

**Minutes of the Special Business Meeting of the
Board of Education of Hawthorn Community Consolidated District Number 73, Lake County, Illinois
held in the Gymnasium at Hawthorn Middle School South, 600 North Aspen Drive, Vernon Hills, IL 60061
at 7:00 p.m. on the 21st day of May 2018.**

CALL TO ORDER

Sonali Patil called the Special Business Meeting to order at 7:01 p.m.

Those present recited the Pledge of Allegiance.

ROLL CALL

Wes Polen called the roll with the following members of the Board of Education answering present: Julie Simpson, Jayson Tran, Robin Cleek, Sonali Patil and Matt Jacobs. Jeff Bard were absent. Also present was Assistant Superintendent of Curriculum and Instruction, Dr. Lisa Leali and Abe Singh, CSBO, Director of Finance and Business Operations. Superintendent Nick Brown was absent.

Jason Lembke and Kristen Gatzendorf, architects with DLR Group and Tom McGrath of LAMP, Inc. were also in attendance.

Board President Sonali Patil provided opening remarks and a welcome to the community stakeholders who were present at the meeting and watching via the YouTube channel. Tonight's meeting will focus on a presentation of six options and a financial report. The plans that will be presented reflect an "apples to apples" comparison. The board will review the viability of each option and narrow the choices down to just 2-3.

PUBLIC COMMENT – No one chose to comment.

DISCUSSION

Jason Lembke, principal architect with DLR Group, provided a presentation on updated 2016 plans and four new plans based off of feedback gathered through recent community meetings. The Updated 2018 EFMP reflects a plan that is 16% larger, by square footage, than the adopted 2016 EFMP plan by including more student support spaces, new science labs, more art spaces, more dedicated music space and storage, larger PE spaces at both middle schools, a larger cafeteria space at Middle School South, all new classrooms sized equitably and more special education space. A panel of 15 graders, comprised of District staff, Core Team members and DLR Group, was presented with a graphic/description of each of the six options. The panel was given a set of guidelines to objectively grade each option according to how well they aligned with the 10 community priorities. The panel graded independently and in isolation using an online survey form. A weighted average grade for each option was derived. This weighted grade was given a multiplier according to how high the community had ranked the priority. 11 out of the 15 panelists completed the survey. Preliminary analysis of the six plans followed. The New 5-8 Middle School with a total estimated first-time cost of \$128,500. A tabulation error in the spreadsheet was discovered from the May 14th cost as presented. Costs for Elementary North and Middle School North were erroneously duplicated in the summation. New 7-8 Middle School with an estimated first-time cost of \$130,200,000. The third plan is a New Elementary South. The estimated first-time cost is \$110,500,000. The final new plan is the Dual Language plus Pre-K. Estimated first time cost for this plan is \$107,500,000. An Updated 2016 Option "A" plan is estimated at a first-time cost of \$112,000,000. The final plan is the Updated 2016 Adopted EFMP with a first time estimated cost of \$70,000,000. Sonali Patil asked board members to try and narrow the 6 plans down to 2-3

along with finances.

Ms. Patil opened the meeting up for public questions/comments:

Emily Coronado, 10 Bedford, Vernon Hills: How many community members participated in the grading? Mr. Lembke stated that the grading was completed by District staff, Core Team members and DLR Group. Each panelist graded independently.

Natalie Zellner, 571 Quaker Ridge Court, Vernon Hills: Mrs. Zellner expressed concern that the survey was not publicized well enough and questioned whether it appeared on the Village of Vernon Hills or Park District's webpages. She would like to see a breakdown of who took the survey and asked when it will be posted on the district's website. Mrs. Zellner has emailed the school board about the survey.

Michael Schenk, 587 Central Park Place, Vernon Hills: The scoring is determined by 11 graders and the bottom 2 plans were not shown at the last meeting. Mr. Schenk would like a list of who scored the plans for transparency purposes. He believes the numbers are too high to get a plan passed.

