

July 22, 2014

BOARD OF EDUCATION
SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON

INDEX TO THE MINUTES

July 22, 2014

Board
Action
Number

Page

Purchases, Bids, Contracts

4941	Revenue Contracts that Exceed \$25,000 Limit for Delegation of Authority.....
4942	Expenditure Contracts that Exceed \$150,000 for Delegation of Authority.....

Other Items Requiring Board Action

4943	Resolution on Implementation of Smarter Balanced Assessment.....
4944	Regarding Authorizing borrowing to Finance and Refinance Capital Projects, Interfund Loans and Reimbursement.....
4945	Election of Board Chairperson
4946	Election of Board Vice-Chairperson
4947	Settlement Agreement.....

July 22, 2014

OFFICE OF THE BOARD OF EDUCATION
SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON
BLANCHARD EDUCATION SERVICE CENTER
PORTLAND, OREGON

The Regular Meeting of the Board of Education came to order at 6:03pm at the call of Co-Chair Pam Knowles in the Board Auditorium of the Blanchard Education Service Center, 501 N. Dixon St, Portland, Oregon.

There were present:

Pam Knowles, Co-Chair
Ruth Adkins
Bobbie Regan
Tom Koehler - *absent*
Steve Buel
Matt Morton
Greg Belisle, Co-Chair

Minna Jayaswal, Student Representative - *absent*

Staff

Carole Smith, Superintendent
Caren Huson Quiniones, Board Clerk

PUBLIC COMMENT

Dave Porter referred to the Equity Report which only reported on the 2013-2014 school year and not on the hiring of new teachers. PPS has a shortage of Hispanic teachers, and without them, PPS will not be able to close the achievement gap. PPS will need about 82 elementary dual language teachers over the next ten years. Also, the PPS Affirmative Action Plan was not adequate; it will not lead to the hiring of the 82 additional teachers.

PRESENTATION: EQUITY UPDATE

Lorenzo Poe, Chief Equity Officer, spoke on the Oregon Minority Teacher Act and stated that PPS will make efforts to recruit and retain a qualified workforce that reflects our student population. Donnie Adair, Consultant, explained the process that was used to develop the plan. Mr. Adair added that he only facilitated the process. Jollee Patterson, General Counsel, reported that she and Stephanie Harper from Human Resources reviewed the plan for legal compliance. The plan is a voluntary plan that the District adopted to forward the goals of the Oregon Minority Teacher Act. You cannot have a quota with an Affirmative Action Plan, only goals.

Director Morton commented that the Minority Teacher Act does not have any teeth; it does not hold school districts accountable. Director Morton questioned where staff saw the gap between 2012 and today and how do we determine the difference between what is a minimum goal of 10% and reaching a more reasonable goal. Sean Murray, Chief Human Resources Officer, responded that staff will be doing: more strategic recruiting and were currently visiting other states to look for qualified teachers.

Director Buel questioned how we decide our hiring goals. Mr. Adair responded that each pool of candidates is individual and every hiring is individual. PPS needs to increase the diversity to their hiring pools and knowing your goals will take care of that. Mr. Murray added that hiring someone based on color was illegal. PPS goes out and recruits in areas with large amounts of diversity. We want the best teachers in all our schools.

July 22, 2014

Jeanine Fukuda, Assistant Director, provided an overview of the documents in the Board packet.

Director Regan asked how we were working involving our teachers around the equity work. Mr. Poe responded that we attempt to make everything we do driven to the IRT. We have asked for a representative from the Portland Association of Teachers to work with us as we look at equity district-wide. We are trying to build a strong relationship with teachers. Director Regan stated that she would be interested in hearing from four – year universities and PCC regarding the seven indicators that we are measuring. Cynthia MacLeod, Assistant Director of Equity, explained the CARE model. The purpose is to make the teacher focus more on their instruction and how they do it and what they use. It is about instruction and curriculum and the decision-making powers of the teacher in the classroom. Currently, PPS has eleven schools that were the first CARE schools, and added another 21 schools last year; 51 more schools will start this coming fall.

Director Morton stated that he wants to see strong advancement in all parts of equity and wants to see evidence of our efforts. He wants to hold the work PPS is doing accountable.

