



Phoenix Elementary School District No. 1

Regular Public Meeting / Executive Session
July 14, 2009

Dr. Ruth Ann Marston presided over the PESD #1 Governing Board Meeting in the Phoenix Elementary School District Governing Board Room.

Other Board members present at the meeting were:

Mr. Doug Allsworth Ms. Susan Bliss Ms. Liz Meza Dr. Louisa Stark
(absent)

Also present were:

Ms. Myriam Roa Mr. Tom Lind Mr. Kenneth Baca
Chief Executive Officer Interim Assistant Superintendent
for Curriculum and Instruction Assistant Superintendent for
Business Services

Mr. Randy Dickason Ms. Eleanor Moyza
Executive Director for Board Secretary
Human Resources

A. Regular Session – 6:00 p.m.

1. Call to Order – Dr. Ruth Ann Marston, President
2. Pledge of Allegiance – Kenneth Baca
3. Adjournment to Public Hearing

B. Notice of Public Hearing

1. Call for Public Hearing – Dr. Ruth Ann Marston, President
2. Request to Conduct a Public Hearing to present the Proposed FY 2009-2010 Budget and Truth in Taxation Notice as per Arizona Revised Statutes §15-905.01.A.B.I.7
Mr. Baca stated that due to new legislation that took place after the Truth in Taxation was published, and the proposed budget was passed by this governing board there was an elimination of the excess utilities that hit our district by \$1.1 Million, so we are \$1.1 Million short as a result. He stated that the good news to our taxpayers is that it has an impact on Truth in Taxation by lowering tax rates; lowering the amount paid, making it even lower. Since the proposed budget accounted for excess utilities the actual taxes paid on a \$100,000 home is lowered an additional \$13.61, so from \$169.26 which was published, down to \$155.65. Mr. Baca stated that the total amount of taxes paid on a \$100,000 home in our district has been reduced from last year by \$28.38, so it's down from \$184.03 to \$155.65. Overall, the total reduction in the District's M & O budget is just over \$3 Million dollars or 5.6%. Mr. Baca also stated that we have about a 5.6% reduction in our M & O budget but we had planned for an 8% reduction, so we were off by 2.4%, at this time the Soft Capital Allocation has been reduced by just under 20% or \$442,938.00 and the Unrestricted Capital Outlay has increased by \$2.2 Million but that's due to our carry-forward as we were saving money for special projects) roof replacements and air conditioner replacements) that need to be done within the District. Mr. Baca stated that we anticipate a reduction in our Primary and Secondary Tax Rates for Fiscal Year 2010. Dr. Marston confirmed that Mr. Baca is ready to submit the budget and that the board will approve it as part of the regular agenda. Mr. Baca stated that once we have the Public Hearing completed we

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will go to the Regular agenda in which the board will approve the adopted budget and stated that Dr. Marston has the signature pages that each board member needs to sign for us to submit by the 16th of July. Dr. Marston stated that she's just making sure that everyone in the audience is aware of the process.

3. Adjournment to Executive Session

The board adjourned to Executive Session at 6:01 p.m.

C. Executive Session

§38-431.03.5. Discussions with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations with employee organizations regarding the salaries, salary schedules or compensation paid in the form of fringe benefits of employees of the public body.

1. Receive and Discuss the PECTA Meet and Confer Counter Proposal

2. Adjournment to Regular Session

The board adjourned to the Regular Session at 6:45 p.m.

D. Resume Regular Session

1. Provide Direction to Administration regarding PECTA Meet and Confer

Mr. Allsworth stated that the board has fairly and thoroughly discussed the counter-proposal from PECTA and particularly addressed the perception by PECTA that the Meet and Confer process does not adequately allow PECTA to present their ideas to the board. He stated that the board has made some suggestions to administration about the proposal including that issue and the board will be hearing further from administration in the future.

