

SAUSALITO MARIN CITY SCHOOL DISTRICT
SAUSALITO, CALIFORNIA

BOARD OF TRUSTEES
REGULAR MEETING
MINUTES

June 25, 2009

CLOSED SESSION:	6:00 PM	
REGULAR SESSION:	7:08 PM	
PUBLIC HEARING:	7:45 PM	District Budget 2009/2010
RESUME REGULAR SESSION	7:50 PM	

MEMBERS PRESENT:

Mark Trotter, President
Karen Benjamin, via teleconference
Thomas Newmeyer
Shirley Thornton
William Ziegler

Debra A. Bradley, Superintendent and Secretary to the Board

Others Present: Nancy Klein, Shelly Brown Executive Director of the Milagro Foundation, Marika Bergsund Executive Director of Growing Great, Carol Cooper, Clark Warden, Doug Lloyd, Orlando Lobo, Glen Hayashi, Ray Buddy, Craig Jones, Dick McKee, Jennifer Banks, Leslie Johnson, Ruth Nenabor, Dani Tarry, Deborah Osburn family, Edgar Furlong, Susan Morris, Susan Cassidy, Harold Oden, Bill Gargan, Margaret Bonardi and Kathy Blazei and Patty Swisshelm taking notes.

President, Mark Trotter, called the meeting of the Sausalito Marin City School District Board of Trustees to order at 6:00 p.m. **Call to Order**

M/s/c Thornton/Newmeyer/all to remove items #14, 16 & 17 and approve remaining agenda order **Agenda Order**

CLOSED SESSION

CLOSED SESSION

The Board, Superintendent and legal counsel, Nancy Klein, went immediately into closed session. Closed session ended at 6:59 p.m.

OPEN SESSION

OPEN SESSION

Open session was reconvened at 7:08 p.m.

President Trotter had nothing to report out from closed session.

Report Out

EDUCATION

EDUCATION

Business Manager, Margie Bonardi, reviewed the monthly enrollment report showing gains and losses to the District:

Enrollment Report

School	August 2008	June 1, 2009
Bayside Elementary	121	127
MLK, Jr. Academy	29	27
Willow Creek Academy	151	153

Noting the high turnover rate, especially at the middle school, Trustees asked for information regarding where students went. Ms. Bonardi indicated that school secretaries have the information; they are the ones who forward student records to the next school district. They will be contacted.

Shelly Brown Executive Director of the Milagro Foundation, and Marika Bergsund, Executive Director of Growing Great gave a brief presentation to the Board. Ms. Brown provided a brief history of the Foundation and showed a video of another edible garden as an example of what will be developed in Marin City. Ms. Bergsund described the creation of an integrated community program through school gardens and showed a preliminary drawing of the on campus location at Martin Luther King, Jr. Academy. The garden plan includes a gathering place. Goals include creating core enrichment especially in math and science, integrating existing school gardens, more comprehensive programs for middle school students, and outreach and community involvement to build a sustainable garden that gives back to its community.

Milagro Foundation

Ms. Brown presented the Board of Trustees with the first of three checks in the amount of \$65,000, which will be repeated annually through a three year program. Board members were unanimous in their appreciation for the opportunity to continue to build community relationships and thanked the Milagro Foundation for their involvement and support.

CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION (CSEA)

CSEA

Superintendent Bradley reported that there will be an 18% reduction in Title 1 funds to the District, which is the equivalent of one paraprofessional position.

Resolution #ABCR 31

M/s/c - Roll Call Thornton/Newmeyer - Roll Call Ayes 5 Noes 0
to approve **Resolution #ABCR 31** Regarding Elimination of Classified Employee Services (6 hours/day – Layoff)

WILLOW CREEK ACADEMY

**WILLOW CREEK
ACADEMY**

Clark Warden, Willow Creek Academy Treasurer, reviewed financial statements for the month of May noting that nothing too eventful had occurred. Trustee Thornton asked where fundraising revenue was reflecting on the statements and Mr. Warden directed her to page 2, Other Local Revenues.

