

CAPISTRANO UNIFIED SCHOOL DISTRICT  
BOARD OF TRUSTEES  
MINUTES – REGULAR MEETING  
MARCH 13, 2013  
EDUCATION CENTER – BOARD ROOM

President Alpay called the meeting to order at 6:00 p.m. The Board recessed to closed session to: discuss Public Employee Discipline/Dismissal/Release; confer with Real Property Negotiators; confer with Legal Counsel regarding Anticipated Litigation; and confer with Labor Negotiators.

The regular meeting of the Board reconvened to open session and was called to order by President Alpay at 7:05 p.m.

The Pledge of Allegiance was led by Trustee Hanacek.

Present: Trustees Addonizio, Alpay, Bryson, Hanacek, Hatton, Pritchard, Reardon, and Student Advisor Madison Wolfert

**A CD of the Board meeting discussion related to each of the items on the public agenda is on file in the Superintendent's office as a matter of the permanent record. An audio recording of the meeting is available on the District website: [www.capousd.org](http://www.capousd.org)**

**Permanent Record**

It was moved by Trustee Bryson, seconded by Trustee Hatton, and motion carried by a 7-0 vote to adopt the Board agenda.

**Adoption of the Board Agenda**

ROLL CALL: AYES Trustees Addonizio, Alpay, Bryson, Hanacek, Hatton,  
Pritchard, Reardon, and Student Advisor Madison Wolfert  
NOES: None  
ABSENT: None  
ABSTAIN: None

President Alpay reported the following action taken during closed session:

**President's Report From Closed Session Meeting**

**Agenda Item #3 A – Public Employee Discipline/Dismissal/Release:**

The Board voted 7-0 to suspend Employee #017785 without pay for two (2) days.

AYES: Trustees Addonizio, Alpay, Bryson, Hanacek, Hatton,  
Pritchard, and Reardon  
NOES: None

**Agenda Item #3 B – Conference with Real Property Negotiators:**

The Board gave direction to staff.

**Agenda Item #3 C – Conference with Legal Counsel – Anticipated Litigation: Informal Dispute Resolution Case #023213**

The Board voted by a 7-0 vote to approve the settlement agreement in an amount not to exceed \$38,270.

AYES: Trustees Addonizio, Alpay, Bryson, Hanacek, Hatton,  
Pritchard, and Reardon  
NOES: None

**Agenda Item #3 D – Conference with Labor Negotiators:**

The Board gave direction to staff.

U.S. Army Captain Emily Norton presented Capistrano Valley High School (CVHS) senior Megan Shinbashi a Certificate of Appreciation Award from the U.S. Army and Jim Bernet from the San Diego Army Advisory Council presented her with a \$1,000 scholarship for starting Kick Start Capo, a CVHS student club which raises money for extracurricular activities, such as music, sports, and art for the school. The club also collected used shoes for donation to people in poor countries.

**Special  
Recognitions**

Student Body Representatives Megan Edwards and Charles Judd from Junipero Serra High School presented a report on activities taking place at the high school.

**ASB Report**

Dr. Farley referred Trustees to the 2012 Annual District Report brochure, placed before them on the dais, containing District achievements and statistics. Dr. Farley added the report was prepared by Marcus Walton, pictures taken by student photographers, and printed in the Graphic Arts Department. The report is also posted on the District website.

**Board and  
Superintendent  
Comments**

Trustee Bryson requested staff research refinancing the loan on the Education Center at a lower interest rate. She also shared information regarding the Asian Elephant Foundation and asked staff to consider adding the Asian Elephant Foundation education project to the science curriculum as a global science issue.

Trustee Pritchard followed up on comments he made at a previous meeting regarding two issues involving the City of Aliso Viejo. Dr. Pritchard stated he and District staff met with the Aliso Viejo City Manager and Planner and no one knew of any issues that warranted a Councilmember's negative remarks concerning the relationship between the District and City. In regards to the City's new volunteer website, the City's attorney was sending a letter to the Board stating the City assumes no liability for directing volunteers toward any agency. Dr. Pritchard stated his concern wasn't the City's liability but his belief that the public agencies must hold itself to a higher standard when the safety and privacy of children is concerned.

