



A G E N D A

Durham Public Schools Board of Education
Monthly Meeting
May 22, 2014
Fuller Administration Building
511 Cleveland Street, Durham, NC

1. **Call to Order** **6:30 p.m.**
2. **Moment of Silence**
3. **Celebrations**
4. **Superintendent's Update**
5. **Agenda Review and Approval**
6. **General Public Comment**
7. **Board of Education Meeting Minutes**
8. **Consent Agenda**
 - a. **Proposed Increase in Attorney Fees**
 - b. **Eno Valley Elementary School – Bids for HVAC System Installation**
 - c. **Eno Valley Elementary School – Purchase Order for HVAC Equipment**
 - d. **E-Rate Applications for 2014-2015**
 - e. **Construction Management Services 2014-2015 Contract Extension**
 - f. **Y.E. Smith Elementary School – Bids for Kitchen Hood Replacement**
9. **Reports of the Committees**
 - I. **Support Services Committee**
 - a. **Revised Policy 4131 – Program Magnet Schools – Second Reading**
 - II. **Administrative Services Committee**
 - a. **Child Nutrition Services – Universal Free Breakfast**
10. **Closed Session**
 - **To consider confidential student information protected under NCGS 115C-402 and the Family Education Rights and Privacy Act (FERPA), 20 USC 1232g.**
 - **To consider personnel matters and to prevent the disclosure of confidential personnel records pursuant to 143-318.11(a)(1), (6) and 115C-319.**
 - **To consult with the board attorney to preserve the attorney-client privilege as provided in NCGS 318.11(a)(3).**
11. **Adjournment**

Mission Statement

In collaboration with our community and parents, the mission of Durham Public Schools is to provide all students with an outstanding education that motivates them to reach their full potential and enables them to discover their interests and talents, pursue their goals and dreams, and succeed in college, in the workforce and as engaged citizens.



One Vision. One Durham.

Date: May 22, 2014

Durham Public Schools Board of Education PRECIS

Agenda Item: Celebrations

Staff Liaison Present: Chrissy Pearson

Phone # 560-9112

Student & Staff Recognition

Duke/DPS Student(s) of the Month

Xavier Smith Southern High School

New Voices's 2014 Lara Jane Parker Award

Deanna St. John, who teaches the Multiple Disabilities class at Easley Elementary, has won the nonprofit organization New Voices's 2014 Lara Jane Parker award for individuals who directly serve children with severe communication and mobility disabilities in the Durham, Chatham, Orange, Wake and Chapel Hill-Carrboro school districts.

The Quill State Tournament

Finishing in first place among middle schools with a final score of 87.3 was Lucas Middle School. Team members for Lucas were Miranda Straubel, Hannah Fogle, and Mary Margaret Johnson. This was the first ever State Title for Lucas Middle School.

NC Association for Scholastic Activities Middle School Student of the Year

Miranda Straubel of Lucas Middle School was named Middle School Student of the Year. Miranda competed in four different scholastic competitions at her school, winning the school spelling bee, serving on the school quiz bowl and MATHCOUNTS teams, and competing in The Quill.

National Latin Exam

Gold Medal, Summa Cum Laude: Elizabeth Beyer
Silver Medal, Maxima Cum Laude: Jessica Flores Olguin

Durham Public Schools Board of Education PRECIS

State Junior Classic League

Lakewood Montessori Middle School's Certamen Team placed 1st & 3rd place at the State Junior Classics League.

Gravity Games Team

Students from Githens participated the NC Gravity Games soapbox race competition sponsored by Google and Appalachian State University.

Rocketry Team

The Jordan High School team placed 25th out of 101 teams at the recent national competition. They were recognized at the U.S. Capitol with U.S. Congressman Butterfield.

Envirothon Teams

The Envirothon is an annual competition in which middle school and high school teams compete for recognition and scholarships by demonstrating their knowledge of environmental science and natural resource management. Durham Public Schools would like to recognize Githens Middle School and Northern High School for their participation.

Literacy Summit

Outstanding service and commitment to Durham Public Schools Literacy Summit.

- CTAG Chairpersons, Donna Rewalt and Martinette Horner
- Donald Amos, Custodian from Brogden



One Vision. One Durham.

Date: May 22, 2014

Durham Public Schools Board of Education PRECIS

Community Partners

Mt. Level Missionary Baptist Church

Mt. Level volunteers support Sandy Ridge's PBIS store weekly and created a backpack program to help fill the weekend food gap for students who may not have access to meals away from school.

Howell Family

Dwayne and Janice Howell and their mother Maggie Thompson, have been vital contributors to the educational efforts of Parkwood classrooms for the past two years. They have contributed financially and with supplies to support instructional activities both in the class and the community.



One Vision. One Durham.

Date: May 22, 2014

Durham Public Schools Board of Education PRECIS

Agenda Item: Board of Education Meeting Minutes

Staff Liaison Present:

Phone #

Main Points:

- Presented for approval:
 - April 24, 2014 - Regular Meeting – Open and Closed Sessions
 - April 25, 2014 – Superintendent Search Profile Meeting – Open Session
 - May 1, 2014 – Budget Public Input & Board Work Session – Open Session
 - May 12, 2014 – Superintendent’s 2014-2015 Budget Adoption – Open Session

Fiscal Implications:

N/A

Strategic Plan Alignment:

Purpose

Information **Discussion** **Action** **Consent**

Reviewed by: **Finance** _____ **Attorney** _____

**MINUTES
DURHAM PUBLIC SCHOOLS
BOARD OF EDUCATION
APRIL 24, 2014**

The Durham Public Schools Board of Education held its regular monthly meeting April 24, 2014, at 6:30 p.m. in the Fuller Administration Building, 511 Cleveland Street, Durham, North Carolina.

Board Members present:

Heidi Carter, Chair; Minnie Forte-Brown, Vice Chair; Natalie Beyer; Nancy Cox; Omega Curtis Parker; Pastor Fredrick Davis; and Leigh Bordley were present.

Administration present:

Hugh Osteen, Interim Superintendent; and Dr. Stacey Wilson-Norman, Deputy Superintendent of Academic Services; and Ms. Chrissy Pearson, Chief Communications Officer were present.

Attorney present: Ken Soo

Call to Order

Chair Carter called the meeting to order and presided over a moment of silence.

Be Our Guest

Pastor Fredrick Davis shared comments and thanked the Northern High School Culinary students for the meal during Be Our Guests. He invited the Board Members and Interim Superintendent Osteen to join him on the red carpet to pay tribute to the parents/guardians of students at George Watts Elementary, Fayetteville Street Elementary, Mangum Elementary, Southwest Elementary, and Early College High Schools.

Celebrations

Board Members recognized students, parents, and community partners including:

Duke University's DPS Student of the Month – This program spotlights students who distinguish themselves with character and integrity.

Michael Spears, Jordan High School- February Student of the Month

Jordan High Principal Jerome Leathers introduced the first student of the month, who was unable to join us in January. Michael Spears is the January Student of the Month for Jordan High School. In addition to maintaining a 4.6 GPA, Michael is a power forward on Jordan's basketball team and is an avid tennis player. He's also been playing piano for the past six years and serves as a volunteer at the Durham Arts Council. Michael hopes to get an academic scholarship to either Princeton or Yale and perhaps pursue a business degree. He credits his parents for pushing him in school early on, but says now he pushes himself to make good grades and to stay motivated. Michael received a certificate and he and his parents were invited to walk the red carpet.

