

DRAFT

**AMPHITHEATER PUBLIC SCHOOLS
Tucson, Arizona**

MINUTES OF SPECIAL PUBLIC MEETING OF THE GOVERNING BOARD

Place, Date and Time of Meeting

Wetmore Center, 701 West Wetmore Road, March 24, 2015 at 5:00 PM

Board Members Present

Deanna M. Day, President
Jo Grant, Vice President
Dr. Kent Paul Barrabee, Member
Julie Cozad, Member
Scott A. Leska, Member

Central Administrators Present

Patrick Nelson, Superintendent
Monica Nelson, Associate Superintendent
Todd A. Jaeger, J.D., Associate to the Superintendent and General Counsel
Scott Little, Chief Financial Officer

Call to Order and Signing of Visitor's Register

Deanna M. Day

Ms. Day called the meeting to order at 5:00 PM and invited any visitors who had not already signed the register to do so.

Pledge of Allegiance

Mr. Nelson

Announcement of Date and Place of Next Regular Governing Board Meeting:

Ms. Day announced the next Regular Meeting of the Governing Board on Tuesday, April 7, 2015, 6:00 PM at Wetmore Center, 701 W. Wetmore Road, Room 146.

PUBLIC COMMENT

Ms. Day read the Call to the Audience for Public Comment. SSgt. Ethan Estey of the Arizona Army National Guard addressed the Board. SSgt. Estey said he was in attendance to talk about the changing nature of the Guard. As combat operations in Afghanistan and Iraq have come to an end the Guard is now focusing its efforts once again on community involvement. SSgt. Estey said that on behalf of the Guard he is ready to assist Amphitheater School District in any way he can. He has contacted each of the high schools and expressed an interest in helping with tutoring after school, extracurricular activities, Project Graduation and in any other way the Guard may be of assistance. SSgt Estey said he will be attending Board Meetings on a regular basis as Members of the Guard are part of the community and wish to play an active part in the community.

1. CONSENT AGENDA

Ms. Day asked if there were Board Member requests to have any items addressed separately. There were no requests. A motion was made by Ms. Grant to approve Consent Agenda items A-G. The motion was seconded by Ms. Cozad and passed unanimously 5-0. Appointment of personnel is effective provided all district, state, and federal requirements are met.

A. Approval of Minutes of Previous Meeting(s)

Minutes from the February 10, 2015 Meeting were approved as submitted.

[<http://www.amphi.com/departments-programs/governing-board-minutes/2014-2015/february-2015.aspx>, Item 1.A., Exhibit A]

B. Approval of Appointment of Personnel

Certified and classified personnel were appointed, as listed in Exhibit 1.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50141701>, Item 1.B.]

C. Approval of Personnel Changes

Certified and classified personnel were appointed as listed in Exhibit 2.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50141701>, Item 1.C.]

D. Approval of Leave(s) of Absence

Leaves of Absence requests were approved for certified and classified personnel as listed in Exhibit 3.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50141701>, Item 1.D.]

E. Approval of Separation(s) and Termination(s)

Certified and classified personnel separations were approved as listed in Exhibit 4.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50141701>, Item 1.E.]

F. Approval of Vouchers Totaling and Not Exceeding Approximately \$ 1,272,904.67 (Final Total)

A copy of vouchers for goods and services received by the Amphitheater Schools and recommended for payment has been provided to the Governing Board. The following vouchers were approved as presented and payment authorized:

FY 14-15

Voucher #100 \$227,822.72

Voucher #101 \$592,462.43

Voucher #102 \$195,961.27

Voucher #103 \$198,735.03

Voucher #104 \$57,923.22

G. Out of State Travel

Out of state travel was approved for students and/or staff (source of funding indicated).

[<https://v3.boardbook.org/public/publicagenda.aspx?ak=1000433&mk=50141701>, Item 1. G attach] (Exhibit 5)

2. EXECUTIVE SESSION

A. Motion to Recess Open Meeting and Hold an Executive Session for:

1. Determination of Whether to Hold an Expulsion Hearing and Designate a Hearing Officer to Hear Evidence, Prepare a Record and Bring a Recommendation to the Board, Pursuant to A.R.S. §15-843(F)(2), Regarding:

- a. Student # 30018370;
- b. Student # 30005859;
- c. Student # 30039670;
- d. Student # 30052487;
- e. Student # 30042897;
- f. Student # 30004385;
- g. Student # 30019969;
- h. Student # 30052603;
- i. Student # 30041862; and
- j. Student # 30005063.

