Western Placer Unified School District
Regular Meeting of the Board of Trustees
February 5, 2013, 7:00 P.M.
LINCOLN HIGH SCHOOL – PERFORMING ARTS BUILDING
790 J Street, Lincoln, CA 95648

MINUTES

2012-2013 Goals & Objectives (G & 0) for the Management Team: Component I: Quality Student Performance; **Component II:** Curriculum Themes; **Component III:** Special Student Services; **Component IV:** Staff & Community Relations; **Component V:** Facilities/Administration/Budget.

All Open Session Agenda related documents are available to the public for viewing at the Western Placer Unified School District Office located at 600 Sixth Street, Fourth Floor in Lincoln, CA 95648.

Board Present
Kris Wyatt, President
Brian Haley, Vice President
Damian Armitage, Clerk
Paul Long, Member
Paul Carras, Member

Others Present
Scott Leaman, Superintendent
Mary Boyle, Deputy Superintendent
Audrey Kilpatrick, Assistant Superintendent of Business & Facilities
Ryan Davis, Director of Human Services
Rosemary Knutson, Secretary to the Superintendent
Tammy Forrest, Director of Special Education
Kris Knutson, Principal/Preschool Coordinator
Mayela Martinez, Psychologist
Heather Steer, Facilities Director
Carol Percy, Lincoln News Messenger
Jillian Loya, LHS Student Representative

5:45 P.M. START

1. **CALL TO ORDER** – Lincoln High School – Performing Arts Theater

5:50 P.M.

2. **CLOSED SESSION** – Lincoln High School - Office Conference Room

2.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Purchase price, and payment terms for additional property adjacent to the Twelve Bridges Library, negotiated between representatives of Western Placer Unified School District and Sierra Community College District.

2.2 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Case No. SCV0032309, Western Placer Unified School District vs. City of Lincoln

2.3 CONFERENCE WITH LABOR NEGOTIATOR
Bargaining groups: WPTA & CSEA Negotiations
Agency Negotiators: Scott Leaman, Superintendent, Mary Boyle, Deputy Superintendent of Educational Services, Ryan Davis, Director of Human Services Audrey Kilpatrick, Assistant Superintendent of Business and Operations

2.4 PERSONNEL
PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE
- CL 12/13.6

2.5 STUDENT DISCIPLINE/EXPULSION PURSUANT TO E.C.48918
Student Discipline/Expulsion Pursuant to E.C. 48918
Student Expulsion # 12-13 P

7:00 P.M.

3. ADJOURN TO OPEN SESSION/PLEDGE OF ALLEGIANCE– Lincoln High School
The Board of Trustees will disclose any action taken in Closed Session regarding the following items:

3.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Purchase price, and payment terms for additional property adjacent to the Twelve Bridges Library, negotiated between representatives of Western Placer Unified School District and Sierra Community College District.

No action was taken

3.2 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Case No. SCV0032309, Western Placer Unified School District vs. City of Lincoln

No action was taken

3.3 CONFERENCE WITH LABOR NEGOTIATOR
Bargaining groups: WPTA & CSEA Negotiations
Agency Negotiators: Scott Leaman, Superintendent, Mary Boyle, Deputy Superintendent of Educational Services, Ryan Davis, Director of Human Services Audrey Kilpatrick, Assistant Superintendent of Business and Operations

No action was taken

3.4 PERSONNEL
PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE
- CL 12/13.6

Mr. Armitage reported the board unanimously approved the release of one probationary employee number CL 12/13.6.

3.5 STUDENT DISCIPLINE/EXPULSION PURSUANT TO E.C.48918

Student Discipline/Expulsion Pursuant to E.C. 48918
Student Expulsion # 12-13 P

The board took action to accept the panel's recommendation. Expulsion for the remainder of the 2012-2013 school year, and first semester of the 2013-2014 school year, however the hearing panel recommends to suspend the expulsion for the first semester of the 2013-2014 school year placing the student on contract thus allowing the student to return to Lincoln High School for the start of the 2013-2014 school year providing to comply with the readmittance conditions. Roll call vote: Haley, Long, Carras, Armitage, Wyatt

4. CONSENT AGENDA

4.1 Approval of Meeting Minutes for:
- January 15, 2012 Regular Board of Trustee Meeting

4.2 Approval of Warrants
4.3 Classified Personnel Report
4.4 Certificated Personnel Report
4.5 Approve State Preschool Contract/Amendment which includes Resolution No. 12/13.15.
4.6 Approve Agreement for Audit Services with Crowe Horwath, LLP
4.7 Ratification of Agreement for Services with Padre Associates, Inc. for Geological and Environmental Hazards Report for land at Twelve Bridges High School site.

