

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

**MINUTES**

April 20, 2010

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

**A. OPENING PROCEDURES**

1. Call to Order and Welcome  
President Burns called the meeting to order at 7:01 p.m. and read the District Mission Statement.  
Members present:  
Dustin Burns, President  
Barbara Ryan, Vice President  
Allen Carlisle, Clerk  
Dan Bartholomew, Member  
Dianne ElHajj, Member  
Administration present:  
Dr. Patrick Shaw, Superintendent and Secretary to the Board  
Karl Christensen, Assistant Superintendent, Business Services  
Minnie Malin, Assistant Superintendent, Human Resources  
Linda Vail, Executive Assistant and Recording Secretary
2. President Burns invited Dr. Stephanie Pierce, Director of Curriculum, to lead the members, staff and audience in the Pledge of Allegiance.
3. Approval of Agenda  
It was moved and seconded to approve the agenda.  
**Motion: Ryan Second: El-Hajj Vote: 5-0**

**B. 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. Spotlight on Education: Program for Students with Visual Impairments**

Hope Michel, Director of Special Education, shared the history and current highlights of the Visually Impaired program housed at Carlton Oaks School. This year the program is serving 56 children in the East County SELPA through an itinerant program. Santee hosts a VI program that has an excellent reputation for the services it provides to children. She said it was a great honor to have the Board learn more about the program and recognize the efforts of the eight VI staff members:

Tom Abbott, Teacher	Mary Lautenbach, Braille Transcriber
Jenne Petree, Teacher	Tracey Thompson, Orientation and Mobility Specialist
Calleen Gaier, Instructional Assistant	Karen Correia, Instructional Assistant
Tammy Arevalo, Instructional Assistant	Kris Gilbert, Instructional Assistant

Certificates of appreciation were presented to the VI staff members by President Burns. President Burns said this is a program in our District that is not well known but his family sees the life changing work the staff does on a daily basis. He appreciates the very hard work in the VI program.

**3. Independent Citizen's Oversight Committee Annual Report**

Beth Selbe, a member of the Independent Citizen's Oversight Committee, presented the second annual report on Prop R. The committee's primary purpose is to inform the public at least annually in a written report regarding the expenditure of the Bond proceeds. Mrs. Selbe said that although there is not a lot going on at this time, the committee would like to thank the Board for their continued support. She also thanked Christina Becker and Nancy Stasch, district facilities staff, for their help and response to any committee questions or needs. The written report was presented and will be available for the public. Mrs. Selbe said the report was put together to allow anyone in the community to pick it up and have a clear understanding of what is going on.

Member El-Hall said, as a Board representative to the committee, this has been a great group of community members to work with. They are very child centered and care about the facilities for students. Member Bartholomew said the report from the committee was wonderful. President Burns thanked Mrs. Selbe for presenting the report.

**C. 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.

**D. PUBLIC HEARINGS**

**1. Tentative Agreement between Santee School District Board of Education and California School Employees Association for a Retirement Incentive for the 2009-2010 School Year.**

President Burns opened the public hearing on the Tentative Agreement between Santee School District Board of Education and California School Employees Association for a Retirement Incentive for the 2009-2010 School Year. With no comments from the audience, the public hearing was closed.

**2. Proposed Increase in Developer Fees**

President Burns opened the public hearing on the Proposed Increase in Developer Fees. With no comments from the audience, the public hearing was closed.

**3. Proposed Submittal of General Waiver Request for Deferral of Principal Apportionment Payments 2009-10**

President Burns opened the public hearing on the Proposed Submittal of General Waiver Request for Deferral of Principal Apportionment Payments 2009-10. With no comments from the audience, the public hearing was closed.

**E. CONSENT ITEMS**

Items listed under Consent are considered to be routine and are all acted on by the Board with one single motion. President Burns invited comments from the public on any item listed under Consent. There were no comments.

