

KENNEWICK SCHOOL DISTRICT NO. 17  
SCHOOL BOARD MEETING  
ADMINISTRATION BUILDING  
SEPTEMBER 24, 2014

M I N U T E S

MEMBERS PRESENT

Dawn Adams, President of the Board; Heather Kintzley, Vice President of the Board; Brian Brooks, Legislative Representative to the Board; Ben Messinger, Board Member; Ron Mabry, Board Member; Alec Sun, Student Representative to the Board; and Dave Bond, Superintendent and Secretary of the Board.

Cabinet Members: Chuck Lybeck, Associate Superintendent of Curriculum Services; Doug Christensen, Assistant Superintendent of Human Resources; Ron Williamson, Assistant Superintendent of Secondary Education; Greg Fancher, Assistant Superintendent of Elementary Education; Vic Roberts, Executive Director of Business Operations, and Robyn Chastain, Director of Communications and Public Relations.

CALL TO ORDER

President Dawn Adams called the meeting to order at 5:34 p.m. and led the Pledge of Allegiance with approximately 15 staff and guests in attendance including the media.

COMMUNICATIONS FROM PARENTS, STAFF, AND RESIDENTS

None.

CONSENT ITEMS

Motion by Brian Brooks to approve the consent items as presented.

Seconded by Heather Kintzley.

Roll call vote:	Messinger	aye
	Mabry	aye
	Brooks	aye
	Kintzley	aye
	Adams	aye

Motion carried 5-0.

The consent items were as follows:

- Minutes of Regular Board Meeting September 10, 2014
- Personnel Actions – Certificated, Classified and Extracurricular
- Payroll and Vouchers – August 31, 2014
- Curriculum Adoptions:
  - *Mayflower*, Author, Nathaniel Philbrick, Published by Viking Press to be used in

- grades 11-12 AP English Language Arts Classes at Kamiakin HS
- ***Hotel on the Corner of Bitter and Sweet***, Author, Jamie Ford, Published by Ballantine Books to be used in grades 9-12 English Language Arts Classes at Kamiakin HS
- ***Forensic Science, Fundamentals & Investigations***, Author, Anthony M. Bertino, Published by South-Western Cengage Learning to be used in grades 11-12 Science and Forensic Science Classes at Kamiakin HS
- Land Purchase Memo.

Vic Roberts, Executive Director of Business Operations, explained the land transaction as the District acquiring, from Hansen Park LLC, 28.38 acres in Coyote Canyon adjacent to Clodfelter Road and 14.85 acres adjacent to 10<sup>th</sup> avenue and south of Hansen Park for a total price of \$1,873,980. The District will trade to Hansen Park LLC 30.58 acres adjacent to 10<sup>th</sup> avenue and south of Hansen Park at a value of \$1,326,240. The District will pay Hansen Park LLC \$547,740 determined as \$1,873,980 - \$1,326,240.

## SUPERINTENDENT/BOARD REPORT

### Superintendent

Superintendent Dave Bond provided the Board an updated Board meeting schedule for their review.

Dave reminded the Board that naming of school district facilities is addressed in Policy 9250 and that facilities are named at the initiation of the School Board. He reported that he was contacted by a community member who wants to name the Park Middle School gymnasium after a former coach and teacher. Dave mentioned it to the Board so that they could initiate the process, if they are interested. The Board discussed it and agreed that they are not interested in renaming the Park Middle School gym and strongly agreed that – at this time - they are not interested in naming school buildings after former staff or members of the community. Dave said he would provide that information to the community member.

Dave reported that the WSSDA Regional Fall meeting will be held on October 2<sup>nd</sup> and that the Kennewick School District is hosting the meeting in the Administration Center beginning at 6:00 p.m. Dave asked the Board members to let Kristi know if they are interested in attending. It was pointed out that the date for the regional fall meeting was incorrectly reported as October 3, 2014 in the September 10, 2014 Board meeting minutes.