E. Approval of Consent Agenda

1. Approval of Minutes: May 28, 2009

2. Ratification of Payroll \$6,958,241.34 and Expense Vouchers \$3,358,019.48 in the Total Amount of \$10,316,259.82

3. Approval of Financial Reports for Student Activity Funds through June 2009

4. Request for Approval of Gifts and Donations

5. Request for Approval to renew Agreement to Purchase Fuel for Transportation, Child Nutrition and Plant Services Departments for the 2009-2010 Fiscal year from AZ. State Bid Contract No. SCC070010-A2

6. Request for Approval to Renew the Arizona Nutrition Partnership Agreement through the 2011-2012 School Year

7. Request for Approval of Employment of Administrative, Certified and Classified Staff and Employee Contract Adjustments

8. Request for Approval of Separation of Employment, Resignations and Retirements

Mr. Allsworth moved for approval of the Consent Agenda and Ms. Bliss seconded the motion. Dr. Marston recused herself from voting. The board approved the motion (3-1) and the Consent Agenda was passed.

F. Community Communications

Mr. Jack Day submitted a speaker card and thanked the board and cabinet for reconsidering their proposals and stated that it's greatly appreciated by the association.

G. Superintendent's Report

1. Awards and Recognitions

The Superintendent gave recognition to Mr. Tom Lind, Interim Assistant Superintendent for Curriculum and Instruction, for passing the Superintendent's Exam. Congratulations, Mr. Lind!

2. Announcements

None

H. Business Services – Kenneth Baca, Assistant Superintendent

1. Request to Adopt the 2009-2010 Budget

At Dr. Marston's request, Mr. Baca repeated his earlier statement made during the Public Hearing which is listed on Item B2 for the benefit of the people in the audience who didn't hear the changes from the budget.

Ms. Bliss moved for approval of Item H1 and Mr. Allsworth seconded the motion.

Ms. Pat Kuhn submitted a Speaker Card and expressed her concerns about the 2009-2010 Budget.

The board approved the motion (4-0) and Item H1 was passed.

2. Request for Approval of Pro Statement to the Electorate from the Governing Board to be published in the M & O and K-3 Override Brochure

Mr. Baca stated that as part of the requirement for renewal of the M & O and K-3 Override, they must advertise and notices were posted at Kenilworth School, Magnet Traditional School and at the District Office. He stated that included in that posting is a call for statements and the board has before them a proposed reading of the governing board's statement in favor of the M & O and K-3 Override and he welcomes the board's comments so that we will be able to submit for publication.

Ms. Meza stated that there is an error on the M & O Budget Override Election, first sentence, second line, and it should read "*which it is currently operating*". Mr. Baca thanked her and stated that it will be revised.

Mr. Baca introduced Dr. Judy Richardson of Stone and Youngberg and stated that she will answer any questions that the board may have. Dr. Marston asked Dr. Richardson how much of this statement is controlled by law and Dr. Richardson stated that the governing board can say anything they want and stated that this is the board's pro-argument and they are limited to 200 words. She stated that if the board says something that's contrary to fact, the County School Superintendent can edit it but if the board is stating their opinion, they can say anything they want. She stated that the purpose of the statement, which is kind of a neutral explanation of the Override, is more controlled by law. But the pro-argument is pretty open and the board can say whatever they like. Dr. Marston stated that she just wants to say "Thank you" and asked if there is any reason why they can't do that and Dr. Richardson stated that it's fine to do that. Dr. Marston stated that she would like to say "we thank you for your previous support!" because when people have been kind to you, you thank them and our voters have been kind to our schools and our children. Dr. Marston stated that for the past 20 years, voters have allowed us to exceed the M & O budget by 10% and we're not exceeding it by more than that and she wants the continuation of that to be emphasized. Dr. Marston stated that she wants to thank them for doing that and ask them to let us continue to do what we're doing right now.

Regarding the pro-statement, Mr. Allsworth stated that the last sentence of the first paragraph states: "*Arizona law grants school districts authority to exceed the M & O Budget by 10% if approved by the voters*" and on K-3 it states, "*Arizona law grants school districts authority to exceed the M & O budget by 5% if approved by the voters*". Mr. Allsworth asked Mr. Baca to explain the difference because he thinks it needs to be done so here. Mr. Baca stated that it's a total of 15%, of which 10% is specifically for Maintenance and Operations purposes and 5% specifically for K-3 that's paid for out of Maintenance and Operations, so it's all encompassed under the M & O budget. Mr. Allsworth stated that the part about K-3 sounds inconsistent and asked Mr. Baca to revise it a little because the two sentences are identical and stated that this is for the benefit of those who read the board packet. Mr. Baca revised it to read, "*Arizona Law grants school districts authority to exceed the Maintenance and Operations budget for K-3 purposes*", which Mr. Allsworth approved.