National Achievement Scholars –

Beth Cross, Director of Advanced Academics, recognized students who were selected as National Achievement Scholars and to attend the 2014 session of the Governor's School of

North Carolina. The National Achievement Scholarship Program is an academic competition established in 1964 to provide recognition for outstanding African American high school students. Each year 160,000 students currently enter the National Achievement Program and about 1,600 are named Semifinalists. This year 700 students were named winners including three Durham Public Schools students. They are:

- Jeliyah S. Clark, Hillside New Tech High School
- Sydney N. Brown, Hillside High School
- David Yeyeodu, Jordan High School

Each student was presented with a certificate and walked the red carpet.

Governor's School -

Ms. Cross introduced the thirty outstanding Durham Public Schools students who were selected to attend the 2014 session of the Governor's School of North Carolina. The Governor's School of North Carolina is a five-week summer residential program for intellectually gifted rising high school seniors (and some arts juniors), integrating academic disciplines, the arts, and unique courses on each of two campuses. The curriculum focuses on the exploration of the most recent ideas and concepts in each discipline and does not involve credit, tests, or grades. It is the oldest statewide summer residential program for academically or intellectually gifted high school students in the nation. Students from Durham School of The Arts were Jessica Alvarez-Miller, Emily Burke, Madeline Partner, Kylie Verbiest, Jonathan White, Una Healy, Grace Kirkpatrick, Cecelia Tannous-Taylor, Jean Christian Barry, Sydney Curtis, Kendall Conder, Zoie Manderico, Blake Dunkak, Noah Mlyn, and Adair Tompkins. The student from Early College High School was Minh Nguyen and from Hillside High School was Bakari Smith. The students from Jordan High School were Bailey Storms, Henry Kistler, IV, Michael Spears, and Vivian Cox. The student from Middle College High School was Julia Henn. The students from Northern High School were Ming Lin and Sarah McAdon, and the students from Riverside High School were Leah Wuebbens, Allasha Roth, Bailey Recktenwald, Talia Smart, Zachary Balleisen, and Austin Spero. Each student was recognized and invited to walk the red carpet.

Robert E. Yager Foundation Excellence In Teaching Award –

Dr. Charles Nolan, Principal of Middle College High School, recognized the winner of the Robert E. Yager Foundation Excellence In Teaching Award. Lori Khan, a science teacher at Middle College High School, was named one of six regional winners for 2013-14 of the Robert E. Yager Foundation Excellence in Teaching Award from the National Science Teachers Association. Ms. Khan, who also recently earned certification from the National Board for Professional Teaching Standards, was honored for exemplifying excellence and innovation in the field of science education. Ms. Khan will present at the NCSTA National Congress on Science Education this summer in Washington, D.C. She was congratulated and invited to walk the red carpet.

Counselors of the Year -

Michelle Smith, Director of Student Support Services, recognized the 2014 DPS Counselors of the Year. The following counselors were selected by their peers for outstanding service to students.

- Ashley Altman- Forest View Elementary
- Kimberly Macdonald -WG Person Middle
- Holly Guss - Northern High

They all were presented with certificates and invited to walk the red carpet.

National Board Certification –

Jennifer Nifong, Professional Development Specialist, recognized the Durham Public Schools 2013-2014 NBCT honorees. This evening we congratulate the 15 Durham Public School teachers who received their National Board Certification and an additional 13 teachers who renewed their National Board Certification. NBCT is an advanced teaching credential achieved upon successful completion of a voluntary assessment program designed to recognize effective and accomplished teachers who meet high standards based on what teachers should know and be able to do. The following teachers received their National Board Certification: Sandra Jameyson, Lori Khan, Melissa Dempsey, Ashley Bunn, Elizabeth Moffitt, Amanda Haas, Charlene Pennington-Best, Alexa Garvoille, Mia Morris, Jasmyne Jones, and Jametra Hinton. The following teachers renewed their National Board Certification: Christopher Barth, Devy Bell, Wanda Carter, Amy E. Davis, Stacy Elliott, Evelyn Fuller, Ruth Key, Charlene North, Robin Ray Derr, Sashi Rayasam, and Linda Tugurian. Each teacher was recognized and invited to walk the red carpet.

Special Thanks -

Chair Carter announced that this Be Our Guest dinner was the last for the year and gave a special thanks to Northern High School Culinary students and their teacher, Jeremy Blankenship, for preparing all the wonderful meals throughout the year. She invited Mr. Blankenship and students to walk the red carpet.

PBIS –

Mina Forte-Ferguson, PBIS Coordinator, recognized our 17 schools that have received State recognition for Positive Behavior Interventions & Support (PBIS) implementation. Positive Behavior Interventions & Support (PBIS) refers to the application of positive behavioral interventions and systems to achieve socially important behavior change. We have 17 schools that have been recognized at 3 levels. The following schools was recognized and the school representatives were invited to walk the red carpet: R.N. Harris Elementary, Spring Valley Elementary, C.C. Spaulding Elementary, Lakewood Elementary, Mangum Elementary, Oak Grove Elementary, Merrick-Moore Elementary, Holt Elementary, Easley Elementary, Eastway Elementary, W.G. Pearson Elementary, Eno Valley Elementary, Bethesda Elementary, Lowes Grove Middle, Neal Middle, Githens Middle, and Lakeview School.

Community Partners

Alliance for Healthy Schools Program -

Kate Turner, DPS Wellness Coordinator, introduced the Alliance for Healthy Schools Program. Alliance for Healthy Schools provides outstanding wellness guidance on healthy snack guidelines from the FDA and new vending machine content rules. They are also a valuable

resource for physical activity and nutrition education for Durham Public Schools. Ms. Turner presented a certificate to Shavvon Simmons-Wright and invited her to walk the red carpet.

The Women Inspiring Learning (Momentum) – W.I.L.L. Program –

Andrea Underwood, President of Durham Association of Educators, presented The Women Inspiring Learning program. The Women Inspiring Learning (Momentum) - W.I.L.L. program focuses on girls in the Durham community and cultivates their aptitude for science by pairing them with a mentor, exposing them to many career possibilities and providing academic enrichment with hands-on experience. Ms. Underwood presented a certificate to Mrs. Chimi Boyd-Keyes, Staff Coordinator of the W.I.L.L. Program and is also the Director of the Women's Center at North Carolina Central University, and invited her to walk the red carpet.

Superintendent's Updates

Interim Superintendent Osteen shared the following updates:

- **Teacher Appreciation Week is coming May 5-9.**
- **DPS Literacy Summit Saturday, May 3, 8:30 a.m. at Brogden Middle School**
- **Proctors Needed for Exams/Tests**
- **Advanced Academics Expo coming May 6, 5:30 p.m. to DPS Staff Development Center**
- **High Schools receiving recognition this month**
- **Administrative Professional Reception**

Vice Chair Forte-Brown announced that recruiting top talent is job #1 and Durham Public Schools had missed the Career Fair with North Carolina Central University School of Education. She spoke with Freddie McNeil, Interim Assistant Superintendent of Human Resources, and he moved quickly, spoke to the Dean of Education at NCCU, and now Durham Public Schools will host a Teacher Career Fair on May 6, 2014, at NCCU. She thanked Mr. McNeil for his quick response to make this happen.