**1.1. Approval of Minutes**

**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 Revolving Cash Report**

**2.5. Acceptance of Donations**

**2.6. Approval of Uniform Complaint Quarterly Report Required by the Williams Settlement**

**3.1. Ratification/Approval of Change Order #1, Chet F. Harritt Ball Field Project – Additional Costs**

**3.2. Acceptance of 2008-09 Bond Audit**

**4.1. Approval of Comprehensive School Safety Plans**

**4.2. Approval of Annual Application to Renew Funding to Support the Current English Language Acquisition Program (ELAP) for 2010-11**

**4.3. *Pulled for separate consideration.***

**4.4. Approval of Contracts for Nonpublic, Nonsectarian School/Agency Services and Individual Services Agreements for Nonpublic, Nonsectarian School/Agency Services**

**5.1. Personnel, Regular**

**5.2. Adoption of Resolution No. 0910-25 California Public Employees' Retirement System (CalPERS) Resolution for Classified Non-Management Employees**

**5.3. *Pulled for separate consideration.***

**5.4. *Pulled for separate consideration.***

**5.5. Approval of Resolution No. 0910-26 to Rescind Layoff Notices for Certain Certificated Services**

**5.6. Approval of Revised Calendar for 2010-2011 School Year**

**5.7. Adoption of Resolution No. 0910-27 to Layoff and/or Reduce Work Hours for Identified Classified Positions**

**5.8. Approval of Revisions to the Certificated Non-Management Evaluation Procedures**

It was moved and seconded to approve Consent Items with the exception of Items E.4.3., E.5.3., and E.5.4., which were pulled for separate consideration.

**Motion:** El-Hajj                      **Second:** Bartholomew                      **Vote:** 5-0

**4.3. Approval to Increase YALE Preschool Fees (*Pulled by President Burns for separate consideration*)**

President Burns said he believes the perception is that the preschool rates are being raised to offset start up costs at Hill Creek. Hope Baker shared that at the beginning of the pilot program, direct costs were not being charged, now they will be paying them which will need to be covered by fees. The increase is only for part time programs and is a difference of \$ .50 to \$1.00 per day. Full time rates will not change and all rates remain competitive with other programs. President Burns does not like the perception that because we are expanding to another school site the rates need to be raised for everyone. Member Ryan said she did not believe administration made a really good case to support the increase. Member Carlisle moved to approve the increase in YALE preschool fees.

**Motion:** Carlisle      **Second:** Bartholomew      **Vote:** 4-1 (Burns, no)

**5.3. Ratification of Employer-Employee Collective Bargaining Agreement with California School Employees Association (Pulled by Member Ryan for separate consideration)**

Member Ryan thanked the two employee associations for making salary concessions. She knows it is a personal sacrifice and the support of the employees is greatly appreciated. President Burns said the Board wishes to thank the bargaining units for working collaboratively for what is best for kids.

**Motion:** Ryan      **Second:** Carlisle      **Vote:** 5-0

**5.4. Ratification of Employer-Employee Collective Bargaining Agreement with Santee Teachers Association (Pulled by Member Ryan for separate consideration)**

**Motion:** Ryan      **Second:** Carlisle      **Vote:** 5-0

**F. DISCUSSION AND/OR ACTION ITEMS**

President Burns invited comments from the public on any item listed under Discussion and/or Action. There were no comments.

**1.1. Cloud Computing**

Dr. Shaw reported he has been working with Bernard Yeo, Director of Technology, to investigate bringing Cloud Computing to Santee for students. A "Cloud" provides students anytime, anywhere access to their work and the software that they use at school. It is an investment for the future and the plan is to have it grow to include more software. Dr. Shaw believes a stronger home school connection will be built by having access through the "Cloud."

Another reason to consider contracting for the "Cloud" at this time is the technology department is at a crossroads with the current Citrix server. The department has not been providing the needed maintenance due to cost savings. Only 15 of the 22 servers are currently working. It would cost \$45,000 to \$49,000 to upgrade the Citrix system to provide adequate service to schools. Moving to the Cloud would help alleviate the additional strain on the current servers while moving into a system that has potential to expand with software that is current and relevant in the present learning environment.

