

**Regular Meeting of the Board of Directors
OLYMPIA SCHOOL DISTRICT NO. 111
November 10, 2003**

MINUTES

The regular meeting of the Olympia School District Board of Directors was called to order by Vice President Russ Lehman at 7:05 p.m. on Monday, November 10, 2003, at the Knox Administrative Center, 1113 Legion Way SE, Olympia, Washington 98501. Attending were Directors John Keeffe, John McGee and Michelle Parvinen, and Superintendent Bill Lahmann. President Carolyn Barclift was unable to attend due to illness.

The salute to the flag was led by Patti Clark, OSD Finance Supervisor.

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DIRECTOR MICHELLE PARVINEN MOVED AND DIRECTOR JOHN MCGEE SECONDED APPROVAL OF THE MINUTES OF THE BOARD SELF-EVALUATION STUDY SESSION OF OCTOBER 20, 2003, AND THE MINUTES OF THE REGULAR MEETING OF OCTOBER 27, 2003. MOTION CARRIED.

Dr. Pam Farr, introduced Colleen F. Cawston to the Board. In recognition of Native American Month, Ms. Cawston presented each Director with a copy of the children's book "Meet Kaya". As a Native American woman and a mother, Ms. Cawston is interested in sharing with the children of the Olympia School District materials which will help in their education. The book is both fiction and non-fiction, created with members of the Nez Perce tribe of Idaho and Chief Joseph Band, also of the Nez Perce people, acting as consultants to the project. Mrs. Cawston gifted the District with additional copies of "Meet Kaya" to be used in our school libraries and elsewhere, as deemed appropriate.

Vice President Lehman thanked Ms. Cawston for meeting with the Board and for the book she presented, stating that both his 4th grader and his 7th grader are now studying Washington State history, and that he is aware that the 4th grade teachers at Garfield are preparing to call upon Ms. Cawston to work with their classes in their history studies.

COMMUNITY COMMENT

Several community members indicated their desire to address the Board.

Ed Flasiq opened his remarks by recognizing our country's veterans, stating that without them we wouldn't be here today. He also offered his congratulations to Director Parvinen.

Mr. Flasiq offered his support to partnering with TCTV to televise Board meetings, believing there would be many benefits, including better and more complete understanding of what the Board is doing and why, as well as show the discussions leading to their actions. He recalled President Barclift's comments at a previous Board meeting that she didn't know if anyone would watch, and stated that Chief Justice Gary Alexander had the same feeling before the State started televising. Mr. Flasiq stated that he believes grandstanding wouldn't be an issue, although if it happened it

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would be a result of making a strong point. He stated his opinion that it is important to allow an open democratic process, that it reduces misunderstandings and improves community support.

Mr. Flasiq recommended membership in the Thurston County Planning Council suggesting that membership would offer access to data which would be very helpful in the Board's planning processes.

Mr. Flasiq provided his business card and email address and would like to be more accessible to the Board on District issues, stating his desire to assist the District in becoming a world class school system.

Jerry Parker of Lakemoor Drive, Olympia, addressed the Board on the subject of impact fees, focusing on the fees which could be considered forfeited based on the current policy of discounting fees to developers. He provided the Board with a statistical handout showing \$8.4 million in single-family and multi-family development forfeitures over the past six years. He stressed that CIPA fees are not an answer, as most units are single family, generating no CIPA fees.

Mr. Parker stated his concern that current policy places the obligation on the backs of current residents rather than on the developers of new housing. He indicated a willingness to answer questions and suggested that the District stay with impact fees, defining impact fees as revenue being generated by new residents, and requesting that time be set aside in the future to consider this issue.

Bob Jacobs of Governor Stevens Drive in Olympia, stated that he favors a very popular concept that growth should pay for growth, that new housing means more families; more families, more kids; more kids, more schools. If growth pays for growth our costs can be lower; our construction bonds can be lower. It was in 1950 when utility connection fees were allowed for the first time on the theory that if you build a house you need water and sewer. In 1980 CIPA came in and allowed a variety of recovery of costs. Local authorities have the right to charge them. If you decide again to charge less than the full costs, please explain why. Someone pays—the question is, who pays? Why force us to subsidize the developers. Mr. Jacobs stated that he is perfectly happy to pay his taxes but bristles when forced to pay dollars that should be paid by developers.

