

Three Rivers School Board of Directors met for a regular session, Monday, November 14, 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 PRESENT
Leslie Meier, Vice-Chairperson of the Board, Zone III
Ron Crume, Member of the Board, Zone IV
Debbie Breckner, Director of Human Resources
Doug Ely, Director of Student Services
Peter Maluk, Director of Elementary Education

ABSENT: Bob Litak, Member of the Board, Zone I ABSENT

Also Present: Kylie McElheran, Tayler Childers, Phil Biencourt, Helene Bisnaire, Samantha Osborne, Van Grainger, Wensdae Davis, Harmony Eden, Rebecca Geier, Kathy Kali, Richard Ziff/Woodland Charter School, Scott Herd, State Representative Wally Hicks, Pater Gauss, Michelle LaFave, Jesse McNamara, Juliette Hedgecock, Asa Mountain, Michael Morris/Sodexo Food Service Director, Stacey Denton/Woodland Charter School, Dave Bracken/Aramark, Gary Hofstetter/Aramark, Patti Richter/The Daily Courier, Doug Witt, Shelby Stevens, Dave Marks, Ryan Melnychuk, Neil DeForrest, Andrea McLaughn, Sally Clements, Eric Buer, Peter Montague, Madrone Eyebright, Corbin Brashear, Shane Jimerfield, Allie Jones, Jono Brock, Hailey Colangeli, Michael LaFlemme, River Berquist, Ma H Stern, Robin Gossett and Shelly Quick/Recording Secretary. ALSO PRESENT

Board Chair Ron Lengwin called the meeting to order at 7:10 PM and led the audience in the Pledge of Allegiance. CALL TO ORDER

Superintendent Huber-Kantola provided a follow-up to the Sustainability Meeting that was held on November 9th. The top ten long-term sustainability suggestions were ranked by the 51 people in attendance. 1=Very Interested to 4=Not interested: SUPERINTENDENT'S REPORT

- Continue to enhance On-Line options—1.6
- Corporate sponsors for items like computer labs—1.7
- Technical / Vocational school—1.8
- Local Options Tax—1.9
- Sell / lease / develop surplus property—2.0
- Consolidate Jerome Prairie into other schools—2.1
- Investigate merging districts—2.4
- Advertise to bring people into the district—2.6
- Reconfigure three Illinois valley schools into two—3.0

Superintendent Huber-Kantola then provided information that was requested at the October meeting. In regards to the consolidation of Jerome Prairie into other schools (rough estimates):

- Approximately 61 students would switch from Hidden Valley to North Valley attendance area—largely due to Riverbanks Road. The Jerome Prairie students would go to Ft. Vannoy, Madrona and Fruitdale. Also the

SUPERINTENDENT'S
REPORT (CONTINUED)

students on N. Applegate Road and Highway 238 would all go to Applegate School. This change could happen regardless of what happens with Jerome Prairie.

- There would be substantially fewer blended classes. Right now Madrona is an entirely blended-class school. We would have only 2-3 blended classes throughout the District, other than Williams, if the consolidation were to take place.
- Director Maluk is working with First Student to identify changes in transportation costs. It appears to be cost-neutral.
- Estimated savings:
 - ◊ 3 Teachers \$150,000
 - ◊ 1 Office Manager \$ 30,000
 - ◊ 1 Custodian \$ 30,000

The other thing that was looked at by Director Ely was Special Education. Right now the ESD does not run our severely handicapped population programs—which they do in Medford, Eagle Point and some other districts. We compared the cost of the STEPS program run by the ESD with what we currently pay for those programs and it was easily \$5,000 less per student to be in our program than to participate in the ESD program. It is already \$350,000 less to serve those students ourselves that to contract with the ESD, so there is no reason to study that any further.

STATE REPRESENTATIVE
WALLY HICKS

Oregon State Representative Wally Hicks commended the Board for their work on behalf of the community. He thanked the parents in attendance for showing their concern for their children's education. Studies have proven that a child is likely to go much farther in their education if parents take a direct interest.

Representative Hicks stated that the Legislature has a direct and important hand in shaping educational policy and the educational budget. He has also found that it has a large-level impact on what seems unrelated, but something he will cover, which is health care reform. Representative Hicks stated that this year the legislature had a historic session, through bi-partisan cooperation and negotiation the Legislature is on track to have arguably the most successful session on education reform in decades. The Legislature worked with the Governor to find common ground and to allow important policies to advance throughout the process. Throughout the session, both Republicans and Democrats remain committed to giving kids better educational opportunities and choices to meet their unique learning needs. He then reviewed the 23 House and Senate bills related to education.