WCA Monthly
Financial Report

Clark Warden reported that the Willow Creek Academy Board of Directors had approved their 2009/2010 budget on June 24, 2009. He noted that significant changes include:

WCA Budget
2009/2010

- An assistant to the Head of School
- A physical education instructor
- Bringing teachers to parity (same number of teachers/aides)

M/s/c Ziegler/Newmeyer/all to accept the Willow Creek Academy Budget for 2009/2010

DISTRICT 2009/2010 BUDGET

DISTRICT 2009/2010 BUDGET

The District has developed a District budget for the 2009/2010 school year based on goals and objectives as set forth by the Board. Further recommendations are reflected based on input from certificated and support staff. A public hearing was held to take public input. No public comment was made and the public hearing was closed.

Public Hearing

District Business Manager, Margie Bonardi, discussed the difficult process of budgeting for 2009/2010:

Budget Adoption

- Unknowns affecting revenues due to state cuts
- Basic Aid "fair share hit" yet to be determined by the state, but possibly \$152,000, and subject to revision by the state
- State audit of After School Program attendance – some records missing since classroom move– audit finding may result in loss of cost of program.

Ms. Bonardi reviewed:

- The 2008/2009 supplemental funding for WCA is \$157,000, increased by \$203,000 for teacher parity, assistant for Head of School and PE instructor for 2009/2010 – total supplemental grand to WCA, \$360,000
- That the District projects a current year end deficit of \$38,000
- The ten percent reserve established by board policy
- The possibility of the ASP audit finding becoming a liability
- The need to recover equivalent from Fund 17 for "fair share hit" loss of revenue (anticipated a one time occurrence).

Trustee Newmeyer asked what the state's formula for the "fair share hit" to Basic Aid districts was. Ms. Bonardi reported that discussions to date indicated \$600/student to \$800/student based on average daily attendance. She added that federal stimulus dollars will backfill for the 2008/2009 school but that there is no backfill for 2009/2010.

President Trotter asked whether there would be another source of stimulus funds. Ms. Bonardi indicated yes but added that discussions were still preliminary.

Ms. Bonardi reviewed the Bond Project, Fund 21:

- Year end projection, \$65,000 with all known change orders accounted for
- Any amount going forward that exceeds that amount will have to be paid from reserves

- Two months payment on the portables will be attributed to the bond due to the delay of school reopening, payments after that will come from the General Fund.

Discussion of other funds included:

- Fund 17: will have to be built back up
- Fund 14: \$10,000 contribution from general fund plus approximately \$4,000 from state for deferred maintenance
- Fund 35: state modernization money remaining \$6,000; account will be exhausted and closed following expenditure for Bayside multipurpose room window coverings
- Fund 40 (QZAB): to be used for upgrades to technology and science materials, plus prior approved bond expenses of approximately \$37,000.

Ms. Bonardi reported that meal costs are increasing but remain competitive in comparison to other school districts.

Trustee Ziegler asked the cost of the portables – \$5,000/month as long as needed.

Trustee Newmeyer noted that some state funds would be authorized for unrestricted use. Ms. Bonardi concurred; state hits will be offset by more flexibility granted by state.

Ms. Bonardi reported that reduced special education student services and non-public transportation costs, combined, will save the District \$200,000 this year.

Due to state deadlines for submitting approved budgets, Ms. Bonardi recommended the Board adopt the budget based on what is known. Unaudited actuals in September will give the real picture.

M/s/c Ziegler/Thornton/all to approve the District budget for the 2009/2010 school year

FACILITIES

Superintendent Bradley reported that Community Action Marin has expressed their interest in a continuing license agreement with the District for classroom space and play area used by the Head Start Program at Martin Luther King, Jr. Academy.

M/s/c Thornton/Newmeyer/all to extend the lease agreement another year.

Superintendent Bradley reviewed that the Board had reduced the monthly rent for Corstone from \$3,050 to \$1,525 this past year based on their special request. When a letter was sent to Corstone recently to notify them of the expiration date of the reduced rent agreement, June 30, 2009, Corstone's Executive Director, Steve Leventhal had requested that the facility be inspected. Mr. Oden did a walkthrough; other than a draft, a ceiling leak which the District will repair and one restroom with a worn diaphragm on the valve handle, the facility was

FACILITIES

Community Action
Marin

Corstone

observed to be in good condition.

Board members indicated that they believed the Board had been generous in their response to Corstone this past year. However, this 4,500 square foot facility is a District asset that should be used to the District's benefit especially as the District is making cuts everywhere and suffering. The Board would like to retain the current occupants if possible but directed the Superintendent to have the space evaluated for fair market rental value and report back. Mr. Leventhal will be invited to come that meeting. Superintendent Bradley reported that the rental rate would revert back to \$3,050/month effective July 1, 2009 until another determination, if any.

