APPROVED

Magnolia Public Schools

Minutes

Regular Board Meeting

Date and Time
Thursday December 13, 2018 at 6:00 PM

Location
MSA- 1: 18238 Sherman Way, Reseda, CA 91335

The following locations remained open for remote access which include the sites where Board Members joined from.

By dialing into; 1.844.572.5683 Code: 1948435
• MSA-6 3754 Dunn Dr., Los Angeles, CA 90034
• MSA-SD 6525 Estrella Ave. San Diego, CA 92120 (Dr. Salih Dikbas)
• MSA-SA 2840 W. 1st., Santa Ana, CA 92703 (Mr. Shohrat Geldiyev)
• 940 Steward Dr. Sunnyvale, CA 94085 (Dr. Umit Yapanel)
• 1363 Ridgecrest Rd Pinole, CA 94564 (Mr. Serdar Orazov)
• 683 Loyola Ave. Carson, CA 90746 (Mrs. Charlotte Brimmer)
• 5113 Babette Ave. Los Angeles, CA 90066 (Ms. Diane Gonzalez)

Board Members:
Dr. Saken Sherkhanov, Chair (reappointment)
Mr. Haim Beliak, Vice-Chair
Dr. Umit Yapanel
Mr. Serdar Orazov
Dr. Salih Dikbas
Ms. Diane Gonzalez
Ms. Charlotte Brimmer
Ms. Sandra Covarrubias

Mr. Shohrat Geldiyev

CEO & Superintendent:
Mr. Alfredo Rubalcava

Directors Present
C. Brimmer (remote), D. Gonzalez (remote), H. Beliak, S. Covarrubias, S. Dikbas (remote), S. Geldiyev, S. Orazov (remote), S. Sherkhanov, U. Yapanel

Directors Absent
None

Directors who arrived after the meeting opened
C. Brimmer, S. Geldiyev

I. Opening Items

A. Call the Meeting to Order

H. Beliak called a meeting of the board of directors of Magnolia Public Schools to order on Thursday Dec 13, 2018 at 7:10 PM.
S. Sherkhanov, MPS Board Chair, did not participate in the meeting until after he was reappointed, therefore his votes were recorded as abstention but he did vote until after item II A.

B. Record Attendance and Guests

C. Brimmer, MPS Board Member joined remotely at 7:10pm, S. Geldiyev, MPS Board Member joined remotely at 8:08pm.
H. Beliak, MPS Vice-Chair, sat in as Chair of the Board for the beginning of the meeting, given that the MPS Board Chair had not yet been reappointed.

C. Pledge of Allegiance

B. Torres, MPS Board Secretary, led the Pledge of Allegiance.

D. Approval of Agenda

U. Yapanel made a motion to approve the agenda as presented.
S. Covarrubias seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

H. Beliak	Aye
S. Sherkhanov	Abstain
S. Covarrubias	Aye

Roll Call

C. Brimmer	Absent
D. Gonzalez	Aye
S. Geldiyev	Absent
S. Dikbas	Aye
S. Orazov	Aye
U. Yapanel	Absent

E. Public Comments

There were no public comments.

F. Communications: Board/Superintendent

A. Rubalcava, MPS CEO & Superintendent, handed recognition awards to all MPS Board Members and thanked them for their dedication and hard work as Board Members. No other communications were given.
C. Brimmer arrived.

G. Approval of November 8, 2018 Regular Board Meeting Minutes

C. Brimmer made a motion to approve minutes from the Regular Board Meeting on 11-08-18 Regular Board Meeting on 11-08-18.
U. Yapanel seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

C. Brimmer	Aye
D. Gonzalez	Aye
S. Covarrubias	Aye
H. Beliak	Aye
S. Sherkhanov	Abstain
S. Geldiyev	Absent
U. Yapanel	Aye
S. Orazov	Aye
S. Dikbas	Aye

II. Consent Items

A. Approval to Reappoint Board Member & Chair- S. Sherkhanov

This item was taken out of Consent Agenda and was voted on before voting on other consent items.
U. Yapanel made a motion to approve the reappointment of Dr. Saken Sherkhanov for a 3rd five (5) year term beginning on December 13, 2018 and ending on December 12, 2023 and to continue to serve as the MPS Board Chair.
S. Covarrubias seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

S. Dikbas	Aye
C. Brimmer	Aye
D. Gonzalez	Aye
S. Orazov	Aye
H. Beliak	Aye
S. Sherkhanov	Abstain
S. Covarrubias	Aye
S. Geldiyev	Absent
U. Yapanel	Aye