Administration investigated developing a "Cloud" in the District at a cost of \$45 per student. Another option investigated was joining the County Office of Education's Cloud at a cost of approximately \$10 per student. The cost difference makes joining the County the most feasible at this time.

Dr. Shaw said there was great consideration about how to fund the Cloud. No general fund dollars or restricted dollars that could be used to ease the general fund could be used. He worked with Administration to develop funding sources for two years that are from restricted funds that have special parameters. The funding sources for the first two years would include funding by the AARR stimulus funds, web locker fees transferred (Schools could use a Foundation grant to not burden the school sites.), Project SAFE, 21<sup>st</sup> century grant funds, ASES, QZAB carry over, Microsoft voucher, and Child Nutrition. A complete list of funding is outlined in the Board item.

Administration recommends moving forward with Cloud computing for the students in Santee School District. Member Carlisle asked the difference between the Cloud and Thin Clients. Mr. Yeo said with the Cloud the District would host their storage of information. A student cannot use a Thin Client at home because it must hook up to the local server, but as long as a student has access to the Internet they could access the Cloud. The County would host the transaction portion and they broker the services. The District hosts the storage and the application. Application upgrades would be handled locally.

Member Ryan asked about the Citrix System and said her employer uses Citrix and she can get to her work desktop at home. Mr. Yeo said we would have to upgrade our Citrix System to have that option available. Citrix is also not multi-media friendly where the Cloud is.

Member El-Hajj said she has a Mac and asked if there will be access problems for people that may have other computer systems. Mr. Yeo said access only requires a web browser and is not application specific. If your computer can browse, you can open the desktop. The Cloud can be accessed from a PC, MAC and even an I Touch.

Member Bartholomew does not see this as a luxury. Public schools always seem behind the times. It is a necessity for kids who are running about with electronic medium and it would be nice if they had access to information like they do music, etc.

President Burns said he would abstain from voting on this item because the contract is with his employer. He requested Dr. Shaw work with Mr. Yeo to update district policies as needed to cover the use of the Cloud. Dr. Shaw said the process has already begun. President Burns asked if the Cloud is secure. Dr. Shaw said when the students access the Cloud outside of the District the District's filters are not there. It will be necessary to share information with parents about security programs that are available to use when accessing the Cloud outside the District.

Member El-Hajj asked if a student's home filtering software would filter use on the Cloud and if a student saved something inappropriate on the Cloud at home if it would be accessible at school. Dr. Shaw said home security would filter activity at home but a student could save something and have it accessible at school. That is where District policy would come in. We need to teach what is appropriate and what is not. Member Ryan said this would need to be monitored carefully.

Member El-Hajj moved to approve the Cloud Computing contract with the County Office of Education, with no funding from the general fund.

**Motion: El-Hajj Second: Bartholomew Vote: 4-0 (Burns, abstained)**

### **2.1. Adoption of Resolution #0910-30 to Issue Tax Revenue Anticipation Notes for the 2010-11 Fiscal Year**

Karl Christensen said there will be a need for additional cash in 2011 because we no longer have stimulus dollars. A Tax Revenue Anticipation Note (TRANs) is available to assist the District through the cash flow shortfall. The purpose of the TRANs is to increase available cash balances which provide operating funds to cover cash shortfalls. Cash shortfalls arise due to the timing differential of monthly cash receipts and disbursements throughout the fiscal year. Adopting Resolution #0910-30 authorizes the issuance the 2010 TRANs in an amount not to exceed \$15,000,000 with a maturity not exceeding 12 months.

Member Bartholomew moved to adopt Resolution #0910-30 authorizing the issuance of tax and revenue anticipation notes (TRANs) for the 2010-11 fiscal year in an amount not to exceed \$15,000,000.

