

**POCATELLO/CHUBBUCK SCHOOL DISTRICT NO. 25
BOARD OF TRUSTEES
SPECIAL MEETING/EXECUTIVE SESSION**

**EXECUTIVE SESSION TO DISCUSS MEET AND CONFER AND
NEGOTIATIONS
(With No Action to be Taken)**

**4:30 p.m.
Superintendent's Office at the Education Service Center**

**Special Meeting to follow in the Board Room at the Education Service Center
3115 Pole Line Road
Pocatello, ID 83201**

Tuesday, April 27, 2010

AGENDA

- 1. Welcome, Call to Order and Statement of Purpose**
- 2. Approval of Agenda**
- 3. Public Comment on Items on the Agenda**
- 4. Hear Report from April 22, 2010 Curriculum Committee Meeting – Mr. Wegner**
- 5. Hear Report from the April 15, 2010, April 21, 2010 and April 26, 2010 Budget Committee Meetings – Mr. Smart**
- 6. Hear Report from April 20, 2010 Key Communicators Special Meeting – Ms. Allen**
- 7. Comment on Input Received to Date and any further discussion of Board Decision to Opt in to State-Wide Financial Emergency – Board of Trustees**
- 8. Hear Report on Insurance Program and Carriers for 2010-11 – Mr. Smart**
- 9. Hear Report on Direction of Administration Relating to Review all Instructional Programs Including Extra-Curricular Program and All Operational Programs for Costs, Options and Alternatives – Ms. Vagner**
- 10. Hear Report on the Proposed 2010-11 Title I Budget Inclusive of Carryover and a Report on the ARRA Funds and a Return to the General Fund for Staffing Levels for 2011-12 – Ms. Tobias**
- 11. Hear Report on the Proposed 2010-11 Title II Total Quality (TQ) Budget Inclusive of Carryover and its Impact to the 2011-12 TQ Budget – Mr. Wegner**

- 12. Hear Report on the Proposed 2010-11 Professional Technical Education (PTE) Budget Inclusive of Carryover and a Return of Positions to the General Fund for 2011-12 – Ms. LoPiccalo**
- 13. Hear Report on Human Resources Activity for Certificated Staff since the April 20, 2010 Regular Board Meeting and Request to Delegate Hiring of Certificated Staff to the Superintendent effective April 27, 2010 through the end of the Summer 2010 – Dr. Howell**
- 14. Provide any Further Direction to Administration Relative to a Preparation of Eventual Adoption of Budget Reductions**
 - Fund Balance Reduction and Frozen Budget Set Asides**
 - Non Personnel Program Reductions**
 - Personnel Related Reductions**
 - i. Use of Holt Arena**
 - ii. 30% Extra Curricular Activities Reduction**
 - iii. Reduce Days or Hours**
 - iv. FTE Reductions**
 - v. Compensation and Work Year for the 2010-11 School Year for the Superintendent, Administrators and Selected Non-Certificated Classified Administrative Personnel**
- 15. Take Action on Insurance Program Carriers and Coverage for 2010-11**
- 16. Take Action on Human Resources Report and Request to Delegate Hiring of Certificated Staff to the Superintendent effective April 27, 2010 through the end of the Summer 2010**
- 17. Take Action Directing Administration to Proceed with Restructuring per Reduction of Classified Days or Hours and Classified FTE Reductions and any other Reduction the Board is prepared to Direct**
- 18. Take Action on a Recommendation to Set Superintendent’s Compensation for 2010-11 and to Provide Notice**
- 19. Take Action on a Recommendation for to Set Administrators’ Compensation and Set Contract Length for 2010-11 and to Provide Notice**
- 20. Take Action on a Recommendation to Set Selected Non-Certificated Classified Administrative Personnel Compensation and Set Work Year for 2010-11 and to Provide Notice**
- 21. Take Action on a Recommendation to Reduce Extra Days and Compensation for 2010-11 and to Provide Notice**
- 22. Set Due Process Hearing Date for May 4, 2010 at 4:30 p.m. in the Board Room at the Education Service Center**
- 23. Appoint Mr. Marv Smith as Hearing Officer**
- 24. Authorize Purchase and Sale Agreement for Bonneville Elementary School**
- 25. Authorize Purchase of Irrigation Water from Spartan Irrigation**
- 26. Adjourn**

District Curriculum Committee

April 22, 2010

MINUTES

Those in attendance: Sheryl Brockett, Camille Clark, Bill Davis, Bob Devine, Janie Gebhardt, Janice Green, Anne LoPiccalo, Kathy Luras, Patti Mortensen, Sandra Nalley, Lynda Steenrod, Chuck Wegner

Excused/Absent: Michelle Clinger, Jackie Cranor, Shane Moulton, Pamela Peck, Sue Pettit, Dian Swanson, Casper VanHaalen

Chuck called the meeting to order at 8:32 a.m.

MK PLACE

Bob gave a brief background on MK Place and introduced Terry Fredrickson and Cheryl Hobbs. MK Place would like to partner with the district, in particular New Horizons High School, and have a certified teacher monitor student progress on course work and award credit for students in their program, as they had done in past years.

Terry informed the committee that the MK Place works with students with drug problems. Students normally stay for three months and range in age from 14-18 years. He shared a letter from a previous teacher that worked at MK Place stating how their program had been coordinated with the district for a time and now it was not. He would like an agreement reached so students could continue their education, testing and earn credits with District #25. There are some students that have fallen so far behind that they can not earn enough credits to graduate, so MK Place works with ISU so they can earn their GED.

Cheryl Hobbs noted that she has proctored tests and has worked with teachers at New Horizons in past years.

Chuck thanked Terry and Cheryl for coming.

Discussion took place for the need of a formal written agreement between the district and MK Place. There is a need to create guidelines, including a provision for students to take the ISAT. These guidelines will be developed and brought back to committee next month for approval.

