

March 7, 2005

- A. Call to Order** The Board of Education of the Monterey Peninsula Unified School District met in regular session at 5:07 p.m. on the above date at the Instructional Materials Center, 540 Canyon Del Rey, Del Rey Oaks, California.

The meeting was called to order by President Foss.

**B. Roll Call –
Establishment of
Quorum**

Board Members Present: Robert Eggers
Resa Foss
Alan Haffa
Regena Lauterbach
Shanda LeBoeuf (arrived at 5:20 p.m.)
Carlos E. Noriega (arrived at 5:43 p.m.)
Marjorie Troutman

Staff Members Present: Daniel Callahan
Robert Costa
Yvonne Despard
Jim Maxwell
Carol Weesner

DLI/POM/NPS Representative Present: Cindy Rothstein

Student Board Member Present: Christina Thomas, Monterey HS

Student Board Member Absent: Jonathan Wellman, Seaside HS

The President declared that a quorum was present and the Board proceeded with the order of business.

**C. Public Comments on
Closed Session Items**

No public comments were made at this time.

D. Closed Session

The Board adjourned to closed session at 5:08 p.m. to discuss the following:

1. Student Issues
Consider Expulsion Case #04/05-12
2. Public Employee Appointment (Gov. Code section 54957)
*Interim Superintendent-Elect
Interim Assistant Principal*
3. Conference with Labor Negotiator (Gov. Code section 54957.6)
*a. Agency Negotiator: Robert Costa
Employee Organization: California School Employees Association
Monterey Bay Teachers Association
Monterey Bay School Administrators Association*
4. Public Employee Discipline/Dismissal/Release (Gov. Code section 54957)
5. Conference with Real Property Negotiator (Gov. Code section 54956.8)
*Properties: • Fort Ord Parcel E5a
• Fort Ord Parcel E4.1.1
• Fort Ord Parcel E4.4
• Fort Ord Parcel F1.1.1
Negotiating Parties: Daniel Callahan
Under Negotiation: Terms and Conditions*

- E. **Reconvene Open Session** The Board reconvened at 7:40 p.m. to take the following action:
- F. **Pledge of Allegiance** The Pledge of Allegiance to the Flag of the United States of America was led by Board Member Eggers.
- G. **Report Action Taken in Closed Session, if any** No reportable actions were taken in closed session.
- H. **Take Action to Items That Arose Since Posting of the Agenda and Approve Agenda (2/3 Vote Required if Any Item is Added to the Agenda)**

No additional items were added since posting of the agenda.

Board Member Noriega motioned and Board Member Eggers seconded to move Item O-6, Approve Larkin and Monte Vista Leases to Defense Language Institute, up on the agenda.

There was brief discussion to wait until 9:00 p.m. to accommodate people who were attending a neighborhood information meeting regarding the leasing of Monte Vista and Larkin to the Defense Language Institute.

Board Member Noriega motioned and Board Member Eggers seconded to amended their motion to schedule Item O-6 for 9:00 p.m.

RESOLVED that the discussion on Item O-6, Approve Larkin and Monte Vista Leases to Defense Language Institute, begin at 9:00 p.m.

MSC	Noriega, Eggers
AYES:	7
NOES:	0

RESOLVED that the agenda be approved.

MSC	LeBoeuf, Noriega
AYES:	7
NOES:	0

I. Certificates/ Presentations/ Recognitions

- *1. Lighthouse for Literacy Awards – *Strategy 5*

Each year, the Monterey County Reading Association, in cooperation with the International Reading Association, recognizes outstanding educators who have contributed to the growth of literacy and provided excellence in reading education. The "Lighthouse for Literacy" Award is given to individuals selected by the local reading chapter. This year, the following were selected as recipients of the "Lighthouse for Literacy" Award, and commended by the Board for their outstanding contributions to literacy:

Bonnie Yoshinobu	Crumpton Elementary School
Lucille Standifer	Los Arboles Middle School
Linda Murphy	Highland Elementary School
Paula Terui	Highland Elementary School

- *2. Single Plans for Student Achievement – *Strategy 3*
 - La Mesa School
 - Fitch Middle School

Senate Bill 374 amended Education Code sections 64000 and 64001 to require schools that operate programs funded through the Consolidated Application to consolidate all school plans into a single plan, known as the "Single Plan for Student Achievement." La Mesa Elementary School Principal Bob Miller and Fitch Middle School (Schoolwide Title I) Principal Martin Enriquez presented their respective school's Single Plan for Student Achievement, distributed an information sheet, and clarified questions from Board member. This item will come back for Consent at the next regular meeting.