Trustee Newmeyer asked if there was any type of tie in. Superintendent Bradley answered that Corstone offered services such as anti-bullying but costs for service would be incurred even with District's generosity so the District turned elsewhere for those services.

The meeting was recessed at 8:25 p.m. for a 5 minute break.

Trustee Ziegler advised that the plan presented in the Board packet, did not answer his questions of a plan of how you use specific rooms. He asked for the floor plans and suggested the Facilities Committee review them. Trustee Thornton recommended the Superintendent be present during such a review to provide input regarding use, movement, etc.

District Facility Vision,
2005

President Trotter advised that there is a lot of interest being generated in the new middle school. Current middle school enrollment is not enough to fully populate the facility. One idea to transform it to a wider population of middle school students would be to accept students from Mill Valley, whose middle schools are at capacity, which would generate income for the District.

Trustee Ziegler advised that voters had voted for children from the District and that, while they should be the first served, the Board should remain open to hearing of other interests.

Trustee Thornton was confident that with a quality facility and quality programs, in time people will come to those programs – it may take a couple years. She advised that dedicated space is necessary to a middle school. She indicated that Marin Community College had also expressed interest in the new facility.

Trustee Benjamin indicated her surprise that there wasn't more community buzz to interest families in the new school; President Trotter explained there had been little publicity yet. Superintendent Bradley added that publicity should proceed when the specific opening date is known. She thought more interest would be generated with Back to School Night, Open House and promotion. The first families to be served by the school are certainly excited and organizations like Marin City Network have indicated their interest too.

Trustee Ziegler requested that recent board members be shown all documentation about the middle school so they can respond to the

questions of others about the space; President Trotter recommended a Board tour before the July meeting.

Trustees Thornton and Benjamin recommended that the educational program determine how the facility is used.

Trustee Newmeyer suggested making an allowance for increase in enrollment with a vision of growth.

Trustee Thornton advised that the plan originally included two more classrooms which were reduced by dollars. She would like to see community education for adults in the facility.

Tabled

Dedicated Art Room

BOND

BOND

Turner Construction Company: Board consideration of notice of termination of project management contract: Turner Construction Company.

Turner Construction Company

President Trustee Mark Trotter passed the gavel allowing him to make a Motion to terminate Turner Construction Management Company for cause.

Trustee Bill Zeigler suggested presenting a list of reasons for cause along with delegation to Facility Subcommittee to deliver the list of areas of concerns letter within a specific time limit.

Trustee Mark Trotter reviewed the history of the Bond Project construction problems; Kpod walls paint peeling with unresolved claims that the District's attorney Nancy Klein is further looking into, the projects were over-budget and schedule delays, Bayside Multipurpose Room Project started illegally without DSA approval, Turner's superintendent Judy Long presenting direct change orders and had a pattern of not telling the District things that they may be upset about, for example MA Davies extended delays with a \$25 million invoice. Trustee Mark Trotter requested that it is time to end their contract. The District has hired Bill Gargan to manage the process for District.

Trustee Bill Zeigler requested to see the letter attorney Nancy Klein writes, and to have the Facility Subcommittee review the letter.

Ray Buddy indicated that the District/Turner contract requires to terminate for cause, and the issues for cause of termination needs to be more specific. He reviewed Turner's successes at Kpod and Martin Luther King Jr. Academy. Turner was frustrated with MA Davies since MA Davies would not produce the information and backup to Turner. MA Davies Contractor will have to come forward and produce the documents for their claim. To terminate for cause will end up in a large law suit.

Trustee Shirley Thornton asked if there has been resolution to Kpod paint peeling. Superintendent Debra Bradley noted that the District is still looking for records. Craig Jones of Turner Construction Management has not been asked to resolve the issues. He volunteered Turner's assistance to resolve the Kpod issue at no charge to the District. Craig Jones indicated that nobody really knows why the paint peeled off the walls, and questioned as to why it became a legal issue. Craig Jones suggested that there had been resolution with the General Contractor. Bill Gargan stated that he has not seen anything in writing from the General Contractor. Bill Gargan suggested that the paint peeling could

be a number of variables; the Kpod classroom's temperature was low, the air moisture content was high, the low V.O.C. paint, and the taping mud.