2. Consideration and Decision Upon Expulsion Hearing Officer's Recommendation, Pursuant to A.R.S. §15-843(F)(2), Regarding:
 - a. Student # 30039430;
 - b. Student # 30010952;
 - c. Student # 30051141;
 - d. Student # 30036798; and
 - e. Student # 30052527.
3. Consideration and Determination of Appeal of Long-term Suspension Hearing Officer's Decision, Pursuant to A.R.S. § 15-842(A), Regarding:
 - a. Student # 30026347; and
 - b. Student # 30037299.
4. Discussion and Consultation with Representatives for the Governing Board in Order to Consider Its Position and Instruct Its Representatives in the Meet and Confer Process with Employee Organizations, Pursuant to A.R.S. §38-431.03(A)(5).
5. Discussion and Consultation with Representatives of the Governing In Order to Consider Its Position and Instruct Its Representatives in the Meet and Confer Process with Employee Organizations regarding the Meet and Confer Process Regarding the Salaries, Salary schedules or Compensation Paid in the Form of Fringe Benefits of Employees of the Public Body, Pursuant to A.R.S. §38-431.03(A)(5).

Ms. Grant moved that the Board recess into Executive Session. The motion was seconded by Mr. Leska and passed 5-0. The time was 5:05 PM. Ms. Day declared the Board recessed into Executive Session in the East Conference Room, Room 118.

B. Motion to Close Executive Session and Reconvene Open Meeting

Upon return to the Board Room Ms. Cozad moved to close Executive Session and reconvene the Open Meeting. Ms. Grant seconded the motion which passed 5-0. The meeting reconvened into Open Session at 7:02 PM.

OPENING OF MEETING

Call to Order and Signing of Visitors' Register

Ms. Day declared the meeting was in Open Session and invited members of the audience to sign the visitors' register.

Ms. Day read the Call to the Audience to address an Agenda Item. Mr. McFadden addressed the Board regarding Item 3. A. Mr. McFadden stated that he is here to speak about the construction of the STEM school. He began by saying that he is neither for nor against it. However, he is concerned about going forward with its construction at this present time, giving some of the things that have happened since the Bond originally passed. A few things that we know which are important in the decision making process are that we have a State Legislature that is hostile to properly funding Public Education. And we have a Governor who is also hostile to properly funding Public Education. We know that our school districts have had to make due with much less money since the Bond originally passed. Mr. McFadden noted that it is his understanding that the Bond covers the construction of the new building; however, it does not cover or contain the resources or funds to hire teachers, outfit the school for materials necessary for educating our children like textbooks, smart boards, laboratories and microscopes, and does not contain the funding for hiring the support staff and administrators necessary for the well-functioning of any school. Since 2007 the enrollment in Amphitheater has actually decreased. When the Bond went to the voters we expected an increase in enrollment and that has not happened. In 2007 when the Bond passed, our district faced far less competition from Charter Schools than it does today. Mr. Mc Fadden stated that in his opinion there is no reason for us to assume that any of these things are going to change any time soon. He asked that this item be opened for public discussion. Since 2007 voters may feel differently about using that money for

the construction of a school at this time. It is also his understanding that there is a rumor about closing one of Amphitheater's schools because of budgetary concerns. If that is true, it might seem ridiculous to voters to be closing one school while in the process of building another. He respectfully requests that this item be made available for discussion with the general public. Mr. Mc Fadden thanked the Board for their time and consideration.

3. STUDY

A. Study of New STEM School Construction and Related Issues

Board Book Information:

Review of the Current Bond Program

In 2007, the voters of Amphitheater Unified School District overwhelming passed a bond proposition, referred to the voters by the Governing Board, for the improvement of physical properties within the District. The Governing Board's decision to seek the voters' approval of bonds was arrived at after a community wide study process -- a substantive evaluation of District facility needs by a Blue Ribbon Committee composed of community members from a variety of constituent groups ("the Committee"), that found several concerns with respect to the physical properties of the District. Those concerns were as follows:

1. The Health, Safety, and Security Needs of the District Must Be Improved.

The Committee correctly noted that students learn best and achieve their full potential in healthy, safe and secure classrooms and schools. The committee found that, across the District, there were needs for: increased security fencing at each site; reconfiguration of bus drop off areas and parking at some sites; modernization of restrooms at many schools; updating of some nurse's offices, kitchen areas and cafeteria spaces; improvements in handicapped access; replacement of aging walkway coverings; and improvement of water drainage on school sites.

2. Portable, Temporary Classrooms Throughout the District Are Deteriorating and Must Be Replaced.

The Committee was struck by the fact that the state school construction finance system had failed to adequately serve Amphitheater's children, as evidenced by the substantial number of portable, temporary classrooms that were located throughout the District in 2007. At the time of the Students' FIRST Deficiency Correction Assessments, the School Facilities Board (SFB) retired only 6 of 92 portables that were located in the District. The 86 temporary classrooms that remained within the District in 2007 had continued to deteriorate and age without any state support for upkeep. The prevalence of portable classrooms was a significant issue for the Committee, because while the functional life of a permanent school structure classroom is generally considered to be 40 to 50 years, the useful life of a portable, temporary structure is actually only 10 years. The Committee consequently proposed that portable classrooms be removed and replaced as appropriate.