Mr. Jacobs declared that there is no data to support the position that discounting impact fees influences housing costs. In the past five years, the cost of virtually every house has gone up tens of thousands of dollars, while impact fees have increased very little—there is no connection between the two. Some have said enrollments are declining; you have the opportunity to put facilities in place prior to need. Latecomer fees are assessed primarily for sewer and water, where lines are built beyond the point of current need so that when they are used for additional development, some of the cost can be recovered. Why can't there be latecomer fees to cover the cost of schools?

Vice President Lehman stated that he's heard the assessing of an undiscounted impact fees would drive up the cost of housing prohibitively. Mr. Jacobs responded that there is no data to support

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that theory, that the price of a house is only loosely connected with costs, that land prices might be hurt, but not the cost of housing. He further stated that developers would have us believe that if all fees were cancelled tomorrow houses would sell for \$14,000 less, when we all know properties will sell for whatever the market will bear.

In response to Vice President Lehman's comment that the County refuses to impose impact fees, Mr. Jacobs responded by encouraging the Board to continue to lobby the County. He stated that it was very unfair that the County refused to collect these fees on behalf of the school district. He

reminded the Board that the adoption of the Growth Management Act was the first time the Board lost jurisdiction over its funding and that it should continue to work toward changing the County's position.

In response to Vice President Lehman's question about televising school board meetings, Mr. Jacobs expressed his amazement that it wasn't already being done, that getting information to the public in fundamental, that it is long overdue.

Director Keeffe asked Mr. Jacobs if it wasn't true that the cost of housing in Olympia proper is \$15,000 to \$20,000 more than the same home in Lacey or Tumwater, which could further impact our flat or declining enrollment. Young families cannot afford the house here that they can afford in another jurisdiction. We are sitting on a situation where if conditions continue we will see truly declining enrollment. Boulder, Colorado, is an example of a community that has recently closed two elementary schools and a middle school as a result of declining enrollment, while all around them are doing well. One of the big issues for a school district is that if we contribute to the rising cost of housing we will price young families out of the market. There will be some growth around Washington Middle School, but not around Roosevelt. If we increase fees excessively, it becomes counter-productive, as what we gain in impact fees could be lost in general funding, which is kid-driven. Mr. Jacobs responded that there is no proof to support the theory that impact fees drive up the costs of housing.

David Price of Governor Stevens Avenue, Olympia, asked for a review of volunteer requirements, stating his main concern was with the requirement for criminal background checks. As a Federal evaluator of the Even Start program in Mason County, he worked with parents who were alienated from the school system and that the police or background checks cause people to pull back, even though the background checks would likely not put the parents in a position where they could not participate.

Superintendent Lahmann stated that volunteer requirements are currently based on individual school practices rather than on District policy, but that it is under review to be brought to the Board in January 2004; that the background form Mr. Price questions is no longer being used.

ITEMS BROUGHT UP BY BOARD MEMBERS

Director McGee expressed his appreciation for the Avanti/Knox Center open house event on Saturday (November 8th), stating that it was very nice, very enjoyable. Director Parvinen agreed. Vice President Lehman, who was also in attendance on Saturday, commented that the entire

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building is impressive, but that the Auditorium is really something to be seen. Superintendent Lahmann read several of many wonderful comments made to him or overheard throughout the day from visitors who had gone to school here.

Director Keeffe offered his thanks to everyone for the last 12 years, stating that it has been a great experience most of the time, and that he especially appreciates the District teachers and staff who offered great support on all levels. He noted special thanks to Cathy Williams "who got me to run—I still don't know why".

Superintendent Lahmann announced that a reception will be held at McLane Elementary School from 6:00 p.m. to 7:00 p.m. on November 24th to honor John for his great work and inviting everyone present to attend.

ACTION ON CONSENT AGENDA

DIRECTOR KEEFFE MOVED AND DIRECTOR McGEE SECONDED APPROVAL OF THE FOLLOWING CONSENT AGENDA ITEMS. MOTION CARRIED.

