

GENERAL MEETING OF THE BOARD
Thursday, March 11, 2010 6:30 PM

Boardroom / Teleconference
1820 Xenium Ln N
Minneapolis, MN 55441-3790

Agenda

1. **CALL TO ORDER** (*Action*)
2. **APPROVAL OF GENERAL MEETING AGENDA** (*Action*)
3. **OPEN FORUM** (*Information*)
4. **APPROVAL OF CONSENT AGENDA** (*Action*)
 - 4.1. General Board Meeting Minutes from February 25, 2010
 - 4.2. Routine Human Resource Activities for March 11, 2010
5. **SHARE THE SUCCESS & RECOGNITIONS** (*Information*)
 - 5.1. Student Presentation
6. **SUPERINTENDENT'S REPORT - None**
7. **INSTRUCTIONAL REPORT - None**
8. **ADMINISTRATIVE SERVICES REPORT**
 - 8.1. Financial Report - None
 - 8.2. Facilities Report **STUDY SESSION** (*Information*)
 - 8.2.1. North Education Center (NEC)
 - 8.3. Human Resource Report - None
9. **BOARD BUSINESS** (*Information*)
 - 9.1. Policy Review & Revision
 - 9.2. Board Reports
 - 9.2.1. Chair Report
 - 9.2.2. Best Value Training (Peyton Robb)
 - 9.2.3. Get on the Bus Report (Michèle Kunz)
 - 9.2.4. AMSD Report (Ann Bremer)
 - 9.3. **District News** (*Information*)
 - 9.3.1. School Board Planning Calendar
 - 9.3.2. March 11, 2010 Event Calendar
 - 9.3.3. Get on the Bus & Local 2209 Breakfast Sign-up Schedule
 - 9.4. Once Around the Table
10. **ADJOURNMENT**

DISTRICT 287 REGULAR BOARD MEETING
Intermediate District 287
February 25, 2010
MINUTES

1. CALL TO ORDER

Chair Linda Johnson called the regular meeting to order at 6:30 PM in the District Service Center Board Room. A quorum was declared with the following members in attendance:

271	Bloomington	Arlene Bush
286	Brooklyn Center	Greg Thielsen
272	Eden Prairie	Carol Bomben
273	Edina	Peyton Robb
270	Hopkins	Sally Johnson
276	Minnetonka	Don Draayer
278	Orono	Michèle Kunz
279	Osseo	Steven Antolak
280	Richfield	Nancy Rowley
281	Robbinsdale	Linda Johnson
283	St. Louis Park	Pam Rykken
284	Wayzata	Carter Peterson
277	Westonka	Ann Bremer

Absent:

Guests: Bill Morris, Peter Leatherman, Gavin Ovsak, Hari Ganti, Brett Bowles, Dylan Burns, Katie Medlar, Andy May, and Mr. Medlar

287 Administration: Sandra Lewandowski, Laura Keller-Gautsch, Jane Holmberg, Anne Becker, Janet Johnson, Tom Shultz, Chad Maxa, and Wauneen Mgeni

287 Staff Members: Jon Voss, Naomi Satoh, Princessa VanBuren, Shio-Jen Sun, Kayleen Taffee, Mary Peters, Pam O'Connell, Deb Williamson, Bruce Mulder, Bob Laumann, and Gail Morris

2. APPROVAL OF GENERAL MEETING AGENDA

The general meeting agenda was presented for approval with the following change to move agenda item 5.3 Student Presentations before agenda item 5.1 School Board Recognition and move agenda item 7.1 The Changing Face of Itinerant Services before agenda item 6 Superintendent's Report. *Motion by Carter Peterson, seconded by Michèle Kunz, to approve the meeting agenda. All in favor. Motion carried unanimously.*

3. OPEN FORUM FOR COMMUNITY COMMENTS - None

4. APPROVAL OF CONSENT AGENDA

The Consent Agenda was presented for approval. The Consent Agenda included the general meeting minutes from February 11, 2010 and approval of the Routine Human Resource Activities for February 25, 2010. Chair Johnson highlighted the retirements of Martha Goetsch, Linda Rees, Margret Toonen, Donna Wozny, Marjorie Reynolds and Mary Huberty. *Motion by Greg Thielsen, seconded by Nancy Rowley, to approve the consent agenda as presented. All in favor. Motion carried unanimously.*

5. SHARE THE SUCCESS & RECOGNITIONS

Superintendent Lewandowski introduced Dr. Jon Voss, Academic Program Coordinator/Northern Star Online Supervisor. Jon introduced instructors and student winners from two recent academic competitions: 1) instructor and mentor Princessa Van Buren works with students through Northern Star Online research study course, SciMent, an offering of Honors Mentor Connection. Within this course, juniors Gavin Ovsak from Eden Prairie and Hari Ganti from Wayzata prepared projects that were chosen at the Regional Science Fair to represent Minnesota in international competition. Gavin's project, a head controlled computer interface, is intended for individuals with limited ability to move the mouse. Hari's research modified airfoils for maximum efficiency; and 2) Japanese language instructor Naomi Satoh, presented student winners in the annual J-Quiz competition for Minnesota and Western Wisconsin. Edina student teams took first and second place in both Japanese language levels II and III. The level IV team took fourth place. Winning teams were invited to compete at the National Japan Bowl in Washington, D.C. this spring.

6. SUPERINTENDENT'S REPORT

Superintendent Lewandowski read a proclamation in recognition of National School Board week.

Sandy gave a brief overview on the 2010-2011 member district planning numbers for Special Education and in Teaching and Learning.

Sandy presented an overview on a pilot telecommuting program supported by a state program run through MNDOT.

Sandy updated the Board on member district Superintendents and Business Directors communication, inviting questions concerning the impact of Bloomington's decision to withdraw on the Board's impending decision to build a North Education Center.

Sandy discussed some of the communication history of Bloomington's decision, to clarify questions that had come to her over the past weeks.

Sandy presented a schedule of visits she is making to sites and highlighted the topics she is discussing, emphasizing the District's strategic shifts.

7. INSTRUCTIONAL REPORT

Superintendent Sandy Lewandowski introduced Mrs. Laura Keller-Gautsch, Executive Director of Special Education. Laura introduced Pam O'Connell, Special Education Administrator, and Deb Williamson, Special Education Program Facilitator. Pam and Deb presented to the Board "The Changing Face of Itinerant Services". Within Itinerant Services, 99 licensed and 19 non-licensed service providers work with 1900 students in 43 school districts. Pam and Deb highlighted how technology is used to maximize learning for students and efficiency for staff. Among the technology supports, Flip videos are being used to assist in transitions by foreshadowing new places or activities and to replay important lessons or routines for students, other staff, and families. The itinerant group is beginning to use web conferencing systems for consultations and meetings.

Sandy presented an overview on the potential partnership with Hennepin County to design a new type of programming for suburban youth involved with Hennepin County Services.

