

BOARD MINUTES

May 31, 2012

Called Meeting

CALL TO ORDER:

Be It Remembered that on this May 31, 2012 a Called Meeting of the Crockett County Consolidated Common School District Board of Trustees was called to order at 3:37 pm by Board President Ray Don Myers with a quorum of the following members present: Ray Don Myers, Tom Anderson, Dwight Childress, and David McWilliams. Board members Grizz Medina, Harvey Sanchez, and Roland DeHoyos were not present for the May 31, 2012 Called Meeting of the Board. Also attending were Melissa Perner, Tamara McWilliams, Cynthia Hokit, Annabel Canchde, Bob Popinski, Ray Brown, Dan Pullen, Keith Harmsen, Amanda Jackson, Josh Carty, Chris duBois, and Doris Hood.

APPROVE AGENDA:

A motion by Tom Anderson to approve the agenda for the May 31, 2012 Called Board Meeting as presented was seconded by Dwight Childress and passed 4-0.

RESOLUTION OF SUPPORT FROM SPINNING STAR ENERGY:

Following a discussion of the 'Estimated Financial Impact of the Potential Chapter 313 Project Property Value Limitation Request Submitted to Crockett County Consolidated CSD at \$1.04 M&O Rate', a motion by Tom Anderson to approve the proposed Resolution of Support was seconded by David McWilliams and passed 3-0-1. Dwight Childress abstained from voting.

See Attachment #A

DISTRICT POLICY CCG (LEGAL) AND CCG (LOCAL):

A motion by Ray Don Myers to adopt Board Policy amendments CCG (LEGAL), and CCG (LOCAL) as presented was seconded by Dwight Childress and passed 4-0.

See Attachment #B

NETWORKING UPGRADES:

A motion by David McWilliams to approve the proposed networking upgrades as quoted by CalTech, and presented by Keith Harmsen, was seconded by Ray Don Myers and passed 4-0.

See Attachment #C

EXECUTIVE/ CLOSED SESSION:

Board President Ray Don Myers recessed the May 31, 2012 Called Meeting of the Board for the purpose of entering into Closed Session as authorized by Texas Government Code Chapter 551.

**ACTION FROM
CLOSED SESSION:**

A motion by Tom Anderson to approve the following recommendations as presented by Administration was seconded by Dwight Childress and passed 4-0:

Resignations from: Karrah Iglehart - OES
Nancy Light - OES

A motion by Tom Anderson to approve the following recommendations as presented by Administration was seconded by Dwight Childress and passed 4-0.

Probationary Contracts 2012-2013 employment of:

Rick Fox - Athletic Trainer
Jana Fox - Elementary Teacher
Briana Clark - Elementary Teacher
Ashlee Allen - Elementary Teacher

FUTURE BUSINESS:

June 20, 2012 - 5:30 pm - Budget Workshop
June 20, 2012 - 6:30 pm - Regular Board Meeting
June 23, 2012 - School Board Mini Conference at ESC 15

ADJOURNMENT:

With no further business pending before the Board, a motion by Ray Don Myers to adjourn the May 31, 2012 Called Board Meeting was seconded by Tom Anderson and passed 4-0.

The May 31, 2012 Called Meeting of the Board of Trustees was adjourned at 5:39 pm.

SIGNED:

President of the Board

ATTEST:

Secretary of the Board

TABLE 1. Estimated Financial Impact of the Potential Chapter 313 Project Property Value Limitation Request Submitted to Crockett County Consolidated at \$1.04 M&O Rate

