

WAKE COUNTY BOARD OF EDUCATION
OPEN MINUTES
January 22, 2001
LOCATION – Zebulon GT Magnet Middle School

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Board Members Present:

Bill Fletcher, Chair
Beverley Clark
Rosa Gill
Judy Hoffman
J.C. O’Neal
Tom Oxholm
Susan Parry
Kathryn Quigg
Wray Stephens

Staff Members Present:

Karen Banks
Jo Baker
Danny Barnes
Del Burns
Mike Burriss
Luther Cherry
Ann Hooker
Linda Isley
Ray Massey
Janice Shearin
Walt Sherlin
Jonibel Willis

Board Attorneys Present:

Ann Majestic

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Bill Fletcher called the meeting to order at 4:15 p.m. Everyone recited the Pledge of Allegiance .

INFORMATION

Comments from the Chairman

Mr. Fletcher thanked the Zebulon staff for the tour of the facilities and remarked that Board members were glad to be out in the community and may have future Board meetings at other school locations.

Superintendent’s Report

Superintendent McNeal thanked Principal John Wall for the efforts made in preparation of the Board meeting and introduced Danny Barnes.

Danny Barnes, Area Assistant Superintendent, briefly shared with the Board some of the many accomplishments and highlights of students and staff at the Eastern Wake County schools that he represents.

Zebulon's Principal Wall welcomed the Board and noted that the name plates for Board members were a gift from Zebulon's Exploring Technology class, and the refreshments were courtesy of their Exploring Life Skills class. Lockhart's Principal Terri Cobb also welcomed the Board and spoke briefly about Lockhart highlights and happenings. Chorus groups from Zebulon Middle and Lockhart Elementary entertained the Board members before the meeting began.

Knightdale Major Joe Bryan spoke with enthusiasm about the Education First initiative which is challenging businesses, civic clubs and the faith community to volunteer in support of the school system and its goals.

Superintendent McNeal announced that Board member Tom Oxholm will donate his school Board stipend (\$10,860) to help low achieving students in five eastern Wake schools. The gift represents not only his own commitment to the district's academic goal, but that of his employer, Knightdale's Wake Stone Corporation. The five schools will receive monthly allocation of \$890 beginning with Lockhart Elementary. The other schools are Knightdale Elementary, Hodge Road Elementary, East Wake Middle and East Wake High. The cycle repeats itself starting with the sixth month of donation. The schools are to spend the money specifically on the Accelerated Learning Program, seeking to bring low achieving students up to grade level.

APPROVAL OF MEETING AGENDA

Due to discussions during a Facilities Committee Meeting on January 18, 2001, Facilities Consent item #2 (Bids: Construction of Holly Ridge (E-#) Elementary and Holly Ridge (M-3) Middle) was pulled; Consent item #8 (Design Consultant Agreement: H-3 High School Prototype) and Consent item #10 (Schematic Design: Longview School Addition and Renovations) were moved to Action; and Information item #1 (Building Project Comparisons) was pulled from the agenda.

Kathryn Quigg made a motion to approve the agenda, seconded by Susan Parry. The vote was unanimous.

PUBLIC HEARING FOR ITEMS ON THE AGENDA

Leolia Spaugh spoke against approving a proposal for exclusive vending rights, noting the lack of nutritional substance with soft drinks.

Kristen Goff also spoke against the vending contract, citing climbing obesity percentages in our state, and that limited access to the vending machines should be considered.

Dave Moore reiterated that a vote against the exclusive vending contract would be in the best interest of schools, and would show support of the healthy standards teachers are promoting.

Joseph Halloran, a registered dietician, asked the Board to reconsider and reject the soft drink contract, mentioning public health issues of obesity and diabetes, and undercutting the work of teachers.

FACILITY COMMITTEE REPORT

Beverley Clark, chairman of the Facility Committee, reported that the Facility Committee met on January 18, from 9 a.m. until noon. During that time a number of issues were discussed that are currently on the Consent agenda. The design consultant agreement for the H-3 High school prototype, and the schematic design for Longview School's addition and renovations were both moved to the current Action agenda for additional discussion. An information item entitled Building Project Comparisons, was presented by staff and backup materials are available by request to the community.

In upcoming Committee information: Mr. Oxholm also noted that a Finance Committee meeting is scheduled for January 25 at 3:00 p.m. A number of citizens who contributed to an independent annual report project are invited once again to share their expertise as a review of present and upcoming issues is addressed.

