

July 18, 2005

- A. Call to Order** The Board of Education of the Monterey Peninsula Unified School District met in regular session at 5:38 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: Resa Foss
Alan Haffa
Regena Lauterbach
Carlos E. Noriega
Marjorie Troutman
- Board Members Absent: Robert Eggers
Shanda LeBoeuf
- Staff Members Present: Robert Costa
Yvonne Despard
John Lamb
Carol Weesner
Tom Woodruff
- DLI/POM/NPS Representative Present: Cindy Rothstein
- 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 5:39 p.m. to discuss the following:
1. Public Employee Appointment (Gov. Code section 54957)
Principal
Assistant Principal
 2. Conference with Labor Negotiator (Gov. Code section 54957.6)
a. Agency Negotiator: Robert Costa
Employee Organization: California School Employees Association
Monterey Bay Teachers Association
 3. Public Employee Discipline/Dismissal/Release (Gov. Code section 54957)
 4. Conference with and/or Receive Advice from Legal Counsel - Anticipated Litigation
Significant exposure to litigation pursuant to subdivision (b) of Government Code Section 54956.9
 5. Public Employee Performance Evaluation (Gov. Code section 54957)
Interim Superintendent of Schools
- E. Reconvene Open Session** The Board reconvened at 7:18 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 Assistant Superintendent Robert Costa.

- G. Report Action Taken in Closed Session, if any** President Foss reported out the following actions taken in closed session:
- The Board in closed session voted to enter into a settlement agreement with classified employee #10509, which includes 20 days suspension without pay. The vote was 4-1, with Board Member Noriega voting No.
 - The Board in closed session voted to accept a voluntary demotion by a settlement agreement between the District and classified employee #61, effective July 1, 2005. The vote was 4-1, with Board Member Noriega voting No.
- 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.
- RESOLVED** that the agenda be approved.
- | | |
|-------|---------------------|
| MSC | Lauterbach, Noriega |
| AYES: | 5 |
| NOES: | 0 |
- I. Certificates/ Presentations/ Recognitions** None
- J. Communications** Board Member Troutman acknowledged communication from Kathy Williams regarding Board Policy 7400, Facilities Use, relative to whether the administrative regulations have been completed.
- Board Member Lauterbach acknowledged communication from Mrs. Bloom, Olson School, and said she would forward the communication to Mr. Lamb for follow-up.
- K. Suggestions and Comments from Members and Officers of the Board** Board Member Troutman referred to follow-up information from the June 20 meeting regarding the budget, and provided Board members and staff with a list of questions for follow-up by Chief Business Officer Tom Woodruff.
- Board Member Lauterbach acknowledged City of Seaside Councilman Tom Mancini in the audience.
- President Foss acknowledged an invitation to the August 17 Change of Command of the DLIFLC and POM, and a retirement ceremony.
- L. DLIFLC/POM/NPS Representative Report** School liaison representative Cindy Rothstein referred to the upcoming Change in Command and said the new commander has children who will be attending MPUSD schools. She also reported on a volunteer clean-up of the playground area and staff lounge at Marshall School, the Enrollment Center's role in easing the transition of incoming military families who are registering their children into MPUSD, and her attendance at a school liaison officer's training.
- M. Suggestions and Comments From Visitors - Non-Agenda Matters** Anna Macaluso, California School Employees Association (CSEA) President, referred to an article in the local newspaper regarding the maintenance of school grounds, complaints regarding the condition of the grounds and bathrooms, and reminded that classified positions were eliminated due to budget reductions. She urged that if there are extra monies, that the four positions of groundskeepers be reinstated, and that the Board also look at returning some of the full-time custodian positions to the school sites. Ms. Macaluso said staff is pleasant and working hard at the newly opened Enrollment Center, and invited Board members to visit the center.

N. Action Items

- 1. Approve Administrative Appointment(s) – *Strategy 5*

Assistant Superintendent Robert Costa, Personnel Services, provided background information related to the process and rationale for the administrative recommendations.

