

*UNION-SCIOTO BOARD of EDUCATION
MINUTES – January 14, 2013
Board Conference Room*

TAX BUDGET HEARING, ORGANIZATIONAL AND REGULAR BOARD MEETING

6:00 P.M.

I. ROLL CALL

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

II. PLEDGE OF ALLEGIANCE

III. ELECTION OF OFFICERS

1. Nominations are now in order for the office of President:

Mr. Storts Nominated Laura Uhrig

Motion to close nominations for the office of President:

MOTION: Mr. Smart

SECOND: Mr. Storts

Mrs. Uhrig– abstain; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

VOTE

Mrs. Uhrig– abstain; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

2. Nominations are now in order for the office of Vice-President:

Mr. Smart Nominated Sarah Cochenour

Motion to close nominations for the office of Vice-President:

MOTION: Mr. Storts

SECOND: Mr. Lovensheimer

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

VOTE

Mrs. Uhrig– yes; Mrs. Cochenour- abstain; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

IV. OATH OF OFFICE FOR 2013 BY TREASURER

PRESIDENT Mrs. Laura Uhrig

VICE-PRESIDENT Mrs. Sarah Cochenour

V. PRESIDENT ASSUMES CHAIR

VI. APPOINTMENT OF OSBA LEGISLATIVE REPRESENTATIVE

Mr. Ray Storts

MOTION: Mr. Lovensheimer

SECOND: Mr. Smart

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- abstain; Mr. Lovensheimer-yes

VII. BUDGET HEARING AND ADOPTION OF FY 2014 TAX BUDGET

VIII. OPERATIONS RESOLUTIONS

1. Establish Board Service Fund: \$5,000
2. Establish time, place, date of regular board meetings for 2013 and notify new times to media 2nd Monday of each month.
3. Resolution to join OSBA
4. Authorization of treasurer to secure tax advances as available from County Auditor
5. Authorization of treasurer to invest excess funds in accordance with the Ohio Revised Code including Commercial Paper and Bankers' Acceptances as permitted by Section 135.142 of the Ohio Revised Code, and subject to the restrictions therein.
6. Appoint Treasurer as the designee of all five members of the Board of Education to receive Public Records Training in accordance with the Ohio Revised Code 109.43(B) and 149.43 (E) (1).

MOTION: Mr. Storts

SECOND: Mr. Lovensheimer

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

IX. WELCOME AND RECOGNITION OF VISITORS-Todd Cooper from Quandel updated Board on preparation of 6th Grade Addition Budget

X. TREASURER'S REPORT

XI. AMEND AND APPROVE AGENDA

MOTION: Mr. Lovensheimer

SECOND: Mr. Storts

Mrs. Uhrig- yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

XII. CONSENT AGENDA

IT IS RECOMMENDED that the Union-Scioto Board of Education:

A. Approves the minutes of the December 10, 2012 board meeting

B. Approves the financial reports for the month of December 2012 as presented by the Treasurer/CFO

C. Approves the following donations:

Chillicothe Area USBC – Bowling	\$100.00
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D. Approves the acceptance of the following expenditures:

(After the fact)	
Melinda Taylor – Weigh in for Wrestling Program	\$116.15
Chillicothe Signs & Screen Printing – Girls Soccer T-shirts	\$414.00
Quali-Tee Design – Girls Soccer Socks	\$276.80
Wal-Mart/Sams – K3 supplies for reward incentive movies	\$483.98

E. Approves the FY 2013 Amended Certificate of Estimated Resources

F. Approves the FY 2013 Permanent Appropriation Resolution

- G. Increase hourly wage for classified substitute aides, attendants, secretaries, and cafeteria workers to \$8.00 an hour to reflect the increase in the state minimum wage retroactive to January 1, 2013.