“Reducing the Risk “ - Adolescent Pregnancy Prevention Program (RTR)

Maggie Mann and Tracy McCulloch were in attendance to present a new program, “Reducing the Risk.” Maggie is the Health Promotion Director and Tracy is the Senior Health Education Specialist at the Southeastern Idaho Health Department. Maggie noted that federal funds are no longer available for the abstinence based program they have been using. In October, they will receive new funding for the RTR prevention program. The curriculum has been approved by the State Department of Education.

She presented statistics on 2009 teen pregnancy in Bannock County as follows:

15 years of age - 1

15-19 years of age - 125

15-17 years of age - 27

18-19 years of age - 98 (about 75% were not married)

She then talked about Sexually Transmitted Diseases (STD). The RTR program would focus not only pregnancy prevention, but also transmission of STDs, including HIV. In Bannock County during 2009, there were 84 newly diagnosed case of chlamydia. Studies have shown that this program has reduced teen pregnancy.

Maggie had three proposals. The first proposal would be to implement RTR in 9th or 10th grade in each high school. The second proposal would be to pilot the program at either Century, Highland or Pocatello High. The third proposal would be to teach RTR only at New Horizons. This course would include both males and females. The health department would teach the classes and scheduling could be flexible with a total of 16 hours of instruction. Student handbooks would be purchased with grant funds. There is not parent training, but there is homework so students and parents could work together.

Chuck asked if the curriculum could be provided to our teachers as a resource. Maggie said yes, but they would not be able to pay for materials as their grant says they need to provide the training. Chuck asked how long funding was available. Maggie answered for 3-5 years.

Tracy commented that they have been piloting the program in the Intensive Supervision Program. She noted how the students are not knowledgeable, even on how their bodies function, and yet most of them are sexually active. Prevention is the key.

Maggie said that they are going to do a six month follow-up evaluation in order to demonstrate to the community how the RTR is working.

Patti suggested parent permission in advance for the follow-up, which may be able to be tracked through the Infinite Campus program.

Discussion took place about offering this program to middle school students instead of 9th or 10th graders. Maggie and Tracy indicated it would be appropriate for middle school, but didn't know if the district would be open to that. It was suggested to Tracy and Maggie that they remember the private and charter schools.

Chuck asked for a copy of the teacher manual to preview before any decision is made to participate. Chuck thanked Maggie and Tracy for presenting the program.

The committee discussed the program with the main concern being where to find time for 16 hours of instruction. At the high school level, it is hard with the trimester system. The consensus of the committee was that middle school would probably be better than high school as it would be easier to instruct all the students in one grade level at one time.

Chuck stated that he would like to discuss this matter with the superintendent and make sure the school board is made aware if it is approved by the DCC. Discussion took place about an opt in or opt out option. Several committee members felt opt out would be a better option as this would involve more at risk students in the program.

It was decided that Chuck would review the curriculum, look at the health standards at both middle school and high school and report back to the committee in May with a recommendation for action.

Career/Personal Development and Freshmen Success

Anne informed the committee that after looking at the curriculum of two PTE courses, Strategies for Success and Career and Personal Development, that they would be interchangeable for the Freshmen Seminar credit. The instructor will meet with the program manager to determine if Ag - Personal Skill Development, would qualify to fulfill the Freshmen Seminar requirement. Funding would then be available through PTE.

It was noted that some 10th graders may already be registered for next year and would need to be moved as Freshmen Seminar is a 9th grade course.

Books and workbooks had been purchased for Century for the Career and Personal Development course and have gone unused this year because the class was not offered. Anne suggested dividing the materials between all the Freshmen Seminar teachers during a meeting in May to use as resources, as they have great activities.

Chuck asked Anne to send information to principals regarding the PTE funding for these classes.

New Course - Secondary Transition

Lynda proposed a new course, Transition for Success. The software is currently on the main server for teachers to access on the "U" drive. Alameda offered the course first trimester. She would like to see the other high schools eventually implement this program. Any student could participate, not just special education students. She currently has 15 licenses and hopes to purchase more with AARA funds. There is no maintenance fee or cost to the district. It would be an elective. Grades would be a letter grade, not a pass or fail.

Janie moved to investigate this more. Bill seconded the motion. The motion passed unanimously.

Chuck said he would include as a follow-up on May's agenda.

Idaho Meth Project Flyer

Bob shared information about an Idaho Meth project, Paint the State, public art competition communicating the risk and cost of meth. They want to help kids understand the staggering costs and impact on Idaho's economy, i.e., clinics and incarceration. Mrs. Otter, the governor's wife, will be in town on May 5th to talk about this art competition. There are several cash prizes with \$5,000 being the grand prize. Every county in the state will have some prizes available for students ages 13 to 18.

Chuck asked Bob if he would communicate with the secondary schools so their art teachers are aware of this project.

Changes to Instructional Programs

A. GATE

Patti noted that the elementary GATE program currently has three facilitators. Next year, there will only be two as one teacher will be retiring and not replaced.

Patti continued that because of reductions from the state with transportation costs, there will be a change to the multi-age classroom. Before only 5th graders came on a certain day of the week. Next year there will be rooms with grades 5 and 6 and grades 3 and 4, which should save substantially on transportation.

B. Calendar Implications

Patti informed the committee that adjustments have been made for alternating kindergarten days next year. The calendar has been published and given to parents. There may ultimately be some flexibility needed regarding the 2010-11 school year calendar. There may be a need for the Calendar Committee to make some modifications.

C. Montessori

Patti announced that Bonneville School was recently sold to the ARC Charter School. The Montessori program is currently located in the annex on the Bonneville property. The Montessori program, which includes four classes will be placed in an elementary school. Not everything is finalized at this time. There will be a 4th/5th grade classroom next year. Montessori will then be pre-school thru 5th grade.

D. Elementary Media Center Restructure

With the Media Specialist retiring at Greenacres and Indian Hills, it will be necessary to do some restructuring of existing personnel, with a slight addition of an FTE to cover Media Center services at these schools.

