

Santa Ana Unified School District
1601 E. Chestnut Avenue
Santa Ana, California 92701

MINUTES

REGULAR MEETING
SANTA ANA BOARD OF EDUCATION

January 13, 2004

CALL TO ORDER

Board President Richardson called the meeting to order at 4:35 p.m. Dr. Yamagata-Noji, Mr. Tinajero, Mrs. Avila, and Mr. Palacio were also present.

Cabinet members present were Dr. Mijares, Dr. Bennett, Dr. Stabler, Mr. Best, Dr. Stainer, Dr. Bratcher, Ms. Brown, Mr. Sharp, and Mrs. Araujo-Cook.

RECESS TO CLOSED SESSION

The meeting was immediately recessed to Closed Session to consider legal matters, real estate negotiations, personnel matters, and student discipline.

MEETING RECONVENED

The Regular meeting was reconvened at 6:20 p.m.

There were approximately 100 members of the community, students, and District staff in the audience.

PLEDGE OF ALLEGIANCE

The meeting was opened with the Pledge of Allegiance.

SUPERINTENDENT'S REPORT

Dr. Mijares drew attention to those present the artwork posted in the Board Room contributed by students from Harvey and Edison elementaries and Century high schools.

The Superintendent expressed his gratitude to each community member for extending a helping hand to the SAUSD during the holiday season. He said there are many examples he could cite, but a particularly inspirational story comes from Wilson Elementary School. For the second year, more than 800 toys were given to the students by the law firm of Rose, Klein, and Marias. Attorney Toni Raykovich-Wall started the tradition last year in memory of her son Eric, age 5, who died of cancer in 1997. Mrs. Wall adopted Wilson because it was the closest school to her law firm. The school and the firm have a close bond, with attorneys participating in school events year-round. He thanked the law firm for their support of Wilson Elementary School.

Dr. Mijares thanked *Experian* for its support of educational programs. Through its "*Heart of Experian*" community outreach program, the company donates thousands of dollars to local schools. This year's recipient of two "*Heart of Experian*" Awards is Taft Elementary School. The \$2,000 donation will purchase two-way radios for teachers and aides, stop signs for crossing guards, computer hardware, and a copier. The second award, presented to President Mary Longacre, goes to *Definitely 4 Kids* of Taft DHH. The \$2,000 donation will go to the purchase of Little Red Readers, Emergent reader kits and computer hardware.

The TEACH Academy (Teacher Education Academy @ Century High) program provides an early start to students wishing to pursue a teaching career. Project Director Ms. Hopper reports that partner Vanguard University has offered two full four-year Vanguard University scholarships to graduating TEACH seniors, Class of 2004. TEACH is a unique program, as Santa Ana Unified is the only District that offers teacher preparatory course work to its students.

Spurgeon Intermediate students in the Technology One class under the direction of Teacher Ms. Kline are preparing for the Orange County Department of Education's Technology Showcase to be held at Century High School on Saturday, January 24. A video clip depicted the excitement of students gearing up for the technology training event. Students are taught and become confident in the use of computers and other audio and visual equipment.

Preparations are underway for the 2004-05 school year fundamental school registration. To ensure that information is consistent, no registration information will be provided over the telephone. To better communicate with parents concerning MacArthur, Villa, and Mendez fundamental intermediate academic programs, parents are encouraged to attend parent informational meetings as follows:

Tuesday, January 20, at 4:00 p.m. at MacArthur Fundamental
 Tuesday, January 20, at 7:00 p.m. at Villa Fundamental
 Thursday, January 22, at 7:00 p.m. at Mendez Fundamental

Update on School Building Program

Mr. Jerry Hills, Manager of Construction, presented an update on the school building program as follows:

Jackson Elementary School New Classroom Addition

Start Date: December 2002

31 new classrooms

22 leased portables to be removed with an anticipated savings of \$128,000 annually

School will net three classrooms

992 student capacity

\$6.7 million

46,000 square feet

97% complete

Move in date February 6, 2004

Anticipated completion date April 2004

Lincoln Elementary School New Classroom Addition

Start date December 2002

33 New Classrooms

27 leased portables to be removed with an anticipated savings of \$156,000 annually
School will net four classrooms
1,056 student capacity
\$6.6 million
49,000 square feet
97% complete
Move-in date February 20, 2004
Anticipated completion date April 2004

Roosevelt Elementary School New Classroom Addition

Start date December 2002
23 new classrooms
18 leased portables to be removed with an anticipated savings of \$102,000 annually
School will net five classrooms
736 student capacity
\$5.25 million
37,200 square feet
97% complete
Move-in date of February 13, 2004
Anticipated completion date April 2004

Washington Elementary School New Classroom Addition

Start date December 2002
33 new classrooms
26 leased portables to be removed with an anticipated savings of \$144,000 annually
School will net seven classrooms
1,056 student capacity
\$6.6 million
49,000 square feet
97% complete
Move-in date February 27, 2004
Anticipated completion date May 2004

Segerstrom High School

Grading started July 2003
87 new classrooms
2500 student capacity
\$55.5 million
40 acre site
697 parking stalls
250,000 square feet of buildings
Anticipated completion date September 2005

Hector G. Godinez Fundamental High School

Start date October 2003
97 classrooms
2500 student capacity
\$66.5 million
26.5 acres
510 parking spaces in a 160,690 square foot parking structure
231,400 square feet of building space
Anticipated completion date January 2006

Manuel Esqueda Elementary

Start date October 2003
48 classrooms
\$15.5 million
8.3 acres
138 parking stalls
82,579 square feet of building
Anticipated completion date June 2005

SAUSD Modernization projects consist of the following:

- ◆ New flooring and abatement work
- ◆ ADA upgrades throughout the site
- ◆ New casework throughout the site
- ◆ Doors and hardware replacement
- ◆ Interior and exterior painting
- ◆ New fire alarm and public address system
- ◆ Mechanical, plumbing, and electric upgrade throughout site
- ◆ Replace marker boards and tack boards

Adams Elementary Modernization

Start date April 2003
100% complete
\$1.4 million
Completed with punch list items remaining

Madison Elementary Modernization

Start date of July 2003
85% completed
\$2.4 million
Completion date February 2004

Taft Elementary Modernization

Start date June 2003
\$3.0 million
Closeout documents in process

Monroe Elementary Modernization

Start date June 2003
\$1.7 million
Closeout documents in process

Mr. Hills reported that the current ongoing construction projects total \$171.5 million and the completed construction projects total \$9.3 million.

