

HUMBOLDT COUNTY SCHOOL DISTRICT
310 East Fourth Street
WINNEMUCCA, NEVADA 89445

A board retreat of the Humboldt County Board of School Trustees was held July 17, 2015 at 12:00 p.m. in the District Office Boardroom.

Board members present were: President Bruce Braginton, Clerk Ann Miller, Nicole Bengochea, Boyd Betteridge, Glenda Deputy, John Hill and Louis Mendiola.

Others in attendance were: Superintendent Dr. Dave Jensen, Asst. Superintendent Dawn Hagness, Director Kelly Novi, Attorney John Doyle, Ray Parks and Secretary Paula Wright.

President Braginton opened the meeting with the Pledge of Allegiance.

Correspondence: None

Public Comment – Discussion Only

Mr. Parks reported that the Boys and Girls Club project is moving along smoothly. Core Construction has been selected and construction of the Boys and Girls Club facility is scheduled to begin on November 1, 2015, at the latest, with completion by September 1, 2016. Mr. Parks and Mr. Peters will schedule to provide a full update to the Board at a later meeting. Mr. Parks reported that Barrick Mining donated \$150,000 towards the Boys and Girls Club.

Mr. Parks reported that the single point of entry project is also moving smoothly. He has been in contact with contractors Northern Nevada Concrete and Michael Clay Constructors to provide work and materials at cost to complete a separate project on the courtyard sooner than anticipated. He provided a proposal to the Mining Foundation, who donated \$20,000 to the project. Hunewill Construction will begin demolition of the courtyard. The area will be replaced with colored concrete and will be ADA compliant. In the front of the building a pedestal will be added. Mr. Parks will enlist the help of the Graphics Arts class to design a buckaroo and the welding class will weld the sculpture.

Dr. Jensen reported the following:

- ✓ Last week Dr. Jensen had the opportunity to attend the AASA Advocacy Conference in Washington DC. While there, he visited with Senator Reid, Congresswoman Titus, Congressmen Hardy, Heck, Heller and Amodei. This was a unique opportunity to visit and discuss federal educational issues that have the potential to impact Nevada. Topics included: ESEA Reauthorization, Title I funding and Portability, Maintenance of Effort relief for Special Education, Impact Aide, as well as other topics.
- ✓ Dr. Jensen attended the Mining Foundation meeting with Mr. Parks. As part of the discussion, the Foundation committed \$20,000 towards an expanded concrete project in the courtyard area. We appreciate their continued support of Humboldt County and Lowry High School.
- ✓ We have had some additional modifications to the scope of the work with the Lowry single point of entry which will add additional cost to the project. There are five changes in particular:
 - a. Modification of exterior soffit lights to shift to LED - \$659.94
 - b. Complete the concrete project in the front of the building - \$37,381.53
 - c. Demolition of the front concrete, steel railing and grass, add sewer relocation and cleanout and add an exterior light pole - \$37,503.32
 - d. Delete original concrete retaining wall – Credit of \$4,947
 - e. Floor leveling in new office location as a result of uneven flooring - \$841.50

The project is moving along well and the Board is invited to swing by at any time to view the progress of the project.

- ✓ Dr. Jensen met with Tim Crowley and Ron Leiken on July 16th regarding Marigold Mine. They are in the process of permitting that will add an additional 10 years to the mine life, extending approximately 20 years from present.
- ✓ The week of July 20th, Dr. Jensen will be meeting with Tim Crowley and Paul Huett from Klondex to discuss an update on the mine and the partnership with the district.
- ✓ Allied (Hycroft) laid off 230 employees last week. A quick review of our student information system indicates that this has the potential to impact 150 students.
- ✓ In terms of vacancies in the district, schools have been authorized to proceed in securing potential employees under the Alternative Route to Licensure or Long Term Sub capacities. Though much is still in the works, we have nine unfilled vacancies.
- ✓ Dr. Jensen provided board members with a copy of an article from the Reno Gazette Journal addressing the payment of funds to private and homeschool students. As indicated, there is much yet to be worked out on how this will operate.
- ✓ Dr. Jensen and Mrs. Deputy will be attending a Safety Conference on July 28th in Las Vegas, which is being funded by the Pool. The agenda for the July 28th board meeting will be light; however, Dr. Jensen and Mrs. Deputy could be available via phone if necessary. They look forward to bringing back the information they gather.
- ✓ Dr. Jensen and President Braginton discussed the NASB awards. Since 1997, only four awards have been awarded to Humboldt County School District. Dr. Jensen asked that President Braginton and Mrs. Deputy meet after the meeting to discuss nominations. Nominations are due to the NASB by August 1, 2015.

