

CAPISTRANO UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
MINUTES – REGULAR MEETING
JUNE 29, 2011
EDUCATION CENTER – BOARD ROOM

President Brick called the meeting to order at 5:30 p.m. The Board recessed to closed session to discuss: Public Employee Performance Evaluation; Public Employee Discipline /Dismissal/Release; Public Employee Appointment/Employment; and CSEA/CUEA/CUMA/Teamsters negotiations.

Closed session ended at 6:30 p.m.

The regular meeting of the Board reconvened to open session and was called to order by President Brick at 7:00 p.m.

The Pledge of Allegiance was led by President Brick.

Present: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard

Absent: Trustee Hatton

A CD of the Board meeting discussion related to each of the items on the public agenda is on file in the Superintendent's Office as a matter of the permanent record. An audio recording of the meeting is available on the District website: www.capousd.org **Permanent Record**

It was moved by Trustee Alpay, seconded by Trustee Bryson, and carried by a 6-0 vote to adopt the Board agenda. **Adoption of the Board Agenda**

AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard

NOES: None

ABSENT: Trustee Hatton

President Brick asked Vice President Pritchard to facilitate the meeting.

**President's
Announcement**

Vice President Pritchard reported the following action taken during closed session:

Agenda Item #3 A – Public Employee Performance Evaluation: Superintendent

**President's Report
From Closed
Session Meeting**

The Board directed staff to compile data and return the information to the August meeting.

Agenda Item #3 B – Public Employee Discipline/Dismissal/Release:

The Board voted by a 6-0 vote to approve the termination of Employee #026092 effective June 30, 2011.

AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard

NOES: None

ABSENT: Trustee Hatton

Agenda Item #3 C – CSEA/CUEA/CUMA/Teamsters Negotiations: No action was taken.

Agenda Item #3 D – Public Employee Appointment/Employment: Principals

The Board voted by a 6-0 vote to approve the transfer of Charles Salter, to Principal on Special Assignment.

AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
NOES: None
ABSENT: Trustee Hatton

The Board voted by a 6-0 vote to approve the appointment of Chris Carter, Principal, Aliso Niguel High School.

AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
NOES: None
ABSENT: Trustee Hatton

Trustee Bryson reported she had the pleasure of assisting at the Dana Hills High School graduation and stated it was a beautiful ceremony with excellent speeches.

Board and Superintendent Comments

Trustee Palazzo commented she was pleased to see the new Use of School Facilities link on the District’s website and requested staff prepare a report and demonstration for an August Board meeting. Trustee Palazzo shared she assisted at the Serra High School/Adult Education graduation and commented how lovely, motivating, and personable the graduation is every year with its small and intimate setting on the Serra High School campus. Trustee Bryson added she also attended Serra High School’s graduation and agreed with Trustee Palazzo remarks.

As specified in Board Bylaw 9323 for Oral Communications, each speaker was allowed three (3) minutes to speak.

Oral Communications

The following people addressed the Board:

- *San Juan Hills High School Principal Tom Ressler thanked the Board and Dr. Farley for their support and stated San Juan Hills High School had a smooth year. Mr. Ressler acknowledged Dr. Farley’s first year and great leadership then introduced photography teacher Ryan Norgren whose students had taken the pictures hanging in the District office.*
- *Ryan Norgren presented Dr. Farley with a framed picture of Dr. Farley with the photography students as a memento of the photo project assignment. From the back of the photo Mr. Norgren read, “thanks for the photo op and for putting students first.”*

DISCUSSION/ACTION

Trustee Pritchard announced the Public Hearing open at 7:10 p.m. regarding the approval of Resolution No. 1011-65, to authorize the 2011-2012 use of categorical flexibility transfers per SBX3 4. There being no written comments or speakers to this item, Trustee Pritchard declared the public hearing closed at 7:11 p.m.