Mr. Allsworth stated that the first paragraph should read, "*Phoenix Elementary School District No. 1 requests permission to continue override funding*", instead of "Phoenix Elementary School District No. 1 is requesting permission to renew the override funding".

Mr. Allsworth also stated that the second paragraph should read, *“The renewal of the budget override is requested to continue funding”*, instead of *“The renewal of the budget override is requested to provide continuation of funding”*.

Mr. Allsworth stated that the last paragraph should read *“The Governing Board requests renewal of”*, instead of *“The Governing Board is requesting the voters to renew the override”*.

Ms. Roa stated that the Pro-Statement be approved with the suggested changes and possibly future minor changes, but in general it’s approved as to forum. Dr. Marston agreed and stated that the statement must be approved as to forum and stated that the changes they want are clear and it must be approved today (all statements are due by August 5, 2009).

Mr. Allsworth moved for approval of Agenda Item H2 and Ms. Meza seconded the motion.

Ms. Pat Kuhn submitted a Speaker Card and expressed her concerns about the override.

The board approved the motion (4-0) and Item H2 was passed.

3. Request for Approval for Issuance of Purchase Order to Ry-Tan Construction, Inc. (PESD RFQ #009-0607, Board Renewal 04-23-09 Item E2) for Renovations of One (1) Classroom Area into Pre-K Offices at 735 E. Fillmore (Improvement Bonds, Project of 2006, Series B 2009)

Mr. Allsworth moved for approval of Items H3 through Item H8 and Ms. Meza seconded the motion. Ms. Bliss stated that she was not going to vote yes on this motion. Mr. Allsworth withdrew his first motion and moved for approval of Item H3 and Ms. Meza seconded the motion.

Mr. Michael Fisher spoke to the board about the renovations and its costs. Dr. Prudence Lee, representing UPSI stated to the board that they believe that the collaboration agreement provides for a Pre School at the former Prep Academy Campus and the original plan which the board approved in February said that we would tear down or renovate the administration building for that Pre School and Kindergarten. Dr. Lee stated that she believes that the board approved a Pre K-12 with 9th grade starting last year and she is worried that the board is now saying that they can’t have Pre School anymore. Dr. Marston stated that the issue is not either of those but the issue is whether we’re renovating a space for this particular purpose which is not for the Pre School instruction, but for an administrative area. Dr. Marston informed Dr. Lee that subsequent to the approval, the board signed a contract with UPSI and when they signed that, they signed a contract that says in capital letters that they are accepting the Prep Academy “as is”. She further stated that we have said as a board, at our last meeting that we want that facility to have the same level of care and renovations that we would provide for any of our other facilities, so the question before us is, does this exceed what we would provide for any of our other facilities?

Mr. John Alvarado, Project Manager also spoke to the board about the renovations and its costs.

Dr. Marston stated that the governing board has not approved an expanded Pre School Program, whether it’s funded by a grant or not and it is important to specify that.

Ms. Pat Kuhn submitted a Speaker Card and expressed her concerns about the costs of the renovations at UPSP (renovations versus additions).

Dr. Marston stated that she thinks the process hasn’t been followed and this is beyond the scope of what the board envisioned for this building and she truly believes that they can come back with something different and smaller in scope and the board might consider it, but this defeats part of our

purpose in doing a partnership with UPSI, to see if, in fact there are better ways to operate a school with the facilities we have and if we overfund or create a disparity, we'll never know and we cannot throw money at it.

Ms. Roa stated that Mr. Fisher has been very prudent in listening to the input for the changes of University Public Schools and he has said that that doesn't align with some of our other schools' standards and he has said no about other requests. She stated that Mr. Fisher has been trying to manage the project well under budget and yet be reasonable in trying to allow them to have the unique program that they wanted to have.

Dr. Marston recommended that they come back with a different proposal for this particular function.

*Mr. Allsworth said Aye, Ms. Meza said Nay, Ms. Bliss said Nay and Dr. Marston said Nay.
Agenda Item H3 was not passed.*

4. Request for Approval for Issuance of Purchase Order to Ry-Tan Construction, Inc. (PESD RFQ #009-0607, Board Renewal 09/11/08 Item E2) for Classroom Renovations at 735 E. Fillmore (Improvement Bonds, Project of 2006, Series B 2009)

Mr. Allsworth moved approval of Item H4 and Ms. Bliss seconded the motion.