Motion by Mr. Armitage, seconded by Mr. Carras, and passed by a 5-0 roll call vote to approve consent agenda as presented. Roll call vote: Long, Carras, Armitage, Haley, Wyatt

5. COMMUNICATION FROM THE PUBLIC

There was no public comment.

6. REPORTS & COMMUNICATION

6.1 Lincoln High School, Student Advisory – Jillian Loya reported the following:
- Basketball Home coming
- Waiting for approval of AB block day
- Hope to add a couple of new classes
- Seminar will be presented to help kids archive goals, and who need motivation.
- Zebra showcase February
- Wrestling girls going to sections
- Spring Sports are beginning to practice
- Alice in Wonderland performance
- Hope to get help with peer helpers

6.2 Western Placer Teacher's Association – Mike Agrippino had no report
6.3 Western Placer Classified Employee Association – Mike Kimbrough not present
6.4 Superintendent - Scott Leaman reported on the following:
- Had a wonderful Tech Fair at Lincoln High School
- He asked Mary Boyle to speak on "Project LEED The Way", a new grant project currently in 20 districts, and 40 schools. Previously LEED The Way is a Federal grant project, worth 5 million dollars. It has brought technology to the computer lab

and curriculum for next 2-3 classes. There will be a study on student progress for the next 2-3 years.

- Willy Duncan from Sierra College visited LHS new Engineering Lab
- Bear River Leadership class made a visit to Lincoln High School

7. ♦ACTION ♦DISCUSSION ♦INFORMATION

7.1 Information DISTRICT OVERVIEW OF CERTIFICATES OF PARTICIPATION DEBT FINANCING AND PAYMENT STRUCTURE - Kilpatrick *(12-13 G & O Component I, II, III, IV, V)*

•In 2008 and 2009, the district embarked on a COPs restructuring plan to create a debt repayment schedule that reflects the timing of the receipt of known revenue sources and secure fixed interest rates for budgeting purposes. In 2011, the district restructured the remaining Certificate of Participation debt. The restructuring accomplished two primary objectives. First, the interest rates were converted from variable rate to fixed rate in order to give the district certainty and stability over the amount of the annual payment. Second, the terms of the principal repayment of the loan were extended to make the debt payment affordable given the district's available repayment sources.

Audrey Kilpatrick invited Cathy Daminco of Capitol Public Financing to present a slide show on COP's, she covered the following topics

Outstanding Certificates of Participation (COPs")

- Long-term loan structured like a lease
- Used to fund capital needs
- Ultimately an obligation of the general funds

The District's Restructuring Parameters

~ Reduce annual payments to a "manageable" level
~ Match payments to available revenue
~ Lock in fixed interest rates – so the district can budget into the future
~ Minimize the impact on the General Fund

COP Repayment Plan

- Revenue Sources Available for Debt Repayment

~ Facilities Fund Balance
~ Mello-Roos (CFD) Special Tax
~ Developer Fees
~ Contributions from Other Agencies

Status of Revenue Sources

~ Small increases in the California Construction Cost Index have lowered the CFD Special Tax revenues projections
~ With the economic downturn, developer fees are not coming in as expected.

