
BOARD OF TRUSTEES
Minutes
Thursday, June 25, 2009

1. CALL TO ORDER–ROLL CALL

President Katherine H. Smith called the regular meeting of the Anaheim Union High School District Board of Trustees to order at 2:00 p.m.

Present: Katherine H. Smith, president; Thomas "Hoagy" Holguin, clerk; Brian O'Neal, assistant clerk; Anna L. Piercy and Jordan Brandman, members; Joseph M. Farley, superintendent; Tim Holcomb, deputy superintendent; Dianne Poore and Dave Cowen, assistant superintendents.

Mr. Russell Lee-Sung, assistant superintendent, entered the meeting at 2:35 p.m.

Absent: Fred Navarro, assistant superintendent.

2. ADOPTION OF AGENDA

Staff requested the following amendments to the agenda:

- Closed Session item 4.6, remove Public Employee discipline/dismissal/release HR-2008-09-8.
- Items of Business, item 10.4, Public Hearing, remove all references to the American Federation of State, County and Municipal Employees (AFSCME), as well as the number 10.5.
- Items of Business, remove item 10.5, Memorandum of Understanding, AFSCME.
- Items of Business, remove item 10.9, Update on Future Construction Projects.
- Items of Business, remove item 10.11, Resolution No. 2008/09-HR-05, Concerning the Reinstatement of Classified Positions from the 2008-09 Reduction in Force.
- Exhibit BB, Certificated Personnel Report, item 1, remove the resignation of Vicky Ahnefeld.

On the motion of Mr. Holguin, duly seconded and unanimously carried, the Board of Trustees adopted the agenda as amended.

3. PUBLIC COMMENTS, CLOSED SESSION ITEMS

There were no requests to speak.

4. CLOSED SESSION

The Board of Trustees entered closed session at 2:05 p.m.

5. **RECONVENE MEETING, PLEDGE OF ALLEGIANCE, AND MOMENT OF SILENCE**

5.1 **Reconvene Meeting**

The Board of Trustees reconvened into open session at 6:00 p.m.

Staff requested additional amendments to the agenda:

- Items of Business, remove item 10.4, Public Hearing, Disclosure of Collective Bargaining Agreement with CSEA, which completely removed this item from the agenda.
- Items of Business, remove item 10.6, Memorandum of Understanding, CSEA.

On the motion of Mr. Holguin, duly seconded and unanimously carried, the Board of Trustees approved the amendments to the amended agenda.

5.2 **Pledge of Allegiance and Moment of Silence**

Kathy Scott, Oxford Academy principal, led the Pledge of Allegiance to the Flag of the United States of America and the moment of silence.

6. **INTRODUCTION OF GUESTS**

Mr. Holguin introduced Sharon Yager, Julie Payne, and Jackie Brock, CSEA; and Gerry Adams, AFSCME.

7. **REPORTS**

7.1 **Closed Session**

Board Clerk Thomas "Hoagy" Holguin reported the following actions taken in closed session.

7.1.1 No action taken regarding property negotiations.

7.1.2 No action taken regarding labor negotiations.

7.1.3 No action taken regarding anticipated litigation Case No. 388883.

7.1.4 No action taken regarding existing litigation LASC Case No. BC361068, JCCP No. 4522.

7.1.5 No action taken regarding public employee administrative appointments, assistant principals.

7.1.6 No action taken regarding public employee discipline/dismissal/release, HR-2008-09-7.

7.1.7 The Board of Trustees took formal action to approve the expulsion of the following students:

1. 08-308 under Education Code 48900(c), 48900(j), 48900(k), 48915(a)(3)
2. 08-309 under Education Code 48900(b), 48900(c), 48900(j)
3. 08-312 under Education Code 48900(c), 48900(k)
4. 08-317 under Education Code 48900(b)