8. ADMINISTRATIVE SERVICE REPORTS

Financial Report

Mrs. Janet Johnson, Director of Finance Services, presented the monthly financial report for January 2010. *Motion by Carter Peterson, seconded by Greg Thielsen, to approve the monthly financial report as presented. All in favor. Motion carried unanimously.*

Janet Johnson, Director of Finance Services, provided an overview of the Fiscal Year 10 Budget Revision. *A motion was made by Carter Peterson, seconded by Steven Antolak, to approve the Fiscal Year 10 Budget Revision as presented. All in favor. Motion carried.*

Janet Johnson, Director of Finance Services, provided an overview of the Fiscal Year 11 Budget Assumptions. *A motion was made by Greg Thielsen, seconded by Carter Peterson, to approve the Fiscal Year 11 Budget Assumptions as presented. All in favor. Motion carried.*

Facilities Report

Tom Schultz, Facilities Administrator presented an overview on leased and owned buildings if a North Education Center were to be built. He said the planning process has resulted in even more effective and efficient design than the South Education Center.

Human Resource Report

Anne Becker, Human Resources Director, requested approval of a Resolution directing the Administration to make recommendations for reductions in programs and positions (ULAs). *Resolution motion by Don Draayer, seconded by Carol Bomben, to waive the reading of the resolution and approved the proposed resolution directing the administration to make recommendations for reductions in program and positions (ULAs). The following voted in favor of the resolution: Antolak, Bomben, Bremer, Bush, Draayer, L. Johnson, S. Johnson, Kunz, Peterson, Robb, Rowley, Rykken, and Thielsen. The resolution passed.*

At the recommendation of Board Chair Johnson, *a motion was made by Peyton Robb, seconded by Steven Antolak, to close the meeting to consider allegations against one or more of its employees, and a discussion with its attorneys, as required in Minnesota Statute §13D.05. All in favor. Motion carried.* The meeting was closed to the public at 8:41 PM. *A motion was made by Carter Peterson, seconded by Greg Thielsen, to reopen the general meeting. All in favor. Motion carried unanimously.* The general meeting reopened at 9:05 PM

9. BOARD BUSINESS

Chair Report - None

AMSD Report - None

Organizational Report - None

Once Around the Table

Arlene Bush
Greg Thielsen
Carol Bomben
Peyton Robb
Sally Johnson
Don Draayer
Michèle Kunz
Steven Antolak
Ann Bremer
Nancy Rowley
Linda Johnson
Carter Peterson
Pam Rykken
Sandy Lewandowski
Anne Becker

Chad Maxa
Jane Holmberg
Janet Johnson
Laura Keller-Gautsch
Tom Shultz
Wauneen Mgeni

10. ADJOURNMENT

Motion was heard and seconded to adjourn the meeting. Meeting adjourned at 9:15 PM.

The next general meeting will be held on March 11, 2010, at 6:30 PM in the DSC Board Room.

Submitted by
Wauneen Mgeni
Secretary to the Board

Signed: Chair _____ Clerk _____
Date _____ Date _____

**ROUTINE HUMAN RESOURCES ACTIVITIES FOR THE INTERMEDIATE DISTRICT 287
SCHOOL BOARD – March 11, 2010**

1. New Hires:

A. Regular

- JANET L. DUNNOM, Law Enforcement Instructor at Eden Prairie Campus/South Education Center, **refill for Thomas Gibbs**, effective February 16, 2010 – .72 FTE.

B. Reinstatement of Licensure Waivers

-

Reinstatement

-

C. Temporary:

- ALICIA JENSEN, School Counselor at Omegon effective January 15, 2010 through March 31, 2010.
- STEPHANIE OWEN-LYONS, On-line Spanish Instructor effective February 1, 2010 through June 15, 2010.
- SUSAN PEICHEL, On-line English Instructor effective February 1, 2010 through June 15, 2010.

D. Substitutes

-

2. Extended Leaves of Absence:

A. Unpaid

- KIMBERLY A. DOTY, Special Education Program Facilitator at Northwest Tech Center, .2 FTE effective for the 2010-2011 school year.
- LORI E. DOZIER, Speech Language Pathologist at the District Service Center, unpaid child care leave effective from March 4, 2010 through June 10, 2010.
- NICHOLE R. DeHAVEN, EBD Instructor at Hosterman Education Center, .8 FTE effective for the 2010-2011 school year.
- CYNTHIA FORT-REIS, Autism Instructor at the District Service Center, .8 FTE effective for the 2010-2011 school year.
- KRISTIN A. GUSTAFSON, School Psychologist at Hosterman Education Center, .2 FTE effective for the 2010-2011 school year.
- TYONE LaDOUCEUR, Occupational Therapist at the District Service Center, .05 FTE effective for the 2010-2011 school year.

- MELANIE A. LEITE-CARROLL, Physical Therapist at the District Service Center, .2 FTE effective for the 2010-2011 school year.
- BARBARA LYNCH, Physical Therapist at the District Service Center, .2 FTE effective for the 2010-2011 school year.
- MARGARET OLIVER, D/HH Instructor at the District Service Center, .05 FTE effective for the 2010-2011 school year.
- SUSAN L. SPIELMANN, MMI Instructor at Hosterman Education Center, .2 FTE effective for the 2010-2011 school year.
- MARCIA A. THOMPSON, Vision Instructor at the District Service Center, .1 FTE effective for the 2010-2011 school year.
- PATRICIA A. WISCHNEWSKI, Work Experience Coordinator at Prairie Center Alternative, .2 FTE effective for the 2010-2011 school year.
- GEORGEANN H. WOBSCHALL, DCD Instructor at Edgewood Education Center, .2 FTE effective for the 2010-2011 school year.

3. Separations:

A. Dismissal

-

B. Resignation

- RACHEL BLANK, Vision Instructor at the District Service Center, pursuant to the terms of the separation agreement.
- AMY E. PARIZEK, D/HH Instructor at the District Service Center, effective June 30, 2010.

C. Retirement (Regular/Disability)

-

4. Other:

- A.** RECOMMEND the Board's approval to credit Mary G. Johnson, EBD Instructor at Hosterman Education Center, with two (2) days of additional sick leave. These days have been donated by the staff members listed below who have authorized the District to reduce their individual sick leave balance by one (1) day.

Maribeth Barrett-Grimsby Carrie Agre

* Indicates delay due to background check

** Indicates delay due to approval of Community Expert Request/license.

NON-LICENSED STAFF:

1. New Hires:

A. Regular

- JESSE BRIGGITY, Education Assistant at Hosterman Education Center, **additional position due to increased enrollment**, effective February 22, 2010 Step 5 Lane 1 - .875 FTE.
- DENNIS JOYNER, Education Assistant at Hosterman Education Center, **additional position due to increased enrollment**, effective March 1, 2010 Step 10 Lane 4 +90 credits - .875 FTE.

B. Temporary

- PATRICIA ORTH, Clerical at the District Service Center, effective March 2, 2010 through June 30, 2010.

C. Substitutes

-

2. Extended Leaves of Absence:

A. Unpaid

- BEVERLY KRUEGER, Education Assistant at Northwest Tech Center, .1 FTE effective for the 2010-2011 school year.
- KAREN FIX, Education Assistant at Hosterman Education Center, .125 FTE effective for the 2010-2011 school year.
- LAURA BOGENREIF, Education Assistant at Northwest Tech Center, .275 FTE effective for the 2010-2011 school year.

3. Separations:

A. Dismissal

- ROBERT E WILLIAMS, Education Assistant at Bren Road Education Center, effective March 3, 2010.