12:27 – 12:46 p.m. Lunch

Discussion and Possible Action – Consideration of Potential Facilities Purchase Utilizing Rollover Bond Funds to House Various Programs and Authorization to Propose Such to the Debt Management Committee (DMC)– Dr. Dave Jensen

Dr. Jensen reported that the audit has been completed on the Adult Education program. The audit found some significant issues. The funding for the upcoming school year has been identified as approximately \$100,000. During the transition of the Adult Ed program to Humboldt County School District, the lease of the building the program is currently housed was lost. The District is currently looking for a location to house the Adult Ed program. Some of the students who attend the Adult Ed program are court appointed, which makes it important that we find a location that would separate those students from our district students. Office space is also needed for the SAMSA grant employees and Special Education Department from their current portable at Grass Valley School.

Dr. Jensen has been in contact with real estate agent, Tony Wiggins, to find options of available buildings for rent. Mr. Wiggins told Dr. Jensen that the Division of Forestry has a current lease on the building they are housed in that will expire January 31, 2016. There are several offices available to rent currently in the building that we could house the SAMSA grant employees and the Adult Ed program on a temporary basis.

The building is approximately 8000 sq. ft. It is located on approximately 1.2 acres of land and a section behind the building is fenced and is currently used to hold the Division of Forestry's vehicles. The building is currently for sale. To secure a lease on the building, the cost is identified as \$1.35 per sq. ft. Dr. Jensen provided the Board with a schematic of the building.

Dr. Jensen noted that, if the District were to secure the building, we could place the Adult Ed program, the SAMSA grant offices and move the Special Education offices to that building. It would allow the Special Education offices to be centrally located. They are currently in a portable at Grass Valley School with no restroom facilities. Dr. Jensen said that the District would not necessarily need the total 8000 sq. ft.

Dr. Jensen provided the Board with a loan amortization schedule showing the cost if the District were to purchase the building rather than lease the building. Dr. Jensen's proposal would be to put \$200,000 down, at which time the owner would carry a note for \$450,000 for five years at 4.5% interest; four payments of \$102,506 and a final payment of \$62,531. Total purchase price would be \$712,000.

Dr. Jensen provided the Board with calculations should the District lease the entire building. The lease rate is currently \$1.35 per sq. ft., which equates to \$10,800 per month or an annual rental amount of \$129,600. Over a five year period the lease amount would be \$648,000, compared to the purchase price of \$650,000 not inclusive of applied interest. It is Dr. Jensen's recommendation that we purchase the building; after five years the building would belong to the District. He noted that, if at a later date we determine we don't need the building, we could sell it and recoup the expenditure.

The District currently holds \$2.8 million in long term debt; School Improvement Bonds (\$2.4 million) and Medium Term Bonds (\$404,000). Dr. Jensen proposed using our current rollover bond funds to purchase the building without increasing our current long term debt. The funds, therefore, would not come from the General Fund and would not come from funds that are subject to collective bargaining.

Dr. Jensen said that if the Board is interested in considering the purchase of the building, the District has an obligation to go to the Debt Management Committee for approval. Once the Debt Management Committee authorizes moving forward, the proposal would come back to the Board with more specifics for a final decision.

A discussion generated several thoughts and concerns:

- Why are the Division of Forestry and USDA not renewing their leases for the building?
- What are the costs of upgrades to the building, either immediately or over a five year period?
- Find out what repairs need to be made and use that information to make a counter offer.
- What is the actual appraised value of the building (fair market value)?
- Why can't Adult Ed be housed in the vacant portable at Grass Valley Elementary or Winnemucca Grammar School? If we move the current Special Ed offices, will that portable sit vacant also?
- Look for a smaller building for the Adult Ed program and use the current vacant portables for the three SAMSA grant positions.
- Would it be more cost effective to build a new building for only the square footage we need?
- Funding will not affect the General Fund.
- Consider the condition of our local economy currently and in the future.
- Consider the new opportunities; Boys and Girls Club and the new hotel being considered for the east end of town.
- Some mining companies have expanded operations and extended their mine life.
- Consider the benefit of owning the building after a five year period rather than money wasted on rent.
- What will be the ownership/operational costs if we purchase the building?
- Some constituents were under the assumption that the bond was to improve existing infrastructure.
- Is the purchase of the building somewhat of a "luxury" in this fiscal period?
- We need to prioritize. We are currently looking at the possibility of purchasing busses and fleet vehicles. Maybe we should wait six months and see what happens.
- Would rather see the funds used for schools and student needs.

- “Leasing is money down the drain.”
- The property is a valuable piece of property, aside from the building.
- “This is not a fiscal issue, but a perceptual issue.”
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1:14 p.m. Mr. Betteridge left the meeting.

