

North Monterey County Unified School District
8142 Moss Landing Rd.
Moss Landing, CA 95039

Board of Trustees
Regular Board Meeting Minutes
June 10, 2010
5:30 p.m.

Minutes of the meeting of the Board of Trustees of the North Monterey County Unified School District held on June 10, 2010.

Board Members Present

Mr. Gary De Amaral, Mrs. Diana Jimenez, Mr. Sam Laage, Mr. Manuel Osorio

Board Member Absent

Mrs. Polly Jimenez

Administration Present

Mr. Sergio Montenegro, Superintendent; Ms. Monica Williams, Assistant Superintendent of Business, Yvette Padilla, recording secretary, were present.

Others Present

Lisa Gannon, Sarah Turner, Margarita Palacios, Debbie Duncan, Richard Diaz, Eloise Milam, David Milam, Tom Cho, Kate Dixon, Rex Despain, Rachelle Lewis, Alice Soliven

Closed Session

The Board adjourned to closed session at 5:30p.m.

Reconvene to open session

The Board reconvened at 7:00p.m.

Reports of Actions Taken in Closed Session

Mr. DeAmaral announced that the Board took action to appoint Mrs. Shirleen Stanley as the Assistant Superintendent of Human Resources effective July 1, 2010. Motion Carried 4-0.

Adoption of the Agenda

It was moved by Mr. Laage, seconded by Mr. Osorio to adopt the agenda.

Business from the Floor

Ms. Sara Turner, teacher, expressed her concerns regarding the staffing ratio at the elementary levels for K-3 grade. She also expressed her concerns for the mandated 1978 consent decree regarding services for bilingual students. She expressed that she understands the challenging budget circumstances, but the numbers of students that are bilingual; teachers would not be able to provide proper services. She added that the district in the past has been very vigilant on providing services for bilingual students and she would not like to see this district be out of compliance. She then distributed a copy of the 1978 consent decree to Board Members.

Mrs. Alice Soliven, resident, commented that she personally heard Board Member Mr. Sam Laage tell Mr. Tom Cho, parent if he has fun taking pictures of little girls. She expressed that this comment was made after a board meeting and that it was very inappropriate. She added that Mr. Laage did not offer an apology. She stated that she saw Board Member Polly Jimenez at a graduation party and stated that she did not know about the baccalaureate. She expressed her concerns regarding communication to Board members regarding school events.

Mr. D.L. Johnson, high school music instructor, expressed his concerns regarding the middle school and high school band instructional time. He stated that from three instructors at the high school, that there is only one instructor for two-hours and one instructor from the middle school for one hour. He added that the middle school is also suffering

with student loss in the program due to program improvement. He added that instructional time has been reduced from three periods to two periods. He suggested that when the budget gets a little better if the program could be increased to 6th graders since the middle school just added the new band room. He thanked the Board for allowing him to teach music for two hours a day which brings incredible joy to him and students.

Mr. Tom Cho thanked the Board for allowing him to take pictures at the high school graduation and that he will email photos to parents at no charge. Mr. Cho also stated that at the April 1, 2010 Board Meeting he read a letter to the Board and he still does not have access to the board minutes on the district website. He then asked to read the letter again to the Board. In response, Mr. De Amaral stated that he does not need to read the letter again and stated that the public would have access through the district website for the April 1, 2010 minutes.

Board Reports

Mrs. D. Jimenez reported that she attended the district graduations and expressed that it's worth being a Board member because she gets to see the results of seeing our students graduate. She also announced that North County LULAC would be giving \$18,000 for scholarships to high school students. She also announced that on October 9, 2010 the North County LULAC would be having their Latino Fashion Show Fundraiser at the Hyatt in Monterey. All proceeds will go towards scholarships for high school students.

Mr. Osorio reported that he attended some graduations and expressed that it was an overwhelming feeling to see students receive their diplomas.

Mr. Laage and Mr. De Amaral both stated that they attended the district graduations. Mr. DeAmaral commended the high school for not having balloons or horns.

Communications

There was no communications from the floor.

Consent Calendar

It was moved by Mr. Laage, seconded by Mr. Osorio to approve the consent agenda.