E. Extra Days

Bob noted that the suggestion to eliminate extra days for high school media specialists will be presented at the next school board meeting. Specialists currently have 10 extra days in their contracts to open and close (inventory) at the end of the year. If approved, this change would possibly be more of an impact at the end of the year rather than the first of the year.

F. LEP

Bob said the district is losing funding for shuttle busses for the Limited English Proficiency (LEP) program currently held at the Alameda Center. He would like to investigate the idea of possibly having a magnet middle school or high school. He stated that it is not an easy fix without transportation.

Chuck reminded everyone that the next meeting will be Thursday, May 20th at 8:30 a.m.

The meeting adjourned at 10:31 a.m.

Budget Committee
April 15, 2010

1. Questions from Tuesday's Board Work Session
2. Review Current Expenditure Mix
3. Review "Cut List"
4. "Current to Current" (Expenditures vs Resources)
5. Suggestions, Comments or Advice for Board

Meeting Recommendations:

Mid-year holdback - don't be so drastic in the percentage - anticipate 2%, not 5.5%

Take additional dollars from reserves.

Increase Participation Fees, but include family caps

Cut middle school extra curricular

Questions: What would be the cost for participants if the city picked-up the program?

Get out of Holt Arena

Make changes a "shock" to the community. Not doing so makes it appear that we are able to do with less.

Meeting Comments / Questions:

Are there any extra-curricular programs in the state that are fully funded by student fees?

Can texts be purchased on a subset of chapters rather than a full printing, saving in textbook costs? (It was suggested that some universities have this done to save on student costs)

Next Meeting: April 21 at 4:00 p.m.

Budget Committee
April 21, 2010
4:00 p.m. - 5:15 p.m.

1. Implications of the board's "Opt In" of the Financial Emergency
2. School Plant Levy
3. Classified FTE Reductions
 - a. Maintain the integrity of the Negotiated Agreement
 - b. Reductions will have minimal impact on classrooms
 - c. All areas of the district will be impacted
4. State Salary Reductions

Next Meeting:
April 26th at 4:00 p.m.

Items for that meeting: Review of Requested Budgets

Meeting Recommendations:

Try to use furloughs with the Classified staff rather than just a decrease in the hourly wage.
Cut back in postage costs by only sending out a single, year-end report card. Use the services provided by Infinite Campus to allow parents to view grade data.
Review Varsity Contractor's contract and services. There was some indication from the group that their "product" is less than quality and that many have to go after them and do additional cleaning or make repairs on damage.

Meeting Comments / Questions:

The committee would like to see copies of the following:

- Senate letter responding to the House's letter to Superintendents and School Boards
- Post Register article on participation fees
- Holt Arena costs for football games
- Base Salary information from 1995 through 2010

Summary of Key Communicators' Special Meeting April 20, 2010 re Community Input on the District's Budget for 2010-11

Superintendent Vagner provided history of how we got where we are now. Reviewed reductions for balancing 2009-10 budget and proposed reductions identified for 2010-11 budget. Also identified how much further we need to go to balance and options. Options included fund balance, extracurricular activities, salaries & benefits, potential state holdback and other suggestions. Noted the options include combination of all, some or none.

30 diverse community members participated including PEA President Bill Davis, parents, business people, PTA, law enforcement, city employees, political leaders and retirees. They gave comment, discussed in groups and provided suggestions on poster paper. Results are listed below.

Fund balance level at 5 percent (4 percent fund balance + 1 percent contingency) = \$3 million

Suggestions:

2 percent (4)

3 percent (6)

Whole thing

1 percent

This is a "rainy day" account. It is pouring now, USE IT (2)*

Salary & Benefit Reductions @ 6.9 percent = \$3.5 million

Suggestions:

No reduction

Avoid (8)

2 percent (1)

Cuts to teachers are not acceptable

0 percent (4)

Before you cut teachers \$ look at administration

Building lead by example

As little as absolutely possible

Extracurricular @ 100 percent = \$1.1 million, including Holt Arena use and is offset by \$140,000 revenue from fees.

No more Holt Arena use (7)

Extra curricular activities are very important to giving kids a place

No Holt use + 40 percent reduction

Don't cut sports, etc.

Cut all sports so community feels the crunch!!!

30 percent

Holt Arena non-use would create expense for field lighting, upgrade for USE, extra seating, season influence to attendance. Too much cost for 1 sport

I agree stay at Holt

Graduations at High Schools. Charge for tickets to make \$\$
Do not cut sports. You may save on one end but look at crime, drop out rates,
grades drop, loss of school spirit, loss of parent involvement.
Make sports programs come up with ideas to help.

Potential State Holdback (5.5 percent = \$3 million)

Ignore. If happens spend as usual and declare bankruptcy (3)
0 percent (3)
Let's not get too carried away until it's really there
0 percent if we run out of money close it down
Do it!!!
2 percent just in case
Do not budget for this

Other suggestions:

City Sport Teams
Intramural Sports
Yes to Holt Arena – do stop using it \$\$
Let PTAs pay for some things for their schools like field trips/sports trips, etc.
Approach area businesses to help support extracurricular activities
Cut administrative salaries
Develop volunteer programs
Call their bluff (5.5 percent holdback)
Go forward until the money is gone and then close up shop.
Big bake sales
Find community sponsors for field trips
Keep academics and drop everything else
Eliminate academies and go back to basic classes
Do not have knee jerk reactions, think things through
Charge for bussing – user fees
Develop more revenue via grants, community partnerships, parent groups, extra
Must make whole community aware of this problem, it can only be solved by the
legislature, to move legislature to fund.
Have to show the hurt
File lawsuit against the legislature, they have constitutional responsibility to fund
education for every child
Idaho so low among states for funding in education (47th). Where are we going?
Options on table
 Academics only, everything else goes away
 Don't balance budget on backs of employees
Do your best to balance then spend money and if it runs out, file bankruptcy
Add user fees
Go back to community for more levy \$\$!! (2)
Revolution!!
Pitchforks