1. SCHOOL DIRECTORS

1.1 Board Meeting Schedule

- Monday, November 24, 2003, 7:00 p.m., **Regular Board Meeting**, McLane Elementary School, 200 Delphi Road SW, Olympia, Washington 98502.
- Monday, December 15, 2003, 7:00 p.m., **Regular Board Meeting**, Knox Administrative Center, 1113 Legion Way SE, Olympia, Washington 98501.
- Monday, January 12, 2004, 7:00 p.m., **Regular Board Meeting**, Knox Administrative Center, 1113 Legion Way SE, Olympia, Washington 98501.

2. CERTIFICATED PERSONNEL

2.1 Certificated Personnel Report

Approval was granted for two leaves of absence, one increase in contract and one new contract, as follows:

Leaves of Absence

Degin, Jill – Kindergarten and First Grade at Garfield Elementary School. Approved a .20 FTE leave of absence (from .50 to .30) effective the 2003-04 school year, beginning October 23, 2003.

Shenkel, Stacy – Special Education at McKenny Elementary School. Approved a .80 FTE leave of absence (from .80 to .00) effective November 4, 2003 through the remainder of the 2003-04 school year or until doctor releases her to return to work, whichever ever comes first. Letter included.

Increase in Contract

Williams, Kyla – Kindergarten at Garfield Elementary School. Approved .20 FTE one-year increase in contract (from .50 to .70) effective the 2003-04 school year, beginning October 23, 2003.

New Contract

McGibbon, Claire – Special Education at Capital High School. Approved a .317 FTE one-year contract (144 days @ .40 FTE) effective the 2003-04 school year, beginning October 27, 2003.

4. PUPILS AND SCHOOL PROGRAMS

4.1 Overnight Field Trip Requests

The Board approved the following student overnight field trips:

- Capital High School - Debate Tournament at Whitman College, Walla Walla, Washington; four students, one teacher; November 6-9, 2003.
- Olympia High School - Team Building event for Girls' Basketball Program, Briggs YMCA; 48-55 students, 5 staff chaperones, 4 parent chaperones (more if needed); November 21-22, 2003.
- Capital High School - Symphony Orchestra Trip to Anaheim, California (performing at Disneyland and at The California Adventure; 22 students, two teacher chaperones, four parent chaperones; April 13-17, 2004.

4.2 Instructional Materials

The Board will review a list of instructional materials for approval at its next regular meeting.

7. TRANSPORTATION

7.1 Call for Bids - Bus Purchase

Approval is granted to call for bids to purchase six new buses.

8. FINANCES

8.1 Approval of Vouchers

The Board approved General Fund Warrant Nos. 13956 through 14073 in the amount of \$1,181,670.87; General Fund Voucher No. 125824 in the amount of \$23, 308.45; General Fund Voucher Nos. 125473 through 125823 in the amount of \$342,325.09; Capital Projects Voucher Nos. 7220 through 7251 in the amount of \$231,306.92; and, Associated Student Body Fund Voucher No. 24791 through 24894 in the amount of \$134,365.42.

8.2 Declaration of Surplus - Buses

The Board granted approval for the disposal of four transportation vehicles as surplus equipment.

ACTION ON REGULAR AGENDA

1. SCHOOL DIRECTORS

1.1 Televising Board Meetings

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Shelley Carr, Director of Communications, Ron Morsette, Technology Coordinator, and Deb Vinsel, Executive Director of TCTV, presented the Board with further information on the feasibility of televising District Board meetings.

Deb Vinsel began by stating that she was not here to advocate a budget decision, as the decision to televise is the Board's. She clarified that the estimates given to the Board at the last meeting were strictly for production costs; the actual broadcast will cost nothing. TCTV shows many local meetings and that their policy was to show them gavel to gavel unless a specific time slot is allocated. They do not editorialize and do not cut away to reaction shots. She stated that most public meetings are broadcast at least twice, but most likely meetings would have been broadcast three or four times by the next meeting. The options are to use one, two or three cameras; that three cameras would offer more visual diversity and provide a more intimate showing for the viewer, but is the more costly. Certainly meetings can be covered with a single camera and a simple production style; you need to decide how you want your meetings presented to the viewer. She recommended at least two cameras.

Ms. Vinsel stated that there might be foundation monies available. The fewer paid staff the less expensive it would be, including the use of volunteers, students, teachers. TCTV would work with the District volunteers, but the downside could be the commitment level of those volunteers. She recommended speaking with other groups who have gone through the process.

