

Fountain Valley School District
Superintendent's Office

REGULAR MEETING OF THE BOARD OF TRUSTEES

10055 Slater Avenue
Fountain Valley, CA 92708

August 23, 2012

MINUTES

President Ian Collins called the regular meeting of the Board of Trustees to order at 6:31pm.

CALL TO ORDER

The following board members were present:

ROLL CALL

Ian Collins	President
Christine Allcorn	President Pro Tem
Sandra Crandall	Clerk
Jimmy Templin	Member
Judith Edwards	Member

Mr. Collins noted an addendum to the agenda with additions to Item 13B Personnel as follows:

AGENDA APPROVAL

13B. Personnel

- 1.9 Executive Director, Personnel requests approval of employment of Inger Kent in the position of assistant principal at Fulton Middle School for the 2012-13 school year, salary range CEA/15/A.

Motion: Mrs. Edwards moved to approve the meeting agenda with the addition to Item 13B Personnel.

Second: Mr. Templin

Vote: 5-0

There were no requests to address the Board prior to closed session.

PUBLIC COMMENTS

Mr. Collins announced that the Board would retire into Closed Session. No action was anticipated. The following would be addressed:

CLOSED SESSION

- Personnel Matters: *Government Code 54957 and 54957.1*

Appointment/Assignment/Promotion of employees; employee discipline/dismissal/release; evaluation of employee performance; complaints/charges against an employee; other personnel matters.

- Negotiations: *Government Code 54957.6*
Update and review of negotiations with the FVEA and CSEA Bargaining Units with the Board's designated representative, Mrs. Cathie Abdel.

The public portion of the meeting resumed at 7:04pm.
Mrs. Edwards led the Pledge of Allegiance.

PLEDGE OF
ALLEGIANCE

Mr. Collins introduced Mrs. Inger Kent, newly appointed assistant principal for Fulton Middle School for 2012-13.

PUBLIC HEARING

A public hearing was held for the purpose of receiving public comment on the Capital Facilities Account Fund/Developer Fees. Public input was welcomed. There were no requests to address the board and the hearing was closed.

CAPITAL FACILITIES
ACCOUNT
FUND/DEVELOPER FEES

STUDY SESSION

Mr. McMahon walked the board through the history of Fund 40 including the ending balances over the last 10 years. He noted that initially the ending balance was made up of property sales. With the securing of a COP for the district, there was the setting aside of monies in Fund 40 to cover this. This amount set aside for the repayment of the COP has been somewhat consistent since it was secured in 2006, slowly decreasing. He explained the major property sales funding Fund 40 including Lighthouse Lane, FV Elementary, McDowell Elementary, Lamb Elementary and Wardlow Elementary, and Nieblas Elementary, totaling \$70 million. Expenditures from Fund 40 include \$26.2 million toward modernizations, \$7.7 million to the District Office building, including the preparation of those offices in the building that the district leases, and transfers to the General Fund to avoid reductions and layoffs totaling \$17.5 million. The total expenditures account for approximately \$57 million. The reserve for the COP debt is \$10 million. General Fund support will exhaust the remainder of Fund 40 at the present rate by 2014, \$7.8 million. \$35 million will remain in 2014 from the sale of Lamb and Wardlow. He noted that previously the concept was to create an endowment to support ongoing programs where funds are invested and only the interest is spent, allowing the principal

FUND 40 STUDY
SESSION

to be preserved for future generations. He noted that formal board action is necessary to preserve these funds if this continues to be the intent.

Mr. Collins noted that some experts are saying that next year will be the bottom concerning the economy in California, although Mr. McMahon noted that this has been the rumor for several years now.

Mrs. Crandall noted that concept of creating an endowment and asked Mr. McMahon about SAM (School Asset Management) and its intent. Dr. Ecker noted that Dr. Ingram thought up the idea in the 1980's to create a non-profit benefit corporation to keep the money separate from the General Fund for investments allowed under the law. This was SAM. There was a board that oversaw SAM and the thought was that monies invested could be protected and invested in order to establish an alternative revenue source for the district. There was a series of properties at the time, closed prior to SAM's creation that the district decided to sell including Harper, Bushard, Fountain Valley and Lighthouse Lane. Changes in legislation restricted the benefits that the district received from SAM and the decision was made not so long ago to dissolve SAM. Dr. Ecker noted that despite the changes in the economy, the district did score one major win in its agreement with the State Allocation Board for a waiver for four of the properties sold which allows the district to use the money in unrestricted means, similar to the General Fund. This is something that is not currently available to districts as the funds from property sales can only go to facility improvements. Dr. Ecker noted that the board does still have this provision.