Board Member Noriega said he will support the recommendations, but will bring up, under possible future agenda items, a request for a discussion regarding evaluation and review of performance by all employees.

RESOLVED that the following administrative appointments be approved, effective July 18, 2005:

<u>Name</u>	<u>Position</u>	<u>School</u>
Shannon Lueken	Principal	Los Arboles Middle School
Patrick Gaffney	Principal	Martin Luther King School
John Schilling	High School Assistant Principal	School to be Determined
MSC	Troutman, Lauterbach	
AYES:	5	
NOES:	0	

RESOLVED that the following administrative appointment be approved, effective July 18, 2005, pending the results of the finalization of the reference checks:

<u>Name</u>	<u>Position</u>	<u>School</u>
Natalie Smith	High School Assistant Principal	School to be Determined
MSC	Lauterbach, Troutman	
AYES:	5	
NOES:	0	

Mr. Lamb referred to the two elementary principalships (Del Rey Woods and Marshall) that were approved at the June 20, 2005, Board meeting, and announced that due to last-minute administrative vacancies, he will be reassigning newly appointed Marshall Elementary School Principal Ken Harbord to Fitch Middle School effective July 19, 2005. At this time, Del Rey Woods School Principal Antonio Panganiban and Mr. Harbord were acknowledged in the audience. Mr. Lamb said he is in the process of contacting retired MPUSD elementary principals for their availability to open up Marshall School, and said communication to Marshall School staff will be sent explaining the last-minute change in principalship positions. Los Arboles Middle School Principal Shannon Lueken was also acknowledged in the audience.

- *2. Approve Signatures of Board Representatives Effective July 18, 2005 – *Strategy 1*

RESOLVED that the authorized signatures of Board Representatives, effective July 18, 2005, be approved as submitted.

MSC	Noriega, Lauterbach
AYES:	5
NOES:	0

*3. Approve
Modernization
Applications for
Marina Vista and
Marshall Schools –
Strategy 6

Chief Business Officer Tom Woodruff said this item concerns the re-application of funds, under the standard modernization program, which provides 60% funding for eligible work at Marina Vista Elementary and Marshall Elementary, with a 40% District or local match contribution. He said the two applications will authorize the District to apply, with the State Allocation Board, for two new grants for modernizing the two campuses. Mr. Woodruff said this is the result of a missed 18-month reporting deadline on the two school's critical hardship modernization grants.

In response to Board Member Noriega's questions relative to the Board-approved certificate of participation (COP) if the grants are awarded, the local match, and the re-roofing of Marshall, staff responded:

- Currently, the District is responsible for 100% of the contracted project costs.
- If the grants are awarded to the District, 60% of the project costs will be paid for by the grant.
- The current funding plan is to pay for the remaining 40% using the COP, recognizing that the Board has asked that it be used as bridge financing until it can come up with a more comprehensive facility plan to fund the 40%.
- The \$1.2 million is the local match (40%) for both projects. The total of both projects is approximately \$3.5 million.
- The grants authorize the District to be reimbursed for work that it has already contracted.
- The \$7 million COP is to cover shortfalls, the two most problematic are the withdrawn grants for Marshall and Marina Vista. Money from the COP will not be withdrawn until the grants are utilized, and the most likely scenario is that \$1.2 million will be needed in the short run to fund the 40% match for the two schools. The COP will buffer the District in the event of unfavorable grants and reapplications for a variety of other characteristics related to the remaining 22 projects.
- If the grants are not awarded, the District will need \$3.5 million of the COP to fund contracted work.
- A schedule for re-roofing District facilities was set up in three phases about three years ago, and Marshall was on the list to be in the third phase based on priority and need. At the time, deferred maintenance monies were used to fund the re-roofing projects. When the District moved into the second phase, the modernization project began and the remaining roofing projects were incorporated into the modernization project.