Director Keeffe asked if the times would be consistent and Ms. Vinsel replied that since the only school that we could currently broadcast live from OHS, so, like the Port of Olympia the meetings would be recorded for broadcast in a specified time slot. In response to Vice

President Lehman's question, Ms. Vinsel stated that the estimates given were about as good as they could go.

Ron Morsette, speaking to the issue of employing students, reported that by law students cannot work past 10:00 p.m. on the night before a school day. It wouldn't necessarily eliminate students if times can be rearranged. Local college students would be a possibility; SPSCC is within two years of opening a new media facility, and at Evergreen there are students available through their media center for project work. They would work based on what we could pay, but we could lose student availability in late spring and summer, and the school's equipment might not always be available.

Director Parvinen asked if any of our classrooms be interested in doing the post production work or if it would be putting too much on their already full plate. Mr. Morsette replied that task it would be a better option for our students if we make it a paid activity, including the supervision, which would become an extension of employment for someone in the District.

Tim Sweeney, Chairman of Thurston Community Television, congratulated the Board for taking this issue up, and stated that it is the only local school board currently considering televising their meetings. He stated that we are only beginning to realize what television can

mean to government and/or educational agencies, based on experiences at a national level. He said TCTV can make this happen-- they've worked with lots of kids—and they have a training component they could very well coordinate with the structure the District creates. Multiple broadcasts of each meeting to your target market is a really good deal. You will be creating an archive, recording Thurston County history and retaining it in a fashion that people will be able to see.

Ed Flasiq stated that he supported the three camera option and making use of TCTV's services, perhaps creating an intern program, but resulting in a reliable, professional production.

Director McGee said that he thinks we need to continue to talk about it, but that the real issue is deciding if we want to do it and how. Although I see Ed's point, he said, I would still like to see our students have a learning opportunity and a means of earning some money. He stated that he is interested in moving forward, but would like to have some more answers (what kind of stipend would be involved, can we provide a desirable level of professionalism, reliability?) and would like the Board to consider moving meetings up by an hour. Director Parvinen said cost is still her greatest concern, particularly in light of cuts that have already been made to the communication budget, which is why she is leaning toward student involvement. Director Keeffe quipped that he is just hoping he can watch it from home. He went on to say that he was not a proponent 3 or 4 years ago, but that this may be the time. He would like to see the 3-camera option used, to make the broadcast more realistic and provide the audience with a better sense of the meeting overall.

Vice President Lehman spoke to his own advocacy and stated that it sounded like there might be a consensus in concept, suggesting that the next step would be to have staff put together a proposal of the leading options. Director McGee requested the report consider the value the purchased equipment might have if the Board embarked on the student-driven choice and it was determined that it wasn't working out. Ms. Carr suggested that the proposal might consider a combination scenario, where TCTV could step in during spring/summer when students wouldn't be available.

1.2 New Procedure 4260P(C) - Facility Use and Rental Procedures for Ingersoll Stadium

Bob Wolpert, Director of Facilities and Operations, presented his draft proposal for new procedures for the rental and operation of Ingersoll Stadium, stating that the draft reflects modifications to respond to the concerns of neighbors. The new procedure assumes the facility will be used more. Currently the stadium is closed for four to five months of the year, and that an all-weather surface or artificial turf will be installed. He stated that the community had been engaged in the development of the proposed procedure, following a couple of neighborhood meetings held at Pioneer Elementary School recently.

Director Parvinen noted that the elements suggested by neighborhood representatives are more restrictive, wondering if there was a chance different start times could be set. Mr. Wolpert replied that game start times are mandated by league, but that under normal circumstance by 10 o'clock we would expect the stadium to be essentially empty and the

lights out. Director McGee stated that he would not be inclined to pull the plug if it was 10:00 p.m. and we were in triple overtime.

Vice President Lehman stated that the fear is that we're going to operate a 24-hour facility. Clearly Friday night football is a noisy experience--you have a parking lot full of vehicles and a grandstand full of cheering people, but we're not going to have the stadium operating at that level at other times. I think we've missed out on a tremendous opportunity in terms of non-district use; look at our gyms--they are outstanding facilities, but not often utilized by non-district events because they are always being used by district activities. An increase in soccer play is going to be the most frequent use.