Mrs. Crandall noted her understanding that Fund 40 in the past acted as an internal bank for the district in that the district took monies out and borrowed against the fund. She asked if these monies had needed to be borrowed from another place, had Fund 40 not been there, where would the district have gone to borrow this money and what would be the estimated rate of interest. Mr. McMahon explained that if the money had not been there, the district would have been forced to make \$17 million more in cuts, something very painful. He also noted that the district has had to temporarily borrow from Fund 40 as the State currently only disperses 75% of our allocation, forcing us to borrow from ourselves. With interest rates at 2-2.5%, there would be \$250,000 to \$300,000 additional costs each year to borrowing \$10 million if Fund 40 did not exist. Mrs. Crandall noted that our ESP program borrowed \$128,000 for whatever reason, and this amount was repaid. She asked if there is any vision to repay the money borrowed from Fund 40. Mr. McMahon explained that to repay this would mean that the district would have a surplus of

funds in a given year, something that the district has not seen for quite some time. The expenses would need to be less than the revenues in order to have money to put into the reserves.

Mrs. Edwards noted that as she was here when Fund 40 was established and the board moved out of SAM, she explained that the intent was also to invest in a ladder portfolio and to only use the interest for programs, wanting to build something for the future with the portfolio. She explained though that in facing the budget crisis, the board did see the need to borrow from Fund 40 to save programs and staff that they felt were integral to the education of our students. She explained that this was not done by anyone who served on the board with anything but a heavy heart, noting that we were grateful that we did not have to cut as many people or programs because of Fund 40.

Dr. Ecker noted that over 4 years the district still had to cut over \$7 million. He noted the loss of several programs, including teachers on special assignments, nurses at every site, reading clinicians, library hours, cuts to our technology staff, staff trainings, and contributions to technology funds to name a few.

Mrs. Crandall noted the concern that when the consideration for the purchase of the District Office building and the Maintenance facilities came about, were there other ideas explored like combining with governmental agencies. Mrs. Edwards noted that the board did look at a JPA with other districts for a maintenance facility, although they were not able to come to an agreement over the location or financial contributions. Mrs. Edwards asked Mr. McMahon if the rental agreement for the Maintenance facilities on Mt. Hermann changed since it was originally signed, noting her understanding that it was a 99-year lease when we initially considered it. McMahon explained that we have two back to back 20-year leases. She asked if the rent has changed since it was initially entered into. Mr. McMahon explained that the rent was initially based on 9% of the assessed valuation, and so when the assessed valuation changes, so does our rent. Mrs. Edwards explained that at the time that facility was leased, all of the buying for the district was done in bulk and distributed from Maintenance, causing it to have a different function at the time.

Dr. Ecker noted that the district was looking for a new maintenance facility due to the selling of our old maintenance property. The district had an approved tentative tract map on the Lighthouse Lane property, something very enticing to builders. At the time the district was negotiating with Olson and was offered a very good price on the property based on having this approved tract map. There was a timeline in place to allow the district to move the facilities off of the property in enough time to still allow the tentative tract maps to be used. The district was

working with two other boards in forming a JPA and nothing panned out in time for this timeline. Regarding another property on Mt. Hermann where the City has its yard, the district was optimistic to work out a joint agreement with the City, although it also did not work out. Next door, where the current facilities exist, the Mormon Church owned a property that, although they were not willing to sell, was willing to lease to the district with a 20 year lease with an option to purchase or renew, and resulting in two 20 year leases. The Maintenance facility at Lighthouse Lane was in bad shape and if the district had decided at the time not to sell, would have had to spend quite a bit of money to repair the facility to continue to operate Maintenance there. Trying to find a Maintenance facility is not an easy task. Mr. Collins noted that many comment that if the district has an empty site, why not use it for Maintenance, but he explained that the neighbors would fight the district tooth and nail to prevent such a thing. He noted that he thought it was a good decision to lease on Mt. Hermann. Mrs. Crandall thanked everyone for providing this information and history. Dr. Ecker noted that the goal all along has been to purchase the Mt. Hermann property and that is still the intent. Mr. Collins noted that four years ago in joining the board, he recalled listening to Mrs. Edwards and Mrs. Allcorn and the board at the time make those difficult cuts and then it went further as the district got to bare bones. He noted that we are unique as a district with the possibilities of Fund 40. He commended the fiscal conservatives involved in Fund 40. He thanked Mr. MaMahon for the information.