. regarding a City of Aliso Viejo Councilmember's negative remarks concerning the relationship between the District and City. Dr. Pritchard stated he and District staff met with the Aliso Viejo City Manager and Planner and no one knew of any issues that warranted the Councilmember's comments. In regards to his comments on the City's new volunteer website, the City's attorney was sending a letter to the Board stating the City assumes no liability for directing volunteers toward any agency. Dr. Pritchard stated his concern wasn't the City's but his belief that the District must hold itself to a higher standard when the safety and privacy of children is concerned.

Trustee Hanacek congratulated former CUCPTSA Legislation Team Chair Kim Anderson for being honored at the Fourth District PTA banquet this evening and stated she would have attended if not for the Board meeting.

Trustee Hatton shared she participated with Trustee Bryson, Trustee Hanacek, and District staff in surprising the three District Teachers of the Year on Friday and it reminded her how amazing District teachers are.

President Alpay commented that he, Trustee Bryson, and Trustee Pritchard had attended the Chinese New Year fundraiser, which raised approximately \$50,000, for the Marian Bergeson Elementary School Mandarin Immersion Program. He also reminded Trustees to send him their written goals and objectives for the Superintendent.

As specified in Board Bylaw 9323 for Oral Communications, each speaker was allowed three (3) minutes to speak.

**Oral  
Communications**

The following speakers addressed the Board:

- *Lee Ann Addison provided an update on the Community Advisory Committee activities and ongoing programs.*
- *Lyndcee Barragato shared her positive experience as President of the Dana Hills High School Best Buddies program and how it has impacted her.*
- *Gary Headrick, Patti Davis, and Jeff Steimentz requested Trustees place, on the next Board meeting agenda, a resolution regarding SDG&E's plan to restart a defective nuclear reactor at San Onofre Nuclear Generating Station.*

## **DISCUSSION/ACTION**

President Alpay announced the Public Hearing open at 7:40 p.m. regarding Resolution No. 1213-37, an Increase in Statutory School Fees Imposed on New Residential and Commercial/Industrial Construction Pursuant to Education Code §17620 and Government Code §65995. There being no speakers to address the Board, President Alpay declared the Public Hearing closed at 7:41 p.m.

**Public Hearing:  
Increase in  
Statutory School  
Fees  
Agenda Item 1**

Deputy Superintendent Clark Hampton explained that every two years the State Allocation Board (SAB) adjusts the maximum statutory fees school districts can charge on new residential and commercial/industrial development to mitigate the impact of new construction on school facilities. On January 25, 2013, the SAB increased rates to \$3.20 per square foot for residential, and \$0.51 per square foot for commercial/industrial new development. In order to increase rates a district must demonstrate the nexus between the development, its expected impact, and the amount of the fee being imposed. Mr. Hampton added these fees are not charged on developments within the District's Community Facilities Districts. Mr. Hampton introduced Larry Ferchaw, Senior Director of the Dolinka Group, who prepared the Fee Justification Studies, to answer Trustee questions.

**Increase in  
Statutory School  
Fees  
Agenda Item 2**

Following discussion, it was moved by Trustee Reardon, seconded by Trustee Bryson, and motion carried unanimously to continue this item to the next meeting. Staff was directed to include a presentation that better illustrates the nexus between areas of the District that would be responsible for paying these fees, absent of the current development negotiation, and what new school facilities will be necessary in those areas.

Assistant Superintendent Julie Hatchel stated the Spanish Two-Way Language Immersion (TWI) program was implemented at San Juan Elementary School in 2003, expanding to Marco Forster Middle School in 2011. Staff is proposing the expansion of the Spanish TWI program to San Juan Hills High School in Fall 2013. The fiscal impact of expanding the Spanish TWI program at San Juan Hills High School (SJHHS) is approximately \$25,000. Dr. Hatchel added that staff is working with Saddleback College to offer a college level Spanish class, which would present a full continuum of the program at SJHHS.

**Two-Way  
Language  
Immersion  
Expansion at  
SJHHS  
Agenda Item 3**

Following discussion, it was moved by Trustee Bryson, seconded by Trustee Hatton, and motion carried unanimously to approve the Spanish Two-Way Language Immersion Program at San Juan Hills High School.

Assistant Superintendent Julie Hatchel provided a PowerPoint presentation on the study area attendance reassignment proposal for students who do not participate in the Two-Way Language Academy at Viejo Elementary School. Dr. Hatchel stated at the January 23, 2013, Board meeting, Trustees voted to convert Viejo Elementary School into a Two-Way Language Academy, phasing out the traditional English/Structured English Immersion classes for students. Staff recommends phasing out Viejo Elementary School's kindergarten through second grade English/Structured English Immersion classes in Fall 2013, and reassigning students who do not attend the Two-Way Language Academy to Bathgate Elementary School. This item will be placed on the March 27, 2013, Board meeting agenda for approval.

