

Arapahoe Public School
Board of Education – Regular Meeting
School Library
November 14th, 2016 8:00 pm

President Todd Watson called the meeting to order at 8:00 pm.

President Todd Watson welcomed the visitors and announced that the Arapahoe Board of Education follows the rules of the Open Meetings Act which is posted.

The following members were present: Todd Watson, Dan Warner, Rod Whipple, Kelly Breinig, Dennis Roskop and Lisa Anderson.

The following member(s) were absent: None.

Also present was Dr. George Griffith, Superintendent, Bob Braithwait, Principal and Cassie Hilker, Board Secretary. Guest(s) included Tammie Middagh, Jay Spearman with Ameritas, Gene Ulmer and Duane Parr with Dana Cole and Company, Derek Aldridge with Perry Law Firm and Tom Whipple.

A motion was made by Roskop and seconded by Warner to approve the agenda. AYES: Warner, Whipple, Breinig, Roskop, Anderson and Watson. Motion carried 6-0.

President Watson asked for Public Comment. Tammie Middagh reported that Teammates held a strategic planning meeting with staff from the Omaha office and worked on a 3-year plan. Everything is looking good and on track and we are happy to be involved in the school. Tom Whipple thanked the board for the opportunity to present his school to the board. He wanted to inform the board about the program or training course he offers through his small engine repair shop, Whip's Place. In the summer of 2013, he turned the shop into a basic small engine repair school called The Arapahoe Small Engine Repair Tech School sponsored by Whip's Place. The main purpose of the school was to train interested people to be small engine technicians with a concentration on theory and operation. He teaches 6 participants at a time and has taught 30 people total since 2013. Classes run only during the school year. Upon completion of the course, the students receive a certificate and the lesson plans. The school is non-credit and is currently a 21 hour course. Currently, the class is held 3 nights per week for 3 hours each night. Gene Ulmer with Dana Cole reviewed and explained the audit report to the board. The audit report is filed with the State Auditor and the Nebraska Department of Education and is available for anyone to review. In our opinion, the financial statements were presented fairly. He then reviewed the internal control findings which identified three items: segregation of duties; establish internal control over financial statement preparation and review; and student fee budget overspent. The first two items were reported in last year's audit and are very common in small schools. Overall everything is in good shape. Ulmer recommends amending the budget if or when a fund exceeds the budgeted amount to meet the compliance requirements with the state, which would eliminate an internal control finding in the future.

REPORTS

Braithwait reported that winter sports practices started today. It looks like there are 18 participating in girls basketball, 17 participating in boys basketball and 14 out for wrestling. We will be hosting our own High School Quiz Bowl tomorrow starting at 4:30. Mrs. Breinig, Mrs. Hoefs and I will be attending a workshop in Kearney on Wednesday to get information on how the ACT and NeSA will work. Mrs. Hoefs and I will be participating in an online meeting Thursday afternoon in regards to accommodations for the NeSA. Fort Hayes State will be here Friday for an assembly and will perform for our 7-12 students. Hall of Fame game will be here on Monday, November 28th, with girls at 6:00 pm and boys at 7:30 pm. Wrestling Scrimmage will be Tuesday, November 29th at 7:00 pm. One Act Public Performance will follow the wrestling scrimmage. Arapahoe has again been selected to participate in NAEP testing in February. This is the Nation's Report Card. Our 4th and 8th grade will be tested in all core areas. I will be attending the state principal's conference December 8th and 9th in Kearney. The musical is finished and was fantastic. Kudos to Mrs. Stephens, her help and especially our students.

Griffith reported that Olson was here on Thursday and Friday of last week to do the field work for the site survey. Cassie and I were able to find the deeds and property legal descriptions to help expedite their work. I was really impressed with the work done by Mrs. Stephens in preparing the students for the musical and the show went very well. I also want to thank Mrs. Monie and Mrs. Leising for all they did to help the show go off without a hitch. I really enjoyed the performances and it was nice to see the talent our students have. I have been working with Jay Spearman on getting materials ready for the credit rating and the paperwork needed for the bond issuance. It seems to be going well. I have had some good response to my request for advisory council members and have been given names of individuals that may be interested in serving in the process. I have been looking into a various number of Career and Technical Education (CETE) options and have found a training to attend that is for administrators and staff to learn about programs and other areas we may be able to move forward on. I am also getting prices on a 3-D printer that can be used with our robotics

class, for the physical and life science classes and even our ag class. I plan to bring a proposal for approval at the December board meeting. Prices range from two to six thousand dollars depending on quality and size. There is a lot of technical information to review. Overall, I am having a very enjoyable year and really have respect for the work my staff does and how they are working as a team especially when staffing is short due to health or other issues. I want to congratulate all of our athletes and participants in activities on a great year so far. I will also be doing more research on the information that Tom Whipple presented.

Board Member Reports – Anderson reported that she emailed a question to the Nebraska School Board Association about the school land in Furnas County. She received confirmation that they received her question and it is on the list and she is hoping it will be addressed at one of the sessions during the State Education Conference later this week. Watson reported that the special board meeting in Lincoln with the architects is a glorified committee meeting. No action will be taken at this meeting. It is a convenience trip to save the District some money and with 5 board members going it is an excellent opportunity to present to the board how their computers work and how they are designing to get the footprint down so the project can move forward. Nothing the board is trying to hide. Whipple asked the Building and Grounds Committee to look into adding a ramp at some point to the grand stands.

Board Committee Reports – Roskop reported that the Building and Grounds Committee various times to work on furthering the plan. The architects came out and met with staff to gather their thoughts. Roskop reported that the Finance Committee met and has a recommendation on where to hold the bond funds. One of the local banks is very competitive with the interest rate offered. This month's claims were in line, nothing out of the ordinary.

