

HILLSBORO SCHOOL DISTRICT BOARD OF DIRECTORS—MINUTES
February 26, 2019
District Administration Center, 3083 NE 49th Place, Hillsboro, Oregon

1. **WORK SESSION**

Board Present:

Lisa Allen, Chair
Erika Lopez, Vice Chair
Martin Granum
Yadira Martinez
Jaci Spross
Kim Strelchun
Mark Watson

Staff Present:

Mike Scott, Superintendent
Travis Reiman, Assistant Superintendent, Academic Services
Beth Graser, Chief Communications Officer
Kona Lew-Williams, Chief Human Resources Officer
Michelle Morrison, Chief Financial Officer
Casey Waletich, Chief Operations Officer
Rian Petrick, Director, Extracurricular Services/Community Outreach
Val Bokma, Assistant to the Board

Student Representatives Present:

Jessica Jose-Nickerson
Samanta Vega Contreras

Kelli Waibel, Technology Support

Others Present:

Chris Hartye, Senior Project Manager, City of Hillsboro

Budget Committee Present:

Nina Carlson
Christopher Clark
Alexander Diaz
Matthew Long
Heather Monaghan
Michael Smith
Kyle Taylor

Board Chair Lisa Allen called the meeting to order at 5:27 PM and apologized for the late arrival of several participants, who were returning from advocating in Salem for adequate, reliable school funding.

a. **Discuss Nonprofit Low-Income Affordable Housing Property Tax Exemption Request**

Chief Financial Officer Michelle Morrison explained that the City of Hillsboro's request that the Board approve a nonprofit low-income housing property tax exemption is very similar to the request that the Board approved last June for Washington County, but the new request specifically names the City of Hillsboro as the agent.

Chris Hartye, Senior Project Manager for the City of Hillsboro, explained that the Hillsboro City Council approved the exemption on February 19, and that, per State statute, under the exemption program, total relief from property taxes occurs when 51 percent of the total rate within the jurisdiction approves the request. Within the Hillsboro boundary, the City of Hillsboro and the Hillsboro School District would achieve the 51 percent required to provide total property tax relief to nonprofit organizations that own affordable housing. Eleven properties in Hillsboro are eligible and, in order to apply the property tax exemption to the coming tax year, applications must be submitted by March 1.

The evening's regular session agenda included an opportunity for the Board to approve the property tax exemption request.

b. Facility Use Fees Discussion

Rian Petrick, Director of Extracurricular Services and Community Outreach, explained that the District's fee structure for the use of its facilities has not been updated in several years, and the use of District facilities by outside groups has increased dramatically, because the costs to the user are so much less than costs charged by other organizations. The majority of District schools are used for events every weekend, and these additional hours increase the District's utilities costs and the rate of deterioration of equipment (e.g., bleachers, amplifiers, scoreboards, etc.).

Mr. Petrick provided information regarding the practices of other comparable districts, and presented an example of a tiered system of rental fees for the Board to discuss and consider. He explained that the effect of the tiered fee structure would be that organizations using the District's facilities would be helping pay the costs of maintaining the facilities and equipment. He also clarified that District and District-sponsored programs would not be charged rental fees.

Mr. Petrick recommended that fee structure changes be implemented over a three-year period, and a percentage of the revenue be given to the schools to support extracurricular programming.

Board members discussed the proposal, requested clarification regarding the tier structure, made suggestions, and recommended that equity and cost barriers be considered in this process.

Superintendent Mike Scott explained that a revised proposal, incorporating Board members' suggestions, will be presented to the Board at a future meeting, with the goal of finalizing any changes prior to approving facility scheduling requests that are being received for the upcoming year.

c. Budget Workshop

Superintendent Mike Scott and Chief Financial Officer Michelle Morrison presented an overview of the roles of the Board and Budget Committee in the District's budget process; the key points in the development of the 2018-19 budget, and the latest available information regarding this budget; and the process and timeline for developing the 2019-20 budget, as well as factors that will impact the budget, including economic forecasts, legislative action, enrollment and demographic projections, the status of other funding sources, and anticipated expenditures.