Mr. Richardson requested that the information presented be displayed on the District Website.

PRESENTATION

Governor's Budget Proposal

Mr. Richardson stated that due to the mid-year revisions yet to occur, the budget remains uncertain.

Dr. Stabler provided a presentation on the 2004-05 Governor's budget proposal as it affects educational programs in the State and its impact on the SAUSD. He said that following the Governor's State of the State last week, proposals were released. He said that with the May Revise and the possibility of ballot measures coming up in March, much change would occur.

Dr. Stabler next reported on specific key elements that were released by Governor Schwarzenegger. The following were proposed:

- ◆ No reductions for current year 2003-04
- ◆ COLA and growth for all programs
- ◆ Education Reform: specifically workers' compensation; repeal of SB1419; and categorical Block Grant

The four propositions in the March elections that will affect education which are:

- ◆ Proposition 55: State School Facilities Bond
- ◆ Proposition 56: The fiscal Accountability Measure
- ◆ Proposition 57: Deficit Bond proposal
- ◆ Proposition 58: Balanced Budget Act

Proposed COLA Growth for 2004-05:

- ◆ Proposition 98: State owes education \$3 billion
- ◆ Coalition agrees to reduce obligation by \$2 billion (temporary suspension), which equates to 1.84% across-the-board COLA plus equalization.

Dr. Stabler stated that in 2003-04 statutory COLA should have been 2.1% which was not funded and the revenue limit was deficiated by 1.2%. In 2004-05, the Governor proposed a 1.84% COLA, plus equalization. Last year and the current year a shortfall by government occurred by 3.3% and now it was indicated that districts are receiving a 2% increase leaving districts in the negative as a result of not receiving the funding at the start of 2003-04.

Education Reform:

- ◆ Workers' Compensation: If Governor does not receive legislative action by mid March, he will take the issue to the voters by ballot measure in November.
- ◆ Repeal of SB 1419: Ability of State agencies to contract out was passed last year. It restricted public entities from contracting out services that are currently provided by employees. This is not an issue in Santa Ana, but is a CSEA issue.

Categorical Block Grant:

- ◆ Equals \$2 billion Statewide
- ◆ Includes 22 non-compensatory programs which would be added to District's revenue limit

Effect on SAUSD if deficit Bond is approved:

- ◆ Increased revenue limit funds: \$5 million based on projected prior year ADA of 58,000 (reduction of 700 for 2003-04)
- ◆ Increased restricted funding: COLA and Growth for all programs

Effect on the SAUSD if deficit Bond is not approved:

- ◆ No COLA or growth
- ◆ Additional budget reductions

Dr. Stabler stated that due to uncertainty of the Bond measure and legislative intent, District must proceed with the current multi-year financial implementation plan which includes the following:

- ◆ District has declared impasse with SAEA
- ◆ District continues to negotiate with CSEA

Mr. Richardson commented that in reference to categorical funds and with an effort to move away from the Block Grant, it will take time to analyze the budget. He asked Dr. Stabler what potential impact the District must be concerned with.

Dr. Stabler responded that the 22 programs being recommended within the categorical flexibility are not non-compensatory programs which are not part of this categorical grant. He said that the District must receive more flexibility on the unrestricted side of budget. He said that this was a positive on the part of legislature which allows Board members to determine what the priorities are. He will provide the list of programs in Week In Review. Dr. Stabler stated that he would provide information to legislators Senator Joe Dunn and Assemblyman Lou Correa to take to Sacramento on the District's behalf.

Dr. Yamagata-Noji asked how the District might communicate the most current information. She also inquired about the bond measure mentioned in the presentation and said that there may have been a lack of understanding in the event that the bond is not approved.

Dr. Yamagata-Noji said that when the multi-year report and the first-interim certification were approved, the Board was assured that the District had enough funds to end the year with a positive certification. With the reductions that have occurred, she requested that communication be posted on the District Website or presented at a future Board presentation.

Dr. Stabler stated that a follow-up presentation would be provided at the next Board meeting.

Dr. Yamagata-Noji asked for clarification of impasse. Mr. Best stated that the SAUSD has declared impasse. This is when numerous negotiation sessions have occurred and no conclusion has been reached and it is necessary to bring in a negotiator from the State's PERB (Public Employees Relations Board) to work with both associations. Information has been disseminated to school sites and all District departments. Also a principals' meeting is scheduled for tomorrow morning where information will be provided. He said that PERB will assign a mediator to assist with the issue.

Mr. Tinajero echoed Dr. Yamagata-Noji and said that there is a high level of uncertainty amongst teachers and classified staff and stressed the importance of maintaining information. He asked that on the next issue of the *Above and Beyond* District Newspaper to include communication to teachers and staff concerning reductions and to include initiatives to assist in the situation. Dr. Yamagata-Noji asked that District include timelines in terms of noticing employees as per State laws. Dr. Stabler stated that a Budget Calendar presentation would be provided at the next Board meeting.

