

Three Rivers School Board of Directors met for a special session, Monday, February 23, 2012 at the Three Rivers School District Administration Office, 8550 New Hope road, Grants Pass, Josephine County, Oregon at 7:00 p.m.

PRESENT: Ron Lengwin, Chairperson of the Board, Zone V
Bob Litak, Member of the Board, Zone I
Jadd Horban, Member of the Board, Zone II
Leslie Meier, Vice-Chairperson of the Board, Zone III
Ron Crume, Member of the Board, Zone IV
Debbie Breckner, Director of Human Resources
Peter Maluk, Director of Elementary Education

PRESENT

Also Present: Patti Richter/The Daily Courier, Jerry Shean/Woodland Charter School attorney, Stacey Denton/Woodland Charter School Developer, Richard Ziff/Woodland Charter School Developer and Shelly Quick/Recording Secretary.

ALSO PRESENT

Board Chair Ron Lengwin called the meeting to order at 6:02 PM.

CALL TO ORDER

K-12 Education and Federal Programs Director Peter Maluk referred to the lease before them which was a working document. There are certain elements of the lease that are most critical and one is the option that the district wishes to have to 'opt-out' if it becomes a negative factor on the campus or effects the educational program at Hidden Valley. It has been pretty much agreed that request can remain in the agreement but in turn Woodland is looking for some reimbursement if they do have to get out and they have invested significant funds in developing the site and it raises the value of the property. They would like some type of reimbursement so that they can take the funds that they have invested and begin another school in another place.

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Director Maluk stated they are working on the contract as well, but they all recognize that the lease has to come first. They are hopeful to have an agreement for the Board to review prior to the March meeting—possibly the end of the month.

Attorney Jerry Shean explained that the key big issue in this lease is the termination clause, he felt it was highly unusual to have a lease that could be just terminated before the term is up. He understands the concerns that there could be an impact on the high school and so if that has to be in the lease, hopefully a 30-year terminable for cause like a normal business lease, then they have a problem raising the money. Donors are not going to want to contribute money. There has been some discussion over reimbursement—appraised value or actual cost. They are thinking actual cost as they would need that amount of money to move to another location.

Member Horban reported that they have been looking at the parcel to come up with figures in terms of the area for Woodland Charter's use. He pointed out a 450' x 515' area on a displayed map that he felt would work for the charter school area. Portions of some of the area are currently utilized by the FFA agriculture program to plant hay.

Member Meier stated she would like input from the FFA leadership regarding the use of the land. Possibly WCS working together with FFA in a farming/gardening

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collaboration.

Richard Ziff responded the main reason this amount of land was needed was for WCS to develop their own agriculture program. On their original site they had five acres of ag land for their program use.

Various areas of the lease were discussed with the main issues being:

- Area/size
- Termination of lease clause
- FFA use/shared use
- Length of the lease (30 year opt-out/reimbursement). Possible 10 year?
- Reimbursement—how to figure? Appraised value vs. actual cost.
- Issue with houses—whether or not able to eliminate them. The houses will require asbestos abatement (unofficial estimates of \$20-40,000)
- Well—water up to the school and back.

Member Litak brought up an issue in item 5.3 which states “Lessor’s obligation to develop and maintain water system”. It was agreed by all parties that it should read “Lessee”.

It was also agreed that #1.6 should remove sub-lease language. It will be changed to “should not sub-lease without consent of Lessor”.

Regarding item #1.4 and the road easement. They will remove the road from the WCS lease section. The upkeep costs of road to be shared.

There was further discussion over various aspects of the lease. Director Maluk will continue to meet with WCS to resolve issues. The lease will be sent out to the board on or about March 2nd after the lease is reviewed by our attorney.

Mr. Shean would like a copy of the lease with changes that were agreed upon to go to the district’s attorney and to communicate any issue with him.

Ms. Denton commented that they will meet with Member Horban, Superintendent Huber-Kantola and Director Maluk next week to discuss the lease again in advance of the vote at the next board meeting.

The meeting was adjourned at 7:12 p.m.

Ron Lengwin
Chairperson of the Board

Dan Huber-Kantola
Superintendent-Clerk