- Approval of May 13, 2010, Special Board Meeting Minutes.
- Approval of May 20, 2010 Regular Board Meeting Minutes.
- Approval of May 27, 2010 Special Board Meeting Minutes.
- Approval of Warrants as Listed.
- Cancelled APY Warrants.
- Approval of American Modular Systems (AMS). Change Order #1 for Modular Buildings and Site Package at North Monterey County Middle School.
- Revised Report of the 2009-10 P2 Attendance.
- Reject the Claim of Maria Hernandez.
- Approval of the quarterly report of the Williams Lawsuit Settlement complaints.
- Approval of employment-certificated of the following listed employees: Jeff Hill, effective 5/24/10; Jennifer Pena, effective 5/24/10; Roberta Walker, effective 5/21/10.
- Acceptance of the following listed certificated resignations: Virginia Alexander, effective 5/20/10; Nannie Thomas, effective 6/7/10.
- Approval of the following requests for a 100% leave of absence-certificated without pay for 2010-2011 school year: Alisa Bradley.
- Approval of the following requests for a 100% leave of absence-certificated without pay for 2010-2011 school year: Araceli Castillo.
- Approval of the following request for a 100% leave of absences without pay for the 2010-2011 school year: Whitney Grummon.
- Approval of the following request for a 40% leave of absences without pay for the 2010-2011 school year: Roberta Roberts.
- Approval of the following request for a 60% leave of absences without pay for the 2010-2011 school year: Kimberly Shirley.

- Approval of employment of the following listed classified employees: Elisabeth Cardenas-Martinez, effective 5/19/10; Donald Garl, effective 5/19/10; Bradley Keyes, effective 5/24/10; Ricardo Mendoza, effective 5/24/10; Monica Rodriguez, effective 5/24/10; Julie Slattery, effective 5/25/10.
- Acceptance of the following listed classified Resignations: Martin Lawrence, effective 5/27/10; Lance Mandilk, effective 5/18/10.
- Approval of change in job status for the following listed classified employee: Jaime Lopez Meza, effective 5/17/10.)
- Approval of resolution 2009-1046 eliminating position, Journey Mechanic, that will take effect with the 2010-2011 school year and remain in effect in subsequent years unless the position is reinstated.
- Approval of Public Disclosure of Tentative Collective Bargaining Agreement and Approval of Agreement with the North Monterey County Federation of Teachers (NMCFT).

Motion Carried 4-0.

DISCUSSION AGENDA

GENERAL

Update on Echo Valley Water

Mrs. Lisa Gannon, Director of Transportation and Maintenance, reported that the district is still looking into possible solutions and will have recommendations at the next Board Meeting.

Schedule Another Regular Board Meeting on June 30, 2010

Ms. Williams asked the Board to schedule a second Regular Board Meeting in June for the purpose of budget adoption and related public hearings for June 30, 2010.

It was moved by Mrs. D. Jimenez, seconded by Mr. Laage to add the June 30, 2010 Regular Board Meeting. Motion 4-0.

Board Meeting Schedule for 2010-11

The Board meeting schedule was presented to the Board for the first and third Thursday's of the month, except for months with only one meeting.

It was moved by Mr. Osorio, seconded by Mrs. D. Jimenez to approve the 2010-11 Board Meeting Schedule. Motion carried 4-0.

EDUCATIONAL SERVICES

Approve District Revised Program Improvement Local Education Agency (LEA) Plan Addendum

Superintendent Montenegro reported that the LEA Plan Addendum was reviewed by the California Department of Education (CDE), county offices of education, and the California Comprehensive Center. Based upon the review the review there were some items that were not included in the addendum. Superintendent Montenegro stated that the district coaches worked on addressing that items in the district's LEA Plan Addendum that were identified by the State as needing attention. He added that it's a comprehensive plan and once Assistant Superintendent of Curriculum and Instruction Jaime Moran joins the district, she would probably modify it.

It was moved by Mrs. D. Jimenez, seconded by Mr. Osorio to approve the District Revised Program Improvement Local Education Agency (LEA) Plan Addendum. Motion Carried 4-0.

BUSINESS SERVICES

Approve Sale of Qualified School Construction Bonds as Build America Bond in the Amount of Ten Million Dollars (\$10,000,000.00)

Ms. Williams reported that at the May 20, 2010 meeting the Board approved the revised legal documents, offering statement, and resolutions for the qualified School Construction Bonds (QSCBs) to reflect the sale as Build America Bonds. The Build America Bonds feature will allow the District to sell taxable bonds and be eligible for a cash subsidy payment for the United States Treasury equal to either the lesser or actual amount of interest or the amount of interest represented by the applicable credit rate determined under the credit bond rules.