Dr. Marston stated that the board was promised representation with UPSI in terms of a board member and she hasn't seen that materialized and the board is being asked to make decisions without having a representative to talk to the board about what's happening. To clarify, Dr. Marston stated that there is supposed to be a board member on the committee that directs the school. Ms. Roa stated that it actually is on the UPSI Agreement and she will make sure to follow up on getting a representative from the board that might be interested in that and we'll get the first meeting started.

Dr. Marston stated that she also wants to say that she doesn't think there's a question of bad faith here but she thinks it's just timing.

The board approved the motion (4-0) and Item H4 was passed.

5. Request for Approval for Issuance of Purchase Order to Ry-Tan Construction, Inc. (PESD RFQ #009-0607, Board Renewal 04-23-09 Item E2) for Renovations of the Administration Office Area at 735 E. Fillmore (Improvement Bonds, Project of 2006, Series B 2009)

Mr. Allsworth moved approval of Item H5 and Ms. Meza seconded the motion.

Mr. Michael Fisher stated that none of the work on this has been started. Mr. John Alvarado, the Project Manager for UPSP spoke to the board about the renovations. Dr. Marston recommended that that they come back with a much smaller proposal.

*Ms. Bliss voted nay; Ms. Meza voted nay; Mr. Allsworth voted nay, Dr. Marston voted nay.
Item H5 was not passed.*

6. Request for Approval for Issuance of Purchase Order to Ry-Tan Construction, Inc. (PESD RFQ #009-0607, Board Renewal 04-23-09 Item E2) for Renovations for a Day Care Facility at 735 E. Fillmore (Improvement Bonds, Project of 2006, Series B 2009)

Mr. Allsworth moved approval of Item H6 and Ms. Meza seconded the motion.

Mr. Michael Fisher stated that UPSI would like to put in a Day Care Center at the cost of \$90,000 which involves two sets of restrooms which is required by law and also an exterior door that is required by law in order for them to start a Day Care Center.

Dr. Marston stated that it also requires a contract with PESD and the board has not approved a Day Care Center in this building.

Dr. Prudence Lee spoke to the board about the Day Care Center and stated that she thinks UPSI didn't know that it was breaching any kind of trust but they wanted to duplicate what they do for their employees and have the hope of offering it to the district employees. Dr. Marston stated that the board doesn't believe that there has been a breach of faith; this idea has not been discussed with the board, it's not included in the contract and the board has not authorized it.

The board voted (4-0) against Item H6; Mr. Allsworth voted nay; Ms. Bliss voted nay; Ms. Meza voted nay and Dr. Marston voted nay. Item H6 was not passed.

7. Request for Approval for Issuance of Purchase Order to Ry-Tan Construction, Inc. (PESD RFQ #009-0607, Board Renewal 0423-09 Item E2) for Renovations of Two (2) Classrooms into Satellite Administration Offices on First and Second Floors of Building A at 735 E. Fillmore (Improvement Bonds, Project of 2006, Series B 2009)

Mr. Allsworth moved approval of Item H7 and Ms. Meza seconded the motion.

Mr. John Alvarado, the UPSP Project Manager spoke to the board and stated that this would be used as a triage building where the counselors would be and also the Asst. Principal and support staff.

Dr. Marston stated that she is deferring action on Item H7 and wants to get more information on this. Mr. Allsworth withdrew his motion and Item H7 was deferred.

8. Request for Approval for Issuance of Purchase Order to Ry-Tan Construction, Inc. (PESD RFQ #009-0607, Board Renewal 04-23-09 Item E2) for Renovations of Two (2) Classrooms into Science Labs at 735 E. Fillmore (Improvement Bonds, Project of 2006, Series B 2009).

Mr. Allsworth moved for approval of Item H8 and Ms. Meza seconded the motion.

Dr. Marston stated that she thinks the cost is pretty excessive and asked how those Science Labs compare with the labs in the other buildings. She called on Mr. Fisher who stated that the only other location that we have a Science Lab at this level would be at Lowell School. Dr. Marston stated that she would like to point out that these are in anticipation of a possible growth into high school grades and there is no particular urgency about this item.

Mr. John Alvarado, the UPSP Project Manager spoke to the board about the Science Labs.