Representative Hicks commented that the education budget shrank from approximately \$5.8 billion in the last two-year cycle to \$5.7 billion. \$25 million was reallocated statewide to the school districts and gave a breakdown as to where it went. Three Rivers School District received an average ADMw amount of \$6,664 per student. The \$25 million that was reallocated had an impact of an additional \$553,242 to Three Rivers School District. By comparison, Grant Pass School District 7 has an ADMw per student amount of \$6,265—nearly \$400 more per student to Three Rivers than Grants Pass. He commented that the unique fiscal requirements of Three Rivers are such that it costs a little bit more to educate the students here.

Representative Hicks added that the Legislature undertook massive reform in regards to health care in this last session. The Federal government has rendered a lot of new requirements under it's Health Care Reform Act that the State needs to comply with. They implemented most of what the Federal government has required and the implications for that to the District are very difficult to forecast at this time. The intent is that health care costs will go down over time as the provisions of the law are implemented.

Member Meier asked for clarification for the differences in the ADMw funding formulas between the districts. Superintendent Huber-Kantola responded that the biggest difference between District 7 and Three Rivers when it comes to the total weight is the seventy percent transportation reimbursement. Transportation for us is about a \$4.3 million cost and we are reimbursed 70% of that; for Grants Pass their transportation expense is about \$1.6 million, and they get 70% of that. Member Meier commented to Representative Hicks that it is a bit misleading, because the 30% that is not reimbursed makes us start out with a lower per student amount that we can spend on education. Superintendent Huber-Kantola stated that is correct in that if you take the two figures after the reimbursement, at Grants Pass School District it costs them approximately \$500,000 out of their general fund to pay for transportation (their 30%); our 30% is approximately \$1.3 million - so we are \$700,000 behind just in getting the kids to the door.

STATE REPRESENTATIVE WALLY HICKS

Superintendent Huber-Kantola added that the Legislature also passed a bill that allowed districts that are remote and have small schools if they are more than eight miles away from any other school in the district, they get extra funds. We did get extra funds this year based on that bill because of where Applegate is in relationship to Williams Elementary. We think it could be as much as \$250,000 to the district.

Representative Hicks added that in regards to the No Child Left Behind (NCLB) Act, which was implemented by the Federal government, the District has many requirements that it must abide in order to get an additional 5-8% of it's annual funding which is tied to benchmarks and standardized testing. The State has applied for a waiver of the NCLB Act to go back to the pre-2001 status so certain funds, such as Title I, would not be tied to the District's adherence to the NCLB Act. There is a move at the Federal level to substantially change the NCLB Act.

District Accountant Lisa Cross reported that the estimated ending fund balance for this year is \$1.8 million, and explained some of the factors that are making it larger than what was budgeted. Ms. Cross added that the remote school funding was an additional \$320,000.

FINANCIAL REPORTS

Member Meier moved to approve the Consent Agenda as presented. Member Horban seconded and the motion passed unanimously.

CONSENT AGENDA APPROVED

The topic of the North Valley High School Exercise Equipment (9A) was moved to this portion of the agenda to allow the students to go ahead and present, so they can get home to their studies.

NVHS ADULT EXERCISE EQUIPMENT

North Valley High School (NVHS) student and ASB President Ryan Melnychuk thanked the Board for the opportunity to speak to them tonight. Members of the Leadership class presented pictures of the adult exercise equipment which is positioned on lawn area at the front entrance of the high school to the Board. Ryan stated that the idea of the playground was first presented to the Leadership class back in 2009. It was pitched to them as a resource for the community and the students to use. They were told to picture people coming to North Valley every day of the week to use the equipment; a concept they found hard to grasp mainly because the gates are locked on the weekends and a visitor's pass is required to work out during the day. The purpose behind it was great; battling childhood obesity and getting kids active during the school day. Unfortunately it was a unanimous decision for the Leadership class to provide no financial support for the foreign exercise equipment. They did take the time to explain why they were not in support and share their concerns if the idea was put into action. Leadership provided other alternative ideas. After Leadership's critical opinion, the equipment was still purchased with support from grants, the North Valley boosters and the North Valley District account. The equipment was then placed on the NVHS front lawn. The way it was acquired was with little or no opinion from the students or staff at North Valley and the location was not approved. Ryan commented