5. 08-318 under Education Code 48900(a)(1), 48900(b), 48900(k)
6. 08-319 under Education Code 48900(i), 48900(k), 48915(b)(1)
7. 08-320 under Education Code 48900(g), 48900(f), 48900(l), 48900(k)
8. 08-321 under Education Code 48900(g), 48900(f), 48900(l), 48900(k)
9. 08-322 under Education Code 48900(c), 48915(c)(3)
10. 08-324 under Education Code 48900(g)
11. 08-325 under Education Code 48900(c)
12. 08-326 under Education Code 48900(c)
13. 08-327 under Education Code 48900(c)
14. 08-328 under Education Code 48900(c), 48915(a)(3)
15. 08-329 under Education Code 48900(c), 48915(c)(3)
16. 08-330 under Education Code 48900(c), 48915(a)(3)
17. 08-331 under Education Code 48900(c), 48915(a)(3)
18. 08-332 under Education Code 48900(c)
19. 08-333 under Education Code 48900(c)
20. 08-335 under Education Code 48900(f), 48900(k)
21. 08-336 under Education Code 48900(a)(1)
22. 08-337 under Education Code 48900(c), 48915(a)(3)
23. 08-338 under Education Code 48900(b), 48900(f), 48900(k)
24. 08-339 under Education Code 48900(b), 48915(a)(2)
25. 08-340 under Education Code 48900(a)(1), 48900(a)(2), 48915(b)(1)
26. 08-341 under Education Code 48900(a)(1), 48900(a)(2), 48915(b)(1)
27. 08-342 under Education Code 48900(a)(1), 48900(c), 48900(i), 48900(k)
28. 08-343 under Education Code 48900(a)(1), 48900(c), 48900(i), 48900(k)
29. 08-345 under Education Code 48900(c), 48915(c)(3)
30. 08-346 under Education Code 48900.2
31. 08-347 under Education Code 48900(a)(2)
32. 08-349 under Education Code 48900(c), 48915(a)(3), 48915(c)(3)
33. 08-350 under Education Code 48900(c), 48915(c)(3)
34. 08-351 under Education Code 48900(a)(1), 48900(k), 48900(o)
35. 08-352 under Education Code 48900(a)(1), 48900(b)

7.2 **Principal's Report**

Mrs. Scott presented highlights on Oxford Academy, including the graduation ceremony at Cook Auditorium, the WASC accreditation process, and recommendations made by the WASC team. She said one of the recommendations made was to increase Hispanic recruitment efforts for the school. Mrs. Scott noted that several Oxford students have expressed an interest in returning to their elementary schools to encourage students to apply. She also said they have a plan to partner with the Magnolia School District to learn how to recruit more effectively. Additional school highlights included the baseball team winning their first CIF championship, being a top-ranked school in the state and in the nation, as well as school visits from Korean and Australian educators.

Mrs. Scott acknowledged Bessie Kesos, outgoing Oxford Academy PTSA president, and the incoming PTSA president, Annemarie Randle-Trejo.

7.3 **Reports of Associations**

There were no reports from the associations.

8. **PRESENTATIONS**

The Board of Trustees honored Dave Cowen, assistant superintendent, administration, for 10 years of service to the Anaheim Union High School District.

9. **PUBLIC COMMENTS, OPEN SESSION ITEMS**

There were no requests to speak.

10. **ITEMS OF BUSINESS**

10.1 **Opening of Sealed Written Bids, 525 N. Muller Street, Anaheim, California**

On the motion of Mr. O'Neal, duly seconded and unanimously carried, the board of trustees motioned to open any sealed written bids. There were no written bids; therefore, the Board of Trustees moved to the next item.

10.2 **Receipt of Oral Bids and Public Auction, 525 N. Muller Street, Anaheim, California**

On the motion of Mrs. Piercy, duly seconded and unanimously carried, the Board of Trustees opened a public auction at 6:20 p.m. for the receipt of oral bids with a starting bid of \$8,500,000.

There were no oral bids.

On the motion of Mrs. Piercy, duly seconded and unanimously carried, the Board of Trustees closed the public auction at 6:21 p.m. and moved to the next item.

10.3 **Acceptance of Final Bid, 525 N. Muller Street, Anaheim, California**

On the motion of Mr. O'Neal, duly seconded and unanimously carried, the Board of Trustees directed the superintendent, or his designee, to speak with the parties who have expressed interest in the property and report back to the board.

10.4 **Public Hearing, Disclosure of Collective Bargaining Agreements with AFSCME and CSEA**

This item was removed following the approval of the amendment to the agenda.

10.5 **Memorandum of Understanding, AFSCME**

This item was removed prior to adoption of the agenda.

10.6 **Memorandum of Understanding, CSEA**

This item was removed following the approval of the amendment to the agenda.

10.7 **Report on District Vending Machines**

The Board of Trustees received a report on district vending machines. Two deadlines are converging this summer, which will impact the sale of carbonated beverages on district campuses. The district's existing contract for beverage vending machines will end on August 31, 2009, which is after a July 1, 2009, requirement that schools be fully compliant with new controls on the sale of carbonated beverages. A committee was established to help provide guidance on the direction that the district should take regarding beverage and snack food vending machines. The committee included representatives from purchasing, food services, maintenance, junior high schools, high schools, athletics, safe schools, accounting, and business services. The committee presented three different options for the board's consideration at the meeting. A discussion ensued, and the consensus of the Board of

Trustees was to direct staff to adopt option 3, to remove all vending machines from the Anaheim Union High School District.