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Savings Value	Assumed M&O Tax Rate	Taxes		Tax Savings @ Projected M&O Rate	Tax Credits for First Two Years Above Limit	Tax Benefit to Company Before Revenue Protection		School District Revenue Losses	Estimated Net Tax Benefits	School District Tax Benefit Lesser of \$100 per ADA or 40%	Company Tax Benefit
						Before Value Limit	Taxes after Value Limit			Revenue	Protection				
Pre-Year 1	2012-13	\$0	\$0	\$0	\$1.040	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	2013-14	\$80,000,000	\$80,000,000	\$0	\$1.040	\$832,000	\$832,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	2014-15	\$76,000,000	\$76,000,000	\$0	\$1.040	\$790,400	\$790,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	2015-16	\$72,200,000	\$20,000,000	\$52,200,000	\$1.040	\$750,880	\$208,000	\$542,880	\$0	\$542,880	\$0	-\$20,437	\$522,443	\$208,977	\$313,466
4	2016-17	\$68,590,000	\$20,000,000	\$48,590,000	\$1.040	\$713,336	\$208,000	\$505,336	\$104,000	\$609,336	\$0	-\$19,023	\$590,313	\$150,173	\$440,139
5	2017-18	\$65,160,500	\$20,000,000	\$45,160,500	\$1.040	\$677,669	\$208,000	\$469,669	\$104,000	\$573,669	\$0	-\$7,508	\$566,162	\$71,830	\$494,332
6	2018-19	\$61,902,475	\$20,000,000	\$41,902,475	\$1.040	\$643,786	\$208,000	\$435,786	\$104,000	\$539,786	\$0	-\$6,732	\$533,053	\$71,830	\$461,223
7	2019-20	\$58,807,351	\$20,000,000	\$38,807,351	\$1.040	\$611,596	\$208,000	\$403,596	\$104,000	\$507,596	\$0	-\$5,998	\$501,599	\$71,830	\$429,769
8	2020-21	\$55,866,984	\$20,000,000	\$35,866,984	\$1.040	\$581,017	\$208,000	\$373,017	\$104,000	\$477,017	\$0	-\$5,301	\$471,716	\$71,830	\$399,886
9	2021-22	\$53,073,635	\$20,000,000	\$33,073,635	\$1.040	\$551,966	\$208,000	\$343,966	\$104,000	\$447,966	\$0	-\$4,640	\$443,325	\$71,830	\$371,495
10	2022-23	\$50,419,953	\$20,000,000	\$30,419,953	\$1.040	\$524,368	\$208,000	\$316,368	\$104,000	\$420,368	\$0	-\$4,014	\$416,353	\$71,830	\$344,523
11	2023-24	\$47,898,955	\$47,898,955	\$0	\$1.040	\$498,149	\$498,149	\$0	\$478,400	\$478,400	\$0	\$0	\$478,400	\$71,830	\$406,570
12	2024-25	\$45,504,007	\$45,504,007	\$0	\$1.040	\$473,242	\$473,242	\$0	\$0	\$0	\$0	\$0	\$0	\$71,830	-\$71,830
13	2025-26	\$43,228,807	\$43,228,807	\$0	\$1.040	\$449,580	\$449,580	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	2026-27	\$41,067,367	\$41,067,367	\$0	\$1.040	\$427,101	\$427,101	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	2027-28	\$39,013,998	\$39,013,998	\$0	\$1.040	\$405,746	\$405,746	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
						\$8,930,834	\$5,540,217	\$3,390,617	\$1,206,400	\$4,597,017		-\$73,654	\$4,523,364	\$933,791	\$3,589,572

Tax Credit for Value Over Limit in First 2 Years

Year 1	Year 2	Max Credits
\$624,000	\$582,400	\$1,206,400
Credits Earned		\$1,206,400
Credits Paid		<u>\$1,206,400</u>
Excess Credits Unpaid		\$0

CROCKETT COUNTY CONSOLIDATED CSD
053001
LOCAL REVENUE SOURCES:
AD VALOREM TAXES

CCG
(LOCAL)

TEXAS ECONOMIC
DEVELOPMENT ACT

PURPOSE

This policy outlines the procedures to be used by this District for filing, acceptance, and review of Applications made under the Texas Economic Development Act, set forth in Chapter 313, Texas Tax Code. It shall also provide for procedures for the Board to consider amendments to, and where necessary, provide for enforcement of Agreements made by the District under the Texas Economic Development Act, set forth in Chapter 313, Texas Tax Code.

DEFINITIONS

As used in this policy, the following phrases, words, and terms, when used in this section, shall have the following meanings, unless the context clearly indicates otherwise:

"Act" means the Texas Economic Development Act as set forth in Chapter 313, Texas Tax Code.