Dave also reported that the WSSDA Annual Conference will be held in Spokane on November 19 through November 22, 2014 and asked the Board members to let Kristi know if they are interested in attending.

### Board

Ben Messinger asked if there had been an official introduction of the Student Representative to the Board, Alec Sun. Dave replied the Alec was sworn in at the August 20, 2014 Board meeting and asked Alec to say a few words about himself. Alec replied that he is a senior at Kamiakin High School and that he had just been given an award for being a National Merit Scholar, which means he scored in the top 5% of students in the nation on the PSAT. The Board congratulated Alec for his accomplishment.

Ron Mabry reported that he had recently attended a Southridge High School Booster Club meeting and wanted to give the Board some feedback. Two Southridge students will represent the School District at the Macy's Thanksgiving Day parade. They are the only students from the state of Washington going to the parade. Ron invited the students to attend a future Board meeting to be recognized by the Board. Ron reported that several students at the Booster Club meeting also had a question about IT support. The students stated that if they have computer or network problems in a classroom, it takes a long time for IT to resolve the issues. They asked that IT resolve problems in a timely manner. Also, the question was asked about why Coke products only are offered in school vending machines. Dave replied that the contract is bid every two years and that Coke holds the current contract. Ron reported that some parents at the meeting commented that some painting on the rock at Southridge High is not appropriate. Superintendent Bond explained that all three high schools have a spirit rock. Ron Williamson, Assistant Superintendent of Secondary Education, added that, if something inappropriate is painted on the rock during night, Mr. Biehn usually sees it early the next morning, lets the appropriate people know and it is painted over before school starts. It's possible that some parents saw the language before it could be painted over. Ron Mabry added that some inappropriate language was used by students attending the Southridge High and Kamiakin High football game and he wanted to mention that. Mr. Williamson said that he would talk with the two high schools and get it resolved.

### REPORTS AND DISCUSSIONS

None.

### UNFINISHED BUSINESS

#### Graduation Requirements – Culminating Project

Ron Williamson reported that decisions made by the state legislature last spring impacted high school graduation requirements. There are changes in the works this year that will impact the Class of 2019. The District will be reviewing other graduation requirement changes in the future such as the 24 credit waiver, individual credit waiver, increasing the Science Lab credit requirements, and other items.

The Culminating Project is a requirement that was put in place in 2007. Students can meet the requirements of the project through classes or through independent learning. A faculty advisor

oversees the project and the student gives an oral presentation at the end. Ron explained that the Culminating Project is a non credit bearing graduation requirement. Effective with the graduating class of 2015, the state board of education can no longer require students to complete a culminating project for graduation. Last spring the Board discussed this and decided to keep the Culminating Project as a graduation requirement for the senior class of 2015. Ron made the recommendation that the Board eliminate Culminating Projects as a Kennewick School District graduation requirement for the class of 2016 and beyond.

Brian Brooks asked about the discussion the Board had regarding 2015 and why the decision was made to require the Culminating Projects for this year's seniors. Dave Bond explained that when the Board discussed the topic in May of last year, students had already signed up for classes and teachers had already been hired for the 2014-2015 school year so it was a timing issue. The Board decided to make it a requirement for one more year. Ben Messinger asked the question, independent of those reasons, whether the requirement to complete a Culminating Project is beneficial to the student? He asked if that was the opinion of our professional educators or would those resources be better used if they were reallocated? Heather stated that she believes students would get out of it what they put into it.

Ben asked Alec if he felt the Culminating Project was a worthwhile effort. Alec replied that every now and then someone would come up with a really good project but, as far as the majority is concerned, he believes the Culminating Project is a little more of a burden.

Brian asked, if students are currently enrolled in this, is there a way to get out of it at this point? Dawn stated that she would support a liberal waiving of this policy. Dave said it would depend if the person asking is involved in an independent process versus a class and added that he would be wary about some sections in the high schools being waived for everyone. Students may want to abandon classes and try to get into whatever class is available. Heather stated that there is always a phase out period and that there needs to be a line in the sand.