*3. Civic Center Act,
Facilities Use and
Fees, Board Policy
7400 – *Strategy 2*

Following Board adoption of revised Board Policy 7400, Use of Facilities, it was requested that staff bring for public discussion the categories into which different groups who utilize District facilities fall, and a proposed fee schedule for those various categories for Board review. Interim Chief Business Officer Jim Maxwell reviewed the four facilities fee categories and proposed fee schedule, and clarified questions from Board members. Mr. Maxwell said it is the intent to centralize the facilities use process to lessen the work at schools/sites and develop a consistent process, and to bring back the proposed fee schedule for approval.

Tom Mancini, Seaside City Councilmember, said the city hasn't received any information regarding Board Policy 7400, and he referred to a 1984 memorandum of understanding between the City and District where the City used the fields for after school activities, and that the City would maintain the fields. He said the imposing of fees might have an impact on youth groups, and felt there is a need for a public hearing to address the issue.

Anna Macaluso, California School Employees Association (CSEA) President, expressed concern about after school programs, 3.5 hour custodians at some sites, and the expectations to clean up after the program.

Board Member Eggers concurred with Councilmember Mancini regarding a public hearing, and referred to an agreement with the City of Marina for use of District fields.

Dr. Callahan suggested a public hearing or study session to receive input.

Board Member Troutman suggested that it be addressed at the next Peninsula Governance Collaborative meeting. She referred to the work of the Board Policy Subcommittee, and said the subcommittee will make sure that the administrative regulations are in compliance with the Board Policy.

J. Student Board Member Reports

Cristina Thomas reported on activities at Monterey High School including a Pennies for Patients drive, basketball and wrestling championships, and the upcoming Associated Student Body convention.

K. Communications

President Foss acknowledged correspondence from commercial companies and the Monterey Vista Neighborhood Association.

L. Suggestions and Comments from Members and Officers of the Board

President Foss reported on the Parent University event that she and Board Member Troutman attended.

Board Member Haffa reported on a Central Coast Section game with Monterey and Seaside High Schools, and shared classroom supplies that a Monterey Peninsula College Gentrain student donated for teacher distribution.

In response to Board Member LeBoeuf's question for types of donations for classified staff, California School Employees Association (CSEA) President Anna Macaluso said she would inquire.

M. Suggestions and Comments From Visitors - Non-Agenda Matters

Leslie Finnigan, speaking in support of the Monterey Center for Children and Families, provided information about its April 1 impending closure, and urged the Board to consider taking the center and embracing it within the schools in MPUSD.

Lucille Veronica Standifer, teacher, congratulated the new Assistant Superintendent for Curriculum and Instruction, and thanked Board members who donated supplies to Los Arboles Middle School and participated in the school's mural dedication and History Day competition.

O. Action

At this time, item O-6 was moved up on the agenda.

*6. Approve Larkin and Monte Vista Leases to Defense Language Institute

Board Member Troutman moved and Board Member Lauterbach seconded to postpone action on the Larkin and Monte Vista leases to the Defense Language Institute.

President Foss said the Board's intent is to act on a motion to postpone action on the Larkin and Monte Vista leases until after the public information period of March 15.

The following people expressed their concerns regarding the leasing of Monte Vista School to the Defense Language Institute: Maria Nunez Hovick, Hugo Bianchini, Maureen Bianchini, Surry Patel, Tim Bailey, Judy Karas, Marty Wiskcoff, Gwen Hovick, Glen Harold, Kathy Buaya, and Cristina Thomas.