Joe Ford, Eskridge Boulevard, Olympia, stated that their neighborhood advisory group takes their role seriously, and have looked at ways we can all benefit. As people who live there, they see a facility that could be in use 7 days a week. Would we ever get a break? We moved there because our kids can go from Pioneer to OHS and receive the best education in Western Washington. We're in that magic part of town so that people can take advantage of the highest level of educational excellence the District provides. We want to look for compromise. We would like to see:

- ◆ emphasis on a facility that supports education and amateur athletics,
- ◆ a statement of community neighborliness, such as we provided earlier,
- ◆ consideration of the impact on us day in and day out, week in and week out.
- ◆ reduction in the days and hours of operation—we need some time off; perhaps two days a week when events must be concluded by 8:00 instead of 10:00,
- ◆ recognition that 65 or 70 decibels at 10:00 at night is too much

Director Keeffe commented that the neighbors are assuming a worst-case scenario, where there would be football-style noise or some fairly heavy noise-producing activities occurring on a regular basis. Youth soccer will not create that level of noise; is it wise to create a scenario that is so restrictive. He stated his recommendation that the neighborhood let the District run with the staff recommended policy and see how it goes, that since it isn't even going to happen until September 2004, why not have a discussion in May 2005 based on what actually occurred, rather than tie the District's hands before we find out what the noise impacts may be. Every policy is an interim policy and subject to review and modification at

any time. Director Parvinen added that the community wouldn't be expected to wait until the end of the school year in the event of a major problem.

C. Ray Dinwiddie, intersection of North and Henderson, Olympia, stated that he wanted to address the comment that was just made about the community and district getting together. He stated that the District's credibility with respect to the management of the stadium is not good because of its unwillingness to take responsibility for its actions. He recalled complaining to the District about a revival event, a dog show, walk-a-thon, that they are upset about policies that are so wide open. He stated that the neighbors don't trust you, that this is a very grave issue that must be addressed, that the stadium is not an asset, but

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a liability because of the problems it presents to the neighborhood. He suggested that the motivation for the stadium improvements is the generation of outside funds without strings, that the turf will last only ten years at a cost of \$2 million; an awful lot of money.

Bonnie Jacobs of Governor Stevens Avenue, Olympia, directed the Board's attention to the traffic concerns, particularly on their shortcut streets, with young people coming and going to events, stating that currently the neighbors paint "slow" on the streets. She stated that she had not understood that the procedure would allow use seven days a week up to 9:00 and 10:00 at night, and that she would not be keen on that policy. She suggested that in order to ensure traffic safety on the street the District should err on the side of caution.

Daniel Stusser of Allegro Drive, Olympia, stated that his home is the second or third closest to the stadium, that he has a 7th grader at Washington Middle School and a 1st grader at Pioneer Elementary School (and offered his thanks for keeping these schools open). He stated that he would be around for awhile and he considers this is an important issue. He recalled that last January the Board asked that a community organization be formed to recommend policy issues regarding the stadium, the hours of operation and the frequency of use, that those recommendations were submitted to the District in good faith, including the recommendation that there be no change in the hours of operation. He stated that they would like restrictions on hours, noise, traffic and lighting. He handed the Board a document suggesting a compromise position. He stated that he knew the forces behind football would defeat the forces of the neighborhood, that he wanted to see that the facility used the way it was intended to be used: heavily in September and October, and give us some peace the other ten months of the year.

Pam Folsom, Centerwood Drive, Olympia, across from Pioneer Elementary School stated that she looks forward to the stadium enhancements, that she supports a higher level of uses, even civic uses. She expressed her confidence that the District would mitigate issues in good faith and supports the use of the stadium as a community facility. She stated that the community could be facing impacts from a jail or a dump, but that their "burden" is a stadium which attracts wonderful, character building types of events. She suggested that many supportive voices like hers would be found throughout the neighborhood. She stated that she is in favor of 10:00 p.m. limitation, but not in favor of setting a specific decibel level, and that she did not favor "what if" restrictions. She indicated that she approved of the coordination of use between stadium, the gymnasium and the theater, and that she believed the stadium would have natural "down" times and didn't need to be defined in the procedure.