Ms. Forte-Brown, who is a past National School Boards Association (NSBA) Board Member, shared that NSBA recently passed a resolution in support of the Common Core. The resolution includes the following:

NSBA supports high academic standards, including Common Core standards voluntarily adopted by states with local school board input and free from federal direction, federal mandates, funding conditions or coercion. NSBA urges states to provide financial and technical support to enable school districts to implement, in an effective and timely manner, voluntarily adopted rigorous standards, including the Common Core.

She went on to say that the Common Core is the minimum standard. The rationale is as follows:

- Common Core standards do not mean Common Core curricula. Local school boards are responsible for the implementation of any new academic standards such as Common Core, which include locally approved instruction and materials in a manner that reflects community needs.
- Common Core standards can support comparative international performance evaluations that help us prepare our students to compete in a global economy.
- Common Core can support educational consistency for an ever growing mobile society. An example would be the support of common educational standards for children of military families who are required to relocate from state to state.
- Common Core can support efficiencies in educational research, development of educational materials and application of technological advancements in education.
- Support for Common Core standards is congruent with high standards.

Ms. Forte-Brown wanted the community to be clear and understand that the Common Core is the minimum standard and the National School Boards Association fully supports the Common Core.

Agenda Review and Approval

Natalie Beyer made a motion to approve the agenda as written. Nancy Cox seconded and the motion passed unanimously.

General Public Comment: One person signed up to speak.

1. *Beverly Hardin* – Ms. Hardin, Executive Director of Communities in Schools, thanked the School Board for their support and shared that 450 students were served last year and over 4000 county wide. She added that there are many more children that need help and she looked forward to working with Durham Public Schools in this effort.

Board of Education Meeting Minutes

Presented for approval:

- March 17, 2014 – Joint BOE-BOCC Meeting
- March 27, 2014 - Regular Meeting – Open and Closed Sessions
- April 9, 2014 – Superintendent Search Planning Meeting

Leigh Bordley stated that a correction needed to be made in the March 17, 2014 Joint BOE-BOCC Meeting. She did not attend that meeting and her name needed to be removed from the attendees list. The Board Minutes were approved by common consent with the noted correction.

Consent Agenda

Chair Carter noted that all Consent Agenda items were thoroughly discussed in committee.

- a. **Burton Elementary School – Bids for Renovations**
- b. **Bethesda Elementary School – Bids for Asphalt Paving**
- c. **Carrington Middle School – Bids for Restroom Upgrades**
- d. **E.K. Powe Elementary School – Bids for Kitchen Hood Replacement**
- e. **George Watts Elementary School – Bids for Cafeteria Renovations**
- f. **Glenn Elementary School – Bids for Asphalt Paving**
- g. **2007 Bond Project Transfer**
- h. **Brogden Middle School – Bids for Restroom Upgrades**
- i. **Eno Valley Elementary School – Bids for Roofing**
- j. **Acquisition of Adjacent Lot at W.G. Pearson Middle School**
- k. **Budget Resolution Amendment #2 (2013-2014)**
- l. **Specialty Calendar Approval 2014-2015**

Natalie Beyer made a motion to approve Consent Agenda. Pastor Fredrick Davis seconded and the motion passed unanimously.

Reports of the Board of Education

- I. **North Carolina School Boards Action Center (NCSBAC) Request for Contribution**
Recommendation: Action
Public Comment: None

The North Carolina School Boards Action Center (NCSBAC) is a 501(c)(4) organization designed to strengthen local school board advocacy efforts. They are asking Durham Public Schools for an annual contribution of \$8,000 based on 2013-2014 projected ADM.

Vice Chair Forte-Brown, a member of the Board of Directors for the North Carolina School Boards Association (NCSBA) stated that this would be a valuable contribution. The NCSBAC will help in lobbying efforts in Raleigh and we need our voices heard. She said there are 115 districts and they all don't have delegates or aren't as progressive.

Nancy Cox stated that we wanted the NCSBA to fight at the Delegate Assembly and we lost. She said that this \$8000 could go towards a lobbyist for our district. Chair Carter said that it seemed difficult to feel re-assured and Leigh Bordley said she would like for funds go to legal fees for attorneys to do the talking and was weary of handing funds over to another organization. Natalie Beyer questioned whether this was a move by NCSBA to be more proactive and set a vision, as it seems like they have been more reactive. Vice Chair Forte-Brown stated that this Board needed to be more advocacy driven.

Chair Carter suggested that the Board would research this request and bring it back to a future Board Meeting. Board Members concurred.

Reports of the Superintendent

I. 2014 -2015 Budget Proposal **Recommendation: Action** **Public Comment: None**

Interim Superintendent, Hugh Osteen, proposed a \$408 million 2014-2015 Budget which is balanced and transparent. Mr. Osteen shared that the format of the document has changed to provide the Board and our community with greater detail and clarity about how our citizen's financial resources are used to invest in Durham County's children; our community's greatest asset and responsibility. This budget was built based on three pillars: Impact on students and schools, Efficiency, and Stewardship.

Aaron Beaulieu, Chief Financial Officer, presented a thorough PowerPoint of the 2014-2015 Proposed Budget. He asked Board Members to submit their questions by Monday, April 28, 2014, and he would be prepared to respond to all questions at the Board Budget Work Session on May 1, 2104, at 6:30 pm.

Mr. Beaulieu shared some key points of the 2014-2015 Proposed Budget as follows:

- Matching 2% raise for all DPS employees
- Matching proposed Governor raises for new teachers
- Covers inflationary and fixed cost increases
- Funds 60 teaching positions for projected growth and current vacancies
- Will not request any local increase from County Commissioners and utilizes \$10.8 million of \$19.7 of unassigned fund balance
- Covers projected increase for charter school enrollment and pays out and additional \$716,000
- \$1.1 million of internal redirections – travel, utilities, contracted services, technology and central office

Highlights of the Proposed One-time money expenditures (funded from lapse salaries):

- Proposed one-time teacher bonus of \$500
- Local district cost for Read to Achieve at \$530,000
- Support funding for the arts
- School technology 1 to 1 initiatives
- Summer staff development
- Continued funding for contractual agreements for schools

Mr. Beaulieu shared the next steps to include continuing to monitor ADM for DPS students and charter schools by looking at trends; for every 20 students off may cause loss of a teaching

position. In addition, he would continue to review expenditures and programs. He shared the list of “to-be-determined” requests not built in this budget (to name a few):

- W. G. Pearson renovations;
- An interpreter for the system.;
- To fund Made In Durham initiative;
- To assist the City with funding the G.R.E.A.T. Officers;
- Additional months of compensation for counselors; and
- Additional mentors across the district.

He shared that the list is growing as additional requests are being received. He reminded Board Members that this was the beginning of the process in preparing the Proposed Budget for 2015-2015. He stated that the 2014-2015 Proposed Budget could be viewed at <http://www.dpsnc.net/about-dps/budget/fy-2014-15-budget-page> and additional information could be found at www.ncpublicschools.org/fbs.

Chair Carter thanked Mr. Beaulieu for an awesome presentation and asked for Board discussion. She began the discussion by questioning the one-time money proposal costing \$4.7 million. Mr. Beaulieu stated that these funds came from lapsed salaries reflected in amendment #2 as part of the current local budget. Ms. Omega Curtis Parker questioned the first bullet under the one-time money proposal to give classroom teachers a one-time bonus of \$500. She wanted to know who was identified as a classroom teacher; specifically was a media coordinator considered a classroom teacher. Mr. Beaulieu stated that media coordinators were not part of the calculations for this proposed budget but the proposal was up for review. Ms. Parker made it very clear that she felt that media coordinators did lesson plans, had the same evaluation, and were very much a classroom teacher. Pastor Fredrick Davis suggested changing the definition of a classroom teacher and stated that he didn't want diversiveness among employees.