Comments included:

- Concerns for the impact of the change of a neighborhood school to a chain-linked fence guarded military facility and an influx of strangers to the community
- There is no input from the local homeowners
- There will be light fixtures for 175 cars
- Increased traffic, noise, environmental shock, litter
- Lease to private or charter schools
- Don't make a hasty decision and take the time to see the serious repercussions of the Monte Vista lease
- Include input from local neighborhood
- Commercial environment in a residential neighborhood
- If the lease is a five-year lease, let the revenue go into the General Fund
- If it is a terrorist target, it has no place in a residential neighborhood
- There are other possible schools to use
- The Board is doing this under pressure. Long term planning is long term success. Would like the Board and District to reach for solutions instead of grabbing without a plan.
- Concern with guards having guns

Dr. Callahan spoke about the level of public notice about the leasing process, and said beginning on April 5, 2004, there have been 12 posted closed session discussions, and four open session postings since December 6, 2004, where it has been posted and discussed publicly. In terms of the impact, he said the Army is responsible for all tenant improvements, as well as having the Army return the facility to school use at the end of its lease. Dr. Callahan said the Army is addressing ADA compliance and other issues. He said the District stands to gain a great deal in terms of maintenance of the building, and will help the District meet the State's deferred maintenance match.

Board Member Eggers said the military cannot enter into a five-year lease because funds are appropriated on a yearly basis.

(Cristina Thomas left the meeting at 9:20 p.m.)

RESOLVED that the action on the Larkin and Monte Vista leases to the Defense Language Institute be postponed until the first regular meeting in April.

MSC	Troutman, Lauterbach
AYES:	6
NOES:	1 (LeBoeuf)

M. Suggestions and Comments From Visitors - Non-Agenda Matters

Franklin Williams, uncle of two Korean-born students, commended the principal and staff at Marina del Mar School for helping his foreign-born nieces who had little English-speaking skills when they arrived. He referred to the Newcomers program at Seaside High School, expressed concern that it was only open to high school students, and said it should be open for all grades so students' English skills will be sharpened by the time they attend high school.

The following people expressed their concerns regarding the impending closure of the Monterey Center for Children and Families: Kelly Chandler, MCCF Director Karen Robinson, retired educator Leath Pitta, League of Women Voters Betty Matterson, small business owner Tom Tsubota, American Association of University Women Shirley Laster, retired educator Mez Benton, and civil servant Susan Casner. They provided background information regarding the center that is located on the Presidio of Monterey and urged the Board to direct the Superintendent and staff to communicate with the City of Monterey that the District will conduct a feasibility study and prepare a public statement of its interest in operating the child care center prior to April 1. They noted that the District did not have a center in the Monterey area, the building and the program is accredited, it supports infant care, and is consistent with the District's mission of partnerships. They believed that operation of the center by the District would constitute a collaborative effort between governmental entities in serving an urgent public need and the group would be willing to be a bridge for a transfer of operation to another provider.

Dr. Callahan emphasized that staff is excited about the possibility, but the timelines are short. He said that the Director of Support Services will meet with the group to determine whether or not it is feasible to complete the study by April 1. He said the results would be communicated with the Board.

N. Student Issues

- *1. Consider Expulsion Case 04/05-12

RESOLVED that the student in Expulsion Case 04/05-12 be expelled from schools in the Monterey Peninsula Unified School District; and

BE IT FURTHER RESOLVED that the student may be considered for readmittance in accordance with the stipulations set forth by the Board of Education.

MSC LeBoeuf, Troutman
AYES: 5
NOES: 2 (Eggers, Lauterbach)

O. Action Items

- 1. Approve Contract for Interim Superintendent-Elect – *Strategy 5*

In response to League of United Latin American Citizens (LULAC) President Maria Buell's inquiry regarding the total cost to the District, to include the State Teachers Retirement System (STRS) exemption given to John Lamb, as well as where will the money come from, Board Member Eggers said the total amount of the contract is one half of the Superintendent's compensation of approximately \$79,000 plus \$27,200 that is an amount that Mr. Lamb is allowed to make and still collect his STRS retirement. He said the total contract will be approximately \$109,000 and funded from the General Fund. Board Member Eggers said there were savings from not having an Associate Superintendent for a good portion of the school year and other District Office staff that amounted to approximately \$150,000. He said the Board also approved a budget earlier in the year that left the District with \$150,000 in contingency funds.