Mr. Woodruff said he will research the funding related to the re-roofing of Marshall School. He said he is committed to doing a monthly update on all 24 modernization projects, and that an update will be agendaized for the August 1 meeting to include a delineation of the roofing projects.

Board Member Noriega stressed the need for clarification because the public is holding the Board accountable. He said the Board is showing too many times that it doesn't know what is going on, and he said he is not comfortable about the issue at this time because he is not quite understanding it.

In response to Board Member Haffa's question regarding the impact if the Board waited to take action until it receives the monthly update, Mr. Woodruff cautioned against holding back on approval for the District to submit the application grants. He said the state modernization dollars are rapidly being depleted, and noted that representatives of the Office of Public School Construction indicated that a large school district in Southern California is submitting applications for a half billion dollars a month in modernization grants. He said time is of the essence, and he will certainly come back to the Board with clarification on the roofing.

Board Member Haffa said given the competition for these monies, he urged his colleagues to support the motion. He also felt the need for staff to follow-up on some of the questions that Board Member Noriega raised.

Maria Buell, representing the League of United Latin American Citizens (LULAC) "Monterrey" Council, urged the Board to consider looking at an updated facilities expenditures list, so all can fully support the process.

RESOLVED that the modernization applications for Marina Vista and Marshall Schools be approved.

MSC	Troutman, Noriega
AYES:	4
NOES:	1 (Noriega)

O. Consent Agenda

1. Approval of Consent Agenda - *Strategy 1*

Board Member Noriega pulled Consent Item #9 for discussion.

Board Member Troutman pulled Consent Items #10, #11, and #12 for clarification. In response to questions about the sources used to create the course outlines and her suggestion to acknowledge the sources in the outlines, Regional Occupational Program (ROP) Coordinator Elmer Canady stated that the point of origin might be difficult to verify, noted that the course outlines are state approved and meet ROP standards, and said it hasn't been past practice to include historical tracking as a part of course outlines. Board Member Troutman also requested that Consent Item #7 be pulled for discussion.

Board Member Lauterbach referred to Consent Items #14 and #15, noted that legal fees for Item #15 are not included, and requested that the item be pulled from the general vote.

RESOLVED that the Consent Agenda be approved with the exception of Items #7, #9, and #15.

*1. Approve Minutes

- March 9, 2005
- June 20, 2005

*2. Approve/Ratify Personnel Items

3. Ratify Purchase Orders from June 1, 2005 to June 30, 2005

*4. Ratify Warrant Register for June 1, 2005 to June 30, 2005

5. Approve Gifts to the District

(Board Policy requires that all gifts to the District in excess of \$250 of value be officially accepted by the Board of Education.)

From	To/Purpose	Amount
Bay View School PTA	Bay View School For field trips	\$1,900.00
R.A. Mendoza	Del Rey Woods School For the music program	\$430.00
Olson School PTA	Olson School For instructional supplies	\$11,536.53
Marina Grange #518	Olson School For the music program	\$500.00
Marina Coast Water District	Olson School For the science program	\$2,35.00
Riptide All Stars	Fitch Middle School For athletics, school improvement and activities	\$1,000.00
University of Wisconsin	Fitch Middle School For instructional supplies	\$500.00
Albertson's	Los Arboles Middle School For the librarian's salary	\$1,059.64
University of Michigan	Monterey High School For instructional supplies	\$1,000.00

*6. Approve District Program Improvement Local Educational Agency Program (LEAP) Addendum

~~*7. Approve Revised Course Outlines for King School~~
~~– ELA Ramp Up 1 Core ELD~~
~~– ELA Ramp Up Core 2 ELD~~
~~– ELD Ramp Up 1 ELD Social Studies~~
~~– ELD Ram Up 2 ELD Social Studies~~
~~– Algebra Readiness~~

*8. Approve Head Start Program Information Report for the 2004/2005 Program Year

~~*9. Approve Board Policy 5145.11 – Students, Questioning and Apprehension by Law Enforcement~~