3. Our District Community Needs New Classrooms and Increased Capacity to Serve Students.

*Beyond the need to replace deteriorating and aging portable classrooms, the Committee also saw a need in 2007 to create additional classroom space within the District. Specifically, based upon a growth study conducted a year previously, **the Committee recommended construction of a new elementary school and a new middle school.** This particular aspect of the Committee's proposal was based on several factors.*

Class Size Considerations

The Committee took issue with the fact that the School Facilities Board applies a static standard for the physical size of a school classroom: 920 square feet -- never taking into account the number of children in that classroom, the nature of the physical content of the classroom, or the content of the education provided in that classroom. Under the SFB's standards, these important questions are largely irrelevant. To our community and the Committee, they were not.

The Committee noted that parents and staff desire and expect lower class sizes, because they believe in the benefits of teachers working with fewer students and being able to spend more time with students on an individual or small group basis, as evidenced by voter support of a maintenance and operations budget override which, among other things, specifically allocated funding to hire additional teachers for the express purpose of lowering class sizes. Those new teachers of course need classrooms – something the SFB does not take into account.

Over Utilization of Facilities

The Committee observed, after tours of our facilities, that most of the District's existing schools were utilized to their limits and, indeed, beyond their limits in many circumstances. At the time of their work, the Committee saw that schools had to make modifications to physical spaces such as dividing classrooms into smaller rooms, converting valuable library space into classrooms, or using faculty workrooms for curricular purposes.

Infrastructure Limitations

At first glance, the simple solution to addressing the cramped conditions at individual schools might have seemed to be the creation of new classroom space, in addition to replacement of temporary classrooms. In many circumstances, however, the Committee recognized that expansion of school campuses was not practicable due to the limitations of the common facilities such as cafeterias, libraries, multi-purpose rooms, gymnasiums and fields.

Adequate Programs versus Appropriate Programs

The Committee also noted that the determination of how much space a school might require was also largely controlled by other determinations – largely, programmatic ones. Thus, where someone might conclude that an existing school's space is adequate, it must also be determined whether allocated and available space is appropriate. The committee realized that new space and facilities can be required to appropriately serve the needs of students without regard to increasing student enrollment.

Neighborhood Schools Philosophy

The Committee also grappled with the fact that SFB allocations of new classroom funding are based upon district-wide capacity, not individual school capacity. If one elementary school lacks capacity but another one miles across the same district has capacity, the SFB mandates shifting the population accordingly through boundary changes and transportation. With school populations often in a state of ebb and flow however, this approach can bounce children back and forth. More importantly, it runs contrary to the commonly held expectation and desire of parents and students that students go to school in their local neighborhood.

Special Programs and Special Needs

The significant impact of special students and their unique needs upon a school's facility was also studied by the Committee. Special education classrooms frequently require greater square footage per student than might normally be the case with a non-special population. This is due to the legal mandates of students' individualized education plans and the disabilities of those students which often combine to require a much lower student to teacher ratio. With the Amphitheater District's special population nearing 15% of its total student population, this remains a significant issue.

Other programs which augment the basic level of educational services contemplated by the state, such as Head Start, preschool, before and after school programs, REACH (gifted education), reading resource programs, Advanced Placement®, Sheltered English Immersion, and academic intervention must also have dedicated space to function, need to also be considered in determining school and district capacity needs. The Committee recognized this as well, whereas state funding and construction models do not.

All these efforts require additional classrooms and facilities beyond a level which merely equates a certain number of square feet per child. As the Committee stated, "Ultimately, it's not about square feet or the number of students. It's about student needs and our community values. It's about having the classrooms and facilities necessary to get the job done and done well".

4. Our District Must Improve Its Technology Infrastructure to Keep Pace in the 21st Century.

The Committee not only looked at physical spaces and capacity needs, it also looked at key infrastructure considerations within the physical plant. The Committee was concerned that the technology required for the learning that needs to occur in the next decade could not take place given then existing District infrastructure. The cabling, optics and other infrastructure components were insufficient to meet the level of demands which current and future technology require.

5. Our Community Needs an Improved Transportation Fleet and Facility.

The state of the District's transportation fleet was similar to that of its temporary classrooms, with some school buses having well exceeded their functional lives in 2007. Repair costs were high, inoperability affected transportation services, and the lack of air conditioning contributed to student health issues. The Committee urged modernization of the fleet to allow providing greater comfort and safety to students, improving fuel use, reducing emissions, and preventing worker injuries.

Based upon the foregoing concerns from the representative Committee, the Committee's specific recommendations and analysis, as well as its own analysis and study of District facility needs, the District's Governing Board called for a special bond election in April of 2007 for the question of whether to issue Class B bonds for the following express purposes:

- 1. Health, Safety, and Security Improvements*
- 2. Permanent Instructional Space to Replace Aging Portables*
- 3. Increase Instructional Space*
 - a. *New Elementary School*
 - b. *New Middle School*
- 4. Technology Infrastructure Modernization*
- 5. Improved Transportation Fleet and Facility*

As the Board obviously knows, the question of whether to issue bonds for these very purposes was approved by our voters by a significant margin in November of 2007. Since that time the District has been pursuing the implementation of the direction of the Governing Board, the Committee, and indeed the public itself through the current bond construction program.