Uriel Iniquez, Hoadly Street SE, Olympia, Board member of Carlyon North Neighborhood. Part of the reason we formed our association is OHS. We've had a lot of issues with OHS, part of which was traffic congestion during school and activities, and the level of debris and garbage that increases on the streets the closer you get to the high school. Since we formed the neighborhood group, there have been signs posted for the parking, but we still receive complaints. The high school is a neighbor, therefore we have to get together as a

community. We may seem to be closer, but we seem to be falling further apart. If we trusted the administration, we wouldn't be here. We need to come up with some sort of solution; we're not opposed to school activities, but what has us scared are the other activities. There are some legitimate safety issues and I hope and encourage you to take those into consideration.

Director Keeffe stated that the real issue is one of trust, and that these folks obviously don't trust the District, but that the District is responsible and wants to do the right thing. Superintendent Lahmann stated that we would take another look at the community's questions.

1.3 Resolution No. 414, Newly Elected Board Members -WSSDA

DIRECTOR KEEFFE MOVED AND DIRECTOR PARVINEN SECONDED A MOTION TO APPROVE RESOLUTION NO. 414, PERMITTING PERSONS NEWLY ELECTED TO THE BOARD TO ATTEND THE ANNUAL CONFERENCE OF THE WASHINGTON STATE SCHOOL DIRECTORS' ASSOCIATION TO BE HELD NOVEMBER 13-15, 2003. MOTION CARRIED.

(It is noted that Item 6.1 was taken out of order as a result of the lateness of the hour and in order to accommodate those in the audience who wished to address the Board about it.)

6. BUILDINGS & GROUNDS-NEW CONSTRUCTION

6.1 Educational Specifications-Capital High School, Phase II

Bob Wolpert, Director of Facilities and Operations, introduced representatives from BLRB Architects who presented the conceptual site and building plans for Capital High School, Additions and Modernization, Phase II. Tom Bates of BLRB, through use of a comprehensive PowerPoint presentation, gave the Board a clear picture of the design process from its beginning stages with a design committee consisting of parents, teachers, students, administrators, counselors, architects, etc., to the plan being presented. Design criteria was to:

- ◆ increase permanent capacity,
- ◆ improve site safety in terms of vehicular and pedestrian ingress and egress to and from the site.,
- ◆ modernize the facility,
- ◆ create a welcoming and more defined main public entry,
- ◆ improve internal building circulation,
- ◆ enlarge student commons,
- ◆ modernize food service facilities,
- ◆ modernize and enlarge music facilities.

He stated that an important part of the project is the "alternative delivery method" where we bring a contractor in ahead of schematic design to offer ongoing input from a construction perspective. Construction start is projected to be Spring 2005, with completion late

2006/early 2007. Mr. Wolpert stated that staff intends to have a contractor selected in December.

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In response to Vice President Lehman's question, there was a discussion of the four excluded pieces: (1) auditorium expansion, (2) scene shop and drama classroom expansion, (3) fitness center addition and modernization, and (4) new cladding on exterior walls, and it was noted that the exclusions were simply in response to a shortage of funds.

Kevin Wright, a teacher and senior class advisor, spoke representing the committee and others who couldn't come to the meeting, indicating that they are very excited about what's going on but want the Board to know that the committee was very reluctant about the exclusion of the top two items on the exclusion list. The expanding of the auditorium is considered to be very important, as:

1. the school cannot now have a full class meeting without going to the gym,
2. the existing auditorium doesn't have enough room to have a parent meeting,
3. they can't have combined concerts,
4. often music students are excluded from the performances of other music students,
5. people have to be turned away from productions due to lack of space,
6. the growing number of students will continue to escalate the impacts,
7. performing arts storage is crammed into the scene shop.

Vice President Lehman asked if the planned improvements would provide an opportunity for a closed campus; Mr. Wright responded in the affirmative. Mr. Lehman then asked if there was any flexibility in the project plans, Mr. Wolpert stated that he didn't expect to find any additional flexibility in the scope of work, allowing for the anticipated "scope creep" that occurs once the work begins; that since he doesn't think the additional money is going to be there for it, the decision was made to carry the auditorium expansion as an alternate. \$16.8 is a pretty solid number.