The vote follows.

Ayes: Trustees Piercy, Brandman, O'Neal, and Smith

Noes: Trustee Holguin

10.8 **Update on Measure Z Construction Projects**

The Board of Trustees received a detailed update from the facilities department on the district's Measure Z funded construction projects. The presentation included an analysis of several aspects of bond-funded construction and modernization. Information was also shared concerning the next phase in construction, including funding options. The exhibit to this item included budget and financial data, program goals, and possibilities for the next phase of construction. A discussion ensued in which the Board of Trustees directed questions to staff.

10.9 **Update on Future Construction Projects**

This item was removed prior to the adoption of the agenda.

10.10 **Agreement Amendment, Construction Controls Group, Inc.**

On the motion of Mr. O'Neal and duly seconded, following discussion, the Board of Trustees approved the agreement amendment for the continuance of services by Construction Controls Group, Inc. (CCG), by extending the term of the agreement to December 31, 2009, and increasing the contract value by \$389,000, for a new total not to exceed \$3,739,000. The current agreement with CCG will expire on June 30, 2009. The district requires construction and management services to provide support for its construction program. (Facilities Related Funds)

The vote follows.

Ayes: Trustees: Piercy, Brandman, O'Neal, and Smith

Noes: Trustee Holguin

10.11 **Resolution 2008/09-HR-05, Concerning the Reinstatement of Classified Positions from the 2008-09 Reduction in Force**

This item was removed prior to the adoption of the agenda.

10.12 **Public Hearing, 2009-10 Proposed Budget, All (Various Funds)**

On the motion of Mr. Holguin, duly seconded and unanimously carried, the Board of Trustees opened a public hearing on the 2009-10 proposed budget at 8:00 p.m. At the hearing, any resident of the district had an opportunity to appear and comment on the budget. The budget shall not be finally adopted by the Board of Trustees until after the public hearing has been held.

There were no requests to speak.

On the motion of Mr. O'Neal, duly seconded and unanimously carried, the Board of Trustees closed the public hearing at 8:01 p.m.

10.13 **Resolution No. 2008/09-B-19, General Fund, and Resolution No. 2008/09-B-20, Various Funds, and Proposed Budget, All Funds**

On the motion of Mr. O'Neal and duly seconded, the Board of Trustees adopted Resolution No. 2008/09-B-19 and Resolution No. 2008/09-B-20, as well as approved the 2009-10 proposed budget, all funds.

Dianne Poore, assistant superintendent, business, gave a report on the district's current 2008-09 budget and the proposed 2009-10 budget. After thorough analysis and review, the 2008-09 budget has been updated from the Second Interim Report, which was presented and approved by the Board of Trustees in March 2009. Per Education Code Sections 42600 and 42601, all adjustments to the current budget must be approved by a resolution of the Board of Trustees. There are two such resolutions; one resolution summarizes adjustments to the General Fund (2008/09-B-19), and the second resolution summarizes adjustments to all other funds (2008/09-B-20).

In submitting the 2009-10 proposed budget and an implementation plan for budget reductions in 2009-10, it is the Board of Trustees' fiduciary responsibility to maintain fiscal solvency for the current and subsequent two fiscal years. It is recognized that if the Governor's May 2009 Preliminary Release is enacted as proposed, or if the fiscal condition further deteriorates, the district will implement \$(23,000,000) in ongoing budget reductions in 2010-11, and an additional \$(11,000,000) in reductions in 2011-12 to maintain fiscal solvency. It is further recognized that the district will submit a detailed list of board approved ongoing budget reductions for 2010-11 with the 2009-10 Second Interim Report. Also, per Education Code Section 42127(A), the Board of Trustees must adopt a budget for the subsequent year no later than July 1, 2009.

The roll call vote follows.

Ayes: Trustees Piercy, Brandman, O'Neal, Holguin, and Smith

10.14 **Resolution No. 2008/09-B-21, Tax Revenue Anticipation Notes**

On the motion of Mr. O'Neal and duly seconded, the Board of Trustees adopted Resolution No. 2008/09-B-21, authorizing the borrowing of funds for fiscal year 2009-10 and the issuance and sale of one or more series of 2009-10 Tax Revenue Anticipation Notes (TRANS), not to exceed \$20,000,000. TRANS are short-term, interest-bearing notes issued by a district in anticipation of taxes and other revenues. TRANS are being considered by 14 Orange County districts to cover brief cash flow shortages. The actual cost of the TRANS will be calculated once a final count of participating districts is known. The TRANS must be repaid by June 30, 2010. This action may be necessitated this July because the state is expected to delay issuance of one or more of the district's apportionments. Please note that the exhibit attached to the resolution is incomplete, and it will not be completed until the transaction is finished. However, the district was requested by Bond Counsel to supply all documents to the board with the blank portions now. The worsening financial condition of the State of California has created many concerns for districts. Passing this resolution does not obligate the district to use a TRANS, but permits the district to pursue one if necessary.