Trustee Mark Trotter suggested that the District had very little oversight from Turner Construction Management. Craig Jones of Turner Construction Management disagreed, noting that Turner oversaw the Projects on behalf of the District. An Owner's Representative has the right to make decisions on behalf of the owner, for example the Board of Trustees. Turner's contract did not allow them to commit the District.

Trustee Shirley Thornton suggested working with Turner Construction Management. She suggested that the District draw up a list of issues, attach it to the attorney Nancy Klein's letter and give it to Turner Construction Management.

Trustee Mark Trotter noted that this discussion is about the Project oversight not just the Kpod paint issue. He wanted to hear about the problems before it was after the fact. Trustee Mark Trotter indicated that the issue is that the District paid too much money to Turner CM. Trustee Mark Trotter asked Turner for a partial refund and Turner said no. Bill Gargan noted that the District wants to part company with Turner CM because Turner had a little lack of oversight and gave the example that the Martin Luther King Jr. Academy overhead utility lines caused a delay in the schedule of 89 days.

Trustee Bill Zeigler indicated that he isn't partial to a lawsuit and is bothered by this approach. Trustee Bill Zeigler advised that the letter to Turner CM needs to be very specific and to have the District's attorney draft a letter with the numerous causes. Craig Jones suggested that the District's Inspector of Record be contacted and informed of the existing problems with the Projects.

Ray Buddy reported that there are a lot of reasons of what happened. Trustee Bill Zeigler asked Ray Buddy to explain his comment if there was termination for cause, it would lead into a lawsuit. Ray Buddy responded that termination for cause is basically an issue the contractor has to respond to. For the contractor to respond, they will basically have to litigate it to establish the termination without brokering or cure the default. Since the contractor is already off the job, a better approach is to talk about what needs to be fixed and find ways to fix them. Turner CM has not been on the job for two months to address the problems. Trustee Trotter suggested that it is not about the paint peeling, it is about addressing \$30,000 a month for nine months without any results. Ray Buddy responded that the District can reserve that if the District thinks it is an issue. There are problems to be solved if the District wants Turner CM to come in and help solve them such as the paint peeling.

Trustee Zeigler wants the problems to be fixed, not have a lawsuit and still have the problems not fixed. If Turner CM is done on the projects then the District could terminate for convenience. Trustee Zeigler and Trustee Thornton agreed to prepare a list of issues, give the list to Turner CM so that Turner can focus on resolution and completion. Bill Gargan advised to separate the issue of Kpod paint peeling and the issue of potentially terminating Turner CM project management contract. Ray Buddy advised if the District proceeds to terminate for cause, there will be litigation, if terminate for convenience then pay out the remainder of what is owed on the contract, or follow his suggestion to clean up the contract to show that the District does not owe any money to Turner after a certain period of time. Trustee Trotter asked Bill Gargan if the

District needed Turner CM, Bill Gargan responded that the District does not need Turner CM's services any longer. Trustee Zeigler recommended to end Turner CM's work without terminating their contract, have Nancy Klein look at it to see if the District wants to terminate their contract for cause and list the claims of issues and damages.

Trustee Thornton requested a review of the three possibilities: 1.) Termination for Cause – will potentially end up in litigation, 2.) Termination for Convenience – the rules of the amount of payment would need to be reviewed, 3.) Honor Turner CM change order request to the District to clean up the existing contract between Turner and the District, for Settlement from the stop date in April, 2009 and the outstanding invoice of \$25,000.

M/s/c Trotter/Newmeyer/call Motion to terminate Turner Construction Management for cause directing the District's attorney to write up the letter which will be reviewed by the Facility Subcommittee before sending.

Trustees Mark Trotter, Thomas Newmeyer, Karen Benjamin voted: Yes, Trustees Bill Zeigler and Shirley Thornton voted No. Vote Talley was 3-2.

Tabled

AXIS Architect

Tabled

Sally Swanson
Architect

Quarterly Report - Bond Oversight Committee

The Bond Oversight Committee was introduced to William Gargan, SMCS Senior Bond Project Coordinator. Bill Gargan reviewed the Bond Projects stating that the Multipurpose Room is approximately 85% complete and will be completed before the Bayside School opens on August 19, 2009. Bill Gargan discussed the MLK Project delays with PG&E and AT&T undergrounding their utility lines. He stated that the MLK Project is approximately 85% complete but will not open until mid October, 2009.

