



KERN HIGH SCHOOL DISTRICT

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BOARD OF TRUSTEES

Special Meeting
October 24, 2008

OFFICIAL MINUTES

BOARD STUDY SESSION

Introduction to Board Study Session

Board President Batey opened the Board Study Session at 9:05 a.m. and turned the meeting over to Superintendent Carter.

Superintendent Carter reported this Board Study Session was scheduled to provide Trustees with an update on District enrollment for this Fall and the potential impact on student attendance boundaries; and, secondly, a report on California's economy and its impact on Kern High School District's finances. Superintendent Carter reported the report on enrollment was in response to Board inquiries on how the current enrollment compares to projections.

Kern High School District Enrollment Update

Projections are prepared in January of each year using the current year enrollment in the elementary and junior high schools. What has changed from January of 2008 to October 2008, and what changes have occurred within the community. Will take a look at total enrollment and also comprehensive high school site profiles

A review of the District's enrollment history shows dramatic growth of almost 7,000 students over the past ten years. In 2004, the anticipated enrollment was for over 38,073 students in the Fall of 2008. In the Fall of 2007 prior to the opening of Independence and Mira Monte high schools, actual enrollment in the district was 36,097 with a capacity of 32,197. After the opening of those two new high schools in the Fall of 2008, the capacity in the Kern High School District is now 36,549 with a current comprehensive high school 10th day enrollment of 36,365. Net zero sum migration has been a "floor" since the early 1980's. It shows our enrollment if the numbers of students moving in or out of the areas are equal as groups of students move up between grades. The net zero-sum migration was missed by 100 students for the first time in over 25 years. It is also the first time in over 25 years that the District is facing a potential decline enrollment.

The number of building permits in the City of Bakersfield has dropped dramatically in the past three years from a high of 5,216 in 2005, to 3,365 in 2006, 1,904 in 2007 and an estimated 950 in 2008. An additional downturn indicator is that there were 101,000 foreclosure actions in California in August, 2008. For the communities serving Kern High School District from January 2008 to September 2008, there have been 3,398 foreclosure actions (a nine month period).

There has been a shift from a growth environment since January 2007 to this Fall, with a new projection assuming zero sum migration and current retention and recovery rates. As in-migration slows, at current retention enrollment levels could show a loss of approximately 270 students. As new K-8 and updated retention data becomes available, projections will be refined. New single family resident home permits have dropped significantly and considering the currently actual enrollment and capacity at the District's two newest high schools, the projections have been revised. New projections for 2009-10 show an actual/projected enrollment of 36,095 compared to capacity of 36,549. In 2010-11, the actual/projected capacity is 36,549 with a enrollment of 35,817.

Schools with high enrollment and facing over-crowding have included Arvin, Golden and Ridgeview high schools, but the overcrowding has been helped by the transition to new attendance boundaries with the opening of the two new high schools. There is an uncertain impact of foreclosure and slow growth. Frontier High School is a little over capacity at 2,176 compared to enrollment of 2,265. Golden Valley High School has a current enrollment of 2,718 with a capacity of 2,128. Ridgeview High School is significantly over-crowded with enrollment of 2,497 and capacity of 2,176. North High School will continue to get some relief with the boundary changes moving some students to Centennial High School. Highland High School did lose a significant number of students to Mira Monte High School and the surrounding communities to Highland High are facing high numbers of foreclosure actions. Liberty High School's boundaries are fairly stable at this point and no internal growth is expected in that area. There is significant growth potential in Centennial High's attendance boundaries, however when the future growth actually happens is not known.

In January, site by site projections will be developed. The January projections will be adjusted before the initial staffing for the 2009-10 school year in March. Additional projection and staffing adjustments will be made in late May 2009.

California Economy
- Potential Impact
on Kern High
School District

Associate Superintendent Scott reviewed the fiscal impact of the District's declining enrollment. From 2003-04 to 2007-08 due to enrollment growth and C.O.L.A., the Kern High School District's revenue limit increased an average of \$16.0 million per year. The fiscal impact of declining enrollment includes:

- A loss of 240 ADA for 2009-10 will create a loss in categorical programs of \$480,000.
- That same loss for 2010-11 will affect the Kern High School District through a revenue limit loss of \$1,680,000 and \$964,000 loss in categorical programs.

Trustee Heinrichs talked about the opportunities for creating new programs and potentially having academies, as well as the ability to be much more flexible. "I think we can get our partners enthusiastic about the potential." He talked about a program developed by other districts years ago when facing declining enrollments in order to attract and retain students. "Obviously we need to manage this fiscally, but we also have to turn this around."

