

Three Rivers School Board of Directors met for a regular session, Monday, July 18, 2011 at the Three Rivers District Administration Office, 8550 New Hope, Grants Pass, Josephine County, Oregon at 7:00 p.m.

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

PRESENT

Also Present: Elly Lengwin, Tim Hart, Maria Kilborn, Ginny Ritchey, Kelly Turner, Doug Wett, Kevin McCaskill, Robert Horban, Sharon Fisher, Jum Bunge/Aramark, Keith Scharber, Brenda Schmoll, Chuck Schmoll, Hannah Zyrek, Jeff Weiss North Valley H. S. Principal, Stacy Kozaczuk, Nida Kozaczuk, Rene Zyrek, Jeff Stevens, Shelby Stevens, Debie Friesz, Dennis/Hidden Valley H.S. Principal, Tera Thompson, Nate Olson, Brent and Kim Marchant, Lisa Cross/ District Accountant, Jake Musser/North Valley H.S. Assistant Principal, Heidi Stevens, Mark Lumry, Dave Strahan, Vivian Strahan, Rowdy Bates/Laidlaw, Rick Draper, Brooke Johnson, Jim Kriz, Kolby Kuizess, Kevin Marr and Shelly Berry/Recording Secretary.

ALSO PRESENT

Board Vice-Chair Bob Litak called the meeting to order at 7:07 PM and led the audience in the Pledge of Allegiance.

CALL TO ORDER

Board Vice-Chair Litak amended the agenda to remove item 6A—*Krauss Craft*, and moved item 5—*Board Organization* to the first business item.

AMEND AGENDA

Board Vice-Chair Litak asked for nominations for the Board Chair position. Member Horban nominated Bob Litak and Member Meier seconded. Mr. Litak accepted the nomination on the condition that he is able to share responsibilities with the new Vice-Chair and requested it be Leslie Meier, due to her length of experience and knowledge of the district.

BOARD ORGANIZATION

A vote was called for and failed 2-3 (Members Lengwin, Horban and Crume opposing).

ELECTION OF BOARD CHAIR

Member Crume nominated Ron Lengwin for Board Chair and Member Horban seconded the motion. There was no discussion, and the motion passed 3-0 (members Meier and Litak abstaining).

Member Horban nominated Member Litak for the position of Board Vice-Chair. Member Litak declined.

Member Crume nominated Member Meier and Member Horban seconded. There was no further discussion and the motion carried unanimously.

ELECTION OF BOARD VICE-CHAIR

BOARD MEETINGS Member Meier moved to approve the Board meeting dates, time and places as presented. Member Horban seconded and the motion carried unanimously.

ANNUAL BOARD ORGANIZATIONAL RESOLUTIONS Member Meier asked to pull item 'f' from the Annual Organizational Resolutions for discussion then moved to approve all of the other resolutions presented. Member Litak seconded and the motion carried unanimously.

Member Meier commented that in regards to item 'f' - the designation of the official newspaper, she stated that for the record she has a concern about designating only the Grants Pass Daily Courier and the Illinois Valley News because part of our district is in Jackson County and some of those folks receive the Medford Mail Tribune instead of the Daily Courier. She recognized there is a significant cost and won't push the issue.

Member Horban moved to approve item 'f'. Member Crume seconded and the motion passed 4-1 (Member Meier opposing).

SUPERINTENDENT'S REPORT Superintendent Huber-Kantola gave a presentation outlining some of the focus items for this year:

- Improved Evaluation Process—*top priority for 2011-2012.*
- Improve Instruction
 - Math Strategies in All Grades
 - Mentoring Programs
 - Student Engagement
- Improves Communication with All Staff
- Updating Board Policies
 - Wellness Policy
 - Legislative Mandates
- Improves Relations with All Staff
 - Emphasis on Classified Staff
- Improve Customer Relations

Superintendent Huber-Kantola then provided a brief overview of the district funds that are received and how they are able to be utilized by our district.

CONSENT AGENDA Member Meier asked to pull the minutes from the Consent Agenda then moved to approve the Consent Agenda with the exception of the Board minutes from June 20, 2011. Member Litak seconded and the motion carried unanimously.

Members Meier and Litak recommended some minor revisions to the minutes. Member Meier then moved to approve the minutes as modified. Member Litak seconded and the motion carried unanimously.