Mr. Allsworth voted in favor of it; Ms. Bliss said nay; Ms. Meza said nay and Dr. Marston said nay. Item H8 was not passed.

9. Request for Approval of Sole Source Vendors for 2009-2010 School Year

Ms. Bliss moved for approval of Item H9 and Mr. Allsworth seconded the motion. The board approved the motion (4-0) and Item H9 was passed.

10. Request Approval of the Phoenix Elementary School District #1 and University Public Schools, Inc. Food Services Agreement

Mr. Baca stated that he wanted to point out something under H, which is on the third page that was brought to his attention by Dr. Lee and he thanked her. The correct information should be *to provide food services only* instead of *to provide transportation services only*.

Ms. Bliss moved approval of Item H10, with the amended typo and Mr. Allsworth seconded the motion.

Dr. Marston invited Ms. Margaret Duchard, the Child Nutrition Services Supervisor to come up and Dr. Marston stated that we normally allow special diets for children for religious as well as for medical reasons and that probably needs to be typed in there. Ms. Duchard stated that in her discussions with Dr. Lee earlier, we do that but sometimes ADE says that we have to separate state from religion, but Child Nutrition tries to accommodate, because they are trying to be a service to their community. Mr. Baca stated that we do this regularly anyway and stated that it's not written in but it's the agreement that isn't necessarily in here so they don't hold it up especially with ADE having a past history of having some issues with that. Dr. Marston stated that it's all prescribed and approved in writing by a medical doctor. Mr. Baca stated that's for the medical reason, but there's the understanding that if there's a cultural, religious difference that we will also accommodate that. Dr. Marston stated that we can say *cultural* rather than *religious* and maybe that would be more appropriate. Ms. Roa asked if we have to get that re-approved by the ADE if we change that statement and Mr. Baca deferred that question to Ms. Duchard, who has the experience with this. Ms. Duchard stated that there's a possibility we might have to have it re-approved. Dr. Marston stated for them to consider it as a direction from the board.

The board approved the motion (4-0). Item H10 was passed.

11. Request Approval of the Phoenix Elementary School District #1 and University Public Schools, Inc. Transportation Agreement

Ms. Bliss moved for approval of the agreement and Mr. Allsworth seconded the motion. The board approved the motion and Item H11 was passed.

I. Curriculum & Instruction – Tom Lind, Interim Assistant Superintendent

1. Request for Approval of a Partnership with Local Initiatives Support Corporation (LISC) for a Service-Learning Project at Dunbar School

Ms. Loraine Conley-Franklin, Dunbar School Principal introduced Ms. Karen Southerland from the Phoenix Office of the Local LISC (Local Initiatives Support Corporation) Office.

Mr. Allsworth moved for approval of Agenda Item II and Ms. Meza seconded the motion.

The board approved the motion (4-0) and Item II was passed.

2. Request to Approve Ratification of Out of State Travel

Ms. Bliss moved for approval of Item I2 and Mr. Allsworth seconded the motion.

Ms. Susan Engdall stated to the board that they are sending a teacher to North Texas to attend the Montessori Institute Level Three Training. She stated that there is no training in Arizona.

The board approved the motion (4-0) and Item I2 was passed.

J. Human Resources – Randy Dickason, Executive Director

1. None

K. Board Reports and Requests

1. Board Direction to the Superintendent (if necessary)

Dr. Marston asked the board to look at the page that has the marquee that we are going to have repainted for the UPSI and stated that she personally likes the one on the left. Dr. Marston directed the Superintendent that the choice of the board is the marquee on the left in the absence and objections from other board members. If there are any changes or suggestions, Superintendent Roa will inform the board as soon as possible.

Dr. Marston directed the Superintendent to remove the word ‘interim’ from Mr. Lind’s title and off the district stationery as soon as he presents his certification.

Ms. Roa stated that a Special Meeting might be called if we have a candidate to replace Ms. Moncayo at Kenilworth School. This meeting will be held on Thursday, July 23, 2009 at 8:30 a.m.

2. Board Report

Announcement: Dr. Marston announced that the ASBA Law Conference will be held at Litchfield Park on September 10 -12 and asked board members to inform Ms. Moyza if they would like to attend.

L. Adjournment

The board meeting was adjourned at 8:30 p.m.

Respectfully Submitted,

Dr. Ruth Ann Marston
Board President

RAM: evm