Trustee Vegas talked about the loss of ADA from home schooled students.

Trustee Mettler asked if the capacity figures include temporary classrooms. Chuck Rosengard responded the capacity is the basic structure of the school, and does not include

re-locatable classrooms. Superintendent Carter reported that one of the issues in the analysis of enrollment is given the fact that the board-adopted boundaries will not be fully implemented until 2010. "We are in the midst of a three-year fade-in." He reported the District would look to the Board's direction as to whether the open enrollment process should be reviewed again for potential changes in using this process in balancing enrollment. Intra-district transfers could also be a vehicle to utilize.

Trustee Vegas asked about the remaining balance of bond funds available to use. Associate Superintendent Scott reminded Trustees that the original resolution approving a bond election did specifically include projects that would be funded through the bonds. He also talked about the State of California's ability to match their share on new growth projects, such as new high schools, where only approximately 35% of the total project is funded by the State. For modernization projects, the State only provides approximately 20% of that cost. "However, as we look forward over the next couple of years, we do believe that the State is going to exhaust their state bond money and will need to go to the voters for another bond in order to continue to provide matching funds." Trustee Heinrichs commented how it cost the District approximately \$50,000 per student for construction of a new comprehensive high school, compared to a lower cost for construction of a charter high school or academy. Associate Superintendent Scott reported that the new schools all fall under the Division of State Architects requirements due to the potential that a charter high school facility could be utilized in the future for a comprehensive high school facility.

Trustee Mettler spoke in favor of short-term and long-term leases of facilities for new programs, such as a community day school. He asked about the restrictions and compliance issues when placing students in non-DSA approved facilities. Associate Superintendent Scott reported he would have to investigate the regulations further and could bring a report back at a later date. Associate Superintendent Thompson also talked about major District efforts to locate and return junior and senior high school students to get them back in school. "We are working towards that effort to bring more students back to school. There is a lot of potential there." Trustee Mettler spoke in favor of a mini-academy type model.

The roll-in and roll-out of student attendance boundaries and the inability to predict enrollment projections with too much prevision, however that data will be additional analyzed in January.

California's sagging economy does affect Kern High School District. The State's income is primarily from personal income tax, sales tax, capital gains tax and corporation tax. The California Department of Finance's October update indicates that the unemployment rate rose in September to 7.7%. General Fund Revenues for September are \$923.0 million below budget forecast. Residential construction is down 56.2% from 2007. For the first three months of this budget year, General Fund Revenues were down \$1.06 billion – 4.7%. The State of California drives all of the economic issues, including revenues to schools. It is important to consider that there very well may be mid-year reductions to education. The Governor is likely to call a Special Session of the Legislature to deal with the multi-billion dollar shortfall before November 30, 2008.

Projections for 2009-2010 for Kern High School District include a 0% C.O.L.A., a declining or flat enrollment, State reductions in revenue limit or categorical and necessary reductions in district expenditures. The economy in California could continue to worsen and it is very likely that necessary reductions in District expenditures will be made this next Spring. It is

also important to remember that negotiations with the major employee groups will begin next Spring. "The District is always looking over the horizon to see what negative items could affect the Kern High School District."

**Discussion and
Closing Statements**

Superintendent Carter reported that information released from the Kern County School Boards Association dinner last evening indicated that mid-year cuts will be forthcoming as well as a reduced budget for 2009-2010. Trustee Mettler asked Superintendency members if a plan is in place for recommendations for mid-year cuts. Associate Superintendent Scott reported the Business Division is currently running monthly reports to determine the current status of expenditures within the District. Trustee Vegas asked about the mid-year cuts at the State level. Superintendent Carter reported the .6% C.O.L.A. is on the table to be cut, as well as the categorical program cuts, which were initially proposed earlier by the Governor. The Governor had originally proposed a 2.0% reduction to the revenue limit and that proposal could be back on the table. The timeline for this process is important to consider because March 15th is a critical date for noticing certificated employees. The Governor is expected to release his proposal for 2009-10 in January. It is anticipated that a Board Study Session may be scheduled in December on the process to deal with reductions to the 2009-10 budget and the process for identifying programs that could be reduced or eliminated. A second Board Study Session would also be scheduled in January with more specific proposals, with action anticipated on the recommendations in February, 2009.

Trustee Heinrichs spoke in favor of looking at providing the (academic) programs more efficiently and effectively. Trustee Vegas suggested a reduction or elimination of the post-retirement consultant program. Trustee Mettler requested a future report to the Board of Trustees regarding the post-retirement consultant program.