MOTION: Mrs. Cochenour

SECOND: Mr. Storts

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

XIII. RECOMMENDATION

1. IT IS RECOMMENDED that the Union-Scioto Board of Education does approve the following classified substitutes for the 2012-2013 school year:

Jo Ellen Seitz – Aide-Attendant, Café
Elizabeth Street – Secretary

MOTION: Mr. Storts

SECOND: Mr. Lovensheimer

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

2. IT IS RECOMMENDED that the Union-Scioto Board of Education does approve the resignation of Yvonne Tennant as Café monitor effective Jan. 1, 2013.

MOTION: Mr. Smart

SECOND: Mr. Lovensheimer

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

3. IT IS RECOMMENDED that the Union-Scioto Board of Education does approve the following attendant for special needs students on a one-year limited contract for the remainder of the 2012-2013 school year.

Tamra Clifton – 6.5 hr. per day – Step 0

MOTION: Mr. Lovensheimer

SECOND: Mr. Smart

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

4. IT IS RECOMMENDED that the Union-Scioto Board of Education does approve the resignation of Kelly Hill, School Nurse effective Jan. 25, 2013.

MOTION: Mr. Storts

SECOND: Mrs. Cochenour

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

5. IT IS RECOMMENDED that the Union-Scioto Board of Education does approve to hire Kelly Hill as substitute nurse as needed at the rate of \$100.00 per day.

MOTION: Mr. Smart

SECOND: Mr. Lovensheimer

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

XIV. RESOLUTIONS:

1. Mr. Smart moved the adoption of the following resolution that the Union-Scioto Local School Board of Education does authorize the GMP amendment to an agreement (CM at risk contract) with Quandel Construction Group, Inc. relating to the Junior High school additions and renovations, and matters related thereto.

WHEREAS, the Union-Scioto Local School District, County of Ross, Ohio (the "School District"), will make construction and improvements to school facilities, including at the junior high school building (the "Project"); and

WHEREAS, following the recommendation of the evaluation committee, the School District Board of Education previously entered into an Agreement (CM At Risk Contract) (the "Construction Manager At Risk Contract") with Quandel Construction Group, Inc. (the "Construction Manager");

WHEREAS, the Construction Manager has submitted a GMP (Guaranteed Maximum Price) proposal to the officials of the School District using an open-book pricing method, and the School District officials have reviewed the GMP proposal with the Architect;

WHEREAS, the School District Officials and Architect recommend that the Board of Education approve the GMP in the amount of \$ 2,454,384.98 and authorize the execution of the GMP Amendment to the Construction Manager at Risk Contract;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Union-Scioto Local School District, County of Ross, Ohio, that:

Section 1. Upon the recommendation of the School District officials and the Architect, the Board of Education hereby approves the GMP Amendment to the Construction Manager at Risk Contract in the form presently on file with this Board.

Section 2. The President and Treasurer, on behalf of the Board of Education, are hereby authorized and directed to execute and sign the GMP Amendment in substantially the form presently on file with this Board with such changes not substantially adverse to the Board of Education as the official executing the same may approve, with their execution thereof conclusive evidence that the changes are not substantially adverse to the Board of Education.

Section 3. It is hereby found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 4. This Resolution shall take effect immediately upon its adoption.

Mr. Storts seconded the motion, and the roll being called upon the question of adoption of the resolution, the vote resulted as follows:

AYES: Mrs. Uhrig, Mrs. Cochenour, Mr. Smart, Mr. Storts, Mr. Lovensheimer

NAYS: None

ADOPTED this 14th day of January 2013.

2. Mr. Smart moved the adoption of the following resolution that the Union-Scioto Local School Board of Education does authorize that the Union-Scioto Local School Board of Education does authorize the lease-purchase financing of construction and improvements to school facilities, including a site lease agreement and a lease agreement, and matters related thereto.