Julie Landgraf, 1797 N. Sawgrass, Vernon Hills: Ms. Landgraf asked if the 2016 EFMP included the kindergarten center? Yes, it did.

Terri McRae, 197 Colonial Drive: Mrs. McRae shared information about a Facebook page entitled "Friends and Families of Hawthorn 73". She encouraged community members to visit the page for information. Mrs. McRae noted that they are trying to make sure that information posted is accurate.

Susan Townsend, 504 Superior Street, Vernon Hills: Ms. Townsend asked the board to clarify the purpose of the meeting? Mrs. Patil explained the process the board has gone through up to this point and how the plans presented were developed. Mrs. Cleek added that on the district webpage is an EFMP tab and past presentations and information on the previous referendum can be found there. The board is working to keep student/teacher ratios at 25:1 along with meeting other educational objectives.

Abe Singh, CSBO, Director of Finance and Business Operations presented information on the debt limit of the district. The statutory debit limit is equal to 6.90% of EAV. The limit can be increased through legislation (a state senator must sponsor a bill), exploding enrollment (25% increase in one year or 200 students) or by passing a referendum question with a higher amount by 67% or higher. Elizabeth Hennessey from Raymond James provided information on the current debt limit and debt limit post proposed \$1.5 million Working Cash and Refunding of Series 2009A and 2009 B Bonds. Finally, Mr. Singh provided information on debt limit projections.

COMMUNITY QUESTIONS/COMMENTS

Michael Schenk, 587 Central Park, Vernon Hills: Mr. Schenk thanked Mr. Singh for his clear and concise presentation. He asked if the district has ever fallen into category 2? Mr. Singh noted that for the last 10 years the district has not fallen below recognition.

Lauryn Theisen, 313 Appleton Drive, Vernon Hills: If there is a disaster in a building does the district have reserves to handle this? Yes, the district is fully insured on all buildings and during a construction.

Nikki Kuski, 6 Monterey, Vernon Hills: If the referendum was for \$50 million would the district be able to take the money in phases? Would the district need a 67% yes vote in order to build a new building? Yes, the plan would be done in phases and only the monies required would be used.

Michael Schenk, 587 Central Park, Vernon Hills: What are the current reserves right now? Mr. Singh noted the overall fund balance is approximately \$40 million. To some degree it is a bit arbitrary depending upon the time of the year. Robin Cleek asked Mr. Singh to explain why the district cannot use all of the cash reserves. You need to look at the low point in the year which is in May with about \$12 million. Mr. Singh would like about 3 months of expenditures in reserves. The state is sometimes late in making payments to the district.

Joe Townsend, 5045 Superior Street, Vernon Hills: If a \$50 million referendum is passed what type of risk does this put the district in from a financial perspective? Looking beyond 2023 what if this doesn't solve our core problems will the school board be looking for more money? Mr. Singh explained that going down to a category 2 is a number that the district would have to live with for 20 years. Many districts fluctuate between recognition or review. This would not affect the bond rating much. 2024 limits our future if we don't solve our problems now. This is why the board is going through the process. We do not want to reach our debt limit without solving the problem.

President Patil asked the board to review each plan separately and determine if it is a viable option.

New 7-8 Middle School

Ms. Patil reviewed the plan. The building would hold approximately 1,100 students. Based on the survey and community comments equity in spaces and access to programming across the district was important. This option would limit the number of participants involved in activities. For example, only would have one sports team. This plan would still require additions/renovations to other buildings. It grades the lowest and is the highest square footage building. Julie Simpson was excited about this option, but the enrollment will be too large. She would like this removed from consideration. All board members concurred that this plan is not viable.

New 5-8 Middle School

Wes Polen provided a summary of this plan. Mrs. Polen feels it should be removed from the list as it is a large building that is not recommended by administration and does not meet the costs. The district would still have an issue with extracurricular activities. Robin Cleek asked what would happen with the School of Dual Language 5th grade students? They would not join the middle school until 6th grade. All board members concurred that this plan is not viable.