B. Approval of 2017-18 MPS Audit Report

This item was taken out of the Consent Agenda for further discussion. N. Montijo, MPS Chief Financial Officer (CFO), presented M. Miller, Audit Partner from Vavrinek, Trine & Day & Co., LLP, who gave an overview of the audit report. He addressed STRS and PERS questions and elaborated on how funds for employee retainment are reflected in the audit. Since this item was previously reviewed and recommended for approval by the Finance & Facility/Audit Committee there was only brief discussion by the Board.
H. Beliak made a motion to approve the Financial Audit Report for fiscal year 2017-18 of all ten (10) schools and the consolidated audit including the home office.
S. Orazov seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

U. Yapanel	Aye
S. Sherkhanov	Aye
D. Gonzalez	Aye
H. Beliak	Aye
S. Dikbas	Aye
C. Brimmer	Aye
S. Orazov	Aye
S. Covarrubias	Aye
S. Geldiyev	Absent

C. Approval of MSA 1 Cabling Vendor and Contract

S. Sherkhanov made a motion to awards the winning bid according to vendor evaluation matrix and adopt the purchase of equipment and cabling services for Magnolia Science Academy (MSA)-1 operating within the approved budgeted amounts. Should there be a similar need for any other Magnolia Public Schools(MPS), the approved vendor, machine model, and pricing per unit will be used between dates July 1st, 2018 – June 30th, 2020.
S. Orazov seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

C. Brimmer	Aye

Roll Call

S. Geldiyev	Absent
S. Orazov	Aye
S. Covarrubias	Aye
S. Dikbas	Aye
S. Sherkhanov	Aye
D. Gonzalez	Aye
H. Beliak	Aye
U. Yapanel	Aye

D. Approval of PrimeSource Invoice and Payment

C. Brimmer, MPS Facility Committee Chair, recommended her approval of the item based on what the committee had discussed at length with the changes that she had recommended be done to the narrative. P. Ontiveros, MPS Facilities Director and General Counsel gave a brief overview of the current contract with PrimeSource and explained what the additional fees in the new invoice were for that go above the estimated contract amount reflected in the original contract between PrimeSource and MPS for professional construction management services.
C. Brimmer made a motion to approve the payment to PrimeSource Project Management LLC (“PrimeSource”) of $24,862.40 for work performed to date on both MSA-1’s new construction project at 18220 Sherman Way and its rehabilitation investigation project for the existing building at 18238 Sherman Way (together, the “Project”) provided that a revised copy of the report be provided during the next board meeting.
H. Beliak seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

S. Sherkhanov	Aye
H. Beliak	Aye
S. Geldiyev	Absent
D. Gonzalez	Aye
C. Brimmer	Aye
S. Covarrubias	Aye
U. Yapanel	Aye
S. Orazov	Aye
S. Dikbas	Aye

E. Approval of Work Order #3 for Work by Oltmans at Existing MSA 1 Building

C. Brimmer, MPS Facility Committee Chair, reported out from what was discussed during committee meeting and gave her recommendation to approve.
C. Brimmer made a motion to approve Work Order #3 in the amount of $14,859.81 for work performed at the existing MSA-1 building by Oltmans Construction Company (“Oltmans”).
H. Beliak seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

D. Gonzalez	Aye
S. Sherkhanov	Abstain
S. Dikbas	Aye
U. Yapanel	Aye
S. Covarrubias	Aye
C. Brimmer	Aye
H. Beliak	Aye
S. Orazov	Aye
S. Geldiyev	Absent

F. Approval of the LCAP Addendum for MPS

S. Sherkhanov made a motion to approve the LCAP Addendum for all MPS under Consent Agenda.
S. Orazov seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

H. Beliak	Aye
S. Geldiyev	Absent
S. Orazov	Aye
S. Sherkhanov	Aye
C. Brimmer	Aye
U. Yapanel	Aye
S. Dikbas	Aye
S. Covarrubias	Aye
D. Gonzalez	Aye

III. Action Items

A. 2018-19 First Interim Financial Reports

This item was previously presented to the MPS Board Finance Committee. N. Montijo, MPS Chief Financial Officer (CFO), presented the interim reports. She went over the deficit in the revenue due to the decline in enrollment and stated that she met with principals of low enrolled sites and together they created plans and adjusted budgets to address the new revenues. S. Orazov, MPS Finance Committee Chair, reported out from the committee meeting. He explained his review and recommended that enrollment numbers be monitored closely. The board went over intra company loan details and budget funds for each school. A. Rubalcava, MPS Chief Executive Officer (CEO) elaborated on the schools that are under enrolled, he mentioned that 3 schools met their budgeted numbers and 7 did not meet the those numbers. The CFO explained that the home office will be reducing the CMO fees for MSA Santa Ana to cover for the school's deficit this fiscal year. The board reviewed the first interim reports in detail.

