

QUILLAYUTE VALLEY SCHOOL DISTRICT NO. 402  
REGULAR SCHOOL BOARD MEETING  
TUESDAY, FEBRUARY 21, 2006  
6:00 P.M.  
**Minutes**

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**I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Chairman Dave Dickson called the meeting to order at 6:03 P.M and led the Pledge of Allegiance. Members present were Rick Gale, Sharon Penn, Bill Rohde, Dave Dickson, Nina Lau and Frank Walter.

**II. APPROVE MEETING MINUTES**

Sharon Penn moved to approve the minutes of February 7, 2006. Rick Gale seconded and the motion carried.

**III. CONSENT AGENDA**

Bill Rohde moved to adopt the consent agenda and Sharon Penn seconded. After a brief review by Superintendent Frank Walter, the motion carried.

**A. Adopt Agenda**

**B. Personnel Actions**

**1. Hiring of:**

- Cathy Johnson, FHS Rural Education Paraeducator/FMS Recess Supervision, effective February 15, 2006
- Tina Hagen, FMS Title VII Paraeducator, effective February 8, 2006

**2. Rescind Leave of Absence for:**

- Cathy Johnson, effective February 14, 2006
- Tina Hagen, effective February 7, 2006

**C. Bills and Payroll**

February payroll and General Fund vouchers no. 58959 through 59080 totaling \$180,044.01; ASB Fund vouchers No. 8284 through 8306, totaling \$11,555.86; and Trust and Agency Fund voucher No. 0228 and No. 0227 totaling \$1,300.00.

**D. Approval of:**

- Out of State Travel for Stephanie Hofland, San Diego, CA, February 27 – March 3, 2006, for USMC “A Few Good Educators”
- Consultation Services Agreement with Washington School for the Deaf, September 2005 through January 31, 2006

**IV. REPORTS**

**A. Leadership Report**

**1. Siemens Building Technologies, Inc.**

Maury Costantini, of Siemens Building Technologies, Inc., gave a presentation of his company’s proposal for energy conservation by using mill waste to create biomass energy. Part one of the proposal was presented in response to a request from the Clallam County Economic Development Council and would produce steam from the conversion of mill waste that would provide power and heat to the City of Forks office buildings, the Quillayute Valley Aquatic Center (QVAC) and the QVSD campus. Part two of the proposal is an energy efficiency audit and conversion for the district that would produce enough savings to pay for the cost of the conversion. Siemens completes the conversion, guarantees the cost of construction, and underwrites a loan for the conversion, guaranteeing a savings rate. There was a brief question and answer period.

The board agreed to move upon the energy efficiency audit proposal at this time. Bill Rohde moved that the district sign a Performance Contract Letter of Intent with Siemens Building Technologies, Inc. Sharon Penn seconded and the motion carried.

**B. Financial Report**

**1. February Enrollment**

Superintendent Walter reported that the February enrollment count of 1251 is 4 less than the January enrollment and 74 under the budgeted amount. The current FTE average of 1196.59 is 57.91 less than the budgeted amount.

In comparing the last five years, the enrollment has held fairly steady until a drop of 50 students in the current year.

2. January Ending General Fund Cash Balance

Superintendent Walter reported that the ending General Fund cash balance for January was (\$241,792.62).

Mr. Walter explained that districts with an enrollment of less than 2000 students are required to have their budgets reviewed by the Educational Service District (ESD). Jan Haugen, Director of Finance, and he recently met with Rosemary Ziara of the ESD for the mid-year review. Although the district has renegotiated the Xerox agreement, and dissolved the Klahn Unitrust in preparation for the sale of the four houses as money saving solutions, due to a \$730,000 payroll, sick leave buyback, substitute costs and additional bus trips, the ending General Fund cash balance will be approximately (\$400,000) in February. The Clallam County Treasurer's Office cannot cover this shortfall, and will move to interest bearing warrants in March, unless the district chooses to procure a loan or request advance apportionment from the Office of Superintendent of Public Instruction (OSPI).

3. January Budget Status Report

January Budget Status Report

General Fund

Total Ending Fund Balance (\$206,946.34)

Capital Projects Fund

Total Ending Fund Balance \$82,578.61

Debt Service Fund

Total Ending Fund Balance \$254,305.16

Associated Student Body Fund

Total Ending Fund Balance \$135,269.25

Transportation Vehicle Fund

Total Ending Fund Balance \$193,408.25

**C. Legislative Report**

Dave Dickson reported that the Legislature is still working on the WASL, but most issues are ironed out. Superintendent Walter reported that the House Budget, the final of the three State budget proposals, was released today. An analysis and comparison will be released within the next few days.