COMMUNITY COMMENTS Dave Strahan questioned why the contract for the volleyball head coaching position was again being reviewed by the Board when the contract was approved in June 2011. Mr. Strahan feels that the limited district resources should be used in a more effective manner to deal with more important issues given our current budget crisis. Mr. Strahan expressed his displeasure with the amount of 'district' time that has been spent on this issue given that it is a personal agenda of a board member. Mr. Strahan also spoke in support of Coach Maria Kilborn and the job she is doing with the volleyball program.

Brooke Johnson stated she supported everything Mr. Strahan had to say. Ms. Johnson fully supports Coach Kilborn and stated she is the most dedicated, loving, wonderful, honest and dedicated coach that you could possibly find. She truly cares about the success of her students both on and off the court. Ms. Johnson also questioned why we are spending so much time on the volleyball coach when we need to be dealing with issues such as why our classes have 35 students and why we have to have fundraisers

for our music programs.

North Valley High School students Hannah Zyirek and Kenzie Schmoll asked why this issue is again being brought up? Member Ron Crume responded that he requested it be added to the agenda. Member Crume then agreed with Mr. Strahan that way too many hours have been spent on this issue; and stated that the minute he was elected his phone started ringing off the hook in regards to this volleyball coach. He also received e-mails and letters which prompted him to speak with the staff. He was given the opportunity to review the prior complaints.

Hannah and Kenzie stated that Coach Maria has does nothing but help the program and does not see what she has done to deserve the questioning of her coaching abilities. She puts in the extra work and goes the extra mile for the team and is always looking to make the team better. Her competitive spirit is both encouraging and inspirational. The decision tonight not only effects the North Valley volleyball team, but the surrounding schools and communities. There is a sand volleyball tournament the community is participating in this weekend, and if she is no longer the coach they will be unable to have the event, which is the biggest fundraiser for the volleyball team. There is also the All-American Team Camp coming up where they have ex-Olympian and college volleyball players come coach the girls; and the opportunity would not be possible without Maria. These opportunities will be taken away if the Board takes Maria away.

Jeff Stevens welcomed the two new Board members. Mr. Stevens then stated that his comments are not meant to be a personal attack on anyone in the room; he is just stating what he has witnessed. His daughter is a student at North Valley High School and has played volleyball for three years. Mr. Stevens is here in support of the termination of Maria Kilborn as a volleyball coach at North Valley High School.

Superintendent Huber-Kantola had to stop the meeting and remind the public that due to Board policy to discuss the program in general terms is acceptable, but talking about the specifics of the coach or personnel cannot occur in an open Board meeting. Member Litak read aloud a portion of *Board Policy KL* and let them know that there is an official complaint procedure to be followed in regards to complaints regarding district personnel.

Mr. Stevens feels there is more concern put into fundraising and politics rather than focus on the success of the team and the athletic growth of the individual girls. He feels there is a lack of high-school level coaching skills by this staff. Mr. Stevens stated that he is currently involved in an AAU club team which is off-season, and a lot the girls have been told not to play on his team. Mr. Stevens then stated the win/loss record is one of the most important aspects of a varsity-level team and feels her questionable coaching decisions contributed to the teams overall lack of success.

Volleyball Coach Maria Kilborn stated she met with the Board in Executive Session and the complaints were reviewed. The Board voted 4-1 to maintain her as a coach. Ms. Kilborn feels she hasn't been given an opportunity to just coach. She does feel there is a hidden agenda to get rid of her for something better. Ms. Kilborn then stated she is passionate about volleyball and she is not a quitter. She questioned how the two newly elected Board members could get up to speed and research this enough to give an opinion that is fair. Ms. Kilborn shared that she loves the volleyball program at North Valley and is passionate about the school and is willing to do whatever it takes. She feels there are positive things she is doing for the school and asked for a fair vote and take the time to get to know her before a decision is made about her coaching future at North Valley High School.

Doug Witt stated he had a question regarding the re-roof project. Mr. Witt asked if the type of roof was being changed from a built-up system to a single-ply system? Superintendent

COMMUNITY
COMMENTS
(CONTINUED)

COMMUNITY
COMMENTS
(CONTINUED)

Huber-Kantola responded that it has not yet been determined at this point. Mr. Witt commented that Mr. Scharber has been working as a roofing consultant for the district for many years and asked the district take heed in what he has to say.