Director Buel stated that nothing that the Board has received proves that PPS is getting the information down to the classrooms. We are not there. We need to stop polarizing in the District. Superintendent Smith commented that part of the opportunity in the coming year is getting Board members into the schools to see what is taking place in the classroom. Director Morton mentioned that some would say that harm has been done over the decades in not serving our underserved students.

SMARTER BALANCED ASSESSMENT RESOLUTION

Director Adkins provided background information on the proposed resolution.

Director Buel moved and Director Koehler seconded the motion to eliminate the following language in Section C: “and in the evaluation of teachers.” The Board took a voice vote and voted 1-6 (yes-1 [Buel]; 6-no)} The motion failed.

Director Buel moved to add language in Section 3 of the resolution. Having no second, the motion failed.

Director Buel moved and Director Regan seconded the motion for additional language under the resolution section of Resolution 4943. The Board took a voice vote and voted 4-3 (4-yes [Belisle, Regan, Koehler, Morton]; 3-noe [Knowles, Belisle, Adkins]. The motion passed.

CAPITAL BOND BORROWING

CJ Sylvester, Chief Officer of School Modernization, provided a PowerPoint presentation. Ryan Dutcher, Interim Chief Financial Officer, stated that staff did not currently know what the best borrowing solution would be.

Director Regan commented that when the Board first had this discussion, one point of view was whether we could go back into our Education Specifications and potentially have some efficiencies so that we would not have to do any interfund borrowing at this time. She had asked if we needed a Teen Center at every comprehensive high school. Staff had indicated that they would be open to reviewing the High School Education Specifications. Two high schools are not warranted to have Teen Centers. In the fall, she hopes the Board can discuss moving Teen Center to a Tier 2 instead of a Tier 1 priority. Director Regan added that when the Board originally talked about borrowing \$8 million, that part of those funds would include Grant as well. Now the funds are only covering Franklin and Roosevelt; what will happen when Grant comes along. Ms. Sylvester responded that the intention was to only bring forward Franklin and Roosevelt at this time. More money would be needed for Grant.

July 22, 2014

BOARD LEADERSHIP ELECTION

Director Buel indicated that he would be voting no on the nominations. Director Regan commented that we should provide more leadership opportunity for all Board members, and that one person should not dominate the Co-Chair position.

BUSINESS AGENDA

Director Buel questioned the Alameda painting contract, asking if it was a result of the lead paint complaint. Tony Magliano, Chief Operating Officer, responded that the District would be painting four buildings over the summer. Staff inspects our buildings regularly and pays close attention to those spaces occupied by younger students as they are more susceptible to lead paint. We prioritize painting as a safety risk.

Director Belisle moved and Director Adkins seconded the motion to amend Resolution 4944 to add language to Section 1 of the resolution. The Board took a voice vote and voted 7-0 to amend Section 1 of Resolution 4944.

Director Belisle moved and Director Morton seconded the motion to add a new No. 6 to Resolution 4944. The Board took a voice vote and voted 7-0 to amend Resolution 4944.

ADJOURN

Co-Chair Knowles adjourned the meeting at 9:05pm

July 22, 2014

Purchases, Bids, Contracts

The Superintendent RECOMMENDED adoption of the following items:

Numbers 4941 and 4942

Director Regan moved and Director Morton seconded the motion to adopt the above numbered items. The motion was put to a voice vote and passed unanimously (yes-7, no-0; with Student Representative Jayaswal absent).

July 22, 2014

RESOLUTION No. 4941

Revenue Contracts that Exceed \$25,000 Limit for Delegation of Authority

RECITAL

Portland Public Schools ("District") Public Contracting Rules PPS-45-0200 ("Authority to Approve District Contracts; Delegation of Authority to Superintendent") requires the Board of Education ("Board") to enter into and approve all contracts, except as otherwise expressly authorized. Contracts exceeding \$25,000 per contractor are listed below.

RESOLUTION

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into agreements in a form approved by General Counsel for the District.