Pocatello / Chubbuck School District No. 25

Expenditure Reductions Necessary to
Balance the 2010-11 General Fund Budget

	Effect on Budget
<u>Fund Balance Reductions & Frozen Budget "Set-Asides"</u>	
Reduction in Contingency Reserve	33,895
Reduction in Unappropriated Fund Balance	135,579
Unappropriated Fund Balance to 5%	227,973
Appropriated Fund Balance	2,257,351
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Sub-total	2,654,798

Non-Personnel Program Reductions

Education Center Supplies	400
Leadership Pocatello	650
Board Travel	2,000
Membership - Chamber of Commerce	2,500
Foster Grandparents	5,000
League of School	6,000
Professional / Technical Education Support	7,000
College Credit Reimb.	10,000
Field Trips	10,000
Fast ForWord	10,500
Senior / Grandparent Programs	16,000
Vocational Rehabilitation contract	16,400
Additional Curriculum Cuts	19,213
SIS Contract	20,000
Out of District Travel	30,000
District Early Retirement	51,000
Health Insurance	132,000
Kindergarten Midday Bussing	165,000
School Resource Officers	193,000
Shuttle Bus Routes	230,000
Replacement Texts Only	337,812
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Sub-total	1,264,475

Personnel Related Reductions

Program Reductions	12,000
Department Head Costs to TQ	50,000
Classified Salary Study Reserve	370,000
Reduced Days or Hours	480,040
FTE Reductions	486,642
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Sub-total	1,398,682

Total Reductions \$5,317,955

General Fund Additional Costs

Add 4.128 Certified FTE	170,383
Elimination of Safe Schools Fund	100,307
Elimination of State Technology Fund	292,576
Textbook Purchases	185,000
No Reimbursement from VEBA Trust Fund for Insurance Costs	175,000
Utility Cost Increases	36,000
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Total Additions	\$959,266

Net of Budget Reductions and Budget Additions \$4,358,689

Total FY 2010 Budgets

Salaries	45,063,139
Fringe Benefits	13,749,191
Purchased Services	4,547,214
Supplies and Materials	2,461,904
Capital Objects	18,590
Liability Insurance and Judgements	374,558
Transfers to Other Funds	105,500
Contingency Reserve	646,703
Unappropriated Fund Balance	2,814,785
Inventory Reserve	400,000
Appropriated Fund Balance	<u>2,257,351</u>

Total \$72,438,935

FY 2011 Revenue Estimates

Local Revenues	6,903,500
State Revenues	53,727,335
Federal Revenues	<u>650,000</u>

Total Current Revenues \$61,280,835

Fund Balance 6,118,839

Total Resources \$67,399,674

Total Cuts Necessary From FY 2010 to Match 2011 Resources \$5,039,261

Itemized "Cut List" 4,358,689

Salaries and Fringe Benefits Reductions - Prior to Additional 5% Cut \$680,572

Anticipated 5.5% Mid-Year State Cut 2,955,003

Total Salary and Fringe Benefit Reductions \$3,635,575

Reduction from a 1% Salary Decrease (Includes Employment Taxes)

Classified	94,942
Administrative	36,038
Certified	379,559
Substitute	6,828
Extra Curricular / Other	<u>8,786</u>

Total \$526,152

Total Salary Decrease Necessary to Balance Budget 6.91%

Options:
Use Additional Fund Balance
Additional Salary Reductions
Further Out-of-Pocket for Extra Curricular

**HIGH SCHOOL ACTIVITY SALARY/FRINGES
2009-2010**

Activity	Salary/Fringes	Transportation/ Bussing	Total Extra Curricular Activity Cost	Number of Participants	Estimated Cost/Student
Band	\$14,411	\$7,160	\$21,571	180	\$120
Baseball	\$11,520	\$8,320	\$19,840	115	\$173
Basketball Girls/Boys	\$96,408	\$48,203	\$144,611	201	\$719
Cheerleader	\$16,962	\$1,641	\$18,603	58	\$321
Cross Country	\$17,989	\$15,865	\$33,854	90	\$376
Debate	\$20,931	\$15,550	\$36,481	154	\$237
Drama	\$13,749	\$831	\$14,580	73	\$200
Drill Team	\$11,473	\$761	\$12,234	46	\$266
Flag Team	\$6,530	\$0	\$6,530	26	\$251
Football	\$114,398	\$49,313	\$163,711	394	\$416
Golf	\$18,875	\$8,587	\$27,462	76	\$361
Newspaper	\$10,923	\$0	\$10,923	51	\$214
Orchestra	\$3,102	\$1,191	\$4,293	24	\$179
Robotics	\$8,771	\$345	\$9,116	48	\$190
Soccer Girls/Boys	\$31,194	\$25,919	\$57,113	182	\$314
Softball	\$13,735	\$17,189	\$30,924	74	\$418
Student Government	\$10,367	\$4,426	\$14,793	68	\$218
Tennis	\$13,204	\$12,060	\$25,264	103	\$245
Track	\$39,492	\$17,278	\$56,770	215	\$264
Vocal	\$10,778	\$2,054	\$12,832	431	\$30
Volleyball	\$40,741	\$23,042	\$63,783	98	\$651
Wrestling	\$39,344	\$15,424	\$54,768	93	\$589
Year Book Advisor	\$10,137	\$0	\$10,137	70	\$145
TOTAL	\$ 575,034	\$ 275,159	\$ 850,193	2,870	

**MIDDLE SCHOOL ACTIVITY SALARY/FRINGES
2009-2010**

Activity	Salary/Fringes	Transportation/ Bussing	Total Extra Curricular Activity Cost	Number of Participants	Cost/Student
Band	\$7,750	\$1,343	\$9,093	242	\$38
Basketball Girls/Boys	\$25,017	\$1,399	\$26,416	194	\$136
Cheerleader	\$9,511	\$0	\$9,511	60	\$159
Cross Country	\$6,010	\$404	\$6,414	214	\$30
Robotics	\$3,900	\$0	\$3,900	26	\$150
Track	\$41,378	\$1,152	\$42,530	263	\$162
Vocal	\$6,338	\$1,017	\$7,355	320	\$23
Volleyball	\$12,020	\$654	\$12,674	95	\$133
Wrestling	\$12,703	\$511	\$13,214	139	\$95
Year Book Advisor	\$5,317	\$0	\$5,317	74	\$72
TOTAL	\$129,944	\$6,480	\$136,424	1,627	