*10. Approve Adult Education Course Outlines
 - Multi-Media
 - Computer Graphics/Desktop Publishing
 - Hospitality/Tourism Occupations
 - Introductions to Health Careers or Health Occupations
 - Careers Working with Children

*11. Approve Adult Education Course Outlines
 - Pharmacy Technician
 - Clinical Medical Assistant
 - Administrative Medical Assistant

*12. Approve Regional Occupational Program (ROP) Course Outlines
 - Medical Assistant

*13. Reject Claim Against the District - #PL-0506-1

*14. Approve 2005-2006 Agreement for Professional Services – Miller, Brown & Dannis

~~*15. Approve 2005-2006 Agreement for Professional Services – Lozano Smith~~

- *16. Accept the Continued Funding for the Child Development Programs and Authorize Designated Personnel to Sign Contract Documents for Fiscal Year 2005-2006
- *17. Sale of District Surplus Property (non-real estate)
- *18. Approve Memorandum of Understanding Between Monterey County Office of Education (Grantee) and Monterey Peninsula Unified School District (Delegate) to Provide Three (3) Head Start/State Preschool Classes in Marina
- *19. Ratify Appointment of Representatives to the California Interscholastic Federation (CIF) for Monterey High School (Dan Albert) and Seaside High School (Sheila Keifetz) for 2005/2006

MSC Troutman, Noriega
 AYES: 5
 NOES: 0

- *7. Approve Revised Course Outlines for King School

Board Member Troutman referred to discussion at the previous meeting and noted that the revisions agreed upon aren't reflected on the ELD Ramp Up 1 and 2 Core ELD outlines as it related to literature written in English, not American literature.

Board Member Foss noted language on the evaluation section and said the California Standards Test is given once a year. She felt it wouldn't be an appropriate item to use to evaluate individual student progress.

Assistant Superintendent for Curriculum & Instruction Carol Weesner said the language can be revised to reflect benchmark assessments which will more accurately reflect student progress towards meeting the standards on a quarterly basis.

RESOLVED that the following revised course outlines for King School be approved with the amendments discussed.

- ELA Ramp-Up 1 Core ELD
- ELA Ramp-Up Core 2 ELD
- ELD Ramp-Up 1 ELD Social Studies
- ELD Ram-Up 2 ELD Social Studies
- Algebra Readiness

MSC Troutman, Noriega
 AYES: 5
 NOES: 0

- *9. Approve Board Policy 5145.11 – Students, Questioning and Apprehension by Law Enforcement –

Board Member Noriega said the language basically covers and delineates what the responsibilities are for a peace officer and/or probation investigator or child protective services, and felt that training for parents, teachers, and administrators should be reflected in the policy so everyone will understand their role in the process and the District isn't put in a liability situation. He also expressed concern regarding non-English speaking students and whose responsibility it is to provide an interpreter.

TABLED

Mr. Lamb said the suggestion for training is an excellent idea, and that he will have legal counsel review the policy.

Helen Rucker, Seaside resident, said the policy is ambiguous, and urged the Board to table the item.

Maria Buell, speaking as a parent and a community member, concurred with Board Member Noriega and Mrs. Rucker, and said the policy needs further clarification and discussion. She said the parents are a key part of the entire policy and the students need to be provided due process. She expressed her willingness to join in the discussion and also supported the tabling of the item.

Following further discussion, it was the consensus of the Board to table the item and for the policy to be brought back to the Board Policy Subcommittee for further discussion. Mr. Lamb said he will provide Ms. Buell and Mrs. Rucker with the date of the next meeting, and ask legal counsel and a law enforcement representative to be present. Pending resolution of the language and approval by the subcommittee, this item will be agendaized for the Board's reconsideration.

Board Member Noriega suggested that staff obtain copies of the policy from other school districts to use as a guideline, as well as the California School Boards Association sample policy.