SPECIAL BOARD OF TRUSTEES MEETING

PRELIMINARY

Call to Order

The October 24, 2008 Special Meeting of the Board of Trustees of the Kern High School District was called to order at 9:55 a.m. by Board President, J. Bryan Batey, in Conference Room 'A' of the Administrative and Support Services Office, Kern High School District, 5801 Sundale Avenue, Bakersfield.

Members Present:

J. Bryan Batey, President
Joel Heinrichs, Vice President
Ken Mettler, Clerk
Bob J. Hampton, Member
Chad Vegas, Member

Member(s) Absent:

J. Bryan Batey, President

Administrative Staff Member(s) Present:

Donald E. Carter, Superintendent
Dennis Scott, Associate Superintendent, Business
William R. Jones, Assistant Superintendent, Personnel
Joe Thompson, Assistant Superintendent, Instruction
Rebecca A. Shipley, Administrative Assistant to the Board of Trustees and Superintendent

Administrative Staff Member(s) Absent:

None

Call to Order

The Board of Trustees reconvened in Open Session at 10:05 a.m. in the Board Room of the Kern High School District Administrative and Support Services Office.

**Adoption of
Final Agenda**

It was moved by Trustee Mettler, seconded by Trustee Vegas and carried that the Final Agenda be approved with changes as announced by Superintendent Carter.

SUPERINTENDENT'S REPORT

Superintendent's Comments on District Activities

**Superintendent's
Comments on
District Activities**

Superintendent Carter reported about a recent visit by six members of the State Legislative Advocate's Office and credited six administrative staff members for joining with the Superintendent during the visit by providing more specific information to the visitors about their areas of expertise: Fuchsia Ward, Director of Alternative Education; Blanca Cavazos, Principal of Arvin High School; Woody Colvard, Director of Facilities Planning; Steve Moyer, Manager of Special Education; and Cathie Thompson, Director of Personnel.

COMMUNICATIONS

Communications

No communications were shared with Trustees at the Board meeting. Superintendent Carter reported that all communications received for the Board of Trustees have been forwarded to the Trustees under separate cover.

HEARING OF CITIZENS

Hearing of Citizens

No requests submitted.

BOARD OF TRUSTEE REPORTS, INQUIRIES AND/OR ITEMS FOR ACTION

**Board of Trustee
Reports and/or
Inquiries**

Trustee Heinrichs reported on the new Energy Academy underway at Independence High School.

SUPERINTENDENT'S OFFICE

No Items

INSTRUCTIONAL SERVICES

No Items

PERSONNEL SERVICES

No Items

BUSINESS SERVICES

No Items

ADMINISTRATIVE REPORT

Items required by law and/or items in accordance with the District Administrative Code and/or the Education Code

Administrative Report

It was moved by Trustee Hampton, seconded by Trustee Vegas and carried with a unanimous vote that all items on the Administrative Report be approved as presented.

Superintendent's Office

1. Approval of Short Term Consultant Agreement with Leland Webb to assist with the development of CAHSEE preparation processes at Bakersfield High School for the November 2008 and February 2009 administrative of the CAHSEE (*Funding source: Research Department*)

Instructional Services

No Items

Personnel Services

No Items

Business Services

1. Authorization to enter into agreements with community businesses to support the Regional Occupational Center Partnership Academies for school year 2008-2009.

2. Ratification of recordation of the Notice of Completion for Bid No. 1791 – Shafter High School Growth Expansion, Modernization & Cafeteria: Site Concrete – Building 200 A, B, & C. This Notice of Completion recorded on September 16, 2008.
3. Ratification of recordation of the Notice of Completion for Bid No. 2277 – East Bakersfield High School 2008 Portable Classrooms: Electrical. This Notice of Completion recorded on September 12, 2008.
4. Approval of Change Order No. 17 for Mira Monte High School (Comprehensive High School No. 1-2004) Portion Two for a total of (\$144,490.51), as follows:
 - a. Bid No. 1812-02 – Landscaping and Irrigation

Contractor:	Pierre Sprinkler & Landscape
Original Contract Amount:	\$ 1,915,000.00
Adjusted Contract Amount:	\$ 1,998,121.99
This <u>Decrease</u> :	\$ (\$15,000.00)
New Total:	\$ 1,983,121.99
 - b. Bid No. 1817-03 – Reinforced Unit Masonry

Contractor:	Nibbelink Masonry
Original Contract Amount:	\$ 1,495,675.00
Adjusted Contract Amount:	\$ 1,505,161.92
This <u>Decrease</u> :	\$ (10,000.00)
New Total:	\$ 1,495,161.92
 - c. Bid No. 1818-08 – Plumbing

