

Governing Board Meeting - Notice of Public Meeting -- Notice of Regular Session -- REVISED AGENDA: August 8, 2018 at 3:30 p.m. (Thursday, August 9, 2018)

Generated by Monica Ortiz on Monday, August 13, 2018

Location: Phoenix Elementary School District, 1817 N. 7th Street, Phoenix, AZ 85006

Governing Board Members present

Daniil Gunitskiy, Ruth Ann Marston, Susan Benjamin, Louisa Stark, Lynne' Almy

A. Regular Session - 6:00 p.m.

1. Call to Order - Mr. Daniil Gunitskiy

Meeting called to order at 6:10 PM

2. Pledge of Allegiance - Ms. Diane Salazar

Ms. Diane Salazar led us in the Pledge of Allegiance.

3. Awards and Recognitions

Mr. Larry Weeks acknowledged that we have a full house, and that anytime we can come together for public education is in itself a celebration.

We started school August 1st and it went really well. Ms. Salazar is our Principal of our Preschool. She started our first day of school with our preschool children on August 7th. That is a celebration.

We held a district-wide Professional Development on July 27th.

In this very board room, we had Perry Monge Salon come in and give manicures and haircuts to our teachers and staff. That is a celebration as well. It happens every year, and it's very much appreciated. Mr. Weeks thanked the Phoenix One Foundation for providing support for this event.

B. CEO/Superintendent's Report - Larry Weeks

1. Youth Advisory Council Update

Mr. Larry Weeks said the Youth Advisory Council is a diverse group of young leaders who represent each school in our district. They're committed to making schools more caring, engaging and respectful places. Their voices help us understand and find solutions to the challenges of the district, their community, their schools, and within their PEER Group. They give us feedback on our ideas, share their thoughts and current events and make sure we're on the right track when communicating information to young people. Mr. Weeks introduced Emerson student, Luis Gamez. He spoke to the board saying he is the voice of Emerson School and is looking forward to making change in himself and in his school. He is open to new ideas from other students at other schools. This year, his middle school will plan to do Project Based Learning activities, and said they will attend Surf Camp in San Diego, and will also learn about current events in Social Studies, while the 7th grade class will visit the Grand Canyon and Tonto Creek Camp. He would like to see more opportunity to express themselves in school by having free dress, food options and academic opportunities for students who excel. Mr. Daniil Gunitskiy asked Luis what he has planned for the future. He replied by saying he wants to go into Business. Mrs. Susan Benjamin asked if his schools planters were planted. Luis said yes. Dr. Marston asked if he has started his portfolio about High School. He said yes and will come back soon to give details about his portfolio.

2. Announcements

Mr. Larry Weeks mentioned we have a business partner luncheon on August 13th in the Governing Board room. They gather on a regular basis, with 60 businesses in the community. We have a District-wide collaborative team meeting on August 22nd, and a Convocation coming up on August 23rd for our Support Staff at Herrera School. It is geared for those who are late starts. There will be a Performance Budgeted Training held on August 30th and 31st. Dr. Hidalgo spoke to the issue, and said we currently have 30 people participating, including all Directors.

C. Approval of Consent Agenda

1. Request for Approval of Governing Board Minutes for April 12, 2018, April 26, 2018, May 10, 2018, May 24, 2018, June 4, 2018, June 14, 2018, June 28, 2018, July 12, 2018 and July 26, 2018

2. Request Approval or Ratification of Payroll \$2,365,081.00 and Expense Vouchers \$2,925,133.48 in the total amount of \$5,290,214.48

3. Request Approval of Designated Administrators as Qualified Evaluators of Certificated Staff for the 2018-2019 School Year

4. Request Approval of Sole Source Vendors for 2018-2019 School Year

5. Request Approval for the Annual Renewal of Request for Proposal (RFP) and Invitation for Bid (IFB) Contracts for School Year 2018-2019.

6. Request Approval or Ratification of Employment of Administrative, Certified and Support Staff

7. Request Approval or Ratification of Employee Contract/Work Agreement Adjustments for Changes in Position

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

9. Request Approval of Uncompensated Leave of Absences

10. Request Approval of Consent Agenda
Recommend approval of consent agenda

Motion by Susan Benjamin, second by Louisa Stark.