- *15 Approve 2005-2006 Agreement for Professional Services – Lozano Smith –

Board Member Lauterbach said Consent Item #14 included the cost for services, and asked if the cost can also be included with Consent Item #15, so Board members can be aware of the costs involved.

It was the consensus of the Board to table the item to a subsequent meeting, and that the cost for services be included for the Board's consideration.

TABLED

In response to Ms. Buell's question why the District is entering into agreements for professional services with two law firms and her concern about Board-related expenditures and its awareness of this budget, Mr. Woodruff said law firms have different areas of specialization and expertise. He said one area of expertise of Miller Brown & Dannis is litigation resulting in special education services; Lozano Smith handles labor and employee relations types of issues. He said the cost of attorneys last year went up dramatically from previous years, and that he will not preclude the District recommending that the Board enter into agreements with additional law firms, in particular for real estate negotiations.

P. Reports
Strategy 1

1. Committees/
 Conferences

- Community Human Services Project
 Board Member Noriega reported that the annual meeting will be held on Thursday. The focus will be on the programs and inviting individuals to share success stories while engaged with Community Human Services.
- Mission Trails Regional Occupational Program
 No report.
- Head Start Liaison to County Office
 No report.
- Board Policy Subcommittee
 Board Member Troutman distributed a list of 27 policies that were approved by the Board since May 2003. She reported the subcommittee will be meeting tomorrow to finalize the administrative regulations for Board Policy 7400 – Community, Facilities Use, BP 5145, discuss the writing of a new policy related to school closures and district reconfiguration, and discuss the feasibility of bringing an outside agency to handle policy updates and revisions.
- Monterey County School Boards Association
 No report.
- Special Education Joint Powers Board
 Board Member Troutman reported that a president and vice-president were elected at the June 21 meeting, and that the meeting focused on the role of the Special Education Local Planning Area (SELPA) Board for next year and major issues.
- Subcommittees to the Cities of Marina, Monterey, Seaside, Del Rey Oaks, and Sand City
 No reports.

2. Superintendent's
 Report

Mr. Lamb reported on the following Adult School and Regional Occupational Program (ROP) activities: first official graduation ceremony, adult school conditional WASC accreditation, attaining their cap for the first time in the history of the adult education program, expansion of classes to include new classes with Community Hospital of the Monterey Peninsula and Salvation Army, the reinstatement of the certificated nurse assistant program, beginning articulation discussions with Monterey Peninsula College for English as a Second Language classes, changing from a manual to a network attendance system, establishment of fee-based community education classes, and marketing adult education business specific classes.

Mr. Lamb also reported on an upcoming second graduation ceremony for high school students; provided an update on the work of the Community Task Force to Review Sportsmanship and Safety at Athletic Events that will be agendaized for information on August 1 and subsequent approval on August 15 so the policy can be in place by the end of August/early September; and the Board Policy Subcommittee's review of the administrative regulations for Board Policy 7400, Community – Facilities Use, that will be presented to the Board for Information on August 1.

Mr. Lamb provided an enrollment status report on Martin Luther King School, and said to date there are 904 students registered --- 133 K-1 students will be housed at the former Manzanita site; 761 grades 2-8 students on the King campus. He said beginning the 2006-2007 school year, all classes will be housed on the King site. Mr. Lamb reported that student enrollment at Fitch Middle School is 707, and that a committee will be formed later in the year to look at attendance boundaries. On August 1, a first day of school enrollment report and enrollment projections will be presented to the Board.

*3. Forensic Audit of
Modernization
Program – *Strategy*
1

Mr. Woodruff said this item was agendaized to get direction whether the Board wishes to have the District request for proposals for a forensic audit on the modernization program. He noted that this type of audit is not a financial audit and it is not a fraud audit. It is an audit to determine what steps went wrong with the modernization program. Mr. Woodruff said an audit of this type will cost between \$20,000 - \$40,000 and will take about 6-8 weeks to conduct. He said that he contacted three firms that do this type of work. Mr. Woodruff said if it is the Board's wish to engage in a forensic audit, staff will ask its direction and go out for proposals to qualified firms.