Natalie Beyer stated that there was a chance that County funding is going down. Chair Carter stated that more students with the same amount of money is less per pupil. Leigh Bordley shared, with regards to the local operational reductions, how important it was to join together and make sacrifices in order to fund budget items that directly impact our students. Nancy Cox suggested a healthy conversation regarding funds going from DPS to Charter Schools. She stated that she was not convinced as a taxpayer that DPS needed to absorb the cost of additional charter school students, especially funding charter schools with very small operations. Vice Chair Forte-Brown asked Attorney Soo how the Chapel Hill- Carrboro school district didn't have to pay local cost to charter schools when Senate Bill 237 requires all districts to pay. Mr. Soo explained that Chapel Hill-Carrboro did pay the local cost; however, they have special tax districts and historically, funds generated from a certain tax district had to stay within that tax district. He said that DPS doesn't have a special tax and is based on local current expense funding.

Mr. Beaulieu stated that he would adequately be prepared to answer all questions on May 1 and to have all questions to him by Monday, April 28, 2014. Chair Carter asked how items were placed on the “to-be-determined” list. Mr. Osteen stated that these were informal requests from

Board Members, the community or County Commissioners. Chair Carter said that Durham CAN had invited Board Members to the Delegate Assembly on Sunday and they were requesting a district interpreter and a Family Liaison at Holt and Lakewood Elementary Schools. Vice Chair Forte-Brown suggested inviting Durham CAN to the May 1 public input meeting.

The Board has scheduled a public input meeting on May 1, 2014, at 6:30 pm, to give citizens the opportunity to comment on the proposed budget, followed by a Board Budget Work Session. This will take place in the Fuller Administration Building, 511 Cleveland Street. The Board is expected to adopt the 2014-2015 budget on May 12 and deliver it to the Board of County Commissioners by May 15.

Chair Carter thanked Mr. Beaulieu, Paul LeSieur, and their staff for all their hard work!

Closed Session

On a motion by Vice Chair Forte-Brown, seconded by Natalie Beyer, the board convened in closed session to consider confidential student information protected under NCGS 115C-402 and the Family Education Rights and Privacy Act (FERPA), 20 USC 1232g, confidential personnel matters under NCGS 143-318.11(a)(6) and 115C-319, and to consult with the board attorney to preserve the attorney-client privilege as provided in NCGS 318.11(a)(3).

The board convened in closed session at approximately 8:42 p.m.

Open Session – Personnel Recommendations

The board reconvened in open session at approximately 10:36 p.m.

Personnel Approval

Interim Superintendent Osteen recommended approval of the April 24, 2014, Personnel Reports for Information, Approval, the Substitute List, and the following additions as discussed:

- A contract extension for Aaron Beaulieu, Chief Financial Officer, with a compensation adjustment;
- A new contract for Scott Denton, Executive Director of Auxiliary Services, with a compensation adjustment and title change to Assistant Superintendent of Auxiliary Services; and
- A contract extension for Dr. Terri Mazingo, Assistant Superintendent of Research and Accountability.

On a motion made by Nancy Cox to approve the Personnel Reports for Information, Approval, the Substitute List, and noted additions dated April 24, 2014; seconded by Natalie Beyer, the motion passed unanimously.

Having no further business, the meeting adjourned at approximately 10:38 p.m.

Heidi Carter, Chair
Durham Public Schools Board of Education

Hugh Osteen, Interim Superintendent
Durham Public Schools

DRAFT

**MINUTES
DURHAM PUBLIC SCHOOLS
SUPERINTENDENT SEARCH MEETING
TO FINALIZE THE PROFILE
APRIL 25, 2014**

The Durham Public Schools Board of Education held a special meeting on April 25, 2014 at 9:10 a.m. in the Fuller Administration Building, 511 Cleveland Street, Durham, North Carolina. The purpose of this meeting was to consult with Ray and Associates and to finalize the Superintendent Search profile for the promotional flyer and online application form.

Board Members Present:

Heidi Carter, Chair; Minnie Forte-Brown, Vice Chair; Natalie Beyer, Leigh Bordley; and Omega Curtis Parker (arrived at 9:26 a.m.) were present. Pastor Fredrick Davis and Nancy Cox were not able to attend due to prior commitments.

Administration Present:

Hugh Osteen, Interim Superintendent; and Chip Sudderth, III, Director of Public Information

Others Present

Gary Ray and Al Johnson, Ray and Associates

Call to Order

Chair Carter called the meeting to order. A moment of silence was observed.

Agenda Review

By unanimous Board consent, the agenda was approved as written.

To Consult with Ray and Associates to Finalize the Superintendent Search Profile

Board Chair Heidi Carter welcomed the group and Mr. Gary Ray and Mr. Al Johnson from Ray and Associates. Skype was used for Mr. Ray and Mr. Johnson was on a conference call to participate in the discussion. She stated the meeting purpose was to consult with Ray and Associates and to finalize the Superintendent Search profile.

Mr. Ray began his presentation by reviewing the documents his firm created to show survey results. He said there were 33 desired characteristics on the survey and a total of 534 surveys received, and of those 534 surveys, 514 were completed on-line. He reviewed the raw scores sheet which ranked each characteristic based on survey results, and then reviewed the consultant ranking/recommendation sheet which provided the qualities and characteristics for the profile and application. Mr. Ray provided a list of recommend characteristics and a list of ones to consider:

Recommended Characteristics:

- Possesses excellent people skills, presents a positive image of the district and will listen to input and make a decision when necessary.
- Possesses the leadership skills required to respond to the challenges presented by an ethnically and culturally diverse community.
- Inspires trust, self-confidence, and models high standards of integrity and personal performance with the ability to develop and communicate a vision of quality education for the future to the board, staff and community.
- Is a strong communicator; speaking, listening and writing.
- Has successful experience in sound management practices, including appropriate participation of others in planning and decision-making.
- Is able to delegate authority appropriately while maintaining accountability.
- Is strongly committed to a “student first” philosophy in all decisions.
- Possesses the ability to enhance student performance, especially in identifying and closing or narrowing the gaps in student achievement.

Characteristics to Consider:

- Demonstrates commitment to community visibility with high interest in a broad range of community groups and organizations.
- Is capable of developing both short and long-range district goals.
- Has knowledge of emerging research and best practice in the area of curriculum/instructional design and practice.

Chair Carter asked if there was a special group for Board candidates and Mr. Ray stated they were combined with another larger group. Ms. Carter stated that as the search continued, the Board candidates be pulled out separately to provide input.

There was Board discussion regarding ranking of characteristics and Mr. Ray thoroughly answered all questions. Chair Carter asked Mr. Ray how they were using the focus group conversations to influence or shape the decisions for the recommendations. Mr. Ray stated the focus groups conversations confirmed the on-line survey results. He said he used confidential notes and asked a series of questions to get commonality and themes for the characteristics.

Leigh Bordley asked Mr. Ray how the characteristics were combined in the consultant recommendations column of the consultant ranking/recommendation sheet. He said that some characteristics were combined if the characteristic was similar. He also stated that Board Members could divide and combine the characteristics if they desired.