B. Resignation

-

C. Retirement (Regular/Disability)

- PATRICIA BRAND, Interpreter for Itinerant Services, effective June 30, 2010.
- NANCY M NELSON, Education Assistant at South Education Center, effective September 10, 2010.

Phase Student Success Story

We heard an interesting story from Sue Comer Bergen and Niki Kennedy from Phase. They work with two students, Chelsey Stevens and Andrew Moerke, who have been volunteering at North Memorial Hospital doing data entry/document imaging.

Both Chelsey and Andrew got their initial training in data entry/document imaging (DI) at the ATTAIN Lab at Hosterman. ATTAIN staff tried both students on various ATTAIN jobs before giving them a trial on DI by scanning ALC enrollment files from Sandy Gaulke in Student Information Services. Both students soon demonstrated a high level of speed and accuracy with minimal job coach support.

After one semester of training in the ATTAIN Lab, each student was placed at North Memorial doing DI work. At first, a Phase job coach accompanied the students in order to train them in on their tasks, monitor their accuracy, and assure quality control by helping them to correct errors. Eventually, both students had mastered the tasks to the point where they depended on minimal or no job coach support during the work session. Recently, North Memorial staff approached the Phase job coach and suggested that the North Memorial staff would be comfortable taking over all student support duties and that Chelsea and Andrew could begin to come to work unaccompanied by Phase staff.

The most encouraging aspect of these developments has been that, in this case, community staff has recognized that these two Phase students can perform their tasks independently and that all of the supports they need are naturally available in the regular work environment. At North Memorial, Chelsey and Andrew have made the transition from “special volunteer worker” to “volunteer worker” and are accepted as part of the daily workplace environment. We hope that many more students can achieve a similar level of community functioning at Phase and in all 287 transition programs.

From Sue Comer Bergen, Phase Work Coordinator:

Jenny, their supervisor and natural support person at NMMC, said they had volunteers (without a disability) doing the work and it didn't work out. They did not stay focused on their work; but our student volunteers have been very successful!

Andrew and Chelsey's parents are so pleased they said, “...to say a big thanks you to all involved.” Chelsey's mom said she was getting tears in her eyes. She said, “This is a dream come true.”

*Provided by Bruce Mulder, ATTAIN Instructor

Member **Pam Rykken** introduced the following resolution and moved its adoption:

**RESOLUTION DIRECTING THE ADMINISTRATION TO PROCEED WITH
PLANNING FOR A NORTH EDUCATION CENTER**

WHEREAS, Intermediate District 287 (the “District”) has found that student enrollment in its programs have increased and will exceed projections for 2009-10; and

WHEREAS, the District’s long-term enrollment outlook suggests that member districts will continue to look to the District to educate high-need students who are most effectively served in customized facilities; and

WHEREAS, the School Board of Intermediate District 287 (the “Board”) has been studying the concept of a new or remodeled site in the north metro for many months to determine the most cost-effective manner in which to continue to serve these specialized student populations; and

WHEREAS, the District has been leasing the Hosterman Education Center, 5530 Zealand Avenue North, in the City of New Hope (the “Property”) from the Robbinsdale Area Schools, Independent School District No. 281 since June 1, 2000.

WHEREAS, the District is spending \$1.1 million dollars annually to lease the Hosterman Education Center and North Vista site; and

WHEREAS, the infrastructure of Hosterman is deteriorating and in need of significant and costly structural repairs; and

WHEREAS, the cost of repair and remodeling the Hosterman Education Center is comparable to constructing a new building; and

WHEREAS, a new building would be better suited to the unique needs of the specialized student populations that are currently served in the Hosterman and North Vista facilities; and

WHEREAS, the plan to build a new school to replace the Hosterman Education Center is consistent with the District’s Long-Term Facilities Directional Statements adopted by the Board in 2006; and

WHEREAS, the District can economize in the construction of a North Education Center (“NEC”), to the extent possible, by utilizing the building design and construction practices developed for the South Education Center; and

WHEREAS, the current economic conditions are extremely favorable for construction projects with prices 15-20% below Means construction standard method for cost estimates; and

WHEREAS, the purchase of land and construction of a new District-owned facility will provide predictability in costs and better use of funds that are currently dedicated to lease payments; and

WHEREAS, the Board remains committed to pursuing a financing plan for a North Education Center that will maintain the impact on member district lease levies at a level that is no greater than if the District remained at Hosterman and North Vista, assuming a 5% annual rent increase; and

WHEREAS, the Board will appoint a Facilities Committee to provide oversight to the design and construction process as well as the project budget for a North Education Center.

NOW, THEREFORE, BE IT RESOLVED by the School Board of Intermediate District 287, State of Minnesota, as follows:

1. District 287 administration is hereby directed to continue the planning for a North Education Center; and
2. District 287 administration is hereby authorized to enter into negotiations with District 281 for the purchase of land that will be used for the eventual construction of a building to replace Hosterman Education Center, and
3. District 287 administration is directed to continue to work with TSP to develop a schematic design for a new NEC.

The motion for the adoption of the foregoing resolution was duly seconded by Member **Barbara Gabbert**, and upon vote being taken thereon, the following voted in favor thereof: Steven Antolak, Ann Bremer, Don Draayer, Barbara Gabbert, Sally Johnson, Michèle Kunz, Carter Peterson, Peyton Robb, Nancy Rowley, Pam Rykken, and Greg Thielsen

and the following voted against the same: Arlene Bush,

Abstain: Linda Johnson

Whereupon said resolution was declared duly passed and adopted.

Intermediate District 287
North Education Center
Project Budget

March 1, 2010



To Solve. To Excel. Together.

Description	NEC
CONSTRUCTION	
Site Construction Cost (8% of construction costs)	\$ 1,800,000
Building Demolition Cost (by others)	\$ -
Building Construction Cost (122k sf x \$170/sf)	\$ 20,770,000
General Conditions (in construction costs)	\$ -
Subtotal--Cost of the Work	\$ 22,570,000
Construction Cost (122k sf x \$185/sf)	\$ 22,570,000
Construction Contingency (based on int. earned; anticipate \$1.2M)	\$ -
Subtotal Construction Cost	\$ 22,570,000
DESIGN AND CONSULTANT FEES	
Architects and Engineers	\$ 1,435,625
Reimbursable Expenses	\$ 33,746
Plan Reproduction	\$ 55,000
Furniture Design	\$ 24,500
Technology and Security Consultant	\$ 81,400
Review and Comment	\$ 2,500
Commissioning	\$ 100,000
Energy Modeling	\$ 10,000
LEED Certification	\$ 75,000
Subtotal Fees	\$ 1,817,771
OWNER ADMINISTRATIVE COSTS	
Permits and Plan Review Fees	\$ 135,263
Hazardous Material (by others)	\$ -
Site Survey	\$ 22,900
Environmental Consultant: Phase 1 Environmental Assessment	\$ 19,179
Builder's Risk Insurance	\$ 60,743
Liability Insurance	\$ -
Quality Testing	\$ 65,060
Misc Admin and Legal	\$ -
Subtotal Owner Administrative Costs	\$ 303,144
FURNISHINGS, FIXTURES, & EQUIPMENT (FF&E)	
Furniture	\$ 350,000
Computers	\$ -
Security Systems	\$ 214,174
Signage	\$ 35,000
Technology	\$ 600,000
Subtotal FF&E	\$ 1,199,174
Site Purchase	\$ 1,250,000
Project Contingency	\$ -
Project Cost	\$ 27,140,089

Intermediate District 287

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Impact Related to Bloomington Withdrawal

March 5, 2010

Bloomington Public School's recent decision to withdraw from Intermediate District 287, effective July 1, 2011, raises questions about the financial impact on member districts.

