

School Board Proceedings
Dell Rapids School District 49-3
May 10, 2010

The Dell Rapids School District Board of Education met Monday, May 10, 2010 at 7:00 p.m. in the high school distance learning room with the following members present: Alan Blankenfeld, Brian Davis, Steve Munk, Troy Randall, and Cindy Schuch. Absent: None.

Administration and other persons present: Tom Ludens, Superintendent; Barbara Littel, Business Manager; Bruce Olson; Kristin Johnson; Pam Leib; Bud Penning; Jeanette Penning; Michael Gaul; Roger Gilbert; Raymond Habeger; Doug Fiedler; Jeff Welbig; Craig Jorgensen; Tom Wolff; Cory Clopton; James Norby; Matthew Weiland; Mike Kahler; Susan Kahler; Jeff Dvorak; Steve Hansen; Jim Schroeder; Diane Blankenfeld; Elizabeth Ekeland; Nicole Anderson-Gappa; Brian Smith; Kari Karst; Jill Hansen; Chad Hansen; Judy Lindberg; Ray Lindberg.

Due to the number of people present, President Blankenfeld moved the meeting to the middle school commons. The meeting was called to order at 7:05 p.m. and the Pledge of Allegiance was recited.

10-204 Motion by Schuch, seconded by Munk, to approve the **agenda** with the deletion of 9-C under the superintendent's report. All voted aye.

Audience comments were taken.

Nicole Anderson-Gappa and Elizabeth Ekeland reported on the task force review of the Early Childhood Special Education Program. Task force recommendations for program improvement were discussed. Changing to a four-day class week is recommended for the 2010-2011 school year. Adding a 5-year-old program is recommended for the 2011-2012 school year. The committee was thanked for assessing the current level of service and forming strategies for improvement.

Roger Gilbert presented information on the benefits of hiring an Owner's Representative for construction projects.

10-205 Motion by Munk, seconded by Randall, to approve the **consent agenda**. All voted aye.

A. Minutes from the April 12, April 22, and April 26, 2010 school board meetings.

B. Payment of May Claims.

General Fund: Academic Hallmarks, supplies – 27.00; Apex Learning, fees – 300.00; Argus Leader, publications – 130.99; Best Western Ramkota, lodging – 91.00; Birch Communication, purchased services – 205.45; Century Business Leasing, copiers – 822.92; Citibank, supplies – 650.66; City of Dell Rapids, water/sewer – 1234.37; Cole Papers, supplies – 812.38; Community Food Bank, Haven supplies – 48.60; Connecting Point, repairs/purchased services – 1852.50; County Fair, supplies/Haven food – 737.25; Cynmar Corporation, supplies – 44.95; Dauby's, supplies – 758.89; DR Coop Grain, supplies – 18.60; DR Lumber, supplies – 170.07; DR Mini-Storage, rental – 46.00; Dells True Value, supplies – 300.51; Dells Plumbing, repairs/purchased services – 368.10; Denny's Electric, repairs – 450.82; Dick Blick, supplies – 347.21; Directions, supplies – 70.95; DR Agency Fund, reimburse registrations/entry fees/postage/background checks – 1722.87; DR Chevrolet, repairs – 698.48; Educator's Summer Symposium, registrations – 500.00; EMC, insurance – 10890.30; Entringer Backhoe, repairs – 585.71; Doug Fiedler, credit reimbursement – 100.00; First Technologies, software –