PUBLIC HEARING: Categorical Flexibility Funds Agenda Item 6

It was moved by Trustee Alpay, seconded by Trustee Bryson, and motion carried by a 6-0 vote to approve Resolution No. 1011-65, to authorize the 2010-11 use of categorical flexibility transfers per SBX3 4.

ROLL CALL AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
NOES: None
ABSENT: Trustee Hatton
ABSTAIN: None

Trustee Pritchard announced the Public Hearing open at 7:12 p.m. regarding the approval of the 2011-2012 Final Budget. There being no written comments or speakers to this item, Trustee Pritchard declared the public hearing closed at 7:13 p.m.

**Public Hearing:
Final Budget
Agenda Item 7**

Deputy Superintendent Ron Lebs presented the final budget overview. Mr. Lebs stated he would be sharing similar information to what he presented at the last Board meeting regarding the Governor's May Revision which has now moved into the actual budget document with a few small changes. Mr. Lebs stated the Governor's May Revision proposes flat funding, which is the same funding level as 2010-2011. This is an increase from the January proposed budget of \$17.2 million. Categorical flexibility has been extended 2 years and funding for county mental health services is provided in the budget. The Legislature adopted the budget on June 28 and it is now waiting for the Governor's signature. The state is balancing the budget by projecting \$4 billion in additional revenue over and above the May Revision of \$6.6 billion. The state budget includes the \$1.2 million cross fiscal year deferral that was in the January proposal but taken out of the May revised budget. The state budget also re-benches Prop 98. There is a possibility there will be mid-year cuts but it will depend on whether revenue projections are below \$2 billion in January 2012. The final budget shows general fund revenues and other sources estimated at \$360 million with estimated expenditures and other uses of \$372 million. The unrestricted reserve for economic uncertainties is projected to be \$7.6 million, as of the budget's adoption. This reserve exceeds the 2 percent required reserve level of \$7.5 million by approximately \$100,000. Mr. Lebs informed Trustees that staff will report to the Board any adjustments to the District's budget necessitated by the state budget within 45 days after the adoption of the state budget. Trustees will not need to revise the adopted budget but staff does need to report to the Board as required by law.

Prior to Trustee discussion, Mr. Lebs read the following fiscal acknowledgement for the budget adoption so it would become a part of the record: "In approving the 2011-2012 budget, the Board understands its fiduciary responsibility to maintain fiscal solvency for the current and subsequent two fiscal years. It is recognized that, if the \$4 billion projected state revenue increase included in the recently approved state budget drops below \$2 billion for 2011-2012, the state will impose mid-year revenue cuts to local educational agencies, forcing the District to make mid-year cuts. Assuming that there will not be mid-year revenue reductions in 2011-2012, the District projects it will need to make ongoing expenditure reductions of approximately \$26.6 million in 2012-2013, and no additional reductions in 2013-2014, in order to maintain fiscal solvency. It is further recognized the District will submit details of Board approved budget reductions for 2012-2013 with the 2011-2012 First Interim Report."

Trustees questioned staff regarding rehiring teachers, furlough days, cuts to the school year, major future costs, and deferred maintenance. Trustee Alpay requested that staff provide Trustees with the percentage of reduction in legal fees this year. Trustee Pritchard stated Trustees need to advocate for the District by contacting or visiting local legislators and let them know the District can't endure anymore cuts.

Following discussion, it was moved by Trustee Bryson, seconded by Trustee Brick, and motion carried by a 4-2 vote to adopt the 2011-2012 Budget and approve the Criteria & Standards for the 2011- 2012 fiscal year.