NVHS ADULT EXERCISE
EQUIPMENT (CONTINUED)

that since the day it was placed it was not popular. The first week the students were encouraged to experiment with it in hopes of sparking interest—but no luck. What happened is what Leadership feared most—it became a school mockery; an embarrassment to many of the students. As an example, when traveling sports teams would come to North Valley the first thing that they would see is the nine large pieces of oversized playground exercise equipment. Ryan stated that in his four years at North Valley he has never once seen anyone take the equipment seriously, and as of right now it has turned in to a \$15,000 bench for students waiting for the bus or a table to eat their lunch and as of just recently a hazard to students attempting to use the equipment improperly resulting in serious injury. Ryan added that he has had the opportunity to speak with some of his fellow students. They don't feel that it is being used in the way it was intended and has become an eyesore to anyone who pulls up the North Valley driveway. As a school they are working to establish a solution, some of which include moving the equipment to a more suitable place for the public to take advantage of. Local parks have been discussed as well as other neighboring schools within Three Rivers School District. If that is not possible they have also discussed moving the nine stations of equipment to a more desirable part of the school. Ryan thanked the Board for their input and support in this matter.

Ryan added that the cost on the equipment was \$7,521 for the equipment itself and the shipping from Turkey was almost equal to that coming to a total cost of \$15,000. The equipment was first spotted in Turkey and was extremely popular in their culture, and was thought it would fit perfectly here; but the students and staff did not quite agree. It was \$154 for the trucking company to move it from the Medford Airport to North Valley and was \$475 for customs overseas. North Valley Boosters donated \$1,000, Manzanita donated \$1,000 for two pieces of equipment which they then bought back as it was too big for their students. The equipment was installed by Cliff Woodruff Construction at a cost of \$1,800. The equipment was paid for by \$1,000 from Boosters, \$4,000 from the West Family Foundation grant and \$10,000 from the North Valley discretionary account.

The original idea, which was the intended use by the community, as well as the students as outlined in the West Family grant, just isn't logistically possible due to the locked gates in the evenings and weekends and the fact that North Valley is not an open campus—a visitor's pass is required by anyone on the campus. They have discussed moving it to many of the local parks, because in the grant it does emphasize 'community'.

Leadership student Kylie McElheran shared a newspaper article that was written when the equipment was first installed. It was encouraged for the community, students and staff members to use. Students and staff members do not use it—it is just not popular. The community cannot use it because of security issues (a visitor pass is needed), as well as being intimidating. They do not want to come across as bitter—or not taking the issue seriously, as they realize what it was put in for and realize that it is not being used for that purpose.

Member Meier asked who approved the original installation of this equipment and how was the decision made? Superintendent Huber-Kantola responded that it was recommended by the principal at the time. The original purpose was the growing concern over child obesity and the principal at that time had seen kids and adults being fairly active in Europe on that type of equipment.

Member Meier asked how much use the equipment is currently getting? One of the Leadership students responded that there are no actual statistics; all they have to go by is their visual observations.

Member Meier asked if the North Valley administration agrees with the perception that it

is not being utilized? Superintendent Huber-Kantola responded that they agree and are supportive of the Leadership class.

NVHS ADULT EXERCISE
EQUIPMENT
(CONTINUED)

Member Meier then asked what the cost would be to relocate the equipment? Ryan responded that the initial installation was \$1,800 and they have approached their Landscaping class to see if they would participate as a class in moving the equipment to a more desirable location for the community and students.

Member Meier commented that the Leadership students did a great job with their presentation. She does not have any problem with the idea of the equipment being moved to a place where it can be utilized as it was intended and be accessible to the community and not be an embarrassment to the students at the school. Given our fiscal situation she wants to make sure there is no cost to the District other than if there are school funds that they wish to use in that way.

Leadership Advisor Neil DeForrest commented that his students have done a great job and provided an accurate portrayal of what has occurred with the equipment. Initially it was a great idea—it just hasn't worked out as intended. The students do not use it; they just sit on it to wait for the buses. As recently as last week a student was doing flips on it and cracked his head open. It is not used the way it was set-up to be used. Mr. DeForrest has discussed the option of moving the equipment to Fleming Middle School with Principal John George. Mr. George is willing to discuss it with his Site Council.