STAFF REPORTS AND PRESENTATIONS

In the continued effort to maintain a set of current Administrative Regulations, it is necessary to bring certain regulations to the Board of Trustees for revision due to changes in Education Code or statute. After review by senior staff, revisions/changes/updates to Administrative Regulation 5144.2 Suspension and Expulsion/Due Process (Students with Disabilities) have been made. A detailed report of these updates was included for Board information in the attached in addition to a copy of the revised Administrative Regulation.

REVISIONS TO
ADMINISTRATIVE
REGULATION 5144.2
SUSPENSION AND
EXPULSION/DUE
PROCESS (STUDENTS
WITH DISABILITIES)
(WRITTEN ONLY)

BOARD REPORTS AND COMMUNICATIONS

Mrs. Allcorn visited the district's summer school program, noting that it was great. She also attended the bond committee's first meeting as well as the kick-off of the management retreat including a presentation by ACSA's interim executive director.

BOARD REPORTS AND
COMMUNICATIONS

She noted as well that it is good to be back at school.

Mr. Edwards enjoyed a visit to summer school as well and noted how wonderful it is that Hadden Allcorn performs his magic show for the students as well. She also attended the Hyundai presentation to the Boys and Girls Club. She also enjoyed the management retreat kick-off and the BBQ at the Eckers'. She also enjoyed the Vicki Gibson presentation for our middle school teachers.

Mr. Templin noted that since the last board meetings he has spoken with a number of families regarding the technology bond, noting that a lot of their questions have helped form his thinking on the bond and if it is successful, the impact it will have on the district. He also enjoyed meeting with Dr. Ecker and noted that he will be coaching a new AYSO team, made up of students from the district, a refreshing experience so far.

Mr. Crandall noted that she too enjoyed a tour of summer school, noting those middle school students that gave up time of their summer to volunteer. She attended the Hyundai presentation to the Girls and Boys Club as well as the Legislative Reception with Mrs. Edwards. She enjoyed as well the kick-off to the management retreat. She also enjoyed the first FVEF meeting of the year and noted that the first fundraiser, the Taste of Fountain Valley will be October 5th at Mile Square. She also attended the Twilight committee meeting at the Boys and Girls Club. She is currently preparing for the first Community Volunteer Academy presentation for our Kindergarten parents. She enjoyed as well the Vicki Gibson presentation to our middle school teachers, noting that of our 76 middle school teachers, 56 attended, 74%, very impressive given that this is still their summer.

Mr. Collins also enjoyed a tour of summer school as well as the presentation by Hyundai to the Boys and Girls Club. He also visited Gisler for their welcome picnic for new and current students. He noted that there was a pleasant tone and it will be a good transition for our Moiola students. He also attended the bond committee's first meeting as well as the kick-off breakfast for the management retreat. He noted the County's communication to the district on the budget and commended staff for their work. He also noted the creation of the Governance Calendar for board and staff reference. And he met with the president of Orange Coast Community College along with Michael Simons, Debbie Cotton and Brian Rechsteiner, noting that it is a wonderful idea for our districts to meet together. The

group will meet again September 19th.

PUBLIC COMMENTS

There were no requests to address the Board.

PUBLIC COMMENTS

LEGISLATIVE SESSION

Motion: Mrs. Edwards moved to approve the Revision to Board Policy 0410 Non-Discrimination in District Programs and Activities for first reading.

Second: Mr. Templin

Mrs. Crandall noted for all nine of the provisions included in the agenda, that she was grateful despite the transition to paperless for our agendas, to receive printed copies of these materials for review.

Vote: 5-0

REVISION TO BOARD
POLICY 0410 NON-
DISCRIMINATION IN
DISTRICT
PROGRAMS AND
ACTIVITIES (FIRST
READING)

Motion: Mrs. Crandall moved to approve the Revisions to Board Policy 5131 Conduct for first reading.

Second: Mrs. Edwards

Vote: 5-0

REVISIONS TO
BOARD POLICY 5131
CONDUCT (FIRST
READING)

Motion: Mrs. Allcorn moved to approve the Revisions to Board Policy 5144.1 Suspension/Expulsion for first reading.

Second: Mr. Templin

Vote: 5-0

REVISIONS TO
BOARD POLICY
5144.1 SUSPENSION/
EXPULSION (FIRST
READING)

Motion: Mrs. Edwards moved to approve the Revisions to Board Policy 5145.3 Non-Discrimination/Harassment for first reading.

