

**BOARD OF EDUCATION
SCHOOL DISTRICT 27J**

July 25, 2017

6:00 p.m.

**Reunion Elementary School Tour
Linkage Meeting with School District 27J Principals
Regular Meeting
Reunion Elementary School
11021 Landmark Drive
Commerce City, CO 80022**

BOARD OF EDUCATION MISSION STATEMENT

The Board of Education is committed to the School District's overall success and improvement.

The central focus of all meetings and discussions will be on establishing, monitoring, and supporting the District's goals. We will actively engage all segments of our community in this ongoing focus and provide an instructional program to assure that our students meet or exceed the highest and most rigorous standards.

MEETING AGENDA

1. REUNION ELEMENTARY SCHOOL TOUR President Day

2. DINNER WITH SCHOOL DISTRICT 27J PRINCIPALS President Day

The Board of Education will conduct a linkage meeting with the School District 27J principals.

3. PRINCIPAL DISMISSAL President Day

The principals may be dismissed at this time.

4. CALL TO ORDER – REGULAR MEETING President Day

All matters noticed on this agenda, in any category, may be considered for action as listed. Any item not so noticed may not be considered. Items listed on this agenda may be considered in any order, at the discretion of the chairperson.

ROLL CALL FOR ATTENDANCE (Policy Reference: 2.G.1) President Day

5. APPROVAL OF AGENDA President Day

Recommended motion: “Move to approve the agenda dated July 25, 2017 as presented.”

ROLL CALL FOR VOTE (Policy Reference: 2.G.1) President Day

6. APPROVAL OF OIL AND GAS LEASE President Day

Chief Operations Officer Terry Lucero will present information regarding the approval of three Oil and Gas Leases. (Enclosure and lease is a separate attachment)

Recommended Motion: “Move to approve the Oil and Gas Leases by and between School District 27J and Grizzly Petroleum Company, LLC (attached) and authorize the Superintendent or his designee to execute any and all required documents.”

ROLL CALL FOR VOTE (Policy Reference: 2.G.1) President Day

7. SCHEDULE OF MEETING President Day

August 8, 2017 6:00 p.m. Board of Education Linkage or Planning Session
Educational Service Center
18551 E. 160th Avenue
Brighton, CO 80601

August 22, 2017 5:30 p.m. Study Session
7:00 p.m. Regular Board Meeting
Lois Lesser Board Room
18551 E. 60th Avenue
Brighton, CO 80601

August 29, 2017 5th Tuesday Joint Meeting with City Council Members
City of Brighton to host
Riverdale Golf Course Clubhouse
13300 Riverdale Road
Brighton, CO 80602

8. ADJOURNMENT President Day

Date of Notice: July 20, 2017

Board of Education Agenda Item

Board Meeting of: July 25, 2017

Subject: Approval of Oil and Gas Lease

Status of Item: Action

Time Needed: 20 Minutes

PERTINENT FACTS:

- The District is in receipt of three separate offers from Grizzly Petroleum, LLC on behalf of Great Western Oil and Gas Company to lease certain mineral interests owned by the District.
- In compliance with Management Limitation 3.E.6, the Board of Education was provided with information regarding these lease requests during the week starting June 10, 2017.
- The mineral rights specified within the lease offers are located under a number of different properties owned by the District and within the City of Brighton.
- The wells will not be drilled on the District owned sites.
- The District's refusal to lease the rights will not preclude the drilling of the wells or the extraction of the minerals.
- The District's refusal to enter into the lease agreement will void any offer of a lease bonus and reduce the royalty payments from 23% to 12.5% (state statute requires a minimum 12.5% royalty interest).
- The significant terms of the leases include:
 - The lease requests are for all of the mineral interests under the properties described previously totaling approximately 93 net mineral acres;
 - A bonus payment of \$6,500 per net mineral acre to be paid to the District within 45 days of entering the lease
 - A 23% royalty based on the District's percentage ownership of mineral interest;
 - The leases will be for an initial term of 3 years during which time the wells must be drilled and continuing until mineral extraction efforts have ceased.
 - The leases may be extended for an additional 2 years by payment of an additional bonus payment equal to the original bonus payment.
- The lease terms and form are consistent with the lease agreement entered between the City of Brighton and Great Western Oil and Gas Company.
- The leases have been reviewed by District legal counsel and are approved as to form;
- A copy of one of the leases is enclosed for your review. The two other leases are identical other than containing the legal descriptions of different properties.

Board Policy or C.R.S. regarding this item:

- C.R.S. 22-32-110(1) (f) – Board of Education Powers and Duties – To rent or lease District property...

- Board Policy – Management Limitation 3.E.7 – Asset Protection – The Superintendent will not allow the purchase, disposal or lease of real estate or personal property valued at \$20,000... without providing the Board with information for discussion prior to the final decision being made.
- C.R.S. 22-32- 112 - Board of Education Powers and Duties – Oil and Gas Leases

Originator: Terry Lucero, Chief Operating Officer