ALTERNATIVE TO
OEBB

Human Resources Director Debbie Breckner stated that she provided information in the board packet. We are one of the few districts in the state of Oregon that are not currently part of OEBB (Oregon Educators' Benefit Board). We have been able to provide greater benefits at a lower cost for health insurance to our staff by remaining out of OEBB. There is a group of districts who are not participating in OEBB that are interested in forming more of a formal coalition to try to get some consistent responses from the OEBB Board regarding some of the practices, particularly around how they determine comparability. There is a letter being put together by that group that includes some of the questions as outline in the provided information; and she would like the Board to be aware of what is going on because she would like to have them to add our district to the names so that we can be part of the responses. The group is formalizing itself at this time. There is a list of the other districts participating provided in the packet.

This is an informational item only at this time. There is no need for discussion at this time; Director Breckner will assume the Board is okay with it at this time unless she is contacted with objections.

WOODLAND CHARTER
SCHOOL UPDATE

Federal Programs Director Peter Maluk shared that on June 24th he attended the State Board of Education meeting where the Woodland Charter requested state sponsorship. Part of the process prior to that was the Oregon Department of Education (ODE) appointed a committee of five reviewers from around the state to look at their proposal and they cited seven reasons for denial based on a variety of reasons; their financial projections, curriculum, not strict enough standards and also on the subject of adverse impact to the District. That is one of the things we really tried to make a very strong argument on; the financial impact of opening a charter and having to fund 100% for each student in the initial year. The State Board of Education process usually accepts the ODE recommendation. The next meeting will be held in October, at which time a vote will be held. Director Maluk believes it will be voted down, in which case Woodlands can come in with a new application.

Woodlands Charter School has requested a meeting tomorrow. There is a new House Bill 3417 that has passed which will change the whole funding process for charter schools which would not put Three Rivers in a hole, like it would in the old system. There are still some very important issue to look at, particularly the issue of where the school will be located, because another measure of concern of Woodlands is opening a charter in Williams or the Applegate Valley and the fact that it may jeopardize enrollment either at Williams and/or Applegate schools. During the informal meeting tomorrow he believes they will want to see if the District wants to accelerate the process and get their application to them sooner than October. Charters can be a positive thing; it could bring in home-schoolers and in the long-run be a nice option. The negative thing still remains to be the location of the school. As a district administrator he would like to see a charter school that would be equally accessible to all people in the county.

Member Meier asked if they would be taking any more comments at the October meeting? Director Maluk responded that he expects to hear from ODE because a couple of the board members will have changed; which is a concern to him. He has been assured that the new members will be brought up to date and have all of the information. Director Maluk believes there will be a place for some comments. Member Meier asked if he could get more information on the meeting format and provide it to the Board.

*A break was called for at 8:25 PM
The meeting reconvened at 8:33 PM*

Student Services Director Doug Ely present the following policies for the final reading:

- ◇ JHCD Administering Noninjectable Medicines to Students
- ◇ JHCD-AR Administering Noninjectable Medicines to Students
- ◇ JHCDA Administering Injectable Medications to Students

POLICIES—FINAL
READING

Member Meier moved to approve the three policies. Member Crume seconded and the motion carried unanimously.

APPROVED

Keith Schraber/Schraber-Roy Consultants addressed the Board regarding the Lincoln Savage Middle School roofing contract. In 1988 the district hired them as a consultant for roofs instead of hiring an architect. At that time they developed some philosophies for putting roofs on with the district. The Three Rivers School District adopted a policy in 1987 of complying with public contracting laws and installing roofs that comply with the Oregon State Structural Specialty Code.

LINCOLN SAVAGE M.S.
ROOFING CONTRACT

The Model Public Contracting Laws manual mandates that the District's contracting officer shall award the bid or proposal to the lowest responsible bidder or proposer after verifying references, ability to do the job, and receipt of applicable bonding.