Final Resolution: Motion Carries

Yea: Daniil Gunitskiy, Ruth Ann Marston, Susan Benjamin, Louisa Stark, Lynne' Almy

D. Community Communications (this agenda item was taken out of order, and occurred after agenda item F1 - ASU Prep Lease Negotiation Update)

1. Community Communications

This is the time for the public to comment. Members of the board may not discuss items that are not specifically on the agenda. Therefore, pursuant to A.R.S. §38-431.01(G), actions taken as a result of public comment will be limited to directing staff to study the matter, responding to criticism, or rescheduling the matter for further consideration and decision at a later date. Note:

- Agenda items may be taken out of order.
- Anyone wishing to address an agenda item must complete a Speaker Card.
- Time for comments may be limited to ensure that different viewpoints are heard.

Joseph Fuentes: Address: 2510 S. 6th Ave, Phx 85003. Joseph is a 3rd grade teacher at Garfield Elementary, and spoke on Mr. Anthony Estrada, REACH Associate, to give him credit who worked tirelessly over the summer to make sure the Back to School Teacher Night was a success. Thanks to Anthony, he brought many community members to the school. Teachers saw some of the highest parent turn-out rates that they've seen in a long time. Twenty-one out of 24 parents showed up; 52 students got a free haircut; 275 backpacks stuffed with supplies were given out; along with 16 different community organizations that were set up in booths, and they gave out over 300 ice cream sundaes which is always a big hit. Mr. Estrada did a really good job of bringing in the community that we serve.

Izel Mejia: Address: 4835 N 112th Dr Phx 85037. Izel has attended ASU Prep since Kingergarden 8 years ago. She mentioned that all staff members at ASU Prep work hard for the students' success, and works hard to ensure she goes to college, and invited us to come and visit them to see all the good things we can do together. #keeptheprep

Augustine Arvizu-Diaz: He has attended ASU Prep since 2nd grade, and thinks we should be a little more flexible and try to work with the ASU advisors. His mom mentioned he was away from ASU for two years to attend a private school, and worked hard to come back to ASU Prep to graduate High School with his friends, and go to college. The Special Education team at ASU has worked really hard. This was his goal, and he feels like his goal is being taken away from him. Augustine said all he wants to do is graduate, it means a lot, and that should be respected. Augustine promised his mom and his teachers that he would eventually be back, and he is. ASU Prep means a lot to other students, and would be losing a lot of talented kids.

Samantha Mario: She is a sophomore, and Class President at ASU Prep. She has attended since last year, and has seen the staff at ASU Prep care for their success. She said it has something very special, and every single student at this school matters. She asked the question, "Why are you considering ending the lease with ASU Prep, and put over 1,000 students' success in peril?"

Bridgete Eagy: Address: 8802 W Lane Ave. Glendale. She is PTO President at ASU Prep, and has seen many families who need a school they can count on to not give a good education, but a great education. We need our children to do better than we're doing, to have 100% of our children graduating High School, to attend college, and to have a safe place in our community where children of every culture can achieve beyond their dreams which ASU Prep is allowing. She asked the question of why the need to raise the rent by millions of dollars is more important than 1200 kids getting a great education, and wants to know the dollar and cent value placed on the education of these students?

Veronica Obregon: Address: 825 S 10th Ave, Phx 85007. In 2010, Veronica moved her kids out of the valley and placed them in ASU Prep where she was told would be a good fit, and wanted her kids to be challenged who have qualified for the gifted program. Her child was in the first graduating class at ASU Prep, and her children thrived thanks to Mr. Lujan who stepped up to the challenge. She mentioned talk about market value, being good stewards, and paying taxes, and asked, but why now? She gets that it's prime real estate, and stated the families and students of this campus have risen to the mission that have been set before them. She spoke of the statistic of the graduation rate. She feels there are still good people who do the right thing and wants the district to show ASU Prep that they are good people, and to be fair. She also understands open enrollment is a big deal, and wants to see an investment in the children.

David Gibson: Address: 2146 W Pierson St, Phx 85015. He is a retired Air Force who holds an active real estate license, and works in the appraisal business. His son Edward has been attending ASU Prep since he was 3 years old. David pulled some numbers, and gave figures from the Maricopa County Assessor's Office, and stated that in 2019 the full cash value is going to be

\$31 million, which will be a little over a 25% increase, and claims it's not even close to 800 percent.

Sergio Mejia: Address: 4835 N 112th Dr, Phx 85037. He expressed ASU Prep is a tight knit community and expressed how proud he is of everybody. He has two boys who graduated from the Prep, and now in college. He said that in-kind offsets have been mentioned, and is curious to know, how the offsets are placed and how are those considered monetarily, and how are those stacked up when rent is considered. According to his observation, he feels there is not a business transaction going on, but a hostage take-over. When looking at the numbers, he said that's quite a jump, but he also understands. Sergio feels that it's going to be short-sided if the district feels that there is no need for continued education in that location. He feels that the district is only looking at the dollars with the prime location.

