

ENNIS PUBLIC SCHOOLS
*******WEDNESDAY, MARCH 15, 2017*******
SPECIAL BOARD MEETING
FINAL AGENDA – ROOM #3
5:00 P.M.

SPECIAL BOARD MEETING

PLEDGE

I. VISITORS/PUBLIC COMMENT

II. OLD BUSINESS

- A. Letter for Resort Tax
- B. Approve Permissive Levy Resolution
- C. Levies for School Election – General and Building Reserve Funds
- D. Hire Contractor for Vo-Tech Project

**SCHOOL DISTRICT 52
ENNIS, MADISON COUNTY, MONTANA
WEDNESDAY, MARCH 15, 2017**

SPECIAL MEETING - 5:00 P.M.

Maria Lake	Chairperson
Kris Inman	Vice-Chair
Chad Coffman	Trustee
Karen Ketchu	Trustee
Julie Funston	Trustee
Brian Hilton	Principal
Rich Borden	Principal
Casey Klasna	Superintendent
Ginger Martello	District Clerk

Chairperson Lake called the meeting to order. The pledge to the flag was recited.

VISITORS

Chris McCown	Staff Member
Corinna Christensen	Community Member
Abigail Dennis	Madisonian
Craig George	Community Member
Andrew Henrich	Community Member

PUBLIC COMMENT

None

OLD BUSINESS

Letter for Resort Tax

The board reviewed three draft letters addressing the proposed legislation regarding the resort tax. Draft two expressed helping students and families in our district. Trustee Coffman made a motion to approve draft two regarding resort tax legislation. Trustee Inman seconded the motion. All trustees present were in approval. Superintendent Klasna will finalize the letter and send a copy to Senator Jeffrey Welborn, Justin Gatewood and Scott Petersen, Virginia City Representatives.

Approve Permissive Levy Resolution

Superintendent Klasna explained to the board that SB 307 is being heard at the legislature and has some requirements the district will need to meet. It requires the district to post where the permissive levies will increase or decrease next year and has to be posted by April 15th in the paper and on the school website. It is only an estimate based on this year's taxable values. Another item in the bill is to allow the district to permissive levy in the building reserve fund. This levy would be for repair, maintenance and remodeling of existing facilities. The calculation would allow our district to mill approximately \$70,000 which would be \$2.43 on a \$200,000 house. There would also be a possible match in state funding in 2021. Superintendent Klasna's concern was that the taxpayers have not seen the permissive levies posted like this before and even though we use the money for the purpose of those funds alone, he was concerned about running the building reserve levy and assessing a permissive levy. There is no doubt we need a levy in the building reserve, as the security project was a big hit to the fund. Chairperson Lake said we identified years ago that the permissive levies would need to be increased as funds were spent down and we are on track with the projection. The board discussed whether to run the voted levy and if it passed not assessing the permissive levy, losing the match from the permissive levy, the use of the levy, educating the community, etc. Trustee Funston felt we were talking about two different subjects. The permissive levy would be used to maintain, repair and remodel facilities. The voted levy can also address new construction. She said not looking at both was irresponsible, our district is growing and our facilities may need to expand. In our meetings regarding the strategic plan, the public was concerned with maintaining and growing our school. Trustee Inman agreed, she said we need to do what is best for our school, we are continuing to grow and we are talking about \$2.43. Trustee Ketchu said we can speculate all night long, in the end we need to do what is best for our school and educate our stakeholders. Trustee Inman made a motion to approve the permissive levy resolution as it stands and that we provide a good explanation to the voters on the differences between how we can spend funds in the permissive levy and the voted levy. Trustee Coffman seconded the motion. All members present were in approval.