Natalie Beyer asked Mr. Ray, based on previous searches, what was the typical number of survey responses for the last three districts comparable in size to Durham Public Schools. Mr. Ray and Mr. Johnson both said that the number of responses was typical and 534 survey results were within range. Mr. Ray reiterated to Board Members that if they wanted to combine characteristics for the profile, to let him know; however, he recommended not changing the verbiage as it would change the validity of the survey.

Board discussion ensued regarding the ranking of characteristics. Chair Carter noted that some of the groups had a small number of respondents and asked Mr. Ray if the smaller groups weighed the same as the results of a large group. Mr. Ray said that all groups were treated the same regardless of size in ranking characteristics and if more preference was given to one group, it might send the wrong message.

Vice Chair Forte-Brown stated that the Board gave the same opportunity to all citizens to weigh-in (over 250,000 people) via webmail, ConnectEd messages, etc. and the Board needed to go along with the search firm's recommendations.

Mr. Ray turned his attention to the sample flyer he provided to Board Members. He stated that all the information came from the DPS website and it needed to be verified. Mr. Sudderth, the Director of Public Information, stated the information on the website was accurate as of the current school year. He also shared that the website was going to be refreshed and redesigned within the next month. Chair Carter confirmed with Mr. Ray that the deadline for all application materials was May 15, 2014. She requested that the Office of Public Information and Community Engagement (PICE) have a couple days to review the sample flyer. Vice Chair Forte-Brown stated that the flyer needed to be university strong; including Duke and North Carolina Central University. She also mentioned that the RTP and business community was important to Durham. Mr. Ray agreed to give PICE a couple days to review and to submit changes to Ray and Associates by Monday, April 28, 2014. He also reminded Board Members to submit any characteristic changes to him by the same deadline and Ray and Associates would reformat them on the flyer.

Mr. Ray stated the additional comments document he provided confirmed the survey and that some of the comments were used for screening questions. Chair Carter said the comments provided great qualitative feedback.

Mr. Ray reminded Board Members that the next meeting was Wednesday, May 21, 2014, from 9:00 a.m. until approximately 1:00 p.m. Mr. Johnson requested the May 21 meeting to be held at the Staff Development Center, in room M-8. Board Members agreed that the Staff Development Center would give them room to spread-out information needed to finalize the interview process.

Chair Carter suggested revising stage 3 of the timeline; to push back the e-mailing and printing of the promotional flyer and e-mailing the online application instructions to interested candidates to April 29, 2014. Mr. Ray agreed to revise the timeline as Chair Carter stated. Chair Carter was concerned about the aggressiveness of the timeline. She stated that the Board would like additional on-going information from the Hispanic families and if possible, have a SKYPE focus group meeting with these families. Mr. Ray agreed and was concerned regarding the lack of participation from this group. He said that he would provide dates of his availability. Vice Chair Forte-Brown stated that there needed to be another focus group meeting for African Americans as well. She said that Durham CAN is inquiring in addition to the Latino community. Leigh

Bordley suggested 2 hours of SKYPE; 1 hour with a translator and 1 hour for all others. She said this would provide more qualitative data.

Natalie Beyer requested opening back up the on-line survey to further confirm the results. Vice Chair Forte-Brown stated this would not change the schedule but would provide the Board with additional information. Chair Carter asked Mr. Ray to send dates that would work with his schedule for a SKYPE meeting and to have the survey go live again for the Board to gain more qualitative information but not to change the profile. Mr. Sudderth stated that there was no way to stop individuals from completing the survey twice, but that PICE would announce an extension of the survey using the same URL address and web-links. Mr. Ray agreed to re-open the survey and to leave it open for now.

Chair Carter gave a re-cap of the meeting: the profile was discussed (page 2 of the flyer); page 1 of the flyer will be reviewed and the information will be sent to Ray and Associates by Monday, April 28; the flyer will be printed next Tuesday, April 29; and another focus group conversation will be held for 2 hours for the Hispanic community and other groups. Mr. Ray added that if Board members wanted to separate any characteristics on the profile, to send him the information and he would send back a draft for their review.

Chair Carter asked if there were any other questions or comments. Hearing none, she thanked Mr. Ray and Mr. Johnson. The SKYPE video and the conference call were ended at 10:23 a.m.

Board Members held a discussion regarding the separation of characteristics. Chair Carter suggested getting generalities on the list and that most candidates would sell themselves.

Mr. Sudderth asked how the additional focus groups would be coordinated. Chair Carter said that Ray and Associates would provide a list of available dates and she and Vice Chair Forte-Brown would reach out to the groups: Durham Housing Authority, Durham CAN, and the Latino community. Vice Chair Forte-Brown stated that the focus group would be opened to all members of the community. Chair Carter inquired about having her voice go out in a ConnectEd message letting the community know that the Board is seeking additional input. Mr. Sudderth agreed to assist her in this effort.

Having no further comments or questions, the meeting adjourned at approximately 10:38 a.m.

Heidi Carter, Chair
Durham Public Schools Board of Education

Hugh Osteen, Interim Superintendent
Durham Public Schools

**MINUTES
DURHAM PUBLIC SCHOOLS
BOARD OF EDUCATION
BUDGET PUBLIC HEARING
AND WORK SESSION
MAY 1, 2014**

The Durham Public Schools Board of Education held a budget public hearing and work session on May 1, 2014, at 6:30 p.m. in the Fuller Administration Building, 511 Cleveland Street, Durham, North Carolina.

Board Members present:

Heidi Carter, Chair; Minnie Forte-Brown, Vice Chair; Natalie Beyer; Leigh Bordley; Nancy Cox; and Omega Curtis Parker were present. Pastor Fredrick Davis was unable to attend.

Administrators present:

Hugh Osteen, Interim Superintendent; Dr. Stacey Wilson-Norman, Deputy Superintendent of Academic Services; Chrissy Pearson, Chief Communications Officer; Aaron Beaulieu, Chief Financial Officer; and Paul LeSieur, Executive Director of Budget and Management Services, were present.

Attorney present: None

Call to Order/Moment of Silence

Chairman Carter called the meeting to order and a moment of silence was observed.

Agenda Review and Approval

By unanimous Board consent, the agenda was approved as written.

Interim Superintendent Osteen thanked everyone for attending this meeting and stated that the administration was eager to hear input from the community. He shared that as the budget is reviewed and refined, he made a couple points of clarity: the 2014-2015 Budget for next year, and the proposal to spend some one-time funds from the 2013-2014 Budget. He said that there were potential overlaps but they are two different items altogether. Mr. Osteen said that from previous conversations and requests, the Budget Team is responding to all requests and is recommending giving the one-time bonus to all school based instructional personnel. He also addressed the To-Be-Determined List in that some items have been raised internally and some externally but all requests would get serious consideration. Lastly, he explained the task ahead to change the process and new format of the budget which is incredibly transparent. He said the administration is trying to respond to the events of 2013-2014. He noted some savings to the system; specifically with utilities to save funds. At the same time, keep things steady and get the process changed. Mr. Osteen turned the meeting over to Mr. Aaron Beaulieu, Chief Financial Officer.

Mr. Beaulieu echoed Mr. Osteen's comments and explained that tonight was a time to hear from the public about the budget. The budget not only represents the school system but the public's concern for budget issues. He reminded everyone that the budget is a multi-faceted process and there is no state or federal budget at this time. He said that the administration has proposed the entire budget of all funding sources but is asking for the county appropriation of the local current expense budget. He cautioned against comparisons in the budget and welcomed all comments and concerns.

Vice Chair Forte-Brown stated that Pastor Fredrick Davis was not able to attend tonight's meeting due to him celebrating his son's graduation from college.