*(The PowerPoint is posted on the District website.)*

It was moved by Trustee Addonizio, seconded by Trustee Bryson, and motion carried unanimously to approve revisions to Board Bylaw 9320, *Meetings*.

Deputy Superintendent Clark Hampton explained that after the recent refinancing of the Certificate of Participation (COP), staff asked for an analysis on what portion of debt service, in the past, was borne by Community Facilities Districts (CFDs) and to determine if over the life of the debt service schedule are all CFDs contributing to the portion of the debt related to the District office. Mr. Hampton stated the report prepared by Taussig and Associates, illustrates the contribution of CFDs to this portion of the debt service and an estimate for rebalancing payments among all CFDs. Staff recommends approval to rebalance CFD contributions to the COP debt service. Mr. Hampton introduced Nehal Thumar, Manager, David Taussig & Associates, Inc., and Alex Bowie, Partner with Bowie, Arneson, Wiles & Giannone to answer Trustee questions regarding this item.

Following discussion, it was moved by Trustee Reardon, seconded by Trustee Bryson, and motion carried unanimously to continue this item. Staff was directed to evaluate an alternate method of apportioning these monies and verify there is no necessity the District makes this adjustment.

Assistant Superintendent Jodee Brentlinger stated the District will not be recommending laying off permanent and probationary teachers, nor releasing teachers employed on temporary contracts for budget reduction purposes. The temporary release of employees will become the annual process the District will utilize to ensure permanent teachers funded through categorical resources and permanent teachers on leaves of absence have a position for the next school year. As permanent teachers temporarily vacate their positions, temporary teachers will be rehired.

Following discussion, it was moved by Trustee Reardon, seconded by Trustee Bryson, and motion carried unanimously to adopt Resolution No. 1213-38, Non-Reelection of Temporary Certificated Employees and authorize the District to issue March 15 notices.

ROLL CALL: AYES: Trustees Addonizio, Alpay, Bryson, Hanacek, Hatton,  
Pritchard, Reardon, and Student Advisor Madison Wolfert  
NOES: None  
ABSENT: None  
ABSTAIN: None

**Viejo Elementary  
Study Area  
Attendance  
Reassignment  
Agenda Item 4**

**Board Policy  
Revision  
Agenda Item 5**

**Community  
Facilities District  
Rebalancing  
Agenda Item 6**

**Non-Reelection of  
Temporary  
Certificated  
Employees  
Agenda Item 7**

Deputy Superintendent Clark Hampton provided a PowerPoint presentation highlighting key elements of the Second Interim Report. Mr. Hampton concluded the presentation by stating this report presents a self-qualified certification of the Second Interim Financial Report for 2012-2013, indicating the District may not meet its financial obligations for the current and two subsequent fiscal years.

*(The PowerPoint is posted on the District website.)*

Following discussion, it was moved by Trustee Bryson, seconded by Trustee Reardon, and motion carried by a 6-1 vote to approve the Certification of the 2012-2013 Second Interim Report and Adoption of Resolution No. 1213-35, 2012-2013 Revenue and Expenditure Increases/Decrease.

AYES: Trustees Alpay, Bryson, Hanacek, Hatton, Pritchard, Reardon,  
and Student Advisor Madison Wolfert

NOES: Trustee Addonizio

ABSENT: None

ABSTAIN: None

President Alpay asked Trustees for items they wished to pull from the Consent Calendar. Items #17 and #19 were pulled.

### **CONSENT CALENDAR**

It was moved by Trustee Bryson, seconded by Trustee Hatton, and motion carried unanimously to approve the following Consent Calendar items:

Minutes of the February 13, 2013, regular Board meeting.

Minutes of the February 27, 2013, regular Board meeting.

Parent-to-Parent Memorandum of Understanding.

Purchase orders, warrants, and previously Board-approved bids and contracts as listed.

Donation of Equipment.

Ratification of District standardized Independent Contractor, Master Contract, and Professional Services Agreements.

Ratification of special education Informal Dispute Resolution Agreement Case #013013.

