

ORANGE COUNTY
BOARD OF EDUCATION

AGENDA ITEM ABSTRACT

Meeting Date: September 10, 2012

AGENDA ITEM No. 12-09-16

ACTION ITEM: (Y/N) N

SUBJECT: Collaboration Work Group Report

INFO. CONTACT: Donna Coffey, Stephen Halkiotis PHONE: 919-732-8126

ATTACHMENTS: 1. County/Schools DRAFT Collaboration Work Group Minutes – August 29, 2012.

PURPOSE: The purpose of this item is to provide the Board of Education a report on the recent collaboration work group meeting.

BACKGROUND: The collaboration work group met on August 28, 2012. Draft meeting minutes are attached.

FINANCIAL IMPACT: None.

RECOMMENDATION: The Superintendent recommends the Board of Education review the collaboration work group meeting report.

County/Schools Collaboration Work Group Meeting

Tuesday, August 28, 2012
Lincoln Center, Chapel Hill

Attendees: Work Group Members present: Michelle Brownstein, Mia Burroughs, Frank Clifton, Donna Coffey, Tom Forcella, Stephen Halkiotis, Pam Hemminger, Bernadette Pelissier, Patrick Rhodes. Staff present: Donna Brinkley, Clarence Grier, Paul Laughton, Todd LoFrese, George McFarley, Jr., Michael Talbert, Greg Wilder, Andy Sachs (facilitator).

Convene The group adopted the proposed agenda that had been distributed in advance.

Multi-year strategy for education funding

Mr. Grier reported that the three jurisdictions' finance staff did not have an analysis to present to the Work Group today. He said that the staff was waiting to see what the State education budget would be. Mr. LoFrese said that it is not clear how the staff can perform the analysis, given the year-to-year uncertainties in State education funding.

Mr. Clifton said that he would like to see the discussion take place, and reiterated his concern that the 48% funding target for public education is problematic in the context of the many other important services that the County must fund and the County's fluctuating revenue stream. Ms. Burroughs said that the City Schools Board makes its funding requests to the County based on the district's needs, not on calculations of what the County is spending in other areas.

Dr. Halkiotis suggested that the three boards discuss the concept of the multi-year strategy at the next Joint Boards meeting. The Orange County Schools Board discussed the funding target last night, he said, and we don't think there is a problem here that needs fixing. Commissioner Pelissier agreed with Dr. Halkiotis that there is no imminent problem, and noted that in the past the schools always have received funding increases from the County. The question now, she said, is what to do about meeting the County's other pressing needs. I would like to see a commitment, she said, that the school boards will not take increases we might make in funding for our other needs, such as emergency services, as an opportunity to argue for more funding for the schools. Dr. Halkiotis said that if the County has extraordinary needs in a particular funding cycle and can explain those needs then he would not have a problem with a deviation from the funding target in that year.

Ms. Burroughs suggested that the three Boards jointly learn how each develops its budget. Commissioner Hemminger said that she would like for the County to have the opportunity to explain to the school boards about all the non-education services needing funding, including jail facilities, libraries, a northern human services center and emergency services.

Ms. Coffey said that the school boards have no control over the revenue that they receive nor over the rate of student population growth. The allocations, she said, are controlled by the County, the State and the federal governments. The County controls how SAPFO is implemented and when new school facilities come on line. It's not fair to pit services against each other, she added. We'll have new requests coming to relieve overcrowding in our high schools and elementary school facilities.

Dr. Halkiotis said that he liked Commissioner Hemminger's suggestion. The public needs to know, he said. The schools and County have collaborated in the past on meeting each other's needs through bond referenda, he said, even when there was opposition from voters in the central and northern parts of the County. Tell us what your needs are, he said, and we'll take them into consideration. Ms. Burroughs confirmed that the Joint Boards meeting will be September 13, and suggested that the schools inform the County and public at that meeting about their growth pressures.

The Work Group agreed to table further discussion of multi-year funding for schools.

SAPFO and CAPS

The Work Group decided to move this agenda item to earlier in the meeting.