Thoughts on CFD Tax Collections

~ CFD tax collections are a relatively secure repayment source
~ A portion of the CFD #1 collection are already pledged toward repayment of the District's outstanding CFD bonds
~Remaining CFD #1 and all CFD #2 collections are applied toward COP repayment

Additional Thoughts on CFD Tax Collections

~ The COP repayment plan only accounts for currently taxable units
~ As new units are constructed within CFE #1 and CFD #2, additional tax collections will be applied toward COP repayment

Thoughts on Developer Fees

~ Developer fees are a VERY unreliable revenue source
~ Projections of this revenue source provide an idea of the District's ability to repay the COPs
~ Actual developer fee collections will vary from projections
~ The District will need to annually evaluate whether all developer fee collections can be applied to COP repayment

After Restructuring the COPS, when applying facilities fund balance, the district will be able to pay debt service payments without impacting the general fund until 2019

Differences from the original plan

~In 2011, after the restructurings were completed, this was estimated to be 2010
~Now, with revisions to several revenue assumptions, this is estimated to be 2019

More Differences from the Original Plan

- In 2008, the General Fund liability after 2018 was expected to be $1.5 million per year
  ~After adjusting the long range projections (after 2015) related to special tax collections and developer fees, we are currently estimating an average of $1.2 million per year until 2035.
  >Then shortfall will be dependent on amount of future development
  ~Maximum annual contribution of $1.6 million in 2022

Additional Developer Fees

- If the District were to apply an additional $175,000 of develop fees over the next few years, the potential General Fund liability will be postponed until 2020.
  ~Projected developer fees for next year are estimated at $800,000.
  >This year, the District has already received over $1.13 million.
- If develop fees of $1.2 million are applied each year the General fund liability would be postponed to 2021

Ongoing Debt Maintenance

- Restrict Facilities Fund Balance for Debt Repayment
- Consider Applying Additional Developer Fee Revenue Towards Repayment
- Identify Alternative Revenue Sources

7.2 ~~Action~~ Information/ Discussion **FINANCIAL REVIEW OF JOHNSON CONTROLS INC. PROJECT SCOPE - Steer** *(12-13 G & O Component I, II, III, IV, V)*

•During the Board of Trustees meeting on December 18, 2012, we heard an update on the project development from Johnson Controls, Inc. (JCI). From this information, and some more specific financial information provided by JCI, staff has been working with our financial consultants, Capital Public Finance Group (CPFG), to review and verify the numbers and any potential concerns for the District. CPFG will be presenting an analysis of the financial information provided by JCI, as well as the compatibility with the District's current liabilities and future debt payments.

Jeff Small of Capital Public Financing presented a power point estimated project costs on Johnson Control Project as follows:

Two project options

- The District has analyzed two project options
  ~Option #1: District-wide energy efficiency measures, HVAC & Solar (Project Cost of $4.8 million)
  ~Option #2: Coppin-only energy efficiency measures, HVAC & Solar (Project cost of $2.0 million)

Estimating Energy Savings	**Option #1**	**Option #2**
• Electric Savings –	1,239,364 kWh	171,908 kWh
• Gas Savings -	5, 345 Therms	0 Therms

JCI Performance Guarantee

- By completing the identified energy conservation improvements, Johnson Controls will guarantee that the District will use less energy than it currently does.

Converting the Estimated Annual Savings to Dollar Savings

- The estimated utility units saved can then be multiplied by the appropriate utility cost per unit to determine the dollar savings.

Estimated Dollar Value of Energy Savings		
• Electric Savings -	$188,200	$8,300
• Gas Savings -	$4,800	-0-

Project Cost-Benefit

- The Coppin project accounts for over 40% of project cost and less than 15% of savings.
- Additional State Grant funds and energy savings offset the higher project costs for the District-wide option

Project Comparison

Financing Plan

Coppin Option

- Net annual project savings at Coppin would be approximately $10,000-$20,000 per year.
- Debt service on $2 million capital cost would average approximately $140,000-$170,000 per year.
- Energy savings simply does not support debt service costs.

District-Wide Option - All Borrowings Must be Repaid

- Either option requires additional borrowing
- Funding sources include:
  ~Various Energy Rebates and Incentives
  ~State Facilities Program Grant
  ~General Fund
  >Through annual savings obtained by energy conservation, generation, and avoided costs

Considerations Regarding Repayment Sources

- Rebates and Incentives
- State School Facility Program
- Debt service costs should be budgeted in the General Fund as a utility costs
- Energy Savings

Financing Alternatives

- Various potential sources of subsidized financing may help to reduce the District's additional contribution, including:
  ~Proposed State legislation on energy efficiency funding
  ~County Treasury loan
- At a 2.5% borrowing rate, combined with SFP grant funds estimated at $1.86 million, project could potentially break even
- Debt service can be structured to more closely match anticipated revenue following receipt of State grant