In response to questions from Board members whether it would be cheaper to hire a reputable local firm to do the audit in order to cut the cost for transportation, lodging, and food; what would it cost in staff time to obtain these documents and go through them; and whether any incident of fraud, deceit, or purposeful misinformation has been found; Mr. Woodruff responded:

- A forensic audit is specialized work and will need some level of expertise and understanding of the modernization program. It is an extremely complicated program that the state articulates, and it is recommended that it be an auditor who has very much of a working knowledge of the State's modernization program.
- Much of the responsibility for gathering the information, collecting the data, and doing the reports that the auditor will require will fall on the Business Office, primarily the Chief Business Officer due to its technical work.
- From an overall look, approximately 95% of the errors are related to missing key deadlines for filing state reports and an assumption that money could freely flow between the 24 projects.

Board Member Noriega expressed apprehension about spending that kind of money for something that really isn't purposeful. He said all are responsible for the holes that were created.

Board Member Troutman expressed preference to have the item brought back for Information to include recommended firms, cost, and start date for the Board's consideration.

Board Member Haffa encouraged support for the audit, and said it is the responsibility of the Board to hold District personnel accountable for expenditure of monies. He said there isn't sufficient information at this time to assign accountability or to be able to correct the procedures for the future. He said the Board has the responsibility and owes it to the public to regain their trust. He expressed support moving forward, and to at least see how much it will cost to do this kind of an audit.

Board Member Noriega said there are ball fields to be repaired and the grounds have weeds and gopher holes. He said if Board members are looking for fault, the people who might be assessed the fault are no longer in the District. He asked what does it do for the students and the population of the District? He felt that the Board needs to put the past behind, get out of micro-managing, and trust staff to do their job. Board Member Noriega spoke about the number of vacant positions, and disagreement and dissension among Board members and the community. He said the best thing to do is to become a unified Board and show the public that it speaks with one voice and mind.

President Foss said she didn't want to spend the money on an audit, but the Board will find at a fairly inexpensive price what went wrong and how to fix it in the future. She said the Board owes that to the taxpayers.

It was the consensus of the Board to direct the administration to proceed with an official request for proposal to see what the options are for a forensic audit, and to bring the item back for Information at the August 15 meeting.

*4. Report on Taping and Broadcasting of School Board Meetings – *Strategy 1*

Mr. Lamb said this item was agendized at the request of the Board. He distributed information regarding a range of alternative systems and costs attributed for the Board's review.

Elmer Canady, Regional Occupational Program (ROP) Coordinator, reviewed alternatives with the Board to include a range in price for the equipment from \$700 to \$12,600, depending on the quality. He said it is a matter of determining the needs of the Board.

Mr. Lamb referred to a comment from ROP/Adult Ed Service Center Instructor John Robbins that the broadcast will be old news, after the fact, and passive. He said Mr. Robbins suggested a twist by doing a public service announcement presented two to three weeks prior to a major topic for discussion at a Board meeting to encourage people to attend and be connected with the District. The cost will be less, and might have the ability to promote far more interaction and involvement than the other model which is always after the fact.

There was brief discussion regarding the cost to have the Monterey County Office of Education or Access Monterey Peninsula tape the meetings, and which city councils and school districts televise their meetings.

President Foss expressed support for the taping of Board meetings so the public can see what thought went into an issue. She suggested that Board Member Noriega seek feedback from fellow California School Boards Association delegates to identify which school districts broadcast their meetings.

Board Member Troutman felt it would be good to take the tape home and see yourself as others see you. She suggested the simplest alternative and to tape Board meetings as needed.

Board Member Haffa expressed support for the public service announcement, and said it can be a tool for getting community input and is cost effective.

Following further discussion, it was the consensus of the Board to take action at its August 1 meeting to determine which system to use for the taping and broadcasting of meetings. It was also the consensus of the Board for staff to move forward with the implementation of the public service announcements.

