

APPROVED



ONE CITY
SCHOOLS

One City Schools

Minutes

One City Regular Board Meeting

Date and Time

Tuesday September 28, 2021 at 4:00 PM

Location

One City Board of Directors, Committee members, invited guests and staff **will meet in person** at 1707 W. Broadway, Madison WI 53713. Please note that you must use Bridge Road to enter the One City campus.

A Zoom link has been provided on the agenda for members of the general public to join this meeting virtually. **Please Note:** Only One City Board members, committee members, invited guest and One City staff will be permitted to enter our facility due to our COVID-19 health and safety protocols.

Join the September 28, 2021 Board Meeting via Zoom

at <https://onecityschools.zoom.us/j/96414211790>

Meeting ID: 964 1421 1790

Topic: One City Regular Board Meetings

Time: Sep 28, 2021 04:00 PM Central Time (US and Canada)

One tap mobile

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Directors Present

C. Gaines (remote), D. Aguayo, G. Derzon, G. Ladson-Billings (remote), J. Krupp (remote), S. Klug, S. Martyniak, S. Stroman, T. Jaeckle, T. Pedracine (remote), W. Akhtar

Directors Absent

C. Zdeblick, N. Wray, T. Balsiger

Guests Present

B. Pickett, C. Hodge, D. Davis, F. D'Abell, F. Knepp, G. Wiseman, Hamang Patel, L. Allen, M. Ruffin, V. Ramakrishnan (remote), X. Zupan

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

T. Jaeckle called a meeting of the board of directors of One City Schools to order on Tuesday Sep 28, 2021 at 4:00 PM.

C. Approve Minutes from July 27, 2021 Regular Board Meeting

G. Derzon made a motion to approve the minutes One City Regular Board Meeting on 08-24-21.

W. Akhtar seconded the motion.

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

II. Vote to approve new Board members Sui-Nae Stronom and David Aguayo

A. Approve the appointment of Sui-Nae Stroman and David Aguayo to the One City Board of Directors

C. Gaines made a motion to approve the appointment of Sui-Nae Stroman and David Aguayo to the One City Board of Directors.

S. Klug seconded the motion.

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

III. One City Parent Board Member Input

A. One City Parent Update by Parent-members of One City's Board of Directors

W. Akhtar reported that the first Parent Council Meeting went well, and there is substantial interest from parents wishing to participate on the Council.

W. Akhtar and T. Pedracine have begun holding monthly (virtual) meetings directly with members of One City's leadership team. The meetings have been helpful in talking through various issues and concerns that One City families share with them as leaders of the Parent Council and Board members.

IV. Guest Presentation by Hamang Patel, Partner, Michael Best and Friedrich LLP

A. Vote on resolutions around the formation of One City Broadway, LLC, One City Broadway South, LLC and One City Foundation, Inc.

Guest presenter Hamang Patel of Michael Best and Friedrich, LLP, provided information around the creation of a One City Foundation, One City Broadway, LLC, and One City Broadway South, LLC.

H. Patel stated that a bridge lender can lend money in the amount already spent by One City Schools and OCS will pay off the lender through the Foundation.

One City will pay a very low interest rate over a 7-year period, but OCS will inevitably be paying itself (the Foundation) back.

CDEs look for projects that have community impact, like a school, to fund. S. Martyniak and V. Ramakrishnan have been working hard to line up investors for this project.

H. Patel reported that One City Broadway, LLC will be a traditional corporate structure where an LLC owns the real estate.

One City Broadway South, LLC will be a commercial condominium.

D. Stephan reported that there is a chance of environmental contamination on the south end of OCS' property. To eliminate the chances of not being able to secure a loan for the renovation, we'll create another single-member LLC which is a sister entity to the LLC which owns the property.

S. Klug How much money can we get?

H. Patel responded that there is no upper limit, but a practical estimation is \$20M from 2 or 3 CDE \$6-10M sub-allocations. We could gain access to these programs again in the future for a second round

S. Martyniak stated that we have letters of commitment from 2 investors so far, and we're waiting to hear back from a third investor. We can expect \$4-5M cash coming to the \$20M project that we will not have to fundraise ourselves.