Member Meier asked if there were any stipulations in the grant that would prohibit us from moving the equipment? Superintendent Huber-Kantola responded that there was nothing that he was aware of; especially if the equipment was to be kept on our school grounds within our district. He supports what the students are asking for, if they are willing to raise the funds to have it moved to a different location—which would be appropriate. What he sees is middle school kids who will use the equipment while ball games are taking place and they seem to enjoy using the equipment.

The Leadership students stated that the goal is to get the equipment to a place where the community and students will benefit. It's a great idea - but where it is located right now is not working.

Member Crume asked if we had a location to store the equipment for a period of time? This would enable the students to get the equipment out of the front of the school. Would like to make it possible for the students to take it down and move it to a location until they come up with a plan to relocate the equipment. Dave Bracken responded that the equipment is attached to concrete foundation, but it can be pulled out and the equipment could possibly be stored behind the school in the compound. The concrete will remain, but it is sub-ground level so it can be covered with dirt and won't interfere with anything.

Member Meier made a motion that the Leadership class make a plan to move the equipment to be utilized as to how it was originally intended and a plan for how the Leadership class will address how the cost of moving it will be covered. The leadership class was asked to report back to the Board in February. Member Horban seconded the motion. Member Horban also recommended that the Leadership class check out how the equipment is set up at Allen Dale Elementary and see how it is utilized and also contact some contractors to see if they are willing to offer their services for pouring the concrete forms again, and double-check to see if there was any type of engineering done for those types of platforms. Board Chair Lengwin called for a vote and the motion passed unanimously.

APPROVED

Board Chair Lengwin stated we have reached the Community Comment portion of the agenda. Due to the large volume of guests that wish to speak, there will be an imposed time limit of two minutes per speaker.

COMMUNITY COMMENTS
(CONTINUED)

The following patrons spoke in support of the Woodland Charter School:

- ◆ Michelle LaFave, Applegate Valley
- ◆ Shane Jimerfield, Murphy
- ◆ Samantha Osborne, Williams
- ◆ Helene Bisnaire, Williams
- ◆ Wensdae Davis, Williams (WCS Board Member)
- ◆ Peter Gauss, Williams
- ◆ Kathy Kali, Williams
- ◆ Erich Buler
- ◆ Richard Ziff, Williams (WCS Board Member)
- ◆ River Bergquist, Williams. Previously taught at Waldorf school in Hawaii.

Their comments focused on supporting the Waldorf-style education and giving home-school and private-school students alternative options to public education.

BOARD RECESS

Board Chair Lengwin called for a five minute recess at 8:32 PM

The meeting reconvened at 8:40 PM

BUDGET COMMITTEE
OPENINGS

Board Chair Lengwin reported that there are three Budget Committee Openings. Superintendent Huber-Kantola stated that last year the Board asked us to come up with a process and form for people to apply for positions. The names would then be brought forward to the Board for appointment to the Committee. The openings will be published in the newspaper. Member Meier requested we include the Mail Tribune, Applegator and Jo's list to reach the patrons in Jackson County. It was agreed to reach out to Jackson County, and the district will ask the schools to include a prepared 'blurb' in their school newsletters and the information will be posted on the District website.

POLICY GBA—SECOND
READING

Human Resource Director Debbie Breckner presented policy GBA—*Equal Employment Opportunity* for the second reading. There were no changes made since the first reading in October. Member Meier moved to approve the policy as presented. Member Crume seconded. Member Meier commented that the policy states that the superintendent will appoint an employee to serve as the officer in charge of compliance and also that the superintendent will designate a Title IX coordinator. Director Breckner fills the role for the adults and the Athletic Director fills the role for the students, as it directly relates to athletics. Board Chair Lengwin called for a vote and the motion passed unanimously.

APPROVED

WOODLAND CHARTER
SCHOOL UPDATE

Federal Programs Director Peter Maluk reported that he, District Accountant Lisa Cross and Superintendent Huber-Kantola have been in communication with the folks from Woodland Charter School (WCS) for over two years. Director Maluk presented a chronology of events between WCS and Three Rivers School District (TRSD) from December 2009 to present. Earlier this month the District received the **new modified** application from WCS. He and Superintendent Huber-Kantola met with the representatives from WCS last week and reviewed the issues to be resolved:

- ◇ Location—was originally proposed for Williams, but are now willing to look at the possibility of leasing a parcel of land at Hidden Valley High School.
- ◇ Enrollment Caps—Ideally a 6:1 ratio (homeschoolers or out of district/Three Rivers School District).
- ◇ Pass Through Rates—(80-100%). Currently at Sunny Wolf we give 80%, The current proposal from WCS is 85-90%, depending on the grade level.
- ◇ House Bill 3417 AR's still not defined—
- ◇ Financial impact to district—Still an issue, but not like in the past.
- ◇ December SBE meeting is due to address WCS request for state sponsorship—

Director Maluk then introduced Woodland Charter School (WCS) Developer Stacey Denton. Ms. Denton and fellow developer Richard Ziff gave a presentation as to the status of the proposed WCS.