As every district is trying to make the most of limited resources, the following information describes costs and cost-containment strategies in District 287.

What are the non-program costs associated with District 287?

Member Districts	Non-Member Districts
Core Fee This fee is \$25 per Adjusted Marginal Cost Pupil Unit (AMPCU) – a calculation based upon the total number of students enrolled within the member district. This is used to support infrastructure (superintendent's office, human resources, business department, technology, etc.). This is not dependent on the number of students attending 287 special education programs.	Access Fee This fee is for non-members and reflects a non-member district's contribution to infrastructure and leviable costs. For FY09 the fee was 26% of the amount on MDE special education tuition invoices.
Safe Schools Levy Member districts have levy authority of \$10 per AMPCU for this purpose. These dollars are used to pay for services and equipment that increase the safety of students and staff, including police liaison officers, chemical health and gang consultation, metal detectors, and training. These dollars benefit all 287 programs. The amount is not dependent on the number of students attending 287 special education programs.	Included in Access Fee. Non-members have no levy authority for this category.
Lease Levy This covers the cost of leasing instructional space as well as principal and interest on buildings that are being purchased. Districts are invoiced based upon their proportional share of usage/student attendance at 287 sites. Member Districts have \$43.00 per AMCPU levy authority to be used toward this cost.	Non-member districts are invoiced based upon their proportional share of usage/student attendance at 287 sites. Non-member districts have no levy authority to offset this cost.

Member Districts	Non-Member Districts
<p>Health and Safety</p> <p>The proportional share of MDE approved Health and Safety projects for District 287. Member districts can levy for this cost.</p>	<p>Included in Access Fee. Non-members have no levy authority for this category.</p>

How does Bloomington's decision impact the remaining 12 districts in terms of core fee, safe school levy and health and safety costs?

The 17-month withdrawal period provides time to thoughtfully plan for changes in our budget, respond to the financial pressures of school districts and make adjustments where necessary.

While we cannot predict exactly what the cost impact to member districts will be in 2011-12, we do know there will be some loss of revenue with the loss of Bloomington's core fee contribution of approximately \$300,000. That amount is based upon \$25/AMCPU in Bloomington. We do not foresee raising the \$25 core fee per AMCPU for the remaining member districts.

The current fiscal structure, including the core fee, was determined during the 2005-06 school year with input and approval by business directors and superintendents. It was ultimately fully approved by the 287 School Board in June 2006. District 287 remains open to ongoing fiscal restructuring based on the needs of our member districts, MDE requirements, and the changing economic climate.

Bloomington's safe schools levy contribution is approximately \$120,000. The Safe Schools levy dollars were new for FY09. The budget will only reflect dollars available. Bloomington's share of Health and Safety for FY10 is \$5,600.

How does Bloomington's decision impact the North Education Center (NEC) decision? Will the remaining 12 districts need to pay a higher portion of the lease levy costs, or, will there be other enrollment increases to offset such an increase?

Bloomington's decision does not affect the financing plan for NEC or minimize the long-term benefits and savings that will be realized with NEC. We have identified three funding sources to offset potentially higher costs in the initial years of NEC debt payments:

- The balance in the South Education Center escrow
- Medicaid billing revenue
- Fund balance

NEC will provide long-term stability to the District's lease costs, while taking full advantage of current conditions for construction, low interest rates and federal stimulus funding.

Rent increases for FY10 were 5% for Hosterman and 23% for North Vista. If 287 did nothing and continued to lease, by 2030 we would pay an estimated \$3.3M in annual rent for these two sites, have no equity and face continued rent increases (assuming an annual 5% increase in rent over 20 years). Additionally, there are serious infrastructure needs at

Hosterman. As the North Area Facilities study showed, it is not fiscally prudent to continue spending more rent money each year on a building in need of significant repairs.

Bloomington's participation in District 287 programs has been declining over the past several years. For FY06 their share of lease costs was 11.5%. By FY09, that percentage had dropped to 6.5%.

While enrollment forecasts vary from district to district and some members are seeing enrollment decline, District 287 has experienced a 10 percent increase in special education enrollment this year.

Have other Intermediates had member districts withdraw from their organizations. If so, what has been the enrollment/finance impact to those organizations?

Yes, both of the other Intermediates have had members withdraw. This does not appear to have had a long-term negative effect on either organization.

Since resources are so tight, what is District 287 doing to contain costs?

BUDGET REDUCTIONS

District 287's current budget reflects a \$2.9 million or 4% reduction from last year, including a reduction of 41.5 positions from three employee groups. Recent cost-containment strategies include:

- A re-financed lease purchase of the Bren Road Education facility, which will save \$400,000 over the life of the loan.
- In fiscal year 2009, we captured over \$1 million through Medicaid billing.
- Budget reductions and the redesign of career-technical offerings allowed us to drop the subsidy that was charged in recent years as part of the tuition fee. The tuition now reflects a "bill to actual" amount similar to the remainder of our programs and services.

We are in the early stages of examining significant budget reductions for 2010-11. We are planning for between 2-4% reductions, with actual savings contingent on the final teachers' contract settlement. Cost-containment strategies for 2010-11 include:

- Re-designing our itinerant services to reduce 5% of costs.
- Reducing internal transportation costs by \$200,000; additionally, an initial outside analysis anticipates regional savings of up to \$500,000 or more as a result of changing our program start and stop times to better economize routes.

GREATER EFFICIENCIES

By moving to larger sites, we have realized several efficiencies. This is especially true for multi-categorical programs such as CIP (58% more efficient in licensed staffing) and SUN (26% more efficient in licensed staffing). All special education programs have also benefitted from more efficient staffing ratios.

- Streamlining operational services; i.e., copiers, printers, tech support, and maintenance staff.

- Streamlining student support services; i.e., nurses, School Resource Officers.
- Streamlining instructional support services; i.e., English Language Learner staff, Social-Emotional Learner support staff.
- Crisis response is more comprehensive.
- Program interaction opportunities have increased.

In constructing SEC, we also realized greater efficiencies in energy consumption. A \$132,000 energy incentive offered by Xcel Energy combined with projected annual energy cost savings of \$161,200 means that SEC's energy conservation program will have paid for itself in 2.4 years, with continued annual cost savings.

Energy efficiencies and a preventive maintenance program not only save in operating costs, but long-term capital replacement costs as well. As much as possible, we plan to replicate these efficiencies at NEC.

BALANCING COSTS WITH SERVICES

As we look for cost containment in special education, we must work closely with local school districts. District 287 implements IEP services that have already been determined by local school district special education teams. Reductions in services are made in concert with parents and local district representatives and can be perceived as compromising special education. Balancing cost containment and the delivery of a free appropriate public education is a joint responsibility of the referring district and District 287.

What effect does this have on the future of shared services for school districts?