"Agreement" means a written contract between the District and an Applicant which creates, implements, and governs the terms of a limitation on the appraised value for school district maintenance and operations ad valorem property tax purposes on an entity's qualified property, as provided by Tax Code, Chapter 313 which is consistent with the requirements of Tex. Tax Code § 313.027(d).

"Applicant" means a business entity, including an "affiliated group" that is subject to taxation under Texas Tax Code, § 171.001, which has applied to the District for a limitation on the appraised value of qualified property in a reinvestment zone under the Texas Economic Development Act.

"Application" means the Application For Appraised Value Limitation on Qualified Property adopted by the Comptroller at 34 Texas Administrative Code § 9.1052, together with its supporting schedules and documentation. The term Application shall also include any Application Amendment or Application Supplement filed by the Applicant.

"Application Fee" means the nonrefundable Application Fee to be paid by an Applicant to the District, determined in accordance

with this Policy, to cover the District's costs incurred in the processing and consideration of the Application.

"Application Review Period" means the period of time during which the Board is required to consider the Application. The Application review period begins on the day the Application is filed with the District, and expires on the 151st day after the Application is filed with the District, unless the Application Review Period is extended by Board action taken prior to the expiration of the Application Review Period, in which case the Application Review Period shall include any such extension.

"Application Review Start Date" means the later date of either the date on which the District issues its written notice that an Applicant has submitted a completed Application or the date on which the Comptroller issues its written notice that an applicant has submitted a completed application.

"Appraisal District" means each appraisal district that appraises property proposed to be subject to a limitation on appraised value.

"Board" shall mean the Board of Trustees of the Crockett County Consolidated County School District.

"Comptroller" shall mean the Comptroller of Public Accounts of the State of Texas.

"Comptroller's Rules" means those rules adopted by the Comptroller which are set forth at 34 Texas Administrative Code, Subchapter F.

"Deferral" means a forward adjustment of the date upon which the Qualifying Time Period, defined by Tex. Tax Code § 313.021(4), begins.

"District" shall mean the Crockett County Consolidated County School District.

"Substantive Document" means a document or other information or data in electronic media which includes or transmits information or data significant to an Application, the evaluation or consideration of such application, or the Agreement or implementation of such Agreement for limitation of appraised value pursuant to Tax Code, Chapter 313. The term includes, but is not limited to, any application requesting a limitation on appraised value and any amendments or supplements, any economic impact evaluation made in connection with an

application, any agreement between applicant and the school district and any subsequent amendments or assignments, any school district written finding or report filed with the comptroller as required under this subchapter, and any application requesting school tax credits under Tax Code, §313.103.

FILING OF THE APPLICATION

Three (3) copies of every Application filed under this policy shall be filed by the Applicant with the Superintendent. The Superintendent shall acknowledge the date of the receipt of the Application and Application Fee in writing.

AMENDING APPLICATION

An Application may be amended by Applicant at any time prior to final action on the Application by the Board. In the event that an Amended Application is filed within sixty (60) days of the end of the Application Review Period, the Application Review Period shall, by operation of this Policy, automatically be extended to the sixty-first day after the date upon which the last Amended Application was filed.

Applications shall be considered for final approval by the Board only after receipt by the District of the Application Fee established by the Board, and after the completion of the economic and the school facilities impact analyses required by the Act.

Upon receipt of any amended Application or supplemental information, the Superintendent shall, after review, forward such material the Comptroller and to each applicable Appraisal District.

Applications submitted without the Application Fee shall be held by the Superintendent until satisfactory arrangements for the payment of the Application Fee have been made. The Superintendent's determination of whether satisfactory arrangements for the payment of the Application Fee have been made shall be final.

The actual Application submitted to the District will not be considered to be public information by the Board of Trustees until eight (8) days before the date of the Public Hearing held under this Policy. At that time information submitted to the District in connection with the Application shall be presumed to be public information unless the Applicant clearly identifies such as confidential or proprietary information prior to its release.