Motion by Heather Kintzley to eliminate culminating projects as a KSD graduation requirement for the class of 2016 and beyond.

Seconded by Ron Mabry.

Roll call vote:	Messinger	aye
	Mabry	aye
	Brooks	aye
	Kintzley	aye
	Adams	aye

Motion carried 5-0.

## NEW BUSINESS

### Ten Year Plan Update – Facilities Committee Recommendations

Superintendent Bond stated that he would review the Ten Year Plan and then the Board would receive two recommendations from the Facilities Committee which met last Tuesday.

Last year the Facilities Committee determined that Eastgate was the project to complete with the remaining the capital dollars from the 2009 bond and adopted the proposed Ten Year Plan. Dave reviewed Phase 1 and Phase 2 of the rolling Ten Year Plan and explained that there is growth in each of the grade levels. We currently have 119 portables in the District. Dawn added that the District will need more space when the science requirement is factored in for the class of 2019, next year's ninth graders.

Dave explained that the new Ten Year Plan was approved last spring and reviewed the current plan timeline in which a new middle school would be built beginning in March 2015 through August 2016. The plan assumes that the bond passes in February. Then students would move from Desert Hills to the new school in August 2016 while Desert Hills was remodeled from November 2016 through June 2018.

Tonight the Board authorized the purchase of land in Coyote Canyon and the purchase of land adjacent to 10<sup>th</sup> Avenue, as well as the trade of land the District owns on 10<sup>th</sup> avenue. If a new middle school were built at one of those sites, students from Desert Hills could move to that school.

Dave reported that the District is aware that the City of Kennewick will be extending Steptoe past 10<sup>th</sup> Avenue and extending Hildebrand Boulevard past Sherman Street to connect to Steptoe by the end of 2015. That area to the south of Thompson Hill will develop rapidly. Ridgeline drive will go all the way to the Badger Road Exit 109. A school at the Clodfelter site would be well positioned. Dave showed the prototype for the new middle schools. If the bond passes, the District will move quickly to start construction. The second project would be to build Elementary School #15, using the Cottonwood/Eastgate model. Construction would start in May 2015 and the school would be built on the Sagecrest property south of Southridge High School. Roads adjacent to the property are being put in right now. Dawn pointed out that the school will not necessarily be called Sagecrest, as only the School Board can name a school.

Dave reported that the third part of the current Ten Year Plan is to build Desert Hills Middle School new in lieu on the current Desert Hills property, which would take until June 2018 to complete. To relieve overcrowding, the District and the Facilities Committee Executive Board started looking at options. One option is to abandon the current Desert Hills Middle School site and to build a new school at another property. The current Desert Hills site is tight and it is the smallest of our school sites. Heather added that the school was built in 1977. Dave explained that Desert Hills can't be remodeled because the current configuration is bad, particularly in terms of security. The foundation is heaving and, along with other issues, we'd need to shrink the footprint. The building would have to be gutted. It currently houses 993 students and it was built for 750 students. The Board committed to no cut athletics but there is no space for no cut

athletics. The bus traffic and parent drop off areas are a real concern, as well as staff access and parking. The District could construct a new middle school earlier than currently is scheduled. We own a 40+ acre site at the round-about at 27<sup>th</sup> and Southridge Boulevard that is 1.5 miles from the current Desert Hills Middle School site and the same distance to Highlands Middle School.

Dave showed a map of the Southridge area site and explained that there is a long frontage road to move traffic. The District is in conversation about trading a 10 acre piece of the property for another site, which would be a potential future site for an elementary school. We could build schools at each end of the development on Ridgeline Drive and Hildebrand Boulevard. If we build a middle school there, the District would have five middle schools beginning in the fall of 2017, rather than 2018. In the old plan, we don't have everything permanent until 2018. Dave compared the current Ten Year Plan and the optional plan side by side. With the optional plan, the District would start building a new middle school beginning as soon as the bond passes and it would be complete in June 2016. Another new middle school would be built at the Southridge property beginning in October 2015 and would be completed in June 2017. Occupants of Desert Hills would move into the new Southridge area middle school in fall of 2017.