Tracy Lopes: Address: 6514 S Roslyn, Mesa 85212. She has 2 children who attend ASU Prep and drives over an hour one way every day in traffic. She moved here in 2014 from Boston, Massachusetts. Her parents live here, and her mom is a former Assistant Superintendent of another school district. She stated how important this education has been to her children, and are very happy to be at ASU Prep. She is a lawyer by trade, and disputed ARS 15-189 which was mentioned earlier by Larry Weeks in a slide presentation. She stated the statute is for charter schools for vacant buildings, and schools leasing out vacant buildings to schools of charters. It says that a school district shall attempt to obtain the highest possible value under current market conditions for the sale or lease of a vacant building, therefore, ARS 15-189 does not require the lease to be raised by 800 percent.

Ashlyn Eagy: Address: 8802 W Lane Ave, Glendale 85305. She expressed that she is probably not going to go to middle school at ASU Prep next year. She has been attending since kindergarten. She said driving to school on that first day really makes you feel happy, and makes you want to show people how proud you are going there by putting your hair in a bow or a side pony tail, and wearing some Skechers or twinkle toes. Finding out who is in your class is really exciting. She dreamt of going to middle school, and wanted to be smart and happy, and wanted to be nice. Her dream was to always to be an actress or an FBI Agent. Ashlyn understood she could start earning college credits for students in the Gifted Program. Ashlyn's mother came up to speak on her behalf, and said that Ashlyn loves ASU Prep just as much as everybody else does. It has been very beneficial to her family, especially to her younger brother.

Katarina Nunez: Address: 2833 W Taylor St, Phx 85009. She is a senior at ASU Prep, and said unfortunately she could possibly be the last 8th grade graduating class. If someone were to ask her a year ago to come up and speak, she would guarantee she would not have been able to do it, thanks to all the teachers who helped her grow academically, personally, and creatively. She spoke about her personal connection to ASU Prep, and said it has allowed her to leave her own legacy which are her 2 younger siblings who might not get the same amazing education as she did. Her legacy also includes an NHS Historian, and a tutor to two younger students. She urges the district to consider the value of their education, and of their future rather than the value of this property.

Elizabeth Leon: Address: 7351 W Meadowbrook Ave. Phx 85033. She is a mom of a first grader who recently started at ASU Prep. When looking for schools 3 years ago, she knew her daughter could go to school for 13 straight years at ASU Prep, and be a part of the community of leaders, parents, and students who have their best interest at heart. The chances of her daughter going to college would be a lot higher than they were for her. Elizabeth was the only one out of 4 siblings who graduated High School, which for her was a place where she showed up, did her homework and went home. She never had a community, mentors, learders, or role models to look up to. Her mother wasn't involved, and grew up below the poverty line, and experienced eviction notices. Elizabeth mentioned she is living that nightmare all over again; this time it's about her daughter's future being at stake. She recommends that instead of evicting ASU Prep, to take the opportunity to learn why it's so successful, and apply it to all Phoenix Elementary Schools.

Victor Reyes: Address: 206 W Hermosa Ave. Tempe 85282. He first wanted to thank the district for allowing everyone to express their opinions and concerns. He said ASU is a community of unity, support and leadership. He has 2 kids that attended ASU Prep; one that just graduated from the 8th grade with honors, and feels if the district eliminates ASU Prep, we are eliminating opportunities. He asked, "Are you guys retaliating against ASU Prep because your numbers are weak?" Victor mentioned that the district is at 86%. He then said, if we are to close the doors to great educational centers like that, he doubts that people will go to our school.

Olivia Fontes: Zip code: 85006. She has been attending ASU Prep since 3rd grade, and moved there because she was dyslexic, whereas the other schools didn't know she was suffering in reading and writing. The teachers at ASU Prep welcomed her with open arms and gave her a place where she could focus on getting ahead of her dyslexia and overcoming it. She is happy to say that this year she was accepted into the 8th grade ASU Prep honors program. Her dad really wanted to be here, but he is out of the country because of official busines. Olivia's dad told her there is only an ocean keeping him away from this meeting.

Claudia Lopez: Address: 8753 W Glenn, Glendale. She is a lawyer, and a parent of 2 children. She drives an hour to school so that her kids can get an education. She addressed Mr. Larry Weeks by saying he mentioned earlier that we are a steward for the taxpayers, and that we shouldn't unduly burden those taxpayers. ASU Prep deserves the respect and support that they are

getting. She addressed ARS 15-189, and said the building is not vacant. She mentioned she brought up a video of a Legislative Meeting that took place February 5, 2018 of when they were trying to pass this bill and their intent, which was really about schools failing, and about schools that had fluctuating enrollment, which she said that ASU does not have. Claudia said this statute does not apply to ASU, and having terminated an agreement with ASU in her opinion would be in bad faith, because this statute is not applicable to our community.