G. Ladson-Billings stated that this is the same structure that the Urban League has used for its housing project, and it's running very smoothly.

G. Derzon agreed that the establishment of a separate entity for liability purposes is done frequently. There are multiple reasons for doing this besides pursuing new market tax credits.

T. Jaeckle said that we don't require separate officers for the two One City Broadway LLCs, but we do need a Board of Directors for the Foundation entity.

S. Klug asked if WPS is potentially liable for any of the environmental contamination?

D. Stephan replied that they are not. Environmental phase 1 survey was completed because we found out that the property was a foundry dump site. Environmental phase 2 survey was completed to see if any contamination would affect the construction of the athletic facility, and the answer is no.

H. Patel stated that we need to approve the establishment of a Foundation, approve the appointment of the 7 proposed individuals to the Board of the Foundation, and approve the Foundation as a financial supporter of OCS. Further, the Board needs to approve the submission of form 10(23) to the IRS to gain 501(c)(3) status.

G. Derzon made a motion to approve the establishment of One City Foundation.

S. Klug seconded the motion.

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

D. Aguayo made a motion to approve the operating agreement stating that One City Schools, Inc, will manage One City Broadway, LLC.

T. Jaeckle seconded the motion.

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

G. Derzon made a motion to approve the appointment of Salli Martyniak, Torrey Jaeckle, Gloria Ladson-Billings, Kaleem Caire, Juan Jose Lopez, Adam Clausen, and Raghu Ramakrishnan to the Foundation Board of Directors.

T. Jaeckle seconded the motion.

G. Derzon suggested looking at expanded public participation on the Board. Foundation Boards are established to assist with fundraising.

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

S. Klug made a motion to appoint Noble Wray, Joe Krupp, Torrey Jaeckle and Carola Gaines as officers of the Foundation.

S. Stroman seconded the motion.

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

D. Aguayo made a motion to establish One City Broadway South, LLC, which divides the property in two.

S. Martyniak seconded the motion.

D. Aguayo asked if there needs to be a physical boundary between the parcels. H. Patel responded that boundary will be on paper only. The parking structure will sit on the south condominium unit.

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

T. Jaeckle made a motion to authorize One City Schools' existing LLC to transfer the second parcel to One City Broadway South, LLC.

D. Aguayo seconded the motion.

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

G. Derzon made a motion to authorize One City Schools, Inc. officers to manage the business of One City Broadway South, LLC.

T. Jaeckle seconded the motion.

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

S. Martyniak asked who would sign the closing documents for the New Market Tax Credits.

H. Patel responded that the same individuals present for the closing of 1707 W. Broadway would sign documents.

V. Finance Committee: Discussion and Actions

A. Review and Approve One City's August 2021 Financial Report

T. Jaeckle reported that personnel salaries and benefits are a huge cost each month, and we're going to see those increase quite a bit with the expansion of the school. We'll want to watch that and make sure it doesn't continually increase.

We received our first charter school payment in September.

The original \$5M Pleasant Rowland pledge balance is now \$1.272M. We are using ~\$2K per month for operating budget.

We need to keep an eye on the use of this balance moving forward.

W. Akhtar wondered if there is a projection of when the Pleasant Rowland pledge will run out?

T. Jaeckle replied that L. Lange at Numbers4Nonprofits projected March of 2022 based on our current rate.

S. Klug asked if there are any restrictions for how we use the NMTC dollars?

H. Patel replied that they must be expended within 12 months, and they can be used for operating expenses.

G. Derzon suggested that we need to separate the operating expenses and capital income to make sure we note how income is being used.

S. Martyniak enquired as to the status of the Director of Finance position?

D. Stephan replied that the position is posted, but a candidate may not be in place in time for the NMTC closing.

G. Derzon suggested Joanne Holland may help to review candidates and may have suggestions for applicants.

G. Wiseman stated that we have had 34 applicants so far. Joanne Holland has helped recruit some of them.

G. Derzon made a motion to approve the August 2021 financials.

S. Klug seconded the motion.

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

VI. CEO Update and August 2021 Organizational Report

A. CEO Departmental Reports: Key Topics and School Highlights

M. Ruffin reported that the first parent meeting of the year involved nearly 150 families, and many families want to join the Parent Council.