**Motion: Bartholomew Second: Carlisle Vote: 5-0**

### **2.2. Approval of Design and Authorization to Initiate Hill Creek Solar Project**

Karl Christensen shared that in October 2009, the District was awarded authorization under the American Recovery and Reinvestment Act to issue Clean Renewable Energy Bonds ("CREBs") for 15 separate applications totaling over \$20 million. These bonds must be issued within 3 years of the date of the award (October 27, 2012) and the proceeds must be spent within 3 years of issuance.

At the December 15, 2009 meeting, the Board approved a conceptual plan to install Solar Shade Structures at Hill Creek using CREBs as a financing mechanism. In accordance with that plan, Barnhart, Trittipio, and Baker Electric began working together to develop plans for a photovoltaic system mounted on shade structures that would fit within the Districts financial parameters. At the March 2, 2010 meeting, the project presented was too financially risky to proceed. However, the contractor asked for some additional time to attempt to lower the cost per watt.

Since the March 2<sup>nd</sup> Board meeting, favorable changes have occurred in both the construction and financing arena, and the contractor has worked to develop a product within the parameters of the District, making the project more financially viable at this time.

A project like this has an inherent financial risk because we are using only known assumptions. The goal is not to provide a forecast but contain and mitigate as much of the risk as possible. Since we are only doing one site, Administration believes the risk is minimal.

Two design options that are financially feasible were presented. One design was comprised of two very large 200' shade structures in the DG field area at the back of the school and one 80' long shade structure on the east side of the future LRC building. This design does not provide daily use for shade by the school and provided the least cash flow risk. A second option provided more functionality and visual appeal by using 10 separate shade structures placed around the classroom buildings at the east and south sides of the school. This option contains some financial risk, albeit small, since projections indicate that with fairly conservative variables, the cumulative net present value of cash flows may go negative by about \$18,000 in the last year of the CREBs debt service period (15 years).

Mr. Christensen thanked the construction team, Barnhart, Trittipio, and Baker Electric, for working diligently to find a solution for Santee, and Stone and Youngberg, who provided invaluable advice for this effort. Administration recommended the second option because although there is a little more financial risk than the first design, the risk is small and is balanced with aesthetic appeal and functionality. The timing is right to move forward because of low construction costs, high performance incentives, and authorization for CREBs. However, the performance incentives will be expiring soon and if an extension is not granted, it would not be financially feasible to move forward.

Member Carlisle asked if the recommended option includes replacement of the inverters and maintenance. Mr. Christensen said a 20 year warranty for the inverters is included in this project. Member Carlisle asked about the analysis of the maintenance and if other school districts have been contacted about damages. Mr. Christensen said the maintenance costs

recommended by the electrical contractor were built into the costs. He has not spoken with other school districts to get information about costs incurred by damage but he will investigate.

Member Carlisle asked if there are alerts if the system is down. It would be important because if the system was down, the power would be purchased at a very high rate. Mr. Christensen said he believes the software has an alert system. Michelle Reiner, from Barnhart, believes is it part of the software and she will check.

Member Ryan asked if the additional debt of issuing the CREBs affects the District's ability to get a TRANS or puts the District in a place to have difficulty borrowing if needed. Mr. Christensen said one of the reasons we are doing a pilot at one school is because of the size. Santee has authorization for \$20 M but by installing the pilot at \$2 M, Santee can demonstrate a viable plan to pay the debt. He recommended that each year the savings be analyzed and set aside to pay the debt. He believes the smallness of the debt and a viable plan to set aside the savings will not jeopardize the District's ability to get a TRANS.

Members El-Hajj and Bartholomew prefer Administration's recommended option. Board members were interested to know the preference of the Principal. Principal Jerelyn Lindsay said their first priority is the lunch area. The long units are not usable for the students. The contour design provides more shade on the blacktop and they can move the PE equipment to not lose PE areas. Mrs. Lindsay believes Administration's recommended option would be the best option for Hill Creek.

Member Carlisle thanked Mr. Christensen and Administration for keeping this project alive. It is a great example for students to see energy conservation taken seriously by the school district. President Burns said he is concerned about the risk but there is a low risk with this option.