Every school in the District has been positively impacted by the 2007 Bond Program, with most schools receiving benefit of the removal and/or replacement of portable improvements; health, safety and security modifications such as new restrooms, nurse offices and security fencing; and technology infrastructure. Of course, all students have received the benefit of not only these improvements but also those of their new school bus fleet.

The New (STEM) Elementary School

Just a handful of projects under the 2007 Bond Program remain. The majority of projects have been completed – typically on time and at or under budget. Most of those that remain are a continuation of the District-wide improvements at existing schools. But the largest remaining voter approved project by far is that of the new elementary school, planned now for several years to be a dedicated STEM school.

The voter approved middle school, however, will not be built as part of the 2007 Bond Program. After the economic downturn in 2007/2008 and the following decline not just in existing District enrollment but also in expected and predicted census growth, the Governing Board declined to sell and issue bonds for that school. Bonds were sold for the new elementary school, however.

Following the sale of the bonds for the school, preparations for the new school began. For the last several months, District staff has been pursuing the contracting and retention of architectural, engineering, construction and related services for the STEM school. Well before those processes began, discussions of STEM and other programmatic considerations were underway in order to help inform the design process to come. In addition, budgetary planning for costs not covered by the bonds had to begin in earnest some years ago, so that the capacity to meet the upfront capital costs (in particular) of opening a new school could be met when the time for construction and opening of the school came.

This budget planning was, as most would expect, based upon certain assumptions and predictions, given that school districts can only adopt and spend a budget on a year-to-year basis under Arizona law. Thus, for example, our current capital funds (“cash on hand”) currently include funds accrued over time to ensure those new school opening costs could be met.

But the ability to meet those costs was also largely dependent upon controlling and meeting other capital needs as they arise – even when they arise at the same time as the new school opening. In other words, our budgetary planning for the new school assumed and greatly relied upon in fact an assumption that school district capital funding, having been cut by the Arizona Legislature so drastically over the last several years, would not suffer great cuts again. Then, two weeks ago, the Governor and Legislature proved that assumption, perhaps hope, wrong.

The additional loss of approximately \$1.7 in capital funding next year dramatically changes the district’s budgetary landscape. The effect of this substantial cut after so many other drastic and recurring cuts has been described as catastrophic by some observing its effects on schools statewide. Such a reality begs, especially now, a review of the plans for the new school – not just with respect to its construction but also its subsequent operation.

With so much in the balance, the review of such a matter can be a daunting thing to begin, much less substantively and thoroughly understand. To facilitate such review, the Administration has prepared a list of “Pros” and “Cons” for building the new school given the current and best information possible. This table begins on the next page of this item.

Pros of Constructing the School	Cons of Constructing the School
<ul style="list-style-type: none"> • Completes key component of bond question; in keeping District's word, we build trust for future bond elections. • Failure to build both new schools promised to voters may disenfranchise voters and business community. • Stem school would set Amphi apart in Tucson, Pima County, and Arizona; would build brand identity for District as a whole. • Implementation of STEM model would provide launch pad for/draw attention to other programmatic improvements throughout District schools. • Creates greatest potential for drawing external open enrollment students. • Creates potential for drawing students back from charters/private/home schools. • Avoids loss of bond funds already expended. • Assures ownership of school site in perpetuity (legal deed issue). • Entirely new building will afford greater efficiencies of lower energy and maintenance costs than existing Classrooms – near net zero design. • Meeting parent expectations for a modern educational curriculum. • Meeting Oro Valley growth and development expectations • New progressive programmatic school shines a bright light on Amphi district – 	<ul style="list-style-type: none"> • Neighborhood concerns relating to traffic, views, purpose of use. • There will be substantial financial needs at front end for capitalization, new staffing, etc. as enrollment ramps up. • Loss of additional capital next year (\$1.7 million legislative cut) will dramatically impair ability of District to function while still opening school. • Open enrollment-only concept, by its very nature, will have negative effect upon enrollment of other schools. Could it even lead to need for school closure in future? • Drawing non-Amphi resident students (and funding) to any significant extent will likely require substantial change of open enrollment policy preferences – to allow non-district residents greater opportunity. May be offensive to Amphi residents and taxpayers. • Open enrollment only transportation needs will require more staggered class schedules throughout District. • Lost enrollment at other schools (due to open enrollment to new school) will certainly require district-wide displacement of staff (RIF, with transfers to STEM school), creating some potential district-wide disruption. • New school's distinct branding may lead to unintended consequence of depleting STEM qualified teachers from existing schools. • State capital cuts could necessitate cuts to other district schools in order to open.