The roll call vote follows.

Ayes: Trustees Piercy, Brandman, O'Neal, Holguin, and Smith

10.15 **Resolution No. 2008/09-B-22, Appointing and Employing Certain Consultants in Connection with the Development of the District's 2009 School Facility Bridge Restructuring Program, Declaring the District's Intention to Reimburse Expenditures from the Proceeds of Tax-Exempt Obligations to be Issued or Incurred by the District, and Approving Certain Related Actions**

On the motion of Mr. O'Neal and duly seconded, the Board of Trustees adopted Resolution No. 2008/09-B-22. The Anaheim Union High School District ("district") developed and implemented the School Facility Bridge Funding Program in 1999 (the "1999 Program"), to provide interim and permanent funding for certain priority school projects approved by the Board of Trustees (the "Governing Board"). The 1999 Bridge Program was funded by the issuance of adjustable-rate/multimode certificates (the "Bridge Certificates"). The 1999 Bridge Program structure provides the district with multiple interest rate modes including a: 1) Weekly Rate Mode; 2) Target Rate Mode; 3) Extended Rate Mode; and 4) Fixed Rate Mode. The Bridge Certificates are currently in the Weekly Rate Mode, with the following average interest rate and interest rate savings realized by the district to date:

SCHOOL FACILITY BRIDGE PROGRAM CERTIFICATE ISSUE	AVERAGE WEEKLY INTEREST RATE	INTEREST SAVINGS SINCE INCEPTION ⁽¹⁾
1999 BRIDGE CERTIFICATES	2.44%	\$6,500,000

(1) Represents the District's interest rate savings compared to an average 30-year fixed interest rate.

The primary purchasers of the District's Weekly Rate Certificates are the large tax-exempt money market mutual funds. As a result of the unprecedented events that occurred in the Capital Markets, beginning in September of 2008, the world-wide liquidity crunch, and investors' fears of principal loss on their money market funds created a massive outflow of investors from the money market funds. This lack of liquidity temporarily pushed short-term Weekly Interest Rates to unprecedented levels. The district's Weekly Interest Rates temporarily spiked from the low 2 percent average levels to 8 percent levels. In subsequent weeks, these fears subsided sharply, which brought the Weekly Interest Rates back to comparative low levels of below 3 percent. The district's current weekly interest rate is 1.50 percent.

The Adjustable Rate Multi-Mode Structure of the district's 1999 Program requires a Standby Liquidity Facility (the "Liquidity Facility"). The purpose of the Liquidity Facility is to purchase any, if any, of the district's 1999 Program Certificates in the event the Remarketing Agent, Piper Jaffray, cannot remarket the Certificates to investors. This added security provides the district with the ability to benefit from very low short-term interest rates while deferring the risk of any failed remarketing to the Liquidity Facility provider. The Liquidity Facility provider under the District's 1999 Program is Wachovia Bank, National Association ("Wachovia"), which is now owned by Wells Fargo Bank.

The unprecedented events of September 2008, prompted Wachovia and other similar credit worthy banks to reconsider their role as a liquidity provider. Wachovia has been renewing its Liquidity Facility under the district's 1999 Program on a 3 to 6 month TEMPORARY basis predicated on the district's plan to replace its Liquidity Facility as soon as possible. The district's financing team recently obtained an additional extension of the Wachovia Liquidity Facility, which EXPIRES on AUGUST 31, 2009.

Without further extensions of the Wachovia Liquidity Facility, the district will be REQUIRED to convert from the low WEEKLY Rate Mode to a significantly higher FIXED Interest Rate Mode for the remaining 21-year term under the 1999 Program financing documents. The district's current weekly interest rate is 1.50 percent, while fixed interest rates for the remaining term of the 1999 Program range from 6.50 percent to 7.50 percent, depending on market conditions at the time of conversion.

An additional impact of the recent events affecting the Capital Markets is the broad devaluation of the bond insurance industry as a whole. This devaluation has significantly DECREASED the value of bond insurance and in some circumstances made bond insurance counterproductive. The district's payments due under the Bridge Certificates are guaranteed by a bond insurance policy provided by Financial Security Assurance (the "FSA Bond Insurance"). Although the district's interest rate is currently a very low 1.50 percent, a replacement of the FSA Bond Insurance payment guarantee with a Direct-Pay Letter of Credit payment guarantee can further reduce the district's interest rate to a 1.00 percent level under current market conditions.