Mr. Palacio requested a list of the 22 non-compensatory programs and asked that it include a description of programs and the dollar amounts.

Dr. Stabler stated that he would supply Board with the information in Week In Review.

RECOGNITIONS

Superintendent's BRAVO! Award - Dr. Robert Olvera

Dr. Mijares presented the BRAVO! Award to Dr. Robert Olvera, Santa Ana High School's football team doctor since 1993. Recently at a football game, he diagnosed a life-threatening injury to player Felix Munoz. Dr. Olvera's insistence to take the injured student to Western Medical Center rather than another hospital where neurosurgeons would be on hand to provide the best necessary treatment may have saved the student's life. Dr. Olvera's assessment of Felix that night and his commitment to the health and welfare of other students demonstrate the caliber of not only his profession, but his persona. Dr. Olvera is the best role model students can observe and learn from. He is a caring, sharing, educated person, who lives to give back to the community and the people he loves.

The BRAVO! Award was presented to Dr. Robert Olvera for his heroic act on behalf of Felix Munoz and in recognition of his many contributions to the athletes of Santa Ana high schools throughout the years.

Classified Employee of the Month for January - Fabiola Ambriz

Ms. Sandra Bermudez, Budget Technician for the Business Services Department, presented Fabiola Ambriz as Classified Employee of the Month for January. Ms. Ambriz has worked for the SAUSD for eight years. Fabiola is a dedicated and exemplary employee. Outside of work she keeps herself very busy as a member of the Mexicanismo Ballet Folklorico where she performs all over Orange County. She is admired by the staff at Martin Elementary and has a warm heart and friendly demeanor.

On behalf of the District and Board, she was presented with a plaque engraved with her name and the month for which she is honored. A gift certificate for dinner at her favorite restaurant was also provided. Present with Fabiola were her husband Felipe, children Yasmin and Enrique, and acquaintances. The Superintendent and Board thanked her for her hard work and commitment to Martin Elementary School.

BOARD PRESIDENT COMMENT

Mr. Richardson welcomed Century High School students in attendance. Students were on special assignment for their Government and Economics class.

PUBLIC COMMENTS

Michael Murphy, Valley High School teacher, spoke in favor of Algebra A and B and said that six-months have passed and asked if the District had planned on visiting Algebra A and B as previously indicated.

Kim Gerda, Children Learning in Safe School (CLASS), spoke in opposition to the road barricades adjacent to Davis Elementary School and asked the District to write a letter to the City requesting that the barricades be removed.

The following community members spoke in opposition of the road barricades adjacent to Davis Elementary. They also expressed safety and traffic concerns caused by barricades.

Leo Sarinana, 1501 Dresser, Santa Ana
Zeke Hernandez, P.O. Box 1810, Santa Ana
Sam Romero, 600 E. 4th Street, Santa Ana
Julie Alexander, 2521 Oakmont, Santa Ana
Nadia Davis-Lockyer, Santa Ana
Wade Little, 1323 N. Spurgeon #5C, Santa Ana

Victoria Zaragoza, Cornerstone Village, Santa Ana, spoke in opposition to road barricades and the safety issues raised by the community regarding the barriers. She also spoke in reference to the English Learner Programs and School Site Councils relative to class size reduction 20-1, K-3 program.

Ralph Allen, 1002, River Lane, Santa Ana spoke in reference to Segerstrom and Godinez fundamental high schools. He said that Godinez fundamental high school is well over budget and both schools will carry 2500 students. He asked that misleading information be stopped. He also opposes the road barricades adjacent to Davis Elementary School.

Cynthia Criollos, 1924 N. Ross, Santa Ana, wished the Board a Happy New Year. She then encouraged the recommendation of Ms. Jenny Rios as a candidate to the El Sol Board of Directors.

Florence Ball Freeman, 680 Gravier, Orange, spoke in regards to the impasse declared on Friday and encouraged the Board to assist with the negotiations at hand relative to SAEA and the District. She said that it was unclear as to the number of issues being negotiated. She urged the Board to move forward with education.

APPROVAL OF MINUTES

It was moved by Mr. Tinajero, seconded by Mrs. Avila, and carried 5-0 to approve the Minutes of Special Board meeting of December 2 and Regular Board meeting of December 9, 2003.

APPROVAL OF CONSENT CALENDAR

The following items were removed from the Consent Calendar for discussion and separate action: Awards, Approval of Change Order No. 1 for Bid Packages 30, 31, 33, 35, 36, and 37 for construction of Adams Elementary Modernization Project, Approval of Change Order No. 8 for construction of Buildings at Jackson, Lincoln, Roosevelt, and Washington Elementary Schools, and Approval of Renegotiated Agreement with construction management firm to provide construction management services for upcoming modernization projects.

It was moved by Mr. Palacio, seconded by Mr. Tinajero, and carried a 5-0 to approve the remaining items on the Consent Calendar as presented.

The following gifts were accepted subject to the condition that the District does not guarantee maintenance of the items or expenditure of District funds for their continued use.