Superintendent Scott and Ms. Morrison explained that information currently available indicates that the District will be facing another biennium of budget reductions. Since funding projections will continue to change as new information becomes available, a variety of budget options will be developed, based on different funding levels with contingency ranges. Budget Committee members asked to receive draft budget scenarios as early as possible.

Board members, Budget Committee members, and staff discussed the State School Fund formula and State funding projections, targeted funding, additional sources of State funding, the importance of advocacy, the sustainability of budget strategies, ending fund reserve balances, enrollment projections, and potential increases in utility and transportation costs.

The Budget Committee is currently scheduled to meet with the Board during the April 9 and 30 work sessions, and to approve the proposed 2019-20 District budget on May 9. The budget is scheduled to be presented to the Board for adoption on June 11.

d. Policy Discussion

There was no discussion regarding this topic during the work session. Policies are on the regular session agenda for first reading, approval (consent agenda), and information.

e. Discussion Time

1. Discuss Community Event Participation

Board members and Student Representatives discussed upcoming community events and their plans regarding participation.

2. Discussion

The impact that anticipated State funding projections may have on District staffing levels, and the schedule for approving the extension of licensed staff members' contracts, were briefly discussed. It was determined that the extension and non-extension of teachers and administrators would remain on the evening's consent agenda, rather than being postponed.

f. Recess Board Meeting

The meeting was recessed at 6:56 PM.

2. **REGULAR SESSION**

Board Present:

Lisa Allen, Chair
Erika Lopez, Vice Chair
Martin Granum
Yadira Martinez
Jaci Spross
Kim Strelchun
Mark Watson

Staff Present:

Mike Scott, Superintendent
Travis Reiman, Assistant Superintendent, Academic Services
Dayle Spitzer, Assistant Superintendent, School Performance
Beth Graser, Chief Communications Officer
Kona Lew-Williams, Chief Human Resources Officer
Michelle Morrison, Chief Financial Officer
Adam Stewart, Capital Projects Officer
Casey Waletich, Chief Operations Officer
Val Bokma, Assistant to the Board
Gaspar Lopez Lopez, Bilingual Interpreter / Translator
Marianna Roman, Bilingual Interpreter / Translator
Kelli Waibel, Technology Support

Student Representatives Present:

Jessica Jose-Nickerson
Samanta Vega Contreras

Others Present:

Brookwood Elementary School
Fourth Grade "STEAM"
Teachers and Students
Lisa Poehlitz, NWRES D
Devin Hunter, HCU
Jill Golay, HEA

A. Call to Order and Flag Salute

Board Chair Lisa Allen reconvened the meeting at 7:07 PM and led the Pledge of Allegiance.

B. RECOGNITION / PRESENTATION

Brookwood Elementary School STEAM Project

Brookwood Elementary School fourth grade students demonstrated musical instruments that they created as STEAM projects (Science / Technology / Engineering / the Arts / Math), using donated materials. They discussed the process of performing their own research; developing their unique designs; and building, testing, and improving their instruments.

C. Approval of Agenda

Director Erika Lopez MOVED, SECONDED by Director Yadira Martinez, to approve the agenda as printed. The MOTION CARRIED (7-0).

D. Audience Time

The following audience members addressed the Board regarding non-agenda items:

- Barley T. Hop and Casey Sawyer, representing the Hillsboro Hops, discussed the math-related pen-pal program they are engaged in with Brookwood Elementary School students.
- Kristy Kottkey thanked the Hillsboro Hops and the Hillsboro Police Department for participating in number talks at District secondary-level schools.

E. REPORTS AND DISCUSSION

1. District Evaluation: School-Year-End Summary and Annual Student Achievement Report - 2017-18

Chief Communications Officer Beth Graser and Assistant Superintendent Dayle Spitzer presented the District's school-year-end summary and annual student achievement report for the 2017-18 year, which includes information regarding progress toward accomplishing strategic plan goals; graduation data, released by the Oregon Department of Education (ODE) in January; and other key academic achievement indicators.

Areas of success were discussed, as well as next steps in resolving areas of challenge. Key topics included graduation rates, math scores, attendance data, participation in college preparation examinations, demographics, and supports for student success. It was discovered that attendance data for previous years had not yet been recalculated to align with ODE's revised formula for 2017-18, so an updated version of the student achievement report will be released soon.