NEW REVENUE CONTRACTS

Contractor	Contract Term	Contract Type	Description of Services	Contract Amount	Responsible Administrator, Funding Source
Kaiser Permanente Foundation	7/1/2014 through 12/31/2015	Revenue R 6XXXX	Benson: One-time award of funds to support the School Based Health Center Full Implementation Planning Project.	\$40,000	C. Williams Fund 299 Dept. 3115 Grant S0289
Northeast United Soccer Club	7/15/2014 through 7/15/2024	Revenue R 6XXXX	Madison: Contribution of funds towards field renovations and shared use agreement for fields.	\$50,000	T. Magliano Fund 438 Dept. 5597
Foothills Soccer Club	7/15/2014 through 7/15/2024	Revenue R 6XXXX	Wilson: Contribution of funds towards field renovations and shared use agreement for fields.	\$50,000	T. Magliano Fund 438 Dept. 5597
107st Independent Trust	7/15/2014 through 7/15/2024	Revenue R 6XXXX	Jefferson: Contribution of funds towards field renovations and shared use agreement for fields.	\$50,000	T. Magliano Fund 438 Dept. 5597

NEW INTERGOVERNMENTAL AGREEMENTS / REVENUE ("IGA/Rs")

No New IGA/Rs

AMENDMENTS TO EXISTING REVENUE CONTRACTS

No Amendments to Existing Revenue Contracts

LIMITED SCOPE REAL PROPERTY REVENUE AGREEMENTS AND AMENDMENTS

No Limited Scope Real Property Revenue Agreements or Amendments

R. Dutcher

July 22, 2014

RESOLUTION No. 4942

Expenditure Contracts that Exceed \$150,000 for Delegation of Authority

RECITAL

Portland Public Schools (“District”) Public Contracting Rules PPS-45-0200 (“Authority to Approve District Contracts; Delegation of Authority to Superintendent”) requires the Board of Education (“Board”) enter into contracts and approve payment for products, materials, supplies, capital outlay, equipment, and services whenever the total amount exceeds \$150,000 per contract, excepting settlement or real property agreements. Contracts meeting this criterion are listed below.

RESOLUTION

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into agreements in a form approved by General Counsel for the District.

NEW CONTRACTS

Contractor	Contract Term	Contract Type	Description of Services	Contract Amount	Responsible Administrator, Funding Source
In Line Commercial Construction	7/23/2014 through 9/30/2014	Construction Services C 6XXXX	Alameda: Repaint designated exterior areas, including repair, prep, and lead paint abatement. ITB 2014-1818	\$157,310	T. Magliano Fund 404 Dept. 5597 Project X0109
Funds for Learning	7/1/2014 through 6/30/2019	Personal Services PS 60872	District-wide: E-rate consulting services. RFP 2014-1792	\$247,500	J. Klein Fund 101 Dept. 5581
Catapult Learning West, LLC	9/1/2014 through 6/30/2015	Personal Services PS 60925	Various: Provide tutoring services in math and literacy for Title I eligible students at private schools. RFP 2012-1497	\$184,471	J. LaFontaine Fund 205 Depts. 6937, 6981, 6984, 6938, 6903, 6917, 6914, 6920, 6953, 6924, & 5407 Grant G1411

NEW INTERGOVERNMENTAL AGREEMENTS (“IGAs”)

No New IGAs

AMENDMENTS TO EXISTING CONTRACTS

Contractor	Contract Amendment Term	Contract Type	Description of Services	Amendment Amount, Contract Total	Responsible Administrator, Funding Source
Land O’ Lakes	7/1/2014 through 6/30/2015	Requirements MR 58844 Amendment 2	District-wide: Provide commodity processed products on a requirements basis as part of the District’s Nutrition Program. RFP 2010-1318	\$155,000 \$285,000	G. Grether-Sweeney Fund 202 Dept. 5570
JTM Food Group	7/1/2014 through 6/30/2015	Requirements MR 58856 Amendment 3	District-wide: Provide commodity processed products on a requirements basis as part of the District’s Nutrition Program. RFP 2010-1318	\$65,000 \$184,000	G. Grether-Sweeney Fund 202 Dept. 5570

R. Dutcher

July 22, 2014

Other Items Requiring Board Action

The Superintendent RECOMMENDED adoption of the following items:

Numbers 4943 through 4947

During the Committee of the Whole, Director Belisle moved and Director Adkins seconded the motion to adopt Resolution 4943. The motion was put to a voice vote and passed unanimously (yes-7, no-0; with Student Representative Jayaswal absent).