Dan Lundberg, teacher, stated his concern about the exclusion of the first two items, noting a lack of equity between Capital and OHS. He reiterated the inability to have combined concerts and that music students and parents cannot both be seated for the current concerts. He commented on the inadequacy of his own classroom, adding that he would hate to see this project go forward and once again not fully improve the performing arts areas. He stated he would just like to see equity between the two high schools. If they had known several years ago that there would be a Phase II, it might have made a difference in the Phase I improvements; he is not anticipating a Phase III.

Marge Penn, 57th Way NW, Olympia, stated that basically people are very thankful for what has been done, but there has been a significant level of disappointment in the comparison between Capital and Olympia. It is a big deal, people on the west side feeling that somehow the District considers us the lesser of the two. She noted that Capital doesn't have a stadium, which puts us a half step behind to begin with. The inadequacy of the auditorium has been a real issue: it's too hot, too crowded, too claustrophobic, and often we can't get in there at all. She asked that the Board do all in its power to make this (the auditorium expansion) happen. The residents of the west side don't want to feel like we're the lesser of anything.

Ellen Termine, CHS Counselor, stated that two class meetings were held this week, but neither could fit into the auditorium. Our theater has always been inadequate: you can't hear, the temperature is always hot. Hopefully the Board can find the money to at least expand the theater, it will accommodate Parent Nights. If this is supposed to carry us for the next 20 years and we already can't fit the number of students that are already at Capital...I don't know what we're going to do if we don't have the money to expand the theater. The women's locker room wasn't remodeled in Phase I and again we're looking at the number of students the locker room will accommodate, so there are key areas in the building that we have to wonder when we will be able to upgrade and increase the size. Speaking for all the

members on our committee we really want your help in accommodating at least the first two of the excluded items on the list.

Director McGee inquired as to when would the "go" or "no go" occur on adding any additions to the project. Mr. Wolpert stated that we would know relatively soon, and should have some understanding about costs in late Spring. Tom Bates added that we won't truly know until all the bids are received in Spring 2005. Vice President Lehman asked if there was an answer to the funding issue, and Mr. Wolpert stated that it had been done before, that is, allotting more money to a project. He used the OHS project as a good example, stating that the original proposal was to remodel but the committee decided they wanted a new building. The Capital Projects reserve has been used in the past, but the reserve is low now and more projects are coming along behind, and the pressure is on to be conservative.

4. PUPILS & SCHOOL PROGRAMS

4.1 Revised Policy No. 3200, Addendum I and Addendum II

Jeff Carpenter, Health and Physical Education Coordinator, presented for first reading Revised Policy No. 3200, Addendum I, Athletic Code for Middle School Students, and Addendum II, Athletic Code for High School Students. He reminded the Board that the revisions pertain to notification to students and parents of eligibility requirements. It also contains some changes at the high school level regarding first day of practice, and the middle school report card would contain wording stipulating that a C grade is required for eligibility. The second addition provides information on improving grades and study skills. At the middle school level the first day of school would provide the time start for ineligibility; at the high school level the time would start at the first day of regularly scheduled practice. Specifications for appeals are also modified. Mr. Carpenter stated that the matter would be brought before the Board at its next meeting for second reading and a request for approval.

8. FINANCES

8.1 Capital Facilities Plan, 2004-2009

Bob Wolpert, Director of Facilities and Operations, re-introduced the District's 2004-2009 Capital Facilities Plan and School Impact Fee levels for Board discussion, wanting to get the matter established so staff can submit documentation to set appropriate fee levels at its next meeting. In terms of adopting the Plan and setting the appropriate fee level for this next calendar year, we're going to ask that you do that at the next regular Board meeting.

In response to Vice President Lehman, Mr. Wolpert stated that each year the Board sends the County a full copy of the plan with a letter asking them to adopt the impact fees, so that's done on an annual basis. What isn't done annually is the face to face meeting that you had last year with the County Commissioners. There may be more reception to the issue at this point and he strongly suggested that the District make that personal connection with the

Commissioners. Vice President Lehman asked how the City or County would respond if we asked either or both to impose 100% of the impact fee--could they say yes, no or set it at whatever level they chose. Mr. Wolpert responded that they have it within their authority to do that, but that he's not aware of any jurisdiction that has dictated the fee. City of Olympia has always been supportive of the District setting its own fee; he's not sure what the City of Tumwater would do. Vice President Lehman asked how Mr. Wolpert responded to Mr. Parker's analysis, and Mr. Wolpert stated that he would be reviewing the data .

