

BOARD MEETING MINUTES

May 20, 2019

Call to Order

President Mike Jacobs called the Regular Board Meeting of the Shoreline Board of Directors to order in the Board Room of the Administrative Offices at the Shoreline Center at 7:00 p.m. on May 20, 2019, followed by the flag salute.

Roll Call

Present: Mike Jacobs, President; David Wilson, Vice-President; Heather Fralick, Member; Dick Nicholson, Member; and Saagar Mehta, Shorewood Student Representative.

Absent: Dick Potter, Member and Soumya Keefe, Shorecrest Student Representative.

Approval of Minutes

The minutes of the May 6 Regular Board Meeting were approved as submitted.

Adoption of Consent Agenda

The following consent agenda was presented for approval:

- a. Acceptance of Gifts, Grants, Donations
 - 1) Cascade K-8 - \$11,500 – Cascade K-8 PTSA – Spring Camp 2019 for K-5
 - 2) Cascade K-8 - \$11,000 – Cascade K-8 PTSA – Spring Camp 2019 for 6-7
- b. Aldercrest Campus Modernization Project, Phase 2 – Approval of Change Order #06 – Kassel and Associates, Inc.
- c. Early Learning Center – New Building and Site Work Project – Frontage Improvements – Request to Increase Total Budget and Award of Contract – A1 Landscaping and Construction, Inc.
- d. Early Learning Center – New Building and Site Work Project – Approval of Contract Amendment #2 – Mahlum Architects
- e. Parkwood Elementary School Replacement Project – Approval of Building Location Settlement Agreement and Release
- f. Einstein Middle School Replacement Project – Adoption of Resolution 2019-7, Certifying Intent to Construct Einstein Middle School Replacement Project
- g. Kellogg Middle School Replacement Project – Adoption of Resolution 2019-8, Certifying Intent to Construct Kellogg Middle School Replacement Project
- h. Approval of Extended Field Trips
- i. Approval of Personnel
 - 1) Certificated
 - 2) Classified
 - 3) Administrative
- j. Approval of Vouchers

President Jacobs announced that consent agenda item 4c was being pulled for further discussion between the Board, Marla Miller and Dan Stevens. Ms. Miller began with an overview of the Early Learning Center Project, specifically in regard to increasing the project budget for frontage improvements, which includes street improvements, sidewalks, gutters, etc. From the beginning it was known that the District would be providing improvements to N. 170th Street and Meridian Avenue North; however, as the project progressed, the scope increased as the City is now requiring improvements to N. 175th Street as well. At the time, it was not known exactly how extensive those improvements would be but they are part of the mandatory project permitting process.

Because Meridian Park Elementary School and Edwin Pratt Early Learning Center are on one lot (they share the same parcel number), the City has the right to require improvements on 175th Street. This results

in a great deal of frontage, beyond what is normally expected with a typical elementary school. The bid award that is part of consent agenda item 4c is to A-1 Landscaping and Construction, Inc., the company that submitted the lowest responsive bid. In this bid climate, staff were relieved to have three responsive bids submitted and after reviewing bid results with other public works projects in the Seattle area, staff do not believe better results could be obtained by rebidding the project. A-1 Landscaping had the opportunity to review their bid to make sure there were no errors made and they have assured the District that they stand by their numbers.

Another question asked earlier in the day by the Board was why the additional amount being requested for the project authorization, \$1,700,000, exceeds the amount of the specific bid, \$1,045,000. Ms. Miller explained that the specific bid does not include state sales tax (10.2% in Shoreline). Additionally, with every contract awarded, a 20% contingency is added to the budget. This is not added to the amount available to the contractor but as changes come in, Dan Stevens and the other project managers, have the ability to release additional funds once any requests for changes by the contractor have been properly vetted. Finally, there is overhead for the staff who do all the processing and project management. Depending on the size and scope of projects, different percentages are used for the overhead/administrative costs. This being a large, bond-funded project, 1.5% has been used; smaller projects use 8%, in part, because the salaries are the same regardless.

Director Fralick asked if the 10.2% sales tax was based on the \$1,045,000 bid amount. Ms. Miller responded that yes, the sales tax is on the bid amount but the contingency is calculated on the bid base plus sales tax and the overhead costs are calculated on the combination of all three. Director Fralick stated that her calculations indicated the additional budget amount should be approximately \$1.4 million instead of \$1.7 million. Mr. Stevens responded that once they met with the City, there were additional design fees and engineering fees but not adding up to \$300,000. With frontage work, there are often unforeseeable items. Ms. Miller added that with construction contracts, she typically rounds up; also the contingency amount will not be spent unless it is necessary. The 1.5% overhead costs are continuously monitored. She also stated that if the Board preferred they could lower the authorized project budget but they typically like to keep a bit of a cushion.

