$101,825 balance carried over from 2013-14. He explained this will be adjusted in the 2nd interim as some of the cost of deferred maintenance are increasing. Special Reserve Fund 17 has an Interfund Transfer In of \$590,000. He explained this amount is shown as a committed fund balance for technology replenishment. Special Reserve Fund 40 (solar project) is still on target from previous projections. Enterprise Fund 63 (Project SAFE and YALE) is projecting a \$169,518 surplus.

Multi-year projection

In 2014-15 the \$2.6 million deficit drops the reserve as a percentage of expenditures to 18.55%. This is based on an estimate of moderate revenue increase, plus the increase in expenditures relating to the STRS and PERS retirement systems. Mr. Christensen shared this is estimated at \$770,000. He explained this amount will continue to increase over time. In 2015-16, the assumed LCFF Revenue Increase is \$1,389,362 of which \$1,000,000 is attributed to the Base LCFF revenue. He explained the \$770,000 expenditures relating to STRS and PERS and approximately \$400,000 in step and column increases deplete the fund.

Mr. Christensen shared money is being put towards increasing expenditures and is not being made available for increasing or improving services for students as stipulated in the LCFF. Member Levens-Craig asked if the public understands the current situation. Mr. Christensen mentioned he will be sharing this data with the various stakeholders and explaining how this is impacting the District.

He noted the Estimated Structural Surplus (Deficit) of \$1,149,086 is the difference between the ongoing revenue and the ongoing expenditures. There is a \$726,707 structural deficit in 2014-15; \$1,149,086 in 2015-16; and it increases to \$1,318,483 in 2016-17. Member Levens-Craig inquired if this information is pertinent to share with business groups. Superintendent Pierce mentioned it would be best to start communicating this information with our

administrators and staff. She explained staff knows the funding has changed. However, they are unaware of what has changed.

The Board held a discussion on communicating the current budget situation. President Burns suggested waiting until the budget workshop in February. He mentioned the Governor's proposal would be released and more information would be available.

With no further questions or discussion, Member El-Hajj moved to approve the First Interim Report for the 2013-14 fiscal year with a positive certification regarding the District's ability to meet its financial obligations for the 2014-15 and two subsequent years.

Motion:	El-Hajj	Burns	<u>Aye</u>	El-Hajj	<u>Aye</u>
Second	Ryan	Ryan	<u>Aye</u>	Fox	<u>Aye</u>
Vote:	5-0	Levens-Craig	<u>Aye</u>		

1.3. Approval of Monthly Financial Report

Mr. Christensen provided the financial report for cash and budget revision transactions through October 31. He mentioned the information is the same as in the First Interim. The District is projecting a \$2.6 million deficit in the unrestricted fund balance and a \$1.1 million deficit in the restricted fund balance. Mr. Christensen explained this would reduce the reserve percentage to 18.5% this year; in the 15/16 school year it would decrease to 12.5%; and to 6.24% in 16/17. He explained the District ended the month with a general fund cash balance of \$5.9 million. Projections indicate the District will be able to meet all of our financial obligations as they become due with internal cash through June 30.

Motion:	Ryan	Burns	<u>Aye</u>	El-Hajj	<u>Aye</u>
Second	Fox	Ryan	<u>Aye</u>	Fox	<u>Aye</u>
Vote:	5-0	Levens-Craig	<u>Aye</u>		

1.4. Annual and Five-Year Developer Fee Report

Mr. Christensen explained Government Code sections 66001 and 66006 stipulate that school districts are to provide the public certain reports and findings related to the collection and use of Developer Fees both annually and for a subsequent five-year period. The 2013-14 Annual and Five-Year Developer Fee reports and plans for future facility projects were presented to the Board for acceptance. Mr. Christensen noted that in accordance with Government Code provisions, notice of the report's availability for public review was posted in three prominent places within the District's boundaries 15 days prior to this meeting. Member Ryan moved approval.

Motion:	Ryan	Burns	<u>Aye</u>	El-Hajj	<u>Aye</u>
Second	El-Hajj	Ryan	<u>Aye</u>	Fox	<u>Aye</u>
Vote:	5-0	Levens-Craig	<u>Aye</u>		

Capital Improvement Program

2.1. Approval of Amendment No. 17 (Phase IV – Pepper Drive School LRC/Administration Building) to Construction Services Agreement for Lease-Leaseback, Site Lease, and Sublease Agreement

Mr. Christensen explained the amendment to the lease/lease-back agreement with Balfour Beatty Construction is for construction of the Pepper Drive Administration/LRC building. The Preliminary Guaranteed Maximum Price (GMP) is approximately \$3.1 million with a total project cost estimate of \$3.5 million. This GMP will continue to be refined over the coming months prior to initiation of construction. In order to obtain the \$1.1 million in State Grant funds for this project, the District must execute a contract and Notice to Proceed, and provide evidence of such to the Office of Public School Construction (OPSC), by the deadline of December 18, 2014. Failure to contract by this date would cause the District to permanently forfeit the State Grant apportionment. The District plans to use proceeds from the Renzulli property sale, which is currently in escrow, for the matching funds requirement and to combine with the State Grant for completion of the project. Since sale of the Renzulli property is still pending, it is necessary to include conditional language in the Amendment to protect the District financially. Mr. Christensen explained the amendment presented for consideration contains conditional language in a number of places to ensure that

the District is not bound financially until sufficient matching funds for the \$1.1 million joint use State Grant are obtained. Administration recommends approving the 17th Amendment to the lease/lease-back agreement for the Pepper Drive Administration/LRC building and authorize staff to issue a conditional Notice to Proceed for construction work to begin no later than June 19, 2015 provided that sufficient funding is obtained. President Burns clarified that if the Board moves forward with accepting the agreement, the District is still able to change and/or withdraw from the contract agreement, if necessary.