When asked, Dr. Jensen said that an appraisal of the property will need to be done which will provide the District with the fair market value. Mr. Hill believes that, until we find out how much the building is worth and how much it may cost to upgrade, the Board is unable to make a conscientious decision.

President Braginton clarified by saying that, if the Board chooses to move forward, we will move for approval through the Debt Management Committee (August 25th) and it will then be brought back to the Board for further discussion. Dr. Jensen reminded the Board that there will be costs incurred when taking the proposal to the Debt Management Committee; Marty Johnson with JNA Consulting, Jennifer Stern, the District’s bond counsel and the cost of the appraisal when such is sought.

Mr. Mendiola moved to table the item until after negotiations have been completed and a decision is made on the fleet and buses. Mrs. Bengochea seconded. Those in favor: Mr. Mendiola and Mrs. Bengochea. Those against: President Braginton, Mr. Hill, Mrs. Miller and Mrs. Deputy. Motion failed.

Mrs. Deputy moved to proceed with providing the Debt Management Committee with the proposal for their recommendation (approval). Mr. Hill seconded. Those in favor: Mrs. Deputy, Mr. Hill, Mrs. Miller, President Braginton. Those opposed: Mrs. Bengochea and Mr. Mendiola.

Once the proposal is taken to the Debt Management Committee, it will be brought back before the Board for further discussion as to whether they want to move forward with the purchase of the building.

1:48 Mr. Doyle left the meeting.

Discussion and Possible Action – Continued Priorities Discussion to Establish Base Goals for Both the Board and Superintendent

The Board was provided a copy of their thoughts and concerns discussed at the June 23rd board meeting. Each Board member was allowed the opportunity to present their thoughts and what they perceive of importance to establish as their goals for 2015-16.

The discussion introduced the following proposed goals:

1. Maintain focus on graduation rate
 - a. Fiscal supports to include: math materials for curriculum support K-8, appropriate class size, Advanced Placement (AP), credit remediation/recovery programs, proficiency preparation, and support for late start Thursdays.
 - b. An emphasis on and tracking of the Superintendent’s initiatives and associated measures, from Kindergarten through high school, which support and predict graduation rates.
 - c. Active participation in and support of the Truancy Court with a commitment that all board members will attend at least one Truancy Board and one Truancy Court Session.
 - d. Support professional development, yet minimize impact on instructional day.
 - i. Attend at least one (1) professional development training for teachers or administrators annually.
2. Engaging our stakeholders more effectively

- a. Each Board member conducts a minimum of three (3) individual site visits per school year
 - i. Attend at least one (1) school staff meeting
 - ii. Organize and participate in small focus group discussions at each school
 - b. Conduct focus group interviews with students in grades 7-12, and/or volunteer in a K-6 classroom
 - c. Community
 - i. Engage in school/district Parent Advisory Councils
 - ii. A minimum of two (2) Board meetings are scheduled in our rural communities, to include McDermitt and Paradise Valley (schedule in advance- one toward beginning of year, the other around Spring Break)
3. Professional Development
- a. Ensuring individual professional development which may include: personal reading, district provided readings, and attending NASB offered PD opportunities.
 - b. Provide group professional development opportunities facilitated by external facilitators. In support of these opportunities, Lander and Pershing Board of Trustees will be invited to participate as appropriate.

The proposed goals will be brought back to the Board at a later meeting to be finalized.

Public Comment – Discussion Only

None

Board Reports/Requests – Information Only/No Action

1. Dr. Jensen reported that the new website is up and running. We have received a lot of positive comments.
2. Mr. Mendiola said he visited with Mr. Parks and Dr. Jensen at Lowry on Wednesday, July 15th.
3. Mr. Mendiola asked if there was any update on the appeal of the junior high school claim. Dr. Jensen said that Wells Fargo Insurance has indicated that, although they believe they have no liability in the claim, they will support the district in our appeal. Dr. Jensen reported that Mr. Doyle has informed Wells Fargo that, if the district is unsuccessful in their appeal that the District will be seeking compensation from Wells Fargo.
4. Mrs. Deputy reminded everyone that the last 44 Hour Tournament will be going on this weekend.
5. Mrs. Miller said she will not be in attendance at the July 28th board meeting.
6. Mrs. Bengochea said she will not be in attendance at the August 11th board meeting.
7. Mr. Novi reported that they are working with Humboldt Telephone Company to provided upgraded internet service for the four remote schools and McDermitt Combined.
8. Mrs. Hagness thanked the Board for their consideration of the purchase of math materials for support in the K-8 classrooms.
9. President Braginton said that he, Mrs. Deputy and Dr. Jensen will be meeting regarding the submission of NASB nominations.

Adjourned 4:30 p.m.

Submitted by Secretary, Paula Wright

Ann Miller, Clerk