**POCATELLO / CHUBBUCK
SCHOOL DISTRICT NO. 25
Bannock County, Idaho**

MEMORANDUM

TO: Mary Vagner, Superintendent; and
Board of Trustees

FROM: Carl Smart, Director of Employee Services

DATE: April 12, 2010

SUBJECT: **INSURANCE BENEFITS RECOMMENDATION**

MEDICAL:

It is recommended that we renew our medical insurance policy with Regence Blue Shield as follows:

- Move all members to the Innova product for a 2% reduction in premium.
- Keep all benefits the same as last year. (i.e., deductible, co-insurance)
- Discontinue the double couple rate - not enough participation to administer (2.6%)
- Maintain a 4-tier structure

DENTAL:

It is recommended that we renew our dental insurance policy with Delta Dental of Idaho with no changes.

VISION: We are in the second year of a two year rate guarantee no changes.

LIFE: We are in the second year of a two year rate guarantee no changes.

We respectfully request the Board accept the above recommendations which were unanimously approved by the District's Wellness/Insurance Committee.

Board Action Requested: Motion to approve the recommendations contained herein as unanimously approved by the District's Wellness/Insurance Committee.

**HUMAN RESOURCES REPORT
BOARD MEETING
April 27, 2010**

EXHIBIT _____

Resignation - Teachers

<u>Name</u>	<u>Position/Location</u>	<u>Effective Date</u>
Tracy Clair	.50 FTE English Pocatello High	5-28-10
Emily White	1.0 FTE LEP Teacher Alameda Center	5-28-10

REAL ESTATE PURCHASE AND SALE AGREEMENT

This Agreement is made effective as of _____, 2010, between the Academy at Roosevelt Center (“Buyer”), and Pocatello/Chubbuck School District #25 (Idaho) (“Seller”).

The parties agree as follows:

1. PURCHASE AND SALE OF PROPERTY.

1.1 Property. Subject to the terms and conditions of this Agreement, the Seller shall sell to the Buyer and the Buyer shall purchase from the Seller the following real property and other assets (the “Property”):

1.1.1 Real Property. The real property described in the attached *Exhibit 1.1.1*, together with all buildings, fixtures, and other improvements located on such real property (the “Real Property”).

1.1.2 Tangible Personal Property. All tangible personal property located on or used exclusively in connection with the operation or maintenance of the Real Property (“Tangible Personal Property”), including, without limitation, all furniture, furnishings, trade fixtures, equipment, supplies, tools, and inventory.

1.1.3 Intangible Personal Property. All intangible personal property associated exclusively with the operation or maintenance of the Real Property (the “Intangible Personal Property”), including, without limitation, (i) all of the right, title and interest of Seller in all trade names, marks, or logos used exclusively in connection with the Real Property, (ii) all land use and business use permits associated with the Real Property, including, without limitation, conditional use permits and water permits, (iii) all right, title and interest of the Seller in and to any and all leases of all or any portion of the Real Property where the Seller is the owner or landlord and has granted a leasehold interest to a third party, and (iv) all books and records related to the operation and management of the Property for the ten years prior to Closing.

1.2 Purchase Price Amount. The purchase price for the Property is Eight Hundred and Seventy-Five Thousand Dollars (\$875,000) or, at Buyer’s option and consistent with Section 4.1.7, the appraised value, whichever is less (the “Purchase Price”).

1.3 Purchase Price Payment. The Purchase Price shall be paid as follows:

1.3.1 Cash Payment. \$_____ in immediately available funds delivered at Closing to the Closing Agent.

1.3.2

1.4 Conveyance of Title.

1.4.1 Real Property. Title to the Real Property shall be conveyed by a Warranty Deed. Title to the Real Property shall be marketable and insurable and shall be free and clear of all liens, encumbrances, and restrictions, exclusive of (i) real property taxes for the

current year which are not due and payable on or before Closing, and (ii) liens, encumbrances, and conditions accepted in writing by the Buyer on or before Closing.

1.4.2 Other Property. Title to the Property other than the Real Property shall be conveyed by bills of sale, assignments, and other instruments of transfer in such form as Buyer shall reasonably request. Title to such Property (i) shall be marketable in the Buyer, and (ii) shall be conveyed free and clear of all covenants, conditions, liens, and encumbrances.

1.5 Title Insurance.

1.5.1 Commitment. Upon the acceptance of this Agreement by the Seller, the Buyer, at its sole discretion, may order a Commitment for Title Insurance (“Commitment”) issued by _____ (“Title Company”) covering the Real Property.

1.5.2 Unapproved Exceptions. If any exceptions shown on the Commitment are neither approved in writing by the Buyer prior to Closing nor can be removed by the Seller prior to Closing, then the Buyer shall have the right to terminate this Agreement, in which event each party shall be fully released and discharged from any further obligations under this Agreement.

1.5.3 Policy. At Closing, the Buyer, at its sole discretion and cost, may purchase for its own benefit, an ALTA Owner’s Policy title insurance policy.

1.6 Possession. The Seller shall deliver actual possession of the Property to the Buyer at Closing.

1.7 Risk of Loss. Until Closing, the Seller shall assume all risk of loss or damage with respect to the Property. In the event of any loss or damage to all or any part of the Property, the Buyer shall have the right to (i) terminate this Agreement and each party shall be fully released and discharged from any further obligations under this Agreement, (ii) close the purchase of the Property and reduce the Purchase Price by an equitable amount equal to the loss or damage, such reduction to be applied first to the cash payment at Closing, or (iii) close the purchase of the Property and elect to receive all insurance proceeds paid or payable by reason of the loss or damage.