WOODLAND CHARTER
SCHOOL UPDATE
(CONTINUED)

Ms. Denton stated they are wanting to create a Waldorf-methods charter serving the small rural communities of Williams, Applegate, Provolt, Murphy and the outskirts of Grant Pass. They propose a school with grade levels kindergarten through sixth grade in the first year, with a new grade added every year until the school reaches grade 8. The maximum or 85 full ADMw students in the first year, increasing to 117 at full enrollment in the fifth year of operation. The proposed start date is September 2012.

Ms. Denton then went through a comparison of their former proposal, the one that is set to be voted on by the State Board of Education (SBE) next month, and their current proposal.

They had previously proposed:

- A five-year term of contract
- A location in Williams on a site where the Board of Directors have discussed donating the property to their non-profit location.
- A \$500,000+ out-of-pocket cost to TRSD for the start-up of WCS. This was prior to the passing of HB 3417 and when charter funding was delivered to the school district in a different manner.
- A pass-through rate of 85% (grades) and 90% (kindergarten).
- An operational budget dependent on \$225,000 in Charter School Implementation grant funding.

They are now proposing:

- A three-year term of the charter contract
- Locating in Murphy, at the suggestion of the Superintendent and request from Board members to site outside of Williams.
- No out-of-pocket costs to Three Rivers School District (HB 3417)
- A pass-through rate of 85% (grades 1-4); 87% (grades 5-8) and 90% (kindergarten). They would like the pass-through rate to vary by grade-level given the high costs of running a Waldorf kindergarten and the higher cost of educational program for middle school age children.
- No Implementation Grant funds. These funds were lost to the State and might not be recoverable.
- They are also proposing the WCS absorbs the majority of site development costs at the Hidden Valley High School site.

Ms. Denton stated that at the proposed pass-through rate, TRSD would generate \$71,040 in new revenue in the first year and \$91,718 in the fifth year. If existing Three Rivers School District student transfer to WCS, TRSD would lose 85-90% of those students' ADM and sponsoring WCS would bring a minimum of 57 new students into a District Charter School and expand the District's offering to its patrons. Also, the TRSD Sustainability Committee has asked the District to look at District sponsored charter schools as a cost saving measure. WCS could help the District to help educate children at a lower cost to taxpayers.

Since WCS began open pre-enrollment over 1-1/2 years ago. 64 students have pre-enrolled. In going back through their files this weekend the updated numbers are:

- 44 Homeschoolers
- 7 TRSD students
- 5 Out-of-District (Public)
- 8 Out-of-District (Other)

WOODLAND CHARTER
SCHOOL UPDATE
(CONTINUED)

There have been discussions with Superintendent Huber-Kantola, Ms. Cross and Director Maluk, in regards to the possibility of limiting the number of TRSD students that could transfer to WCS. Although it's a topic that has been discussed at length, they have yet to arrive at an agreement about caps within the Charter contract. Ms. Denton explained there are several important aspects to consider regarding caps:

- Ethical considerations—public schools are required by law to be open to any student. An enrollment cap for existing TRSD students would be likely to prevent some students from attending WCS who want to
- Legal liability—parents of students attending existing TRSD schools who are unable to transfer into WCS because of an enrollment cap may take legal action against WCS or TRSD because of discrimination against their child.
- Financial impacts—A cap could help TRSD to ensure that there is no financial impact to the District for sponsoring WCS. WCS has projected that TRSD would gain \$71,040 in revenue from the pass-through rate and TRSD could cap transfers at the level of 12 students, which is the approximate amount that could transfer without costing the district in lost ADM revenue. However there is the potential financial impact for WCS to consider as well. If they do not meet their targeted enrollment figures because of a cap, the operating budget will have to be reduced. Their administrative staff and special subject teachers would be the first items cut. Since they're already planning to operate without the Charter Implementation Grant funds, there will be a threshold that cannot be crossed if they want WCS to be viable financially.
- A waiting list is the last consideration. ODE has advised on this topic that because of the way charter law is written, a cap of existing TRSD students could lead to a waiting list if there are fewer openings than applicants. Any TRSD students on a waiting list would be allowed in before any out-of-district students could be seated. This aspect may prove problematic for WCS because they are expecting their target population to be partially ~~compromised~~ comprised of students who live out of district.