Dave commented that people in the community may wonder what will happen to the Desert Hills site after 2017. Dave explained that the Mid-Columbia Partnership, the Science Resource Center or other district programs could possibly be relocated there, the property could be sold or traded for other land in a more optimum location for future schools or it could be used as a possible future elementary site, although the location is close to Ridge View Elementary. The District will maintain the site until the School Board makes a decision on its final disposition.

The fourth project in the Ten Year Plan is Westgate. The building will need to be demolished entirely and a new building put in its place. We have two options for the timing of the project – either April 2016 through August 2017 or July 2016 through December 2017. It can be tricky moving in December because of the weather and Winter Break so the April 2016 through August 2017 time frame may be more desirable. We'd have to move Westgate staff and students to Fruitland, but the project will take more than a school or calendar year, due to demolition needs.

Dawn asked if the new Westgate Elementary will be located exactly where it is now. Dave answered yes. Keewaydin Discovery Center is now behind Westgate and it took a chunk of their property. There is not enough room on that site to put the building anywhere else. Dave doesn't believe the current Cottonwood, Eastgate, and Elementary School #15 model would fit on that site either. The architect is looking at other designs.

Dave continued by saying that the last project in the plan the District has already adopted is to build another elementary school on property the District owns or is in the process of acquiring in west Kennewick near where Steptoe and Clearwater intersect. Another potential site for Elementary School #16 is the Badger Mountain South development property which the District already owns.

Dave reminded the Board that Phase 2 of the current Ten Year Plan calls for the remodeling of Kennewick High School. We would be running a bond in 2020 or 2021, which would include remodels of Amistad and Ridge View Elementary and building another new elementary school. In order to determine future property needs, we look at the current third grade enrollments. We have classes of 1,400 or more students at the elementary level now, which means in 4-5 years, we'll have 2,000 or more students in the high schools. We will need to build another high school at that time.

Dave provided the Board rough estimations of project costs which are roughly \$40M for middle school #5, and roughly \$20M for elementary #15. The price of the average home in Kennewick is slightly below \$200,000. The bond will cost approximately 30 cents per thousand dollar value of property value. For a \$200,000 home, that would equate to approximately \$60 per year or a \$5 tax increase per month. That number may go up or down depending on what Board decides to do. The community could get five new schools for \$5 per month for the average home.

Dave turned the floor over to Pat Mastaler, a long-time member of the Executive Committee. Pat reported that he has been on the Board for 12 years. He had two recommendations to make to the School Board on behalf of the Facilities Committee. The committee studied options for Desert Hills Middle School and they recommend that the District not build in the current Desert Hills site. They recommend that the District build a new middle school to replace Desert Hills on property the District owns on 27<sup>th</sup> and Southridge Blvd. Also, given the number of portables at the elementary schools, the Committee recommends that the District study the possibility of building elementary school #16 at same time as Westgate is being rebuilt so that elementary students can have regular classroom space. The Committee understands the District's desire to maximize its state match rate and only wants to move the timeline up if they can be assured that doing so will have no negative impact on the match rate and that the necessary cash flow needs can be accomplished.

Dawn asked what the timing would be for building the new middle school based on the Committee's recommendation. Dave answered that they would start work on the new middle school right after bond passed. For the second middle school, Doug Carl commented that the timing hasn't been determined yet but he believes that there would be synergy and a cost savings if the District staggers them. That could mean that the replacement school for Desert Hills could finish a little early in 2017 and middle school #5 could open in the fall of 2016. Dawn stated that if the Board has to make a choice at some point, is it more desirable to have accelerated build schedule for a middle school or an elementary school? Dave answered that right now a middle school is more important.

Motion by Heather Kintzley to accept the recommendation that the School Board not rebuild Desert Hills at its current location but rather build a new middle school to replace Desert Hills on property that the District owns at 27<sup>th</sup> and Southridge Blvd.