6000.00; Golden West, telephone service – 745.37; Graff Roofing, repairs – 400.00; Steve Hansen, credit reimbursement – 50.00; Heartland Paper, supplies – 5.00; Hermitage Art Company, supplies – 84.94; Hoffman Sanitation, garbage disposal – 225.00; Hyvee, supplies – 100.00; J.D.'s House of Trophies, plaques – 206.50; Janitor's Closet, supplies – 25.67; Jan Jastram, mileage – 35.89; Johnson Controls, repairs – 9676.13; K&M Music, supplies – 8.95; Erin Kane, supply reimbursement – 131.61; Jason Kurtz, travel reimbursement – 68.00; Library Store, supplies – 399.07; Linweld, supplies – 29.75; Barb Littel, mileage – 25.90; Lunchtime Solutions, supplies – 271.50; Mark's Plumbing, supplies – 2027.21; Medical Educational Services, registration – 567.00; Mid States School Bus, purchased services – 39849.72; MidAmerican Energy, gas – 2578.45; Midwest Alarm, monitoring – 57.62; Kelly Neill, travel reimbursement – 200.00; NESC, registration – 500.00; New Vision, repairs – 441.25; Northern Tool & Equipment, supplies – 630.91; Bruce Olson, supply reimbursement – 174.18; Jessica Ostwald, mileage – 38.11; Lee Palmer, mileage – 194.73; Pepper at Eckroth, supplies – 668.48; Performance Press, purchased services – 1080.00; Debra Plagge, purchased services – 25.00; Plank Road Publishing, supplies – 118.60; Popplers Music, supplies – 266.09; PLEC, purchased services – 63.81; Quill & Scroll, supplies – 277.00; R&L Supply, supplies – 1320.71; Radio Accounting Services, ad – 469.00; Beverly Rieck, travel reimbursement – 551.80; Rocky Run, fees – 920.00; Roemen's Automotive, repairs – 40.28; S&S, supplies – 86.39; Schmidt Music, repairs – 136.36; School Specialty, supplies – 202.61; Schwebach Insurance, bonds – 402.50; SD Dept. of Labor, unemployment – 1241.55; SDAEOP, dues – 45.00; SDHSAA, fees – 566.00; Spearfish Convention Center, lodging – 97.00; Stan Houston Equipment, supplies – 1104.99; Steve Spangler Science, supplies – 84.90; T&A, gasoline – 23.76; TASC, purchased services – 1207.56; Taylor Music, supplies – 241.00; The Carroll Institute, purchased services – 773.80; The Instrumentalist, supplies – 65.00; TIE, registration – 70.00; Stacy Tisher, supply reimbursement – 61.96; Troy's Wood Specialties, cabinets – 1470.00; Upstart, supplies – 69.75; Verizon, Haven phones – 69.36; Marsha Weiland, travel/equipment reimbursement – 547.61; Jeff Welbig, purchased services – 1187.50; Xcel Energy, purchased services – 9112.73. TOTAL GENERAL FUND CLAIMS – \$114,403.14.

Capital Outlay Fund: Barnes and Noble, books – 103.00; Century Business Leasing, copiers – 856.50; Connecting Point, technology equipment – 110539.35; Foreman Sales and Service, bus lease – 775.00; Hewlett Packard, technology equipment – 10941.00; Johnson Controls, ES HVAC – 61351.60; MidStates School Bus, purchased services – 5465.10; MultiService Corporation/Best Buy – 691.48; SHI, software – 2197.83; Software Unlimited software – 3700.00; Williams Scotsman, portable classroom lease – 1275.00. TOTAL CAPITAL OUTLAY FUND CLAIMS – \$197,895.86.

Special Education Fund: Crystal Baily, mileage – 26.64; Children's Care, purchased services – 19542.50; Children's Home Society, purchased services – 1977.18; County Fair, supplies – 53.73; Dakota Link, supplies – 176.12; East Dakota Education Coop, purchased services – 3697.20; Elizabeth Ekland, supply reimbursement – 41.61; EMC, insurance – 143.30; Great Plains Zoo, fees – 40.00; Instructional Planning Center, purchased services – 1199.44; MidStates School Bus, purchased services – 5988.54; Northland Financial, bus lease – 649.00; Orientation & Mobility, purchased services – 433.31; Pearson Assessment, supplies – 246.00; PLEC, purchased services – 4609.15; Quill, supplies –

228.95; School Specialty, supplies – 316.68; Voyager, supplies – 831.60. TOTAL SPECIAL EDUCATION FUND CLAIMS – \$40,200.95.

Capital Projects Fund: Architecture Incorporated, purchased services – 2300.00. TOTAL CAPITAL PROJECTS FUND CLAIMS - \$2,300.00.

Food Service Fund: Lunchtime Solutions, purchased services/supplies – 47739.69; Jamie Snoozy, refund – 40.80. TOTAL FOOD SERVICE FUND CLAIMS - \$47,780.49.