Gifts

Donors

Franklin Elementary
Ten Child Tickets to Magic Mountain

Ms. Martha Horowitz
Newport Beach

Fremont Elementary
Assorted Books

Mr. Fermin Valencia 1030
Santa Ana

Greenville Fundamental
\$960 for Copier Maintenance

P.F.O.
Mr. Richard Montecino
Santa Ana

Lowell Elementary
\$1000 for Field Trips

Wells Fargo Foundation
Mrs. Melanie M. McGehee
Irvine

Sepulveda Elementary
\$590 for Field Trips

OCTFCU
Mr. Rudy Hanley, President/CEO
Santa Ana

Thorpe Fundamental Elementary
\$500 for Student Body

OCTFCU
Mr. Rudy Hanley, President/CEO
Santa Ana

McFadden Intermediate
\$500 for Needy Families

Ms. Kathie Zamorano
Pasadena

McFadden Intermediate
Library Books

McFadden Intermediate Library
Mrs. Lobelia Martinez, President
Santa Ana

Spurgeon Intermediate
\$374 for Student Body

Lifetouch
Mr. Grant Chambers
Eden Prairie, MN

Century High School
12 Navy Blue Dunhill Suits

Mr. & Mrs. Kirkby,
Irvine

Santa Ana High
\$250 for NJROTC Leadership Camp

Republican Alliance in Central County
Mr. David Padilla
Santa Ana

Valley High School
\$1000 for Global Academy of Finance
Summer Internship Program

Mr. Larry Maurer
Irvine

SAUSD - Partners in Education
\$2000 for Partners in Education Breakfast

Contacto Newspaper
Mr. David Orea
Santa Ana

*Denotes Business Partners

Review and approval of purchase orders issued November 26 through December 11, 2003, to purchase materials, supplies, etc., with funds previously approved.

Review and approval of warrant listings prepared December 2, through December 18, 2003, to pay budgeted District financial obligations.

<u>AWARD</u>	<u>VENDOR</u>	<u>AMOUNT</u>
CANNED GOODS AND STAPLE PRODUCTS FOOD 4 THOUGHT	PALMER & ASSOCIATES, INC. CAMPUS FOOD JOSEPH WEBB FOODS SYSCO FOOD SERVICE A & R WHOLESALE DISTRIBUTORS, INC.	\$151,418 102,233 66,592 64,422 22,568
FROZEN FOODS FOOD 4 THOUGHT	JOSEPH WEBB FOODS ASR FOOD DISTRIBUTORS, INC.	\$3,470,000 269,000
PRODUCE FOOD 4 THOUGHT	ASR FOOD DISTRIBUTORS, INC.	\$846,300
PAPER AND PLASTIC FOOD WRAPPING AND NON-FOOD SUPPLIES FOOD 4 THOUGHT	P & R PAPER SUPPLY COMPANY PRESSED PAPERBOARD TECHNOLOGIES ASR ROODS PLASTIC PACKAGE, INC. TRANSILWRAP COMPANY, INC. AFFILIATED PACKAGING SPECIALTIES, INC. FORM PLASTICS COMPANY SYSCO FOOD SERVICE INTERBORO PACKAGING CORPORATION	\$233,300 89,900 80,000 28,500 20,152 7,958 7,800 3,900 3,500
ICE CREAM NOVELTIES FOOD 4 THOUGHT	MELODEE ICE CREAM	\$69,745.04
<u>SEE REGULAR ACTION OF MINUTES - THIS ITEM REMOVED FOR SEPARATE ACTION:</u>		
AWARD OF CONTRACT FOR MASONRY CONTRACTOR FOR CONSTRUCTION OF SEGERSTROM HIGH SCHOOL PROJECT	R & R MASONRY	1,206,117

Food Services Statement of Operations - September 30, 2003.

Acceptance of Treasury Report - September 30, 2003.

Approval of Change Order No. 1 for bid package 3 for a credit of \$9,300 with a revised contract amount of \$629,100 and bid package 4 in the amount of \$51,576 with a revised contract amount of \$575,876 for the construction of Segerstrom High School project.

Acceptance of December 18, 2003, completion of contracts with the above listed contractors in the amount of \$1,348,714 for bid packages 1, 2, 3, and 4 for the construction of Segerstrom High School project.

Acceptance of December 18, 2003, completion of contracts with the above listed contractors in the amount of \$1,369,176.61 for bid packages 30, 31, 32, 33, 34, 35, 36, and 37 for the construction of Adams Elementary modernization project.

Acceptance of December 18, 2003, completion of emergency contract for the removal and repair of certain designated glu-laminated beams with USSCAL Builders in the amount of \$198,560 for Taft Elementary.

Authorization of Administration to accept the withdrawal of the S & H Cabinets contractor for the construction of Manuel Esqueda Elementary School project.

Authorization of Administration to award a contract to K & Z Cabinets in the amount of \$355,219 for bid package No. 97 for casework contractor for the construction of Manuel Esqueda Elementary School project.

Approval of increase of fees for Twining Laboratories as the soil testing and construction material testing consultant for the construction of buildings at Jackson, Lincoln, Roosevelt, and Washington Elementary School in the amount not to exceed \$100,000 for a new contract total not to exceed \$375,000.

Ratification of agreements with Haley & Aldrich and the Department of Toxic Substances Control (DTSC) to provide environmental support services and a Corrective Action Consent Agreement (CACA) at Villa Fundamental Intermediate.

Approval of amendment to the "Amended and Restated Declaration of Restrictions and Establishment of Easements for the Bristol Marketplace" (Mendez Fundamental Intermediate).

Ratification of appraisal agreement with Specialized Equipment Appraisal for an inventory valuation report for property located at 720 North Fairview Street.

Ratification of appraisal agreement with Specialized Equipment Appraisal for an updated fixture and equipment report for property located at 720 North Fairview Street.

Approval of membership renewal in the California School Boards Association & Education Legal Alliance (CSBA) for 2003-04 fiscal year.

Approval of Comprehensive Schools Plans that are required by SB 374.

Approval submission of reapplication for the middle schools programs for Tobacco Use Prevention Education, TUPE Competitive Grant to the California Department of Education, Safe and Healthy Kids Program Office.

Approval submission of reapplication for the high school programs for Tobacco Use Prevention Education, TUPE Competitive Grant to the California Department of Education, Safe and Healthy Kids Program Office.