STANDARD APPLICATION FEE

The Standard Application Fee is Seventy-Five Thousand Dollars (\$75,000.00) The Standard Application Fee is not refundable except:

1. For large project fees after the initial tender as set forth below; or,
2. In the event the Application is denied after an Initial Board Review, as defined below.

The Standard Application Fee does not include any amount charged by the Comptroller's Office for its economic impact study, if such a fee is charged.

LARGE
PROJECT APPLICATION
FEE

For each Application for an appraised value limitation on qualified property where the qualified investment exceeds Three Hundred Million Dollars (\$300,000,000.00), the Board may in its discretion set a higher Application Fee than the Standard Application Fee, if in the opinion of the Board, an analysis of the Application is of such complexity so as to require a higher fee. An Applicant proposing a qualified investment in excess of Three Hundred Million Dollars (\$300,000,000.00) in value shall initially tender an Application Fee of Seventy-Five Thousand Dollars (\$75,000.00). In the event that the Board sets a higher fee, the Applicant shall be entitled to withdraw its Application and its Application Fee if the Applicant disagrees with the higher fee set by the Board.

PROCESSING
THE
APPLICATION

Upon receipt of the Application and the Application Fee, the Superintendent shall take the following actions:

1. Accept the filing of the Application, and send written confirmation of the Application and Application Fee to the Applicant.
2. Identify appropriate consultants to assist the Board in completing the Application review process and schedule Board action to retain such consultants.
3. Review the Application, including Schedules A-D for completeness and, where necessary, require the Applicant to submit additional and/or supplementary information, including the completion of all schedules required by the Comptroller's Rules.
4. Schedule Board consideration of the Application for Initial Board Review, as set forth below, at the first available board meeting for which notice can be posted in accordance with the Texas Open Government Act.

5. After the Initial Board Review, determine the Application's sufficiency; and if the Application is incomplete, direct the Applicant to immediately correct any deficiencies. Once the a completed Application has been received, file one original hard copy of the completed, Application and: all required schedules and documentation; proof of payment of the Application Fee; and written notice certifying the Application Review Start Date in a three ring binder with tabs separating each section of the documents submitted, and an additional electronically digitized copy formatted in searchable pdf format to the Comptroller, with electronic copies to the Applicant and the Appraisal District. Such notice shall include:
 - (A) the date on which the application was received;
 - (B) the date on which the governing body elected to consider the application;
 - (C) the date on which the school district determined that applicant has submitted a completed application;
 - (D) a request that the Comptroller to provide an economic impact evaluation;
 - (E) all other information relating to the Application's consideration which have been prepared by the District's consultants to meet the requirements of 34 Tex. Admin Code § 9.1054.
6. Accept on behalf of the Board, any amendments or supplements submitted by Applicant, and transmit copies to the Comptroller.
7. Within twenty (20) days of the receipt of a request from the Comptroller, forward any Amended or Supplemental Application, or any other information necessary to complete the Comptroller's Application recommendation, or economic impact study to the Comptroller and the Appraisal District.
8. Direct the District's internet webmaster to create a link on the District's website to the location on the Texas Comptroller's website where copies of Economic Development Act applications are posted.

9. Ensure that the Applicant and the District's consultants conduct all required analyses to properly protect the District's financial interests; and provide all required supplemental information necessary to assist the Comptroller's and Texas Education Agency staffs in the analyses required by the Act and the Comptroller's Rules.
10. Not later than one hundred fifty-one (151) days after the Application Review Start Date, present to the Board an Agreement for final approval or a request for an extension of the Application Review Period from the Applicant.
11. In the event the Board approves an extension of time for final action of the Application, forward a notice of the Board's Action on the extension within seven (7) days of such action to the Comptroller, Applicant, and Appraisal District.
12. Ensure that, at least 10 days prior to the meeting at which the Board is scheduled to consider final approval of an Agreement, that the District and the Comptroller are provided draft Agreement copies of such Agreement.
13. Ensure that upon the completion of Board action, if any, on the Application, all required information is transmitted to the Comptroller, Applicant, and Appraisal District.
14. Ensure that the Applicant makes all required post-approval submissions to the Comptroller and the District within the required deadlines.