During the Committee of the Whole, Director Adkins moved and Director Regan seconded the motion to adopt Resolution 4944. The motion was put to a voice vote and passed unanimously (yes-7, no-0; with Student Representative Jayaswal absent).

During the Committee of the Whole, Director Morton moved and Director Adkins seconded the motion to adopt Resolution 4945. The motion was put to a voice vote and passed by a vote of 4-3 (yes-4, no-3 [Regan, Buel, Koehler]; with Student Representative Jayaswal absent).

During the Committee of the Whole, Director Belisle moved and Director Morton seconded the motion to adopt Resolution 4946. The motion was put to a voice vote and passed by a vote of 4-3 (yes-4, no-3 [Regan, Buel, Koehler]; with Student Representative Jayaswal absent)

During the Committee of the Whole, Director Belisle moved and Director Morton seconded the motion to adopt Resolution 4946. The motion was put to a voice vote and passed by a vote of 4-3 (yes-4, no-3 [Regan, Buel, Koehler]; with Student Representative Jayaswal absent)

During the Committee of the Whole, Director Belisle moved and Director Morton seconded the motion to adopt Resolution 4947. The motion was put to a voice vote and passed unanimously (yes-7, no-0; with Student Representative Jayaswal absent)

July 22, 2014

RESOLUTION No. 4943

Resolution on Implementation of Smarter Balanced Assessment

RECITALS

- A. At Portland Public Schools our goal is that every student, by name, meets or exceeds academic standards and is fully prepared for college, career and participation as an active community member, regardless of race, class or zip code. The Board of Directors is committed to educating a populace of critical and creative thinkers who are capable of shaping a just and equitable society, to lead good and purpose-filled lives ready to participate in a global economy.
- B. As a School Board, we have high expectations for our students and staff. We believe that all PPS students can succeed academically and we do not shy away from being held accountable for student success. Because of these high expectations, we want to ensure that any accountability measure for our students and schools is reliable, valid and has been adopted with a culturally responsive lens.
- C. The PPS School Board does not support "teaching to the test." We believe in teaching the whole child and in the ability of skilled educators to creatively instill a lifelong love of learning. In accordance with State law and our own values, standardized testing is only one of many tools to be used in the assessment of student growth and in the evaluation of teachers. Testing should not dominate the culture or instructional time in our schools. As a School Board, we believe the ultimate role of assessment is to improve instruction, not to demean teachers or principals or to label students or schools.
- D. In addition, we recognize that no single assessment gives us the ability to accurately determine our impact on student learning. Classroom formative assessments designed by teachers, student work product reflecting proficiency and generalization of learning, and in-program assessments found within curricular resources are but three other critical indicators of student achievement and teacher, principal, school, and district efficacy.
- E. A new assessment system aligned with Oregon's current math and English language arts standards is scheduled to begin in the 2014-15 school year. Along with over 20 other states, Oregon is a member of the Smarter Balanced Assessment Consortium, formed to create the new Smarter Balanced Assessment (SBA), which will replace the Oregon Assessment of Knowledge and Skills (OAKS) test. The intent of SBA is to more authentically assess students by embedding both constructed response and performance tasks within the assessment.
- F. 24 PPS schools helped pilot the SBA in the spring. It is our understanding that the results from the 2014 field test will not be available until late November or early December of 2014 with the expectation that statewide testing will begin in spring of 2015.
- G. Given this timeline, we are knowingly entering a school year expecting all students to demonstrate their understanding in math and English language arts (ELA) without first having seen evidence that the assessment is reliable, valid and free from cultural, linguistic, and socioeconomic bias.
- H. Based on the history of No Child Left Behind and its waiver that designates Focus and Priority schools, the United States Department of Education is anticipated to continue its practice of using assessment results to hold states, districts and schools accountable through the use of report cards, labels and sanctions.
- I. Oregon has just begun to re-invest in K-12 education after nearly 20 years of budget cuts following the passage of Measures 5 and 47/50, the state-wide property tax limitation initiatives. Oregon's school funding is still nearly \$2 billion short of the state's Quality Education Model, which outlines the funding necessary to ensure all students are successful. Adding new, unfunded mandates jeopardizes school districts' fragile ability to reinvest resources to better serve students and to meet the State's 40-40-20 goals. We know that other school districts in Oregon face similar challenges.