After 2-1/2 years of largely volunteer effort, they feel very close to being ready to open WCS. Their proposal was revised to incorporate changes suggested by ODE reviewers. Their Oregon Non-profit status has been secured and Federal tax-exempt status granted. The fundraising committee is active with \$13,000 gathered in oral pledges and their Site Committee is active.

Ms. Denton reviewed the highlights of locating the WCS on the Hidden Valley High School (HVHS) site which include:

- Reducing the potential negative impact to Williams and Applegate Elementary schools.
- The HVHS campus offers accessibility to many rural communities including: Selma, Wilderville, Jerome Prairie, Provolt, Williams and Applegate.
- The rural campus complements the Waldorf program. It has access to hiking trails and agricultural land.

Ms. Denton displayed a site map and discussed the staging of development at the HVHS location. In the short term, they plan on placing modular buildings. They are speaking with the County and local general contractors about the potential costs they might face in developing the location. A development budget, which would be supplementary to their operating budget, is currently in draft. Their rough guess is that they would need \$50-100,000 to develop the location. They would want to sign a long-term lease agreement with the option to purchase with TRSD. This kind of arrangement would be necessary for raising the development capital, and assuring the public that their donated or loaned funds would be properly managed for the development of WCS.

They will look to private individuals, foundations, and investors to help them raise the necessary funds. Ms. Denton commented that it is essential to their project that they open in 2012 and they will do everything they can to ensure an on-time opening.

WOODLAND CHARTER
SCHOOL UPDATE
(CONTINUED)

Ms. Denton proposed that the Board look at voting on the Woodland Charter School at the December meeting and suggest conditional approval of the charter proposal. With a “yes” vote they would begin a capital campaign. They would like to sign the charter and lease agreements by January. They are looking at opening in September of 2012, so time is of the essence considering the development of the site that would need to happen.

Ms. Denton thanked the Board for their time and consideration of their proposal. She commented that Woodland Charter is a good choice for the children of the Applegate Valley expressed hope that the Board will work with them in a timely manner to successfully open WCS in the fall of 2012.

Member Horban asked Ms. Denton what is needed to develop the site at Hidden Valley given the cost of \$50-100,000. Ms. Denton responded that they are still gathering information about it, but the existing condemned buildings need to be demolished and hauled off and the pads cleared to locate modular structures. They plan to begin with modulars and potentially build later on. They will need utility hook-ups, and will need to look at wastewater treatment and costs along those lines. Superintendent Huber-Kantola explained that the district is planning on taking the existing buildings down. Mr. Bracken is working on “Burn to Learn” permits. They are safety hazards that need to be removed regardless of the decision with WCS. There are many unknowns with the site development costs because the septic that is there is approved for two houses. There is potential costs for septic, bringing power in, telephone systems and computer/internet access. Mr. Ziff responded that they will have a full budget for the Board to review before the next meeting. Member Meier asked that they receive the document well in advance of the December meeting to give the Board time for an in-depth review. Ms. Denton responded that all they believe that could be provided in that short time frame is an estimate, which is why she suggested a vote with conditional approval.

Various Board members asked questions regarding permits and developments costs. Member Crume stated it would be hard to approve the WCS without a firm budget. Ms. Denton responded that WCS would foot the bill of the development costs with the exception of the demolition and removal of the existing structures.

Member Meier asked if the idea of a lease option is something that the District is contemplating—possibly with an option to purchase? Superintendent Huber-Kantola responded that it has not been discussed with WCS but it would be something more similar to what we have done with Selma and Wolf Creek; where we lease it for a period of time, but that we give those entities the first right to make an offer if we were to put it on the market. The site has two tax lots—one is 19 acres and the other is nearly 100 acres. The portion that WCS is intending on utilizing is approximately 3-5 acres. It could potentially be subdivided, but it would have to be broken off into a 19 acre parcel with a lot line adjustment at a cost of about \$10,000.