RESOLVED that the contract for the Interim Superintendent-Elect be approved.

MSC Troutman, Lauterbach
AYES: 7
NOES: 0

Extend Board Meeting to 11:00 p.m.

RESOLVED that the meeting be extended to 11:00 p.m.

MSC Lauterbach, Troutman
AYES: 5
NOES: 2 (Eggers, LeBoeuf)

*2. Approve Certification of Second Interim Report – *Strategy 1*

Interim Chief Business Officer Jim Maxwell reviewed the Second Interim Report that is due to the Monterey County Office of Education by March 15, 2005, which included the Original Budget, Revised Budget, Actuals through January 31, 2005, and Projected Year End Totals. He highlighted the unrestricted section of the budget and said the budget is within one percent of the adopted budget. He said variances in the budget include over expenditures in personnel in the 5000 object codes. Mr. Maxwell said the District has a fund balance of approximately \$2.8 million, to include \$22,000 in revolving cash, \$2.6 million as its 3% reserve, \$120,000 set aside for a 1.15% salary adjustment for classified and management personnel, and an undesignated amount of approximately \$33,700.

In response to clarification regarding the over expenditures, Mr. Maxwell said the projected year-end balance shows that the District expended approximately \$500,000 more than originally budgeted, most of it for consultants who did staff work in positions that were vacant, and that approximately \$250,000 - \$300,000 will be coming from salary savings. In response to a question as to how much of the 5000 object code included legal fees, he said the legal fees are anticipated to run approximately 15%-20% higher than last year, which is approximately \$130,000 - \$180,000 higher.

In response to parent Susan Woodard's question regarding the over expenditures, the consultants used, and identification of the positions, President Foss said consultants were hired to do the work of the Associate Superintendent, Chief Business Officer, and other vacant positions. She said that she would request, in writing, for copies of the consulting contracts.

RESOLVED that the Second Interim Report be approved.

MSC Eggers, Noriega
AYES: 7
NOES: 0

*3. Approve 1.15% Increase to the Management Salary Schedule for the 2004-2005 School Year, Retroactive to July 1, 2004 – *Strategy 5*

Board Member Haffa said it is customary to wait until salary discussions have been completed with other employees groups. He said the Board put this item off for quite a while, but said there comes a point when you have to respect the expectations of management. Board Member Haffa stressed the importance for the public to understand why the Board is moving forward with the increase to the management salary schedule at this time.

Board Member LeBoeuf concurred, and said the management group has waited long enough.

Board Member Eggers said 1.15% is the figure that the District has grant each of the employee groups with the exception of contracted employees.

Dr. Callahan said the monies had been set aside in the reserve of the adopted budget, and that negotiations with CSEA has not been completed yet.

RESOLVED that the 1.15% increase to the management Salary Schedule for the 2004-2005 school year, retroactive to July 1, 2004, be approved.