WHEREAS, the Union-Scioto Local School District, County of Ross, Ohio (the "School District"), is in need of construction and improvements to school facilities (the "Project") to be located on a parcel of land (referred to as the "Site") located in and owned by the School District; and

WHEREAS, in order to provide financing for the construction of the Site and the Project and pursuant to Ohio Revised Code Section 3313.375, it is determined to be necessary and appropriate to undertake a lease-purchase financing program as described herein proposed by The Huntington National Bank (the "Bank"); and

WHEREAS, the estimated cost of the Project shall not exceed \$3,250,000 and the amount to be financed using such lease-purchase program shall not exceed \$3,250,000;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Union-Scioto Local School District, County of Ross, Ohio, that:

Section 1. It is hereby determined to be necessary and in the best interest of the inhabitants and citizens of the School District, and the School District hereby agrees, to construct and improve, or cause to be constructed and improved, the Project on the Site in accordance with the plan of lease financing described in this Resolution and in the Bank's proposal with respect thereto, which is hereby accepted. The Project shall be acquired and constructed on the Site as more particularly described on Exhibit B to the Lease Agreement referred to herein.

Section 2. If requested by the Bank, the School District shall lease the Site and related grounds and existing facilities to the Bank pursuant to a Site Lease Agreement (the "Site Lease") to be dated as determined by the Treasurer, in substantially the form presently on file with this Board, which is hereby approved. The President of the Board, the Treasurer of the Board, the Superintendent of the School District, or any of them, are hereby authorized to execute and deliver the Site Lease on behalf of the School District with such changes not substantially adverse to the School District as the official executing the same may approve; the approval of such changes and that the same are not substantially adverse to the School District shall be conclusively evidenced by the execution of the Site Lease by such official. The initial term of the Site Lease shall be until June 30, 2013 or if the closing does not occur until July 1, 2013 or after, until June 30, 2014, provided that the Bank shall have the right to renew for a total of not more than fifteen (15) additional renewal terms of one year each (except for the final renewal term which may be for less than one year). The Site Lease shall provide for the payment, in advance, of rent in the amount of One Dollar (\$1.00) per year for all permitted renewal terms.

Section 3. The School District shall sublease the Site and related grounds and facilities back from the Bank pursuant to a Lease Agreement (the "Lease") to be dated of even date with the Site Lease, in substantially the form presently on file with this Board, which is hereby approved. The President of the Board, the Treasurer of the Board, the Superintendent of the School District, or any of them, are hereby authorized to execute and deliver the Lease on behalf of the School District with such changes not substantially adverse to the School District as the official executing the same may approve; the approval of such changes and that the same are not substantially adverse to the School District shall be conclusively evidenced by the execution of the Lease by such official. The Lease shall require the School District, as agent for the Bank, to acquire and construct or cause to be acquired and constructed on the Site, the Site and the Project, and shall provide, among other things, for the payment of Base Rent from the School District to the Bank.

Base Rent shall be payable in periodic installments over the term of the Lease, in such amounts and at such times as shall be set forth in the Lease, provided that the actual Base Rent payments shall not exceed in any year the amounts that would be required if the applicable interest rate was not greater than four percent (4%) (as determined by the Treasurer prior to closing) per annum applied on a principal amount of \$3,250,000 based on the actual number of days and a 360-day year. The rate currently proposed by the Bank is two and eighty-five hundredths percent (2.85%) but the proposal is subject to market conditions at the time of closing.

The Lease shall provide that the Base Rent may be prepaid at the option of the School District at a price equal to the principal portion of such Base Rent to be prepaid, plus accrued interest to the date of prepayment, plus any prepayment fee specified in the Bank's proposal. The Lease shall also provide that upon the payment of all Base Rent payments, the School District shall receive title to the Site and the Project.

The initial term of the Lease shall be until June 30, 2013 or if the closing does not occur until July 1, 2013 or after, until June 30, 2014, provided that the School District shall have the right to renew the Lease for a total of not more than ten (10) additional renewal terms of one year each (except for the final renewal term which may be for less than one year). The Lease shall provide for termination in the event the School District fails to appropriate funds adequate to pay rent due with respect to any renewal term.

Section 4. The School District agrees to execute and perform the Site Lease and the Lease in accordance with the terms thereof. The School District agrees to comply with the terms and conditions of such additional documents and agreements relating thereto as shall be deemed, by the Treasurer or the President of the Board, in their discretion, necessary or appropriate in connection with the financing herein described.