Ms. Burroughs reported that she had communicated with Mayors Chilton and Kleinschmidt, and that the mayors did not appear to be alarmed by the district's position with respect to CAPS. Mr. LoFrese reported that he spoke with the Chapel Hill and Carrboro Planning Departments with similar results.

Mr. Clifton predicted that if the City Schools board denies a CAPS then SAPFO will be challenged in court and overturned. Legal or not, it's a great planning tool and it would be great to keep something like it, he said.

Mr. LoFrese said that the City Schools' attorney suggested continued communication among the districts, County, and municipalities. The student population attendance figures will be updated November 15, he said. Multi-family units appear to be where the growth is coming from. Some need two school buses. Mr. Clifton said that the questions appear to be whether it makes sense to retain CAPS, and whether we can keep SAPFO as a planning tool. I would hate to see the schools put their foot down and get into an expensive legal challenge, he said.

Commissioner Pelissier reported that she and Commissioner Hemminger had met earlier this spring with Mayor Glendel Stephenson of Mebane, two city council members, and City Manager Robert Wilson. There was discussion of opportunities for Mebane to collaborate in identifying a potential school site and Mebane expressed interest. Commissioner Hemminger said that Mebane is interested in water and sewer services to support commercial growth. Those services would be needed for new school facilities as well, she said. We suggested that the City talk with the Orange County Schools about sites for elementary schools as a way of integrating the two jurisdictions' respective needs. But Mebane is not interested in participating in SAPFO, as it would leave the City vulnerable to "artificial" growth limits from what it sees as an external actor. Commissioner Hemminger added that she's concerned about the Chapel Hill 2020 vision, which includes higher densities (and taller residential development) that will add population pressure to the City Schools.

Dr. Halkiotis reported that OCS had contacted Margaret Hauth, the Hillsborough Planning Director, about CAPS and SAPFO. She explained that a new hospital is about to break ground in town, as well as a new Senior Center at the SportsPlex. Mr. Rhodes elaborated: there are 103 more students in OCS this year. 167 new single family homes and 128 multi-family homes are expected to come on line in the next year. Also, he said, the proposed Hillsborough Station development is expected to add students.

Dr. Halkiotis said that Mebane had not in the past expressed any interest in sharing information with OCS. Commissioner Pelissier said that Orange County now has a good working relationship with the City. It is different now from what it has been in the past, she said. We're cooperating on economic development and on border issues with Alamance County. Mebane has offered to get us the information we need. They're open. Mr. Clifton said that Mebane is not interested in increasing residential development in Orange County. Their goal is to expand their commercial base here.

Dr. Brownstein asked for an explicit consensus on the proposal for the three jurisdictions to convene their respective attorneys to clarify a way forward with respect to CAPS and SAPFO. Ms. Burroughs said that she'd like to know whether the City Schools would incur extraordinary legal costs if it denied CAPS and then backed off *after* a developer challenged SAPFO. Mr. LoFrese said that SAPFO is a lengthy document, and that he thinks it includes a pre-litigation appeals process. Dr. Bernstein said that the attorneys should confer together to clarify the jurisdictions' vulnerabilities. What would happen if we were challenged? Mr. LoFrese said that the risks would depend upon the type of developer whose CAPS were denied: one might wait a year, another might sue on principle. Dr. Halkiotis said that the Home Builders Association and Realtors would be aggressive. Commissioner Hemminger agreed with the proposal to convene the attorneys. Mr. Clifton said that he would ask the County attorney to contact the school districts' in-house attorneys, and consider including the in-house attorneys from the towns as well; the County Planning Director will be available to assist them. Ms. Burroughs suggested that the item also be placed on the Joint Boards agenda for September 13.

SAPFO and Pre-K Classrooms

Ms. Coffey said that the three chairs had not met on this matter since the May 31 Work Group meeting. Nevertheless, she said, the issue appears to need a single focus: we either need to increase school capacity to accommodate pre-K classrooms or we need to limit pre-K membership. Otherwise, she said, we're comparing apples to oranges.

Commissioner Hemminger said that the three jurisdictions need a common philosophy. For example, we need to agree either on how many pre-K classrooms to allow in any single school, or on a goal of how many pre-K classrooms to have across the board even if every school will not have at least one. BOCC supports pre-K, she said, but we need to understand what is going on now with respect to the impact of these classrooms on school capacity. It's more detailed than most of the Commissioners think, with requirements for core facilities and playgrounds segregated from the K-12 population.