<p>positive perception and brand effect.</p> <ul style="list-style-type: none"> • Geographically, the new school has the great potential to draw open enrollment students from other districts. • Can establish Amphi as the Leader in STEM • Can reduce loss of ADM to Charter Schools • School will be a flagship for our district, Southern Arizona, and the State of Arizona in terms of design, curriculum, and instruction • School will be completed and in operation as Oro Valley grows as a community; currently there are 2,100 planned homes for Oro Valley (approximately 350 already under construction just around the corner from our site) • Students in Oro Valley, other Amphi schools, and from other districts (accepted as OE) will be provided a unique educational experience • STEM education is our future; jobs in the STEM industries are high paying and available; this school will be a model • Teachers will be highly trained in STEM and can share their expertise with other teachers in the district • The school could become a training hub for all of our elementary teachers in the area of science • It will provide a unique opportunity to look at STEM education in a building that facilitates this type of learning without having to retrofit (very costly 	<ul style="list-style-type: none"> • It will cost \$17 Million just to build, plus FFE. • Could lead to increased district utility costs (although we are hoping for net-zero effect). • Costs of the development of a STEM curriculum (paid for with Title II funds) • Cost of professional development in STEM (paid for with Title II funds)
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and ineffective) a building for our curriculum needs	
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Pros of Not Building the School	Cons of Not Building the School
<ul style="list-style-type: none"> • Could allow accrued capital to be used by all schools for STEM (or other purposes) • Low Risk – Capacity available elsewhere • Could allow new bond sale with no tax increase • Could allow the district rather than a single school to have the STEM affiliation • Capacity for near term growth exists at existing sites. About 1,400 seats available in northern area of District. • Leads to lower tax rates when bonds sold are refunded. • Constituents may interpret and credit as financial responsibility. 	<ul style="list-style-type: none"> • We have the funding now, and based on the state formula we will not be able to fund a new school with state funding for decades • Public supporters of school may become disenfranchised and be unsupportive of future bonds to build. • We currently receive one to two calls per week from parents both within our district and from other districts, asking about how to enroll their students and what our process of acceptance will be • Currently, there are 2,100 planned homes for Oro Valley (approximately 350 are already under construction just around the corner from our site). Growth potential may go unmet in term of community's educational need. • We have already assembled a top notch architectural firm and general contractor who are committed to and who understand the need to protect the taxpayer dollar while meeting the curriculum design needs of the school. • Loss of students to other Districts, charters, and schools with "STEM identities" • When built in the future, the cost to build and to equip with FFE will exceed current \$17 Million.

Obviously, there may be other considerations (other “pros” and “cons”) which the Board or others may identify. This listing, however, supplemented with information to be presented by the Superintendent and staff will certainly facilitate discussion and understanding of the multiple levels of issues to be considered and perhaps resolved through that discussion.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50141701>, Item 3. A. attch, Exhibit 6]

Mr. Nelson introduced the Study Item on the new STEM elementary school construction and related issues. Information is being provided to the board on enrollment capacity and the history of the bond election in order to assess where we are at now compared to when the original bond was passed, and bond sales took place for the new school and renovations to Mesa Verde and Donaldson. As only one current Board Member was on the Board in 2007 when the bond passed, Mr. Jaeger will take the Board through a historical perspective of where we were then and how we got to where we are now. Mr. Jaeger will also go into more detail regarding enrollment and capacity. Things are not always as they appear and when you use SFB calculations for what capacity is, it is not quite realistic. In the board item Pros and Cons for building or not building the new school were also provided. There may be other points that the Board might want to discuss. Administration is very transparent and objective in providing the Board with the best information available.

Mr. Jaeger said the first thing to note for the record is that absent any Governing Board action to the contrary, the school will be built because that is the existing direction of the Governing Board. We have begun the construction process in terms of procuring architectural, engineering and construction services. The status quo is that the school will be built. Within the jurisdiction of the Governing Board is the opportunity and determination of whether to review the formerly made decision, reconsider it, and alter it in any way. That is the backdrop for the item. We thought it was appropriate to provide a bit of historical explanation as to how we came to the question of whether or not we are building a new elementary school at all. As Mr. McFadden mentioned earlier, a lot has changed and we have a different reality today than we had when the decision to build the school was made back in 2007, and even in more recent years, and things continue to change. It is important to note that the decision to build the elementary school, along with a number of other things, was preceded by a rather exhaustive needs assessment process. In fact, a community-wide input process whereby a panel of 15 people examined the District's needs on a facility basis; reviewing the footage, the composition at each site, the age of the buildings and the content of the buildings. The committee was composed of individuals who came from every walk of life in the community - from the private sector, a taxpayer watchdog group, parents and the president of AEA. The intention was to have a very broad cross section of people who had no agendas really, or who at the very least as a group provided a balanced agenda as a whole. The specific goals were to address safety, portables, technology, infrastructure and transportation. Community growth was in the North part of the District and new facilities were needed. In the South part of the District there was no new growth and the facilities were getting older. Then, after the economic downturn many families with children left the state. The authorization was for up to \$180 million in bonds. Some people think that the bond money can be used for something else, but that is not so. The law says it must be used as proposed. If not, it goes back into the tax base. We are almost done with bond projects with renovation at the schools and the new Professional Building. All that remains is the new STEM school. A recent cut in capital funding to education has brought the item up again.