Public Comment - 14 people signed up to speak for 3 minutes each.

1. *Allan Lang* – Mr. Lang urged the Board of Education to have the schedule in place for the selection of the new Superintendent. He asked the administration to review policy 5600 – describing the duties of the Superintendent which was last adopted in 1999. He also requested that the school administration provide a revised suspension policy 4303 prior to the arrival of the new superintendent. Mr. Lang stated that in many cases, student records are incomplete and that cell numbers and e-mail addresses of parents, guardians, and/or Guardian ad Litema are not found in school, grades, or attendance records. He also asked the School Board to exercise their rights to utilize state funds to benefit minority students, teacher assistants, and universal meals. Lastly, Mr. Lang asked the School Board to provide bus monitors for buses that hold 79 elementary students.
2. *Shelia Daniels* – Ms. Daniels is a school bus driver, a classroom teacher's assistant for the past 26 years, and a member of the Teamsters Union. Ms. Daniels stated that bus drivers perform many of the same duties as a teacher; disrespectful students in getting them to and from school. She asked that the one-time bonus be given to all employees across the board. Ms. Daniels reminded Board Members that it takes a village to raise a child and bus drivers are part of that village.
3. *Myra Morgan* – Ms. Morgan is a bus driver and part of the Teamsters Union. She echoed Ms. Daniels' comments and stated that bus drivers were the front line of defense. She stated that bus drivers were a part of the Team to educate all students and should receive the one-time bonus.
4. *Ethel Mae Davis* – Ms. Davis, a 17 year EC bus driver and a member of the Teamsters Union, stated she loved teachers and students. She echoed the prior comments and agreed that the one-time bonus should be shared with all employees. She stated that everything is going up except pay.
5. *Rachel Wells Eitzen* – Ms. Eitzen is a representative of the Teamsters Union and stated she was present on behalf of its members. She stated that it takes all classified employees to get the job done. She reminded the Board that there has not been a significant wage increase for classified employees for the past 5 years. She urged Board Members to adopt a budget that provided an equitable increase for all employees across the board. She stated that this School Board supports all employees and knew they would do the right thing.
6. *Sue Scope* – Ms. Scope provided the Board with a significant savings if the system changed from polystyrene trays to compostable trays in the cafeterias. She stated that she was part of a group that began in November of 2012, conducting dumpster audits and calculated a huge savings if polystyrene trays were eliminated. She stated that a school in the Chapel Hill-Carrboro School System piloted the project and now 5 schools in that system are now in the program benefiting from the savings and that all elementary and middle schools would be converting to all compostable trays. Ms. Scope said that for the past 4 months she has been meeting with Principal Michael Somers at E.K. Powe Elementary School, has conducted audits, and is waiting on funding to implement this program. She stated that with DPS serving 54 schools, this would be a huge savings to the system.

7. *Melody Peters* – Ms. Peters stated that she was a former DPS student, proud supporter and a parent of a student at Brogden and Little River. She said that currently she is the PTA President at Brogden Middle School and 3 areas of concern to be considered in the budget: Pre-K for every 4 year old; Technology 1 to 1 and shared that all middle schools needed laptop carts; and additional funding in the Arts areas.
8. *Sendolo Diaminah* – Mr. Diaminah encourages Board Members in the process around the budget. He said he was excited about the community’s wisdom but the budget is a complicated document. He said that Durham CAN needed training around the budget and the more the community understood the budget, the community would be able to articulate the priorities and better support the Board in making budget decisions.
9. *Pilar Rocha-Goldberg* – Ms. Rocha-Goldberg is the President of El Centro Hispano and respectfully requested the Board to consider funding an additional interpreter for the district. She stated that the cost would be \$54,500 and was a critical need for the entire district.
10. *Channa Pickett* – Ms. Pickett works with Latino families at Lakewood Elementary School. She stated that 350 parents attended the Sunday’s Assembly and that a Family Facilitator is highly needed at Lakewood and Holt Elementary Schools. She stated that both schools had 49% Hispanic students and most staff was unable to communicate with the parents. She urged Board Members to provide a Family Facilitator at both schools.
11. *Lisa Gordon Stella* – Ms. Gordon Stella thanked Board Members and stated that she appreciates the budget format; however, she asked that the budget be more transparent with regards to the information behind gross numbers, specifically in PRC 24 and 69. She stated that it is important to know which programs are funded. She stated that she works with At-Risk students in DPS which connects students to services; many times the programs are full and students must go outside of DPS for intervention. She recommended streamlining these programs within DPS.
12. *L. Bingham Roenigk* – Yielded her time to Sue Scope.
13. *Ann Rebeck* – Ms. Rebeck is part of the People’s Alliance and she also appreciates this process and ways to better compensate teachers. She asked Board Members to consider the following: rewarding teachers and other staff; fully funding Pre-K services which prove to have long-term positive affects; and that state funds be used to ensure money is being used to benefit the needs of proficiency-limited students. She also suggested getting input from Principals; a valuable place to look for needs in the system.
14. *Brandlyn Owens* – Ms. Owens, the Librarian with a Master’s Degree at Eastway Elementary School, stated she teaches K-5 classes daily including making lesson plans for every class that are reviewed weekly. She stated that the initial budget proposal was disheartening to Media Coordinators and made them feel disregarded. She stated that Media Coordinators/Librarians have a curriculum to follow and are evaluated just like classroom teachers. She would like for the Board to recognize Media Coordinators/Librarians as teachers.

Budget Work Session

Chair Carter thanked everyone for their comments and assured the community that there was not one request that the Board didn’t want to fund. She expressed an appreciation for the passion behind each and every request and how these requests help the Board stay informed of the needs of the system. She stated the Board is doing their best to make wise decisions to fund the requests that most impact the

classroom. Ms. Carter re-capped the public speaker's requests and thanked them for their commitment to public schools.

Chair Carter stated that the proposed budget is an excellent starting point; however, the state level funding has not been confirmed at this time. She reminded the community that this proposed budget for 2014-2015 brings \$4.9 million of one-time expenses without having to ask the county for additional funding or decreasing services to students. Ms. Carter shared that the budget has 4 levels: summary, fund, purpose and program level. She recommended the community go to the DPS website and read the proposed budget from start to finish.

Chair Carter introduced Aaron Beaulieu, Chief Financial Officer, and invited him to begin his presentation. Mr. Beaulieu stated that it was the Finance Team's job to educate the Board of Education, the staff, and the community on the budget. He stated that he would clarify some items in the budget and one-time requests in an attempt to fill some additional requests. He shared a PowerPoint that showed the proposed budget of \$407,932,921 and the County appropriation breakdown for 2014-2015. He shared that by using half of the unassigned Fund Balance, flat funding from the County, and the ¼ cent sales tax revenue, the system would be able to maintain employee's salaries.

Mr. Beaulieu explained that as a good faith effort and instead of only 25% of teachers receiving a \$500 bonus, there was the proposal of a one-time \$500 bonus to all classroom teachers. He shared that after consideration, a classroom teacher includes all teachers, Instructional Facilitators, Guidance Counselors, Social Workers, Media Coordinators, Nurses, Audiologists, Speech Language teachers, Psychologists, Mentors, Academic Coaches, and Interventionists. He also stated that there was a built in 2% across the board raise for all locally paid employees to match the proposed 2% increase from the State for all state paid employees.