We believe that shared services are the best way to make the most of limited resources. This is true not only for the student programs that nearly always come to mind first, but for administrative services, such as staff training and legal services, as well. From a regional perspective, shared services deliver economies of scale in administration and program operations. Guided by our strategic plan, we are improving access to real-time data to help school districts take full advantage of these efficiencies. What is becoming even more important however, is that shared services provide economies of skill because the people who perform the work are experts in highly specialized areas, areas that are increasing in both complexity and demand every year.

Can Bloomington really do it cheaper?

Time will tell. We don't know how Bloomington estimated their savings. As we all know, when it comes to funding formulas and school finance, projecting savings a year and a half from now is more of an art than a science. There are many different variables that contribute to the bottom line. What we do know is the 32 special education students Bloomington cites as being served by 287 represent only a handful of the students, programs and services they actually receive from our District.

We can certainly understand that they are trying to save money – everyone is.

We know from an independent analysis that our services are very cost-effective. We know from past experience that when districts pull back on services in an effort to save money, their actual savings aren't always as great as they initially predicted.

We're always looking for ways to contain costs and respond to the financial pressures of school districts and will continue to assess the implications on our fiscal structure over the next 16 months as we prepare for Bloomington's withdrawal in July 2011.

Intermediate District 287

RESPONSIVE. INNOVATIVE. SOLUTIONS.

M E M O R A N D U M

March 10, 2010

To: 287 School Board

From: Sandy Lewandowski, Superintendent 

RE: Negotiation with Robbinsdale School District for parcel of land

In December the School Board directed administration, via a resolution, to pursue negotiations with the Robbinsdale Public Schools for a parcel of land suitable for the possible construction of a new school on the Hosterman property. In addition, parameters were set by the Board for such a potential purchase. Last week, the administration from both 281 & 287 successfully participated in a negotiation session for the parcel where the current Hosterman building is located. The following are the key elements of the tentative agreement:

- Purchase Price: \$1,175,000 (this is within the Board approved parameters)
- 281 would be responsible for the abatement of the current Hosterman building
- 287 would be responsible for the demolition of the current Hosterman building
- 281 would make Sandburg Jr High available to 287 during a two year construction period. The lease for that two-year period would not exceed the 2009-2010 annual lease cost.

I have attached a draft Letter of Intent as information to the 287 School Board as part of the discussion for Thursday, March 11, 2010 work session.

[District 287 Letterhead]

March 9, 2010

Mr. Aldo Sicoli, Superintendent
Independent School District No. 281
Education Service Center
4148 Winnetka Avenue North
New Hope, MN 55427

RE: Letter of Intent to Purchase a Portion of the Parcel located at: 5530 Zealand Avenue North, New Hope, Minnesota

Dear Mr. Sicoli:

Intermediate District 287 (“Buyer”) is pleased to present the following Letter of Intent to purchase approximately 10.00 acres of land from Independent School District No. 281 (“Seller”) upon the following terms:

LETTER OF INTENT

PROPERTY LOCATION:

Real estate consisting of the westerly ten acres of the parcel located at 5530 Zealand Avenue North, which is bounded on the west side by Zealand Ave North and the hill along the east end of the Hosterman School building, together with improvements located thereon, collectively referred to herein as the (“Property”). The Property measures approximately 640’ x 680’. A site plan is attached as Exhibit A.

PROPERTY SIZE:

Approximately 10.00 net acres; provided, however, that the size shall be adjusted, if necessary, so as to accommodate Buyer’s prototypical building and parking lot. Any such adjustment shall be subject to final approval by Seller.

PURCHASE PRICE:

\$1,175,000 payable in cash at closing, subject to reduction for payment of normal and customary closing costs.

PURCHASE AGREEMENT:

Promptly following the execution and delivery of this Letter of Intent, Buyer and Seller shall make reasonable efforts to prepare a binding Purchase Agreement (the “Purchase Agreement”), consistent with this Letter of

Intent, and otherwise in form and substance acceptable to both Buyer and Seller.

EARNEST MONEY:

\$50,000.00 will be deposited by the Buyer in escrow with Commercial Partners Title, LLC upon full execution of the Purchase Agreement.

All Earnest Money shall be applied toward the Purchase Price and shall be refundable in the event of Buyer's or Seller's termination of the Purchase Agreement under the contingencies hereinafter referred to.

PURCHASE CONDITION:

Seller shall apply to the Commissioner of the Minnesota Department of Education for health and safety revenue to be used for abatement of hazardous materials from the Property. Regardless of whether or not Seller receives revenue from the Department of Education, Seller is responsible for the costs of removing all hazardous materials from the Property. Seller shall remove hazardous materials that can be removed from the Property prior to demolition of the building on the Property by Buyer. All remaining hazardous materials on the Property that cannot be removed prior to demolition must be removed by Seller prior to demolition being completed by Buyer. "Hazardous materials" shall include, but not be limited to, asbestos and any asbestos containing materials known or unknown.

INSPECTION PERIOD:

Buyer will have a 60 day inspection period, beginning when the Purchase Agreement is fully executed, to review the title commitment, surveys, Phase I and Phase II (if necessary) environmental reports and assessments, utilities, zoning, site conditions (tree mitigation, grading, clearing), site planning, feasibility studies, and other records pertaining to the Property and other due diligence-related materials.

During this period, Buyer will have rights of entry to the Property to perform surveys or to conduct environmental or geotechnical testing. All such rights of entry shall be subject to an indemnity and restoration agreement by all persons and entities granted rights of entry. Should Buyer at any time during this period and for any reason conclude that the Property is not suitable for its needs and its

development as an education center, Buyer will notify Seller and receive a refund of the Earnest Money, less any costs and expenses, if any, necessary to restore the Property to the condition preceding any entry and testing by or on behalf of Buyer.

CONDITIONS PRECEDENT:

Upon expiration of the inspection period or upon Buyer waiving conditions of the inspection period, there shall be an additional period of time for Buyer to obtain all necessary entitlements and approvals for Buyer's specific use of the Property, including, but not limited to, planned unit development approval, subdivision or platting of the parcel, zoning, access, conditional use permits, variances, curb-cuts, building permits and any other necessary permits and approvals from the City of New Hope and any other applicable governmental authorities. **If Buyer is unable to procure such approvals, Buyer shall have the option to terminate the Purchase Agreement and receive a refund of the Earnest Money.** Seller shall reasonably cooperate with Buyer in obtaining said approvals and shall consent to any necessary setback variances to the extent that such setback variances are determined by Seller, in Seller's sole and absolute discretion, to not adversely impact any property of Seller that may be located in reasonable proximity to the Property.

CLOSING:

The parties will close this transaction within 30 days after Buyer obtains all approvals for items listed in the Conditions Precedent and Buyer satisfies its inspection period.

RESPONSIBILITIES OF SELLER:

Seller is responsible to deliver to Buyer within 10 days of the execution of the Purchase Agreement, or as soon as possible thereafter:

- Any existing surveys detailing the Property currently in the possession of the Seller;
- Title evidence, consisting of an abstract or title commitment evidencing marketable title;
- Any existing geotechnical reports currently in the possession of the Seller;

- Any existing environmental reports currently in the possession of Seller; and
- All other existing records of the Seller relating to the Property, including all plans and permits.