Director Maluk stated the District is in the process of reviewing the revised draft agreement in order to make an appropriate recommendation. Member Meier requested that the Board receive the actual proposal that they would be voting on a minimum of ten days prior for review.

Member Meier asked Ms. Denton to clarify her comment regarding “educating children at a lower cost to the taxpayers”. Mr. Ziff responded that what Ms. Denton meant was that the difference between [the two is that] currently the district is operating at a loss, so the

WOODLAND CHARTER
SCHOOL UPDATE
(CONTINUED)

District is not making any revenue from students. So if you look at Woodland Charter they would be making 15% off the top, so there would be profit from the taxpayers dollar. Member Meier clarified that they weren't implying that it would cost less to educate, or the taxpayers would be paying less—they were saying that it would bring in more money in terms of allocation to the district? Ms. Denton responded that there is that piece, but also the reality that charters run at a much tighter budget in terms of how much they pay their teachers, etc. Member Meier commented that we are still talking the same per student dollar amount? Mr. Ziff replied that they are able to operate on less per student than the District. The charter rate is lower than the ADMw than the District receives.

Member Meier then expressed that one of her concerns is that assuming the predicted enrollment numbers and where the students are coming from are correct, then the numbers work. But if we are not capping the number of in-district students that can change the numbers by the district losing students. Mr. Ziff responded that if the district is making more profit per student entering into the charter school then that is a benefit to our district. Member Meier commented not if we are losing students in which we get the full ADMw. She still has some concerns about the potential impact on Williams and Applegate—mostly Williams Elementary. Placing the school outside of Williams helps that but it is something she is maintaining awareness of. Mr. Ziff stated that there are currently only two children pre-enrolled from Williams and zero from Applegate. He feels that there is a very strong parent body that love the current education system that is currently being provided to them.

Superintendent Huber-Kantola asked what grades the 64 pre-enrolled students fell into? Ms. Davis responded that they can provide the exact data—but to the best of their recollection there are: 18-kindergarten, 24—grades 1/2, 16—grades 3/4 and 10 for grades 5/6.

Member Meier asked what are the District's costs in sponsoring the charter? Director Maluk responded the indirect costs in the last two years are already pretty significant specifically in the time put in by the three District personnel so far. If the charter goes through, there will be ongoing responsibilities of the District. Director Breckner commented that Human Resources is still responsible for making sure that the staffing at the charter school meets guidelines. Fifty percent of the teaching staff has to be licensed and the other fifty percent has to be registered. It is the District's responsibility to make sure that is something we are required to comply with. We are also responsible for the safety of the facility, making sure that there are no hazards, etc. Student Services Director Ely stated TRSD is responsible for the special education services. That will increase our need for speech therapists, autism specialist and any people that need to fill those roles. We do get a second ADM for them, but we are already over the 11% cap that the state allows, so the District is responsible for all costs and additional resources. By law, we cannot discriminate and we are required to serve them. Directory Ely gave an example of having to send a teacher from Manzanita to Sunny Wolf Charter School once a week for half a day for the four special education students there. There is a benefit in selecting the Hidden Valley site because there are already five special education classrooms at Hidden Valley, and will really help regarding the travel.

Member Crume asked if we had a cost comparison as to what it will look like to the District with the new House Bill? Superintendent Huber-Kantola responded that the cost to the District depends on how many students leave TRSD and go to the charter school. He provided a rough example—if they had a school of 85 kids and no cap of TRSD kids and approximately half of the kids would be TRSD kids and potentially half would be kids from outside agencies. You would have a ratio of about 43 new kids to

42 Three Rivers kids. Potentially with 43 new kids, we would bring in a revenue at 87% of \$33,540. We would generate that much flow through from the other kids that let the District as we would still get 15% of that equals about \$67,000 worth of revenue that comes to the District. If you take the 42 kids at \$6,000 ADMw the district would lose \$252,000 worth of revenue from kids who are currently in the District. So, in the worse-case scenario in year two we are down \$190,000 from where we would have been.

WOODLAND CHARTER
SCHOOL UPDATE
(CONTINUED)

Member Meier asked how we are going to move on with the vote—will it take place in December and how will it be structured? Superintendent Huber-Kantola stated the next thing to take place is that the SBE will make a ruling the beginning of December—and it may become a mute point as the State may sponsor Woodland Charter School and at that point it's off of the Board's table. We will not have a say in it anymore. Superintendent Huber-Kantola recommends the Board consider having a separate meeting on it's own to discuss and make a decision.