Director Erika Lopez requested additional information regarding the number of students represented in the graduation data. This information will be provided.

The report is included in the Board meeting packet.

2. Local Wellness Program - Annual Assessment

Chief Operations Officer Casey Waletich presented the annual local wellness program assessment. The report is included in the Board meeting packet.

3. NWRESD Update

Northwest Regional Education Service District (NWRESD) Director Lisa Poehlitz presented an update on NWRESD's work as the regional contractor (through ODE) for the provision of early intervention and early childhood special education services.

Director Poehlitz discussed the valuable services and supports provided, the need for additional funding, and the importance of partnerships in this work.

Director Poehlitz also announced that NWRESD has selected Dan Goldman to serve as its new superintendent, effective July 1, replacing Rob Saxton, who will be retiring from the position.

4. Financial Report

Chief Financial Officer Michelle Morrison presented the monthly financial report, which is included in the Board meeting packet.

5. Policies—First Reading

The following policies were presented for first reading, and are included in the Board meeting packet. If no public comments or questions are received regarding these policies during the review period, they may be placed on the consent agenda for approval during the next regular Board meeting session.

a. Policies in Section A-B: Board Governance and Operations; Section D: Fiscal Management; Section E: Support Services; and Section F: Facilities Development

- 1) Policies in Section A-B: Board Governance and Operations
 - BHD: Board Member Compensation and Expense Reimbursement
- 2) Policies in Section D: Fiscal Management
 - DFEA: Admission to District Events
 - DJFA: Procurement Cards
- 3) Policies in Section E: Support Services
 - EA/EAA: Support Services Goals (delete)
 - EBA: Buildings and Grounds Inspection (delete)
 - EBAA: Reporting of Hazards (delete)
 - EBB: Integrated Pest Management
 - EBBA: First Aid
 - EBBAA: Infection Control and Bloodborne Pathogens
 - EBBAB/GBEBAA/JHCCBA: Hepatitis B/Bloodborne Pathogens (delete)
 - EBBB: Injury/Illness Reports
 - ECACB: Use of Drones on District Property
 - ECB: Buildings and Grounds Maintenance (delete)
 - ECD: Traffic and Parking Controls
 - ECF/EDD: Energy and Resource Conservation Management
 - ECG: Vehicle Idling
 - ED: Material Resources Management (delete)
 - EDA: Receiving and Warehousing (delete)
 - EDB: Maintenance and Control of Materials (delete)
 - EDC/KGF: Authorized Use of District Equipment
 - EEA: Student Transportation Services
 - EEAB: School Bus Scheduling and Routing
 - EEAC: School Bus Safety Program
 - EEACA: Bus Drivers
 - EEACC: Student Conduct on School Buses

- EEACCA: Video Cameras on Transportation Vehicles and on District Property
 - EEACD: Use of District Activity Vehicles for Student Transportation
 - EEACE: Loading and Unloading
 - EEAE: Student Transportation in Private Vehicle
 - EEBA: District Vehicles (delete)
 - EEBA: District Vehicles/Seat Belts/Child Safety System (delete)
 - EEBB: Use of Personal Vehicles for District Business
 - EF: Management of Food Services (delete)
 - EFA: Local Wellness Program
 - EFAA: District Nutrition and Food Services
 - EFAA-AR: Reimbursable Meals and Milk Programs
 - EFD: Food Preparation
 - EGAAA: Reproduction of All Copyrighted Materials
 - EGAB: Mail and Delivery Services (delete)
 - EH: Records and Data Management
 - EIA: Insurance Programs
 - EIB: Liability Insurance (delete)
- 4) Policies in Section F: Facilities Development
- FECBA/ECF/EDD: Resource Conservation Management (delete combined policy – replace with separate policies: ECF/EDD and FECBA)
 - FECBA: Energy-Conserving Construction
 - FF: Naming Facilities

F. INFORMATION

1. Administrative Regulation Updates

Updated administrative regulations that do not require Board action are posted in the Board meeting packet for the information of the Board, staff members, and the public. The following administrative regulations were included in the Board meeting packet. (Following the Board meeting, the document dates will be changed to February 26 for posting on the District's policy web page.)