F. D'Abell said that the first month of school was dedicated to relationship building. Uniforms and curriculum instruction will begin on October 4. More than 50% of our students this year are new, and EL leaders have been impressed by what they've seen during their monthly walkthroughs.

MAP testing will wrap up later this week.

Two new teachers left after two days of the school year. Their positions were quickly filled and we are now fully staffed.

W. Akhtar said that OCS doubled the benchmark expectations for MAP scores for Black students during the COVID school year (2020-21).

S. Martyniak said that the all-staff meeting in August was a beautiful day, and Kaleem's words about spending the first 30 days on relationship building was inspiring.

F. D'Abell reported that we are partnering with AOPS via Beast Academy to provide advanced math remote learning for a handful of scholars twice per week.

B. Pickett stated that we currently have 82 students because we've been able to return to our regular classroom capacities and we added a second section of 3K.

The preschool added 3 new staff members this year.

The preschool team meets with Anji Play leadership weekly and that relationship is continuing to grow.

T. Strong, Child Care Specialist for the City of Madison visited last week and was happy with the progress we're making.

B. One City Student Enrollment Update for the 2021-22 School Year

M. Ruffin reported that 230 out of 254 maximum seats are currently filled and that grades 4K, 5K, and 1st grade have long waitlists.

S. Klug wondered how the older grades are filling up?

M. Ruffin replied that we have space for 1 more for 4th grade, 6 more students for 3rd grade and 12 more students for 2nd grade.

W. Akhtar asked if that is because there are 2 sections of 2nd grade? M. Ruffin confirmed.

S. Klug asked how new families have found us. M. Ruffin replied mainly by word of mouth and social media.

C. Staffing Updates

D. Secondary School Planning Updates

D. Davis reported that she is working with the team to develop a strong secondary school program.

They are currently looking at defining graduation requirements and how to extend the EL curriculum through middle school years, as well as how to assess student progress.

T. Jaeckle asked what is the start of the school day for the secondary school?

D. Davis replied that it will probably begin at 8:15 or 8:30 to stagger the start times between elementary and secondary schools.

W. Akhtar asked if, as we develop the secondary school program, how are big decisions (like will we have security officers), being made?

D. Davis responded that a group of staff discusses decisions.

T. Pedracine wondered when parents will be brought in to hear what the separation of students will look like between the elementary and secondary schools?

D. Davis replied that she should expect to hear more details on when scholars will transition between classes in the spring. Only purposeful interactions should occur because the elementary school will be on the first level and the secondary school will be housed on the second and third levels of the building.

T. Pedracine asked what that will look like for the 5th graders who share a space with 12th graders?

W. Akhtar wondered if it would be helpful to have a stakeholder focus group (of parents, for example) to discuss this?

F. D'Abell said that we can have that group visit a school in Milwaukee which is a K-12 school with no barriers between grades.

VII. Other Business

A. Other Business

G. Wiseman introduced Fern Knepp, One City's new VP of Government Relations. Fern spent 11 years at the Legislative Reference Bureau. She is looking forward to using that experience to advocate for One City and schools in general.

G. Wiseman reported that One City's We Are One Capital Campaign Kickoff Event will be held this Friday, October 1st, from 6:00-7:30 PM.

We have entered into a partnership with UW Athletics. To celebrate the kickoff of our partnership, UW Athletics gave One City 20 free tickets to a September football game and the opportunity to nominate an outstanding teacher to receive an award. S. Caire was nominated and voted as One City's outstanding teacher of 2021-21. He was acknowledged at the kick off of the game, and presented with a check for \$1,000 to use in his classroom.

VIII. Closing Items

A.

Adjourn Meeting

G. Derzon made a motion to adjourn the meeting.

S. Klug seconded the motion.

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

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:00 PM.

Respectfully Submitted,

G. Wiseman

For more information, please contact Gail Wiseman, Vice President of External Relations at gwiseman@onecityschools.org or (608) 514-6119.