Ms. Denton commented that they have a really large task to develop that location in an appropriate time frame to open in September—and every month counts. The longer the Board takes in rendering their decision, is the lesser amount of time they have to open their school.

Member Meier expressed her confusion in where we are in the process as the original intent in requesting an extension on the SBE decision was to allow for the district and WCS to try to come to an agreement before the SBE vote. Director Maluk read the letter that was jointly written to the SBE regarding a request for an extension. Ms. Denton stated their intention was to request a delay so that they could work things out with the District and have the Board vote on it before the December meeting. Her hopes was that this meeting was the one in which a vote would take place. So now they are in the position of facing a December 2nd State Board meeting which precedes the TRSD Board meeting, which would be the next scheduled opportunity for a TRSD vote.

Director Maluk suggested that we could ask the SBE to postpone their decision to the January meeting. Ms. Denton responded that they would like to do that as well, but believes there needs to be a stringent timeline or this could just continue to drag on. Superintendent Huber-Kantola stated that if we were to ask the SBE to delay it until after our Board meeting on January 9th that would give the WCS folks an opportunity to get further information regarding the site development and budget and what the potential impact would be to the District financially.

Member Crume commented that they have done a great job with their presentation but was concerned with the number of obstacles to be faced with planning and engineering. He cannot imagine that the site can be prepared for \$50,000—and they agreed stating it would probably be more like \$100,000.

Superintendent Huber-Kantola suggested that if we propose another delay and the information on the site development was here in December then that would give the Board an opportunity to vote in January.

Superintendent Huber-Kantola advised Ms. Denton of the things the board is looking for:

- Permits needed
- Costs for the permits to site something at the Hidden Valley location
- Sewage/DEQ. Existing okay or lift pump station?
- Telephone/Internet/power set-up costs.

Members of the Board also recommended they speak to an engineer in regards to their site development plans.

WOODLAND CHARTER
SCHOOL UPDATE
(CONTINUED)

Three Rivers to do:

- Supply cost analysis for Board
- Have the attorney and/or ODE review the charter proposal process and where we are at in it.
- Lisa and Dan to call Michael Elliott to confirm the House Bill information.

BUDGET CALENDAR

District Accountant Lisa Cross presented the Budget Calendar for the 2012-2013 budget year. Member Meier moved to approve the budget calendar as presented. Member Crume seconded. Member Meier commented that she will be unable to attend the first Budget Committee meeting in April as she will be away. Board Chair Lengwin called for a vote and the motion passed unanimously.

APPROVED

SCHEDULING OF
UPCOMING MEETINGS

Superintendent Huber-Kantola stated we are working to schedule a Board Workshop as requested to discuss School Safety—we are going to try to get representative from the Sheriff's Department to participate and respond to questions posed by the Board. A date of Wednesday, December 14th at 6:00 was selected. Member Meier stated she would be unavailable and unable to attend.

MAINTENANCE REPORT

Mr. Bracken stated he had nothing to add to his written report and asked if there were questions. There were none. He then introduced Gary Hofstetter, Associate District Manager of Aramark from Colorado.

Board Chair Lengwin asked the status of the Lincoln Savage Middle School roof? Mr. Bracken reported that the overlay is complete. It did have a leak which was in a threshold to a penthouse. In the initial inspection of the roof after the roof was laid, that was one of the concerns that came up because the overlays are now a little bit higher. Mr. Bracken explained how it will be fixed at a cost of a couple hundred dollars. Most of the work will be done by maintenance personnel.

Member Meier asked in regards to the energy information and Lincoln Savage removing unnecessary appliances. She asked what the actual savings amount was in terms of a dollar amount? Mr. Bracken did not have the information, but stated he could provide the figures at the next meeting. Member Meier then asked if there is something we should be doing proactively in regards to the well controls at Hidden Valley High School? Mr. Bracken responded that it's a wait and see right now; but if it should fail they do have a fix. They are keeping a close eye on it. Member Horban asked who they have had come look at it? Mr. Bracken stated they have had Pro Electric and Pacific Pump look at it over the years.

FOOD SERVICE REPORT

Mr. Morris stated he had nothing to add and asked if there were questions and/or comments. There were none.

ADJOURN

Adjourn at 10:25 PM

Ron Lengwin
Chairperson of the Board

Dan Huber-Kantola
Superintendent-Clerk