INITIAL BOARD
REVIEW

Following the filing of an Application, at the first available board meeting for which notice can be posted in accordance with the Texas Open Government Act, the Board should conduct an Initial Review of the Application. At the Initial Review, the Board may consider either a written or oral presentations concerning the Application.

If, after conducting the Initial Review, it is the opinion of the Board that the Application is not in the best interests of the District, the Application shall be rejected. In the event of a rejection by the Board at its Initial Review, the Application Fee shall be returned in full to the Applicant. If the Board elects to consider the

Application, the Superintendent shall continue to process the Application as set forth herein.

In the event that the Board decides to proceed with a full consideration of the Application and the qualified investment in the Application exceeds Three Hundred Million Dollars (\$300,000,000.00), the Board shall set of an appropriate Large Project Application Fee.

Once the Board has accepted an Application for consideration after Initial Board review, the Superintendent is expressly delegated the authority to accept on behalf of the Board and the District any Amended or Supplemental Application submitted by the Applicant for the same project.

CONSULTING SERVICES

Upon retention by the Board, the District's consultants shall review the Application to ensure that all information required to be submitted by the Comptroller's Rules has been properly provided in the Application documents, and in any other reports required by 34 Tex. Admin. Code § 9.1054. The consultants shall simultaneously begin an analysis of the impact on District finances, any legal implications of the Application, and development of an appropriate revenue protection agreement, and when the reports become available, the studies from both the Comptroller's Office and the Texas Education Agency.

The consultants shall be paid for their services from the Application Fee. The consultants will complete their analysis within sufficient time to be considered by the Board in its final determination on the Application.

PUBLIC HEARING

The Board's final determination of the Application shall be made only after a Public Hearing at which the Superintendent, the District's consultants, the Applicant, and members of the public shall have a reasonable opportunity to present their views on the proposed Application prior to the Board taking final action on the Application.

The Comptroller's Recommendation shall be publicly disclosed at such public hearing. Such Public Hearing shall be scheduled at such a time so as to enable the Board to approve or disapprove an Application before the 151st day, unless an extension of this deadline has been previously granted by the Board.

In the event that the Comptroller has recommended to the Board that the Application not be approved, no action may be taken by the Board to approve such Application on the date of the Public Hearing. Board consideration of the Application cannot occur

until a subsequent meeting date. If the Comptroller has recommended approval of the Application, final Board action may occur on the same date as the Public Hearing.

Prior to final approval of an Agreement, the Board shall deliberate and adopt such findings of fact regarding the Application as are required by law, including but not limited to findings:

(1.) as to each criterion listed in Tax Code, §313.026;

(2.) as to the criteria required by Tax Code, §313.025(f-1) if applicable;

(3.) that the information in the application is true and correct;

(4.) that Applicant is eligible for the limitation on the appraised value of the entity's qualified property; and,

(5.) making a determination that granting the application is in the best interest of the school district and this State.

ADOPTION OF AGREEMENT

At a meeting held after the Public Hearing, the Board shall also consider and adopt an Agreement with the Applicant. Such Agreement must provide for protection from and/or compensation for any financial risks undertaken by the District in accepting the Application.

In the event that the Comptroller has recommended to the Board that the Application not be approved, the motion to approve such Agreement must be adopted by at least two-thirds of the voting Board members in order to become effective. In the event that the Comptroller has recommended to the Board that the Application be approved, the motion to approve such Agreement must be adopted by a majority of the voting Board members in order to become effective.

SUBSTANTIVE DOCUMENTS

Unless claimed by Applicant to be confidential, all sections of any Application; after presentation to the Board, all reports presented to the Board by its consultants; all resolutions, findings of fact, Agreements, or any other document adopted by the Board shall be considered to be a Substantive Document as defined in this Policy and shall be available for public inspection. All such documents required by Comptroller's Rule or by State law to be filed with the State of Texas shall be transmitted within seven (7) days of adoption.