The district's financing team has successfully secured liquidity facility and payment guarantees with U.S. Bank (the "U.S. Bank Credit Facility") for their other California public school district clients' Bridge Certificates. U.S. Bank is currently the 6th largest and HIGHEST rated commercial bank in the country. Due to its financial standing in the Capital Markets, credit facilities provided by U.S. Bank are the most valued by investors. The REPLACEMENT of the current Wachovia Liquidity Facility/FSA Bond Insurance with the U.S. Bank Credit Facility will enable the district to accomplish the following financial objectives established under its 1999 Bridge Program:

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|---|
| <ul style="list-style-type: none">▪ CONTINUE to benefit from very LOW short term interest rates (1% to 3% depending on the interest rate mode selected) available under the 1999 Bridge Program adjustable-rate/multimode structure; |
| <ul style="list-style-type: none">▪ SIGNIFICANTLY REDUCE the District's Bridge Certificates annual payment requirements for the next few years during the state of California budget reductions to school districts. |

The REPLACEMENT of the Wachovia Liquidity Facility/FSA Bond Insurance with the U.S. Bank Credit Facility and the RESTRUCTURING of the district's payments under the 1999 Bridge Program incorporates a 2-STEP approval process by the "Governing Board". Resolution No. 2008/09-B-22 (the "Initial Resolution"), which will, upon adoption by the Board of Trustees, approve/authorize district staff and its financing team ("Financing Team") to proceed with the DEVELOPMENT phase of the restructuring of the 1999 Bridge Program.

Under the development phase, the district's financing team will proceed with the approval of the following activities:

- SECURE U.S. BANK CREDIT FACILITY: The financing team will complete the activities required to secure a commitment from U.S. Bank to provide a Direct-Pay Letter of Credit to the district for its Bridge Certificates.
- DEVELOP PAYMENT RESTRUCTURE OPTIONS: The financing team will develop the Bridge Certificate payment restructuring options available to the district with the U.S. Bank Credit Facility.

- **PREPARE BRIDGE PROGRAM FINANCING DOCUMENTS:** The Financing Team will prepare the financing documents needed to complete the U.S. Bank Credit Facility replacement and Bridge Certificate payment restructuring.

The development phase is expected to take 30 to 45 days. Once the above development activities are completed, a FINAL resolution will be submitted to the board for approval of the IMPLEMENTATION activities required to complete the restructuring of the district's Bridge Certificates. Completion of the implementation phase by August 31 could enable the district to ELIMINATE the \$1.2 million payment currently due on September 1 under the Bridge Certificates.

BUDGET CONSIDERATIONS:

The U.S. Bank Credit Facility and restructuring of the Bridge Certificate payments will enable the district to significantly REDUCE its interest rates and annual payments due over the next several years. ALL expenses for the restructuring will be funded from the Bridge Certificate proceeds and NO General Fund monies will be required.

Funding Source: Bridge Certificate Proceeds
Budgeted: Not Applicable
Amount: \$0: No additional expense from the District General Fund

The roll call vote follows.

Ayes: Trustees Piercy, Brandman, O'Neal, Holguin, and Smith

10.16 Secondary District Plan and Application for Work Experience Education Program

On the motion of Mrs. Piercy, duly seconded and unanimously carried, the Board of Trustees approved the Secondary District Plan and Application for the Work Experience Education Program. The plan for Work Experience Education must be updated and approved by the Board of Trustees every five years. The application and plan included the Work Experience Education course description and course outline, work training agreement, procedures for granting academic credit in Work Experience Education, and the Work Experience Education job description. No costs will be incurred by the district.

10.17 Agreement, California State University, San Bernardino

On the motion of Mr. O'Neal, duly seconded and unanimously carried, the Board of Trustees approved the School Psychology Training Program: Pupil Personnel Services Credential, with California State University, San Bernardino, June 26, 2009, through June 30, 2014. College students in the school psychology training program will be placed in fieldwork sites with supervision by a qualified district psychologist. The agreement provides for the district to serve as a fieldwork site providing students with the experiences that will meet their fieldwork requirements. District psychologists will serve as mentors for the fieldwork supervision according to the guidelines of the program and required specific training experiences. This is an unpaid internship and California State University, San Bernardino, does not require an extensive contract. The services will be provided at no cost to the district.