1.8 Prorated Items. The following items shall be prorated as of Closing: (i) taxes and water assessments using the last assessments available prior to Closing; (ii) rents; (iii) insurance premiums for insurance purchased by Seller and retained by the Buyer; (iv) interest and reserves on liens, encumbrances, and obligations, if any, expressly assumed in writing by the Buyer; and (v) utilities.

1.9 Time for Acceptance. This Agreement shall be null and void and of no force or effect unless a fully executed original of this Agreement is delivered to and received by the Buyer on or before _____, 20___. Thereafter, Buyer retains the right to terminate this Agreement without penalty or consequence hereunder for any reason or no reason, to include

but not limited to the adverse information found in any appraisal, inspection, audit under section 3 and 4 herein.

2. REPRESENTATIONS, WARRANTIES, AND COVENANTS OF THE SELLER.

The Seller represents and warrants to, and covenants with, the Buyer as follows:

2.1 Authority of the Seller. Seller has full power, authority and legal right to execute, deliver, and perform its obligations under this contract.

2.2 Consents. Except as disclosed in writing to the Buyer prior to the Closing, no approval or consent of any person, firm, or other entity is required to be obtained by the Seller to permit the Seller to consummate the transactions contemplated by this Agreement.

2.3 Property Ownership. The Seller owns and possesses all right, title, and interest in and to the Property free and clear of all covenants, conditions, easements, liens, and encumbrances.

2.4 Condition of Property. All of the Property, including, but not limited to, parking areas, landscape areas, sprinkler system(s), structural components, electrical, plumbing, heating and air conditioning systems, is in good operating condition and repair, subject only to routine maintenance. All of the Tangible Personal Property shall be located on or in the Real Property as of Closing.

2.5 Utilities. Exclusive of any applicable name transfer or hookup fees, (i) all of the following utilities and services are currently available to the Real Property, and (ii) all physical improvements (including, without limitation, pipes and lines) required for such utilities and services are in place, usable and in good operating condition, and constructed in accordance with any applicable regulations and specifications: water, electricity, gas, and sanitary and storm sewer.

2.6 Existing Land Use Restrictions and Permits. The Real Property is currently zoned _____ by the City of Pocatello.

2.7 Material Misstatement or Omissions. No representation or warranty made by the Seller in this Agreement or in any document or agreement furnished in connection with this Agreement contains or will contain any untrue statement of material fact, or omits or will omit to state a material fact necessary to make the statements not misleading.

2.8 Compliance with Laws. The Seller has complied in all material respects with all laws, regulations, and orders affecting the Property and is not in default under or in violation of any provision of any federal, state, local or provincial order, rule, regulation or law and has made all required disclosures under said laws, orders, rules or regulations. In addition, the Property and the uses conducted on the Property are in compliance with all applicable building, fire, live-safety, subdivision, and zoning ordinances, laws, codes and regulations, including, without limitation, the Americans with Disabilities Act, as amended.

2.9 No Litigation. There is no equitable, legal, or administrative suit, action, arbitration, or other proceedings pending or threatened against or affecting the Property.

2.10 Broker Fees. Except as disclosed in writing to the Buyer prior to Closing, the Seller is not obligated to pay any fee or commission to any broker, finder, or intermediary for or on account of the transaction contemplated by this Agreement.

2.11 Conduct Pending Closing. From the effective date of this Agreement to Closing, the Seller shall (i) maintain the Property in good repair and in a broom clean condition, (ii) continue to operate the Property in the manner previously operated by the Seller, (iii) not enter into any contracts or purchase orders relating to the Property, other than in the ordinary course of operating the Property, and (iv) perform all acts necessary to insure that the representations, warranties, and covenants of the Seller shall be true, complete, and accurate in all respects on and as of the date of closing to the same force and effect as if made at Closing.

2.12 Access to Property. After the Seller's acceptance of this Agreement, the Buyer and the Buyer's authorized representatives shall have reasonable access to the Property and to the Seller's books and records relating to the Property.

2.13 Removal of Stored Items. Seller promises to remove all items it is currently storing on the Real Property prior to Closing.

2.14 Technical Support. Seller promises to provide technical support, not operational, and training on the Real Property and Tangible Personal Property during design development on existing property before improvements and up to six months after Closing.

3. HAZARDOUS SUBSTANCES.

Phase I and Phase II Environmental Audit may be conducted at Buyer's sole discretion. The Seller shall cooperate fully with the environmental audits.

4. CONDITIONS PRECEDENT TO CLOSING.

4.1 Conditions Precedent to Obligations of the Buyer. The obligations of the Buyer under this Agreement are, at Buyer's option, subject to the satisfaction of the following conditions:

4.1.1 Representations and Warranties True. The representations and warranties of the Seller are true, complete, and accurate as of the date of this Agreement and as of the date of Closing as if made as of such date.

4.1.2 Covenants Performed. The Seller has performed all obligations, covenants and agreements to be performed prior to Closing as set forth in this Agreement.

4.1.3 Title Policy. The Title Company is prepared to issue a policy in accordance with the provisions of Section 1.5.

4.1.4 Execution and Delivery of Documents. The Seller (and others where required) shall have executed and delivered to the Closing Agent the following:

a. All bills of sale, assignments, and other instruments of transfer in such form as Buyer shall reasonably request;

b. The Warranty Deed; and

c. Copies or originals of all documents associated with the Real Property and Tangible Personal Property to be conveyed by Seller to Buyer, to include, but not limited to, inspection records, evaluation reports, etc.

4.1.5 Public Record Searches. The Buyer shall have received tax lien and litigation searches, fictitious business statement filings, notices, or other similar documents that Buyer may require in order to reflect, perfect, or protect the interests of the Buyer in the Property and to fully consummate all of the transactions contemplated under this Agreement.

4.1.6 Financing Secured. The Buyer obtains a firm commitment for financing (effective to the date of Closing) from a bank or other financial institution, for a loan of \$ _____ upon the following terms: _____.