Ratification of special education Settlement Agreement #2012120333.

## **Second Interim Report Agenda Item 8**

### **Items Pulled from the Consent Calendar**

**Minutes  
Agenda Item 9**

**Minutes  
Agenda Item 10**

**Parent-to-Parent MOU  
Agenda Item 11**

**Purchase Orders/Warrants  
Agenda Item 12**

**Donations  
Agenda Item 13**

**Professional Services Agreements  
Agenda Item 14**

**Informal Dispute Resolution Agreement  
Agenda Item 15**

**Special Education Settlement Agreement  
Agenda Item 16**

Interschola Services Agreement to assist the District in selling surplus goods.

**Interschola  
Services  
Agreement  
Agenda Item 18  
Resignations/  
Retirements/  
Employment  
(Classified  
Personnel)  
Agenda Item 20**

Resignations, retirements, and employment of classified personnel.

Resignations, retirements, and employment of certificated personnel.

**Resignations/  
Retirements/  
Employment  
(Certificated  
Personnel)  
Agenda Item 21**

Acceptance of Williams Settlement Second Quarter Site Review Report.

**Williams  
Settlement  
Agenda Item 22**

ROLL CALL: AYES: Trustees Addonizio, Alpay, Bryson, Hanacek, Hatton,  
Pritchard, Reardon, and Student Advisor Madison Wolfert  
NOES: None  
ABSENT: None  
ABSTAIN: None

Trustee Addonizio asked staff what the estimated cost of borrowing \$15 million from the County of Orange would be and if the District was repaying TRANS with these funds. Deputy Superintendent Clark Hampton explained the state is placing the proceeds of Proposition 30 in an Education Protection Account (EPA) to be paid to districts at the end of this year. The state has not guaranteed the amount and would pay out what is in the account based on the state's economic activity. The District is putting in place this short-term borrowing from the County Treasurer in case the state does not have enough to fully allocate the projected EPA. The cost is five basis points above what the County pays in interest on the educational investment pool which is currently .35 percent. If the District does not use the funds, the cost will only be the five basis points (.05 percent) for about two months. Borrowing would only be used if needed and cash flow will be reevaluated each month. In response to Trustee Addonizio's second question, Mr. Hampton stated the County Treasurer agreement does not allow borrowing if the District has any outstanding TRAN or other short-term cash flow borrowing.

**Temporary  
Transfer  
Agreement  
Agenda Item 17**

Following discussion, it was moved by Trustee Bryson, seconded by Trustee Hatton, and motion carried by a 7-0 vote to approve Resolution No. 1213-36 authorizing the District to participate in a Temporary Transfer Agreement.

ROLL CALL: AYES: Trustees Addonizio, Alpay, Bryson, Hanacek, Hatton,  
Pritchard, Reardon, and Student Advisor Madison Wolfert  
NOES: None  
ABSENT: None  
ABSTAIN: None

Trustee Reardon stated this agreement is for District broadband services and he would like staff to explain how the District pays for the services. Executive Director Susan Holliday responded the District does not pay the full amount listed on the contract to Cox Business. Dr. Holliday stated the District qualifies for E-rate discounts of 49 percent on services and an additional 50 percent discount from California Teleconnect funds. The annual net cost to the District after the discounts is \$200,000. Trustee Reardon requested staff justify, on future contracts, a “use case” and not justify the contract from the perspective of what services Cox can deliver for \$80,000 a month.

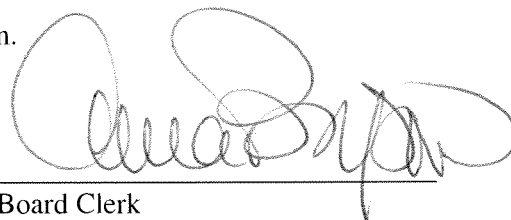
**Cox Business  
Service Agreement  
Addendum  
Agenda Item 19**

It was moved by Trustee Reardon, seconded by Trustee Bryson, and motion carried unanimously to approve the addendum to Service Agreement No. 457852-01 for data services provided by Cox Business.

It was moved by Trustee Addonizio, seconded by Trustee Bryson, and motion carried unanimously to adjourn the meeting.

**Adjournment**

President Alpay announced the meeting adjourned at 9:32 p.m.



Board Clerk



Secretary, Board of Trustees

*Minutes submitted by Jane Boos, Manager, Board Office Operations*