ACTION ITEMS

A motion was made by Breinig and seconded by Whipple to approve the Consent Agenda as presented, which included minutes from previous meetings and financial reports. AYES: Whipple, Breinig, Roskop, Anderson, Watson and Warner. Motion carried 6-0.

A motion was made by Roskop and seconded by Whipple to approve claims including the General Fund and Lunch Fund totaling \$345,976.12. AYES: Breinig, Roskop, Anderson, Watson, Warner and Whipple but abstaining from claim number 28239 to ATC for \$349.61. Motion carried 6-0.

A motion was made by Breinig and seconded by Anderson to approve the purchase of a replacement heater in the maintenance building with a cost of \$1,885.73 installed. AYES: Roskop, Anderson, Watson, Warner, Whipple and Breinig. Motion carried 6-0.

Jay Spearman with Ameritas reported to the board that Dan Simpson from Moody's reported an indicative rating of A2. The District is already committed to pay \$10,000 of the \$13,500 for the full rating. The full rating would cost a total of \$13,500, but could save the District approximately \$60,000 - \$80,000 in interest cost. Watson reported that a conference call was held on Tuesday with Jay, Moody's, Dr. Griffith, Cassie and Todd to gather more information on the District. A motion was made by Roskop and seconded by Breinig to publish the indicative rating from Moody's. AYES: Anderson, Watson, Warner, Whipple, Breinig and Roskop. Motion carried 6-0.

Jay reported that since the election interest rates are moving to higher yields, but they are still below what was shared with the voters. Based upon current valuations, the estimated levy would be around \$0.158. The plan is to be in the market next week or the week after, lock in the sales and request the funding at the end of December. A motion was made by Roskop and seconded by Whipple to approve a resolution authorizing the issuance and sale of up to nine million nine hundred ninety-five thousand preliminary dollars (\$9,995,000) of general obligation bonds of the District and approving related matters. AYES: Watson, Warner, Whipple, Breinig, Roskop and Anderson. Motion carried 6-0.

Dr. Griffith recommended doing further research with the local bank regarding the security of the bond funds when deposited. The board tabled the item of choosing the depository for bond funds.

Derek with Perry Law informed the board that Dr. Griffith contacted him to look at some items in the contract with the construction manager, Hausmann. Under Nebraska Law, there is specific policy for choosing a construction manager at risk which is not currently adopted. This policy is more regimented and includes creating a selection committee which is responsible for vetting the applicants. The board has to send out a new Request for Proposal. The selection committee then narrows the applicants down to 2 or 3 to come in for interviews. The selection committee consists of member(s) of the Board of Education, school administration or staff, school architect, person(s) having special expertise relevant to selection of construction manager, and resident(s) of the school district other than individuals already included. Derek recommends adopting this new policy, which cancels the current contract with Hausmann and then follow the new policy. Roskop inquired about the legal ramifications in the case that Hausmann doesn't get selected through following this new policy. Derek responded that the contract can be terminated with or without cause and no construction work has been completed. The district would be obligated to pay the \$15,000 pre-bond costs that were already agreed upon. Breinig inquired if this was a new policy and why it wasn't included in our policy book. Derek responded that this is an unusual

policy and is only necessary when hiring a construction manager at risk. This is not a new statute. A motion was made by Warner and seconded by Whipple to suspend the two reading policy and to adopt new board policy 7060 concerning the construction manager at risk construction delivery method under the Political Subdivisions Construction Alternatives Act, Neb. Rev. Stat. 13-2901 et seq., as presented. AYES: Warner, Whipple, Breinig, Roskop, Anderson and Watson. Motion carried 6-0.

The board and Derek discussed the timeline for the construction manager at risk process. Perry Law usually assists with the entire process and attends the selection committee meetings, which are open meetings. A motion was made by Roskop and seconded by Warner to select the construction manager at risk method of construction delivery for the construction of facility and site improvements at the Arapahoe Public School facilities (the Project). AYES: Whipple, Breinig, Roskop, Anderson, Watson and Warner. Motion carried 6-0.

A motion was made by Roskop and seconded by Whipple authorizing the Superintendent, or his/her designee, to cause a request for proposal (RFP) to be prepared for the position of Construction Manager at Risk for the Project and to take such other and further action as is necessary to carry out the RFP process. AYES: Breinig, Roskop, Anderson, Watson, Warner and Whipple. Motion carried 6-0.

The board tabled the appointment of the selection committee.

The board thanked Derek for coming.

DISCUSSION ITEMS

Public Comment – The board congratulated Chad Carpenter on being the new board member elect. Dr. Griffith is going to do additional research on Tom Whipple's information.

Dr. Griffith reported that insurance rates will increase 7.99% for the 2017-18 year.

Watson requested the board to complete the superintendent evaluations and return to him by December 1st.


A motion was made by Watson and seconded by Breinig to enter into executive session at 10:17 pm for the prevention of needless injury to the reputation of an individual, and if the individual has not requested a public meeting. AYES: Roskop, Anderson, Watson, Warner, Whipple and Breinig. Motion carried 6-0.

A motion was made by Breinig and seconded by Warner to exit executive session at 10:30 pm. AYES: Anderson, Watson, Warner, Whipple, Breinig and Roskop. Motion carried 6-0.

Special Board Meeting, Wednesday, November 16th at 10:30 am in the offices of The Clark Enersen Partners, Lincoln, NE.

Regular Board Meeting, Monday, December 12th, 2016 at 7:00 pm in the Arapahoe Public School Library.

A motion was made by Warner and seconded by Whipple to adjourn the meeting at 10:33 pm. AYES: Watson, Warner, Whipple, Breinig, Roskop and Anderson. Motion carried 6-0.


Respectfully submitted,
Cassie Hilker, Board Secretary