CONSENT ITEMS – ALL COMMITTEES

FINANCE

1. Authorization Forms

These authorization forms designate the persons authorized to sign vouchers for the payment of money on behalf of Olive Chapel Elementary. Fiscal Implications: These authorization forms are required for bank records.

2. Budget Amendments and Transfers, 2000-2001

To report changes in the budget resolution for the month of November. Fiscal Implications:

Adjust State Public School Fund	+	\$ 905,046
Adjust Local Current Expense Fund	+	\$ 1,920,257
Adjust Federal Programs Fund	+	\$ 10,936,697
Adjust Capital Outlay Fund	+	\$ 160,470
Adjust Multiple Enterprise Fund	+	\$ 1,830

3. Gifts to the System

Sixty-four gifts have been donated to the Wake County Public School System. The approximate value of the gifts is \$50,183.65. Fiscal Implications: None

PROGRAM

1. Grant Proposals

Entitlement (#546.00): US Department of Education: 2000-01 Impact Aid application for the period 2001-02. In the WCPSS, the entitlement award is based upon the number of students residing in federally subsidized low-income housing and a calculation with the average daily attendance for the district. Expectations are that the WCPSS may receive approximately \$7,000 in funding. Use of the funding is unrestricted. Recommended that the board approve the application.

FACILITIES

1. Bids: Frozen, Canned and Miscellaneous Food, Small Equipment, Cleaning Supplies and Paper Goods

Summary and recommendation for continuance of bid with PYA Monarch for February 1 – July 31, 2001 is attached. Bids are awarded based on item cost. The continuance reflects a one-percent increase in total cost. New bids have historically reflected a three to four percent increase. Board approval is requested. Bids were received December 15, 2000 for small equipment. Summaries and recommendations for February 1 – July 31, 2001 are attached. Bids are awarded based on item cost. Board approval is requested. Bids were received December 20, 2000 for cleaning supplies and paper goods. Summaries and recommendations for February 1 – July 31, 2001 are attached. Bids are awarded based on item cost. Board approval is requested. Fiscal Implications - Funds are available in the 2000-2001 expense budget. - Recommendation for Action - Board approval was requested.

2. Bids: Construction of Holly Ridge (E-3) Elementary and Holly Ridge (M-3) Middle

(pulled from the agenda)

Subject to final board approval, pre-approval by the board is requested for the issuance of notice of intent to award contract(s) and notice to proceed for the bids to be received on February 6, 2001 for the construction of the Holly Ridge Elementary and Holly Ridge Middle schools if the bids are within the allocated construction budget figures of \$25,680,000. The two schools will be bid as a single project. Staff will report bid tabulations and contract information to the board for approval and award at a subsequent board meeting subsequent to the bid date. Fiscal Implications - Funding is available from the total project budget of \$31,346,987. The middle school total project budget is \$21,152,754, of which \$20,454,754 is from the PLAN 2000 School Building Program budget, and \$700,000 is from the board-approved 1996 State Bond project budget. The elementary school total project budget consists of \$10,194,233 from the PLAN 2000 School Building Program. Recommendation for Action - Board approval was requested to issue notice of intent to award contract(s) and notice to proceed if bids are under \$25,680,000.

3. Bids: Root Elementary Roof Replacement

Bids for the state bond improvements (roof replacement) at Root Elementary were received on December 21, 2000. Staff and Law Engineering and Environmental Services, Inc. recommend award of the contract to Curtis Construction Co., Inc., in the amount of \$258,942. Board approval is requested. Fiscal Implications - Funds are available from the total project budget of \$322,774. The total project budget consists of \$322,774 from the board-approved state bond project budget. Recommendation for Action - Board approval was requested.

4. Contract Termination: Boney, PLLC

A contract for design services (schematic design only) was approved by the board on June 21, 1999 for the design of the new Phase IV H-2 high school prototype. Following failure of the Phase IV bond, design stopped after the schematic design phase. This contract is no longer needed and staff requests a termination for convenience. This termination will become effective February 13, 2001. The schematic design documents will be modified for reuse as the prototype high school for H-3 under PLAN 2000. A new contract will be negotiated for this design and the amount paid for this schematic design will be credited toward the new design. Fiscal Implications - The schematic design portion of the design consultant agreement is \$281,250, and has been paid from Phase IV startup funds included in the Phase IIIB long-range building program. Recommendation for Action - Board approval was requested.