July 22, 2014

- J. The Oregon Education Investment Board's Equity Lens states: "Speaking a language other than English is an asset and ... our education system must celebrate and enhance this ability alongside appropriate and culturally responsive support for English as a second language....students receiving special education services are an integral part of our educational responsibility and we must welcome the opportunity to be inclusive, make appropriate accommodations, and celebrate their assets.... that resource allocation demonstrates our priorities and our values and that we demonstrate our priorities and our commitment to rural communities, communities of color, English language learners, and out of school youth in the ways we allocate resources and make educational investments...[and that an] equitable education system requires providing teachers with the tools and support to meet the needs of each student."
- K. Many national organizations have called for a moratorium of at least one year on any sanctions based on new assessments, including the Bill and Melinda Gates Foundation, the American Association of School Administrators, the American School Counselor Association, the International Society for Technology in Education, the National Association of Elementary School Principals, the National Association of Secondary School Principals, the National Education Association and the American Federation of Teachers, the National School Boards Association and the National Parent Teacher Association.
- L. The PPS School Board identifies the following challenges and concerns around the State's implementation of the Smarter Balanced Assessment:
- Lack of established reliability and validity of Smarter Balanced Assessments across all racial groups, socioeconomic groups, and learner types.
 - Insufficient accommodations in the SBA for English Language Learners and students with disabilities, which creates new barriers to student success and will disproportionately impact those students.
 - The computer skills (keyboarding and drag-and-drop) necessary for 3rd graders to successfully take the test will rely on access to technology and training as early as kindergarten, which is not consistently available in all schools or in all student homes.
 - The resource impact of implementing the Smarter Balanced Assessment extends beyond the standards-based professional development of teachers.
 - The State will need to identify cut scores for SBA without having received field test results, creating challenges for linking to previous achievement data and providing students with expectations in a timely manner. In addition, there are concerns about whether correlation of SBA results with previous achievement data can be accurately accomplished.
 - As the State testing window is dramatically narrowed, during the 12-weeks to complete both math and ELA SBA, Portland Public Schools students in grades 3-8 and 11 will be engaged in approximately 7 to 8 ½ hours of testing.
 - The current OAKS science assessment remains a multiple choice test, is not built so students may demonstrate their skills in scientific inquiry, and is not used as an active part of the existing State of Oregon Report Card.
 - Technology purchases to upgrade student digital devices will minimally cost Portland Public Schools \$1.2 million of our general fund budget.

RESOLUTION

1. The PPS School Board directs the Superintendent to ensure that teaching and learning in PPS are focused on education of the whole child and not on "teaching to the test"; that pedagogy is designed to meet the needs of all students while achieving educational standards; that educational standards are incorporated into teaching and learning in a balanced manner along with other educational objectives supporting education of the whole child; that testing does not dominate the culture or instructional time in our schools; that assessments are used to improve instruction, not to penalize teachers or principals or to label students or schools; and that assessments are

July 22, 2014

implemented to maximize the intended flexibility, collaboration, learning and creativity in the classroom.

2. The Board calls upon the State to provide the funding necessary to carry out any of the State's educational mandates. Specifically, the Board calls upon the State to provide the funding necessary to implement the Smarter Balanced Assessment effectively, including funding and time for both professional development and technology resource implementation. Further, we request that the State Department of education share the test in its entirety with our administration so we can assess the various questions concerning the adequacy of the test for use in our district.
3. The Board requests that the State not use the Smarter Balanced Assessment for punitive labeling or sanctioning of students, teachers, schools or districts. There must be assurances on the reliability and validity of the assessment. Use of an unreliable or invalid Smarter Balanced Assessment could undermine student enthusiasm for learning, could create devastating outcomes for schools, and could set schools and communities back years if not managed well at the state and local levels.
4. The Board calls upon the State to establish a transitional or pilot status for the Smarter Balanced Assessment starting with its initial implementation in 2015, to provide sufficient time to ensure the reliability of the test, to provide additional teacher professional development, and to provide students and families the opportunity to understand and learn from the results of the new assessment without the high-stakes consequences that may have the unintended outcome of undermining student success.
5. The Board encourages the state and federal Departments of Education to continue to provide students with opportunities to demonstrate essential skills for graduation through additional summative assessments such as work samples.
6. The Board asks the Federal Department of Education to grant the State's request to delay the use of SBA in the teacher evaluation system for the student data portion, given that there is not baseline data to use for effective goal-setting.
7. The Board requests that the State eliminate current OAKS science testing to reduce the amount of standardized assessments, allowing for a laser focus on implementation of the Smarter Balanced Assessment and for alternative forms of assessment that allow students to demonstrate their skills in scientific inquiry.
8. The Board directs the Superintendent to submit these requests to the Oregon Department of Education and the United States Department of Education, and to share this resolution with our state and Congressional representatives.
9. In the meantime, the Board asks the Superintendent, the State and other partners to continue and expand their efforts to inform and engage parents and community during the transition to the Smarter Balanced Assessment.
10. The Board directs the Superintendent to provide regular reports to the Board on the preparation and implementation of the Smarter Balanced Assessment.
11. Finally, the Board thanks the Superintendent, staff and teachers of PPS for their shared commitment to providing a quality, well-rounded education with high expectations for all students.