Quarterly Report - Bond
Oversight

The Bond Oversight Committee reviewed the Bond Budget and Expenditures with Business Manager Margie Bonardi. Margie Bonardi reported to the Committee the Bond Expenditures as of June 18, 2009 for Funds 21 & 22. The Bond + ERATE funds + Bond Interest + State Funding totals \$18.3 million dollars for the Bond Projects.

CONSENT AGENDA

CONSENT AGENDA

Thornton/Newmeyer/Roll Call - Ayes 5 Noes 0 to approve or accept:

- Minutes of the Subcommittee on Negotiations with Willow Creek Academy 2009/2010 meeting of May 15, 2009
- Consolidated Application Part 1: The California Department of Education, as agent for the federal projects, requires annual approval of application to receive funding for state and federal projects. The submission of this application will result in the District receiving funding to reach, expand, enhance and supplement instructional programs for children with specified needs
- Payment of warrants under:

- Batch 73 Fund 01 in the amount of \$7,238.60
- Batch 73 Fund 21 BOND in the amount of \$499,152.96
- Batch 74 Fund 01 in the amount of \$53,261.74
- Batch 74 Fund 13 in the amount of \$3,503.19
- Batch 74 Fund 21 BOND in the amount of \$75,000.00
- Batch 75 Fund 01 in the amount of \$70,324.59
- Batch 75 Fund 13 in the amount of \$1,332.42
- Batch 75 Fund 21 BOND in the amount of \$26,718.00
- Batch 76 Fund 01 in the amount of \$42,220.69
- Batch 77 Fund 01 in the amount of \$54,678.20
- Batch 77 Fund 13 in the amount of \$1,236.36
- Batch 77 Fund 21 BOND in the amount of \$15,456.75
- Batch 78 VOIDED
- Batch 79 Fund 01 in the amount of \$17,305.28
- Batch 79 Fund 13 in the amount of \$647.80
- Batch 79 Fund 21 BOND in the amount of \$2,196.79

- Director of Facilities and Operations' Report
- Quarterly Report: Williams Act

ADMINISTRATIVE AND EXTERNAL

Thornton/Newmeyer/ Roll Call Ayes 5 Noes to approve
Resolution #604, Authorizing Temporary Transfer of Funds

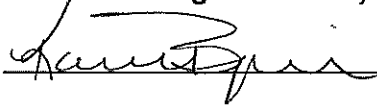
M/s/c Thornton/Trotter/all to approve the Food Service Contract
Renewal 2009/2010

None.

None.

None.

M/s/c Thornton/Ziegler/all to adjourn at 9:45 pm

Clerk  Date 9-24-09

Secretary _____

FUTURE BOARD MEETING DATES

All meetings are held at the District Office, 630 Nevada Street, Sausalito at 7:00 pm unless otherwise noted. *The first meeting date of each month will be allocated to, additional special meetings on bond and facilities issues, special meetings, community forums, etc. as needed. The only or second meeting date of each month will be allocated to regular board meetings.

July 23 One meeting due to summer break

- August 13*
- August 27
- September 10*
- September 24

ADMINISTRATIVE AND EXTERNAL

Resolution #604

Food Service Contract
Renewal 2009/2010

President's Report

Board Reports

Superintendent's
Report

ADJOURNMENT

FUTURE BOARD MEETING DATES

October 8*
October 22
November 19 One meeting in November due to holidays
December 10 One meeting in December due to holidays

UPCOMING EVENTS/IMPORTANT DATES

August 17 Staff Development Day
August 18 Teacher Work Day
August 19 First Day of School
August 28 Staff Development Day (Student Free Day)
September 4 Minimum Day
September 7 Labor Day Holiday
September 16 Back to School Night – Bayside
September 23 Back to School Night – MLK Academy

**UPCOMING
EVENTS/IMPORTANT
DATES**

FUTURE CHARTER SCHOOL BOARD MEETING DATES

All meetings are held at Willow Creek Academy campus at 6:30 pm
unless otherwise noted.
To Be Determined

**FUTURE CHARTER
SCHOOL BOARD
MEETING DATES**