- DD-AR(1): Grant Application Guidelines and Checklist (delete)
- DD-AR(2): Grant Application Checklist (delete)
- DD-AR(3): Grant Application Reference Sheet (delete)
- DE-AR: Expenditures from Federal Sources for Private Schools (delete)
- DFA-AR: Investment of Funds
- DJ-AR: Expenditure of District Funds for Meals, Refreshments, and Gifts
- DJC-AR: Special Procurements and Exemptions from Competitive Bidding
- DJCA-AR: Personal Services Contracts
- DLC-AR: Staff Expense Reimbursement
- DN-AR: Disposal of District Property
- FK-AR: Athletic Field and Facility Enhancements and Renovation

G. Consent Agenda

Consent agenda items are distributed to Board members in advance for study, and enacted with a single motion.

Director Jaci Spross MOVED, SECONDED by Director Kim Strelchun, to approve the Consent Agenda as printed. The MOTION CARRIED (7-0).

Consent Agenda items were as follows:

1. Approve Minutes of January 8, 2019, Board Meeting
2. Approve Minutes of January 22, 2019, Board Meeting
3. Approve Routine Personnel Matters
4. Accept Gifts and Donations
5. Approve Extension and Non-Extension of Temporary, Probationary, and Contract Teachers and Administrators
6. Approve Policy Revisions (presented for first reading on January 22, 2019)
 - a. Approve Revisions to Policies in Section D: Fiscal Management
 - DA: Fiscal Management Goals (delete)
 - DB: District Budget
 - DBC: Budget Calendar
 - DBEA: Budget Committee
 - DBG: Budget Hearing and Notice
 - DBH: Budget Adoption Procedures
 - DBHB: Bond Levy (delete)
 - DBI: Budget Amendments
 - DBJ: Budget Implementation
 - DBK: Budget Transfer Authority
 - DD: Grant Funding Proposals and Applications
 - DDB: Native American Impact Aid Funds
 - DDC: Native American Education Program Grants - Title VI Indian Education
 - DE: Revenues from State and Federal Funds (delete)
 - DF: Revenues from Non-Tax Sources (delete)
 - DFA: Investment of Funds
 - DFAA: Investment Policy - Capital Project Fund
 - DFE: Admission Prices and Receipts
 - DFG: Income from Program-Related Sales and Services
 - DGA: Authorized Signatures
 - DH: Crime Coverage for Employees and Officers
 - DI: Fiscal Accounting
 - DIBA: Insurance Reserve Fund
 - DIC: Financial Reports and Statements
 - DID: Property Inventories
 - DIE: Audits
 - DJ: District Purchasing
 - DJB: Petty Cash Accounts
 - DJC: Bidding Requirements
 - DJCA: Personal Services Contracts
 - DJG: Vendor Relations
 - DK: Payment Procedures (delete)
 - DL: Payroll
 - DLB: Salary Deductions

- DLC: Expense Reimbursements
 - DM: Cash in District Buildings
 - DN: Disposal of District Property
- b. Approve Revisions to Policies in Section F: Facilities Development
- FA: Facilities Development Goals (delete)
 - FB: Facilities Planning
 - FC: Capital Construction Program
 - FEA: Capital Improvement - Educational Program
 - FEB: Architectural/Professional Engineering Services (delete)
 - FEF/FEFB: Construction Contracts (delete)
 - FI: Public Dedication of New Facilities (delete)
 - FJ: Temporary District Facilities (delete)
 - FK: Facilities Renovation
 - FL: Decommission of Facilities
- c. Approve Revisions to Policy IFF and IFF-AR: Community Curriculum Advisory Committee and IFF-AR Appendix A: Community Curriculum Advisory Committee Charge

H. Action Items

1. Adopt Resolution Approving NWRESD Local Service Plan for 2019-20
Director Martin Granum MOVED, SECONDED by Director Mark Watson, that the Board of Directors adopt the resolution approving the NWRESD Local Service Plan for 2019-20. The balance of the NWRESD State School Fund attributable to Hillsboro School District for the 2019-20 school year will be received in cash after services have been received and charged to the District. The MOTION CARRIED (7-0).

The NWRESD Local Service Plan is included in the Board meeting packet.

