

BOARD OF EDUCATION
COMMUNITY CONSOLIDATED SCHOOL DISTRICT 64
Minutes of the Regular Board of Education Meeting
March 13, 2017 held at 7:00 p.m.
Lincoln School - Learning Resource Center
200 S. Lincoln Avenue
Park Ridge, IL 60068

Board President Anthony Borrelli called the meeting to order at 6:48 p.m. Other Board members in attendance were Vicki Lee, Mark Eggemann, Bob Johnson, Terry Cameron and Scott Zimmerman. Board member Tom Sotos arrived during the closed session. Also present were Superintendent Laurie Heinz, Chief School Business Official Luann Kolstad, Assistant Superintendent Joel Martin, Director of Student Services Jane Boyd, Public Information Coordinator Bernadette Tramm, and four members of the public.

Board of Education meetings are videotaped and may be viewed in their full length from the District's website at: <http://www.d64.org>.

BOARD RECESSES AND ADJOURNS TO CLOSED SESSION

Board Recesses
and Adjourns to
Closed Session

At 6:50 p.m., it was moved by Board President Borrelli and seconded by Board member Zimmerman to adjourn to closed session to discuss the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the District or legal counsel for the District, including hearing testimony on a complaint lodged against an employee or against legal counsel for the District to determine its validity [5 ILCS 120/2(c)(1) and litigation, when an action against, affecting or on behalf of the particular District has been filed and is pending before a court or administrative tribunal, or when the District finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the closed meeting minutes. [5 ILCS 120/2 (c)(11)].

The votes were cast as follows:

AYES: Cameron, Zimmerman, Borrelli, Lee, Johnson, Eggemann

NAYS: None.

PRESENT: None.

ABSENT: Sotos

The motion carried.

The Board adjourned from closed session at 7:06 p.m. and took a short recess before resuming the regular Board meeting at 7:10 p.m.

In addition to those mentioned above, also present were Director of Facility Management Ron DeGeorge, Director of Innovation and Instructional Technology Mary Jane Warden, and approximately 50 members of the public.

Board President Borrelli provided a short update on negotiations with the secretarial, custodial and maintenance employees represented by the Illinois Federation of Teachers (IFT). He noted that the bargaining groups had met once to establish ground rules, and

Studio GC architects had met with the lowest responsible bidder to review the scope of the project and had recommended that administration award the bid to National Roofing. She noted the bid represents a difference of \$628,651 from the original estimate. CSBO Kolstad, Studio GC architect Rick Petricek, and Facility Management Director DeGeorge responded to Board member questions about the bid and scope of work, and noted that the roofing projects are category B Health Life Safety, which are required to be completed within a five-year time period.

ACTION ITEM 17-03-2

Action Item
17-03-2

It was moved by Board member Johnson and seconded by Board member Eggemann that the Board of Education of Community Consolidated School District 64, Park Ridge-Niles, Illinois approve the bid received from National Roofing in the amount of \$552,000 for the Summer 2017 Roofing Projects at Roosevelt and Lincoln.

The votes were cast as follows:

AYES: Sotos, Cameron, Zimmerman, Borrelli, Lee, Johnson, Eggemann

NAYS: None.

PRESENT: None.

ABSENT: None.

The motion carried.

RESOLUTION #1180 AUTHORIZING AND PROVIDING FOR AN INSTALLMENT PURCHASE AGREEMENT FOR THE PURPOSE OF PAYING THE COST OF PURCHASING REAL OR PERSONAL PROPERTY, OR BOTH, IN AND FOR COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 64, COOK COUNTY, ILLINOIS, AND FOR THE ISSUE OF NOT TO EXCEED \$9,250,000 DEBT CERTIFICATES, SERIES 2017, OF SAID SCHOOL DISTRICT EVIDENCING THE RIGHTS TO PAYMENT UNDER SAID AGREEMENT, PRESCRIBING THE DETAILS OF THE AGREEMENT AND CERTIFICATES, PROVIDING FOR THE SECURITY FOR AND MEANS OF PAYMENT UNDER SAID AGREEMENT OF SAID CERTIFICATES, AND AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT WITH WILLIAM BLAIR & COMPANY, L.L.C., IN CONNECTION WITH THE PROPOSED SALE OF SAID CERTIFICATES

Board President Borrelli recounted for the Board that at the February 21, 2017 meeting, the Board had agreed to a financing framework to undertake five years of facility projects from 2017 through 2021 as identified in the Health Life Safety survey and Master Facilities Plan. He noted that the framework includes three segments: utilizing \$3.5 million in working cash; issuing \$9.25 million in Debt Certificates; and issuing up to about \$21