Silvera Ormsby: Zip code: 85339. She is a 6th grade student at ASU Prep and has two siblings that attend as well. She has made a lot of friends, and would hate for the school to move. On the weekdays, she spends a lot of time after school learning, making new friends and spending time with her teachers as they prepare her for college and real life. Her AzMERIT test scores have been well above state average. Silvera stated that if ASU Prep did pay more money, then that means the school would have to give stuff up like school supplies. She would really hate to move schools and get different teachers, with different people and different classrooms.

Matt Look: Address: 2620 W Summerside Rd. PHx 85041. He has a daughter Layla and son Ryan who attend ASU Prep. They love ASU Prep, and he loves ASU Prep, and believes in the students, the teachers and the administration. As a parent, he wants the best for his children. He believes that what the district is teaching them by terminating the lease is looking at money instead of what the value of these children are. He said to have the courage to do what is right, and to teach these children what is right by not terminating the lease with ASU Prep.

Adrienne Speas: Address: 2515 N 13th St. Phx 85006. She is also an attorney, and has a 3rd grade daughter who attends Shaw Montessori, and has another daughter that is about to start preschool at Shaw Montessori. She said this is a really tough decision that we're all in, and it makes her a little bit sad to hear some of the rhetoric, because it's a little bit devious. We are all here because we are passionate about education, and we want what is best for our children. She is hopeful that we will come to a solution that satisfies both parties. Adrianna does know that the board has a duty to do what is in the best interest for the district. She thinks the district should be focusing on the amount of money that's fair to be leased for this building; a fair rent. From all accounts from what she's heard, ASU Prep is a great school, unfortunately that doesn't affect what's the fair price for this property. The other thing that doesn't affect the fair price, is the price that ASU has been paying since 2009. The 800 percent increase is really shocking, but you have to dig deeper, and there's more things that are relevant. The price per square foot that ASU Prep is paying right now is \$1.75 for the building which doesn't include the fields and the parking lot. It seems to her that is a bargain based on its price. It has to go up, and she doesn't see any other choice. She has heard from Facebook that the Prep has offered a lease amount of \$650,000, which is only \$3.80 per square foot. She still thinks that is probably priced below fair price, and below market value. She understands that charters generally pay in the range of \$9-\$24 per square foot, and many other Charter School are able to afford this. She hasn't heard from anyone at ASU who is in charge that says "we cannot afford to pay this." The pleads that Adrienne has been hearing from ASU Prep is that they don't want to pay, and they don't have to pay, but other charter schools are able to do it, and said ASU is a big institution that has a lot of money as well. By ASU asking to pay so much less that's in the market rate, they are asking the district to subsidize their school at a cost to Phoenix Elementary students. She said that ASU Prep is currently asking the district to ignore the law, but hopes both parties can set emotions aside, and to negotiate something that allows ASU Prep to stay there and rent the building at a fair price.

Kristina Lopez: Address: 2027 E Monte Vista Rd, Phx 85006. She has 1 child that attends ASU Prep and one on the horizon. She plays many roles; social worker by training, a teacher and faculty worker, and a massive advocate in the community. Her greatest role is a parent. She moved here 2 years ago from California after having come from Michigan first with her 3 year-old daughter. She's very aware of things because she's had to move many times. ASU Prep became a priority, because it became stable. There is a lottery, so once her daughter got in kindergarten, she knew her school years would last for a very long time, because it was stability in her life. Kristina mentioned she was happy to be able to get back to her writing once school started, but had a lot of doubt once she read the email about the ASU Prep lease. She said no matter what grade this is entirely unfair to the kids and their parents, and the community itself, and she hasn't seen an urban planning community assessment, or a cost-savings analysis. Until then, she feels the money is the sole focus, and that it's not right.

Renee Dominguez: Address: 4500 W Grant St, Phx 85009. She's been in the position all these parents are in right now. Her daughter's previous school went into receivership and she suffered years of not receiving the right education that she needed. She was on a waiting list for 3 years to get into ASU Prep, which her brothers did not have that opportunity. She said there is no other school that has the success of a 100% graduation rate. This is a public charter school and does not receive the funding as the Universities or any other organizations that charter schools does. She works in downtown Phoenix and said her rent is nowhere near what the district is asking. Renee said ASU Prep has proven itself, and said the previous district her daughter attended did not have Science or Social Studies and suffered severely, but at ASU Prep she excelled so they moved her to the next level. She said the district and the board members should care about the kids. It should not be about the dollar.