Levies for School Election - General and Building Reserve Funds

Pre-legislative preliminary budget data sheets project a \$210,000 increase to the general fund. Superintendent Klasna explained this is due mainly to increased student enrollment. We are adding staff and with the teachers' matrix this will take a large portion of the increase. This doesn't include the union's proposal for increase to the base, health insurance or classified increases. He is comfortable with the increase, but the state does allow another \$70,000 that would need to be voted for the district to reach its full potential. He wanted to be cautious due to the permissive levies and the building reserve levy. Trustee Inman felt we needed some wiggle room in the budget. We are negotiating and we need to do more for our kids, the additional general fund money would improve our level of education. Trustee Coffman felt it was hard to ask for additional money if we have money left at the end of a year. He understands we allow a cushion at the end of the year

for unforeseen expenditures, but a lot of the community does not understand this. Trustee Funston didn't feel we should run a general fund levy either.

Chairperson Lake recessed the meeting at 6:00 p.m. The board reconvened at 6:07 p.m.

Trustee Coffman made a motion not to run a general fund levy this year. Trustee Funston seconded the motion. The board discussed the strategic plan addressing the educational process and putting it in place first, high numbers in classes, teachers stretched thin, putting off what is best for our kids for another year, educating the community, etc. Trustee Funston made a motion to amend the wording as follows, do not run a general fund levy until the strategic plan is in place and we can start the educational process with our voters. Trustee Coffman seconded the motion. Superintendent Klasna explained if the levy passes it stays forever. Trustee Funston said we are working toward our educational plan already by adding two new staff members. Trustee Coffman's felt running a general fund levy was a disservice to the superintendent who is already out in the community selling our school. We would be making a tough job, tougher. Chairperson Lake called for the vote. Trustee Funston, Trustee Coffman and Chairperson Lake were in favor. Trustee Inman and Trustee Ketchu were opposed.

Superintendent Klasna explained the board verbally approved a building reserve levy at a previous meeting for \$300,000 over five years. This would run for five years at \$60,000 per year with an impact of \$2.43 on a \$200,000 house. Trustee Coffman made a motion to approve a \$300,000 building reserve levy over five years at \$60,000 per year. Trustee Funston seconded the motion. All trustees present were in approval.

Hire Contractor for Vo-Tech Project

Superintendent Klasna informed the board the committee met several times. They opened five bids and narrowed down to two candidates for the board to interview. Lutey's bid was \$633,000 and Rotherham's bid was \$797,367. There were three bids ranging from \$797,000 to \$860,000 and one low and one high bid. Law states lowest responsible bidder, which doesn't always mean low bid. Both interviewed well, but there is a difference of \$164,000. He has checked references and visited Lutey's job site. Trustee Funston said she checked five references and four of them were excellent. She talked to architects as well as owners. Reviews on Lutey were, they would hire them back, managed subs well, professional, timely, clean, friendly, knowledgeable, etc. She felt the difference in price may be the fact that they do 45% of the work and there would be less mark up on sub contractors. They also work in Ennis more and may have budgeted less in travel miles. Chairperson Lake stated lowest responsible bidder meant the bidder was properly licensed, has no lawsuits, good labor relations dealing with public funds, and is bondable. The board discussed bids being done correctly, amount of self work done by each company, rate of bond, and professionalism. Chairperson Lake said she couldn't spend \$160,000 more when Lutey Construction met the lowest responsible bid requirements. Craig George sat on the vo-tech committee and he appreciated the concern about cost,

but he wants the best building we can have. We also have to consider working relationships as we have been burned by contractors before. Another question is the difference in cost for change orders from 7% to 15%. Based on past experience we also need a penalty for failure to meet the deadline. Trustee Funston made a motion to accept Lutey Construction's bid as the General Contractor for the Vo-Tech project and include liquidated damages in the contract. Trustee Coffman seconded the motion. All members present were in approval. The board clarified that Superintendent Klasna will also be a direct contact for the project and they encouraged Mr. McCown to be involved. Chairperson Lake thanked the board and committee for all the hard work and research they performed.

As there was no other business the meeting was adjourned at 6:42 p.m.

ATTEST 
Ginger Martello, District Clerk


Maria Lake, Chairperson

4-12-17
Date Approved