4.1.7 Appraisal/Inspection. The Buyer obtains an appraisal of the Property indicating that the fair market value of the Property is not less than the Purchase Price. The Buyer reserves the right to have a Commercial inspection done by a reputable Commercial Inspector agreed upon by both parties prior to inspection. Buyer agrees to obtain and have sole cost of the inspection.

4.1.8 Property Review. The Buyer obtains, at the Buyer's sole cost, an architectural, engineering, and insurance underwriter inspection of the Property, including, without limitation, parking areas, landscape areas, sprinkler systems, structural components, electrical, plumbing, heating and air conditioning systems and roofs. The inspection shall indicate that

a. fire and extended coverage insurance in an amount equal to and not less than the full insurable value of the structures located on the Property is available at reasonable cost protecting against loss on account of damage to or destruction of the structures by fire or any other casualty covered by a so-called "extended coverage" endorsement or a "special forms" policy;

b. no portion of the Real Property is "wetlands" as defined by applicable regulations under Section 404 of the Clean Water Act of 1977, 33 U.S.C. § 1344; and

4.1.9 Environmental Audit. The Buyer obtains and approves the environmental audit(s) referenced in Section 3.

4.1.10 Land Use Permits. The Buyer obtains, at the Buyer's sole cost, the zoning, land use, and building permits permitting the Buyer to develop or use the Property on the terms and in the manner reasonably established by the Buyer, and any applicable period of appeal relating to such permits has expired. The Buyer and Seller understand and agree that the various permitting agencies may impose terms and conditions on the issuance of a permit or

approval, and that the Buyer, in Buyer's absolute discretion, may refuse to agree to any such terms or conditions.

4.1.11 Leases. (i) There are no defaults by either the Seller or the tenant under any of the leases to be assigned to the Buyer as a part of the Property, and (ii) at Closing, the Seller delivers to the Buyer estoppel letters dated within ten (10) days of the Closing and signed by the lessees under the leases to be assigned to the Buyer confirming that the leases are in full force and effect and unmodified, except as specified, that the assignment of the lease to the Buyer does not constitute a default under the leases, and that all obligations of the lessor required to be performed to the date of the estoppel letter have been performed.

4.1.12 Survey. The Buyer and the Title Company obtain, at the Seller's sole cost, a certified survey of the Real Property by a registered surveyor licensed by the State of Idaho. The survey shall comply with the requirements of the Title Company and the Buyer. The information disclosed in the survey regarding the Real Property shall be acceptable to the Buyer.

4.1.13 Execution and Certification of Resolution of Board of Directors. The Seller shall have executed and delivered to the Buyer a duly adopted and certified copy of a Resolution of the Seller's board of directors authorizing the execution and delivery by the Seller of this Agreement and all other documents contemplated by this Agreement.

4.1.14 Corporate Papers. The Seller shall have delivered to the Buyer copies of the Seller's (i) Certificate of Good Standing dated not more than 30 days prior to the Closing Date, (ii) Articles of Incorporation, and (iii) Bylaws.

4.1.15 I.R.C. Affidavit. The Seller delivers to the Buyer an affidavit executed by the Seller under penalty of perjury that (i) complies with Internal Revenue Code Section 1445(b)(2), or the corresponding provision of any future law, (ii) provides the Seller's United States taxpayer identification number, and (iii) states that the Seller is not a foreign person.

4.2 Waiver of Conditions. Buyer may waive, as a condition precedent to Closing, compliance with the conditions set forth in Section 4.1 above. Such waiver of compliance for purposes of Closing shall not waive or diminish any right of Buyer to recover damages or enforce other available rights by reason of noncompliance by the Seller with any representation, warranty, or covenant of the Seller set forth in this Agreement.

5. CLOSING.

5.1 Closing Agent Fee. Seller shall pay the Closing Agent's Closing Fees at Closing.

5.2 Time, Date and Place of Closing. Closing shall be at the offices of the Closing Agent at __a.m. __p.m. on _____, 2010, or at such other time, date, and place as may be agreed between Seller and Buyer and closing is to be scheduled to coincide with Buyer obtaining financing for purchase and renovations.

6. GENERAL PROVISIONS.

6.1 Notices. All notices, claims, requests and other communications ("Notices") under this Agreement (i) shall be in writing, and (ii) shall be addressed or delivered to the

relevant address set forth following the parties signatures below or at such other address as shall be given in writing by a party to the other. Notices complying with the provisions of this Section shall be deemed to have been delivered (i) upon the date of delivery if delivered in person, or (ii) on the date of the postmark on the return receipt if deposited in the United States Mail, with postage prepaid for certified or registered mail, return receipt requested.

6.2 Attorney Fees and Costs. The Parties agree that if a party is in default under this Agreement, then such party shall pay to the other party (a) reasonable attorney fees and other costs and expenses incurred by the other party after default and referral to an attorney, (b) reasonable attorney fees and other costs and expenses incurred by the other party in any settlement negotiations, and (c) reasonable attorney fees and other costs and expenses incurred by the other party in preparing for and prosecuting any suit or action (“Collection Costs”). Collection Costs shall be immediately due and payable.

6.3 Governing Law, Jurisdiction, and Venue. This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho. The parties agree that the courts of Idaho shall have exclusive jurisdiction and agree that Bannock County is the proper venue.

6.4 Time of the Essence. Time is of the essence with respect to the obligations to be performed under this Agreement.

6.5 Rights Cumulative. Except as expressly provided in this Agreement, and to the extent permitted by law, any remedies described in this Agreement are cumulative and not alternative to any other remedies available at law or in equity.

6.6 Nonwaiver of Remedies. The failure or neglect of a party to enforce any remedy available by reason of the failure of the other party to observe or perform a term or condition set forth in this Agreement shall not constitute a waiver of such term or condition. A waiver by a party (i) shall not affect any term or condition other than the one specified in such waiver, and (ii) shall waive a specified term or condition only for the time and in a manner specifically stated in the waiver.

6.7 Successors and Assigns. Subject to any express provisions in this Agreement regarding restrictions on transfers or assignments, this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, assigns, heirs, and personal representatives.