Mr. Rex Despain of School Facilities reported that there are some excellent opportunities and believes the Build America Bonds will sell at an interest rate of approximately 7.0% and the District will receive a federal cash subsidy equal to approximately 5.5%, leaving a net interest cost to the District of 1.5%. The term of QSCB Build America Bonds and the corresponding credit rate is determined daily. He added that the term is currently 17 years.

Mr. De Amaral asked how close the projections are to the last meeting. In response, Ms. Williams stated that the district is very close and that we are still waiting for County Office of Education approval prior to sale. Ms. Williams added that we have identified three funding sources for debt repayment; State facilities reimbursement of \$5,580,000, settlement money in fund 40 of \$1,040,000 and on-going Developer Impact Fees.

Mr. Osorio asked what were the time frames to utilize the funds. In response, Ms. Williams stated that 10% needs to be committed within the first 90-days and the rest of the monies must be spent within 3-years.

It was moved by Mrs. D. Jimenez, seconded by Mr. Osorio to approve the sale of qualified school construction bonds as Build America Bonds in the amount of Ten Million Dollars. Motion carried 4-0.

Approve Roofing Projects at Castroville Elementary and North County Middle School

Ms. Williams reported that on May 6, 2010 the Board accepted Kasavan Architects (KA) proposal for the roofing at Castroville Elementary and North Monterey County Middle School. Ms. Williams stated that after further analysis the North County Middle School roofing project would need to be tabled. She stated that the roof has dry rot and will require removal of approximately 30% of the roof to repair. It will also require DSA approval. She added that the roof is at no danger to the structure at the middle school.

Ms. Williams reported that the estimated construction cost of re-roofing is \$250, 155 excluding General Contractor's markups or contingencies. She added that once the roof is removed there is potential for additional structural repairs.

Mrs. D. Jimenez expressed her concerns regarding the facility needs of Castroville Elementary School and stated that she would like to see the cost of installing the remaining 2-story buildings. She also asked once the building is considered 50-years old, if the district could apply for additional funding. In response, Ms. Williams stated that to receive additional funding we would need modernization eligibility and will research remaining eligibility with OPSC. She stated that the cost of the roofing project at Castroville School doesn't include hazardous materials abatement. She stated that we will bring the bid and contract recommendation to the Board on July 8th. Awarding on July 8th would allow the hazardous materials abatement to be done before the August start of school. The roof replacement would happen while students are on campus.

It was moved by Mr. Osorio, seconded by D. Jimenez to approve the Castroville Elementary school roofing project. Motion carried 4-0.

Update on 2010 Summer Facilities Projects

Ms. Williams and Mrs. Lisa Gannon, Director of Maintenance and Transportation, gave an overview on the summer 2010 facilities projects.

Mrs. Gannon reported on the Spring completed projects for North Monterey County High School, Elkhorn Elementary, Central Bay High School, Moss Landing sit and District office. She also gave a brief overview on how much was spent for each site.

Ms. Williams explained that the district summer 2010 in-house and other small projects are under \$30,000 do not need to go out to bid since we have adopted the Uniform Cost Accounting procedure. Mrs. Gannon reported that during the summer the middle school would continue with the elevator inspection and installation of cabinets for science classrooms. She also added that the library would be expanded to accommodate computer work station and installation of drainage near the track would also be installed in-house.

Mrs. Gannon reported that Pod B at Castroville school would be converted onto a cafeteria which would increase student capacity from 65 to 212 This is a Child Nutrition project. She added that the existing cafeteria would then be used for a multi-purpose room.

Mrs. Gannon reported that at Elkhorn elementary the repairs in the boy's restroom and replacement of entrance doors would be done. She also stated with Child Development monies the concrete sidewalks around the pre-school area would be installed and irrigation and sod to area near lower playground.

Mrs. Gannon reported that at Prunedale Elementary school will have some roof repairs completed. A portable classroom will be removed as the cost of repairs would far exceed the value of the building.. She added that repair to two area of playground and unsafe driveway near extended day room would be repaired by Child Development.

Mrs. Gannon reported that at North County High School repairs to the AHU unit in Science wing and replacement of four beams would be done in house. Ms Williams added that the district is exploring energy solutions with Chevron on a potential solar energy project.