Jeffrey McAdams: Address: 712 W Wilshire Dr, Phx. He apologized for not being informed on this issue, has a lot of questions, doesn't know what's going on and feels a little blind-sided. Maybe it was ASU Prep for not letting him know. He has a first grader, and was very leary about going to a city school. He doesn't understand what the Board's position is on a city charter. He wanted

to know what was going to happen to the building, if the district is going to sell it. He feels ASU Prep has a strong community. Jeffrey's first grader is half hispanic, and wanted her to be in a diverse community, but he was told no, don't trust Phoenix public schools, but he believes in public education, and feels Phoenix deserves to have a quality downtown education. He continued to ask about the plans of the building, and again said he doesn't understand the regulations on what governs city charters, and asked that they be told what's going on. He said he knows it's a negotiation, and asked if the district is going to lease it to basis. He believes in taxpayers money going to schools and thought perhaps he was wrong, and perhaps we don't want a flagship school, and perhaps we just want to sell all the schools. He doesn't know, he said, and that we can sell "this building" for all he cares.

Mandi Dyer: Address: 6506 W Miami St., Phx 85043. She has 3 children that attend ASU Prep, 2 of which were on the waiting list for 2 years. They were transferred over from the Laveen School District, because many of her friends have raved about ASU Prep so much, and also has a best friend whose daughter attends ASU Prep, and thrives there. They actually like school. Mandi said it is not only educating their children but it is bringing a community together, and growing a great concept for their children. She wondered since when did we start doing rent off a market value, and that's the part she doesn't understand, but she thinks for them, they would like a fair price so that they can stay where they have been loved by the community. She said the board members should be proud to have such a great school in their community, and to think about the children.

Jackie Brown: Address: 1443 E Milada Dr., Phx 85042. She wanted to first thank the board for hearing their concerns and community comments. Her son is an incoming freshman who was also on a waiting list. She would like the board members to continue to succeed, and to committ to extending the negotiation period to 6 months, and would like that same commitment from ASU Prep's Executive Board President. At the parent meeting, Jackie was personally concerned that transprency and forthcoming information coming from ASU Prep's Executive Board did not seem so at the time. She commented on a statement that was made about ASU families expecting to not pay their fair share. She disagreed, and said they are committed, and wants to continue to grow and have a magnet school that draws the ethnic, economic, and spiritual diversity that creates a rich thriving community. Jackie wants to see conversations happening.

Ezekiel Hiviza : Address: 1713 E Francisco Dr., Phx 85042. He is a father of a special ed, grew up in Yuma Arizona, and grew up at a school where there was a 50% drop out rate. The greatest recruitment there was the military, which was their opportunity. He came to Phoenix to serve and have a better life, and eventually have a better life for his family. He said the school has a very diverse community. He read the Declarations of Principles from this school, and said it was very inspiring, as it has achieved all of it, and is very proud to have his 3 kids who are still attending ASU Prep. Ezekiel mentioned the fair market value and feels it goes against the Declaration of Principles. He's hearing that the district doesn't want ASU Prep here. He really wants the negotiation to be in good faith, so they can continue the academic success of the students, and to create a tradition and history in central phoenix. Remember the Declaration of Principles.

Matt Bouchard: Address: 3308 W Burgess Ln., Phx 85041. He said he is deeply moved by all the comments made tonight by everyone, and he trust's the fair market value of downtown Phoenix and that it has grown exponentially since the conception of ASU Prep's contract. This is both circumstantial and way outside the control of ASU Prep., and because of this should not be detrimental to ASU Prep's success, location and longevity. Unfortunately, it is his belief that the State of Arizona still struggles with the very low overall rankings nationwide for K-12 education. However, ASU Prep surpasses those rankings, and further succeeds with a 100% graduation rate. He asked why PESD Governing Board would propose an 800% lease agreement increase that could potentially jeopardize the longevity of ASU Prep, and asked Mr. Larry Weeks how is this increase inspiring to a child and their parents? Matt asked for renegotiations. He said he is a proud parent, has seen his children grow, and loves ASU Prep.