Approval submission of the Enhancing Education through Technology (EET) Formula Grant to the California Department of Education.

Approval of summer school programs to provide remediation, academic preparation, vocational training, and core academic programs for designated students, June 30, 2004, to August 5, 2004, contingent upon State funding. (Special Education: Mitchell and Taft Elementary dates June 21 - July 15, 2004).

Approval of the recommendations of the Administrative Hearing Panel which found that the following pupils violated Section 48900.4, 48900.7, or 48915 of the California Education Code for the specific paragraphs enumerated in this motion and to expel the students for the recommended term and with recommended remediation conditions:

131937 - Sierra Intermediate

for violation of Sections f and k, that the Board expel her from the schools of the District and that she may apply for readmission on or after June 15, 2004.

151924 - McFadden Intermediate

for violation of Section c, that the Board expel him from the schools of the District and that he may apply for readmission on or after January 13, 2005.

127172 - Community Day Intermediate

for violation of Section g, that the Board expel her from the schools of the District and that she may apply for readmission on or after June 15, 2004.

140632 - Century High

for violation of Sections b and m, that the Board expel him from the schools of the District for the fall and that he may apply for readmission on or after June 15, 2004, and that he be permitted to return to a District school/program on a probationary status.

173913 - Sierra Intermediate

for violation of Section c, that the Board expel her from the schools of the District and that she may apply for readmission on or after June 15, 2004.

Ratification/Approval of Extended Field Trips:

Jefferson Elementary
Outdoor Science School
Arrowhead Ranch
Lake Arrowhead, CA
February 23-27, 2004 (Monday-Friday)

McFadden Intermediate
Eighth Grade Trip
Washington, DC
April 20-24, 2004 (Tuesday-Saturday)

Century High School
Puente Program
Berkeley, CA
February 5-6, 2004 (Thursday-Friday)

Saddleback High School
Honor Choir
Las Vegas, NV
February 25-29, 2004 (Wednesday-Sunday)

<u>AWARD</u>	<u>VENDOR</u>	<u>AMOUNT</u>
AWARD OF CONTRACT FOR MASONRY CONTRACTOR FOR CONSTRUCTION OF SEGERSTROM HIGH SCHOOL PROJECT	R & R MASONRY	\$1,206,117

Dr. Yamagata-Noji inquired about the bid amount for masonry at Segerstrom High School. Mr. Sharp stated that the first round of bids exceeded their projected estimate, therefore requesting a rebid. The new bid came in \$1 million lower.

It was moved by Dr. Yamagata-Noji, and seconded by Mr. Palacio, and carried 3-0, Mrs. Avila and Mr. Tinajero not present, to approve the Award of Contract to R & R Masonry for the construction of the Segerstrom High School project, in an amount of \$1,206,117.

AUTHORIZATION OF ADMINISTRATION TO APPROVE CHANGE ORDER NO. 1 FOR BID PACKAGES 30, 31, 33, 35, 36, AND 37 FOR CONSTRUCTION OF ADAMS ELEMENTARY MODERNIZATION PROJECT IN THE AMOUNT OF \$22,622.61 FOR A REVISED TOTAL CONSTRUCTION COST OF \$1,369,712.61.

Dr. Yamagata-Noji asked for clarification on the item. She confirmed that the District previously budgeted 5% for the project, and that there is a change below 1.68%. Mr. Hills stated that this was due to an unforeseen condition. He said that electrical panels were necessary where the original as-built were incorrect and the District still maintained the below 5% contingency. Dr. Yamagata-Noji asked that future information contain these explanations.

It was moved by Dr. Yamagata-Noji, seconded by Mr. Palacio, and carried 3-0, Mr. Tinajero and Mrs. Avila not present, to approve the Change Order No. 1 for bid packages 30, 31, 33, 35, 36, and 37, for construction of Adams Elementary modernization project in the amount of \$22,622.61 for a revised total construction cost of \$1,369,712.61.

APPROVAL OF CHANGE ORDER NO. 8 FOR THE CONSTRUCTION OF BUILDINGS AT JACKSON, LINCOLN, ROOSEVELT, AND WASHINGTON ELEMENTARY SCHOOLS AT A COST OF \$136,292.23 FOR A REVISED TOTAL CONSTRUCTION COST OF \$24,955,544.22.

Dr. Yamagata-Noji asked for clarification on the funding. Mr. Hills stated that 50% will come from the State and 50% from Measure C.

It was moved by Dr. Yamagata-Noji, seconded by Mr. Palacio, and carried 4-0, Mrs. Avila not present to approve Change Order No. 8 for the construction of buildings at Jackson, Lincoln, Roosevelt, and Washington Elementary Schools at a cost of \$136,292.23, for a revised total construction cost of \$24,955,544.25.

APPROVAL OF RENEGOTIATED AGREEMENT WITH TELACU CONSTRUCTION MANAGEMENT TO PROVIDE CONSTRUCTION MANAGEMENT SERVICES FOR UPCOMING MODERNIZATION PROJECTS AT FREMONT, HOOVER, JACKSON, JEFFERSON, LINCOLN, LOWELL, AND ROOSEVELT ELEMENTARIES AND LATHROP, MCFADDEN, AND SIERRA INTERMEDIATES.

Dr. Yamagata-Noji asked that Ms. Brown explain the renegotiated agreement. Ms. Brown stated that Telacu Construction Management was approved for four modernization projects which have been completed. Based on the District's recent experience with modernizations and the revised project priorities, District staff has renegotiated with Telacu Construction Management to provide construction management services including estimating, constructability reviews, and scheduling for a fee of 9.55% of hard construction. If Board authorizes bidding on the modernizations, there would be a savings of \$813,000.