MSC Eggers, LeBoeuf
AYES: 7
NOES: 0

- *4. Approve 2005-2006 Budget Guidelines – *Strategy 1*
- Mr. Maxwell reviewed the 2005-2006 Budget Guidelines for use in developing next year’s budgets and clarified questions from Board members. He said the main revision to the guidelines is in the revenue limit concept that incorporates the Governor’s budget, providing a 3.93% Cost of Living Allowance (COLA) with the deficit reduction from 2.14% down to 1.132%. Mr. Maxwell said these two factors compounded would provide an increase of approximately 5% to the COLA. However, he said the Governor is also proposing that approximately \$451 million that is currently paid by the State to the State Teachers Retirement System (STRS) be shifted to school districts, which would have the equivalent reduction in the COLA of about 2%, thus reducing the Revenue Limit increase to 3.84% or approximately \$191 per Average Daily Attendance (ADA). Mr. Maxwell said with \$191 per ADA, a school district the size of MPUSD would conceivably generate a little over \$2.1 million. He cautioned that the District is in declining enrollment of about 2.2% or approximately 250 ADA, for a loss of approximately \$1.2 million. He said these combinations would provide net new money to the school district of approximately \$950,000, with \$650,000 going into step and column increases for employees. Mr. Maxwell said the incoming chief business officer will be building a budget with new money of a little over \$300,000 to cover all of the other increases in the budget. He said it is critical that the Board stay on top of declining enrollment; and noted with the financial condition of the State, it is possible that the deficit could increase. Mr. Maxwell referred to the Governor’s May Revise, and said hopefully there will be enough information to continue building the 2005-2006 budget for adoption in June.

RESOLVED that the 2005-2006 Budget Guidelines be approved.

MSC Troutman, LeBoeuf
 AYES: 7
 NOES: 0

- *5. Approve Signatures of Board Representatives Effective March 7, 2005 – *Strategy 1*
- RESOLVED** that the attached authorized signatures of Board Representatives, effective March 7, 2005, be approved as submitted.

MSC LeBoeuf, Eggers
 AYES: 7
 NOES: 0

- *7. Approve Resolution #04/05-17: Resolution to Adopt Tie Breaker Criteria – *Strategy 5*
- RESOLVED** that Resolution #04/05-17: Resolution to Adopt Tie Breaker Criteria be approved.

MSC Eggers, Noriega
 AYES: 7
 NOES: 0

- *8. Approve Resolution #04/05-18: Resolution for the Reduction or Discontinuation of Particular Kinds of Services and Layoff of Certificated Employees – *Strategy 5*
- Robert Costa, Assistant Superintendent – Personnel Services, said the District finds itself in the position to have to reduce staffing, and that it is necessary to approve a resolution to reduce the particular kinds of services for certificated staff. Mr. Costa said staff recommended originally 42.5 full-time equivalents (FTE) predicated on declining enrollment, the condition of the budget, and the potential of future litigation with respect to an obligation in the event that the District did not prevail in court. He provided rationale for the two options to reduce 24.5 full-time equivalents (FTE) or 42.5 FTE and information regarding past layoffs, said the 24.5 FTE figure only accounts for declining enrollment and ADA loss, and clarified Board questions.

Board Member Noriega motioned and Board Member LeBoeuf seconded to accept Exhibit A with 42.5 FTE.

Board Member Haffa urged the Board to approve 24.5 FTE at this time. He said that it seems it would be preferable to avoid litigation and making the District liable to that risk.

Board Member LeBoeuf said the Board has to be realistic, air on the side of caution, and notice the higher number.

Board Member Troutman said unless there is a positive number to be eliminated, she felt that attrition, the layoff of temporaries and teachers who have not completed their credentials, and the elimination of a few FTE would address the issue. She expressed opposition to laying off or sending pink slips to 42.5 FTE.

Board Member Eggers said it would be great if the District did not have to go back to court with MBTA, but not doing so would mean that the District would be agreeing with MBTA's definition of net state aid, resulting in the District having to lay off more people in order to generate the funds for the settlement. Following the March 15 deadline, Board Member Eggers said the options would be limited to the layoff of classified and management staff resulting in the layoff of bus drivers, clerical works, and District Office personnel to do their functions. He aired on the side of caution, and said he would rather see more layoff notices go out and not leave the District in a situation where the Board has to pick on the classified employees to burden the brunt of their decision making prior to March 15.

Board Member Haffa said an advantage of continuing the item on Wednesday evening would give District negotiators more time to find a mutually agreeable consensus.

Anna Macaluso, CSEA President, said there are a lot of decisions to be made and CSEA gets caught in the middle of everything. She said when classified employees are notified, their positions don't come back. Ms. Macaluso said it's better to do more than less, and noted over the past 5-7 years, classified employees have declined from 700 to 480 positions. She urged the Board to think about what is coming up in the next couple of months and not to take decisions on the backs of CSEA. She said it's not fair that classified employees always pay the price of whatever happens in the District, whether it's a legal matter or a budget cut.

