

MINUTES

Regular Meeting of the

BOARD OF DIRECTORS

Corvallis School District 509J
1555 SW 35th Street
Corvallis, OR

I. CALL TO ORDER AND ROLL CALL

Chair Gable called the meeting to order at 7:00 p.m. in Central Office Board Room, 1555 SW 35th Street, Corvallis. Chair Gable dispensed with the calling of the roll and the secretary recorded those present as listed below.

BOARD MEMBERS PRESENT

Cyrel Gable, Chair
Ron Miller, Vice Chair
Joan Demarest, Member
Robert Baldwin, Member
Sara Gelser, Member
Nell O'Malley, Member
Robert Johnson, Member

STUDENT REPRESENTATIVES PRESENT

Ashleigh Campi, Crescent Valley High School
Andrew Grill, Corvallis High School

PRINCIPALS PRESENT

Dick Behn, Crescent Valley High School

EXECUTIVE STAFF PRESENT

Jim Ford, Superintendent
Ron Corbell, Assistant Superintendent
Jeanne Holmes, Assistant to the Superintendent
Kathy Rodeman, Business Services Director
Fred Wright, Auxiliary Services Director
Michael Ann McIlvenny, Administrator for
Special Programs
Dawn Tarzian, Teaching and Learning Director
Laverne Pitts, Foundation Director
Julie Catala, Board Secretary

A quorum was present and due notice had been published.

II. PLEDGE OF ALLEGIANCE

Chair Gable led the group in the Pledge of Allegiance.

II. COMMITTEE/BOARD MEMBER ITEMS

Chair Gable reminded those present that the Oregon School Boards Association conference is coming up soon. Members interested in attending should notify Board Secretary Julie Catala.

IV. STUDENT REPRESENTATIVES

Crescent Valley High School representative Ashleigh Campi reported that Wednesday is the school's club fair day in which students can learn about the various extra-curricular clubs they can join. She stated she would be attending a school bond measure gathering.

Corvallis High School representative Andrew Grill reported the freshman have held their class elections so student council meetings may begin. This week is spirit week with lots of activities leading up to homecoming.

V. SUPERINTENDENT'S REPORT

Superintendent Ford reported:

- The district would be hosting three key-communicator breakfasts during the coming week.
- Tuition-based instruction is being discussed by a subcommittee, of which two Board members and both high school principals are a part. Elementary programs are up for consideration as well. Findings are targeted to be completed in time for a policy to be developed by winter break, should that be the course of action.
- He has been visiting staff meetings to talk about the work-environment culture and the District Plan.
- He and Corvallis High School Principal Jay Conroy are chairing the exploration to adopt the Certificate for Advanced Mastery. Their initial impetus is to solicit parents from groups of disciplines such as human or natural resources to begin dialog for shaping the outcome as it relates to their discipline. Community input is vital as it may cause significant changes at the high school level.
- He, Chair Gable, and Director O'Malley attended the Oregon School Boards Association regional conference, which included a look at Oregon's financial picture the last ten years relative to other states. He added the 20-minute presentation would be valuable for the Board and Leadership Team.
- Openings for Board work session topics are available. Possible agendas can be discussed at the retreat on October 10.

VI. CITIZEN PARTICIPATION

No citizens wished to speak.

VII. STAFF PARTICIPATION

No staff members wished to speak.

VIII. SPECIAL REPORTS

A. ENERGY MANAGEMENT PROGRAM

Auxiliary Services Director Fred Wright reported the district had entered into a contract with Energy Education, Inc. 43 months ago to realize energy cost savings. The contract, which will lapse in March 2003, will not be renewed though the district will continue with the program, taking it to new levels. Energy Education, Inc. will assist.

District Energy Manager Darin Davidson provided a outlining the gains the energy program has contributed thus far. (Filed as Supplement #VII-5 in the Official 2002-03 Board Minutes.) Each month over the past 40 months has shown increased energy savings, realizing a total cost avoidance of over \$1 million. Cumulative net savings through March 2009 is predicted to be over \$4 million. The energy strides the district has made are equivalent to the removal of 873 automobiles from the highways annually.

Projects initiated by Mr. Davidson, and their payback time include:

- Placed trash compactor at Crescent Valley High School, less than two years payback
- Replaced lighting in Crescent Valley High School gym, payback six years with a 50% reduction in energy consumption realized.
- Replaced cafeteria lighting at Corvallis High School, less than a year payback with 60% reduction in energy consumption realized, improving from 18 to 60 foot-candles, Pacific Power incentives came to \$4,160 while Consumer's Power contributed \$5,000 to the project.

Mr. Davidson reported that Senate Bill 1149 will provide some monthly funding that will be used for other district gym light retrofittings. The district is also looking for ways to qualify for the Business Energy Tax Credit and other grants.

Mr. Wright added that if the district's bond were approved in November some of those funds would be combined with Senate Bill 1149 funds to retrofit heating and ventilating systems throughout the district.