TAXES AND SPECIAL ASSESSMENTS:

Taxes and installments of special assessments, together with interest and penalties (if any), due prior to the year of closing shall be paid by Seller. Taxes and installments of special assessments due in the year of closing shall be prorated between Seller and Buyer based upon the date of closing. Taxes and installments of special assessments, together with interest and penalties (if any), due after the year of closing shall be paid by Buyer.

OTHER CLOSING COSTS:

Seller shall be responsible for the following costs: (a) the title evidence, consisting of an abstract or title commitment evidencing marketable title; (b) any transfer or deed taxes and any deferred taxes due as a result of the sale contemplated hereunder; (c) one half of closing fees customarily charged by the title company; and (d) all other operating costs of the Property up to the date of Closing. Buyer shall be responsible for the following costs: (a) survey costs; (b) all costs of financing incurred by Buyer, including without limitation all costs relating to the recording of any mortgage (including payment of all recording fees and mortgage registration taxes); and c) all costs of title insurance and endorsements.

ATTORNEY/BROKER FEES:

Buyer shall each pay all broker and attorney fees incurred by any attorneys or brokers employed by Buyer in connection with this transaction. Seller shall pay all broker and attorney fees incurred by any attorneys or brokers employed by Seller in connection with this transaction. Each party shall indemnify and hold the other harmless from and against any other broker fees or charges as may be claimed by any broker.

LEASE OF PROPERTY:

Contemporaneous with Buyer's planned demolition of the Property, Seller and Buyer shall terminate Buyer's current lease of the Hosterman School Property ("Hosterman School Lease Agreement") and Seller and Buyer shall enter into a lease of Seller's Sandburg Middle School property (the Sandburg Property Lease"), the duration of which shall continue for the duration of redevelopment of, and completion of construction on, the Property by Buyer. All terms and conditions of the Sandburg Property Lease shall be the same as in the Hosterman School Lease Agreement. The amount of the rent for the Sandburg Property shall be the same amount as the total amount of rent being paid by the Buyer in the Hosterman School Lease Agreement and shall not be changed based on the square footage of the property being leased.

Please have District 281's Board review this Letter of Intent and acknowledge its acceptance of the above terms by signing below. Upon execution of this non-binding Letter of Intent, District 287 and District 281 will endeavor to negotiate in good faith and execute a formal purchase agreement containing customary terms and conditions. Until such time, however, except as hereinafter specifically provided, nothing contained in this Letter of Intent shall be binding on or enforceable by either party. Please indicate District 281's acceptance of the foregoing by signing below and returning to me by _____, 2010.

Notwithstanding the foregoing, in reference to the Property herein referred to by this Letter of Intent, District 281 agrees not to negotiate with an outside party for a period of 30 days from the execution date of this document, during which period the Districts shall negotiate the terms of such Purchase Agreement.

Should you or anyone else on behalf of District 281 have any questions, please contact me. I look forward to future discussions.

Sincerely,

Sandra Lewandowski, Superintendent
Intermediate District 287

Cc: Sarah Sonsalla, Kennedy & Graven

ACCEPTANCE BY SELLER

Accepted this _____ day of _____, 2010

SELLER: Independent School District No. 281

By: _____

Its: _____
Chair

By: _____

Its: _____
Clerk

Mr. Aldo Sicoli
March 10, 2010
Page 7 of 7

**EXHIBIT A TO LETTER OF INTENT
SITE PLAN**

(SEE ATTACHED)

North Education Center

Assumptions for Board Decision Making

Communication

- The 287 School Board will have been provided with the necessary and requested information before making a decision whether to allocate resources for a North Education Center.
- Decision making for a North Education Center should recognize the need for communication with member district superintendents and their business departments.
- December Board Resolution reflected understanding of:
 - How costs for leases are assessed to districts using the services.
 - How the proposed financing scenario will allow the Intermediate to honor its promise of not raising the current lease levy to its members.
 - The mechanics and potential saving potential of various financing options through Build American Bonds and Certificates of Participation.
 - The costs and potential savings of 20 versus 30-year financing options.
 - Directive from Member District Business Managers

Cost

- Costs will be stable, predictable, and no more than current lease levy:
 - Member districts prioritize stable & predictable facility costs.
 - The Bloomington decision to withdraw does not affect planning beyond a normal range of fluctuation: their current use for special education is just 6% of total enrollment; therefore, the Bloomington decision to withdraw has no additional impact on the decision.
 - North area lease costs incurred by 287 have been escalating for facilities such as Hosterman and North Vista.
 - Today's economic environment for construction is optimal for long-term savings for member districts.
 - Viable alternatives to new construction were considered in the North Education Center decision making.

Space

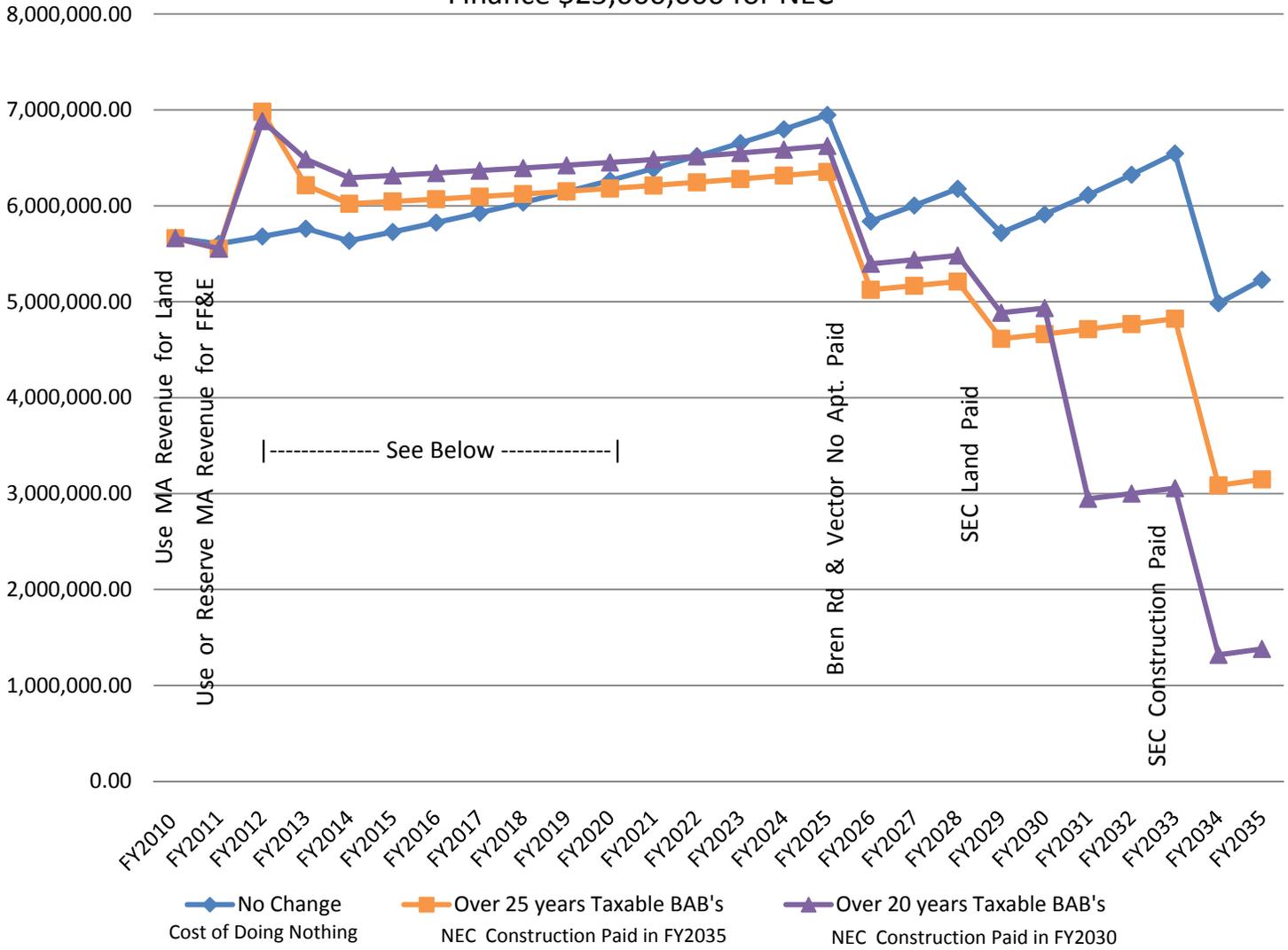
- Program and facility space will be available when member districts refer students:
 - Member districts expect program and facility space to be available when the refer Setting 4 special education students.
 - Regular education enrollment in the regional is in overall decline, but, special education enrollment is increasing.
- Program and facility space will be comparable to member districts and in accordance with MDE guidelines:
 - Students referred to 287, or, those who choose to enroll in students choice ALC programs should have facilities equal to those of the composite of those in our member districts.
 - The overall size of the building should reflect state guidelines for special education populations.

