

COMMUNITY UNIT SCHOOL DISTRICT NO. 205
Board of Education
6:00 PM – Tuesday, March 29, 2011
932 Harrison Street—Galesburg, Illinois
Special Meeting

Agenda

- I. Call to Order
- II. Roll Call
- III. Moment of Silence/Pledge of Allegiance
- IV. Old Business
 - A. Approval of Board Policy 430.05 Investment Policy (Second Reading)
- V. New Business
 - A. Approve Recommendations on Adoption of Resolutions:
 1. Discussion and Recommendation on Adoption of Resolution RE: Reduction In Force of C.U.S.D. #205 Teachers Due to Uncertain Enrollment. (RIF Item)
 2. Discussion and Recommendation on Adoption of Resolution RE: Dismissal of C.U.S.D. #205 Teacher Due to Lack of Required Certification.
 3. Discussion and Recommendation on Adoption of Resolution RE: Reduction In Force of C.U.S.D. #205 Educational Support Staff Due to Uncertain Grant Funding. (RIF Item)
 4. Discussion and Recommendation on Adoption of Resolution RE: Reduction in Force of a Knox-Warren Special Education District Teacher Due to Uncertain Enrollment.
 5. Discussion and Recommendation on Adoption of Resolution RE: Dismissal of Knox-Warren Special Education District School Psychologist.
 6. Discussion and Recommendation on Adoption of Resolution RE: Reduction In Force of Knox-Warren Special Education District School Support Staff Due to Uncertain Enrollment.
 7. Discussion and Recommendation on Adoption of Resolution RE: Honorable Dismissal of Knox-Warren Special Education District Support Staff Due to End of Grant Funding.

8. Discussion and Recommendation on Adoption of Resolution RE:
Reduction In Force of Knox-Warren Special Education Cooperative
Educational Support Staff Due to Uncertain Grant Funding.
 - B. Approve Contract for Architectural Services with PSA Dewberry
 - C. Approve Contract for Construction Manager Services with Russell
Construction
 - D. Approval of Bond Purchase Agreement with Hutchison, Shockey, Erly &
Co.
 - E. Resolution Providing for the Issue of Approximately \$10,425,000 General
Obligation School Bonds, Series 2011A, of Community Unit School
District Number 205, Knox and Warren Counties, Illinois, and for the Levy
of a Direct Annual Tax Sufficient to Pay the Principal and Interest on Said
Bonds
 - F. Resolution Providing for the Issue of Approximately \$15,180,000 General
Obligation Schools Bonds (Alternate Revenue Source), Series 2011B, of
Community Unit School District Number 205, Knox and Warren Counties,
Illinois
- VI. Closed Session
- A. Expulsion Hearing(s)
 - B. Personnel
- VII. Adjournment

Next Meeting will be April 11, 2011

Community Unit School District No. 205
March 29, 2011

Old Business IV. A:

Approval of Board Policy 430.05 Investment Policy (Second Reading)

Background:

The District's investment policy references State statute as to the permissible investments to be made by the district. The state statute referenced in District Policy 430.05 is the Public Funds Investment Act (30 ILCS 235). Chapman & Cutler's Kyle Harding, during his presentation before the Board of Education during its February regular meeting, confirmed to the Board that authority exists in statute for the Board to invest in its own bonds.

The statutory authorities lies in the Investment of Municipal Funds Act (50 ILCS 340) which provides in pertinent part:

Likewise, every county, park district, sanitary district, or other municipal corporation, by resolution or ordinance may ... [purchase] municipal bonds issued by the county, park district, sanitary district, or other municipal corporation ... [...] All interest upon these bonds or obligations and all money paid in redemption of these bonds or obligations or realized from the sale thereof, if afterwards sold, shall at once be credited to and placed in the particular fund used to purchase the specified bonds or obligations.

Accordingly, Administration proposes a change to the invest policy expanding the permissible investments to include those authorized by the Municipal Funds Act or 50 ILCS 340. A copy of the proposed change can be found highlighted (in yellow) and underscored on the attached.

Recommended Action:

Approve as Presented

Community Unit School District No. 205

March 29, 2011

New Business V. B:

Approve Contract for Architectural Services with PSA Dewberry

Background:

At its December 2010 regular meeting the Board of Education authorized the solicitation of architectural services for Phase I of the District's 20 Year Master Facility Plan "Operation Rebuild-Achievement." During the course of the next several months the Board authorized Implementation Committee and administration worked to narrow a field of 15 submissions to four finalist. The four finalist were ranked by the Implementation Committee for presentation to the Board's Building Committee for endorsement. PSA Dewberry (Peoria, IL) was ranked first among the four firms followed by Cordogan Clark (Aurora), Wold Architects (Palatine) and Wm Ittner Architects (Fairview Heights, IL). With the endorsement of the Building Committee, the District's administration entered into contract negotiations, the outcome of which is found on the attached.

