

Three Rivers School Board of Directors met for a regular session, Monday, September 15, 2008 at the District Administration Office, 8550 New Hope Road, Grants Pass, Josephine County, Oregon at 7:00 p.m.

PRESENT: Dave Strahan, Chairperson of the Board, Zone IV
Leslie Meier, Vice-Chairperson of the Board, Zone III PRESENT
Robert Litak, Member of the Board, Zone I
Jim Weaver Member of the Board, Zone II
Phil Stephens, Member of the Board, Zone V
Dan Huber-Kantola, Superintendent-Clerk
Peter Maluk, Director of Elementary Education
John George, Director of Secondary Education
Debbie Breckner, Director of Human Resources
Doug Ely, Director of Student Services

Also Present: Ron Glynn, Catherine Swift, Audrey Glynn, Barbara Gonzalez, ALSO PRESENT
Nancy Hodgson, Mary Rae Anderson, Cliff Kuhlman, Jack
Swift, Debbie Cook, Lindsay DeVore, Mary Solomon, Peggy
Kantola, Gordon Longhurst, Kari O'Brien, Richard Ryan,
Kathleen Eriksen, Andrea Murphy, Harold Haugen, Margaret
Goodwin, Kathie Hill/Ft. Vannoy Principal, Lloyd Russell/
Maintenance director, Michael Morris/Food Service Manager,
Patti Richter/Grants Pass Daily Courier, and Shelly Berry/
Recording Secretary

Chairperson Strahan called the meeting to order at 7:05 PM. and led the audience in the pledge of allegiance. CALL TO ORDER

Superintendent Dan Huber-Kantola announced that our Board packets are now being prepared and distributed electronically. He then presented the "All in for Kids" program from the 'All In' staff kick-off at Hidden Valley High School on August 25th. He shared the four expectations for all Three Rivers Schools: 1) Intentionally build relationships with students; 2) Participate in PBS; 3) Allow students to process information every ten minutes; 4) Principals ask teachers for continuous instructional improvement. SUPERINTENDENT REPORT
ALL IN FOR KIDS

Superintendent Huber-Kantola then reported on the elementary class sizes, and specifically some large class sizes being experienced at Fort Vannoy, Manzanita, Evergreen and Fruitdale. His recommendation was to add .5 fte teacher to Fort Vannoy, add additional assistant time for the three fourth grades at Evergreen, the kindergarten class at Fruitdale, and first and third grade classes at Manzanita. Member Stephens moved to transfer \$110,000 from contingency to the individual school accounts to cover one .5 fte certified and eight .37 fte classified positions. Member Weaver seconded and the motion carried unanimously. CLASS SIZES
RESOLUTION
APPROVED

Director Breckner explained that we will be able to use subs immediately for the education assistant positions, but that those positions will need to be posted and need to be 'highly qualified'.

	Member Litak asked if there are any areas that we can cut positions, and was informed that there were not, our elementary numbers are higher than expected.
PUBLIC COMMENT MOVED	Chairperson Strahan stated that at the beginning of each meeting, the Board sets aside twenty minutes for the audience to address things that are not on the agenda. All ten people requesting time to speak were regarding the CET and agreed to wait until that item comes up on the agenda.
POLICY DA; FISCAL MANAGEMENT GOALS	Superintendent Huber-Kantola stated that this was the second reading for Policy DA: Fiscal Management Goals. There were no changes from the first reading. Member Weaver moved to approve the policy as written and Member Meier seconded. The motion carried unanimously.
2008-09 SCHOOL BOARD MEETING CALENDAR	Superintendent Huber-Kantola presented the 2008-09 Board meeting calendar for approval. A correction was made for the July meeting from the 14 th to the 13 th . Member Meier moved to approve the meeting calendar with the change. Member Litak seconded and the motion carried unanimously.
LONG-TERM FACILITY PLAN	Superintendent Huber-Kantola presented an approved Facility Plan Proposal which was prepared by Maintenance Director Lloyd Russell. The implementation of a long-term plan is a requirement for excise tax. The items have been categorized in to: Immediate, Intermediate, and Long Term. The plan should be evaluated at least annually, but recommended every six months.
	Member Meier inquired why the fire alarm system at Williams and fire exit doors at Applegate are not classified as immediate – are these safety issues? Lloyd explained that Williams currently has a fire alarm system in place, but it needs to be upgraded. Member Meier also asked about the planned roof replacement at Merlin. Lloyd explained that as long as the district owns the building we are required to maintain it. The Young Marines have been doing a great job of patching it, but the time will come when the roof will need to be replaced, and the Board will need to make a decision as to what they want to do. Also, what is the future of the old brick building at Applegate that was condemned in 1999? People hate to see it go, but what can we do with it? It was recommended that we start discussions on this topic, as a Board, and with the community. Member Litak stated that he was impressed with the scope of the proposal.
APPROVED	Member Meier moved to approve the Facility Plan Proposal. Member Stephens seconded and the motion carried unanimously.
COUNTY EXCISE TAX	Chair Strahan stated that the next item on the agenda is the Intergovernmental Agreement with the City and County for the County Excise Tax and felt it was a good time to hear those members of the public that wished to speak.
PUBLIC INPUT	Harold Haugen thanked the Board for their work, and then encouraged the Board to have a discussion with the Park District regarding Merlin school. He stated that he was speaking on behalf of the Board of Realtors which opposes this tax – over 350 realtors. He would like to see a bond issue instead of a tax. He sees no connection between new construction (especially commercial) and impact to schools. He believes the user should pay. Mr. Haugen asked to postpone the implementation for six months. Barbara Gonzales concurred with Mr. Haugen. Audrey Glynn stated that she was upset that the burden of taxation was placed on the school Board. She encouraged that this not be done to our community. Ron Glynn stated his concern for our economy. Margaret Goodwin stated that the construction industry is one of the hardest hit in the current economy. Imposing a tax at this time will inhibit new construction and economic growth. Normally the excise tax is a use tax - the excise tax is not a use tax and not a fair way to tax people. SB 1036 allows tax, but does not mandate the amount. She asked that we reconsider decision to go straight to the high amount.