Payroll: Elementary – 96112.33; Middle School – 80258.39; High School – 85115.08; Title I – 6821.11; Strive High – 7147.88; Guidance – 10471.40; Health – 6186.40; Improvement of Instruction – 74.28; Library – 6616.17; Technology – 10705.01; BOE – 2103.24; General Administration – 10271.20; School Administration – 26881.64; Business Office – 7790.13; Maintenance – 22070.77; After School Programs – 6762.05; Cocurricular Activities – 12265.85; Special Education – 75706.62; Food Service – 471.81. TOTAL PAYROLL – \$473,831.36.

C. Contracts/Personnel.

- 1-A. Accept the resignations of Donna Bowar, Jessica Kruger-Schmidt, Marilyn Smith, and Elizabeth Swank, effective at the end of the 2009-2010 school year.
- 1-B. Table the resignations of Steve Hansen, assistant girls' track coach, and Steve Hegge, head girls' track coach, until replacements can be found.
2. Authorize issuance of classified staff agreements for the 2010-2011 school year.
3. Approve a contract with ESA2/East Dakota Educational Service Cooperative for FY2011 professional development services.
4. Approve a contract with East Dakota Educational Service Cooperative for FY2011 special education transition services.

D. Authorizations and ratifications.

1. Approve open-enrollment application #10-39.
2. Approve home school exemption #10-40.
3. Cast SDHSAA ballots for Rick Weber, Gene Brownell, and by-law amendment approval.
4. Cast a SDSDBF health pool ballot for Deanne Booth.
5. Authorize the senior class trip to Minneapolis on May 12, 2010.
6. Authorize the middle school quiz bowl trip to a national competition in Chicago.

10-206 Motion by Schuch, seconded by Davis, to approve the Lunchtime Solutions **food service contract** renewal for FY2011. All voted aye.

The wellness committee was appointed to review Lunchtime Solutions' options for milk substitution and CPI designation.

10-207 Motion by Davis, seconded by Munk, to approve the **Preliminary FY2011 Budget** and 5-Year Capital Outlay Plan. All voted aye.

10-208 Motion by Davis, seconded by Schuch, to approve the following FY2010 **supplemental budgets** and to authorize the **transfer** of \$26,000.00 from the Capital Outlay Fund to the Elementary School Capital Projects Fund. All voted aye.

Capital Outlay Fund Expenditures

21 8110	Transfer to Capital Projects Fund	\$26,000
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Capital Projects Fund Revenues (Elementary School)

41 5121	Bonds Issued	\$10,757,417
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41 5110	Transfer from Capital Outlay Fund	\$26,000
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Capital Projects Fund Expenditures (Elementary School)

41 5000 614	Bond Issuance Costs	\$22,582
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41 8150 619	Discount on Bonds Sold	\$109,850
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41 2535 520	Building Expense	\$300,000
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Capitalized Interest Debt Service Fund Revenues

32 5121	Bonds Issued	\$227,584
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32 1510	Interest Earned	\$7,000
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Capital Projects Fund Revenues (Roof Replacement)

42 5121	Certificates Issued	\$900,000
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Capital Projects Fund Expenditures (Roof Replacement)

42 2535 100 520	Elementary Building Expense	\$125,000
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42 2535 300 520	High School Building Expense	\$325,000
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10-209 Motion by Davis, seconded by Munk, to proceed with the design and specifications for a new middle school/high school **gymnasium** and the **expansion and remodel of the high school art, band, and shop rooms** to be funded by **Qualified School Construction Bonds**, Capital Outlay Funds, and/or Capital Outlay Certificates. Davis read and entered the following statement for the official record:

1. This action executes plans already considered, but which are possible now only because federal funding became available. The district will be using Qualified School Construction Bonds (QCSB) to fund the projects. These bonds are part of the federal stimulus program and distributed by states. The district applied for projects totaling \$4,122,244 financed by these bonds, and only recently received notification our application was accepted.
2. The federal funds are not \$4M in cash provided to the district. Instead, they pay all interest on approximately \$4M of financing over a 17-year period. This allows the principal payments to fit within our existing Capital Outlay tax levy. This essentially results in borrowing money interest-free, which, when compared to inflation over time, is the most cost-effective financing possible.
3. Funding of these necessary capital improvement projects will not increase taxes.
4. Capital Outlay taxes already being collected, designed to be used through exactly this mechanism for exactly these kinds of projects, will be used to fund the projects.
5. These projects will satisfy the district's most pressing near-term space, safety, and academic program requirements.
6. Roof replacements were already underway before stimulus funding was awarded. We are able to use federal funding for this work also, which allows us to add more capital improvement projects within the current Capital Outlay budget.
7. The art, band, shop, gym, wrestling room, and weight room projects are now possible because of this stimulus money. We could not afford all of these projects without using the federal program.