The Washington State School Directors' Association (WSSDA) Regional Meeting will take place on March 25, 2006 in Sequim.

**D. Board Report**

Nina Lau reported that students are very busy at this time. The QVSD Scholarship Auction will take place on March 18<sup>th</sup> and 19<sup>th</sup> at the Bank of America and graduation is getting closer. Ms. Lau encouraged all to attend the scholarship auction.

**E. Superintendent's Report**

1. Skills Center Capital Projects Funds

Superintendent Walter reported that confirmation has been received from OSPI that the North Olympic Peninsula Skills Center (NOPSC) will be receiving funding at the higher skills center rate for the remainder of this school year and the next school year, despite their lower FTE total. The funding for the improvements to QVSD's Auto Tech building is also approved.

2. County Property Assessments

Superintendent Walter reported that the Clallam County Assessor's Office has sent the certification of assessed values for 2005, and there is a \$2.1 increase in tax base for the county. This creates a combined Jefferson and

Clallam County M & O levy rate of \$1.73946 per \$1000 of assessed value. The projected amount was \$1.78 so there will be approximately \$.04 per \$1000 less paid by taxpayers. Mr. Walter expressed some concern that the Jefferson County Timber assessed value has decreased remarkably in the QVSD district. He asked Dave Dickson to research and report if the Hoh Conservation Trust has taken their timber land off the tax roles.

Superintendent Walter reported that the Corrective Action Plan submitted by Karen Lehman, Special Services Director, in response to the Consolidated Program Review, has been approved by OSPI.

Mr. Walter also reported that the Washington State Auditor has finished his review of QVSD, and gave an informal recap. The auditor recommended that the board review their policy on credit card use and bring it in line with the WSSDA model policy. He also stated that there was no documentation to support Quileute Tribal School's (QTS) staff mix report. QTS will be gathering the needed information and will provide copies to the district office. There may be an audit finding on this, however, and if there is a financial impact, the cost will be passed along to QTS. The audit focused on Special Education this year and it was in order.

**V. OLD BUSINESS**

**A. Approval of Management Contract with Insight Schools, Pending Legal Review and Revisions**

The management contract draft with Insight Schools is currently under legal review. The contract should be back to the board at the March 7<sup>th</sup> meeting. There was no motion on the contract at this time, however, there was general consensus by the board to proceed with the contract, pending legal review..

**B. Approval of Resolution 12-05/06, "Instruction Provided Under Contract"**

Rick Gale moved to approve Resolution 12-05/06, "Instruction Provided Under Contract." Bill Rohde seconded and the motion carried.

**VI. NEW BUSINESS**

**A. Approval of Performance Contract Letter of Intent with Siemens**

The Performance Contract Letter of Intent with Siemens Building Technologies, Inc. was approved earlier in the meeting.

**VII. PUBLIC COMMENT AND QUESTIONS**

Tony Dias asked if the current month's shortfall of \$241,792.62 was in addition to the \$900,000 shortfall at the beginning of the school year. Superintendent Walter explained that the \$900,000 figure was the difference between budget requests and projected revenue. This month's negative balance is an actual shortfall.

Mr. Dias also asked if the heat in the high school is on a schedule to shut down during the day. Mr. Walter replied that it is on a schedule, however, recently it had to be shut down to make repairs. He stated the sooner we can begin the agreement with Siemens, the sooner we can get rid of the old equipment that constantly breaks down.

**VIII. WRAP UP**

The next regular meeting of the Board of Directors will be Tuesday, March 7, 2006, at 6:00 P.M., in the administration board room. The Insight Schools Management Contract should be ready for approval at that time.

Superintendent Walter will continue to update the board on discussions with Rosemary Ziara of the ESD regarding loan options; and Dave Dickson will look into the reduction of timber assessed value in Jefferson County.

**IX. EXECUTIVE SESSION**

The board recessed to executive session at 7:50 P.M. to interview Milton Beck and Tina Bergstrom, candidates for Director, District 5.

**X. ADJOURNMENT**

The board returned to general session at 9:18 P.M. and received a roll call vote. Rick Gale, Dave Dickson and Sharon Penn cast their vote for Tina Bergstrom and Bill Rohde voted for Milton Beck. Tina Bergstrom was appointed as Director, District 5. The meeting was adjourned at 9:20 P.M. with no further action taken.

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Board Secretary

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Board Chairman

*Approved by the Board March 7, 2006*