The District is required to follow the rules set forth in the Code. The requirements for reroofing stipulate that all of the requirements for a roof must comply with all of the requirements as though it were a new building, except that the roof does not have to be sloped 1/4" per foot, but has to have positive drainage so that water does not stay on the roof more than 48 hours. The following must meet code:

- Existing roofs must be torn off except if you hire a structural engineer to perform calculations showing that installing an additional roof will comply with safety requirements.
- The insulation must be brought up to R-20 at a minimum.
- The drains need to be properly sized.
- The roof must be able to withstand local winds (93 mph minimum), including a safety factor for public buildings.
- The roof must be hail resistant.
- The roof system (all of the roof components) must be fire-rated.
- The sheet metal must be "reconditioned" or replaced.

Since 1987 the District elected to go with roofs with proven performance of 20-plus years. The District has had success with schools such as Madrona and Manzanita where they had roofs installed in the 80's; then in approximately 1998 the roofs were re-surfaced and those two roofs will probably last another 10 years, so those roofs are expected to last about 41 years. The roof that is the District standard is about the second tier in price—there are five tiers. The roofs that were put on the three high schools, the quads at Evergreen, and some at Ft. Vannoy and Fleming would be considered tier three. (Five is the highest quality). Mr. Schraber showed some examples of various qualities of roofing.

Mr. Schraber commented that Three Rivers School District has some of the longest lasting, highest average of years in place service roof systems on any school district in the entire state. Other districts look at what we are doing. We have developed an expectation in this district that roofs should be lasting 40-45 years. Grants Pass School District is also putting the same type of roofs on their schools, as well as other districts in Southern Oregon.

Mr. Schraber stated that one of the things that needs to be discussed tonight is whether or not the District wants to stay with the current program of success.

LINCOLN SAVAGE M.S.
ROOFING CONTRACT
(CONTINUED)

At Lincoln Savage a Request for Proposal was put out to replace the roof. Each contractor was required to provide at least five references of roofs that were on schools that were 20 years old or more. Both of the companies that offered proposals had over ten references. We asked for experience in installing tapered systems for at least five products in schools, and both of them did that. We also asked for the experience in the crew and the experience of the crew with this specific type of roof system.

The possibility of doing an overlay versus full replacement of the roof was discussed at length. An engineering study would need to be done.

Mr. Schraber reported that public contracting laws state that there would be two ways to go back out and get new prices for another kind of roof. The District would still have to go through the advertising process, which takes two weeks; another contract would need to be created and then it would take about a week to get bids in and then take some time for materials to be ordered. The materials for the current roof are currently in place and ready to go, which would enable the roof to get done before school starts. There was an August 26th completion date for doing the tear-off and re-roofing which had a \$500/day penalty for the contractor if he didn't get it done on time which was one of the conditions in the 'Intent to Award' letter.

Mr. Schraber stated that if the Duro-Last roof is the direction the Board wants to go, then the Board would have to reject the offer we currently have from Umpqua Roofing. The Board could take this action if it is in the school district's best interest but there are some caveats: The decision to cancel the offer can't be arbitrary unless the proposal from the contractor to the district is flawed, meaning they made a mistake. The other reason that the Board could turn it down is if it was over the advertised/projected budget, which was not the case. If the Board decides to do that then the protocol is that we exhaust all remedies before we decide not to move forward with their contract. One of the issues would be to determine what the cost to the district would be to return all of the materials (re-stocking fee—typically about 15%).

Mr. Schraber explained that another option for the District is to go back to Umpqua roofing and offer to pay for the engineer study and have them come up and do the calculations to verify another roof can be placed over the top of the existing one; and see if Umpqua is willing to reduce their price on the roof.

Member Crume stated he spoke with Tim Hart at Duro-Last and they have done several roofs around the state. They came to the District with a proposal for a 20-year guaranteed roof on Lincoln Savage for approximately \$108,000; a savings of about \$90,000. Member Crume proposed that they take a couple steps back, get some legal council to find out where we were and possibly table this for a week and take up the issue again at a special board meeting.

Member Meier agreed that if we can potentially save money and have a good quality roof that it is worth looking at. Her issues include getting a legal opinion on whether we can do this and would like to know the impact of not having it done by the start of the school year—while kids are in the building.

Superintendent Huber-Kantola responded that this is a roofing program that we have used for quite a while, and it has been a good roofing program in terms of the quality of roofs and the length of time that they have lasted. We are now at a cross point where we also have the possibility of putting on a different kind of roof that is potentially less expensive to apply than the ones we have been doing in the past. At this point we can take a step back, which will likely mean that some of the roofing will be taking place

while school is in session—which can be done. We will have to get a legal opinion; we will send the attorney the RFP and the Intent and find out where we are at in terms of being able to come back a step and if they say we can do that we would then have to go out to bid for a new type of roof with different specifications.