Mr. Jaeger went into further detail using a Power Point presentation which reviewed: approval of a Blue Ribbon Committee, the members of the committee, the charge to the committee, the needs assessment study work of the members, committee meetings, the call for a bond election, monetary amounts proposed and their purposes, what has happened since the bond election, the current status of the new elementary school, bonds program projects, and the pros and cons of building and not building the new school. Mr. Nelson provided information on the con bullet about the cost of professional development in STEM that is paid for with Title II funds. To contextualize, it is listed as a con in that the District has had decreasing Title II funds over the last 5 years, and that is how our professional development was paid for. STEM professional development would take a large amount of that funding. To contextualize the capital cuts we have had, in 2005 we received \$7.7 M in capital; this coming year we will receive somewhere around \$660K. Mr. Jaeger noted that any capital we have, if not retained and saved for the

new school, obviously can be repurposed for other things including existing schools within the District, perhaps equipping them with same type of STEM items.

Mr. Jaeger then went over the Enrollment/Capacity Summary sheet. Our existing capacity needs can be adequately served in the near future by our current capacity in the District. We know that we have some capacity here in this very locale at Painted Sky, Copper Creek and some of our other schools. That capacity does not take into account the lower class sizes that we want to have. It simply looks at what the square footage is, how many students per square feet, the common elements of the school based on its cafeteria and library, and how many students could functionally be served in a library or cafeteria of that size on a daily basis. Dr. Barrabee commented that when they do Site Visits there are a lot of classrooms that have very few students in them because they are special needs students, and we are fortunate to have rooms available for them. Mr. Jaeger concluded asking the Board for their discussion. Ms. Day thanked Mr. Jaeger for a very thorough presentation.

Mr. Nelson said in the time available Administration tried to give the Board the best review they could including the pros and cons. As Mr. Jaeger alluded to, perhaps going slow would be good. We are required by law to have all the bond money expended by November 4, 2017. Right now the STEM school is designed to open in the 2016-2017 school year. As we try to predict a future that we cannot know, one possibility is to not end the process, but slow it down. Instead target an opening in the 2017-2018 school year, and use the intervening time to assess if the community will be growing as predicted because approximately 300 homes are projected to be built near the school. That is a possibility that the Board can consider because this is not a clear cut decision, it is a difficult one. One of the things we need to think about is that the world of education we live in right now is already outdated. We live in a market driven environment and people vote with their feet; they have choices. Schools will have to stand for something very specific because parents want choices and want their children to attend a school that they think will be most productive for their children. The information that we have about the future in terms of job availability is that 65% of all new jobs will be in STEM related industries such as robotics, technology, and math and science related occupations. So regardless of whatever decision the Board makes, one of the things to be attuned to is making the transition to the new world rather than the world that does not exist anymore. The world of having set boundaries within a District for schools no longer exists. What does exist, and what will be there in the future, is that every individual school in our district will have to have an area of expertise and be known for something so that parents can make the appropriate choices for their children. One of those options certainly is a school based on STEM related curriculum. What we tried to do tonight was provide the Board with the best information that we could and we will try to answer any questions the Board may have about specific issues that were raised.

Ms. Day called on the Board to have a discussion about the study. Ms. Cozad said that it comes down to one thing - money. There is nothing she disagrees with on the list of Pros, and as a teacher she would love to teach there. But it comes down to \$17M to build paid for by bond, and then the FFE would be taken out of capital. The concern is, knowing how we are looking at the budget this year, what the cost would be yearly to sustain the STEM school for the principal, the secretary, cafeteria, etc. In reading about it the average seems to be \$800K to \$1M. If that is added to the yearly budget, where are we going to find the money? Mr. Nelson responded that it is a difficult question to answer as it is dependent on several factors. If it attracts additional students to the District, that will bring in additional revenue. If the number of students stays the same then the teacher cost remains the same. Perhaps the maintenance cost with the design will be very green and near net zero in utilities. It is a difficult question to answer as there are a lot of variables. Ms. Cozad then asked what the current cost per year is to run a school that is the same size to get a ball park idea. Mr. Little addressed the Board saying it does truly vary on a lot of factors; the way custodial and grounds maintenance are allocated based on square footage, the enrollment of the school, utility costs, etc. A good estimate would be in the \$800K to \$1M per year range.