Second: Mrs. Allcorn

Vote: 5-0

REVISIONS TO
BOARD POLICY
5145.3 NON-
DISCRIMINATION/
HARASSMENT
(FIRST READING)

Motion: Mrs. Crandall moved to approve the Revisions to Board Policy 5145.7 Sexual Harassment for first

REVISIONS TO
BOARD POLICY

	reading.	5145.7 SEXUAL HARASSMENT (FIRST READING)
Second:	Mrs. Edwards	
Vote:	5-0	
Motion:	Mr. Templin moved to approve Board Policy 5131.2 Bullying for first reading.	REVISIONS TO BOARD POLICY 5131.2 BULLYING (FIRST READING)
Second:	Mrs. Crandall	
Vote:	5-0	
Motion:	Mrs. Crandall moved to approve Board Policy 6170.1 Transitional Kindergarten for first reading.	REVISIONS TO BOARD POLICY 6170.1 TRANSITIONAL KINDERGARTEN (FIRST READING)
Second:	Mrs. Edwards	
Vote:	5-0	
Motion:	Mrs. Edwards moved to approve Board Policy 0520.2 Title I Program Improvement Schools for first reading.	REVISIONS TO BOARD POLICY 0520.2 TITLE I PROGRAM IMPROVEMENT SCHOOLS (FIRST READING)
Second:	Mr. Templin	
Vote:	5-0	
Motion:	Mrs. Allcorn moved to approve Board Policy 0520.3 Title I Program Improvement Districts for first reading.	REVISIONS TO BOARD POLICY 0520.2 TITLE I PROGRAM IMPROVEMENT DISTRICTS (FIRST READING)
Second:	Mrs. Crandall	
Vote:	5-0	
Mrs. Crandall requested that item 13-0 Approval of Program Development Agreement with Chevron Energy Solutions be pulled for separate vote.		CONSENT CALENDAR/ ROUTINE ITEMS OF BUSINESS
Motion:	Mrs. Edwards moved to approve the Consent Calendar with the exception of 13-O Approval of Program Development Agreement with Chevron Energy Solutions.	
Second:	Mrs. Allcorn	

Vote: 5-0

Motion: Mr. Collins move to approve Item 13-O Approval of Program Development Agreement with Chevron Energy Solutions

Second: Mrs. Edwards

Mrs. Crandall noted her understanding that the \$35,000 will not likely become a fee as we will most likely see such savings after Chevron's review of our sites and we are not taking much of a risk in this. She asked for clarification in that in our neighboring school district, the residents of the city did not aesthetically see eye-to-eye with the district with regards to where the solar panels were to be placed in the school's parking lot. She asked Mr. McMahon to clarify how he thinks this may be addressed in our district. Mr. McMahon noted that one thing the district does want to do is to see if there are areas where solar can work for our district while still being sensitive to the wants of our communities. There is a wave within maintenance and operations to try to move to these sorts of energy sources in order to reduce costs and be more "green" in terms of our footprint. The district does not have any intentions in regards to placement and is subject to coming back to the board for discussion. The board will be provided drawings and hold community meetings if needed to gather community input. There have only been brief discussions at this point. Mrs. Crandall noted that her second concern regards the rebates for solar from the State which look as if they will run out in 2016, but that in the contract up for approval tonight it states that "in a timely fashion" what is recommended with board approval needs to start so that the pricing given for retrofits, repairs, etc. do not change. She asked for example if there are \$13 of work to be done but the savings is only \$10, what governs what we can spend, noting that we do not want to get into a negative situation with a contract like this. Mr. McMahon noted that we are not allowed to enter into a contract like this if we will not be saving money; it is a requirement of the contract that we as a district have a net savings. This is a similar situation to the district contract with Energy Education. The cost up front is smaller at the beginning and then increases as rebates help to offset the costs. He noted that the savings are cumulative. Mr. Templin asked for clarification on the possibility of the district having to pay the \$35,000 fee. Mr. McMahon noted that there is a potential to pay \$35,000. Chevron will need to complete some upfront work and testing and a report will be provided to the district, so they are

making sure that they will not be completing this work without the district having some form of commitment. If they come up with a situation where there is savings and still the board decides not to go forward, Chevron wants to ensure that they get something back for the work they will have done, hence the \$35,000 fee.

However, the district can benefit if savings are found, as the \$35,000 fee is then included in the contract. If Chevron completes its testing and cannot find savings for the district, the district is not obligated to pay this fee.