LINCOLN SAVAGE M.S.
ROOFING CONTRAC
(CONTINUED)

A lengthy discussion followed. Ron Crume moved to table the Umpqua Roofing contract for Lincoln Savage Middle School at this time, with a special Board meeting to be held after we get answers to pertinent questions that were raised. Member Horban seconded and the motion passed unanimously.

ITEM TABLED

Board Chair Lengwin stated that there were additional requests to speak submitted during the break and he would like to give those folks an opportunity to address the Board.

The Schmolls, Moscharts and Ziecks families addressed the Board as a group. Different parents and students spoke and offered strong support of Coach Maria Kilborn. The parents were also disappointed that this issue was being brought up in front of the Board again—and feel that the adult politics going on have no place here and is a big waste of time. The parents want their daughters to have a positive year filled with good memories and just play volleyball.

HEAD VOLLEYBALL
COACHING POSITION AT
NORTH VALLEY HS

Kevin McCaskill stated that he feels he is in the middle of this problem. He started out coaching the girls from North Valley three years ago on the AAU team. All of these girls have played together since fourth grade and they never lost a game during their middle school years, came to North Valley and some bad stuff happened. North Valley corrected the problems. Mr. McCaskill agrees that Coach Kilborn has done nothing wrong. Last year Mr. McCaskill began coaching volleyball at Hidden Valley High School. He admitted that he was investigated by OSAA in regards to recruiting girls to Hidden Valley and coaching girls out of season at Hidden Valley—both of which never happened. For the last three years he has had to deal with all of the parents coming to him and voicing their problems because he goes to all of the North Valley and Hidden valley volleyball games. Mr. McCaskill is sick of dealing with this all the time. There has been way too much time spent on this and a decision needs to be made.

Member Meier commented that sports are important, however she wished there was this much passion and participation about academics, cut budgets, etc. There are two very passionate sides to this story, but the bottom line for her is that the Board addressed this issue in May and a decision was reached by the Board. That should be the end of it unless other things happen. Nothing has changed. If there are new concerns then it should be revisited. There was direction given to the coach and she would like to see what happens.

Member Crume stated that in response to everybody's comments, that he does not know Coach Kilborn, and has never met her. But, there is obviously a problem and that is why the issue continues to come before the Board and the administration. He has seen Ms. Breckner's file on this. He and Member Horban have both received phone calls and e-mails and met with parents. He believes the best decision is to fix the problem and believes that as many parents that were here tonight in favor of Coach Kilborn, there are as many or more that are against her that called who are afraid to come because they are afraid of what the consequences will be for their daughters that are playing. He agrees, the main goal is for the kids and to see the kids play. There is a reason the issue keeps getting brought up and believes the Board needs to make a decision tonight one way or the other.

Member Meier expressed her concern that the people that didn't like the first decision are coming back because it's a new Board. She would like to leave it be and see what

HEAD VOLLEYBALL
COACHING POSITION AT
NORTH VALLEY HS
(CONTINUED)

happens. She agrees, that nobody should be spending this much time on a subject like this. If things aren't better this next season, then the Board should look at again. She doesn't see what's different since the Board made the decision and is not hearing new allegations—just hearing the same things the Board heard originally.

Member Crume stated there have been new allegations. Member Litak stated that none of them have been brought before the Board.

Member Crume moved to dismiss Maria Kilborn, the head volleyball coach at North Valley High School. He feels time is of the essence for the kids on the team and if we are going to find a replacement, it needs to happen now so that it doesn't hurt them for this next season. There was no second—and the motion died.

Member Horban stated he does not understand why it even came to the Board in the first place.

Member Meier responded that typically the District staff would make the decision. The Board would vote on it on the Consent Agenda, but not get into the details. Her understanding is that at the time, there was so much dissention about the situation, and the community was torn about it and there was such big opinions, including two Board members that had differing opinions. It was taking so much time that the administration wanted direction from the Board because they were feeling that they were in the midst of a situation.