Seconded by Ben Messinger.

Roll call vote:	Messinger	aye
	Mabry	aye
	Brooks	aye
	Kintzley	aye
	Adams	aye

Motion carried 5-0.

Motion by Heather Kintzley that the District study the possibility of building the second new elementary school at the same time that Westgate Elementary is done so that elementary students can have regular classroom space.

Seconded by Brian Brooks.

Roll call vote:	Messinger	aye
	Mabry	aye
	Brooks	aye
	Kintzley	aye
	Adams	aye

Motion carried 5-0.

Dave commented that it is not an inconsequential matter that people are concerned about how naming of the new middle school will proceed. He said there is confusion in the District about replacing Desert Hills at the Southridge area. Some people will make the assumption that the school would be named Desert Hills. The Board needs to clarify if either of the schools will be named Desert Hills, and which one or neither. That is on the list of issues, if the Board would like to talk about it in a future meeting. Dawn indicated that she would like to postpone naming of the school until we get adequate public input. We would need to get the bond approved as well. Dave said the public is aware of it, the Tri-City Herald has had articles on it and we want clarity so we can talk about it. Dawn stated that the board will ask for public opinion. Dave replied that we would get input from community and get options for names in the fall. Dawn said we need to pass the bond and then get the community input. Dave stated that what we've been trying to say in the interim is that only the Board can name a school. Heather stated that it all hinges on whether or not the bond passes. Hopefully, the public will continue to consider education a priority. Dave commented that we need to talk about the continuity of the Desert Hills name with community.

Dave showed the Board photos of the Eastgate site with demolition well under way and explained that since it is a WSSP project, a lot of the construction materials are recycled. The contractor separates metal and wood to be recycled. The old school is about one-third of the way through demolition. The exterior walls of the gymnasium are going up on the new school.

### Bond Project Cost Estimates

Dave presented information to help the Board understand how the District determines what a building will cost. The cost estimate consists of a number of different items and some are fairly critical. Dave explained that off-site work includes items outside of the property boundaries of the school that we have to contribute to. An example is that when we built Cottonwood, there was no railroad crossing so one had to be put in. The County paid the first one-half million dollars for it and district and county split the remaining costs. The District also had to pay one-half of the cost of the road in front of the school. At the Clodfelter property, we'll be bringing in a lot of utility lines, etc. so the off-site costs for the new middle school will be higher than at the new elementary school site. Other costs include value engineering, commissioning, utility hookup fees, etc. Also, the District pays state sales tax on construction.

Dave continued by explaining that the numbers are all based on our best estimate of per square foot costs of the construction at this time and it's critical that we get this number right. We look around and see what else has been built recently. No one locally has built a middle school recently so we used the costs of building Eastgate elementary school, Delta high school and larger elementary school in Pasco, as well as the state average for new construction. Cost depends on where the building is done. For our best estimates the District chose \$265 per square foot for the first two projects, put an escalator in for the next two projects so estimate those at \$275, and \$285 per square foot for the fifth new building. Dave explained that the District did same kind of exercise in 2009 and then the economy collapsed. The costs ended up being less in the end. We could have the reverse happen this time, but we make our best estimate based on current conditions. Dave asked the Board if they are comfortable with the numbers presented in the cost estimate and said if they are not comfortable, we need to adjust them. The Board members agreed that they don't see a reason to change the estimate and they are comfortable with numbers used.

### Additional Bond Projects

Dave explained that typically, when running a bond, the District will put in other potential projects (asset preservation items) that need to be included in the bond because the District won't have capital funds available to do them. We need land for the high school and elementary sites. The middle school site is currently in the capital project budget now. If we're going to run another bond in 2020 or 2021, we need to be able to start the project right away. Dave asked the Board if they have any concerns or questions about any of those projects being included in the bond and explained that they are not making a decision on it tonight. The Board agreed that they are comfortable with the items included.

### Matching Rate Projections

Dave explained that the District and state government share in cost of the bond. We've done well in the Tri-Cities, economically, compared to rest of state so the state share has come down.