8. The board considered over ten options comprised of these and additional projects. This is the subset of projects which are the highest priority and fit within budget constraints.
9. Two separate community tasks forces recommended these capital improvement projects were necessary for the district.
 - a. Academic research shows middle school students perform better academically with better behavior when they receive 45-50 minutes of physical activity during every school day. Our middle school students have physical education class once every nine days on average.
 - b. The current high school gym – shared with the middle school - is serving twice the number of students of its capacity during the school day.
 - c. Additional space will also reduce scheduling conflicts for six major sports activities.
 - d. The facility will address the safety issues of the current, inadequate wrestling practice space.
 - e. Vacating the space currently used for wrestling will free up space which may be used as additional classroom space for the high school.
 - f. Moving the weight training facility from the balcony of the high school gym provides room for seating capacity growth far into the future.
 - g. Parking spaces lost to new construction will be re-captured by moving the bus barn to another location, which was already being planned as part of the transportation changes.
 - h. Both the shop and art areas have safety issues and space limitations, and not all curriculum programs can be offered. This limits enrollment for high school students.
 - i. The current band room does not have adequate space for students and their instruments.
 - j. Additions and updates for art, band, shop, physical education, wrestling, and weight training are necessary, but plans were delayed until the new elementary school project was in place.
10. Capital improvement projects can only be funded by our Capital Outlay (CO) fund, or a bond election which requests additional taxes. By using QSCB's, funding for the projects will require no tax increase. The projects will be paid through the CO fund, and fit within the current CO taxes already collected each year for the district. The maximum CO tax levy is set by the state legislature. A reminder to the public: each fund, as dictated by state law, must be taxed and spent separately. Our CO fund is totally separate from all other funds. The General Fund (GF), for example, can only be used for salaries and operational expenses such as utilities and supplies. Our GF revenue level is set by the state legislature, and compared to inflation has decreased for 12 consecutive years.

I believe these capital improvement projects – previously planned, but now able to be funded with federal stimulus dollars - address all of the highest priority facility issues of the district. Only two projects identified by the task forces remain unaddressed, but can be dealt with when the CO budget improves with increased property values and completion of other project payments.

Audience comments were taken and questions answered.

10-209 Roll Call Vote: Munk – aye; Schuch – aye; Davis – aye; Randall – aye; Blankenfeld – aye.
Motion carried unanimously.

10-210 Motion by Davis, seconded by Schuch, to retain D.A. Davison & Co., per the terms of their contract dated May 10, 2010, as **underwriter** for the District's not-to-exceed \$4,122,244 Limited Tax General Obligation Taxable Certificates designated as Qualified School Construction Bonds (Direct Payment to Issuer) and to authorize the President and Business Manager to sign said contract on behalf of the District. All voted aye.

Superintendent Ludens reported that the long-range planning committee met with the City to discuss 15th Street, Ripple Creek Road, turn-arounds for street/snow removal equipment, and utilities. The school's responsibilities per city ordinance and the land purchase agreement were discussed. The consensus of the board was to develop hammerheads for equipment turn-arounds, if acceptable to the City. Sayre and Associates has been retained by Architecture, Inc. to design the site prep bid specifications. The long-range planning committee will meet with the architects regarding final elevations.

Parking lot repairs were discussed. The consensus of the board was to delay repairs until construction work is finished and to have the superintendent contact the City about assistance in patching.

The meeting was moved back to the distance learning room at 9:00 p.m.

10-211 Motion by Schuch, seconded by Davis, to go into executive session at 9:05 p.m. to discuss negotiations and communication from legal counsel. All voted aye.

Blankenfled declared the board out of executive session at 9:38 p.m.

10-212 Motion by Blankenfled, seconded by Davis, to inform **Mid States School Bus, Inc.** that the board will not reconsider its decision to terminate the transportation contract. All voted aye.

Blankenfled adjourned the meeting at 9:40 p.m.

Alan Blankenfled, President

Barbara Littel, Business Manager

(unofficial until approved by the Board of Education)