ROLL CALL AYES: Trustees Alpay, Brick, Bryson, and Pritchard
NOES: Trustees Addonizio and Palazzo
ABSENT: Trustee Hatton
ABSTAIN: None

Superintendent Farley stated the conclusion of the school year, and the completion of his first year in the District, provides an opportunity to discuss some of the highlights and goals attained over the past twelve months. Dr. Farley explained when he reflects on what happened in a school year he judges it against the same standard: did the District impact student learning and did it improve the system? He stated in 2010-2011 the answer is yes to both. A year ago Trustees and staff told him they had high expectations for him. They wanted him to be successful, instruction focused, and the District needed a vision and priorities. As a result, four priorities were established: to stabilize the District, renew trust in leadership, enhance and improve all District systems, and focus on what happens in the classrooms between teachers and learners. Dr. Farley presented District initiatives and accomplishments from each department for the 2010-2011 school year. Dr. Farley concluded his presentation by thanking the Board for their leadership and support, and all staff members, parents, and community members for their contribution to the success of the District this year.

The following people addressed the Board:

- *Michele Langham, CUCPTSA president, shared there is a new confidence in the District that Dr. Farley has fostered. On behalf of the parents and students, Mrs. Langham thanked the Board for selecting a superintendent who truly cares about children and their successes, parents and their concerns, and is a good leader for teachers and staff.*
- *Kim Anderson, CUCPTSA Legislative Team, thanked the Board for hiring Dr. Farley and stated he is very accessible, student focused, forward thinking, calm under pressure, and supportive of the PTA and the legislative team.*
- *Richard Ybarra, Executive Director of CREER, commended Dr. Farley for his professionalism and leadership, being a great educator and good listener, raising the level of trust for EL parents, improving student achievement, and increasing parent involvement.*
- *Eric Wersching, Ladera Ranch City Council past chair, remarked he was very impressed with Dr. Farley for his straight forward approach, follow through, honesty, and added there is a better attitude and feeling in the District under Dr. Farley's leadership.*
- *Principal Carrie Bertini thanked Dr. Farley for returning the District's focus to classroom instruction, student learning and staff development, and for his commitment to visiting classrooms at every school site.*

Deputy Superintendent Ron Lebs explained this agenda item recommends approval of Resolution No. 1011-64 to issue an amount not to exceed \$85 million in a Tax and Revenue Anticipation Note (TRAN) for the 2011-2012 fiscal year, and to participate in the South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program. This resolution authorizes the issuance of the notes to be pooled with other Orange County school district notes to be named the South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program. With the issuance of a TRAN, the District will be able to meet its payroll and vendor payments during the fiscal year.

TRANS
Agenda Item 9

At this time, the total financial implications of the issuance of a TRAN for the 2011-2012 fiscal year are not quantifiable, and will be fully known closer to the date of issuance. Costs associated with the issuance of the TRAN will be offset to the highest extent possible with any interest earnings realized on the TRAN's principal amount.

Following discussion, it was moved by Trustee Alpay, seconded by Trustee Bryson, and motion carried by a 6-0 vote to approve Resolution No. 1011-64, authorizing the borrowing of funds for fiscal year 2011-2012 and the issuance and sale of a 2011-2012 Tax and Revenue Anticipation Note and participation in the South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note program.

ROLL CALL AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
 NOES: None
 ABSENT: Trustee Hatton
 ABSTAIN: None

Trustee Pritchard stated due to the June 14 resignation of Trustee Lynn Hatton as one of the two District representatives to the Capistrano-Laguna Beach Regional Occupation Program board, Trustees need to elect another Board member to serve the remainder of her term. Trustee Pritchard nominated President Brick. No other nominations were received.

**ROP Board
 Representative
 Agenda Item 10**

It was moved by Trustee Pritchard, seconded by Trustee Alpay, and motion carried by a 4-2 vote to replace Trustee Hatton on the ROP board with President Brick for the remainder of the term.

AYES: Trustees Alpay, Brick, Hatton, and Pritchard
 NOES: Trustees Addonizio and Palazzo
 ABSENT: Trustee Hatton
 ABSTAIN: None

Superintendent Farley stated revisions to this Bylaw were necessary to provide a consistency with the meeting changes the Trustees approved at the March 23 Board meeting. The proposed revisions to Board Bylaw 9320, *Meetings*, reflect the change in days when meetings are held and the addition of one regular meeting per month. Superintendent Farley stated he added clarification language to the requirements for people with disabilities as requested by Trustee Palazzo at the June 13, 2011, Board meeting.