Member Ryan moved to approve the Classroom Contour Design recommended by Administration and authorize Administration to initiate necessary activities and incur the costs for solar installation at Hill Creek Elementary, contingent on the extension being granted to provide the incentives.

**Motion: Ryan Second: EL-Hajj Vote: 5-0**

### **2.3. Adoption of Resolution #0910-31 to Form the Santee School District Facilities Corporation for the Purposes of Financing Certain Public Facilities Improvements**

Mr. Christensen said the Board may recall from the sale of Certificates of Participation, financing of public facilities through Certificates of Participation involves creation of a lease structure in which certain property of the District is leased to another party and such property is, in turn, leased back to the District and the lease payments made by the District provide the source of revenue necessary to repay the Certificates of Participation.

These lease payments are usually implemented through a third party nonprofit public benefit corporation for a fee. As an alternative, the District may elect to form its own nonprofit public benefit corporation and avoid the payment of the fee. It is common practice in the State of California for school districts to establish such a nonprofit public benefit corporation for the purpose of assisting to facilitate the lease and lease back of property to finance school facilities.

Mr. Christensen said since the Board has authorized the issuance of the CREBs and the solar project, Administration recommends a corporation be formed to issue the COPs. There is a fee of \$7,500 to \$10,000 for the incorporation process. To assure that the Board of Education controls the actions of such a corporation, the Board of Education would sit as the Board of Directors of the corporation. Administration recommended the Board adopt Resolution #0910-31, approving the formation of the Santee School District School Facilities Corporation.

Member Ryan asked if this is like the City Council acting as a redevelopment agency. Mr. Christensen said this is similar but would be much less involved. Member Ryan moved to adopt Resolution #0910-31, approving the formation of the Santee School District School Facilities Corporation and the Articles of Incorporation and Bylaws, and authorizing the execution and filing of the Articles of Incorporation with the California Secretary of State.

**Motion: Ryan Second: Bartholomew Vote: 5-0**

### **2.4. Acceptance of Updated GASB 45 Actuarial Valuation as of July 1, 2009**

Mr. Christensen reported Governmental Accounting Standards Board (GASB) Statement No. 45 requires public agencies to measure and disclose the cost of other post-employment retirement benefits (OPEB) through actuarial valuation every two years. The District's first valuation was conducted and reported in July 2007. Demsey, Filliger & Associates, the same vendor that conducted the July 2007 Actuarial Valuation, conducted a subsequent study which is contained in the revised report. The District has currently suspended funding of the liability but will return to a funding plan when the budget climate improves.

Member Carlisle asked if the Board has chosen to suspend the entire amount of future service of \$22 M and the past service liability of \$14 M or just the past or accrued service. Mr. Christensen said just the accrued liability up to the date of the valuation. We must fund the pay as you go costs.

Member Carlisle asked if this put the District in jeopardy as the County is looking at the finances. Mr. Christensen said GASB 45 is not part of the general fund analysis and does not jeopardize the District with the County.

Member Carlisle moved to accept the updated GASB 45 Actuarial Valuation of Other Post Employment Retirement Benefits for use in Financial Statements. He also said that as soon as we can afford to, it would be prudent to have a funding plan in place.

**Motion: Carlisle Second: Ryan Vote: 5-0**

**2.5. Approval to Submit General Waiver Request for Deferral of Principal Apportionment Payments for 2009-10**

Member Ryan moved to approve the submittal of a Waiver Request for Deferral of Principal Apportionment payments for 2009-10.

**Motion: Ryan Second: Carlisle Vote: 5-0**

**2.6. Approval/Acceptance of SFNA Report and Adoption of Resolution #0910-32 of Alternative Fees**

Mr. Christensen reported each year a school facilities analysis is conducted. The April 2010 School Facilities Needs Analysis (SFNA) has determined the school facilities and educational programs of the District are seriously impacted by the increasing student population caused by new residential development within the boundaries of the District, and indicates that alternative fees are justified per Senate Bill 50 and asked the Board to adopt the slight increase in fees.