Funding from Proposed Legislation

- Allocation is being debated
- Draft expected late in the current fiscal year

County Treasury

- May be able to finance through the County Treasury
- Negotiate loan with County Treasurer:

This was information item only

7.3 ~~Action~~ Information/ Discussion **UPDATE ON JOHNSON CONTROLS, INC. PROJECT DEVELOPMENT AND OPTIONS FOR BOARD OF TRUSTEES – Steer** *(12-13 G & O Component I, II, III, IV, V)*

• During the Board of Trustees meeting on December 18, 2012, we heard an update on the project development from Johnson Controls, Inc. (JCI). Following the Financial Review that is being provided by Capital Public Finance Group, staff would like to put forth options surrounding the proposed project(s).

Heather Steer introduced Jeff Small from Capital Public Financing Group to review the different financial options on the HVAC issues:

- Option #1 – would be to do nothing
- Option #2 – would be Carlin C. Coppin only
- Option #3 – would be the Full Project as Proposed
- Option #4 – Open up Process again for other Possible Agencies

Board comments:
Mr. Carras shared this is not an action item, but going further into debt is totally something I'm against it, we're already in debt. The idea of impacting the general fund $1 dollar. When action is taken on this, I cannot support it.
Mr. Haley felt there are no good answers. Glad for the review, but can't see adding any more money to our problem, however we can't just shut Carlin C. Coppin down.
Mr. Long is more interested in the overall project, interested in the financing through the county on the 2.5%.
Mr. Armitage feels optimistic about the energy savings, but open minded
Mrs. Wyatt would also like to be open minded, just don't know if things will change.
Mr. Leaman reported the county would like to make sure the district is rock solid before any other loans. The district is looking at shaving the money, and getting the borrowing money down. We know Coppin needs to be fixed. Mr. Leaman will work on structuring and bring back more information to the board.

7.4 Action **APPROVE RESOLUTION 12/13.16 DECLARING PROJECT SAVINGS AND IDENTIFYING HIGH PRIORITY CAPITAL OUTLAY PROJECTS - Steer** *(12-13 G & O Component I, II, III, IV, V)*

•After the completion of projects at Lincoln High School (Modernization and New Construction) and construction of Special Education facility at Foskett Ranch Elementary, there was a significant amount of project savings remaining in Fund 35 from the State of California. Under Chapter 12.5, Part 10, Division 1 Section 17070.63, of the Education Code and School Facility Program Regulation Section 1859.103, the District is allowed to retain these funds and use them towards other "High Priority Capital Outlay Projects". While code does not specify what constitutes a High

Priority Capital Outlay Project, it does mandate that the funds be used according to the type of funding we received.

Heather Steer talked about Financing Alternatives, regarding Capital Outlay projects, and the two pots of money. The purpose of the Resolution is to cover the district, and show how the funds were used. Listing the following three (3) priority projects:

- **Site Inspections and Purchase Agreement for extension of Twelve Bridges High School property**
- **Master Plan of Carlin C. Coppin, Creekside Oaks and Sheridan Elementary Schools to accommodate future growth**
- **Modernization and Replacement of heating ventilation and cooling system at Carlin C. Coppin Elementary School**

Motion by Mr. Carras, seconded by Mr. Haley, and passed by a 5-0 roll call vote to approve Resolution No. 12/13.16 approving the support of the use of savings on other high priority Capital Outlay projects. Roll call: Carras, Armitage, Haley, Long Wyatt

Virgina Cosh questioned if the district had looked at the Master Plan list?

7.5 Action **SCHOOL ACCOUNTABILITY REPORT CARDS (SARCs) - Boyle**
(12-13 G & O Component I, II, III, IV, V)

•In November 1988, California voters passed Proposition 98, also known as The Classroom Instructional Improvement and Accountability Act. This ballot initiative was to provide California's public schools with a stable source of funding. In return, all public schools in California are required annually to prepare School Accountability Report Cards (SARC) and disseminate them to the public via websites.

Mary Boyle reported on the SARCS being presented, and the purpose for approval, they are posted on the website. Motion by Mr. Damian, seconded by Mr. Paul Long, and passed by a 5-0 vote.