Location

- Location of site will optimize member concerns for transportation and available buildings or sites:
 - District 287, whenever possible, works with a member district when making facility decisions.
 - The location of a new facility should optimize the location for those sending students to that facility recognize the need to be cost effective with transportation.

Total Lease Cost Comparison

Finance \$25,000,000 for NEC



ASSUMPTIONS:

Finance amount based upon TSP's 3/1/2010 estimate for project costs

Financing completed prior to 12/31/10 will take advantage of Federal Stimulus money (BAB's)

Savings with BAB's over the 25 year borrowing would be approximately \$6.9 million

Savings with BAB's over the 20 year borrowing would be approximately \$4.8 million

Resources available are \$2.0 million from SEC Escrow, \$1.4 million/year MA Revenue

Subsidy to cover additional cost in early years:

25 year borrowing would use

\$2.0 million from SEC escrow FY12 thru FY14

\$1.0 million from MA Revenue (\$320,000 FY15 decreasing annually to \$5,000 FY19)

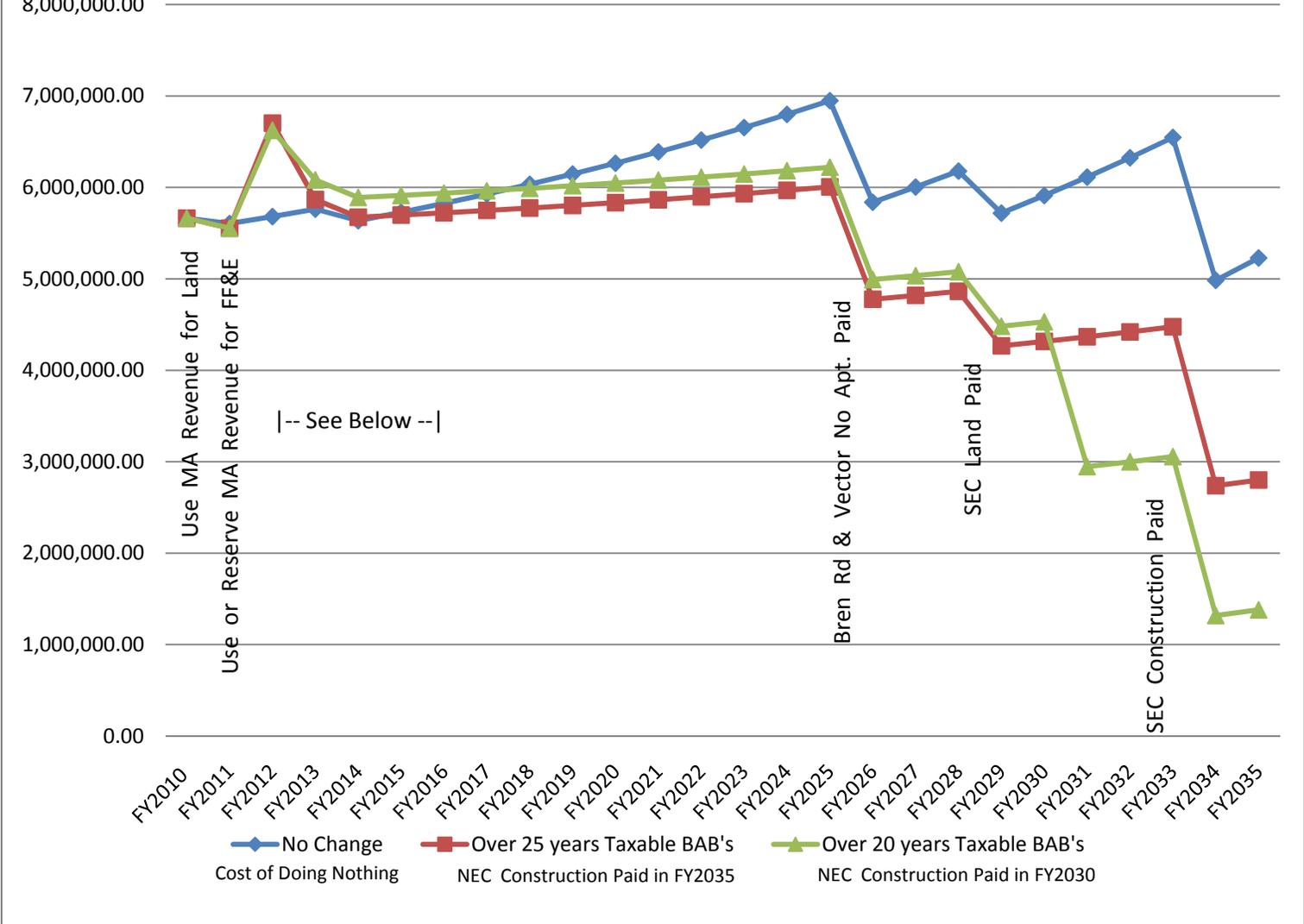
20 year borrowing would use

\$1.9 million from SEC escrow FY12 thru FY13

\$3.1 million from MA Revenue (\$660,000 FY14 decreasing annually to \$100,000 FY21)

Total Lease Cost Comparison

Finance \$20,000,000 for NEC



ASSUMPTIONS:

Finance amount based upon TSP's 3/1/2010 estimate for project costs less 20% savings on construction bids

Financing completed prior to 12/31/10 will take advantage Federal Stimulus money (BAB's)

Savings with BAB's over the 25 year borrowing would be approximately \$5.5 million

Savings with BAB's over the 20 year borrowing would be approximately \$3.8 million

Resources available \$2.0 million from SEC Escrow, \$1.4 million MA Revenue

Subsidy to cover additional cost in early years:

25 year borrowing would use

\$1.2 million from SEC escrow FY12 thru FY14

\$.0 million from MA Revenue

20 year borrowing would use

\$1.9 million from SEC escrow FY12 thru FY17

\$.0 million from MA Revenue

School Board Planning Calendar 2010

1st Meeting of the Month		2nd Meeting of the Month	
JANUARY 14, 2010 <i>Organizational Meeting</i> ○ Oath of Office ○ Election of Board Officers ○ Board's Adoption of the current definition of directory info under the Family Educ. Rights & Privacy Act <i>Regular Meeting</i> Transition DHH – Kelsey Dahl Prior Year Audit Review		JANUARY 28, 2010 Finalize Legislative Annual Report Platform Strategic Plan Review & Measurement Report Financial Report December Pay Equity Implementation Report (every other year) Decision Resource Report to the Board TIES Award Winners (Shiow-Jen Sun/Kayleen Taffe) Mary Peters Named District 287 Teacher of the Year Transportation Study Report	
FEBRUARY 11, 2010 Prairie Center Alternative “Help for Haiti” Bloomington Impact Statement Online Learning – Mike Smart & Jon Voss (Instructional) Special Education Monitoring (Instructional) Telecommuniting Pilot		FEBRUARY 25, 2010 Financial Report February Staff Reduction ULA Resolution Changes for following Yr FY10 Budget Revision & FY11 Budget Assumptions Program Withdrawal Report Truancy Model Partnership with Hennepin county Facilities Management Update Itinerate Services – Instructional Report (Laura K-G.) School Board Recognition Week	
MARCH 11, 2010 North Education Center – Work Shop	MARCH 25, 2010 Efficiency Efforts Status Report Financial Report February North Education Center (Possible Action)		
MARCH 25, 2010 Program Reduction Resolution Recommendation Reduction ULA for tenured staff		APRIL 22, 2010 <i>(Only one Board meeting this month!)</i> Minnesota Math and Science Teacher Academy Long Range Facilities Planning Presentation Proposed District 287 School Calendar 2010-2011 Attorney Services	
MAY 13, 2010 Food Service Report System for Student Achievement Data Collection		MAY 27, 2010 Financial Report April Audit Open Items & Requirements changes Staff Reduction ULA Resolution FY 10 Budget Revision Non- Tenured Non-Renewals & Probationary Non-Licensed Clerical Layoffs	
JUNE 10, 2010 Student Achievement in the Area of Reading 2010-11 Budget Final ULA Resolution for Licensed Staff Board Evaluation MDE Monitoring in Special Education		JUNE 24, 2010 Financial Report May Employment Guides for Unaffiliated and Admin. Superintendents Evaluation Summary Closed Session on Negotiations using Superintendent & School Board Evaluation to plan for Board Retreat outcomes.	

INFORMATIONAL ITEMS TO REMEMBER:

- ** Community use of Facilities Bucket
- ** Health and Medical Bucket

School Board Planning Calendar 2010

1 st Meeting of the Month	2 nd Meeting of the Month
<i>Only one Board meeting this month!</i>	JULY 22, 2010 Financial Report June Legislative Session Review & Implications for District Operations C-Train Update
<i>Only one Board meeting this month!</i>	AUGUST 26, 2010 Financial Report July EBD Presentation (Laura Keller-Gautsch – 15 minutes) Report on Crisis Planning (Michelle Axell – 10 minutes) Approval of Cash Flow Borrowing Resolution School Start Up Program Report “Top 5 Things Board Members Should Know About the Start of School”. (Colleen, Laura, and Jane)
SEPTEMBER 9, 2010 Superintendent Goals Closed Session on Negotiation	SEPTEMBER 23, 2010 Financial Report August PLC’s Instructional Report - Student Achievement & Measurement of Progress (will include AYP). (Jane & Laura) Resolution Authorizing 287 to purchase Edgewood (Don Lifto may come to Board Meeting)
OCTOBER 14, 2010 Prior Year Agenda Review Strategic Plan – Role of the School Board (Steven Barone)	OCTOBER 28, 2010 Financial Report September Strategic Plan Update MST A – Instructional Report
NOVEMBER 11, 2010 <i>(Only one Board meeting this month!)</i>	
Financial Report October Facilities Management Update C-Train Report (Written Report) Parameters Resolution authorizing the certificate sale and the conditions of the award for financing the Edgewood Purchase.	Prior Year Unaudited Fund Balance Report OPEB Reporting & Funding Edgewood Purchase Agreement Approval
DECEMBER 9, 2010 <i>(Only one Board meeting this month!)</i>	
Financial Report November Facilities Management Update - Energy Audit Restraints and Seclusion – Instructional Report Legislative Initiatives & White Paper Review Consideration and award of the certifications for Edgewood purchase.	Prior Year Audit Review North Education Center Decision Digital Copy Certificate (Written Report) Teacher Contract Renewal

INFORMATIONAL ITEMS TO REMEMBER:

- ** Community use of Facilities Bucket
- ** Health and Medical Bucket

**INTERMEDIATE DISTRICT 287
March 11, 2010
SCHOOL BOARD CALENDAR**

**PROPOSED
DATES**

March 2010

06	Saturday	MN Destination ImagiNation – East Metro	Harding Senior High School, St. Paul
06	Saturday	MN Destination ImagiNation – Duluth	Duluth Central High School, Duluth
06	Saturday	MN Destination ImagiNation – Glencoe-Silver Lake	Glencoe-Silver Lake HS, Glencoe
11	Thursday	General Board Meeting	6:30PM Board Rm
13	Saturday	MN Destination ImagiNation – North Metro	Blaine High School, Blaine
18	Thursday	Get on the Bus (Hosterman) [Bus leaves 287 DSC @ 8:30 AM]	9:00AM DSC Reception Area
20	Saturday	MN Destination ImagiNation – Winona	Winona Middle School, Winona
23	Tuesday	Local 2209 & Board Breakfast	7:00AM Dover's Restaurant
25	Thursday	General Board Meeting	6:30PM Board Rm

April 2010

17	Saturday	MN Destination ImagiNation – State Tournament	Anoka High School, Anoka
20	Tuesday	Hosterman Appreciation Night Parent/Guardian/Caregiver	6:30PM – 8:00PM Hosterman
22	Thursday	General Board Meeting	6:30PM Board Rm

May 2010

13	Thursday	General Board Meeting	6:30PM Board Rm
20	Thursday	Eden Prairie Pathways Awards Program	10:10AM & 12:20PM Eden Prairie HTC
26	Wednesday	North Vista Graduation	6:00PM North Vista Ed Ctr
27	Thursday	General Board Meeting	6:30PM Board Rm

June 2010

02	Wednesday	Hosterman Graduation (Strive, SAFE, SUN & CIP)	9:45AM Hosterman Cafeteria
03	Thursday	City West Academy Graduation	10:00AM City West Academy @ Shady Oak
03	Thursday	South Education Center Alternative Graduation	5:00PM SEC Gym
04	Friday	Prairie Center Alternative Graduation	10:00AM Eden Prairie Community Center
04	Friday	VECTOR/InVEST Transition North Graduation	12:30PM HTC, North Campus
09	Wednesday	Edgewood Graduation	6:30PM HTC, North Campus
10	Thursday	General Board Meeting	6:30PM Board Rm
24	Thursday	General Board Meeting	6:30PM Board Rm