Dr. McFarley said that staff already had introduced these matters to the Work Group and that the Work Group had received the information favorably. Then nothing happened, he said.

Mr. LoFrese said that pre-K students should be considered in any school's membership, and that school capacity has to decrease when classrooms are assigned to pre-K uses. Staff could go back, look at SAPFO building capacities, and then suggest adjustments to accommodate pre-K uses, he said, but this will accelerate the need for new construction. Commissioner Hemminger reiterated that the BOCC needs to be educated about all of this.

Dr. Halkiotis suggested that the education for Commissioners be done graphically, very simply ("cave pictures"), and clearly.

Mr. Clifton said that schools are not obligated to provide pre-K classrooms. As we educate ourselves on this issue, we also should consider the implications on the debt service. Home builders will see pre-K as an artificial cap on school capacity, he added.

Commissioner Pelissier said that there should be a presentation on these matters at the September 13 Joint Boards meeting. The Commissioners also have to understand that there are pre-K classrooms outside of the schools. The County and schools need an agreement on how many pre-K classrooms the schools will provide. A day care center has less cost than a pre-K classroom in a school building.

Dr. Brownstein suggested that "out of the box" options be considered, such as centralizing all pre-K classrooms. But a good first step would be to get all the data we need to understand the costs and implications of what we're currently doing.

Ms. Coffey said that pre-K services are part of what makes Orange County a great place to live. We discussed centralized facilities 15-20 years ago, she said. Maybe it is time to look at that option again. We need to embrace a set of solutions all together, or walk away together. My Board wants to embrace a way to continue providing pre-K services. Dr. Halkiotis recalled the "pathetic" pre-K centralized facilities of the past. That's why we're serving these kids in the schools now, he said.

Mr. Clifton said that there is competition from the private sector for pre-K dollars. We also need to be careful not to embrace a business model for pre-K that cannot be sustained if the State changes its policies.

Mr. LoFrese said that the staff could prepare a presentation "on the current realities" for the next Joint Boards meeting. Ms. Hemminger said that the

presentation should explain why pre-K services are important. Mr. Clifton said that the presentation should note that transportation is not provided for pre-K students, and that this opens up opportunities for creating a consistent approach to pre-K services across the two school districts, for example, the establishment of a new, shared pre-K facility. We need to consider public pre-K options that do not take away school space. Dr. Brownstein said that the presentation should include an explanation of the costs of not providing public pre-K services in the schools, as well as the level of quality that the schools are required to maintain when providing such services.

School fund balance policy

Mr. Grier distributed a handout with minor changes in the policy language needed to conform the policy to State requirements. The BOCC will adopt the changes first, and then the respective school boards will consider the changes.

Joint Boards Meeting Planning

The Work Group asked that this agenda item be added. The topics for the September 13 were reiterated: pre-K, CAPS, and mutual education about each jurisdiction's needs in the context of the 48% funding target (framed as "budget impacts going forward"). The location of the meeting was confirmed to be the Southern Human Services Center. Mr. Grier reminded the group that handouts would need to be received by him by Tuesday, September 4 in order for the County to include the handouts in the meeting packets. The Work Group decided that any handouts that could not be sent to Mr. Grier by that deadline could be distributed at the meeting.

Dr. Halkiotis asked what had happened to the shared goal of orienting the three new BOCC members on schools issues. Mr. Rhodes said that it had not yet happened. Ms. Burroughs suggested that the two districts aim to conduct the joint orientation in December or January. Ms. Burroughs added that she and Ms. Coffey would encourage the three Commissioners who will be seated in December to attend the Joint Boards meeting on September 13. Mr. Rhodes and Dr. Forcella recommitted to planning and conducting this joint orientation. Dr. Halkiotis said that a shared approach would highlight the collaboration we're attempting across the three jurisdictions.

Next Meeting

The facilitator will canvass the Work Group for a next meeting date after December 10, when any changes in the leadership of the respective Boards will already have been decided.