5. Contract Termination: The Freelon Group, Inc.

A contract for design services (schematic design only) was approved by the board on June 21, 1999 for the design of the new middle school prototype to be used for Reedy Creek Middle School. Following failure of the Phase IV bond, design stopped after the schematic design phase. This contract is no longer needed and staff requests a termination for convenience. This termination will become effective February 13, 2001. Fiscal Implications - The schematic design portion of the design consultant agreement is \$162,000 and has been paid from Phase IV startup funds included in the Phase IIIB long-range building program. Recommendation for Action - Board approval was requested.

6. Contract Termination: Pearce, Brinkley, Cease & Lee, PA

A contract for design services (schematic design only) was approved by the board on June 21, 1999 for the design of the new middle school prototype to be used for Jenks Road Middle School. Following failure of the Phase IV bond, design stopped after the schematic design phase. This contract is no longer needed and staff requests a termination for convenience. This termination will become effective February 13, 2001. Fiscal Implications - The schematic

design portion of the design consultant agreement is \$162,000 and has been paid from Phase IV startup funds included in the Phase IIIB long-range building program. Recommendation for Action - Board approval was requested

7. Designer Selection: Design Package 00C

In accordance with the designer selection procedures adopted by the Wake County Board of Education, the pre-selection committee will present recommendations for the board to select an architectural firm for the building and campus improvements project at Baucom Elementary. Fiscal Implications - Design fees will be negotiated in accordance with designer selection procedures. Recommendation for Action - Board approval was requested.

8. Design Consultant Agreement: H-3 High School Prototype

(Due to a Facilities Committee meeting on January 18, 2001, this consent item was changed to Facilities Action Item #1)

9. Infrastructure Payment: Centennial Campus Middle School

The board approved a ground lease on June 15, 1998 between Wake County and the State of North Carolina (N. C. State University). The lease required a payment of \$370,000 to N. C. State University upon completion of the school. Payments made by the board during the course of construction for share improvements that benefited N. C. State University were to be used to offset the \$370,000. The sum of those offsets is \$205,779.09, and therefore a payment of \$164,220.91 is due to N. C. State University. Fiscal Implications - Funds are available from the Phase IIIB total project budget of \$16,063,805. Recommendation for Action - Board approval was requested to make a payment of \$164,220.91 to N. C. State University.

10. Schematic Design: Longview School Addition and Renovations

(Due to a Facilities Committee meeting on January 18, 2001, this consent item was changed to Facilities Action Item #2)

11. Department of Public Instruction Long-Range Facility Plans

Public School law requires local boards of education to submit long-range facility plans every five years. Staff will present a summary of those needs. Needs funded in PLAN 2000 are not included. Fiscal Implications - No additional funds are needed at this time. The study will provide an estimate of the costs for future needs of existing facilities beyond PLAN 2000. Recommendation for Action - Board approval was requested.

PERSONNEL

1. Recommendations for Administrative Appointments

Tom Oxholm made a motion to approve all the consent items, seconded by Rose Gill. The vote was unanimous.

ACTION ITEMS

FINANCE

1. Exclusive Vending Contracts

Seven companies submitted proposals for exclusive Wake County Public School System (WCPSS) beverage vending rights in response to the December 4, 2000, request for proposals (RFP). The proposals were evaluated by staff and a representative committee of school principals. Pepsi Bottling Ventures, LLC submitted the only complete proposal for exclusive vending rights. Coca-Cola Bottling Co., Consolidated submitted a complete proposal for shared

vending rights. The other five vendors submitted limited proposals, none of which were considered viable responses. The proposal submitted by Pepsi was clearly superior. In addition to the unanimous recommendation by the WCPSS committee, high school principals have indicated their support for the agreement provided there is no reduction in their current vending revenue. If approved, a plan to distribute vending revenues will be developed and submitted to the board as required by Board Policy 8363. The proposals of Pepsi and Coke were attached. Fiscal Implications: This is a five-year revenue agreement with an estimated average annual revenue of \$1,265,120. The detailed break down was contained in the attached Pepsi proposal. *Several statements were made by Board members. Mr. Oxholm reminded the Board and community that the exclusive contract would not change any operations in the middle or high schools or necessarily promote additional amounts of advertising. No revenue is being reduced for any current recipient, and the potential exists for increased revenue. Mr. O'Neal shared that the substantial amount of savings to the budget justify his vote in favor of the contract, and that control on the parental level would be necessary to address the health issues related to soda consumption. Ms. Parry noted that Wake County spends less per pupil than any similar benchmark surrounding communities. However, while funded is needed, real health issues are at stake. A tradeoff exists and a precedent is being set. She stated that there were several real costs to this decision: Anything that is officially sanctioned by the school is seen by students as being implicitly endorsed. It is contradictory to what we teach to enter into a contract that encourages the kind of behavior we discourage in our curriculum. We send the wrong message to students when we build into our budget a dependance on commercial enterprise whose sole objective is to build an enduring profitable relationship with our students. She asked how intrusions of marketing into schools effect the neutral learning environment.*