Ms. Miller and Mr. Stevens met with public works staff from the City about 10 days earlier. At this point in time, it is unclear as to what exactly the City project on 175th will entail; the public process is just beginning. However, the District's project will be required to fit in with the City's project. Director Wilson inquired if the District should wait until the City's plans are fleshed out in order to ensure that any improvements the District makes to 175th are not in danger of being undone through the City's project. Ms. Miller responded that the Early Learning Center Project as a whole requires frontage improvements. In order to get the temporary occupancy permit that allowed the District to move into the Edwin Pratt Early Learning Center in January, the City had to receive assurances that the frontage improvements would still be made. Additionally, the design had to be submitted and the project ready to begin by this summer. Ms. Miller stated that she had never been part of a school construction project that did not include frontage improvements—the question is to what extent. The City is anxious to begin their project on 175th but as yet they don't have a design or funding and it has not been approved by the City Council. The District had requested to pay a fee that would be added to the City's pool of funds that they would draw from for their improvements, but legally they could not do that since they didn't yet have a council-approved City project in which to accept the fees. The City is trying to be sure the work they require of us does not have to be torn out and redone when they do their larger project. Another complicating factor is that Sound Transit is doing some work in the area of the Ronald Bog. Superintendent Miner added that if the City, for some reason, was to undo the work, it would be the City performing and paying for the work, not the District.

Director Nicholson expressed his concern for making sure that the District is not involved in providing any funding for City projects. Ms. Miller again assured the Board that frontage improvements are highly typical

and that she is very respectful of their concerns. When complete, the improvements will provide for a much safer and more attractive venue. These same requirements will be part of all the remaining projects—Aldercrest, North City, Parkwood, Einstein and Kellogg.

For clarification, President Jacobs asked if this increase in the project budget for frontage improvements is primarily due to the Edwin Pratt Early Learning Center and Meridian Park being one parcel rather than two, whereas the other projects are all situated on one parcel. Ms. Miller responded yes.

Director Fralick asked how this could be accounted for in future projects—should we be looking at contingencies because of the possibility for other changes? Ms. Miller responded that typically when the project budget is first presented to the Board for approval, it already includes frontage improvements as well as the 20% contingency. It is anticipated that there will be no additional frontage costs for Parkwood. With Einstein and Kellogg, the District has been riding a very unpredictable construction climate but the teams are working very hard to complete those projects well within their respective budgets. “It’s only happening because of the daily work trying to make those projects stay within budget and I think we’re not likely to build both middle schools exactly as budgeted but I think we’ve got the resources to come back and add if needed . . . It’s not necessarily frontage improvements that may cause overruns, it’s more of an issue with construction cost escalation.” Director Fralick inquired if this was the explanation for moving through the built-in contingency for the Early Learning Center’s original budget and Ms. Miller responded yes there was cost escalation every time some part of the bid package was opened up.

MOTION NO. 29: Mr. Wilson moved that the Board adopt the consent agenda, which is attached hereto and becomes a part hereof. The motion was seconded by Mr. Nicholson and carried unanimously.

As of May 20, 2019, the Board, by a unanimous vote, approved for payment, those vouchers described as follows: Reconciliation of Warrants Issued Between April 26 and May 3, 2019 - General Fund Warrants #77314-77378, 181901128-181901232, 77418-77420, 77421-77489, 181901264-181901294, and 181901306, in the amount of \$568,396.01; Capital Projects Fund Warrants #77379-77386, 181901233, and 77490-77502, in the amount of \$2,778,604.14; Student Bond Fund Warrants #77387-77417, 181901234-181901263, 77503-77528, 181901295-181901305, and 181901307, in the amount of \$72,516.28; for a grand total of \$3,419,516.43.

On behalf of the Board, President Jacobs thanked the Cascade K-8 PTSA for their generous donations totaling \$22,500 for this year’s K-5 and 6-7 spring camps.

Assistant Superintendent Brian Schultz introduced Dr. Rosa Cabrera Thompson, new principal of the North City Overflow Kindergarten campus. Dr. Thompson has graciously agreed to begin her work early in preparing for the opening of the North City Kindergarten by beginning the hiring process for new staff. Most recently, Dr. Cabrera Thompson was principal at Neely O’Brien Elementary School in the Kent School District. Prior to that, she was principal at Nat Q. Henderson Elementary and assistant principal at Isaacs Elementary, both in the Houston Independent School District. She began her teaching career at Ira Cross Elementary in Killeen (Texas) Independent School District, where she also served as a curriculum and instruction specialist and trainer for Meadows Elementary School. She earned her bachelor’s degree from Tarleton State University and her master’s degree in International Relations from St. Mary’s University. She earned her doctoral degree in Educational Administration from the University of Mary Hardin-Baylor, where she also earned her superintendent certificate. Her hobbies include hiking, kayaking and traveling.