6.8 Entire Agreement. All Schedules and Exhibits to this Agreement constitute a part of this Agreement. This Agreement, together with the accompanying Schedules and Exhibits, constitutes the entire agreement among the parties and supersedes all prior memoranda, correspondence, conversations and negotiations.

6.9 Severability. The invalidity of any portion of this Agreement, as determined by a court of competent jurisdiction, shall not affect the validity of any other portion of this Agreement.

6.10 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instruments.

6.11 Survival of Representations, Warranties, and Covenants. All representations, warranties, and covenants of the Seller set forth in this Agreement shall survive the Closing and shall survive the recording of the Warranty Deed.

The parties have executed this Agreement effective as of the date first written above.

BUYER

(Signature)

(Print or Type Name)

(Street # and Name)

(City, State and Zip)

SELLER

(Signature)

(Print or Type Name)

(Street # and Name)

(City, State and Zip)



**Maximizing Learning For All Students
Through Rigor, Relevancy and Relationships
Whatever It Takes**



MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is entered into this ____ day of _____, 2010, between the Pocatello/Chubbuck School District No. 25, a public school district located in Bannock County, Idaho (District) and Spartan Irrigation Company L.L.C. (Spartan).

WHEREAS, District is the vested owner of Century High School; and

WHEREAS, District has the need for irrigating the fields located at Century High School; and

WHEREAS, Spartan offered to supply all water necessary for irrigation of the outdoor grounds at Century High School;

NOW, THEREFORE, the parties hereto agree as follows:

1. Spartan will supply water from an existing well nearby and pumped via underground pipeline to a point on the northwest corner of the Century High School grounds where District will connect to their existing irrigation system. Both District and Spartan agree that the supplied water is to be metered for volume.

2. Spartan agrees to provide satisfactory documentation to District regarding District's legal rights to the supplied water. The parties understand and agree that Spartan, and District if legally required, shall apply to the Idaho Department of Water Resources (I.D.W.R.) for a partial transfer of water right from Spartan Portneuf, LLC to District and Spartan. In the event this transfer is not approved within 120 days of execution of this Agreement, this Agreement shall be rendered null and void and have no further force or effect.

3. Usage of this metered water shall be not more than 13 million gallons per month and usage of metered water shall be used as seasonal weather permits, most generally the months of May through October. The District will not lease water to any other party.

4. District agrees to be responsible for maintaining the pipe line from the meter to the property line where it hooks into the District irrigation system. Spartan agrees to be responsible for maintaining the pipe line from the well to the meter. Both District and Spartan agree to drain these lines in winter for line freeze prevention.

5. Repairs to the pump will be timely performed within 48 hours to prevent any interruption of service. Payment of cost of any pump repairs will be the responsibility of Spartan.

6. The cost of the supplied water shall be billed to District by Spartan at the rate of \$1.45 per 1,000 gallons. Future increases in costs of electrical power will be prorated by water consumption between Spartan and District by mutual agreement upon notification of rate increase by Idaho Power.

7. Payment by District to Spartan for the supplied water shall be paid monthly per metered consumption.

8. The term of this agreement shall be 10-years with an optional renewal for an unlimited additional 10-year period. In order to agree to this time frame, the cost/rate of supplied water shall be adjusted annually as stated in paragraph 6 above. Three years after execution of this Agreement, the Agreement may be terminated by either party upon 30 days prior written notice to the other party. District agrees that Spartan may be excused from performance under this Agreement in periods of drought producing an inadequate supply of water, curtailment by the I.D.W.R., or any legal restriction imposed by operation of law.

9. The contact persons for notice under this Memorandum of Agreement are:

Pocatello/Chubbuck School District No. 25

Bart J. Reed
Director of Business Operations
3115 Poleline Road
Pocatello, ID 83201

Spartan Irrigation Company, LLC

Tom J. Katsilometes
Member
775 Yellowstone Avenue #208
Pocatello, ID 83201

10. This agreement may be amended in writing upon concurrence of both parties, in addition to the changes as stated in paragraph 6.

11. Any dispute under this Agreement, or related to this Agreement, shall be decided in accordance with the laws of the State of Idaho. Venue shall be the Sixth District Court, Bannock County, Idaho.

12. In the event either party incurs legal expenses to enforce the terms and conditions of this agreement, the prevailing party shall be entitled to recover an amount which will reasonably compensate such party for the reasonable attorney's fees and costs incurred, regardless of whether a lawsuit is filed.

13. This instrument constitutes the sole and only agreement between District and Spartan respecting the usage of water as described herein, and correctly sets forth the

obligations of the parties to each other as of its date. No prior promises, representations, or agreements, written or oral, shall amend, change, or add to any of the expressed provisions herein contained.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their authorized representatives the date and year first above written.

POCATELLO/CHUBBUCK SCHOOL DISTRICT NO. 25

Bart J. Reed, Director of Business Operations

ATTEST: _____

SPARTAN IRRIGATION COMPANY, L.L.C

Tom J. Katsilometes, Member

ATTEST: _____

STATE OF IDAHO)
)
 ss:
County of Bannock)

On this _____ day of _____, 2010, before me, the undersigned, a Notary Public in and for the State, personally appeared Bart J. Reed, known to me to be the Director of Business Operations of the Pocatello / Chubbuck School District, and acknowledged to me that he executed the foregoing instrument for and on behalf of said School District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the date and year in this certificate first above written.

NOTARY PUBLIC FOR IDAHO
Residing in Pocatello
My commission expires: _____

STATE OF IDAHO)
)
 ss:
County of)

On this _____ day of _____, 2010, before me, the undersigned, a Notary Public in and for the State, personally appeared Tom J. Katsilometes, known to me to be the Member of Spartan Irrigation Company, L.L.C., who being duly sworn, acknowledged to me that he executed the foregoing instrument on behalf of said irrigation company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

NOTARY PUBLIC FOR IDAHO
Residing in _____
My commission expires: _____