Chair Carter thanked Mr. Beaulieu for an excellent presentation and for answering a lot of questions raised by Board Members. She gave a very special thank you to Paul LeSieur, Tonga Le, Sheila Tharrington and Evelyn Gallegos for all the hard work that went into the preparation of this proposed budget.

The administration responded to questions and comments made by Board Members. Interim Superintendent Osteen explained that some questions may require additional research. All information is posted on the Durham Public Schools website for further review.

Interim Superintendent Osteen stated that on Monday, May 12, 2014, at 3:00 p.m., there would be continued discussion and the Board would vote to adopt the 2014-2015 Budget before presenting it to the County Commissioners on May 15, 2014.

Chair Carter thanked everyone for a rich and informative meeting and announced that this concludes the public hearing and budget work session on the 2014-15 Superintendent's Budget Proposal. Once again, she thanked the Finance Team for their efforts and hard work.

Having no further business, the meeting adjourned at approximately 8:36 p.m.

Heidi Carter, Chair
Durham Public Schools Board of Education

Hugh Osteen, Interim Superintendent
Durham Public Schools

DRAFT

**MINUTES
DURHAM PUBLIC SCHOOLS
BOARD OF EDUCATION
2014-15 BUDGET ADOPTION
MAY 12, 2014**

The Durham Public Schools Board of Education held a special called meeting to adopt the 2014-2015 Budget on May 12, 2014 at 3:00 p.m. in the Fuller Administration Building, 511 Cleveland Street, Durham, North Carolina.

Board Members present:

Heidi Carter, Chair; Minnie Forte-Brown, Vice Chair; Natalie Beyer; Nancy Cox; Pastor Fredrick Davis; and Omega Curtis Parker were present. Leigh Bordley was absent due to a prior commitment.

Administrators' present:

Hugh Osteen, Interim Superintendent; Dr. Stacey Wilson-Norman, Deputy Superintendent of Academic Services; Chrissy Pearson, Chief Communications Officer; Aaron Beaulieu, Chief Financial Officer; and Paul LeSieur, Executive Director of Budget and Management Services, were present.

Attorney present: Ken Soo

Call to Order/Moment of Silence

Chairman Carter called the meeting to order and a moment of silence was observed.

Agenda Review and Approval

Nancy Cox made a motion to approve the agenda as written. Natalie Beyer seconded and the motion passed unanimously.

Adoption of Proposed Budget 2014-2015

Interim Superintendent Osteen stated that there were two points to consider for the budget; the one time money proposal and the 2014-2015 budget proposal. He said the approved budget would be submitted to County Commissioners by May 15, 2014. He introduced Aaron Beaulieu, Chief Financial Officer, to begin the discussion.

Mr. Beaulieu began by saying that the administration made every attempt to be responsive to all budget requests. He said that there were two options being presented.

A summary of the options are outlined below:

- **Option 1** – requests County appropriation at the 2013-14 funding level and full funding ¼ cents sales tax. The County appropriation breakdown is the split of projections of DPS funding and charter school pass-through funding. Option 1's total County funding request for year 2014-2015 is \$120,233,146 and reduces unassigned fund balance to approximately \$9.4 million.

- **Option 2** – requests County appropriation at the 2013-14 funding level plus amount projected for charter school payments (increases \$715,995) and full funding of ¼ cents sales tax. The County appropriation breakdown is the split of projections of DPS funding and charter school pass-through funding. Option 2's total County funding request for year 2014-2015 is \$120,949,141 and reduces the unassigned fund balance to \$10,194,157.

Mr. Beaulieu explained that in both options, the priority is to fund additional dollars equivalent to an interpreter's salary out of existing budget and provide family support services across the district.

Vice Chair Forte-Brown said she was in favor of Option 2 with the spelling out of priorities. Chair Carter questioned the family support services that were going to be offered and asked for clarification of those services. Mr. Beaulieu stated that a major portion will be spent on bi-lingual students but not limited to only two schools. These funds would be available for all populations but targeting bi-lingual students. Vice Chair Forte-Brown echoed Mr. Beaulieu's statement that these funds were for the entire district; targeting but not limited to bi-lingual students.

Chair Carter stated that the district needed to work with the County Commissioners and charter schools to develop a reliable funding formula that takes into account enrollment growth and increased growth in the county's tax base. Ms. Carter was in favor of Option 1 to ensure the district receives its full share of the ¼ cents sales tax. Natalie Beyer stated that she would like to see the County absorb the charter school growth in the community. She stated that Option 2 was the fairest to Durham Public School students. Nancy Cox was also in favor of Option 2 and said there needed to be a healthy conversation when the budget was proposed to the County Commissioners. Omega Curtis Parker was in favor of Option 2 in that it seemed more reasonable to ask for the funds upfront. Vice Chair Forte-Brown pointed out that the Board is not asking for more additional dollars; just what the system is due.

Chair Carter stated that the Board of Education is not requesting additional funding for our students; only funds to follow charter school students. She commented on how amazing the budget was presented and thanked Mr. Beaulieu, Paul LeSieur, Shelia Tharrington, Tonga Le, and Evelyn Gallegos for all their efforts and hard work.

Omega Curtis Parker made a motion to adopt Option 2 for the 2014-15 Budget Proposal. Vice Chair Forte-brown seconded and the motion passed unanimously.

The following summarizes the Board of Education request of the Durham County Commissioners for funding for FY 2014-15 for the public schools:

PROPOSED BUDGET FY 2014-15
Option 2

Proposed Budget FY 2014-15	\$407,932,921
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County Appropriation Breakdown for FY 2014-15

Local County Appropriation-DPS	\$96,229,386
Local County Appropriation-Charter Schools (pass-through)	15,660,210
Total Local County Appropriation	\$111,889,596

1/4 Cent Sales Tax Revenue	
K-12	\$7,254,990
Pre-K	434,555
Total 1/4 Cent Sales Tax Revenue	\$7,689,545

Capital Outlay	\$1,370,000
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Total County Funding Request (FY 2014-15)	\$120,949,141
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Fund Balance

Projected Unassigned Fund Balance (6/30/14)	\$10,194,157
Projected Committed Fund Balance (6/30/14)	\$9,553,597

Option 2 – County appropriation at the 2013-14 funding level plus amount projected for charter school payments (increases \$715,995) and full funding of ¼ cents sale tax. Reflected in the county appropriation breakdown is the split of projections of DPS funding and charter school pass-through funding. Priorities-Fund additional dollars equivalent of an interpreter’s salary out of existing budget and provide family support services across the district.

One Time Money Proposal

Interim Superintendent Osteen asked Mr. Beaulieu to share comments on the one time money proposal. Mr. Beaulieu shared that the one time money proposal is the staff's commitment to give a one time bonus of \$250 to all classified staff, outside of licensed personnel, the Superintendent, and the Executive Leadership Team (ELT). School based instructional personnel would receive a one time \$500 bonus. Mr. Beaulieu said the one time money expenditures would be funded from the 2013-2014 budget due to lapsed salaries and the district's fund balance.

Omega Curtis Parker questioned the Read to Achieve Funds as a one time request. Dr. Stacey Wilson-Norman stated that it depends on the state allocation and whether or not the students are successful. She said that it's a moving target in terms of funding needs. Ms. Parker also questioned the one time facility maintenance needs and whether that was an on-going item. Mr. Beaulieu explained that this was funding to get the facility maintenance where it needed to be and that funds to continue maintaining were a part of the proposed budget just approved.