July 22, 2014

RESOLUTION No. 4944

Resolution Authorizing Borrowing to Finance and Refinance Capital Projects, Interfund Loans
and Reimbursement

RECITALS

- A. On July 9, 2012, the Board of Education (“Board”) of Portland Public Schools (“PPS” or “District”) adopted Resolution No. 4624, authorizing the development of a capital bond ballot measure and explanatory statement for the November 6, 2012 general election.
- B. On August 12, 2012, the Board adopted Resolution No. 4640, to submit the authorization of \$482 million of general obligation bonds to the voters of PPS on November 6, 2012.
- C. The explanatory statement for the ballot measure indicated that the bonds would fund capital projects for school and classroom renovation, construction and upgrades, including projects that:
- Replace leaking, worn or deteriorating school roofs,
 - Renovate or replace schools,
 - Strengthen schools against earthquakes,
 - Repay loans for capital costs, including 9 roof replacements, 47 boiler conversions, and the Rosa Parks School,
 - Increase access to schools for students, teachers and visitors with disabilities, and
 - Upgrade science classrooms at middle grade schools.

The explanatory statement also stated that the bond would renovate Franklin High School, Grant High School and Roosevelt High School, and would replace Faubion preK-8 school.

- D. On November 6, 2012 more than 66% of the voters of PPS approved Measure 26-144 authorizing the District to issue up to \$482 million of capital bonds.
- E. On May 1, 2013 PPS issued \$144.8 million of bonds. On May 2, 2013 the District repaid a \$45 million line of credit that had funded roof replacements, boiler conversions and the acquisition of Rosa Parks School.
- F. In the summer of 2013 PPS successfully completed improvement projects at five schools including Alameda K-5 (seismic improvement and roof replacement), Bridlemile K-5 (roof replacement and seismic strengthening), Laurelhurst K-8 (roof replacement and seismic strengthening and upgrade science labs), Lewis K-5 (roof replacement and seismic strengthening) and Wilson High School (roof replacement and seismic improvements, and accessibility improvements).
- G. In the summer of 2014 the District will be completing improvement projects at 12 schools including Arleta (K-8), Beach (PK-8), Boise- Eliot/Humboldt (PK-8), Chief Joseph (K-3), Creston (K-8), Grout (K-5), Hosford (6-8), James John (K-5), King (PK-8), Lane (6-8), Vernon (K-8) and Woodlawn (PK-8).
- H. Work on the renovation of Roosevelt and Franklin High Schools is well underway. The Board has adopted Master Plans and Schematic Designs for both schools.
- I. As this planning and design work on renovation of the high schools has taken place decisions have been made that increase the number of students that the schools should be expected to accommodate, that have increased the number of teachers and reduce teacher:student loads, that increase

July 22, 2014

expectations for the number of classes that students will take during their high school careers, and to link related classroom usage and teacher planning periods where feasible – all of which increase the number of classrooms and related support spaces needed in schools and, therefore, the cost of renovation.