In response to a question from President Foss regarding a recommended alternative, Mr. Canady said alternative #4 (one quality color camera mounted on a tripod on the main floor and run by an operator) is a good middle of the road option, depending on personnel.

Q. Information

1. Definition of Trust – *Strategy 1*

Mr. Lamb said as part of the District's five-year Strategic Plan, the first of the six Strategies is Trust, and was recommended by the Strategic Planning Action Team at the June 16, 2003, meeting for Board approval of a definition of Trust. Mr. Lamb said the definition has been through the Strategic Planning Action Team twice, through the Superintendent's Advisory, through the Leadership Support Team, through the Board at its meetings of December 6 and 15, 2004, and through a Board subcommittee with input from Board members Troutman and Haffa. At this time, he presented the following definition of Trust for the Board's review and input. Mr. Lamb said the definition was agendized to bring closure to the item.

TRUST is the result of commitment by community, board, staff, parents, and students to collaborate with integrity, ethics, accountability, and respect.

Board Members Troutman and Haffa expressed support for the definition.

Board Member Noriega said he had no problem with the wording. He said the problem, as he perceived it, is that the Board has hired people, asked them to do a job, and it's not trusting them to do it. He referred to the forensic audit and recommendations from community groups related to budget cuts; said the Board needs to start trusting the staff; and said the Board is the problem, not the staff.

In response to a comment that the discussion is on the definition of trust, not various people's motivations for doing a forensic audit and the appropriateness of the comments, Board Member Noriega said the word trustee means that the people have put their trust in the Board to run the District in a fiscally, reliable way.

It was the consensus of the Board to bring this item back to the next meeting for Action.

*2. Analysis for Funding
New School
Construction –
Strategy 6

Rob Corley, MPUSD facilities consultant, highlighted items that were discussed at the June 20, 2005, meeting regarding projected enrollment from new home construction over the next five years, provided an overview of a proposed funding model for new schools to serve new development, and clarified questions from Board members. He acknowledged Bob Borchard, school liaison contact person for the City of Marina Strategic Development Center, and Bob Schaffer, Marina Community Partners Community Relations Director for the University Villages project. Mr. Corley said staff has been working on an analysis of what it will cost to build new schools to serve the new housing, and stressed the importance of looking at it as a subset of the total needs --- changes in existing neighborhoods, changes in old neighborhoods, and areas of housing and campus housing that are not subject to the normal funding mechanism to include federal property and federal projects on federal land, and other state and local developments. Mr. Corley addressed:

- Level 1 fee that the District is now imposing at \$2.24
- Level 2 fee that the District is currently ineligible to impose that is benchmarked against the cost of construction and is only used for new facilities derived from new development
- Assumptions of the number of houses by project and type, square footage, and yield rates. Noted that the large traditional single family home that typically has many children has the highest yield rate, and the very small high density condos and townhouses have a much lower rate.
- Adjustments made for unused capacity, acknowledging the reality of existing MPUSD schools, and determining how many schools are needed and going through a detail analysis of land costs and land improvement costs.
- Expense to develop land in California, huge environmental study costs, the clean up of former Fort Ord, awareness that the land and improvements will be a school cost, and that there will be discussion in the near future about how to mechanically do it.
- Total development cost. Approximately \$6 million as a current estimate of what it's going to cost just to improve the land
- Construction costs. The state model builds a very minimal adequate school where it pays one half of the cost and the District pays for the other half. Mr. Corley referred to the "other one-half" which is the difference between a minimally adequate and a modestly quality school – referred to as one half of the cost three times. City official's preference is a school that the community will be proud of, and that there is general consensus in doing something better than the minimum.
- Possible expansion on some existing schools (another wing of classrooms) to address growth
- Funds to renovate the Central Coast site into a starter high school.
- Monies for school buses.