The state gives a 75% match, not of the \$265 per square foot actual cost, but a 75% match of \$205, which is the area cost allowance. That is actually 58% of \$265, so already the state share is down. Dave talked about the breakdown in the state share and district share. There is no match from the state for property, IT data and other communications costs. Even though state says it has a 75% match rate, it's actually a little under 50%.

Dave showed a slide with the typical project cost breakout for Elementary School #15. There won't be as much off-site work there so it would be an almost 50% - 50% state and district share.

#### Potential Bond Amounts

Dave talked about how the building projects, along with the other capital projects, work with the matching rate to help the District determine the total amount of the bond. He showed a slide with various matching rate scenarios using 50%, 48%, 47% and 45% matching rates. Dave stated that the District is comfortable at around 48% on the matching rate scenario, which would equate to a total bond amount of approximately \$88M. He added that if board wants to be more conservative, we could use a 47% matching rate. Dawn commented that in the past five years, state construction costs have been going down some. Dave said that we were in a recession and as the state recovers, he's not sure we'll see downward trend anymore. When we ran the bond five years ago, we made our best estimate and had major things happen with the economy that worked out to our benefit. Dave state that the District would like the bond to be in the \$88M to \$89M range and added that we put many well founded assumptions in the figures as we go through the process.

#### Tax Rate Projections

Vic Roberts, Executive Director of Business Operations, presented various tax rate scenarios and showed the rates generated by each scenario. Vic explained that every \$5M bond amount is about a nickel tax increase for homeowners. We used assumptions we developed with Jon Gores regarding interest rates, debt repayment and assessed property value growth. The total debt service on \$90 M is about \$131M to \$132M. Vic explained that the tax rate could be reduced if the District applied Payment in Lieu of Taxes (PILT) money to pay down the issued debt. Vic reminded the Board that PILT money is distributed to area school districts based on Department of Energy property removed from tax rolls and that it can only be used to pay down debt. The Board discussed using PILT money and agreed that it would be a huge benefit to tax payers in the district.

Motion by Heather Kintzley to approve the use \$5.0M of Payment in Lieu of Taxes (PILT) money to pay down debt incurred on the sale of bonds in the first year.

Seconded by Brian Brooks.

Roll call vote:	Messinger	aye
	Mabry	aye
	Brooks	aye

Kintzley	aye
Adams	aye

Motion carried 5-0.

Dave stated that the Board doesn't need to decide on the bond amount tonight. The closer the District gets to making a decision on the bond, the better it is to have the bond folks develop scenarios. If the Board is comfortable with \$265 per square foot construction rate, then we'll need to get down to what number and what percentage they are comfortable with for a match rate.

The Board discussed the various matching rate percentages and the concern was that they don't want to estimate costs too high and take money from taxpayers that we don't necessarily need. Dave explained that if we do end up in a scenario where we ask for more money than is needed, we would propose language in a resolution saying that we can do the next project in the Ten Year Plan as we did previously with Eastgate. The Board indicated that they are all leaning toward the 47% or 45% matching rate scenario. Dave explained that in the ballot title voters will see the dollar amount of the resolution and it will be up to the District to communicate the facts and to educate voters about the bond.

#### EXECUTIVE SESSION

President Dawn Adams moved the Board into executive session at 7:29 p.m. for approximately 45 minutes per -RCW 42.30.110 (1) (b) for consideration of real estate and RCW 42.30.110 (1) (i) for an update on a legal issue. Ms. Adams noted that no further formal action would be taken. At 8:15 p.m. Ms. Adams extended executive session for an additional 45 minutes.

#### OTHER BUSINESS AS AUTHORIZED BY LAW.

Regular session was reconvened at 8:52 p.m. There being no further business, the Board adjourned at 8:52 p.m.

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RECORDING SECRETARY

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PRESIDENT OF THE BOARD

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SECRETARY OF THE BOARD

Approved: October 8, 2014