Kariangel Elizalde: She has been at ASU Prep for six years now. She didn't know anybody, was really shy, and outgoing at the same time. She said her mom risks her life everyday, because there have been a lot of accidents trying to take her to school. She's always been there for her. After her first day of school she knew she wanted to be there to graduate college, but doesn't know now if she will be able to go to ASU. She has made that her dream since she was a little girl, and said it will be heartbreaking if the school had to shut down. Her brother said, "It's not your friends that matter, it's when you get to High School that matters". Kary said he was wrong, and said the friends that she has made since 6th grade has taught her how to be loyal, kind and helpful. She has grown, and learned a lot at ASU Prep from her teachers too, and inspire them every single day. They never give up on them.

Emily Gullicuson: Adress: 4243 E. Cactus Rd., Phx 85032. She is the executive director of A For Arizona where they work to expand the number of low income students who have access to an excellent education so they can close the gap for all achieving kids. She is in support of ASU Prep. While it is not unusual to close schools that do not have good outcomes for kids, or that has declining student enrollment, ASU Prep fits neither of these conditions. She said we are in the middle of a fight over closing a school that is doing exceptionally well. She spoke of the effects of closing this school and said there will be a great disruption. She urges the board to listen to its community and keep ASU Prep open as the future of thousands of students is at stake.

Liliana: Zip Code: 8501. She echoed sentiments of all the parents and students who have come up to speak. She is a friend of two ASU Prep students, and they remind her of her children. Her daughter was given a medical diagnosis and saw doctor after doctor, and Liliana had lost all hope until she saw a postcard in her mail box from ASU Prep. She attended the open house and based on their presentation, she knew her children would be able to succeed. She now has an 8th grader in the honors program, being in the classroom with high school students, and was offered to take Geometry by her math teacher. Liliana said her daughter has the courage to take these risks, because she has the support at ASU Prep. To take away is not the right choice, and asked the district to do the right thing for the students at ASU Prep.

David Lujan: Address: 9810 N 4th Ave., Phoenix 85021. He was at district about 3 months ago to discuss the state budget, and how public schools in Arizona suffered the biggest cuts in funding in the nation in 2008 and 2014. He understands the financial difficulties that public schools face. During that time the university system also suffered some of the biggest cuts in the nation, and ASU Prep was on the end of both of those cuts. He asked that the district not let ASU Prep be the victims of these budget cuts in working out this deal, because they have too much to lose. David spoke of several meetings he had with former ASU Prep graduates, and is amazed and impressed at their accomplishments and by what they are doing. Being the Principal at ASU Prep was the highlight of David's career. He understands the situation that the district is in, but he urges the district to come back with a more reasonable and realistic offer, because they cannot afford to lose ASU Prep and the culture and the success that has been created.

Jillian Glithero: Zip code: 85016. He is a current ASU Prep student and has attended for 4 years, and is now in 7th grade, who also has a sister that is in 3rd grade. He understands the district's need to raise the rent to reflect market value, but feels it should be raised in smaller increments. As a student at ASU Prep, he really loves the campus. It means a lot to him, and feels that moving locations would have a negative impact on their education. The location is convenient, and he has a lot of memories there, some he will never forget. Not being able to pass by his classmates will be very disappointing to him.

Star Reyes: She withdrew her son out of the Kyrene School District, and enrolled him at the ASU Prep when he was in 8th grade and was amazed how it impacted him. She said everyone welcomed him and told her not to worry about her son, and felt it was a community, with friendships right away. He felt at home. Her son is now a senior. Star met with his CapStone Teacher, which is someone who follows your student from the day they start, until the day they graduate, which is invaluable, because they work with the parents. She knows every one of his teachers and they return her calls, because they work hand in hand with each other. That is the type of teachers that are at ASU Prep Academy. She read off some of her sons classes which include Robotics, Physics, AS English, and Calculus. She said she can't help him, but those teachers can help him. Star asked the question, What will the building turn into if it were to sell? She feels it needs to remain an educational facility, and said that when the district goes back to decide, she encourages the district to work hard, be kind, and be smart.

Robert Sederstrom: Address: 5919 E Edgemont. Scottsdale. He said in his past life, he received his MBA in the ASU Grad Program, is a graduate in the real estate program for ASU, and has been a real estate broker for 30 years, just to mention a few. He said that the district's Fair Market Analysis is really, really bad, and flawed math. He said if we applied that math to the national level Harvard, and Stanford would've been torn down years ago, and replaced with far more efficient economical structures. Robert brought up the City of Scottsdale, and said it really lost its soul when they tore down Scottsdale High. He mentioned the worth of Arcadia, Central High, and also the district's very own building. He said the fact of the matter is, applying the fair market value towards education frankly doesn't work. He also said he really doesn't think that the rent structure that the district is implying is close to 15 percent, and consequently the fair market value is flawed. He said what's really important is leaving ASU Prep as an important asset to the community, and an asset to everybody.