Ron Woods, Monterey Bay Teachers Association (MBTA) President, said MBTA under his leadership, has no interest in bankrupting the District or necessitating CSEA layoffs. He said the settlement in its essence, when it was crafted by MBTA and the District, was designed not to be an impact to the budget, but designed only to take advantage of new monies that may come in and not do adverse harm to the District. He spoke about layoff notices and said as far as teachers coming back, only the positions come back and that many times, once a teacher receives a layoff notice, they can't wait and they go to other districts. Mr. Woods said the District continually loses year after year the best, brightest, and most enthusiastic teachers, and he urged the Board to consider the fact that MBTA is in negotiations with the District and have been continually trying to get the issue solved without going to court.

Jim Burnis, former MPUSD Chief Business Officer, recommended that the Board accept the administration's original recommendation of 42.5 FTE for the following reasons: (1) it is a procedural matter, is in the Education Code, and provides the Board with flexibility in a time when they don't know what the State is going to provide next year; (2) under the unrestricted section of the Second Interim Report, the difference between "you and broke" is \$33,000, and against a \$90 million budget there is no room for changes that the Board may need to make between now and June 30; and (3) the difference between 42.5 FTE and 24.5 FTE is 18 FTE which is 36 classified employees, because teachers make about twice of what a classified worker makes.

RESOLVED that Resolution #04/05-18: Resolution for the Reduction or Discontinuation of Particular Kinds of Services and Layoff of Certificated Employees be approved, and to accept Exhibit A with 42.5 FTE.

MSC	Noriega, LeBoeuf
AYES:	3 (Eggers, LeBoeuf, Noriega)
NOES:	4 (Foss, Haffa, Lauterbach, Troutman)

Motion Failed.

RESOLVED that Resolution #04/05-18: Resolution for the Reduction or Discontinuation of Particular Kinds of Services and Layoff of Certificated Employees be approved; and to accept Exhibit A with 24.5 FTE.

MSC Haffa, LeBoeuf
AYES: 6
NOES: 1 (Noriega)

- *9. Approve Resolution #04/05-19: Resolution to Non-Reelect Emergency Credentialed Employees – *Strategy 5*

RESOLVED that Resolution #04/05-19: Resolution to Non-Reelect Emergency Credentialed Employees be approved.

MSC Troutman, LeBoeuf
AYES: 7
NOES: 0

- *10. Approve Resolution #04/05-20: Resolution to Release Temporary Certificated Employees – *Strategy 5*

RESOLVED that Resolution #04/05-20: Resolution to Release Temporary Certificated Employees be approved.

MSC Eggers, Troutman
AYES: 7
NOES: 0

Continue Board Meeting to Wednesday, March 9, 2005

Due to the lateness of the hour, Board Member Eggers motioned and Board Member Noriega seconded to continue the March 7, 2005, meeting to Wednesday, March 9, 2005, 7:00 p.m., at the Instructional Materials Center. At that time, the Board will continue its meeting with Action Item O-11.

After a brief discussion, Board Member Eggers motioned and Board Member Noriega seconded to amend their motion to include a 6:00 p.m. closed session.

RESOLVED that the March 7, 2005, meeting be continued to Wednesday, March 9, 2005, with closed session at 6:00 p.m. and the open meeting at 7:00 p.m., at the Instructional Materials Center.

MSC Eggers, Noriega
AYES: 6
NOES: 1 (LeBoeuf)

(Board Member Eggers left the meeting at 11:15 p.m.)

U. Closed Session

The Board convened into closed session at 11:16 p.m. and reconvened at 11:44 p.m. to take the following action:

Report Action Taken in Closed Session, if any

President Foss reported that the Board took action to non-reelect Probationary 2 employee # 10493. The vote was 5-0-1 (President Foss abstained from the voting).

V. Adjournment

The meeting adjourned at 11:47 p.m.

Respectfully submitted,

John Lamb
Interim Executive Secretary