B. FACILITIES IMPROVEMENT BOND MEASURE: REPORT ON SILVER LEEDS CERTIFICATION/"GREEN" BUILDING INITIATIVES FOR NEW BUILDINGS

Fred Wright, Auxiliary Services Director, introduced this topic by stating the district wants to continue with its energy savings program and expand it. Over the past several weeks he has been working with the organizations Better Bricks and Natural Steps, whose goals are sustainable designs, "green" buildings.

Amy Cortese, who works with the Northwest Energy Efficiency Alliance, addressed the Board. The Alliance is a non-profit partnership of electrical utilities, state governments, public interest groups, and industry representatives who are committed to bringing affordable and available energy efficient goods and services to the northwest. Through the Alliance she manages a program called Better Bricks, a network of resources for commercial building professionals to help them realize the bottom line benefits

of energy efficiency. She explained sustainability is the ability to provide for needs of current and future generations without compromising the environment while saving energy, resources and money. These ideas are incorporated in “green” design which considers occupant health, indoor air quality, energy efficiency – the way materials are used and the way water is conserved, student safety, and the school as a learning tool itself. Current practices the design team is considering include careful deconstruction, recycling or reuse of materials, day lighting, conservation of raw materials, and commissioning of the building to ensure it continues to operate as designed. She stated sustainable design and practices do not need to cost more or take longer. Sustainable schools can reduce future operating expenses and reduce environmental impact. She added that research suggests a correlation between student test scores and daylight exposure.

Steve Olson of Dull Olson Weekes Architects, designers of the new proposed Corvallis High School, stated he was pleased the design committee had an interest in sustainable design. He stated that until recently the only lighting lab was in Seattle; however, Better Bricks built one in Portland. Better Bricks also hosted a community sustainability forum related to the proposed high school for which they funded the consultants’ costs. Other examples of green design used in plans for the construction project include using locally available materials and procuring carpet with low VOCs (volatile organic compounds).

Bruce Hecht, a community member and coordinator of Oregon Natural Steps, addressed the Board. He was formerly with Hewlett-Packard in construction project management and now, through Natural Steps, works with cities, counties, and businesses to help them become more sustainable caretakers. He related that key ideas generated at the Better Bricks sustainability forum were to establish sustainability goals, use Leadership in Energy and Environmental Design (LEED) concepts, prioritize cost neutral or cost reduction “green” alternatives, then look at return on investment for others, and seek credits from taxes or grants.

C. PAYMENT SHIFT/“BUMP AND BORROW”

Business Services Director Kathy Rodeman reviewed the controversial topic Oregon school districts are facing with regard to budget balancing. As a significant amount of state funding was cut to schools that they normally would have received this fiscal year, the Oregon Legislature passed Senate Bill 1022 allowing districts the choice to accrue up to 9.1% of next year’s revenues or, if the district reports on a cash basis, show a deficit up to that amount. Accruing is against Generally Accepted Accounting Principles (GAAP) though it allows the district to avoid making significant cuts to balance the budget. If the district chooses to accrue rather than make significant cuts, the district may have to borrow funds to pay wages and bills in June and early July since the “postponed” cash from the state would not be received until mid-July. Accruing could result in a lower financial credit rating for the district affecting the interest rate the district pays on future bonded debt, perhaps by 0.25%.

Corvallis School District’s portion of funds affected by this situation is about \$2.6 million, which equates to 16.5 school days. Ms. Rodeman distributed a statement from the Oregon Certified Public Accountants providing their interpretation of the Senate Bill. (Filed as Supplemental Item #VI-7 in the Official 2002-03 Board Minutes.) This interpretation prompted a slight revision to the associated Resolution #02-1001 the Board would be asked to approve later in the evening. (Resolution filed as

Supplemental Item #III-8 in the Official 2002-03 Board Minutes.) Ms. Rodeman explained the revision occurs in the sixth paragraph, the last “Whereas.” The replacement paragraph would read,

“WHEREAS the Corvallis School Board has been adequately informed of the advantages and disadvantages of accruing state revenues from the following year and that the revenue would be accrued on a budgetary basis only while the GAAP-based statement would show a negative fund balance.”

Ms. Rodeman surveyed other districts. Some are moving to accrue while others are recommending cuts. She stated a one-month delay on the decision is possible though if it is decided that the district will not accrue, cuts need to be made immediately.

It was noted that if the January 2003 measure is not passed, the district would be facing another \$1.2 million in cuts.

IX. CONSOLIDATED ACTION

Chair Gable turned the Board’s attention to the Consolidated Action Items. Director Miller requested that Legislative Payment Shift - Direction to Accrue July 2003 State Revenues, Resolution No. 02-1001, be held for discussion.

Motion #14: Director Johnson moved, Director Baldwin seconded, to approve the remaining Consolidated Action Items. The motion passed unanimously.

A. APPROVAL OF MINUTES

The minutes of August 19, 2002, were approved as presented.