Reports/Presentations

First Reading: Revisions to Policy 2336, Ceremonies and Observances

David Tadlock, Meridian Park Elementary Principal and Superintendent Intern, presented.

Policy 2336 has not been updated since 1991 and the current policy does not reflect current law or OSPI recommendations. The recommended policy language provided by the Washington State School Directors' Association (WSSDA) specifies updated ceremonies/observances required by current law. These include: Veterans Day, Constitution Day, Temperance and Good Citizenship Day and Disability History Month. Current policy only specifies Veterans Day.

The recommendation was to replace current language completely with the WSSDA recommended language. Additionally, as a result of input from board members over the past weekend, the title of this policy is being changed to "State-Required Ceremonies and Observances".

There was a question submitted over the weekend from a board member, "Given our district's commitment to equity and inclusion, shouldn't we also recognize Martin Luther King, Jr. Day in our policy?" The purpose of this policy is to reinforce state-required ceremonies and observances. While we recognize the importance of Martin Luther King, Jr. Day and other observances and how they are integral to our school cultures and climates, it is important to distinguish between those that are required by the state, which we may be held accountable for by the state, and those which we observe and for which we hold ourselves accountable. A list of monthly district observances is being developed that would be our standard as a district for recommended observance but not required in policy, e.g. Black History Month in February.

President Jacobs asked if even though the policy hasn't been updated since 1991, the District had been in compliance. Mr. Tadlock reported that principals receive notifications around the time of Martin Luther King, Jr. Day regarding the days mentioned above and principals have ensured that they are included in their school observances.

Director Fralick asked if there was an anticipated date for receiving a list of the monthly district observances. Superintendent Miner responded that she and Curtis Campbell were currently working on that list and would be sharing it with the Board soon.

March 2019 Financial Update and May Enrollment

Marla S. Miller, Deputy Superintendent and Mark Spangenberg, Director of Finance and Business Services, presented.

The March Cash Flow Report reflects an ending fund balance of \$18,327,375. A large tax collection will be reflected on the April report and a decision on the amount of Safety Net funding in late June/early July. This Cash Flow Report does not yet reflect the General Fund budget extension that would be voted on at the end of this meeting, which when implemented will significantly affect the ending fund balance.

Enrollment as of May was at 9,490, which is 94 less than a year ago and 233.48 FTE students below what was budgeted. Ms. Miller reported that there is now a trend in Shoreline, like with many school districts, towards declining enrollment from January through June, primarily in the secondary schools. Formerly, Shoreline's enrollment was steady from the beginning of the year to the end. Staff will be mindful of this trend when budgeting for next year. Enrollment projections were shared with the Board in February but will be shared again with current kindergarten registration numbers for next year—kindergarten numbers are looking strong relative to last year. The first official count date for 2019-2020 will be September 9, the fourth day of school. Apportionment received for the months of September through December is based on budgeted enrollment and then based on actual enrollment from January forward.

Board Requested Discussion

None

Comments from the Community

The following individual spoke:

- 1) Mike Dee, LFP Resident – Congratulations to Shorecrest and Shorewood for their recognition as top high schools in the country. Agreed with concerns about not using school funding for City projects (frontage improvements); recommended talking with planning commissions and city councils for both LFP and Shoreline to ensure they are aware that making these improvements is an obstacle for school districts. Recommended that the ceremonies and observances be organized chronologically (mentioned during public hearing for General Fund).

Action Items

Public Hearing and Adoption of Resolution 2019-9, Fixing, Approving and Adopting the Extension of the 2018-2019 General Fund Budget

Marla S. Miller, Deputy Superintendent and Mark Spangenberg, Director of Finance and Business Services, presented.

The only change to this budget extension since the May 6 presentation was a slight revision to the tax collection, which will be \$746,439 higher than the original budget. At the last meeting, it was estimated to be \$789,377. Expenditures will be increased by \$10,384,279 and the projected ending fund balance is \$12,181,727, which includes \$7,644,000 for the Board minimum in addition to a positive unreserved fund balance.