Administration negotiated a contract price of 6.39% of estimated construction costs at the end of "design development" or approximately, \$1,597,500 plus expenses. The PSA Dewberry contract contains a 1.3% performance bonus which assumes the District will spend less than half its contingency. Under this arrangement PSA Dewberry could achieve an additional \$331,500 in compensation but the District would realize a net of \$2,218,500 in contingency savings. State Statute does not permit the award of a contract for architectural services to be based upon competitive pricing. However, by comparison, we do know that PSA Dewberry's base price was less than the three other finalists with the submissions ranging from 6.5% to 7.1% when a construction manager is also involved. Overall, the District had budgeted 10% for architectural and related services.

Recommended Action:

Approve as Presented

Community Unit School District No. 205

March 29, 2011

New Business V. C:

Approve Contract for Construction Manager Services with Russell Construction

Background:

At its December 2010 regular meeting the Board of Education authorized the solicitation of construction managers (as part of the architecture services) for Phase I of the District's 20 Year Master Facility Plan "Operation Rebuild-Achievement." During the course of the next several months the Board authorized Implementation committee and administration worked to narrow a filed of 7 submissions to two finalist. The two finalist were ranked by the Implementation Committee for presentation to the Board's Building Committee for endorsement. Russell Construction (Davenport, IA) was ranked first among the two firms the other being Gilbane (Chicago, IL). With the endorsement of the Building Committee, the District's administration entered into contract negotiations, the outcome of which is found on the attached.

Administration negotiated a contract price of 4.00% of estimated construction costs at the end of "design development" or approximately, \$1,020,000 plus expenses. On advice from the district's architect, Metzger Johnson, the 4.00% rate is considered to be within the reasonable range of costs. Overall, the District had budgeted 10% for architectural AND related services, of which the construction manger services would be considered "related."

Recommended Action:

Approve as Presented

Community Unit School District No. 205
March 29, 2011

New Business V. D:

Approve Bond Purchase Agreement with Hutchison, Shockey, Erly & Co.

Background:

At its regular meeting March 14, 2011 the Board of Education authorized Hutchison, Shockey, Erley & Co. and Stifel Nicolaus to act as Underwriter and Co-manager, respectively, on the sale of the District's \$30,000,000 Phase I "Operation Rebuild-Achievement" bonds.

Tonight's action sets forth the purchase by Hutchison, Shockey, Erley & Co, as Underwriter, and Stifel Nicolaus, as Co-Manager, of the District's proposed \$11,810,000 General Obligation School Bonds, Series 2011A, and \$14,495,000 General Obligation School Bonds (Alternate Revenue Source), Series 2011B bonds and associated covenants. (The \$5,000,000 General Obligation School Bonds (QZABs), Series 2011C will be brought before the Board of Education at the time of a QZAB award by ISBE now expected to be received in May 2011.) The covenants include the issuance of a final "official statement," providing for "continued disclosure," and certain documents. Please see attached.

Recommended Action:

Approve as Presented

Community Unit School District No. 205

March 29, 2011

New Business V. E:

RESOLUTION Providing for the Issue of Approximately \$10,425,000 General Obligation School Bonds, Series 2011A, of Community Unit School District Number 205, Knox and Warren Counties, Illinois, and for the Levy of a Direct Annual Tax Sufficient to Pay the Principal and Interest on Said Bonds

Background:

At its regular meeting in August 2010 the Board of Education approved a 20 Year Master Facility Plan "Operation Rebuild-Achievement." At its March 2011 regular meeting the Board of Education approved the Preliminary Official Statement for the financing of Phase I of Operation Rebuild-Achievement. This action approves the issuance of the Series 2011A General Obligation School. These bonds are specific to the fire prevention & safety items. Under separate cover will be found a similar resolution for the other series of bonds.

A full reading of the resolution accompanies this cover. All blanks remaining will be filled in at time of pricing-Tuesday-and be made known to the Board at time of the Board meeting.

Recommended Action:

Approve as Presented

Community Unit School District No. 205

March 29, 2011

New Business V. F:

RESOLUTION Providing for the Issue of Approximately \$15,180,000 General Obligation School Bonds (Alternate Revenue Source), Series 2011B, of Community Unit School District Number 205, Knox and Warren Counties, Illinois

Background:

At its regular meeting in August 2010 the Board of Education approved a 20 Year Master Facility Plan "Operation Rebuild-Achievement." At its March 2011 regular meeting the Board of Education approved the Preliminary Official Statement for the financing of Phase I of Operation Rebuild-Achievement. This action approves the issuance of the Series 2011B General Obligation School Bonds (Alternate Revenue Source). Under separate cover will be found a similar resolution for the other series of bonds.

A full reading of the resolution accompanies this cover. All blanks remaining will be filled in at time of pricing-Tuesday-and be made known to the Board at time of the Board meeting.

Recommended Action:

Approve as Presented