2. Approve 2019-20 School Year Calendar
Chief Human Resources Officer Kona Lew-Williams presented the 2019-20 school year calendar to the Board for approval. The calendar is included in the Board meeting packet, and was presented for first reading on January 22, 2019.

Board members asked about the process for revising the calendar, if this becomes necessary in order to balance a reduced budget or comply with potential legislation increasing the number of school days; and whether the approval of the calendar should be delayed until additional information becomes available. Since the State budget and proposed legislation are still being developed, and staff, parents, and community members need to be able to move forward with their personal and professional plans, it was recommended that the calendar be approved.

Director Jaci Spross MOVED, SECONDED by Director Erika Lopez, that the Board of Directors approve the proposed 2019-20 school year calendar. The MOTION CARRIED (7-0).

3. Award Bid for the Purchase of School Buses
Chief Financial Officer Michelle Morrison asked the Board to award a bid for school bus purchases and approve the purchase of seven school buses. She explained that in previous years the bid award, purchase approval, and approval of financing were included in a one-step process that was scheduled in late April, but in order for the

new buses to be available for the beginning of the 2019-20 school year, they need to be ordered now. However, since the buses will be delivered after July 1, their cost will be included in the 2019-20 budget, and the resolution authorizing their financing is scheduled to be presented to the Board for approval on April 30.

Director Kim Strelchun MOVED, SECONDED by Director Jaci Spross, that the Board of Directors award the bid for school bus purchases to Schetky Northwest, and approve the purchase of seven (7) diesel rear-engine transit school buses, at a total cost of \$893,886.00, with the intent to secure the lease funds. The MOTION CARRIED (7-0).

4. Approve PACE Trust Agreement Revisions

Chief Financial Officer Michelle Morrison explained that school districts that are members of the Property and Casualty Coverage for Education (PACE) Insurance Trust are being asked to sign the recently updated trust agreement in order to continue as participating members, and she clarified that the trust agreement updates do not include any program changes.

Director Jaci Spross MOVED, SECONDED by Director Yadira Martinez, that the Board of Directors approve the PACE Insurance Form of Joinder to Trust Agreement. The MOTION CARRIED (7-0).

5. Vote on Resolution Regarding Nonprofit Low-Income Housing Property Tax Exemption Request

Chief Financial Officer Michelle Morrison asked the Board to adopt the resolution approving a nonprofit low-income housing property tax exemption for the City of Hillsboro, similar to the exemption that the Board approved last June for Washington County, and explained that Chris Hartye (Senior Project Manager for the City of Hillsboro) provided information regarding this request during the work session. Ms. Morrison also explained that the exemption is in alignment with how the District operates the construction excise tax, which exempts low-income housing, and low-income housing property tax exemptions are projected to have a minimal impact on the District's finances, as a result of the State School Fund equalization formula.

Director Martin Granum requested information regarding the actual impact to the District of the approved low-income housing property tax exemptions. Because the District's Business Office does not currently have this information, Ms. Morrison will request it from other organizations.

Director Mark Watson MOVED, SECONDED by Director Kim Strelchun, that the Board of Directors adopt the following resolution:

The Hillsboro School District 1J Board of Directors hereby approves the use of exemptions from District-assessed property taxes on the value of certain properties that qualify for the program administered by the City of Hillsboro, as provided in the non-profit corporation low-income housing program authorized under ORS 307.540 through 307.548. Board approval of this exemption will extend through the statutory sunset date of the program.

The MOTION CARRIED (7-0).

Capital Projects Officer Adam Stewart asked the Board to approve bond-related action items (agenda items 6-9, listed below).

6. Award Contracts for Century High School CTE Building Project, Liberty High School CTE Building Project, and Glencoe High School Softball Dugouts / Concessions
Director Kim Strelchun MOVED, SECONDED by Director Erika Lopez, that the Board of Directors award the contracts for the following 2019 construction projects, as follows:

- Century High School Early Childhood Education CTE Modular Building to Aries Building Systems in the amount of \$829,950
- Century High School Modular Building site work, interior construction at Century Culinary Arts, Health Science, Computer Technology, Graphic Design and Business & Marketing CTE program spaces to Five Star Builders in the amount of \$1,490,000
- Liberty High School Sustainable Agriculture CTE Building and interior building improvements to Culinary Arts and Early Childhood Education CTE spaces to Corp Inc. in the amount of \$2,790,000
- Glencoe High School Softball Dugouts & Concession Building project to NU Construction in the amount of \$230,875

The MOTION CARRIED (7-0).