It was moved by Mr. Richardson, seconded by Mr. Tinajero, and carried 4-0, Mrs. Avila not present. to approve the renegotiated agreement with Telacu Construction Management to provide construction management services for upcoming modernization projects at Fremont, Hoover, Jackson, Jefferson, Lincoln, Lowell, and Roosevelt Elementaries and Lathrop, McFadden, and Sierra Intermediates.

ADOPTION OF RESOLUTION NO. 03/04-2545 - ADDITIONAL SIGNATURES AUTHORIZATION

It was moved by Mr. Richardson, seconded by Mr. Palacio, and carried 4-0, Mrs. Avila not present to adopt Resolution No. 03/04-2545 authorizing Dr. Helen Stainer, Assistant Superintendent, Elementary Education, and Dr. Lewis Bratcher, Assistant Superintendent, Secondary Education, to execute such documents as may be necessary to memorialize the District's agreement to the terms of curriculum-related transactions that have been approved by the Board.

A copy of the Resolution is attached to the Minutes of the meeting.

APPROVAL OF PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS BETWEEN THE DISTRICT AND MERCY HOUSING CALIFORNIA FOR PROPERTY LOCATED AT 2800 NORTH FARMERS DRIVE

Mr. Andreas Chialtas, District Legal Counsel, explained that Mercy Housing California was informed by the City of Santa Ana that the Tentative Tract Map (TTM) had expired. Mercy Housing California is no longer willing to pay the purchase price in the Purchase Agreement, therefore cancelled their initial deposit of \$25,000, on the last day of the non-profit corporation negotiations deadline of January 7, 2004. On January 12, 2004, Mercy Housing informed the District of its unilateral revocation of its offer to purchase the Farmers property. Legal Counsel explained to Mercy Housing that the revocation would have to be Board approved. There were three recommendations suggested by legal counsel:

- ◆ To accept Mercy Housing California's request to not be held to the Purchase Agreement.
- ◆ To proceed with the public bid for the property at a future date in February 2004.
- ◆ To extend the date upon which escrow must close for the purchase and sale agreement to be offered to potential bidders for the property.

Dr. Yamagata-Noji asked what effects the TTM being expired creates relative to the auction process. Mr. Chialtas stated that there wouldn't be much of an effect. He said that a TTM is valid for two years and expired in January. He said that anyone interested would have to work with the City to develop a new TTM.

Dr. Yamagata-Noji inquired about the proceeds from the sale. Mr. Chialtas stated that the District can keep the proceeds from the sale and must use them for capital outlay purposes.

Mr. Chialtas stated that the deadline specifically for non-profit organizations has concluded and now all non-profits must bid along with everyone else. He said that the next steps would be to publish an addendum bid date for February 10, 2004, and send a letter to Mercy Housing informing them, should the Board approve the revocation tonight that the purchase and sale agreement is null and void.

Mr. Richardson stated that the property value has been confirmed at a minimum of \$9.7 million and the opportunity for private developers would benefit the District. He then asked legal counsel to explore the possibility of holding the Farmers site auction at another time and place.

It was moved by Mr. Richardson, seconded by Mr. Tinajero, and carried 4-0, Mrs. Avila not present, to accept Mercy Housing California's request to not be held to the Purchase Agreement; to proceed with the public bid for the property at a future date in February 2004; and to extend for an additional nine months the date upon which escrow must close for the purchase and sale agreement to be offered to potential bidders for the property.

APPROVAL OF LEASE/PURCHASE AGREEMENT BETWEEN KEY GOVERNMENT FINANCE, INC., AND SANTA ANA UNIFIED SCHOOL DISTRICT FOR THE FINANCING OF E-RATE

Dr. Stabler stated that E-Rate is a series of Federal grant funding and is a tax that everyone pays that is listed on phone bills as connectivity. The SAUSD has qualified for funding of the E-Rate 5 in an amount of \$4,999,500. The amount is based on the District's 90% free and reduced lunch at certain schools. The funding will be used for technology infrastructure at various sites. If the District receives this amount, the agreement would be with Key Government Finance, Inc., a subsidiary of IBM.

It was moved by Mr. Palacio, seconded by Mr. Tinajero, and carried 4-0, Mrs. Avila not available to approve the lease/purchase agreement between Key Government Finance, Inc., and Santa Ana Unified School District, for the financing of E-Rate 5.

APPOINTMENT OF CONSULTANT FOR DISTRICT EMPLOYEE BENEFITS PROGRAM

Board concurred that this item be delayed for discussion and action later in the meeting.

APPROVAL TO NAME SADDLEBACK HIGH SCHOOL FOOTBALL FIELD IN RECOGNITION OF JERRY WITTE

It was moved by Mr. Tinajero, seconded by Mr. Palacio, and carried 4-0, Mrs. Avila not present to approve the naming of Saddleback High School football field in recognition of Jerry Witte.

APPROVAL OF NEW DISTRICT ACCOUNT AT BANK OF THE WEST FOR THE SIMON FOUNDATION SCHOLARSHIP FUND

Dr. Stabler stated that anytime there is a request to establish a new account it is brought before the Board for approval. He then called upon Dr. Bratcher for explanation of establishing the Ronald M. Simon Family Foundation scholarship program.

Dr. Bratcher stated that Mr. Simon established a higher education scholarship fund for students who attend the four comprehensive high schools. Unlike most scholarships, financial support begins in the eleventh grade and extends through graduation to college. The checking account set up through the Bank of the West will provide students \$150 per month beginning in the eleventh grade and advances to \$250 per month in the students' senior year. This advanced financial support will assist students in academic preparation, payment of fees, and other support. The SAUSD will serve as the fiscal agent for distribution of funds to students.