7.6 Information **KINDERGARTEN REGISTRATION FOR 2013/14 - Boyle** *(12-13 G & O Component I, II, III, IV, V)*

•Kindergarten registration is around the corner! The kindergarten registration process begins in early March. We expect to have a slight increase in numbers of children registering for 2013/14 Kindergarten and Transitional Kindergarten (TK). The effect of the implementation of new age of enrollment requirements for kindergarten in the current year yielded a net decrease in kindergarten students, even with the implementation of one TK class. As parents become more familiar with the TK program and because of the matriculating class of current TK students into Kindergarten, we expect the net effect to be an increase of approximately 27 students at the TK/K level.

Mary Boyle reported on the Kindergarten registration process, and handed out brochures for TK and Preschool. If another TK is needed, we will be looking at COES, along with the current one at TBE, and more will be add if needed. This is information to keep you update on the process.

7.7 Information **PRESCHOOL PROGRAMS - Boyle** *(12-13 G & O Component I, II, III, IV, V)*

•Two years ago, we took back our State Preschool-funded programs with the belief that articulation with kindergarten and inclusion of district special needs preschools students could be maximized. The results have been extremely positive!

Mary Boyle introduced the preschool staff, along with Tammy Forrest, Special Education Director, Kris Knutson, Preschool Director, Mayela Martinez, school Physiologist. Kris reviewed the following:

- Purpose of Preschool Programs
- History of WPUSD Preschool Programs
- Preschool Programs – General Education
- Preschool Programs – Special Education
- Preschool Programs - Inclusion
- Collaboration between PreK & Kindergarten/TK for transition to Kindergarten
- Collaboration between Gen Ed PreK & Special Ed PreK
- Preschool Programs - Future
- Currently we have four (4) sites, 265 students
- Income based programs

Mayela reviewed the Early Childhood Special Education Programs, she reviewed the following

- Phonology Group
- PPPIP Services
- Special Day Class (SDC) Non-Categorical
- Special Day Class (SDC) Autism Spectrum Disorders (ASD)
- Early Childhood Assessment Team (ECAT)

7.8 Information **2013-14 BUDGET UPDATE/BUDGET REDUCTIONS UPDATE – Leaman/Kilpatrick** *(12-13 G & O Component I, II, III, IV, V)*

•The district is currently deficit spending and faced with budget reductions. The Board has directed staff to achieve a balanced budget by the 2013-14 budget year.

Audrey Kilpatrick gave a brief budget update, and reported the county recommended the district go with 1.65% COLA adjusted fund balance, will be bringing back a recommendation at the next board meeting. We could have less of a reduction amount.

8. BOARD OF TRUSTEES

8.1 FUTURE AGENDA ITEMS

The following are a number of agenda items that the Board of Trustees has been monitoring. They are NOT action items for tonight's meeting, but are noted here for continuing purposes and to ensure that when there are changes or new information they will be called up as Action/Discussion/Information.

- Relationship with Sierra Community College
- Twelve Bridges High School

- Lincoln Crossing Elementary South/Facilities Update

8.2 BOARD MEMBER REPORTS/COMMENTS

Mr. Haley had no report
Mr. Long shared it was a good board meeting
Mr. Carras a lot of contemplating to do
Mr. Armitage long board meeting
Mrs. Wyatt reported the Tech Expo was awesome

9. ESTABLISHMENT OF NEXT MEETING(S)

The President will establish the following meeting(s):

➢**February 19, 2013** 7:00 P.M., Regular Meeting of the Board of Trustee – Lincoln High School

10. ADJOURNMENT

There being no further business the meeting was adjourned at 9:45 p.m.

Kris Wyatt, Board President

Damian Armitage, Clerk

Scott Leaman, Superintendent

Rosemary Knutson, Secretary to the Superintendent

Adopted: March 5, 2013

Ayes: Haley, Long, Carras, Armitage, Wyatt

Noes:

Absent:

BOARD BYLAW 9320: Individuals requiring disability-related accommodations or modifications including auxiliary aids and services in order to participate in the Board meeting should contact the Superintendent or designee in writing at least two days prior to meeting date. (American Disabilities Act) Government Code 54954.1