Contractor:	HPS Mechanical, Inc.
Original Contract Amount:	\$ 3,767,197.00
Adjusted Contract Amount:	\$ 3,824,615.68
This <u>Decrease</u> :	\$ (25,000.00)
New Total:	\$ 3,799,615.68
 - d. Bid No. 1820-04 – HVAC, DDC/EMS and Flashing

Contractor:	American Incorporated
Original Contract Amount:	\$ 8,790,000.00
Adjusted Contract Amount:	\$ 8,810,879.55
This <u>Decrease</u> :	\$ (35,000.00)
New Total:	\$ 8,755,879.55
 - e. Bid No. 1824-03 – Chain Link Fencing and Gates

Contractor:	C & H Fence & Patio, Inc.
Original Contract Amount:	\$ 440,171.00
Adjusted Contract Amount:	\$ 476,687.00
This <u>Decrease</u> :	\$ (8,000.00)
New Total:	\$ 468,687.00
 - f. Bid No. 1838-01 – Storage Shelving

Contractor:	System Concepts, Inc.
Original Contract Amount:	\$ 134,954.00

Adjusted Contract Amount: \$ 0.00
This Decrease: \$ (2,016.00)
New Total: \$ 132,938.00

- g. Bid No. 1846-01 – Resilient Flooring and Carpeting
Contractor: Moore Flooring, Inc.
Original Contract Amount: \$ 298,573.00
Adjusted Contract Amount: \$ 0.00
This Increase: \$ 502.49
New Total: \$ 299,075.49
- h. Bid No. 1859-01 – Storage Shelving
Contractor: Unified Sports, dba Jaypro Sports
Original Contract Amount: \$ 129,972.00
Adjusted Contract Amount: \$ 0.00
This Increase: \$ 5,023.00
New Total: \$ 134,995.00
- i. Bid No. 1863-02 –Traffic Signal
Contractor: TES Electrical Construction, Inc.
Original Contract Amount: \$ 153,700.00
Adjusted Contract Amount: \$ 165,089.00
This Decrease: \$ (10,000.00)
New Total: \$ 155,089.00
- j. Bid No. 1870-05 – Paving Package Number 2
Contractor: Valley Tree & Construction
Original Contract Amount: \$ 334,043.00
Adjusted Contract Amount: \$ 380,023.47
This Decrease: \$ (15,000.00)
New Total: \$ 365,023.47
- k. Bid No. 1871-06 – Paving Package Number 3
Contractor: Valley Tree & Construction
Original Contract Amount: \$ 266,938.00
Adjusted Contract Amount: \$ 366,083.60
This Decrease: \$ (10,000.00)
New Total: \$ 356,083.60
- l. Bid No. 1876-03 – Offsite Water and Gas Utilities
Contractor: ConCastCo
Original Contract Amount: \$ 175,950.00
Adjusted Contract Amount: \$ 190,270.36
This Decrease: \$ (20,000.00)
New Total: \$ 170,270.36
5. Approval of Professional Services Supplement Agreement (PSSA) No. 2 for RFP No. 2269 – Architectural Services for North High School Career Technical Educational Facilities Program (CTEFP) Phase One to add Civil Engineering Services for Grading and Path of Travel Design.

Engineer: SC Architect, Inc.
This Increase: \$ 8,160.00

6. Approval of Change Order No. 1 for Bid No. 2272 – District-wide contract for asphalt to add and revise line items to the annual contract with no change in costs:

Contractor: Burtch Construction, Inc.
Original Contract Amount: \$ 454,167.00
Adjusted Contract Amount: \$ 0.00
This Increase: \$ 0.00
New Total: \$ 454,167.00

7. Award of Bid No. 2274 – District-wide Purchase of Office Supplies to OfficeMax, Inc. in the total bid amount of \$2,356,026.26. The District received other bids as follows:

<u>VENDOR</u>	<u>BID AMOUNT</u>
Stinson Stationers, Inc.	\$2,588,203.70
Office Depot, Inc.	Bid found to be non-responsive
The Pencil Grip, Inc.	Bid found to be non-responsive

The District received a “no-bid” from O’Leary’s Office Products to maintain their eligibility for bidding opportunities.

8. Award of Bid No. 2282 - Bakersfield High School Bell/Public Address System Replacement to Serban’s Background Music Inc. dba Serban Sound Systems in the total bid amount of \$41,373.00. The District received no other bids.

ADJOURNMENT

Adjournment

President Batey adjourned the Special Meeting of October 24, 2008 at 10:09 a.m.

J. Bryan Batey, President

Ken Mettler, Clerk

JBB/KM:bs