Mr. Leska asked if transportation would be provided or not because the STEM school might be a feeder school where students could go, a bit like a charter. Mr. Nelson said the plan at this point is to make the STEM school a true open enrollment school. What would be done to provide equity to all schools in the District is that some of the

children who wanted to attend would be provided transportation, but not to the extent we do now. It would not be block to block pickup. There would be major pick up points that parents would need to get their children to, or they could drop them off at the school directly. Mr. Leska noted that we currently have fees for technology, music and other things. Would the District charge fees for technology at the STEM school which would help offset the cost of day to day use of infrastructure? Mr. Nelson said Administration has thought about that question, but until the programmatic design is complete it is hard to make that determination. Mr. Leska said that it is not a charter school, but he is going to consider it as something similar in his mind, and those types of schools do not have kitchens. Most of them bring their own food. We may not be able to legally do that because of the funding we receive, but is that a possibility? Mr. Nelson stated that is a possibility, but not one that at this point we would favor. Our District has a certain standard that we provide for our students and that is one of the reasons parents send their children here. Mr. Leska said that if it costs \$800K a year to run, not having a cafeteria is something that could help offset the costs. He is for the STEM school but how do we pay for it. Mr. Leska noted that net zero is very hard to achieve in new buildings; but we do have a lot of aging infrastructure buildings in the District. This will be a controversial statement, but possibly we could close another school and reroute the busing, which may offset the cost because old buildings are so costly to operate in maintenance and utilities. If students don't go to the STEM school, they could be bussed to another school. That might actually offset the cost for the operation of the STEM school, as the new building will be far less costly to maintain. That is something he would like to look into. Mr. Nelson called on Mr. Burns to talk about net zero/near net zero on the new building. Mr. Burns said that net zero is extremely difficult to achieve in a building and that is why he used the term *near* net zero. First, true net zero means you could have an opportunity to overproduce utilities, like electricity, and the utility companies would actually punish you with fines. You never actually want to go net zero. The District was considering going with Leadership in Energy and Environmental Design (LEED) - Platinum designation, but the building cost to receive that designation is astronomical. We are looking at installing solar power as our primary renewable energy. Because it is a STEM school we want to stay as advanced as possible, so we are also looking at doing a fuel cell as a demonstration unit along with some wind turbines because it is on a slightly elevated slope. These are designed to be incorporated into the academics so students will be able to see how they work and understand the physics and concepts behind them. We are looking at high insulation values on new products for walls and roofing, rated about 30, which is high when most of our schools are typical cinder block construction. It will be highly insulated with lots of natural daylight. Using those LEED principals and getting near net zero is pretty reasonable with the funding available. Mr. Leska commented that in other areas of the country students who are not in the free and reduced lunch Title I category sometimes pay a fee for transportation. Kansas specifically does. Why not charge a fee for transportation? If there is not a State law preventing it, charging a fee for the bus could help offset costs. Finally, as Mr. McFadden mentioned why not go to the people and ask them, at least listen to them. It is great the Board is considering what to do, but we need to listen to the constituents. Mr. Leska asked Mr. Nelson which talking circuits he went on and received input on the STEM school from. Mr. Nelson said he went to a number of clubs to talk about factual information behind the Override. In doing so questions came up every time about support of the District, the Override, the Bond issue and where we were at. The overarching discussion was to talk about factual information about the Override. The question continually came up about Bond issue and the STEM school. Mr. Leska proposed that before they make a decision the Board should go out into the community and really listen to what the community has to say. Go to different locations where they are, not having them come to Wetmore. The Board is really working in a vacuum without going to the community and getting their feedback.

Ms. Grant shared that she attended numerous events last year where she heard on multiple occasions that Oro Valley Mayor Hiremath is touting the town of Oro Valley as being a STEM community. They are trying to attract those types of businesses to Oro Valley. They have many such businesses there already. Oro Valley is branding itself as a STEM community. For us to have a STEM school within the community would only help in that vision for the community. There is already discussion in that particular area. Ms. Grant said it was mentioned that we could delay the opening a year. Perhaps there is a way we could stagger the opening. Rather than having all grades at once, perhaps we could we have K-1 first, then the next year K-3, etc. Mr. Nelson said that is a possibility, but in terms of the building everything would need to be done by November 4, 2017. Ms. Grant noted that the cost of staff is what she is getting at. Ms. Grant inquired if there will there be criteria to enroll in the STEM

school or can anybody who wants to attend do so, especially if they are coming from other districts. Mr. Nelson said that at this time we have not formalized any entrance requirements along those lines. That is part of a choice driven environment where parents want their children to attend that particular school. One of the bullet points that Mr. Jaeger mentioned was that there would possibly be a need for rewriting our open enrollment policy.