10.18 Agreement, Anaheim Public Utilities Energy Efficiency Incentive Program

On the motion of Mr. O'Neal, duly seconded and unanimously carried, following discussion, the Board of Trustees approved the Anaheim Public Utilities Energy Efficiency Incentive Program rebate agreement. The purpose of the program is to implement energy

management software on computers in the Anaheim Public Utilities service area, which includes the schools east of Cypress High School. The estimated annual savings is approximately \$421,958 at 10¢ per kWh. The initial rebate will cover the licensing costs of the energy management software.

11. **CONSENT CALENDAR**

On the motion of Mr. O'Neal, duly seconded and unanimously carried, the Board of Trustees approved/ratified the following consent calendar with the exception of items 11.9, 11.10, and 11.19, pulled by Mrs. Piercy for discussion.

11.1 **Declaration of Need for Fully Qualified Educators**

The Board of Trustees approved the Declaration of Need for Fully Qualified Educators, which is a requirement established by the State Commission on Teacher Credentialing, to permit the district to employ certificated staff members in certain identified areas of need. The declaration permits the district to hire teachers with an emergency Cross-Cultural and Language Development (CLAD); Bilingual Cross-Cultural and Language Development (BCLAD); Language, Speech and Hearing; and Special Class Authorization, as well as interns for subject areas that are difficult to fill. Many California districts experience shortages of teachers in these areas. The declaration is effective June 25, 2009, through June 30, 2010.

11.2 **Agreement Amendment, University of California, Irvine**

The Board of Trustees ratified the agreement amendment to the consulting agreement with the University of California, Irvine, Irvine Math Project. This additional service was requested by the math teachers at Sycamore Junior High School to assist them in addressing the needs of students who are struggling with math. Professional staff development services were provided to Sycamore Junior High School math teachers, December 3, 2008, through February 26, 2009, at a cost of \$3,300. (Title II Funds)

11.3 **Agreement Amendment, Puleo Educational Consulting**

The Board of Trustees approved the agreement amendment with Puleo Educational Consulting, to extend the term of the original consulting agreement to June 30, 2010. The original agreement was approved at the February 12, 2009, board meeting, effective February 17, 2009, through June 30, 2009. No additional costs will be incurred by the district.

11.4 **Agreement, Orange County Superintendent of Schools**

The Board of Trustees approved the participation agreement with the Orange County Superintendent of Schools for Medi-Cal Administrative Activities. This is an annual agreement that facilitates the collection of funds for billable Medi-Cal services. Services will be provided July 1, 2009, through June 30, 2010, at no cost to the district.

11.5 **Agreement Renewal, School Facility Consultants**

The Board of Trustees approved the renewal of an existing agreement with School Facility Consultants. The consultant is used to assist the district in obtaining and maximizing state funding. Education Code Section 17596 allows contracts for services to be extended up to five years. This will be the fourth year of the contract, which will continue with the same terms and conditions of the agreement. As of June 30, 2009, it is anticipated that there will be approximately \$65,000 remaining on the contract. It is anticipated that \$40,000 will be

needed to cover expenses during the 2009-10 year. At this time no further funds are requested.

11.6 **Agreement, Stutz Artiano Shinoff and Holtz, APC**

The Board of Trustees approved the attorney-client retainer agreement with Stutz Artiano Shinoff and Holtz, APC, for legal consultation and assistance, which is not provided by attorneys with the Orange County Department of Education. The services are typically related to personnel management and personnel related litigation. Services will be provided for the 2009-10 year, at a cost not to exceed \$150,000. (General Funds)

11.7 **Best Best and Krieger, LLP**

The Board of Trustees approved a monetary increase to an existing agreement with Best Best and Krieger, LLP. The existing agreement for the 2008-09 year is \$720,000, which was approved at the June 26, 2008, board meeting. The requested increase of \$260,000 is the result of the actual cost of litigation activities during the 2008-09 year that required ongoing legal services in excess of the anticipated amount approved last year. (Measure Z Funds, Maintenance Funds, and/or other funds as appropriate)

11.8 **Agreement, Best Best and Krieger, LLP**

The Board of Trustees approved the agreement for the continuance of legal services by Best Best and Krieger, LLP. The district requires legal services to provide support due to litigation or other matters requiring legal expertise. Best Best and Krieger, LLP has been providing the district with legal services primarily for the district's facilities and construction program. Continuance of the services of the law firm for the 2009-10 year, will be provided at a cost not to exceed \$600,000. (Measure Z Funds, Maintenance Funds, and/or other funds as appropriate)

On the motion of Mr. O'Neal, duly seconded and unanimously carried, following discussion, the Board of Trustees ratified items 11.9 and 11.10. It was the consensus of the Board of Trustees to direct the superintendent to write letters to local government officials expressing opposition with the current law requiring districts to reimburse the parents of special education students for transportation costs.