Mr. Richardson asked for a copy of materials that were presented at the meeting tonight. He asked that PIO provide proper acknowledgement to the Simon Foundation.

Mr. Palacio inquired about the alternative high schools. Dr. Bratcher stated that it was mentioned that the program could be extended at a later time.

It was moved by Mr. Tinajero, seconded by Mr. Palacio, and carried 4-0, Mrs. Avila not present to approve a new District account at Bank of the West for the Simon Foundation Scholarship Fund.

APPROVAL OF PERSONNEL CALENDAR

It was moved by Mr. Tinajero, and seconded by Mr. Palacio, and carried 4-0, Mrs. Avila not present to approve the personnel calendar as presented.

Dr. Yamagata-Noji asked for clarification concerning temporary, promotional, and hires listed on the personnel calendar.

Mr. Polanco described each item of concern.

A copy of the Personnel Calendar is attached to the Minutes.

DISCUSSION ITEMS

FILL VACANCY ON EL SOL BOARD OF DIRECTORS

Dr. Stainer provided a history of the El School Charter governance and a current organizational chart. She stated that when the charter was approved in August of 2000, the governance was established. The Board was comprised of a minimum of five Board members. In January 2002, a first amendment occurred which indicated that the Board would be comprised of seven members, four which would be designated by the SAUSD and would remain until the loan was repaid to the SAUSD. During that time, one of the positions filled by a SAUSD Board would become vacant and the El Sol Director would be appointed allowing El Sol the majority. SAUSD representation consisted of Mr. Frank Quevedo, Dr. Esther Reynoso, Mr. Sal Tinajero, and Mr. John Palacio. El Sol's representation included Ms. Susan Mas, Dr. Kathleen Sabine, and Dr. Juan Lara. It was determined that there was a potential conflict of interest for Board members from the SAUSD to

also be on the El Sol Board, shortly following that, Mr. Tinajero and Mr. Palacio resigned from the El Sol Board. Mr. Quevedo resigned in the spring of 2003, and Dr. Lara a few months later. Since that time, Ms. Criollos was appointed by El Sol as an interim member. The current Board consists of five members and as the agreement indicates, should consist of seven. The member currently on the El Sol Board to represent the SAUSD is Dr. Esther Reynoso. The Board of Education will be appointing members to the Board at the next Board meeting. Below is a list of the current members.

1. Esther Reynoso, M.D. (SAUSD representative)
2. Vacancy - SAUSD Representative
3. Vacancy - SAUSD Representative
4. Vacancy - SAUSD Representative
5. Susan Mas
6. Kathy Sabine
7. Cynthia Criollos

Dr. Stabler stated that terms are one year renewable terms.

Mr. Richardson stated that the District must renew the District's representative term currently on the Board. He recommended that the District move forward with a selection process by advertising in the newspaper and Channel 55, and have interested parties complete an application. He also asked that Administration determine member criteria before advertising. He recommended that Administration examine bylaws to determine the constitution of El Sol's quorum.

Dr. Yamagata-Noji asked that the original loan agreement and second charter petition be provided to her. Mr. Richardson requested the information for all Board members.

Mr. Richardson requested that this item return to the next meeting with answers to Board questions and for a selection of Board members to the El Sol Board of Directors.

This item was presented for discussion; no Board action required.

MASTER PROGRAM BUDGET/TIMELINE FOR THE SCHOOL BUILDING PROGRAM AND STAFF RECOMMENDATION OF MODERNIZATION PROJECT PRIORITIES

Ms. Brown stated that she recently received information from the Office of Public School Construction concerning Otsuka Elementary. The State Allocation Board will be funding the school for approximately \$13 million at its January 28, 2004, meeting.

Ms. Brown stated that in November 2003, the Master Program Budget was presented and tonight is an updated master program budget & timeline modernization project priorities plan. Ms. Brown has enclosed for Board review track changes from one budget to another as previously requested. The overall program budget has been reduced by \$113,000, due to minor renegotiations of the CM contract and minor changes to Segerstrom commitments. A report of project comparisons was also provided.

Scope of Work for Modernization projects consist of the following:

- ◆ ADA compliance
- ◆ Interior and exterior painting
- ◆ Doors and hardware replacement
- ◆ Fire alarm / public address replacement
- ◆ Flooring replacement

- ◆ Replacement of Casework
- ◆ Abatement
- ◆ Plumbing, electric upgrades, and HVAC upgrades
- ◆ Replacement of white boards and tack boards

Ms. Brown separately provided information on the ten modernizations as requested:

<u>SCHOOL</u>	<u>STATE FUNDING</u>	<u>CONST. BUDGET</u>	<u>START DATE/QUARTER</u>	<u>COMPLETION/QUARTER</u>		
Jefferson	\$894,934	\$823,465	2004	2nd	2005	1st
Lincoln	\$2,654,176	\$1,831,614	2004	2nd	2005	1st
Hoover	\$2,262,412	\$2,086,524	2004	3rd	2005	1st
Lowell	\$1,873,815	\$1,724,129	2004	3rd	2005	1st
Jackson	\$1,815,082	\$1,670,088	2004	4th	2005	2nd
McFadden	\$3,080,608	\$2,685,063	2004	4th	2005	3rd
Lathrop	\$4,044,469	\$3,721,385	2004	4th	2005	4th
Roosevelt	\$1,861,487	\$1,572,656	2004	4th	2005	4th
Fremont	\$2,574,057	\$2,368,435	2004	4th	2005	4th
Sierra	\$1,039,302	\$935,045	2004	4th	2005	3rd

Mr. Palacio requested that Ms. Brown provide to Board, concerning each modernization project, the amount of any reduction in comparison to previous numbers, in writing.