Motion:	Ryan	Burns	Aye	El-Hajj	Aye
Second	El-Hajj	Ryan	Aye	Fox	Aye
Vote:	5-0	Levens-Craig	Aye		

Superintendent

3.1. Superintendent's Contract

Superintendent Pierce presented a revised contract showing restructure of expenses. She clarified it does not have a financial impact this year, but will have a fiscal impact in future years. Member Ryan stressed her support of the revision. However, she wanted to make sure the Board understood it would have a financial impact in the future because the addition is to the base salary. Member El-Hajj moved approval.

Motion:	El-Hajj	Burns	Aye	El-Hajj	Aye
Second	Fox	Ryan	Aye	Fox	Aye
Vote:	5-0	Levens-Craig	Aye		

H. BOARD COMMUNICATION AND ORGANIZATIONAL BUSINESS

President Burns thanked the Board and Executive Cabinet for their leadership and presented them with a memento. He suggested that the Board work with the Superintendent to set-up times for the Board to attend staff meetings and listen to staff concerns and have an opportunity to see what is going on at each of the schools. President Burns explained this would give the Board some visibility at the sites and an opportunity to thank staff for their hard work. He also suggested that the Board schedule walkthroughs with the Superintendent.

Superintendent Pierce presented a draft of the Board of Education website and asked for suggestions and/or changes. The Board asked that the website be updated as presented.

Superintendent Pierce mentioned, as suggested by the Board, Ms. Arreola met with personnel from the City of Santee to inquire on their current voting system and agenda display technologies. Ms. Arreola explained the City's system was purchased in 2007 and cost approximately \$65,000. She mentioned the City's and District's systems are very similar. However, City staff modifies their agenda to project individual items for public viewing. Ms. Arreola recommended the District keep the current system and move forth with the Board's recommendation of purchasing a television set that can be used for Board meeting presentations and professional development. The Board asked that a quote for the television be brought forth at the next meeting.

President Burns asked that a letter be send on the Board's behalf to the Foundation Board expressing their gratitude for their work on the Stuff the Turkey fundraiser.

Member Ryan mentioned it was nice to see all the family in attendance at tonight's meeting in support of the outgoing and newly appointed officers.

Member Fox inquired on the location of the Art Show. Superintendent Pierce mentioned there were issues with parking at the previous location and this year's event was being held at the Church of Jesus Christ of Latter-Day Saints. President Burns suggested inquiring using one of the high schools to hold the event next year, if the new location does not work out.

Member Levens-Craig expressed her gratitude to the Board for allowing her to attend the CSBA Annual Conference and Trade Show. She provided a brief overview of the workshops she attended and mentioned would share some notes with the Board. Member Levens-Craig mentioned she wanted to attend a couple of STEAM conferences. She inquired about using the Board's budget to cover the cost of

registration. The Board agreed it was appropriate to pay for registration to the conferences and held a discussion on past protocol for use of travel and conference funds.

President Burns mentioned he would be attending the Character Education Committee and he was asked to report on the charge of the committee. Member El-Hajj suggested he inquire on the committee's ideas and ask that they present three goals to help define the committee's charge. President Burns asked information on the charge of each committee.

I. CLOSED SESSION

President Fox announced that the Board would meet in closed session for:

1. Conference with Labor Negotiator (Gov't Code § 54957.6)
*Agency Negotiators: Karl Christensen, Assistant Superintendent; and
Tim Larson, Assistant Superintendent*
Employee Organization: Santee Teachers Association
2. Conference with Labor Negotiator (Gov't Code § 54957.6)
*Agency Negotiators: Karl Christensen, Assistant Superintendent; and
Tim Larson, Assistant Superintendent*
Employee Organization: Classified School Employees Association
3. Conference with Real Property Negotiators (Gov't Code § 54956.8)
Property:
 - *Parcels 383-112-05 and 383-112-28 located on the north side of Prospect Avenue east of Marrokal Lane (known as Renzulli site)*
 - *10335 Mission Gorge Road, Santee 92071 (formerly known as Santee School Site)**Agency Negotiator: Karl Christensen, Assistant Superintendent*
4. Public Employee Performance Evaluation (Gov't Section § 54957)
Superintendent

The Board entered closed session at 8:20 p.m.

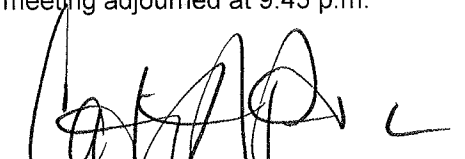
J. RECONVENE TO PUBLIC SESSION

The Board reconvened to public session at 9:45 p.m. No action was reported.

K. ADJOURNMENT

With no further business, the December 16, 2014 organizational meeting adjourned at 9:45 p.m.


Elana Levens-Craig, Clerk


Cathy A. Pierce, Ed.D., Secretary