Jack Swift, Americans for Prosperity, echoed the comments made regarding the economy. Asked if the Board has asked about the constitutionality of our Legislature delegating its taxation authority to the Board? Chair Strahan responded that he has not.

PUBLIC INPUT
CONTINUED

Peggy Kantola, Association of Realtors, asked that we mimic the excise tax passed by Grants Pass District 7. Also, asked that the tax not be pushed at the current time while there are levies on the ballot, wait until after the first of the year. Mrs. Kantola asked for cooperation after the first of the year to work with them.

Gordon Longhurst, Homebuilders Association, stated that anything to occur now is kicking them while they are down. Come spring they hope for things to pick up. The builder does not absorb costs; they are paid by whoever buys the home. Mr. Longhurst asked that we wait until July 2009, like Grants Pass.

Cliff Kuhlman, GP Association of Realtors, asked that the district postpone the implementation of the tax for one year. Mr. Kuhlman, member of the Grants Pass District 7 school Board, explained the Grants Pass implementation. Grants Pass postponed the implementation for six months, until July 2009, which will the start at \$1/foot.

Harold Haugen again spoke and request that we look at the zero to three year items on the facility plan and prioritize those issues. Also stated that Paradise Ranch is on hold and not a potential revenue source as previously thought.

Superintendent Huber-Kantola presented the Intergovernmental Agreements which have already been approved by the Josephine County Board of Commissioners and the City of Grants Pass. This agreement allows the city and county to collect the tax on behalf of the district and deposit the funds in to our account. The agency collecting the tax will retain 1% administrative fee. The agreement does not impose the tax, just allows for collection.

INTERGOVERNMENTAL
AGREEMENTS

Discussion followed as to items falling in to residential and non-residential categories. Member Weaver expressed concern that the exclusions were not listed. Chair Strahan called for a five minute break at 8:10 pm to acquire a copy of SB 1036.

Chair Strahan resumed the meeting to order at 8:22 p.m.

Superintendent Huber-Kantola stated that SB 1036 clarifies exclusions and that there is no need to include them in the Intergovernmental Agreement. Member Weaver stated that his questions had been answered by reading the actual bill.

Member Weaver made a motion to approve the agreement. Member Meier seconded and the motion carried 4-1 with Member Stephens opposing.

APPROVED 4-1

Superintendent Huber-Kantola presented the resolution which reads to impose the tax January 1, 2009 as phase in at .50/foot then rise to \$1/foot on July 2009.

EXCISE TAX
RESOLUTION

Member Weaver moved to approve the resolution, but moved that the implementation calendar be changed to implement the full tax July 1, 2009 at \$1/foot. Member Meier seconded the motion and stated she hopes it gives incentive for builders to currently build and will align us with District 7.

Chair Strahan concurred with members Meier and Weaver and stated the necessity to secure funding.

Member Litak asked Superintendent Huber-Kantola how much revenue the district would be foregoing if this change is made to delay the tax. It was stated by the audience that due to the lack of building going on at this time, probably not much – at most about \$100,000.

Member Litak stated that the fund we had for our infrastructure has all but dried up and we have to do something. The consequences on not imposing the tax include larger

EXCISE TAX
CONTINUED

class sizes and closing schools. He feels that this is the least of all evils. Member Litak also stated that the 'users pay' mentality doesn't work for public schools.

Member Meier agreed with the comments other members of the Board had made and stated that she has to do what is necessary for the good of the school district and the kids of the district. If we don't have healthy schools it will impact the entire community.

Superintendent Huber-Kantola reminded everyone of the Rightsizing Committee that was formed last year. The committee was comprised of employees and community members. The implementation of the excise tax was a recommendation from that committee. The excise tax was pretty close to the top of the list of their recommendations.

Member Stephens stated that he feels strongly that this is wrong and the problem is with the legislature in that the property values and taxes go up and are paid to the state; and their answer is to implement new tax and let the school district do the taxing so it doesn't come off of their shoulders. If this tax generates \$350,000 he'll be the first to apologize to the Board. He then stated with the current economics and downturn that this is a poor message to send. Member Stephens used Williams school as an example of the community rallying around their school to support it.