Mr. Corley said the numbers are all subject to further analysis and revision, and that the total cost is approximately \$35.8 million for only the private sector developed housing. He said federal housing and university housing are not included in the matrix because the funding sources are different, but there is continued discussions with the University of California and California State University systems. Mr. Corley also addressed:

- The collection of fees on commercial buildings
- Redevelopment tax increment that applies to certain closed military bases
- The potential levy of Level 2 fees

Mr. Corley said an alternative to a fee-based approach would be a general obligation bond spread across the entire District or asking the developers to absorb the costs. He said developers are being asked to pay for so much infrastructure that their taxing and bonding abilities are just about tapped out to raise additional funding. He suggested that a study session be held in August to review and address the issues of funding new school construction. Mr. Corley indicated that there is general feeling that the city, developers, and school district need to pull together and with a few modifications, make it a self-funded program. He said an agreement with the City of Marina, the county, and other jurisdictions has not been reached on the cost of the land due to some requirements under existing agreements when land was conveyed, and that it is a discussion that will need to occur. Mr. Corley said the next steps include keeping the discussions going; refining some of the assumptions, moving toward Level 2 fees; developing a comprehensive facility plan that will address continuing modernization, changes at other schools, grade level alignments, and having the right facilities on the right campuses; and in August or September asking the Board to adopt the funding model, or at least ratify staff's position on it so when District staff meets with the developers, city officials, and other entities, it will be known that the District is unified on the funding model, that staff and the Board agree on the basic assumptions, and that all are moving forward together. Mr. Corley stressed that people will be making large commitments of land, time, money, school siting, and funding, and District staff needs the Board's support on the details.

In response to questions regarding falling short of what is needed to be able to put in the school infrastructure necessary, and possibly having to come up with a bond just to do the infrastructure for three to four schools, Mr. Corley responded:

- The cost factor is based only on a subset of the housing, approximately housing 500 high school students for an approximately local cost of about \$12 million. Adding the State share to that comes out to approximately \$18 million.
- There will have to be additional money generated from the local community, and a bond measure is probably the mechanism that will come out.
- There is enough money to build the elementary and middle schools based on the assumption of a K-8 model which is more cost efficient than having separate elementary and middle schools.
- The yield rates in every new housing project in the entire coastal strip from Santa Cruz to Santa Barbara tend to be low, and is driven by the price of housing.

Mr. Lamb said the long-term projection at this moment is to have a small alternative high school at the Central Coast site to give the District the footprint to qualify for the funding, and then another comprehensive high school. He said in the long-term, it will lower the size at both of the existing comprehensive high schools, and ultimately will end up with the Marina comprehensive high school being the largest in the District. Mr. Lamb said he is pursuing the idea of a Marina Stakeholders Committee and said the issue Mr. Corley is presenting will need Board action within the next month to six weeks.

President Foss commented that before action is taken, she would like the motion to include what is being voted on before it is approved.

Board Member Haffa said if a districtwide bond is going to be considered, the issue will need feedback from everyone who will be eventually taxed by it.

- R. Board Member Request(s) for Information and/or Possible Future Agenda Items** Board Member Noriega requested that the current and proposed evaluation document for certificated and classified management staff, to include the Superintendent and his Cabinet, be agendized as a future Information item for the Board's review. (consensus of the Board)
- S. Board Self-Evaluation, as Applicable** None
- Extend Meeting to 11:00 p.m. It was the consensus of the Board to extend the meeting to 11:00 p.m.
- T. Closed Session** The Board adjourned to closed session at 10:23 p.m. and reconvened at 10:52 p.m. to take the following action:
- U. Adjournment** The meeting adjourned at 10:53 p.m. in memory of Gerald Pablo, son of District Office Account Clerk Mafarda (Murphy) Pablo; and Patricia Pittman, wife of retired Lead Programmer/Analyst Jim Pittman.

Respectfully submitted,

John Lamb
Executive Secretary

JL/jif
^Defense Language Institute Foreign Language Center, Presidio of Monterey & Naval Postgraduate School
+Motion/Second/Carried