7. Award Contract for Chiller Replacement, Controls Upgrade, and Retro-Commissioning of Liberty High School's HVAC System

Director Jaci Spross MOVED, SECONDED by Director Yadira Martinez, that the Board of Directors award the contract for the Liberty High School chiller replacement, controls upgrade and retro-commissioning of Liberty High School's HVAC system to McKinstry in the amount of \$1,234,173. The MOTION CARRIED (7-0).

8. Approve Cost-Sharing Agreement between Hillsboro School District and GLC-South Hillsboro, LLC

Director Kim Strelchun MOVED, SECONDED by Director Martin Granum, that the Board of Directors authorize the Chief Financial Officer to sign the Cost-Sharing Agreement between the Hillsboro School District and GLC-South Hillsboro, LLC. The MOTION CARRIED (7-0).

9. Approve Intergovernmental Agreement between Hillsboro School District and Washington County for Improvements to Reedville Elementary School Frontage along 209th Avenue and Johnson Street

Director Kim Strelchun MOVED, SECONDED by Director Martin Granum, that the Board of Directors authorize the Chief Financial Officer to sign the intergovernmental agreement between the Hillsboro School District and Washington County for half-street improvements to Reedville Elementary frontage along 209th Avenue and Johnson Street. The MOTION CARRIED (7-0).

I. HCU/ HEA Reports

HEA President Jill Golay discussed advocacy and lobbying for school funding, the importance of being united and working together, the newly ratified licensed contract, and upcoming HEA events.

HCU President Devin Hunter discussed the importance of adequate funding and functioning equipment; the limited options of employees whose OFLA / FMLA leave is exhausted and their losses that cannot be restored, even if they are re-hired at a later date; and the impact of decreased school lunch participation on Nutrition Services staff.

J. Discussion Time

1. Student Representatives' Time

Student Representatives provided brief summaries of their recent and upcoming activities, including advocating and lobbying for school funding and forecasting for next year's classes. They also discussed bond projects, events that are occurring at their schools, and their plans for the future.

2. Superintendent's Time

Superintendent Mike Scott outlined the factors that are considered when determining whether to close or delay school because of inclement weather, and emphasized that student safety is the most important consideration in this decision. He also discussed the important of advocating for school funding.

3. Board of Directors' Time

Board members expressed appreciation for donations listed in the consent agenda; discussed District events, programs, and processes; and provided brief summaries of their recent and upcoming activities, including attending parent club meetings, advocating for school funding, visiting schools and classrooms, attending the Hillsboro Schools Foundation Gala, and campaigning for the upcoming election.

Board members also discussed the opportunity for students to serve as Representatives to the Board in the upcoming year and the impact of the bond projects that are being completed at schools throughout the District.

Director Martin Granum suggested that the acceptance of gifts and donations be moved from the Consent Agenda to the Action Item portion of future Board meeting agendas.

K. Follow-Up Items

| Agenda Item / Request | Action |
|---|---|
| <p><u>Annual Student Achievement Report</u> Director Erika Lopez requested additional information regarding the number of students represented in the graduation data.</p> | <p>Information provided</p> |
| <p><u>Vote on Resolution regarding Nonprofit Low-Income Housing Property Tax Exemption Request</u> Director Martin Granum requested information regarding the actual impact to the District of the approved low-income housing property tax exemptions.</p> | <p>Information will be provided</p> |
| <p><u>Accept Gifts and Donations</u> Director Martin Granum suggested that the acceptance of gifts and donations be moved from the Consent Agenda to the Action Item portion of future Board meeting agendas</p> | <p>Agenda change will be effective in March</p> |

L. Adjourn Regular Session

The meeting was adjourned at 9:23 PM.

A handwritten signature in cursive, appearing to be 'JA'.A handwritten signature in cursive that reads 'Valerie J. Bolena'.

Approved March 12, 2019