11.9 **Transportation Agreement, University High School**

The Board of Trustees, ratified the transportation agreement to pay the parent of a special education student attending University High School, where the student attends the OCDE Hearing Impaired Program, 4771 Campus Drive, Irvine, California, for round trip daily transportation, June 22, 2009, through June 23, 2010, at a cost not to exceed \$4,271.80. (Special Education Funds)

11.10 **Transportation Agreement, Oak Middle School**

The Board of Trustees ratified the transportation agreement to pay the parent of a special education student attending Oak Middle School, 10821 Oak Street, Los Alamitos, California, for round trip daily transportation, June 25, 2009, through June 17, 2010, at a cost not to exceed \$12,240. (Special Education Funds)

11.11 **Consolidated Application, Part One**

The Board of Trustees approved the submission of the Consolidated Application, Part One. The Consolidated Application is used by the California Department of Education to distribute

categorical funds from various state and federal programs to county offices, school districts, and direct-funded charter schools throughout California. Annually, in June, each Local Educational Agency (LEA) submits Part One of the application to document participation in these programs and provide assurances that the district will comply with the legal requirements of each program. Program entitlements are determined by formulas contained in the laws that created the programs.

Additionally, the Consolidated Application, Part One, requires districts to submit data to indicate that the legal requirements of the programs have been met. For example, the district must submit school level Title I data to verify the number of students served by Title I programs. Assurances are included that the district is following the state's standards-based curriculum. Suspension and expulsion data are submitted to verify that the goals of the Safe and Drug Free Schools and the School Safety and Violence Prevention programs are being met. Data must also be submitted to verify that the district is only placing highly qualified teachers and paraprofessionals at Title I funded schools.

The Anaheim Union High School District participates in the following programs listed on the Consolidated Application, Part One:

- Title I, Part A (Basic Grant), NCLB Section 101
- Title II, Part A (Teacher Quality), NCLB Section 2101
- Title III, Part A (LEP Students), NCLB section 301
- Title IV, Part A (Safe and Drug Free Schools), NCLB Section 4001
- School Safety and Violence Prevention, AB1113, 1999, and EC 32228
- Cal-SAFE (California School Age Families Education), EC 54740 and EC 54749.5
- Economic Impact Aid (Compensatory Education), EC 54000
- Peer Assistance Review (Teacher Professional Development), EC 44500
- TUPE (Tobacco Use and Prevention Program), H and S 104350
- Middle and High School Supplemental Counseling Program, EC 52378 and EC 52380

The Consolidated Application requires Board of Trustees' approval in order to be certified on June 30, 2009.

11.12 **Rejection of Liability Claim**

The Board of Trustees rejected a liability claim that was filed on June 8, 2009, and was identified as AUHSD 09-16 (Tort Claim #264), as not a proper charge against the district and authorized staff to send the notice of rejection. This matter concerns damage to personal property.

11.13 **Amend Bid No. 2009-04, Individualized Transportation Services, Part A, Child Shuttle**

The Board of Trustees approved the amendment to the original Bid No. 2009-04, Individualized Transportation Services, Part A, with Child Shuttle, December 12, 2008, through December 11, 2009, increasing the amount by \$55,000, for a new total not to exceed \$105,000. The original amount of \$50,000 was used as an annual estimate for services anticipated for a one-year period. (General, Special Education, and Title I Funds)

11.14 **Amend Bid No. 2009-04, Individualized Transportation Services, Part B, Yellow Cab of Greater Orange County**

The Board of Trustees approved the amendment to the original Bid No. 2009-04, Individualized Transportation Services, Part B, with Yellow Cab of Greater Orange County, December 12, 2008, through December 11, 2009, increasing the amount by \$10,000, for a

new total not to exceed \$30,000. The original amount of \$20,000 was used as an annual estimate for services anticipated for a one-year period. (General, Special Education, and Title I Funds)

11.15 **Rescind Award**

The Board of Trustees rescinded the award of contract to So Cal Glazing, which was originally approved at the April 23, 2009, board meeting, as described below. After awarding the contract, So Cal Glazing failed to provide insurance coverage as required in its bid documents, which is an unwaivable material bid deviation.

<u>Bid #</u>	<u>Service</u>	<u>Award</u>	<u>Amount</u>
2009-15	Glass Replacement Anaheim High School Building #15 (Measure Z Funds)	So Cal Glazing	\$26,600

11.16 **Rejection of Bids**

The Board of Trustees rejected all bids as listed.