APPLICANT'S
CLAIMS OF
INFORMATION
CONFIDENTIALITY

At the time that applicant submits its Application, or any amendment or supplement thereto, Applicant may request that all or parts of such document not be posted on the internet and not otherwise be publicly released. In order to make such request, applicant shall submit a written request that:

(1) specifically lists each document or portion of document and each entry in any form prescribed by the comptroller that applicant contends is confidential; and

(2) identifies specific detailed reasons stating why applicant believes each item listed should be considered confidential and identifies any relevant legal authority in support of the request;

(3) segregates the documents which are subject to the request from the other documents submitted with the Application that are not subject to the request; and.

(4) clearly designates each document subject to the request as "confidential."

WAIVER OF JOBS
REQUIREMENT

At the time of the original Application, or at any other time during the course of a Chapter 313 Agreement, the Board may waive the new jobs creation requirement in Tex. Tax Code §§ 313.021(2)(A)(iv)(b) or 313.051(b) and approve an Application if the Board makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility that is described in the Application.

In the event that Applicant seeks a job waiver, Applicant must submit to the District as a part of an Application, or an Amended Application, a separated and clearly marked set of documentation on which Applicant intends to rely that demonstrates that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility by Applicant.

In the event that such request is made at a time other than at the time of the Original Application, the Board may charge the Applicant a fee to cover the costs of any consultants required by the Board reviewing the request and in making the requisite findings.

ENFORCEMENT
PROCEEDINGS

In the event that the Superintendent determines that the Applicant has committed a material breach of this Agreement, the Superintendent shall provide the Applicant with a written notice of the facts which the Superintendent believes have caused the material breach of this Agreement, and if cure is possible, the cure proposed by the District.

Not later than the 60th day after sending such notice, the Superintendent shall schedule a Board Hearing on the matter at which the Applicant shall be given the opportunity to present any facts or arguments to the Board showing that it is not in material breach of its obligations under the Agreement, or that it has cured or undertaken to cure any such material breach.

After hearing from both sides, the Board shall make findings as to whether or not a material breach of this Agreement has occurred, the date such breach occurred, if any, and whether or not any such breach has been cured. After making its determination regarding any alleged breach, the Board of Trustees shall cause the Applicant to be notified in writing of its determination.

In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it may commence enforcement proceedings

APPLICANT'S
REPORTING
OBLIGATIONS

During the course of its Chapter 313 Agreement with the District, the Applicant shall timely make any and all reports which are or may be required under the provisions of law or administrative regulation, including, but not limited to, the Comptroller's Annual Eligibility Report (Form 50-772); and Biennial Progress Report (Form 50-773 which may be required to be submitted by the Applicant to the Texas Comptroller of Public Accounts under the provisions of Tex. Tax Code § 313.032. Applicant shall forward a copy of all such required reports or certifications to the District contemporaneously with the filing thereof. The obligation to make all such required filings shall be a material obligation under this Agreement.

DISTRICT'S REPORTING
OBLIGATIONS

If the Comptroller requests information reasonably necessary to complete the recommendation or economic impact evaluations, the Superintendent shall provide the requested information within twenty (20) working days from the date of request. The Superintendent may request for an extension of time to provide the additional information to the Comptroller. This request of time cannot exceed ten (10) working days.

SUPERINTENDENT'S

During the term of any Agreement the Superintendent shall

RESPONSIBILITIES/
DELEGATION

ensure that all reporting requirements under Chapter 313 are being met in a timely fashion by both the District and the Applicant. The Superintendent is authorized to delegate this function to outside consultants; however any fees for the consultants should be reimbursed by Applicant to the District.

PUBLIC ACCESS TO
INFORMATION

The Superintendent shall provide a copy of the economic impact evaluation and the facilities impact study to the Applicant and the District's Consultants upon receipt thereof.

TAX
CREDIT
ELIGIBILITY

Applicants meeting all requirements in Tax Code Chapter 313 and the Agreement become eligible to receive tax credits under the provisions of Tax Code Chapter 313, Subchapter D. The District will begin the processing of Applicant's Tax Credit request following the payment by Applicant of all ad valorem taxes due to the District of taxes levied in each year of the Qualifying Time Period as defined by Tex. Tax Code §313.021(4)

TAX CREDIT
APPLICATION
REQUIREMENTS

Applicants seeking tax credits under the provisions of Tax Code Chapter 313, Subchapter D must file with the District a completed Comptroller's tax credit application form signed by the Applicant. The submission shall not be earlier than the date the property taxes are paid for the last year of the qualifying time period. The Comptroller's form shall be accompanied by a tax receipt from the collector of taxes for the school district showing full payment of school district ad valorem taxes on the qualified property for each year of the Qualifying Time Period.