Director Parvinen stated that Jerry mentioned that we aren't collecting as much with our CIPA mitigation fees as we would with our impact fees, and that's not correct.

Director Keeffe noted that right now one developer is taking exception to our mitigation fee, how many other developers would take us to the hearing examiner if our fees were set at 100%. Mr. Wolpert responded that he could guarantee we would be challenged and that case precedent would be set which would lead to further challenges. The discount is fairly generous and likely the reason we've had no challenges to date--if we were to go to a 100% fee, we would be challenged right out the door.

8.2 Resolution No. 415, Levy Rollback 2004

Assistant Superintendent Jim Crawford presented to the Board Resolution No. 415. Based on 2002-2003 enrollment figures, the District's level base is lower than projected, and in accordance with State law, our actual revenues will be reduced by about \$85,000, to the maximum allowable under law.

DIRECTOR MCGEE MOVED AND DIRECTOR KEEFFE SECONDED A MOTION TO ADOPT RESOLUTION NO. 415, PROVIDING REDUCTION OF THE 2004 MAINTENANCE & OPERATIONS LEVY FROM \$12,183.57 TO \$12,026,389.

8.3 Maintenance & Operations Levy Report

Jim Crawford gave a report to the Board on a replacement maintenance and operations levy for collection in 2004 and 2005. The approach is to seek voter approval in February, 2004 for an M&O levy to replace the current levy. Jim presented a history of the District's M&O levy amounts and rates. The District's current 2004 levy is \$12,027,000.

The District is estimating a levy of \$12,300,000 for 2005 and \$12,600,000 for 2006. The rate of growth in this proposed replacement levy is below that of our current M&O levy. The goal of the levy is to replace the expiring M&O levy and to maintain locally-funded education programs to the maximum extent possible. The levy is not projected to provide funding for new or enhanced services, but is designed to maintain current program. The levy proposal anticipates the potential for the legislature to consider a modest (1%) increase in districts'

levy authority. Such authority would help mitigate the impacts of potential future legislative budget cuts, if and only if the legislature were also to pass additional levy authority on school districts. If no additional levy authority is provided by the state, there a greater likelihood under the proposal that the District would "roll-back" (not collect) some voter-approved levy authority in 2005 and 2006. Olympia has a history of rolling back voter-approved levy amount to comply with state levy limits. In no case would the District attempt to collect a levy larger than the state authorizes.

In 2003, the district M&O levy rate was \$2.82 per \$1,000 of assessed property valuation. The District estimates a rate for 2004 of \$2.70 The estimated levy rates for the 2005 proposal is \$2.68. The estimate for 2006 is \$2.67 for 2006. Jim also presented information on the combined M&O levy and Bond levy rates for debt service on capital construction. For 2005, the combined levy rate is estimated at \$6.12 per \$1,000 of assessed valuation. The combined rate estimate for 2006 is \$5.72 In both cases, the combined levy rate is well below the District's goal of maintaining combined M&O and capital levy rates below \$6.50

The Board reacted favorably to the administration proposal and authorized the administration to discuss the proposal with the levy committee and the Olympia/Thurston County Chamber of Commerce this week. At its next meeting, the Board will be asked to adopt a resolution to request the special election for the replacement levy.

10. BOARD MEMBER COMMENTS

Director Keeffe recognized Recille Crosby and her husband, Gene, stating that it was good to see her at a Board meeting again and thanking them for being there.

Superintendent Lahmann introduced to the Board Ray Phillips, who has joined the District as the principal at Pioneer Elementary School for the balance of the 2003-04 school year, and thanking him for remaining through the long meeting. He fills the position vacated by Esther Baker for personal health reasons.

11. FUTURE AGENDA ITEMS

- Review of Volunteer Requirements – January 26
- Affirmative Action Report
- Apprenticeship Set-asides
- Old Madison School
- Membership in TRPC
- Ingersoll Stadium

Vice President Lehman called for recess to Executive Session at 12:30 a.m.

At 1:33 a.m. the Board reconvened and immediately adjourned.

Respectfully submitted,

Secretary

Vice President