Member Litak declared a potential conflict of interest as he is hoping to build a home in this school district. It would be in his financial best interest to vote against this – but he is NOT voting in his interest as he is voting for the tax.

APPROVED 4-1

The motion carried 4-1 with member Stephens opposing.

HUNTER TELECOM-
MUNICATIONS LEASE

Chair Strahan announced a change in the agenda as item 'I' was moved up to discuss the Hunter Telecommunication Lease agreement for fourteen square feet at Evergreen Elementary. Director Breckner introduced Rich Ryan, President and CEO, and stated he is available to answer any questions regarding the lease itself or technical issues. Director Breckner explained the current connectivity for the schools in our district was becoming unacceptable. We are currently connected via numerous T-1 lines with the exception of fiber from the district office to Madrona. She has put out an RFP for fiber connections and Hunter has responded with a proposal that will cost us no more than what we pay now. Being a rural district presents interesting challenges. Fiber is not available for the Illinois Valley, so microwave proposed. The fourteen square foot space requested at Evergreen will house the microwave signal. In return for leasing the space, Hunter will compensate the district \$50 off of our monthly maintenance cost. Hunter is paying for the power, generator and upgrades.

APPROVED

Member Stephens moved to approve the lease. Member Litak seconded the motion. Member Meier asked that we modify the motion to include Hunter to be liable for any vandalism costs incurred. Member Stephens agreed. The motion carried unanimously.

BOYS & GIRLS CLUB
AND INN SIGHT
CONTRACTS

Director John George presented two contracts for Board approval: Boys and Girls Clubs and Inn Sight Court School. Director George stated that the Boys and Girls Club provides an alternative setting for middle school students to have them work with our students and get them back to their regular school as soon as possible. Students are placed at Inn Sight Court School by Josephine County Juvenile Court based on adjudication of their cases.

Member Stephens inquired as to whether or not there are any statistics as to how many of these students go on to graduate. Director George explained that due to the fact that the Boys and Girls Club is fairly new, there are no statistics available at this time.

Member Weaver made a motion to approve the contracts with Boys and Girls Club and Inn Sight Court School. Member Meier seconded and the motion carried unanimously.

APPROVED

Superintendent Huber-Kantola presented the North Valley High School Stadium and Athletics Facility Committee payroll deduction, and asked that this be added to the existing payroll deduction list.

NORTH VALLEY
PAYROLL DEDUCTION

Member Meier moved to approve the payroll deduction. Member Weaver seconded and the motion carried unanimously.

APPROVED

Member Litak inquired as to how many other payroll deductions we have. Director Breckner said there were about eight and gave some examples: Hidden Valley Stadium Fund, Hidden Valley Vocational Scholarship Fund, Three Rivers Foundation and Academics Masters. It only requires that ten people sign up to qualify.

Chair Strahan stated the next item on the agenda, the legal drinking age in Oregon, was added due to the movement in the country by some college presidents to lower the drinking age to 18.

LEGAL DRINKING AGE
IN OREGON

Member Stephens stated that it makes him sick that college presidents would try to push this nationwide. He recommended this be discussed further in a Board workshop.

Superintendent Huber-Kantola presented Revised Policy CCA: Organizational Chart. The current chart is outdated. Member Weaver asked why the organizational chart was a policy. Superintendent Huber-Kantola suggested we re-do the way the policy is written, and remove the organizational chart and state in the policy that the division of duties to be determined by the Superintendent and administrative team.

POLICY CCA:
ORGANIZATION CHART

Superintendent Huber-Kantola requested that Director Breckner draft an extra-duty contract for the district accountant Lisa Cross in the amount of \$5,000 to compensate her for the additional duties and responsibilities incurred due to Superintendent Huber-Kantola assuming two roles.

ACCOUNTANT
CONTRACT

Member Meier made a motion to approve the contract. Member Litak seconded and the motion carried unanimously.

APPROVED

Superintendent Huber-Kantola stated the ending fund balance for this year is 3.4 million dollars. He also stated the increase in classified substitutes was largely due to Special Education. Expenses related to travel were up simply due to fuel costs (i.e. maintenance vehicles). Tuition decreased due to the fact that these items are no longer paid out of general fund, they are paid out of school improvement fund.

FINANCIAL REPORT

Maintenance Director, Lloyd Russell, stated he had nothing to add to his written reports except that in his ten years, this was the best school opening.

MAINTENANCE
REPORT

Food Service Manager, Michael Morris had nothing to add to his written reports. Member Litak asked if there has been any improvement in the number of free and reduced forms being returned at Illinois Valley High School. Michael said there was not. The Board would like to see some sort of incentive to get the forms returned.

FOOD SERVICE
REPORT

Member Meier moved to approve the consent agenda. Member Weaver seconded and the motion carried unanimously.

CONSENT AGENDA

APPROVED

ADJOURNED

Meeting adjourned at 9:30 PM.

Dave Strahan, Chairperson of the Board
THREE RIVERS SCHOOL DISTRICT

Dan Huber-Kantola, Superintendent-Clerk
THREE RIVERS SCHOOL DISTRICT