*Kathryn Quigg remarked that she had voted against an exclusive vending contract in the past. Since that time she has seen too many needs not being met for all the children of Wake County. Her vote in favor of the contract speaks to the revenue that will help meet those needs that continue to fall behind. Judy Hoffman wanted assurance that this exclusive contract would not encourage soft drink use and that the amount of signs being displayed remain at an appropriate level. Ms. Clark felt there should be some limitations on the number and size of signs/logos, as well as the number and placement of machines. In addition, juices and water should always be prominently available. Along the same concern, Ms. Parry and Ms. Gill also asked for some intent of how the signage will be carried beyond the scoreboard. Dr. Burns said that it was his understanding that the use of signs would not increase substantially. While there will be centralized standards, building-level site management will be employed. However, as Mr. Oxholm pointed out, administration and the Board would ultimately have control if an inappropriate amount of signage was being displayed. Mr. O'Neal felt the Board could depend on the good judgment of principals, and that giving exclusivity to a vendor will not change marketing aspects dramatically. Mr. Oxholm commended Dr. Burns and Paul Strickland for taking on the challenge of contract negotiations without employing an outside consulting source. A contract and plan for distribution will come back to the Board for approval at a late date. **Tom Oxholm made a motion to approve seconded by Rosa Gill. The vote carried with Susan Parry voting No.***

2. Resolution Requesting Appropriation of Unallocated Capital Funds for 2000-2001

On August 28, 2000, the Board of Education passed a resolution requesting that the Board of Commissioners transfer \$7,049,316 from unallocated Phase IIIB capital projects to the WCPSS

operating budget. The request has been funded using \$1,000,000 from the unallocated capital budget, \$1,105,198 from funds due to WCPSS from the previous year, and \$4,900,000 in property taxes due this year, for a total of \$7,005,198. The current balance of the unallocated Phase IIIB capital projects is \$6,049,316. This resolution requests transfer of the remainder of the unallocated Phase IIIB capital projects funds to the operating budget for the current year. Fiscal Implications: \$6,049,316 to Technology Services for a projected budget shortfall and expenditures associated with the development and implementation of Oracle software.

Beverley Clark made a motion to approve. It was seconded by J.C. O'Neal and the vote was unanimous.

PROGRAM

1. Driver Education Contract 2001-2002

Staff requested bids to provide Driver Education services for WCPSS students in October 2000. Only one bid was received. Staff proposes re-bidding the contract upon approval of the bid process by the Board of Education. Statutory authority G.S. 20-881, 115C-216 and Title 16 of the N.C. Administrative Code provide enabling authority to contract for Driver Education program services. According to North Carolina Administrative Code (Attachment I) on Driver Education contracts, local boards shall establish the process for soliciting proposals. The regular bid process (Attachment I) on Driver Education contracts, local boards shall establish the process for soliciting proposals. The regular bid process (Attachment II) as determined by the Purchasing Department will be used. No bid bonds or performance bonds will be required. The Board of Education must ultimately approve the contract with the successful vendor. The North Carolina Department of Transportation Allocation will fund all costs of the program for Driver Education. It was recommended that the Board approve using the bid process outlined by the Purchasing Department in Attachment II to identify a vendor for Driver Education services.

Judy Hoffman made a motion to approve, seconded by Beverley Clark. The vote was unanimous.

FACILITIES

1. Design Consultant Agreement: H-3 High School Prototype

Negotiations have been completed with Boney, PLLC for the design of the new H-3 high school prototype. This project includes the master planning of the entire 170-acre site that will be jointly developed by the Town of Knightdale, Wake County Parks and Recreation, and the board. The form of agreement is the standard form approved by the board attorney. Fiscal Implications - The total project budget is \$40,160,845, which includes proposed compensation for the design consultants of \$2,018,000. The total project budget consists of \$39,860,845 from the PLAN 2000 School Building Program and \$300,000 from Phase IV startup funds included in the Phase IIIB long-range building program. Recommendation for Action - Board approval was requested.