H. Beliak made a motion to approve the 2018-19 revised budget and submit the same as First Interim Reports for fiscal year 2018-19.
U. Yapanel seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

S. Dikbas	Aye
D. Gonzalez	Aye
S. Orazov	Aye
U. Yapanel	Aye
S. Sherkhanov	Abstain
H. Beliak	Aye
C. Brimmer	Aye
S. Geldiyev	Absent
S. Covarrubias	Aye

B. Approval of Work Order #4 for Future Work Done by Oltmans at Existing MSA 1 Building

P. Ontiveros, MPS General Counsel and Facilities Director explained the details of the proposed work order, he went over the work that has been done and the work that would be done if this work order is approved. Due to the exploratory work that was done by the engineer, additional needed work was uncovered, this work was not initially planned for as it is work that is uncovered as exploration happens. He explained that this item did not go to the Facility Committee but is now being presented to the full board. The board presented their concerns regarding approving work orders for Oltmans in pieces which can affect the budget as change costs increase. P. Ontiveros went over fees, funding sources and other money that can be repurposed for this project. The board wants to ensure this project and these work orders be closely monitored and is requesting reports regarding work that is being done after board approval for the various facility work. P. Ontiveros, explained the difficulty with predicting the entire work that will be needed at any particular construction site, Board Member, C. Brimmer supported P. Ontivero's comment.
H. Beliak made a motion to approve Work Order #4 (a draft of which is attached as Exhibit A) in order for Oltmans Construction Company (“Oltmans”) to complete certain exploratory work at the existing MSA-1 building at 18238 Sherman Way for an amount not to exceed $4,500.00 to be billed on a time and material basis.
U. Yapanel seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

D. Gonzalez	Aye
S. Orazov	Aye
U. Yapanel	Aye
S. Dikbas	Aye
S. Covarrubias	Aye
S. Sherkhanov	Abstain

Roll Call

C. Brimmer	Aye
H. Beliak	Aye
S. Geldiyev	Aye

S. Geldiyev arrived.

C. Approval to Build Boundary Wall at MSA-1

P. Ontiveros, MPS General Counsel and Facilities Directer, explained the need for the wall at MSA-1 to be used as a sound barrier with the residential area and to ensure MSA-1 operations do not conflict with anyone living in the vicinity, there are additional needs for this wall that were explained in depth. He gave details on the requests of an MSA-1 neighbor and how staff plans on addressing it. P. Ontiveros elaborated on the need to get this work done as soon as possible based on what the planning department requested. C. Brimmer, requested documentation that shows the request made by the planning department. M. Sahin, MSA-1 Principal, elaborated on the project, he explained that the contingency before construction committed MPS to fix the drainage issue but this has not yet been done. If this item is not approved today then the completion date of the project will be pushed back until the item is approved by theMPS Board. After a lengthy discussion of the presented change order for MSA-1, the board decided to postpone the approval of this item until further review is done.

S. Sherkhanov made a motion to table this item until further documentation is provided including documentation from the city with their request, project details and alternatives, and communication from the neighbors.

S. Covarrubias seconded the motion.

The board **VOTED** unanimously to approve the motion.

Roll Call

U. Yapanel	Aye
S. Dikbas	Aye
H. Beliak	Aye
S. Orazov	Aye
S. Covarrubias	Aye
S. Geldiyev	Aye
S. Sherkhanov	Aye
C. Brimmer	Aye
D. Gonzalez	Aye

IV. Information/Discussion Items

A. Human Resources Department Roles and Responsibilities

S. Acar, Chief Operations Officer and D. Hajmeirza, Human Resource Director, presented the Human Resource department report. He went over the steps and processes that the department is in charge of and what work is outsourced. He also elaborated on what support is provided to principals and what work is done at the school

sites. Due to lack of time, the presentation was not given in its entirety. The board requested to have this report be presented at another board meeting or during the MPS Board Retreat.

B. Facility Update

A written report was provided, there was no discussion on this item.

V. Closed Session

A. Public Announcement of Closed Session

S. Sherkhanov, MPS Board Chair, informed the public that the board would be going into Closed Session to discuss three matters under anticipated litigation and one matter under labor negotiations.

B. Conference with Legal Counsel- Anticipated Litigation- Three Matters

This item was discussed in Closed Session.

C. Personnel / Labor Negotiations: price and terms of payment

This item was discussed in Closed Session.

D. Report Out From Closed Session

S. Sherkhanov, MPS Board Chair, reported out in Open Session. He stated that no actions were taken and staff was directed to gather more information and report out to the board in a future meeting.

VI. Possible Action Items after Closed Session

A. PrimeSource Report and Approval of Amended Contract

This item was tabled for a future meeting.

VII. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 11:07 PM.

Respectfully Submitted,
S. Sherkhanov