Human Resources Director Debbie Breckner added that there had been such time that had passed and in terms of what the right decision is, many administrators weren't able to resolve the issue, so they asked the Board to provide some direction. It is important that if an issue comes up, that we do follow the process, which is to start with the coach, and if not happy, then go to the school. When issues start at the Board level, it is very difficult to get them resolved.

Member Litak stated the Board needs to make a decision and stick with it—but the Board already did that. The Board spent a long time in Executive Session and heard all of the evidence from all sides, looked at the complaints, many of which were filed on the same day many months after the incidents had occurred. They did a survey of parents in the volleyball program and got positive results out of that and the Board made a decision—and now here we are again and it doesn't seem right.

Hidden Valley Principal Dennis Misner stated that every sport and every activity has had this same problem. Some of the parents support the coach, and some of the parents do not support the coach. He feels it's important for Board members to recognize the administrators bend over backwards to find minimal numbers of coaches who frequently are not the very best coaches, because they are willing to serve. If the Board chooses to take away her contract, it will go through the coaching ranks from middle school through high school and they will no longer have confidence in the Board because a hearing was held at the Board level and it was voted upon and was left to the good. Now it's being asked to be changed to removal.

North Valley Principal Jeff Weiss stated that if there are new allegations or concerns that he hopes that they are directed to the Athletic Director Jake Musser, or himself. They have not heard anything new since the Executive Session. Fall camp begins in less than a month. If Coach Kilborn is not retained, typically what will happen is that the people who were supporting Ms. Kilborn are going to retract, which will hurt the students. That decision would also hurt whatever has taken place to broaden not only North Valley volleyball, but North Valley athletics, pride and esteem—which they have

spent a ton of time on. There is also the potential to lose the senior girls, as they may not want to go through a coaching change their senior year. North Valley would like to make it as eventful and positive as they possibly can. Ms. Kilborn had the support of the Superintendent, the Director of Human Resources, the District Athletic Director, the Athletic Director and the Principal of the school. There is an evaluation process that every coach goes through that is mandated by the District and it is a lengthy process where everything is looked at. The recommendation was to re-hire Ms. Kilborn as the head volleyball coach at North Valley. Principal Weiss commented that he feels at times the process has not been followed. There is a chain of command, which starts with the coach and then goes on to others after the fact. For whatever reasons, at times, they have been by-passed at the school level.

HEAD VOLLEYBALL
COACHING POSITION AT
NORTH VALLEY HS
(CONTINUED)

It was agreed by the Board, that Maria Kilborn will be retained as Head Volleyball Coach at North Valley High School.

A break was called for at 10:08
The meeting reconvened at 10:15

Superintendent Huber-Kantola reported that Three Rivers School District has had a relationship with First Student since 1986. We currently have a contract with First Student which expires at the end of next year. Our contract with First Student calls for an increase in what is called the transportation CPI, which is approximately 3%. We have a contract with them that says that they will pay what's called a fuel peg; which means they pay the first \$.75c in diesel per gallon. Superintendent Huber-Kantola stated he went to First Student and told them the District does not want to pay that much, because we can't afford it. If we are making cuts everywhere else, we need to be able to cut in transportation.

FIRST STUDENT TRANS-
PORTATION CONTRACT

One change that was made last year was to change school times by ten minutes. We separated the middle school and the elementary school schedules and by doing that we saved five bus routes . Each bus route is approximately \$50,000. Throughout the course of this year that will reduce First Student's income by \$250,000. That was not enough of a cut so First Student was approached again to see what else they could do for us this year.

If we extend the contract with them (a five-year extension), we would ask:

- To change the fuel peg beginning immediately from \$.75c/gallon to \$1.05/gallon. Every \$.05c is approximately \$10,000, which equals \$30,000 worth of savings.
- Instead of the transportation CPI they would get no increase next year or the following year as well.
- For the subsequent years of the contract we would go back to paying them whatever the CPI rate was supposed to be.
- Currently they donate to us \$100,000 worth of athletic trips—which is important because when you get reimbursed from the state most transportation is reimbursed at 70%, so our net cost is 30% to the District. Athletics is not reimbursable, so we pay the full 100% for that. For 2012-2013 First Student would go from \$100,000 a year to \$125,000 a year in a donation of athletic transportation. (The District currently spends \$125,000 a year in athletic transportation).
- They would also provide a \$5000 a year annual academic scholarship.