General Fund Proposed Extension Summary

	Original Budget	May 6 Extension	Final Extension	Final Ext vs May 6	Final Ext vs Original
Revenues	\$150,525,591	\$150,636,946	\$150,594,008	(\$42,938)	\$68,417
Expenditures	\$142,624,248	\$153,008,527	\$153,008,527	0	\$10,384,279
Net Revenue (Expenditures)	\$7,901,343	(\$2,371,581)	(\$2,414,519)	(\$42,938)	(\$10,315,862)
Fund Balance Beginning	\$13,274,946	14,596,246	\$14,596,246	0	1,321,300
Fund Balance Ending	\$21,176,289	12,224,665	\$12,181,727	(\$42,938)	(\$8,994,562)
Ending Fund Balance - Committed	\$10,570,000	0	0	0	0
Board Minimum Fund Balance	\$7,104,000	7,644,000	\$7,644,000	0	540,000
Other Fund Balance Reservations	\$2,316,153	3,160,000	\$3,160,000	0	843,847
Unreserved-Undesignated Fund Balance	\$1,186,136	1,420,665	\$1,377,727	(\$42,938)	191,591
	\$21,176,289	\$12,224,665	\$12,181,727	(\$42,938)	(\$8,994,562)

President Jacobs opened the public hearing by saying:

“Thank you Marla and Mark for that overview. RCW 28A.505.170 specifies that if it becomes necessary to increase the amount of appropriation in any of its adopted budgets, the school district board of directors shall first hold a public hearing before adopting a resolution to do so. I will now open the public hearing. At this public hearing, any person may appear and be heard for or against the changes being proposed to be made in the appropriation level of the 2018-2019 General Fund Budget. At this time are there any persons present who would like to speak for or against the changes being recommended in the appropriation level of the 2018-2019 General Fund Budget?”

One person came forward:

- 1) **Mike Dee, LFP Resident** – Suggested better notice regarding public hearing as not everyone reads the *Seattle Times*. (This was actually mentioned in the previous Comments from the Community, earlier on the agenda.)

President Jacobs continued: *“Thank you for your comments. Is there anyone else who would like to speak regarding this proposed budget extension. Seeing that no one else came forward, this public hearing is now closed.”*

Superintendent Miner stated the following: *“It is the recommendation of the Superintendent that the Board revise and extend the 2018-2019 General Fund Budget by adopting Resolution 2019-9 showing a revision in the appropriation level and a budget extension in the amount of \$10,384,279, for a revised appropriation level of \$153,008,527. A draft of the resolution was provided in the Board packets and previously made available to the public on the District’s website. Do any members of the Board have any questions or comments?” (No one did.)*

President Jacobs concluded by stating: *“In accordance with the statutes of the State of Washington, it is recommended that the Board revise and extend the 2018-2019 General Fund Budget to an expenditure amount of \$153,008,527 as outlined in Resolution 2019-9 for the period of September 1, 2018 through August 31, 2019. Is there a motion?”*

MOTION NO. 30: Mr. Nicholson moved that the Board adopt Resolution 2019-9, Fixing, Approving, and Adopting the Extension of the 2018-2019 General Fund Budget, as presented. The motion was seconded by Ms. Fralick and carried unanimously.

School Board Reports and Communication

Mr. Mehta reported that the Smarter Balanced Assessment (SBA) began earlier in the day at Shorewood and would continue through next week. Congratulations to two Shorewood golfers, Haley Wong and Maria Babcock--Haley placed first and Maria placed second in the District tournament and both are headed to the State competition. Shorewood’s online literary magazine, *MACAW*, is hosting an open mic night at 7:00 p.m. Friday, May 24 at Shorewood. Interviews for next year’s student representative to the Board are being held on May 20 and 21. The final Student Council meeting of the year is scheduled for May 28 where next year’s ASB budget will be considered for approval. A senior class meeting will also be held on May 28 and seniors will receive their final check-off forms.

Mr. Wilson attended the final meeting (for this year) of the Special Needs PTA. He also attended Shorecrest’s production of *The Beauty and the Beast* twice! The Bio Expo at Shorewood, facilitated by AP Biology teacher, Hannah Crowder, was excellent with great participation by students. The Staff of the Year Awards reception was a wonderful ceremony and celebration of staff.

Minutes – May 20, 2019

Ms. Fralick attended the “absolutely fantastic” *Beauty and the Beast*. Other events included the wonderful Staff of the Year Awards and a community meeting at Cascade K-8.

Adjournment: 7:47 p.m.

Michael Jacobs, Board President

Attest: June 3, 2019

Rebecca L. Miner, Secretary
Shoreline Board of Directors

All documents referenced in the minutes may be viewed in the Superintendent’s Office during normal business hours.