Dr. Yamagata-Noji requested that the fund utilized be included in the report. Ms. Brown stated that a presentation would be provided addressing their questions.

Mr. Richardson stated that although he understands that not all schools can be modernized at this time, he inquired how the school pairing came about. Ms. Brown stated that when bids go out, they are paired by architects and go out for bid as one project.

Mr. Tinajero recommended revisiting the expansion at Lathrop. He advised facilities staff to look at the possibility of closing off Russell Street.

Mr. Palacio asked Administration to look at the parking issue on street sweeping days and suggested working with the City of Santa Ana.

Mr. Richardson inquired about Otsuka, Heroes, and Fremont relative to enrollment and CSR. Ms. Brown stated that currently the District is looking at reducing portables from the New School Additions due to District reductions in the elementary schools and may be looking at boundary changes.

Mr. Palacio said a boundary plan makes some sense when you look at the surrounding fundamental schools.

Ms. Brown stated that in reference to Valley High School's modernization project, the new facilities planner has been assigned the job of Valley High School and moving it along in preparation of State funding if the new March bond passes. She said that the State has new construction monies, but has been out of modernization funds for eight months.

Board discussion ensued concerning the needs of Valley High School and the accreditation soon to occur. Mr. Palacio inquired about the District's loss in funding that occurred due to delays and requested that facilities

staff respond in writing. He also requested a historical file on the school.

Mr. Richardson requested a future Board presentation informing the Board of Lathrop's reorganization.

Ms. Brown stated that staff would return to the next Board meeting requesting approval to move forward with the next ten modernizations.

This item was presented for discussion; no Board action required.

BOARD AND STAFF REPORTS/ACTIVITIES

Sal Tinajero:

- ◆ Wished everyone a happy holiday season and new year.
- ◆ Santa Ana Wrestling team came in third place and at another match Santa Ana came in second. He congratulated Coach Glabb for great coaching and teaching good sportsmanship.
- ◆ Attended District's Management Team meeting recently and announced that Santa Ana High School attended an invitational speech and debate competition. Of 156 top debaters, Santa Ana took first and second place. At the Cal State Fullerton invitational debaters from various parts of the country attended and Santa Ana High School took eighth overall.
- ◆ Congratulated the Santa Ana High Speech and Debate Team for doing an outstanding job this year. Competitions will take place at Valley High and Cypress High in the coming year.

Dr. Yamagata Noji:

- ◆ Wished everyone a happy holiday season and new year.
- ◆ Thanked cabinet, administration, teachers, classified staff, parents, community for assisting in the CENA, where over 1300 people attended.
- ◆ In reference to Fundamental School Lottery Registration - There were issues from last year's registration process which were discussed and studied, and the decision to continue with the same process was decided.
- ◆ People have approached members of the Board with concerns regarding budget, staffing, and personnel issues. She wanted to inform them that the Board does a lot of research and although the opportunity to respond isn't always there, sometimes the Board is not able to provide the public with answers because of confidentiality. Know that the Board is striving to do the best for all employees and students. She thanked everyone for their understanding.
- ◆ Looking forward to a great 2004.

Mr. Palacio:

- ◆ Very happy to see Felix Munoz, Santa Ana High quarterback here tonight with a full recovery and thanked Dr. Olvera who was present during the incident.
- ◆ Pleased to hear Mr. Tinajero's report regarding the speech and debate competitions.

Mr. Richardson:

- ◆ Wished everyone a Happy New Year.
- ◆ With the challenges relative to the budget, we will meet those head on and rely on everyone's diligence, hard work and patience while wrestling the difficult issues within the District's budget.

- ◆ The report that District received on Friday regarding Oracle was excellent.

RECESS TO CLOSED SESSION

The Regular meeting was recessed to Closed Session at 10:10 p.m., to consider legal matters, real estate issues, personnel matters, education of Special Education students, and administrative appointments.

REGULAR MEETING RECONVENED

The Regular meeting was reconvened at 12:20 a.m.

APPOINTMENT OF CONSULTANT FOR DISTRICT EMPLOYEE BENEFITS PROGRAM

It was moved by Mr. Palacio to appoint K.M. Employee Benefits Services as the District's employee benefits program consultant.

The motion failed due to no response to a second.

Dr. Yamagata-Noji then called for a vote.

Dr. Yamagata-Noji requested information concerning K.M. Employee Benefits Services. She said that CEB Insurance Services only carry trusts and if District selected them, the SAUSD would have to eliminate Blue Cross as a carrier.

Mr. Palacio stated that he would be voting no, due to the budget issues that the District is experiencing. He said that the difference in fees is \$25 million. The previous firm saved the District approximately \$9 million.

Mr. Richardson stated that employee benefits is the second highest expense paid by the District and the expectancy would be that the consultant would be ready, willing, and able to disclose any and all information being requested by the Board. We have a right and obligation to know that.

By a vote of 3-0-1, Mrs. Avila not present and Mr. Palacio dissenting, to approve the appointment of Mercer HR Consulting as the consulting firm for the District employee benefits program.

REPORT OF ACTION TAKEN IN CLOSED SESSION

The President reported the following actions taken in Closed Session:

By a vote of 4-0, the Board took action to dismiss a classified employee as named in Closed Session, effective January 14, 2004.

By a vote of 4-0, the Board took action to approve payment to the law offices of Kamoroff and Associates Client Trust Account for Independent Educational Evaluations and attorney's fees.

ADJOURNMENT

There being no further business to come before the Board, the Regular meeting was adjourned at 12:22 p.m.

FUTURE MEETING

The next regularly scheduled meeting of the Board of Education will be held on Tuesday, January 27, 2004, at 6:00 p.m.

ATTEST:

Al Mijares, Ph.D.
Secretary
Santa Ana Board of Education