Dr. Barrabee asked how much FFE and staffing funds we have accrued so far. Mr. Nelson said nothing yet for FFE and staffing; however, we have accrued capital. Mr. Little said at this point we have an anticipated cost in excess of \$2M in capital needs, which means furniture and equipment as well as textbooks, supplies, technology and infrastructure. We have identified those costs and have some monies in our capital right now, roughly \$1M that we have identified specifically for the new school. Our plan anticipated the need for more, but that was prior to the State Legislature cutting our capital. We are now in a position where we have to say which dollar goes where and when. Within the \$600K we will probably receive in capital next year, it's really difficult for us to operate on less than \$1.5M. Based upon what our current needs are and the schools' needs for ongoing replacement of materials, the real question is when we have identified the needs, which need is the higher priority. Dr. Barrabee said the staffing of the school is going to be very challenging because we need teachers who have more than ordinary skills in Science and Math. To do that in the high schools and middle schools we have had to pay more incentives to get staffing. The idea of taking those staff from other schools and reducing the resources at the other schools would be unfortunate because to some extent there is a need for all of the schools to be strong in STEM. We need to be careful about not leaving other schools behind, so to speak. Looking at the situation, Dr. Barrabee said he would love to have the STEM school and would love for all the schools be strong. With all the positives of building the new school it does come down to money. The loss of additional capital next year, \$1.7 M the State Legislature cut, will dramatically impair the ability of our District to function while still opening the school. The only way around that would be closing some other school. Dr. Barrabee said he is glad that came up because as undesirable as that may seem, we have to choose between undesirables because we have been forced into this devastating situation. The numbers are not hopeful without figuring out what we are going to cut to have more. We are not in a position to gain money from any other place without closing a school. That is really what it comes down to. The District's vision is to serve the community and the students, a lot of energy has gone into it, and hope has been generated in the community to provide something very special. But without the money to do it, we can't do it. The only way so far to significantly shift over money is to close a school.

Ms. Day called for a break at 8:14 PM. The break concluded and the meeting continued at 8:22 PM.

Ms. Day asked if there was any further discussion on the STEM school item. Dr. Barrabee said he had spoken with people and during the break and there were some suggestions on how the school could receive funds from the community. Ms. Day stated the idea is that the District could perhaps partner with Oro Valley to help them have ownership in the new school, Oro Valley could have input and help fund some expenses. Mr. Leska shared that partnering with the private sector is also an option. In the construction industry and civil engineering world it is called the three PPPs - Public and Private Partnerships. For example, Raytheon gave TUSD countless dollars for their STEM program in 2013. There are opportunities with Public and Private Partnerships that would be ideal to help us move forward and we should look into it. Mr. Leska expressed his desire that the Board halt the project at the schematic design phase until there is a dialogue with the community, as well as look at closing a school which is the most costly to maintain. He requested that Administration find out which schools cost the most to operate, would be possible to close down and what the transportation rerouting cost would be. We could possibly offset some of the FFE costs to furnish the new school with the old school's furnishings. Then see what the cost would be per year with these changes. Then find out what the opportunities with the PPPs would provide us. Mr. Nelson said that we can provide the Board with all the information they want, but would strongly caution against talk about closing a school. That was not the topic tonight, and that has the psychological impact of losing students. We should be very careful about making those kinds of comments. Mr. Leska commented that the District also has to face realities if we want the STEM school. How else are we going to do it, or are we going to scrap the whole thing. Ms. Day clarified that the first decision is *if* we are going to do it, then *how* we are going to do it. Let's not say we are going to close a school. Mr. Leska agreed but believes that everything should be on the table.

Dr. Barrabee stated he doesn't see how we can put the decision to move forward before how we will make it work. If we can't figure out a way to do it, we don't have to worry about the other question. Dr. Barrabee confirmed he is in favor of putting the highest priority of the Board's thinking into exploring partnerships with interests in the community that would find sufficient benefit from contributing, supporting and being part of the endeavor. That is the alternative to what we don't want to discuss. Ms. Day said that we are pretty much on the same page, but that we decide we want to do it then look for partnerships. Dr. Barrabee said the question is still whether we can do it. We need to look into the mechanism of how we solicit partnerships. Ms. Grant said the short term goal is building the school; the long term goal is applying to companies like Raytheon, etc. to help with the equipment. We already have a relationship with companies who support programs at Ironwood Ridge. But we can't do that until the decision is made to proceed as the companies would ask if we are going to build the school or not. And we cannot wait to find out if the grants or funding may or may not occur. Mr. Nelson said he mentioned the slow down approach earlier - finishing the schematic design phase which would give us time to look into those possibilities.

Ms. Day asked if there was any other closing discussion. There was none.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

Ms. Day asked the Board if there were any requests for future agenda items. Mr. Leska requested that another study of the STEM School be provided and that there be a discussion about scheduling one or two Governing Board Town Hall Meetings per year away from Wetmore at the school sites.

PUBLIC COMMENT

There was no further public comment.

ADJOURNMENT

Mr. Leska moved that the meeting be adjourned and Ms. Cozad seconded the motion. The motion passed 5-0. Ms. Day declared the meeting adjourned at 8:33 PM.

Respectfully submitted,
Karen S. Gardiner

Deanna M. Day, President

Date

Approved: TBD