Ms. Clark voiced concern that architectural fees continue to increase as high school designs stay basically the same. With tighter control of design fees, more money would be available for classroom needs. She suggested that staff present to the Board recommendations on how to manage escalating architectural fees, perhaps through a closer examination of services provided, creative incentives, value engineering and/or comparing benchmark districts.

J.C. O'Neal made a motion to approve, seconded by Tom Oxholm. The vote carried with Beverley Clark voting No.

2. Schematic Design: Longview School Addition and Renovations

Staff presented schematic design documents prepared by Gurel Architecture for the addition and renovations project at Longview School. Fiscal Implications - The total project budget is \$5,826,926, of which \$5,668,741 is from the PLAN 2000 School Building Program project budget, \$37,027 is from the modernization component of PLAN 2000, and \$121,158 is from the board-approved 1996 State Bond project budget. Recommendation for Action - Board approval was requested.

This item had been moved to action to address Mr. Oxholm's question of whether demolition and replacement were more viable alternatives. In discussion, it was noted that this alternative would translate to a \$2.2 million increase in budget and a nine-month delay in the project. The solution for students during demolition would also be prohibitive. It was recommended that Longview School be completely emptied during renovations and the students be moved into Cardinal Gibbons School for the next year.

Judy Hoffman made a motion to approve, seconded by Tom Oxholm. The vote was unanimous.

The Board took a short recess at 6:25 p.m. and reconvened at 6:35 p.m. At this point Judy Hoffman left the meeting.

INFORMATION ITEMS

PERSONNEL

1. Recommendation for Administrative Transfer

FINANCE

1. Overview of the Technology Services Division

Technology Services has been in existence for less than four years. In this short amount of time, the division has grown to over 75 staff members. Technology itself has an impact on all areas of the school system. The division plays a major role in some very ambitious projects. These projects, along with providing support for technology at all levels, come with a price tag. This presentation will demonstrate how Technology Services budgets current funding and why there is a true need for additional funding in the future. Being in front of growth instead of catching up to it saves money in the end. Fiscal Implications: None

PROGRAM

1. Student Assignment Plan for 2001-2002

Recommendations for the 2001-2002 Student Assignment Plan were presented to the Board. No fiscal implications. This was presented for information.

In discussion, Dr. Beavers explained that because no new schools are opening in 2001-2002, student movement will be limited. In elementary schools, some major moves included: one node from Apex Elementary moving to Penny Road; four nodes from Davis Drive moving to Weatherstone and the cap is being removed from Davis Drive; node 531.0 from Stough Elementary moving to Hilburn; and one node from Lynn Road and one node from Wiley both moving to Leesville Elementary. Rising 5th graders may request to remain without transportation provided.

In middle schools, some major moves included: 7 nodes from Davis Drive to West Cary; and 3 nodes from West Cary to East Cary. Reedy Creek and Salem openings were considered in the plan, and rising 7th and 8th graders may request to remain without transportation provided. In high schools, some major components included: elimination of all spot nodes at the high school level by assigning these nodes to the same high school as the node from which the spot was created; and three nodes from Apex High moving to Cary High School. A public hearing will be held on February 20 at 7:00 p.m. at Martin Middle School. Information on the student assignment plan also will be available online, in hard copies at schools, and in letters to parents.

FACILITIES

(pulled from the agenda due to a presentation during the Facilities Committee meeting on January 18, 2001)

1. Building Project Comparisons

Staff had presented information and comparisons of recent building projects regarding building size, construction costs, and design fees. This information will provide a basis for future selection of existing designs to be reused or modified for new construction. Fiscal Implications - None. Recommendation for Action - No action required.

PUBLIC HEARING FOR ITEMS NOT ON THE AGENDA

None

SUMMARY AND ANNOUNCEMENTS

Mr. Fletcher reminded the Board of a Baldrige Retreat on February 1-2, and a Board Meeting on February 12, 2001.

ADJOURNMENT

There being no further business, Bill Fletcher adjourned the meeting at 7:45 p.m.

Respectfully submitted,

Annette Marett, Recording Secretary

Bill McNeal, Secretary

Bill Fletcher, Chairman