**Board Bylaw
 Revisions
 Agenda Item 11**

Trustee Alpay requested staff change the reference to “governing board” with “Board of Trustees.”

It was moved by Trustee Addonizio, seconded by Trustee Alpay, and motion carried unanimously to approve the revisions to Board Bylaw 9320, *Meetings* with the change requested by Trustee Alpay.

Vice President Pritchard asked Trustees for items they wished to pull from the Consent Calendar. Items #12, #21, #24, #25, #37, and #39 were pulled.

**Items Pulled from
 the Consent
 Calendar**

CONSENT CALENDAR

It was moved by Trustee Alpay, seconded by Trustee Addonizio, and motion carried unanimously to approve the following Consent Calendar items:

Instructional materials recommended for adoption for grades 11 and 12 International Baccalaureate Math, *Mathematics HL Core IB*.

**Instructional
 Materials
 Agenda Item 13**

Purchase orders, warrants, and previously Board approved bids and contracts as listed.

**Purchase
 Orders/Warrants
 Agenda Item 14**

Donations of funds and equipment.

**Donations
 Agenda Item 15**

Special Education Consultant, Karen Miller.

**Consulting
 Agreement
 Agenda Item 16**

Special Education Consultant, Susan Melly.	Consulting Agreement Agenda Item 17
Renewal of agreement for operation of extended day childcare programs with YMCA of Orange County.	Agreement Renewal Agenda Item 18
Renewal of agreement of use of facilities agreement with Journey Charter School at Foxborough campus.	Agreement Renewal Agenda Item 19
Renewal of agreement of use of facilities agreement with Niguel Children's Center at Foxborough campus.	Agreement Renewal Agenda Item 20
Agreement for special services, fiscal and mandate information services with School Services of California, Inc.	Special Services Agreement Agenda Item 22
Memorandum of Understanding between the District and the Capistrano-Laguna Beach Regional Occupation Program for technical services.	Memorandum of Understanding Agenda Item 23
Annual support and maintenance agreement, Active Network.	Support and Maintenance Agreement Agenda Item 26
Online educational products and services order, K12 Virtual Schools LLC.	Online Education Products/Services Agenda Item 27
Master contract for special education services to be provided by Teri Inc.-The country School, a non-public school.	Master Contract Agenda Item 28
Master contract for special education services to be provided by Mardan School, a non-public school.	Master Contract Agenda Item 29
Master contract for special education services to be provided by Chileda, a non-public school.	Master Contract Agenda Item 30
Counseling services, Tricia Krantz.	Independent Contractor Agreement Agenda Item 31
Counseling services, Brenda Crary.	Independent Contractor Agreement Agenda Item 32
Counseling services, Irma Garcia	Independent Contractor Agreement Agenda Item 33

Psychological educational assessments, Dennis I. Saller.

**Independent
Contractor
Agreement
Agenda Item 34**

Extension of agreement Bid No. 1011-05 Frozen Food Products, Gold Star Foods.

**Frozen Food
Products
Agenda Item 35**

Extension of agreement Bid No. 0809-11 Paper and Plastic Products for Food and Nutrition Services, P&R Paper Supply Company, Inc.

**Paper/Plastic
Products
Agenda Item 36**

Award of Bid No. 1112-03 Bakery Products, Gold Star Foods.

**Bakery Products
Agenda Item 38**

Advertise Bid No. 1112-07 Pizza Service.

**Pizza Service
Agenda Item 40**

ROLL CALL: AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
NOES: None
ABSENT: Trustee Hatton
ABSTAIN: None

Trustee Palazzo stated she did not attend the June 8, 2011, meeting so she would be abstaining from voting on the approval of the minutes.