Jazmine Alfaro: Zip code: 85007. She is an ASU student, and majors in criminal justice, and has 2 siblings that attend ASU Prep. She also attended Carl Hayden High School where they did not enforce her to go to college at all. When she mentioned it to them, they looked down on her, and so she had to do everything by herself to apply for college. She's the first one in her family who went to college, and now that her siblings look up to her, they are going to ASU Prep, where they are being encouraged to attend college. They have a hope for their students. She said ASU Prep is a guide for other schools, and needs to stay open. Jazmine mentioned that her friends at other schools are dropping out, but she is making it, and will continue her college education to pursue her Masters Degree.

Ana Zimmermann: Zip code: 85035. She is a new parent, and when she was searching for a school for her daughter there were 2 choices; ASU Prep, and St. Vincent de Paul. She wanted her daughter to have the best opportunities that she didn't have. She didn't have the opportunity to go to college. Ana's other sisters are ASU graduates, and her daughter looks up to them. She is proud of herself because she recently got her G.E.D. and plans to attend Phoenix College and wants to major in Business. She said our kids are the future of this country, and it's impossible to think that she would have to search for another school she has a grade school where she can take her daughter.

Questions by: Yesenia Mejia

1. Will the site remain for education?

2. Is the district ready to have a potentially vacant building?
3. Does the district already have a lessee in mind?
4. What are the plans for the property if you force out ASU Prep?
5. How much does PESD pay to maintain the property?

Questions by: Genevieve & Michael Reyes

1. If no agreement is made, what will you do for the placement of the students?
2. What support will you provide for our families if they need to move schools?

Questions by: Nichole Blackwell-Padilla

1. What are you planning to do with this property?
2. I would like to know what options you are offering to the students?
3. What kind of in-kind donations are you looking for?

Mr. Daniil Gunitskiy thanked everyone for being here and is moved by ASU Prep's commitment to their students. He said the board is all educators, and we understand how important a quality school is. We strive to achieve that across the 14 schools we have in the district, and we are immensely proud of everything ASU Prep has accomplished. He mentioned he used to work at ASU and helped to implement programs, and knows how great the programs are there. The board also has a responsibility to the 6,000 students in our district as well. We have a commitment to continue negotiations with ASU Prep. Mr. Daniil Gunitskiy also mentioned that the district had a collaborative and constructive meeting that was called by the district to talk to ASU Prep, because we are invested in this partnership. We want to continue and see how we can make this happen. We left that meeting in a constructive matter, and we are interested in both pursuing increased rent, but also in-kind donations and services. We have left it with ASU to determine what those can be, and what resources that they can marshal to help make up potential gaps in the rent through the in-kind donations. We are committed to continuing those negotiations, and we will continue in good faith. We picked up the phone 2 weeks ago to continue that. We also entered into an exclusive 60-day negotiation period after extending the contract by a month already. That goes against our self-interest if we were actively trying to look for another tenant in that building. We are waiting for ASU to call us back to see what we can do next, and Mr. Daniil Gunitskiy is confident that they will, because it was a collaborative conversation, and hopes to come to an agreement that is fair in rent, and increases the collaboration between our district and ASU as a whole. It takes both of us to come to that.

E. Curriculum & Instruction - Dr. Denise McGloughlin, Chief Academic Officer

1. Request Approval for Out of District Field Trip

Denise spoke to the issue. She mentioned Tonto Creek Camp is an incredible experience for the 4th graders. We have paid for this out of Title I funds in the past, but this time funds will be through the Phoenix One Foundation, and the TOCA Grant.

Administration recommends that the Governing Board approve Out of District field trip.

Motion by Louisa Stark, second by Susan Benjamin.

Final Resolution: Motion Carries

Yea: Daniil Gunitskiy, Ruth Ann Marston, Susan Benjamin, Louisa Stark, Lynne' Almy

2. Request Approval of the Memorandum of Understanding and Addendum between Phoenix Children's Hospital and Phoenix Elementary School District (Dunbar School) for a Garden

Denise said the hospital will build the raised garden, and when the garden starts to produce the vegetables and flowers, the Mullen Foundation will come in and support the Dunbar students and staff to harvest. Having this garden will teach the kids how to cook healthy meals. Note: Our lawyer wants us to note that Phoenix Children's Hospital has a one-sided indemnification provision in the original agreement. The liability is on us.

Administration recommends that the Governing Board approve the Memorandum of Understanding between Phoenix Children's Hospital and Phoenix Elementary School District (Dunbar School) for a Garden.

Motion by Lynne' Almy, second by Louisa Stark.

