



1.0 Opening of Regular Meeting

Board President Mary Peery called the meeting to order at 5:31 pm. Board members present were Michael Bryant, Mary Peery, Jennifer Thayer, Tracy Trussell and Ian Stout, Principal. Board Liaisons Trisha Coberly and Angie Goss were also present. Board members Daniel Filler and Michael Meyer were excused.

2.0 Adoption of Agenda

Mr. Bryant motioned to approve the agenda. Mr. Trussell seconded, and the motion carried unanimously.

3.0 Public Participation

3.1 Public Comment

There were no comments from the public.

4.0 Discussion Items

4.1 Expansion Committee report update and recommendations

Submitted by Mrs. Peery

Mrs. Peery asked the Expansion Committee leads present to give the Board an update on any new expansion findings with emphasis on items relating to the Wilson and Lincoln sites, as well as feedback and recommendations from the Expansion team about the Wilson and Lincoln sites.

Mrs. Coberly gave a synopsis of the current expected cost of the two second site options, including only upfront construction costs and not including monthly costs such as utilities as follows:

- Wilson: \$1.8M + \$12k technology + bussing
- Lincoln: \$1.4M + \$12k technology + flood insurance + bussing

Mrs. Goss expressed the overall concern from the Expansion team that the second site timelines are being impeded by the City's insistence on conducting traffic studies. The traffic studies are a minimum of 2 weeks with an additional 30 days afterward for the City to act on those studies. Mr. Stout added that he was contacted just that day from one of the realtors of the Wilson property stating that the owners might be willing to help pay for the traffic study at Wilson, but there was definitely no firm commitment at this time.

Overall, the consensus from the Expansion Team was that the two second site contracts don't look viable, with most concern about financial piece but growing concern about timeline. Mrs. Goss clarified stating that if the financials were viable and it was just a timeline issue, she felt that the Expansion team might be able to figure out a creative way to make the Lincoln site work.

The Expansion team is continuing to pursue other turn-key solutions, with the following results to report as follows:

- The Expansion Team attended the LCS staff meeting on Monday where lots of ideas were generated that helped refresh things in the team's mind. Based off of that meeting, the Expansion team executed the following:
 - reached out to City's facilities department again (left a message on Tuesday)
 - visited the old "House of Neighborly Services" building downtown
 - The team has left a message but hasn't heard back yet.
 - Mrs. Coberly and Mrs. Goss did go down and look from the outside. It looks like it would be very small classrooms.
- Additionally, the Expansion Team continues to reach out to other turn-key sites including the following:
 - contacted LifeSpring Church, waiting to hear back;
 - contacted Celebration Church (1st & Wilson), pastor open to meeting, plan to visit over the lunch hour tomorrow – land is accessible from both the west and north, has basketball courts and land and is 1.6 miles from current site;
 - contacted both St. John's & Immanuel, left messages;
 - contacted children's minister at Zion Church (off Eisenhower and Monroe – positive contact with good interest, offered that they have 6 classrooms (16'x18') in the basement with tables and chairs that are accessible via a separate external entrance from the Church – team was heading there after the Board meeting to take a look – approval would need to go through the board of elders – need to look at security and technology in the building;
 - 13 other phone calls yesterday, waiting for replies.

The Expansion team noted that more research would need to be conducted, but initial information is that our school could be housed in a Church as long as anything religious in nature were covered up during school hours.

The Expansion team reiterated that the turn-key solutions are temporary solutions, it is critical that the intensive planning continues and that by mid-fall next year the Board needs to know exactly what the plan will be for the future. The Expansion Committee recommends the need to have strategic conversations about what the curriculum would look like if we use a turn-key option, including what can be offered (what is truly possible and "good for the student") vs. what can't be offered. One idea discussed to help with the curriculum was to bus students to off-site locations (partner with community colleges) to host science and/or art classes. Mr. Stout is working on this.