Mrs. Gannon reported that at Echo Valley Elementary School replacement doors in supply room on lower playground would take place and installation of additional wood chips in playground paid by Child Development. She also reported that the district will continue arsenic mitigation issue with CCSD and MCEHD to repair water system. She added that there is a lot of consensus and is hoping to finalize this issue soon.

Mrs. Gannon reported that at the district office a hollow door would be replaced along with the replacement of the exterior door in the Superintendent's office will be completed by district staff. She added that the repair of the loading dry rot damage is scheduled to be repaired.

Mrs. Gannon reported that, we received a MBUAPCD Grant to fund 6 stations for new DPF retrofit devices would be installed and Baker/Pulser would be installed at the district maintenance/bus yard. She stated that fallen trees would be removed. She also added that the district would be getting three new buses through a grant.

She also reported on several on-going maintenance projects and she will continue to keep the Board updated.

Mrs. Gannon reported that at the June 30, 2010 Board two informal bid projects would be presented. The replacement of crown and installation of sod on the high school football field, estimated at \$50,000-\$70,000. The repair of asphalt on inner courtyard at Castroville Elementary School, estimated at \$40,000-\$50,000. Mrs. Williams reported that Fish and Game has backed off from involvement in the repair of the high school football field..

Ms. Williams also reported on the timeline for Castroville Elementary roofing project which should start July 29, 2010 and project completion would be October 28, 2010.

Mr. D. Jimenez thanked Mrs. Gannon and Mrs. William for providing extensive information on the district projects.

Discussion Regarding California Financial Services Proposal for Planning and Financial Services Agreement

Ms. Williams reported that the service agreement has been revised with California Financial Services and they have deleted the language regarding asset management. She stated that the district attorney, Mr. Mike Whilden was unable to attend.

Mr. De Amaral expressed that it's a quick and easy plan and the district needs to continue working on this. He expressed that the Board should pursue the original intent and promise and expressed that the Board has total control.

Mrs. D. Jimenez expressed that she feels that they were misled, but agrees that this is an innovative way to bring money.

Mr. Osorio suggested that the superintendent should continue to pursue. In response, Superintendent Montenegro stated that he would set up a meeting and anyone else could participate.

Approval of Third Interim Report 2009-10

Ms. Williams gave an overview on the Third Interim Report for the period ending April 30, 2010. Ms. Williams discussed the multi-year projections. She stated that on 2010-11 includes transfers from Fund 17 reserves in the amount of \$1,197,364 and in 2010-11 the remaining balance in Fund 17 of \$161,852.80 is transferred leaving the district with Fund 17 balance of \$0. She stated that in 2010-11 it includes savings of 13 FTE from K-3 classroom ratios increasing to 30:1 & 31:1, reductions in expenses from one-time money, and known retirements. In 2010-12 this includes the increased cost of classroom teachers that were funded in 2010-11 with ARRA SFSF funds (14 FTE); some of this offset by one-time expenses in 2010-11 for 2009-10 retirees and by estimated retirements. She added that the 2010-11 revenue projections are based on the Governor's May revise.

Ms. Williams explained that the district does not meet required reserve levels. She reported that the 9,800,000 in Fund 21 for 2010-2011 revenue represents net proceeds from planned sale of QSCB/BAB's. These funds will be used to fund repairs and construct in at Castroville Elementary school as it is currently rated 53.22 % poor condition on the Williams Facility Inspection tool. The remainder will be used for the most critical repairs at other campuses and to complete the final phase of modernization projects at 2 schools that was recently funded by SAB.

Ms. Williams reported that due to the current economic situation it is important to look at the multi-year projections for all funds. She reported that there is no immediate danger of other funds requires contribution for our General Fund.

It was moved by Mrs. D. Jimenez, seconded by Mr. Laage to approve the Third Interim Report 2009-10. Motion carried 4-0.

Update on 2010-11 State Budget

Ms. Williams reported that while the State legislature is beginning to address the 2010-11 budget, there is not much to progress to report. The proposals by the Governor and Legislature are still very different from each other. We will continue to report as information becomes available, however, there is no indication that the education outlook will improve.

Superintendent Report

Superintendent Montenegro reported that he attended and participated in the middle school, high school and continuation school graduations. He also attended the baccalaureate for high school students. He also attended the chamber meeting and participated in negotiations. He expressed that this has been a fast and furious year, and that it was nice to see students graduate.

There being no other business, the meeting was adjourned at 9:12p.m.