New Elementary South versus New Dual Language + Pre-K

Robin Cleek noted that there are mixed feelings about the new kindergarten building located at the Sullivan Center. Julie Simpson asked if the adopted EFMP included an adaptive reuse plan for kindergarten? Mr. Lembke explained that the district could continue to add on to buildings and take down a wing at Elementary South and build a new 2-story addition. Pre-K would have to remain at Lincoln because the new Cuneo Farms development is slated to go to Elementary North. Utilizing the Sullivan Center plan saved money because the gym space and library space already exist. Jayson Tran noted that a new Elementary South building grades higher than a new Dual Language building. Wes Polen added that enrollment at Dual Language is controlled. Mrs. Cleek does not feel costs could be lowered enough to have this plan pass. Matt Jacobs opposes including Pre-K into the buildings and would prefer to see the program remain at the Lincoln building. Mr. Tran noted that the new Dual Language building would be approximately the same number of students as the kindergarten building. The board needs to consider the value of the dollar for the number of students that are being moved. Ms. Patil, Mrs. Simpson, Mr. Tran and Mrs. Polen favor a new Elementary South building. Mrs. Cleek and Mr. Jacobs prefer a new Dual Language building minus the Pre-K program. A new Elementary South building is considered viable. The new Dual Language + Pre-K plan will be dropped.

Updated 2016 Option "A"

Robin Cleek would like to consider this plan and review line by line in order to sharpen the costs. She does not like the amount of land that is used around Middle School North. This plan makes a much more crowded campus. Jayson Tran noted that Option "A" has the kindergarten center. The new Elementary South option grades higher and is slightly less expensive. Julie Simpson would like to keep this option. Matt Jacobs, Sonali Patil, Robin Cleek and Wes Polen are not in favor. The Updated 2016 Option "A" is not a viable option.

Updated 2016 Adopted EFMP

The kindergarten building at the Sullivan Center bids have come in over budget. Tom McGrath and Jason Lembke have provided information on how the district could save money. Matt Jacobs would like the Pre-K and land acquisition removed from the plan. Robin Cleek believes the land acquisition is good especially for flexibility in moving forward. Board members concurred and the Updated 2016 Adopted EFMP is a viable option.

At the May 30th meeting DLR Group and Lamp, Inc. will provide information for the board to begin narrowing down the two plans.

PUBLIC COMMENT

Betsy Sostak, 1320 Hampton Lane, Mundelein: Mrs. Sostak would like the board to consider increasing the Dual Language enrollment. Area programs are growing, and Mrs. Sostak feels it is short-sighted that the district is not making more room for new families in the program. There is a large population of parents that want to support the district. She suggested the district start looking only 5 years out.

Michael Schenk, 587 Central Park, Vernon Hills: How many students would attend at the new Elementary South? How much does it cost to build per square foot a new elementary building? Mr. McGrath provided rough cost estimates.

Kim McCullough, no address provided: Ms. McCullough requested that the board take into consideration the children who attend the John Power's building when reviewing plans.

Ms. Patil noted the next Community Engagement meeting will be held on Wednesday, May 30th at Townline Elementary in the gym at 7:00 p.m.

ADJOURNMENT

Sonali Patil requested a motion to close the Business Meeting.

Robin Cleek moved that the Board of Education adjourn the Special Business Meeting. Julie Simpson seconded the motion.

Voice Vote:

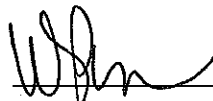
Motion carried: 6 ayes; 0 nays

The Special Business Meeting adjourned at 9:18 p.m.

*Respectfully submitted,
Wendy Peterson*



Sonali Patil, President



Wes Polen, Secretary

Date Minutes Approved: June 11, 18