Final Resolution: Motion Carries

Yea: Daniil Gunitskiy, Ruth Ann Marston, Susan Benjamin, Louisa Stark, Lynne' Almy

3. Request Approval of the Memorandum of Understanding and Addendum between Healthcorps, Inc. and Phoenix Elementary School District

Denise said Healthcorps will provide us a full-time Healthcorp Coordinator to deliver curriculum that's aligned with the National Health Education Standards in 3 areas of focus; nutrition, exercise and mental resilience. The coordinator will work with the 7th and 8th graders, most likely during P.E. for Kenilworth and Heard School. The coordinator will also organize a health fair on each of those campuses, as well as an after school health club.

Administration recommends that the Governing Board approve the Memorandum of Understanding and Addendum between Healthcorps, Inc. and Phoenix Elementary School District

Motion by Louisa Stark, second by Lynne' Almy.

Final Resolution: Motion Carries

Yea: Daniil Gunitskiy, Ruth Ann Marston, Susan Benjamin, Louisa Stark, Lynne' Almy

F. Business Services - Dr. Rosanna Hidalgo, Chief Operations Officer (this agenda item was taken out of order, and occurred before agenda item D1 - Community Communications)

1. ASU Prep Lease Negotiation Update

Dr. Rosanna deferred the presentation to Mr. Larry Weeks. He said it was a partnership between public schools. He spoke to the issue and showed a power point presentation. One of the things that we are very proud of is that there was a Stanford Study that ranked PESD nationally in the 99th percentile. Phoenix Elementary had a huge impact on student growth. He went on to speak about who we are. Our district is a Title I district; 88% of students qualify for free and reduced lunches. We have 14 schools, 13 are Title I. Two thousand, five hundred students identify a language other than English as their primary language. He continued to give percentages of our Hispanic, Black, White, Indian and Asian students, and said that we have an 86% High School graduation rate. There are 131 K-8 students who attend ASU Prep, and live in the District's attendance area. Lease negotiations with ASU Prep began in 2009 that was the beginning of our partnership, with a 5-year agreement. We negotiated in 2014 for a 5-year lease renewal, then again began negotiations in April 2018. Both sides met on several occasions without agreement, and we held board meetings with the latest meeting held on August 8th as a collaborative meeting.

Mr. Larry Weeks spoke of the frequently asked questions. They are:

Is the district governing board raising the lease from \$300,000 to \$2,700,000 (market value). The answer is no, the district governing board is only looking for fair market value as is required by Arizona Statute. To-date there have been no solid proposals moving toward a reasonable lease.

Is the district continuing to negotiate with ASU Prep? The answer is yes. In fact the governing board voted to negotiate EXCLUSIVELY with ASU Prep for 60 days in hopes of coming to an agreement that is mutually beneficial to the 6000+ students of Phoenix Elementary School District #1 and the 1000 students at ASU Prep.

Is the district interested in services that ASU Prep/ASU can offer to support our students, families and staff? The answer is ABSOLUTELY! We are very interested in terms of an agreement that include services to support our students, families and staff.

Is the performance of ASU Prep respected by the District? The answer is absolutely! We are thrilled with their high school graduation rate and the graduation rate of our students who attend Phoenix Union High Schools - which is especially high compared to state rates.

Did the district fail to give ASU Prep and its constituents more than 24 hours notice of the action taken on July 26, 2018? The answer is no. This matter was on the District's agenda on June 14th. The district informed ASU Prep that it would be revisited on July 26th. The item was placed on the agenda in compliance with Arizona's open meeting law.

How long has ASU Prep known that the market value of the property had risen to \$2,400,000? The answer is since 2014.

Does the district governing board and leadership team care about the families and students of ASU Prep? The answer is ABSOLUTELY! We are in public education because we care. We care about all the families and students and our primary goal is serving ALL students across downtown Phoenix.

Does the district governing board have an obligation by Arizona Statute to obtain the highest possible value from the lease of a building? The answer is yes, as stated in A.R.S. 15-189, and as responsible stewards of the tax payers we serve, we take this seriously.

G. Board Reports and Requests

1. Board Reports and Requests

Mrs. Benjamin said we will have a delegate assembly on September 8th at 9 o'clock to solidify the agenda with a chance to vote. Lynne is willing to serve as an alternate.

2. Receive, Discuss and Take Possible Action of a delegate and alternate for the ASBA Delegate Assembly September 8, 2018

3. Future Agenda Items

H. Adjournment

1. Adjournment

Meeting adjourned at 8:55 p.m.

Respectfully Submitted by



Mr. Danil Gunitskiy, Board President