Vote: 5-0

The Consent Calendar included:

- Board Meeting Minutes from July 12th board meeting
- Personnel Items (Employment Functions, Workshops/Conferences, and Consultants)
- Warrants
- Purchase Order Listing
- Budget Transfers
- Renewal of Membership in the Fountain Valley Chamber of Commerce in the amount of \$303
- Approval of Positive Behavioral Intervention and Supports (PBIS) and Violence Prevention Education Services Agreement
- Approval of Williams Uniform Complaint Quarterly Report
- Approval of Notice of Layoff (Hours Reduction) For Classified Position
- Approval of Biennial Review/Updated Conflict of Interest Code
- Approval of Confidential Settlement Agreement
- Approval of Special Education Settlement Agreement
- Approval of Special Education Settlement Agreement
- Approval of Program Development Agreement with Chevron Energy Solutions
- Approval of Capital Facilities Fund/Developer Fees
- Adoption of Resolution 2013-08: GANN Amendment – Appropriations Limitations

NEW ITEMS OF BUSINESS

Mr. Collins	Explained that this would be a good process for the Board to consider how they have conducted business, etc. And with this he suggested that the board ask the district to gather some instruments for the board to review in order to	BOARD SELF-EVALUATION
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complete their self-evaluation by the November meeting. This will allow the board to decide on a form at the next meeting and have some discussion.

Mrs. Edwards noted that the board did participate in such an evaluation in the past, using a CSBA instrument.

Mr. Templin noted his feeling that anything that board can do to make itself better, whether it be a self-evaluation or PLC, he is in favor of this. Mrs. Crandall agreed as well as the rest of the board.

Dr. Ecker confirmed that by the September board meeting the board would like several instruments to evaluate and consider using. He noted that CSBA will be a good source as well as others that the board can review.

Mr. Collins

Reviewed the board's desire to become its own PLC. He opened the discussion for the board's input. Mrs. Edwards noted her interest that all future board members receive this for review. Mrs. Crandall and Mr. Templin agreed, noting that when you are new there was a lot of good reminders and explanation of new information. He also noted that the explanation of what the public thinks board meetings should be like (e.g. "No one addressed my comments.") was useful and suggested providing a summary of this for inclusion of the public comment notice. Mrs. Crandall noted as well that it could be noted simply that it is a meeting in public, not a public meeting. Mr. Templin noted that while a times it is noted in meetings, it would be nice if this was printed for the public so that they understand the process ahead of addressing the board. Mr. Collins noted that the final thoughts page was important, noting that he is proud of how the board has handled some very difficult situations in the past year. In addition, he noted the recommendation to use the different talents of different members; something that he also feels the board does well. He noted that there are many things that the board does well and it was good to review. Mrs. Edwards noted the topic of special meetings as an opportunity for

BOARD DISCUSSION OF
READING MATERIALS:
CSBA'S *CALL TO
ORDER: A BLUEPRINT
FOR GREAT BOARD
MEETINGS*

discussions and something that the board has done frequently in the recent past. Mrs. Allcorn noted as well that for many boards that read this, it may be a huge task to undertake giving some of the occurrences throughout the State although, we do quite well. Mrs. Crandall noted the inclusion of traits for an effective board member, noting that these are indeed traits that we also ask of our students. She noted as well the stressed importance of adhering to the Brown Act, something that this district does very well. She noted as well the development of a governance calendar, a recent development for our district, as well as the participation of the board president in the development of board agendas, something that the board also does. She also noted the discussion of effectiveness versus efficiency, noting that time is not a measure of effectiveness.

- Dr. Ecker Noted his appreciation of the board's discussion of Fund 40, one that he hopes we can continue in the future.
- Dr. Ecker Noted that Ms. Silavs and he will be submitting a letter to Hyundai Motor America with the requested information following the opening of the ST Math Lab at Plavan. The data will include penetration data provided by the MIND Institute in addition to increasing test scores as provided by our STAR data. He noted that we are grateful to Hyundai and hopeful that they will be able to expand their support to our two other sites in need of ST Math Labs.
- Dr. Ecker Reminded the audience and board of the upcoming Kelly Osborn Memorial Foundation fundraiser on September 1st, noting that monies raised allow the continued support by Dave Osborn and the Kelly Osborn Memorial Foundation to support district and Rotary events like the Every Student Succeeding breakfast. He noted that the FVLA has made a \$300 donation and sponsorship of the event.

- Dr. Ecker Thanked Ms. Silavs and those board members able to attend for the Vicki Gibson presentation to our middle school teachers. He noted how important differentiated instruction is in moving the dial ahead in education.
- Dr. Ecker Reminded the board of our upcoming middle school registration days and orientations next week.
- Dr. Ecker Thanked the board for their review this evening of those board policies for first reading, noting the importance of this effort.
- Dr. Ecker Congratulated Mrs. Abdel as part of the action taken by the board this evening was to approve her as Assistant Superintendent, Personnel.
- Mr. Collins Noted that beginning next week he will be interim assistant principal at FVHS, something he is looking forward to.

ADJOURNMENT

- Motion:** Mrs. Allcorn moved to adjourn the meeting at 9:03pm.
- Second:** Mrs. Edwards
- Vote:** Unanimously approved

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