- J. It is desirable to enter into a line of credit or loan(s) in an estimated principal amount of up to \$8 million to provide interim financing for some of the costs of renovating Roosevelt and Franklin High Schools to these new standards.
- K. ORS 287A.180 authorizes the District to obtain interim financing for capital projects for a term of not more than five years.
- L. It is desirable to use District funds to pay for costs of modernizing Roosevelt and Franklin high schools, before the District obtains externally-funded interim financing for those costs. It is therefore desirable to authorize interfund loans to finance those costs.
- M. Section 1.150-2 of the Federal Income Tax Regulations requires the District to declare its intent if the District wishes to use the proceeds of tax-exempt obligations to reimburse the District for expenditures that the District pays from its revenues.

RESOLUTION

1. The District is hereby authorized to obtain one or more lines of credit or other interim financings pursuant to ORS 287A.180 for the additional costs of the renovation of Roosevelt and Franklin High Schools, both of which projects are financed with proceeds from capital bonds issued under the \$482 million authorization approved by voters in November 2012. This interim financing is to ensure both high schools can fulfill the “additional criteria” as outlined in Recital I and may also be used to pay costs relating to the interim financings authorized by this resolution, including capitalized interest. Interim financings may be issued under this resolution to refinance interim financings that were issued under this resolution; however, the maximum principal amount of all interim financings that are authorized by this resolution and that are outstanding at any time shall not exceed \$8 million, and the final maturity date of any interim financing authorized by this resolution shall not exceed four and one half years from the date of this resolution.
2. Each interim financing authorized by this resolution (an “Interim Financing”) shall be secured by a pledge of the District’s full faith and credit, and shall be payable from all legally available funds of the District.
3. The Chief Financial Officer of the District or the person designated by the Chief Financial Officer of the District to act under this resolution (each of whom is referred to in this resolution as a “District Official”) may, on behalf of the District.
 - a. select one or more commercial banks or other entities to provide any Interim Financing;
 - b. participate in the preparation of, authorize the distribution of, and deem final any disclosure documents that are desirable for any Interim Financing;
 - c. establish the final principal amounts, maturity dates, interest rates, sale prices, redemption terms, payment terms and dates, and other terms of any Interim Financing, subject to the limitations of this resolution;

July 22, 2014

- d. enter into covenants to secure any Interim Financing, including covenants to issue obligations to refinance any Interim Financing;
 - e. issue, sell and deliver any Interim Financing;
 - f. provide that any Interim Financing will bear interest that is excludable from, or includable in, gross income under the United States Internal Revenue Code of 1986, as amended, and enter into related covenants; and,
 - g. execute and deliver any certificates or other legal documents that are desired to obtain any Interim Financing, and take any other action in connection with any Interim Financing that the District Official determines will be advantageous to the District.
4. The Board hereby authorizes interfund Capital Loans to finance the costs of renovating Roosevelt and Franklin High Schools in an aggregate amount of not more than \$8 million. The interfund Capital Loans authorized by this Section 4 shall be made from the General Fund (101) to the GO Bonds Fund (450), shall bear interest at a variable rate of interest equal to the interest rate paid by the Oregon Short Term Fund (LGIP), and shall be repaid no later than December 31, 2018.
5. Prior to completion of the financial transaction, staff shall return to the Board at such time as a recommended financing option is determined to inform the Board regarding proposed interim financing terms.
6. The District hereby declares its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations to use the proceeds of any current or future tax-exempt borrowing, including financings authorized by this resolution, and proceeds of general obligation bonds that the voters of the District have approved or may subsequently approve, to reimburse the District for costs of renovating Roosevelt and Franklin High Schools.

R. Dutcher/D. Wynde

July 22, 2014

RESOLUTION No. 4945

Election of Board Chairperson

Pam Knowles is hereby elected Chairperson of the Board for the period July 23, 2014, until the first regular meeting of the Board in January 2015, and until, respectively, his/or her successor is elected.

RESOLUTION No. 4946

Election of Board Vice-Chairperson

Ruth Adkins is hereby elected Vice-Chairperson of the Board for the period July 23, 2014, until the first regular meeting of the Board in January 2015, and until, respectively, his/or her successor is elected.

RESOLUTION No. 4947

Settlement Agreement

RESOLUTION

1. The authority to pay \$170,000 is granted in a settlement agreement for employee G.D. to resolve claims brought under Workers' Compensation and BOLI.
2. This expenditure will be charged to the District's self-insurance fund 601.

J. Patterson / B. Meyers