Resolution #1180 authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for Community Consolidated School District Number 64, Cook County, Illinois, and for the issue of not to exceed \$9,250,000 Debt Certificates, Series 2017, of said School District evidencing the rights to payment under said Agreement, prescribing the details of the Agreement and Certificates, providing for the security for and means of payment under said Agreement of said Certificates, and authorizing the execution of a Purchase Agreement with William Blair & Company, L.L.C., in connection with the proposed sale of said Certificates

million in Working Cash Fund bonds. He pointed out that the Debt Certificates would be paid back over 15 years from within the District's operating fund revenues. The bonds would not be issued until 2019 or 2020, and would fill in only a portion of the debt service levy that has been reduced due to the retirement of the Emerson Middle School bonds. CSBO Kolstad and Elizabeth Hennessy, the District's investment adviser from William Blair, began a detailed review of the steps to be undertaken by the Board tonight. Ms. Hennessy pointed out the Debt Certificates would be a new financing tool for District 64, and said the resolution for Board adoption this evening sets the parameters for the sale of the certificates. She explained the details of how the financing would be carried out according to the resolution, and that the repayment would not exceed \$800,000 per year for 15 years beginning in fiscal year 2017-18. Ms. Hennessy and CSBO Kolstad confirmed that a ratings agency call would be conducted shortly, and the intention is to issue the certificates within the next several weeks, assuming interest rates remain favorable. CSBO Kolstad affirmed that the payback amount had been included in the District's long-range projections prepared in February, and that this type of financing was made possible from the savings achieved through the recent settlement of four-year collective bargaining agreements with the teachers and teacher assistants. Ms. Hennessy responded to further Board member questions about the expected interest rates and the parameters of the sale established within the resolution.

ACTION ITEM 17-03-3

Action Item
17-03-3

It was moved by Board member Zimmerman and seconded by Board member Johnson that the Board of Education of Community Consolidated School District 64, Park Ridge – Niles, Illinois, approve Resolution #1180 authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for Community Consolidated School District Number 64, Cook County, Illinois, and for the issue of not to exceed \$9,250,000 Debt Certificates, Series 2017, of said School District evidencing the rights to payment under said Agreement, prescribing the details of the Agreement and Certificates, providing for the security for and means of payment under said Agreement of said Certificates, and authorizing the execution of a Purchase Agreement with William Blair & Company, L.L.C., in connection with the proposed sale of said Certificates.

The votes were cast as follows:

AYES: Eggemann, Johnson, Lee, Borrelli, Zimmerman, Cameron, Sotos

NAYS: None.

PRESENT: None.

ABSENT: None.

The motion carried.

RESOLUTION #1181 DECLARING THE INTENTION TO ISSUE \$20,750,000 WORKING CASH FUND BONDS FOR THE PURPOSE OF INCREASING THE DISTRICT'S WORKING CASH FUND, AND DIRECTING THAT NOTICE OF SUCH INTENTION BE PUBLISHED IN THE MANNER PROVIDED BY LAW

Resolution #1181 declaring the intention to issue \$20,750,000 Working Cash Fund Bonds for the purpose of increasing the District's Working Cash Fund, and directing that notice of such intention be Published in the manner provided by law

Board President Borrelli noted that the Working Cash bonds would be the third component of the financial framework described earlier. He pointed out that tonight's action would be the formal step in announcing the Board's intent to issue bonds in the future. Ms. Hennessy of William Blair reviewed the procedure for the Board to declare its intention to issue bonds and provide notice of its intent, and to conduct a public hearing to receive public comments on the proposal to sell up to \$20,750,000 in Working Cash bonds for capital improvements. She confirmed that the public hearing would be conducted on Monday, April 24, 2017, and that the Board resolution tonight is to proceed with the legal steps needed to seek authorization to issue the bonds, but is not the actual issuance of bonds. Ms. Hennessy reviewed the plan to issue bonds in several sections, beginning with a first issue of under \$10 million in 2019 to fund summer projects and a second issuance in 2020 to fund summer 2020 and later projects. She confirmed that future Boards would actually pass the resolutions to issue those bonds as they are needed in those years. CSBO Kolstad noted that the Board declaring its intention to issue Working Cash bonds in the future would complete the framework and provide a way forward to undertake the Health Life Safety and critical infrastructure and capital projects the District and Board have worked diligently to identify and prioritize over the past two years. Dr. Heinz also confirmed that the Board action tonight would give future Boards flexibility to access funds through bonding, but that the Board would still continue to authorize every project individually as it is brought forward for Board consideration each year.

ACTION ITEM 17-03-4

It was moved by Board member Zimmerman and seconded by Board member Sotos that the Board of Education of Community Consolidated School District 64, Park Ridge-Niles, Illinois, approve Resolution #1181 declaring the intention to issue \$20,750,000 Working Cash Fund Bonds for the purpose of increasing the District's Working Cash Fund, and directing that notice of such intention be published in the manner provided by law.

Action Item
17-03-4

The votes were cast as follows:

AYES: Sotos, Cameron, Zimmerman, Borrelli, Lee, Johnson, Eggemann

NAYS: None.

PRESENT: None.

ABSENT: None.

The motion carried.

DISCUSSION ON DISTRICT LAWN CARE PROCEDURES

CSBO Kolstad and Facility Management Director DeGeorge provided a comprehensive review of the District's current lawn care procedures, which are carried out in conformance with Board policies placing the safety of students and staff at the forefront and meet all legal requirements. Facility Management Director DeGeorge noted that District 64 has an Integrated Pest Management Program (IPM), which ensures District 64 fully conforms with legal requirements and has recently been reviewed by the Illinois State Board of Education and the Illinois Department of Public Health. They confirmed that the District's IPM program offers an opportunity for advance notification of lawn care as well as pest control treatments, which are explained in the District 64 Student-Parent

Discussion on District
Lawn Care Procedures