Additionally, Mrs. Goss shared opinions and ideas expressed from fellow Expansion team members for future efforts as follows:

- continue to pursue 2nd site but push out start date of that site to 2nd semester,
- continue looking at on-site modular options,
- consider creative ways to conserve space on our current site such that we maintain who we are but don't necessarily need additional space for next year,
- continue pursuing Highmark, and
- continue pursuing "turn-key" second site options of underutilized spaces such as churches.

4.2 Review of financial scenarios for second site option

Submitted by Mrs. Peery

Mr. Stout presented 7 financial scenarios to the Board run on the following four options: a Highmark on-site option, a second site option, a 6-unit modular on-site option and a 2-unit modular on-site option. As change always impacts schools, scenarios were run on each option to “bound” the financial impact. The Highmark scenario assumed a 3% overall growth in K-12 (average growth rate in years 2-4), while the other three scenarios used two different assumption models: a 3% annual K-12 FPC growth assumption and an assumption of 10% attrition of students in K-12 year 5 with subsequent 3% growth years 6-9.

4.3 Risk discussion on Wilson and Lincoln sites

Submitted by Mrs. Peery

In addition to the insights from 4.1 and 4.2 above, Mrs. Peery asked for further risk discussion on the Wilson and Lincoln sites. The following is a synopsis of the Finance Committee’s perspective of financial risk on these two sites:

- The Wilson site is not viable due to the cost to develop the City land north of the site estimated to be about \$250k, plus the City would require a deceleration option of about \$140k to return the land to the way it was prior to the development. In addition, the City would require a lease of around \$1650/month (estimate) for use of the land which brings the site out of our price range.
- The concern for the Lincoln site is that by the time LCS pays the down payment and all the other upfront costs, the general fund is significantly depleted. If there are any unexpected expenses, LCS would have no way to recover. In addition, in order to keep the contract, there are some immediate expenses that would not be recoverable if the contract was later terminated. Those immediate expenses include a traffic study estimated to be between \$8,000-\$10,000 and an appraisal estimated to be around \$5,000. The traffic study would have to be done immediately in order to be completed prior to the February 23rd Planning Commission meeting. The Finance Committee recognizes that the school is aware of some upside potential to our finances in the future, but is not prepared to base its decision on those.

The recommendation from the Finance Committee is to not move forward with either the Wilson or Lincoln contracts as doing so depletes our general fund and therefore endangers the health of LCS as a whole. In addition, the Finance Committee recommends that the Expansion Committee continue to look at modular and turn-key options while the Administration look again at other viable options to make the current site work.

Overall, the consensus among attendees was that we need to better understand our financial constraints and what we can afford in order to move towards a viable solution in the short term that doesn’t jeopardize our long-term planning.

5.0 Action Items

5.1 Wilson and Lincoln site contracts

Mr. Bryant motioned that the Board move to terminate the contract on the Wilson site due to both time and financial concerns. Mr. Trussell seconded. With no discussion, the motion carried unanimously.

Respectfully submitted by:

Jennifer Thayer, Board Secretary

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Mrs. Peery motioned that the Board terminate the contract on the Lincoln site property due to financials and risk with City approval. Mr. Trussell seconded. Mrs. Thayer asked what the next steps were to terminate. Mrs. Peery stated that she has already been in contact with Mr. Eyer, the Board's realtor, and he assured her that we are within our rights to terminate either contract because of issues we have found with both sites. No further discussion and the motion carried unanimously.

Mr. Bryant stepped out of the meeting at 6:24pm due to a prior commitment. His departure was after the above votes and prior to the follow-up discussion summarized below.

After the above votes, discussion continued with the following action items assigned to the Administration and the Expansion Committee:

- *Expansion Committee continue to pursue the other options, both modular & turn-key;*
- *Administration once again look at other potentials on this site, exploring all those options and running scenarios to bring back to the Board at its next meeting at the end of February; and*
- *Business Office, from a financial perspective, go back and make sure the Board is getting correct information on which to base future decisions.*

6.0 Adjournment

At 6:37 pm, Mrs. Peery made the motion to adjourn the meeting. Mr. Trussell seconded and with no discussion, the motion carried unanimously. The meeting adjourned at 6:37 pm.