<u>Bid #</u>	<u>Service</u>	<u>Award</u>
2009-15	Glass Replacement Anaheim High School Building #15	Reject all bids

11.17 **Award of Bid**

The Board of Trustees awarded the bid as listed and declared the second lowest bid to be non-responsive.

<u>Bid #</u>	<u>Service</u>	<u>Award</u>	<u>Amount</u>
2009-14*	Concrete Corridor Remediation Site Concrete Remediation, Upper Stair Landing Remediation, and Pedestrian Coating Anaheim High School Building #15 (Measure Z Funds)	Southcoast Construction Services	\$136,000

*Declared the second lowest bid submitted by Roadway Engineering as non-responsive due to its failure to provide a complete list of subcontractors, as part of the bid documents submitted, as required by the contract documents and listed in the Instruction to Bidders, which is an unwaivable material bid deviation.

11.18 **Instructional Materials Submitted for Adoption**

The Board of Trustees approved the adoption of the selected books. The Instructional Material Review Committee has recommended the selected books for use in English language arts and foreign language. The books have been made available for public review.

11.19 **Donations**

On the motion of Mr. Holguin and duly seconded, following a lengthy discussion, the Board of Trustees voted to formally decline the donation as listed.

The vote follows.

Ayes (to accept the donation): Trustee Holguin

Noes (to decline the donation): Trustees Piercy, Brandman, O'Neal, and Smith

<u>Location</u>	<u>Donated by</u>	<u>Item</u>
District Office	Anaheim Prep Sports/Activities Foundation	\$50,000

11.20 **Disposal of Surplus Miscellaneous Furniture and Equipment**

The Board of Trustees approved the list of district furniture and equipment as surplus, salvage, old, and/or obsolete property, and authorized proper disposal through the auction process to the highest bidder.

11.21 **Institutional Membership**

The Board of Trustees approved the membership with the Orange County School Boards Association, July 1, 2009, through June 30, 2010, \$125. (General Funds)

11.22 **Individual Service Contracts**

The Board of Trustees approved/ratified the individual service contracts as submitted. (Special Education Funds)

11.23 **Certificated Personnel Report**

The Board of Trustees approved/ratified the certificated personnel report as amended.

11.24 **Classified Personnel Report**

The Board of Trustees approved/ratified the classified personnel report as submitted.

11.25 **Field Trip Report**

The Board of Trustees approved/ratified the field trip report as submitted.

11.26 **Purchase Order Detail Report**

The Board of Trustees ratified the purchase order detail report as submitted.

11.27 **Check Register/Warrants Report**

The Board of Trustees ratified the check register/warrants report as submitted.

11.28 **Board of Trustees' Meeting Minutes**

The Board of Trustees approved the minutes as submitted.

11.28.1 May 14, 2009, Regular Meeting

11.28.2 May 29, 2009, Special Meeting

11.28.3 June 4, 2009, Regular Meeting

12. **SUPPLEMENTAL INFORMATION**

12.1 Minutes of Department Meetings

12.2 Cafeteria Fund, April 2009

13. **SUPERINTENDENT AND STAFF REPORT**

There was no report at this time.

14. **BOARD OF TRUSTEES' REPORT**

Mrs. Piercy said she attended the Hope School graduation, Candy Miller's retirement party, district graduations, the Cypress Chamber of Commerce Awards and Installation Dinner, and the GASELPA Dinner.

Mr. Brandman stated he attended the Cypress High School Dance Festival, an Anaheim High School alumni breakfast, Dave Cowen's retirement party, district graduations, and Assemblyman Jose Solorio's Open House.

Mr. O'Neal noted he visited Alternative Education and Community Day School. He commented on his attendance at district graduations, including the Hope School graduation and the Adult Education graduation, and the Relay for Life in Cypress. He congratulated Dave Cowen on his retirement. Mr. O'Neal announced the arrival of his new grandson.

Mr. Holguin congratulated Dave Cowen on his retirement.

Mrs. Smith reported her attendance at district graduations, and she congratulated Dave Cowen on his retirement.

15. **ADVANCE PLANNING**

15.1 **Future Meeting Dates**

The next regular meeting of the Board of Trustees will be held on Thursday, July 16, 2009, at 6:00 p.m.

Thursday, August 6
Thursday, August 27
Thursday, September 10
Thursday, September 24

Thursday, October 15
Thursday, November 5
Thursday, December 10

15.2 **Suggested Agenda Items**

There were no suggested agenda items at this time.

16. **ADJOURNMENT**

On the motion of Mr. Holguin, duly seconded and unanimously carried, the Board of Trustees adjourned the meeting at 9:33 p.m.

Approved _____
Clerk, Board of Trustees