Section 5. The Treasurer, the President of the Board and the Superintendent of the School District, or any of them, are hereby authorized and directed to execute and deliver, on behalf of the School District, such additional instruments, documents, agreements, certificates, and other papers as may be in their discretion necessary or appropriate in order to carry out the intent of this Resolution in such forms as the official executing the same may approve.

Section 6. Nothing in the Site Lease, the Lease, or any agreements or documents relating thereto shall constitute or be construed or deemed to constitute a debt or bonded indebtedness or a general obligation of this Board, the School District or any agency of the School District. Neither the taxing power nor the full faith and credit of this Board or the School District are pledged or shall be pledged for the payment or security of the Site Lease, the Lease, or any other related agreement or document.

Section 7. The School District hereby covenants that it will restrict the use of the proceeds of the Lease hereby authorized in such manner and to such extent, if any, as may be necessary after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute "arbitrage bonds" under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations prescribed thereunder and will, to the extent possible, comply with all other applicable provisions of the Code and the regulations thereunder to retain the Federal income tax exemption for interest on the Lease, including any expenditure requirements, investment limitations, rebate requirements or use restrictions. The Treasurer or any other officer having responsibility with respect to the issuance of the Lease is authorized and directed to give an appropriate certificate on behalf of the School District, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to said Section 148 and the Regulations.

Section 8. The Lease is hereby designated a "qualified tax-exempt obligation" for the purposes set forth in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. This Board does not anticipate issuing more than \$10,000,000 of "qualified tax-exempt obligations" during calendar year 2013.

Section 9. There is hereby appropriated from the net proceeds of the Lease, to the extent the same are available for the payment of costs of the Site and the Project, a sum not to exceed \$3,250,000, to be used for the payment of such costs, as outlined herein.

Section 10. The law firm of Peck, Shaffer & Williams LLP be and is hereby retained as special counsel to the School District to prepare the necessary authorization and related closing documents for the issuance, sale and delivery of the Site Lease and the Lease, and, if appropriate, rendering its approving legal opinion in connection therewith in accordance with the written agreement presently on file with the School District which the President of the Board, the Treasurer of the Board, the Superintendent of the School District, or any of them, are hereby authorized to execute and deliver on behalf of the School District, with such changes thereto not substantially adverse to the School District as may be approved by such officers. The approval of such changes by such officers, and that the same are not substantially adverse to the School District, shall be conclusively evidenced by the execution of such agreement by such officers. Such law firm shall be compensated by the School District for the above services in accordance with such written agreement.

Section 11. It is hereby found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 12. This Resolution shall take effect immediately upon its adoption and shall supersede, replace and amend any prior resolution of this Board of Education relating to the subject matter hereof.

Mr. Lovensheimer seconded the motion, and the roll being called upon the question of adoption of the resolution, the vote resulted as follows:

AYES: Mrs. Uhrig, Mrs. Cochenour, Mr. Smart, Mr. Storts, Mr. Lovensheimer

NAYS: None

ADOPTED this 14th day of January, 2013.

XV. NEW BUSINESS-None

XVI. EXECUTIVE SESSION - 121.22 (G) (a) – The appointment, employment, dismissal, discipline, promotion, demotion or compensation of an employee or official or the investigation of charges or complaints against a public employee.

TIME IN: 6:50 p.m.

MOTION: Mr. Storts

SECOND: Mr. Smart

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

TIME OUT: 8: 50 p.m.

MOTION: Mr. Storts

SECOND: Mr. Smart

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

XVII. MOTION TO ADJOURN - 8:50 p.m.

MOTION: Mr. Storts

SECOND: Mrs. Cochenour

Mrs. Uhrig– yes; Mrs. Cochenour- yes; Mr. Smart-yes; Mr. Storts- yes; Mr. Lovensheimer-yes

Board President

Treasurer