Superintendent Huber-Kantola explained how having video cameras on the busses has had a positive impact on behavior and disciplinary issues. So one of the things that First Student would do is update the video systems to go to digital cameras in all of the busses, which will include the Special Education busses which do not have cameras at all

FIRST STUDENT TRANSPORTATION CONTRACT
(CONTINUED)

at this time. First Student will donate the cameras at a cost of about \$80,000.

The caveat with the fuel, is that there have been past discussions about buying fuel in bulk. First Student was asked to donate the fuel tanks (about \$150,000 each) and they are not able to do it at this time. If they get to a point where they could donate the fuel tanks then they would ask us to come back and have renegotiations around the fuel tanks.

Based on the savings, and the fact that we are already locked into a contract it we do not update or make any changes, Superintendent Huber-Kantola recommended that we accept the contract proposal from First Student as presented.

Member Meier stated she appreciates the relationship we have with First Student and the things being offered, but expressed her discomfort with the length of the contract and the fact that it has not been put out to bid. She feels it is a good deal for us, but concerned with public trust.

Superintendent Huber-Kantola responded that there is one other bus company—Durham Busses—that he is aware of.

Member Litak commented that he agrees philosophically that it is not a good practice to continually stay with one contractor, and things should go out for bid. The reality is that we won't get as good of a deal as we have.

First Student Manager Rowdy Bates provided some history on First Student. The contracts have continually been adjusted to meet the needs of the District. Mr. Bates explained how the cameras on the busses have saved the staff a lot of time. In the past you had to rely on student interviews, which was time consuming—and you never knew for sure what really happened. Since the videos, staff members can actually see what has transpired. The cameras have also protected the students in other ways such as drivers doing things they were told not to do. Mr. Bates also commented on what a great job Superintendent Huber-Kantola did on negotiating the contract, in what he was able to do for the district. If the fuel tanks were ever to be purchased for the District, they would be ours to keep, even if our transportation contract were to change to another company.

Federal Programs Director Peter Maluk commented that he deals with the day to day issues with the busses. This is probably the most complex county in the state to transport students. Our busses cover almost 8,000 miles a day. Director Maluk and Mr. Bates have been working together since 2003. With the onset of the cameras, they have been able to nip things in the bud, and get to the truth right away. For the sake of the Schools, parents, and students they have created a system where discipline referrals have gone down, down and down and the relationship between First Student and the schools in general is very solid. The other good thing is that if there is an issue after a couple of warnings with a driver and Mr. Bates is told to pull the driver—he does it.

Member Litak moved to approve the First Student Contract Addendum to extend the contract with First Student to 2017 as outlined. Member Meier seconded.

Member Horban commented that he would like the fuel tank issue pursued as it sounds like it would be a potential cost-saving measure. Director Maluk responded that he can press the issue further with Mark, the Manager. But, it would definitely not be this year, their capital budget was already spoken for. There is a good chance it could take place in 2012-2013.

A vote was called for and the motion passed unanimously.

APPROVED

Jim Bunge stated he had nothing to add to the written report.

MAINTENANCE REPORT

Member Litak asked if we knew why the district experienced a loss of 200 students from June 2010 to June 2011? Superintendent Huber-Kantola responded that it's a loss of about 30 more students than we projected. There is a large percentage of them that leave high school through GED, and some are just anomalies. We lost more students at Evergreen than we typically lose—and we don't know why. There has also been a lot more transient kids the last two years. We still expect a decrease next year. We will have about 400 graduating this year and are projecting 334 kindergarteners next year.

ENROLLMENT REPORT

Superintendent Huber-Kantola stated that in August we do not have a regular Board meeting scheduled as this is typically the time we do an all day Board retreat to set goals, priorities and discuss issues that have come up throughout the year. He suggested that on August 10th we have an opportunity where our attorney Andrea Hungerford is going to be in town and she will be doing an administrative training for the administrators at 10:00. Tentatively she could meet with us as a Board in a workshop setting from 8:00-10:00 AM. The Board agreed it was a good idea, and the date worked for everyone. We will plan to meet the whole day.

OTHER

Adjourn at 10:50 PM

Ron Lengwin
Chairperson of the Board
THREE RIVERS SCHOOL DISTRICT

Dan Huber-Kantola
Superintendent-Clerk
THREE RIVERS SCHOOL DISTRICT