B. SUPPORT SERVICES ITEMS

1. SUPERINTENDENT’S LICENSED PERSONNEL RECOMMENDATIONS

The Board approved the recommendations. (Filed as Supplemental Item #IV-14 of the Official 2002-03 Board Minutes.)

2. AGREEMENT WITH OREGON DEPARTMENT OF EDUCATION (ODE) FOR TITLE 1 DISTINGUISHED EDUCATOR

This is a continuation of a contract begun last year with ODE and the District. ODE compensates a Corvallis educator for her work as a Title 1 Distinguished Educator. This agreement is for the 2002-03 school year. (Filed as Supplemental Item #I-14 in the Official 2002-03 Board Minutes.)

3. AGREEMENT WITH BENTON COUNTY FOR SPECIAL EDUCATION SERVICES TO INCARCERATED

YOUTH

This agreement provides educational tutoring as required to any incarcerated youth who is eligible for special education services. (Filed as Supplemental Item #I-15 in the Official 2002-03 Board Minutes.)

4. LEGISLATIVE PAYMENT SHIFT - DIRECTION TO ACCRUE JULY 2003 STATE REVENUES, RESOLUTION NO. 02-1001

Held for discussion. See “Consolidated Items Held for Discussion”, following.

5. IN-KIND DONATIONS

The Board accepted the donations. (Filed as Supplemental Item #X-10 of the Official 2002-03 Board Minutes.)

CONSOLIDATED ITEMS HELD FOR DISCUSSION

4. LEGISLATIVE PAYMENT SHIFT - DIRECTION TO ACCRUE JULY 2003 STATE REVENUES, RESOLUTION NO. 02-1001

Discussion began with the observation that the district could combine cuts and accrual. Superintendent Ford stated he has run out of rocks to turn over. He has closed schools and saved \$1 million in energy costs. Activities have been impacted and class sizes are large. He doesn't feel he's in any position to say “no” to accrual. The next cut will be the big one.

Motion #15: Director Miller moved, Director O'Malley seconded, to approve Resolution 02-1001, Direction to Accrue July 2003 State Revenues, as amended by Ms. Rodeman. (Filed as Supplemental Item #III-8 in the Official 2002-03 Board Minutes. See Section VIII. C. PAYMENT SHIFT/“BUMP AND BORROW” earlier in these minutes for the amendment.)

Chair Gable clarified the motion to be for adoption of the accrual method for the entire amount (\$2.6 million) with the knowledge that it could be modified in the future.

Director Johnson voted in opposition to the motion, Director Demarest abstained; all others voted in favor. The motion carried.

C. OTHER

There were no other Consolidated Action Items.

X. CONSOLIDATED INFORMATION

A. CORRESPONDENCE

Filed in Section V of the Official 2002-03 Board Minutes.

B. EDUCATIONAL SERVICES ITEMS

1. EXTENDED FIELD TRIP INFORMATION

The Board received information on three extended field trips. (Filed as Supplemental Item #IV-15 of the Official 2002-03 Board Minutes.)

2. INTERDISTRICT TRANSFER INFORMATION

The Board received information on 17 interdistrict transfers.

C. SUPPORT SERVICES ITEMS

1. NON-LICENSED PERSONNEL INFORMATION

(Filed as Supplemental Item #IV-16 in the Official 2002-03 Board Minutes.)

2. UNAUDITED FINANCIAL STATEMENTS

The Board received the unaudited statements of revenues, expenditures, and fund balances of the various funds of the District for the period ending July 31, 2002, and August 31, 2002. (Filed as Supplemental Item #X-11 in the Official 2002-03 Board Minutes.)

3. CHECK REGISTER

The detailed check distribution ledger is on file in the Business Services Office and is available for information during business hours. (Filed as Supplemental Item #X-12 in the Official 2002-03 Board Minutes.)

4. SOLICITATION FOR REAL ESTATE AGENT OF RECORD

In an effort to move forward with the marketing and sale of the District's surplus properties, staff is developing a Request for Proposal (RFP) for a Real Estate Agent of Record. (Associated information sheet filed as Supplemental Item #II-1 in the Official 2002-03 Board Minutes.)

XI. OTHER DISTRICT BUSINESS

A. DISTRICT PLAN

Superintendent Ford reviewed the process used to develop the District Plan, which involved writing teams, key communicators, the Leadership Team, staff, parent teacher organizations, and the Board. He feels it embodies the national agenda on what school boards should be considering. Superintendent Ford then reviewed the District Plan as presented for approval. (Filed as Supplemental Item #VII-6 in the Official 2002-03 Board Minutes.)

Motion #16: Director Johnson moved, Director Baldwin seconded, to approve the District Plan as presented. The motion was unanimously approved.

XII. ADJOURNMENT

Being no further business, Chair Gable adjourned the meeting at 8:22 p.m.

Cyrel Gable, Chair

Jim Ford, Superintendent

Prepared by: Jolene Shute and Julie Catala
(super/julie/board/minutes/2002/oct 7.doc)