APPLICANT TO PROVIDE
INFORMATION
UPDATES

Applicant shall keep the District updated with any changes in the following information:

(1.) changes of the authorized representative(s);

(2.) changes to the location and contact information for the approved applicant including all members of the combined group participating in the limitation agreement;

(3.) copies of any assignments of the Agreement and contact information for authorized representative(s) of any assignees.

CCCCSD Board:

May 31, 2012

Our current main technology infrastructure has been in place with very little change since before I came to the district 6 years ago. Over the last 4 years since I have been the Technology Director for CCCCSD I have been concerned about the aging switches and connections in our buildings, especially in regard to the OHS Main Building and the OHS Heritage Building. The main switch in our main wiring area above the OHS Library has far outlived its projected useful life. It connects the incoming traffic and distributes it through fiber optic cable to the outlying buildings. I have been afraid of it failing for the last couple of years. This fear was intensified earlier this year when we experienced many outages at OHS and Heritage building, including losing packets on the phone lines, loss of connectivity, and very slow network traffic.

Mr. duBois and I have discussed at length upgrading our infrastructure at the main wiring closet at OHS and the wiring closets at OSH Main Building, OHS Heritage Building, and OMS to match the speed and connectivity at OES, plus fixing some of the problems we have had with the wireless connections of the devices at OHS Main and Heritage building. I have worked with CalTech, our technology support company, and have discussed at length what it would take to get us not only up-to-date, but to go forward into the future.

Here is the quote for the total project submitted by CalTech:

Description	Qty	Price	Total
Cisco Equipment from Synetra	1	110,000.00	110,000.00
Dell PE R510 Server for HS Library	1	7,000.00	7,000.00
Dell PE R510 Server for ES MDF	1	7,000.00	7,000.00
Microsoft Data Center Licenses	2	500.00	1,000.00
Upgrade Fiber to Heritage & HS	1	20,000.00	20,000.00
Labor & Travel	1	30,000.00	30,000.00
Project Total			175,000.00

Included in the project is replacing the main district switch which includes the fiber connections to the buildings in the district, upgrading the speed of our connectivity from 1 gigabit to 10 gigabit, and replacing all the switches in the wiring closets at OHS Main Building, OHS Heritage Building, and OMS with 10 gigabit switches. This will allow all campuses to connect at 10 gigabit speeds, 10 times the current speed. We will also install two new servers, one to be placed at OHS and one to be placed at OES. These servers will allow us to update our current servers from Windows Server 2003 to the latest Windows server software. These servers would be used for streamlining our software and providing better service to our buildings, including network printing and better video service. They will also be used to enhance our backup system, currently we backup to a 1 terabyte external hard drive at OES. This extra space will allow us to do a safer and better job of backing up and restoring data, right now we only keep backups for about a week.

Also included is running new fiber from the OHS Library to both OHS locations, the Main Building and the Heritage Building. The existing fiber will not support the new speed we are proposing to push to OHS Main and OHS Heritage building. Evidently this fiber was the first installed, because the existing fiber to OES and OMS was installed later and will support the higher speeds.

In doing this upgrade we are also looking forward to the next step in the process, providing wireless connectivity to our students and teachers throughout the community. This new setup is robust enough to support the existing traffic and the planned wireless traffic, not only now but also in going into the future. We will continue making plans to implement that wireless project, but I would feel far more confident about it working well with the new infrastructure.

In order to fund the project we would use QSCB funds made available at the last board meeting. The project would not need to go through an RFP or competitive bid process for CalTech to do the work, and the company providing the hardware is a DIR vendor, so the hardware will not need to be quoted competitively.

Thank you for your consideration.

Keith Harmsen
Technology Director