**Minutes
Agenda Item 12**

It was moved by Trustee Addonizio, seconded by Trustee Alpay, and motion carried by a 5-0-1 vote to approve the minutes of the June 8, 2011, special Board meeting.

AYES: Trustees Addonizio, Alpay, Brick, Bryson, and Pritchard
NOES: None
ABSENT: Trustee Hatton
ABSTAIN: Trustee Palazzo

Trustee Palazzo pulled this item because she had read in the Orange County Register the City of Laguna Hills was considering an application from the Community Roots Charter School to rent facilities. Dr. Farley explained the charter school was applying with other agencies in case they were not able to rent facilities from the District.

**Lease Agreement
Agenda Item 21**

It was moved by Trustee Addonizio, seconded by Trustee Bryson, and motion carried by a 6-0 vote to approve the lease agreement with Community Roots Charter School for use of facilities at Wood Canyon Elementary School for 2011-2012.

AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
NOES: None
ABSENT: Trustee Hatton
ABSTAIN: None

Trustee Bryson thanked staff for continuing to request reduced costs from vendors and she was pleased to see the firm has proposed a cost savings of 28 percent if the current agreement is extended for four years and the District shifts to a time survey option for the Medi-Cal Administrative Activities program.

**Agreement
Extension
Agenda Item 24**

It was moved by Trustee Bryson, seconded by Trustee Alpay, and motion carried by a 6-0 vote to approve extension of agreement RFQ No. 6-0910, Medi-Cal billing services, Paradigm Health Care Services.*

AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
NOES: None
ABSENT: Trustee Hatton
ABSTAIN: None

Trustee Bryson commended staff for sending a letter to the firm requesting reduced costs for the 2011-2012 renewal period and pointed out the item states there will be no increase in the described rates for the renewal period of July 1, 2011, through June 30, 2012.

**Agreement
Extension
Agenda Item 25**

It was moved by Trustee Bryson, seconded by Trustee Alpay, and motion carried by a 6-0 vote to approve extension of agreement for general legal services, Stutz, Ariano, Shinoff & Holtz APC.*

AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
NOES: None
ABSENT: Trustee Hatton
ABSTAIN: None

Trustee Bryson noted the pricing for the renewal term of July 1, 2011, through June 30, 2012, is approximately 16.5 percent lower than the original contract pricing.

**Plumbing Service
Agenda Item 37**

It was moved by Trustee Bryson, seconded by Trustee Alpay, and motion carried by a 6-0 vote to approve extension of agreement Bid No. 0708-06 Plumbing Service, Pacific Plumbing Company of Santa Ana.*

AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
NOES: None
ABSENT: Trustee Hatton
ABSTAIN: None

Trustee Bryson stated she pulled this item by mistake.

**Electrical
Supplies/Materials
Agenda Item 39**

It was moved by Trustee Bryson, seconded by Trustee Alpay, and motion carried by a 6-0 vote to approve award of Bid No. 1112-05 Electrical Supplies and Materials, Consolidated Electrical Distributors.*

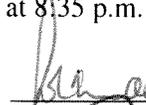
AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
NOES: None
ABSENT: Trustee Hatton
ABSTAIN: None

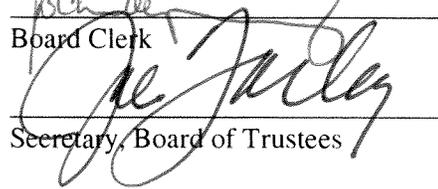
*Agenda items #24, #25, #37, and #39 pulled by Trustee Bryson were all approved by one motion and vote.

It was moved by Trustee Alpay, seconded by Trustee Addonizio, and motion carried by a 6-0 vote to adjourn the meeting. **Adjournment**

AYES: Trustees Addonizio, Alpay, Brick, Bryson, Palazzo, and Pritchard
NOES: None
ABSENT: Trustee Hatton
ABSTAIN: None

Vice President Pritchard announced the meeting adjourned at 8:35 p.m.


Board Clerk


Secretary, Board of Trustees