Member Carlisle asked if there is a difference in level 1 and level 2 fees in construction. Mr. Christensen said only in residential. Member El-Hajj said she does not like to increase fees if it is not absolutely needed. She does not support an increase in fees at this time.

Member Ryan moved to accept the updated School Facilities Needs Analysis and adopt Resolution #0910-32 to increase school facility fees in accordance with Government Code sections 65995.5, 65995.6 and 65995.7 for a one year term per SB 50.

**Motion: Ryan Second: Burns Vote: 4-1 (El-Hajj, no)**

**3.1. Employee Recognition for Day of the Teacher and Classified School Employee Week**

Mrs. Malin reported the Board and Executive Council traditionally honor teachers and classified employees with a small token gift on the day of the teacher and during classified employee week. This year Administration recommends that a gift not be purchased because of the current economic woes of school districts. Mrs. Malin requested the Board have a discussion about how they would like to recognize teachers and classified employees. It was mentioned that last year not all employees appreciated the small gift. There will always be a segment of the population that will put a negative spin on whatever gift may be chosen. Board members asked if Child Nutrition Services could donate purchased cookies to be delivered to employees at their sites. Providing cookies and a note from the Board and Executive Council as recognition was the consensus of all Board members.

**H. BOARD COMMUNICATION**

President Burns asked if there were any agenda topics to take to the City/Board joint committee meeting on May 10<sup>th</sup>. Items suggested were an update on the ball field at Chet F. Harritt, discussing service announcements on our Cloud, and an update on vacant District property.

Member Ryan is not able to attend CSBA's Honoring Our Own awards dinner. Member Bartholomew and Dr. Shaw will attend to represent the District.

Dr. Shaw shared the program for the final ELDA speaker, Dr. Milton Chen, and asked if any Board members would like to attend. Anyone interested will contact Linda.

Member Ryan will try to attend the County Office Census 2010 workshop and report back to the Board.

Dr. Shaw reported the Classroom of the Future Foundation Awards is May 20<sup>th</sup>. PRIDE Academy at Prospect Avenue is receiving the Inspiration Award. Member Bartholomew will attend with Administration and PRIDE Academy staff.

On behalf of the Board, President Burns offered congratulations to Pepper Drive School for being recognized as a California Distinguished School. President Burns will accompany Administration and Pepper Drive staff to the awards banquet on June 4, 2010.

President Burns announced the scheduled meeting with the principals for 6:00 p.m. had been cancelled.

**I. CLOSED SESSION**

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

**1. Conference with Labor Negotiator (Govt. Code § 54956.8)**

*Purpose: Negotiations*

*Agency Negotiator: Minnie Malin, Asst. Superintendent, Human Resources*  
*Employee Organizations: Santee Teachers Association*  
*Classified School Employees Association*

2. **Conference with Real Property Negotiator (Gov't Code § 54956.8)**  
*Property: Renzulli Site*  
*Location: Prospect Avenue-east of Marrokal Lane, Santee 92071*  
*Agency Negotiator: Karl Christensen, Asst. Superintendent, Business Services*  
*Purpose: Price and Terms*
3. **Conference with Real Property Negotiator (Gov't Code § 54956.8)**  
*Property: Former Santee School Site*  
*Location: 10445 Mission Gorge Road, Santee 92071*  
*Agency Negotiator: Karl Christensen, Asst. Superintendent, Business Services*  
*Purpose: Price and Terms*

The Board entered closed session at 8:56 p.m.

- J. **RECONVENE TO PUBLIC SESSION**  
The Board reconvened to public session at 9:55 p.m. No action was reported.
- K. **ADJOURNMENT**  
The April 20, 2010 regular meeting adjourned at 9:55 p.m.

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Allen Carlisle, Clerk

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Dr. Patrick Shaw, Secretary