Vice Chair Forte-Brown made a motion to approve the one time money proposal for 2013-2014. Nancy Cox seconded and the motion passed unanimously.

Mr. Osteen stated that the approved 2014-2015 Budget Proposal would be submitted to the County before Thursday and he would bring back a date of the actual presentation to the County Commissioners.

Having no further business, the meeting adjourned at approximately 3:25 p.m.

Heidi Carter, Chair
Durham Public Schools Board of Education

Hugh Osteen, Interim Superintendent
Durham Public Schools



One Vision. One Durham.

Date: May 22, 2014

Durham Public Schools BOARD OF EDUCATION PRECIS

Agenda Item: Proposed Increase in Attorney Fees

Staff Liaison Present: Hugh Osteen
Ken Soo

Phone # 560-3831
821-4711

Main Points:

- Tharrington-Smith has proposed a slight increase in billing rates for the 2014 and 2015 fiscal years.
- Each year will increase \$5.00 per hour for Partners, Associates and Paralegals. The monthly retainer will remain \$1,500.00.

Administration submits this increase for approval.

Fiscal Implications: None

Strategic Plan Alignment: None

Purpose

Information **Discussion** **Action** **Consent**

Reviewed by: **Finance** _____ **Attorney** Ken Soo

March 18, 2014

Heidi Carter
Board Chair
Durham Public Schools Board of Education
Post Office Box 30002
Durham, NC 27702

Hugh Osteen
Interim Superintendent
Durham Public Schools
Post Office Box 30002
Durham, NC 27702

Re: Retainer Rates

Dear Heidi and Hugh:

In recognition of the financial challenges facing our school district clients in recent years, we have been fortunate to maintain the same flat rate since January 2012 for our retainer clients. Unfortunately, our expenses have continued to increase. In order to continue to hire and retain high quality staff and to maintain our level of services, we have scheduled two modest \$5.00 rate increases over the next two years, effective at the start of the fiscal calendars. These new rates will be as follows:

	<u>Effective July 1, 2014</u>	<u>Effective July 1, 2015</u>
Partners	\$190.00	\$195.00
Associates	\$175.00	\$180.00
Paralegals	\$ 95.00	\$100.00

Please know that the \$1,500.00 monthly retainer amount has remained the same since 1992, and we did not increase that amount in this proposed agreement.

I am attaching a proposed retainer agreement to reflect this change and would ask that the item be added to the agenda at an upcoming meeting. It has been our pleasure to serve the Durham Public Schools Board of Education over the past years and we look forward to continuing to work with you. If you have any questions, please do not hesitate to call.

Very truly yours,

THARRINGTON SMITH, L.L.P.

Kenneth A Soo

**AGREEMENT BETWEEN
DURHAM PUBLIC SCHOOLS BOARD OF EDUCATION
AND THARRINGTON SMITH
FOR THE PROVISION OF LEGAL SERVICES**

The law firm of Tharrington Smith, L.L.P. agrees to continue to serve as attorneys to the Durham Public Schools County Board of Education under the following terms and conditions:

1. **Retainer and General Services.** The Durham Public Schools Board of Education will pay a retainer of one thousand five hundred dollars (\$1,500.00) per month billed at the beginning of each month. This retainer will cover the attendance at up to two board meetings per month as designated by the Chairman of the Board of Education or Superintendent; and brief telephone or email communication. The Board of Education will be billed at the beginning of each month and bills will include a statement of charges for additional services for the preceding one-month period.

2. **Additional Services and Litigation.** Additional legal and paralegal services not covered by the retainer will be billed according to the following rate schedule:

Time Period	Partners	Associates	Paralegals
Current - June 30, 2014	\$185	\$170	\$90
July 1, 2014 - June 30, 2015	\$190	\$175	\$95
July 1, 2015 - June 30, 2016	\$195	\$180	\$100

3. **Costs.** Any out-of-pocket expenses, including travel, copies, court costs, title insurance, telephone calls, conventions or conferences approved by the Superintendent will be billed at our cost.

4. **Contract Revisions.** Upon mutual agreement the contract may be revised at any time.

5. **Term.** The contract will continue in effect unless terminated by either party upon (60) sixty days notice.

THARRINGTON SMITH

**DURHAM PUBLIC SCHOOLS
BOARD OF EDUCATION**

Kenneth A. Soo

Heidi Carter, Board Chairman

Date: _____

Date: _____

Hugh Osteen, Interim Superintendent

Date: _____

This instrument has been preaudited in the manner required by the School Budget and Fiscal Control Act.

Finance Officer

Date



One Vision. One Durham.

Date: May 22, 2014

Durham Public Schools BOARD OF EDUCATION PRECIS

Agenda Item: Eno Valley Elementary School – Bids for HVAC System Installation

Staff Liaison Present: Hugh Osteen
Evia Nelson

Phone # 560-3831
560-2216

Main Points:

- Reallocated 2007 Bond funds provide for HVAC system replacement and upgrades at Eno Valley Elementary School. The HVAC upgrades have been adjusted to align with the areas of roof replacement. Equipment is being purchased separately by DPS.
- Bids were received at a 2nd bid event on March 20, 2014 from two (2) qualified bidders. The lowest, responsive, responsible bidder is:

Superior Mechanical Services, Inc.
Greensboro, NC

Base Bid:	\$525,000.00
Value Options:	<u>(\$172,424.00)</u>
Total:	\$352,576.00

Administration submits this bid information and the proposed contract for approval.

Fiscal Implications:

This contract is within the project budget. Value options were selected to meet the budget. Minority Business Enterprise participation is 11.2% and all required affidavits were submitted by the contractor.

Strategic Plan Alignment:

III.4 – Implement educational specifications for designing and renovating school facilities.

Purpose

Information **Discussion** **Action** **Consent**

Reviewed by: **Finance** Aaron Beaulieu **Attorney** Rod Malone

BID TABULATIONS**Durham Public Schools****Eno Valley Elementary School - HVAC Replacement**

Bid Date: Thursday, March 20, 2014

Time: 3:00 PM

	GENERAL CONTRACTORS	MWBE FORM	LICENSE NUMBER	BASE BID	TOTAL BID
*1	Superior Mechanical	Y	6911	\$ 525,000.00	\$ 525,000.00
2	Warren Hay Mechanical	1 of 2	7211	\$ 558,000.00	\$ 558,000.00
3					\$ -
4					\$ -
5					\$ -
6					\$ -
7					\$ -
8					\$ -

** Apparent lowest responsible, responsive bidder.

I (We) hereby certify that this is a true and accurate tabulation of bids received this day,
for the above project.

Signed: _____ Date: _____

Durham Public Schools 2011 Hamlin Road Durham, NC 27704 (919) 560-2216 Fax: (919) 560-9119

OWNER-CONTRACTOR AGREEMENT

Durham County
Eno Valley Elementary School – HVAC Replacement

THIS AGREEMENT, is made this 22nd day of May in the year of 2014 by and between the **Durham County, by and through its authorized agent the Durham Public Schools Board of Education** (herein referred to as the "Owner"), whose mailing address for purposes of this agreement shall be, **Construction & Capital Planning, 2011 Hamlin Road, Durham, North Carolina 27704** and **Superior Mechanical Services, Inc. SS/EID #56-1716717** (herein referred to as the "Contractor"), whose mailing address is **607 Industrial Avenue, Greensboro, North Carolina 27406**. All correspondence, submittals, and notices relating to or required under this Contract shall be sent in writing to the above addresses; unless either party is notified in writing by the other, of a change in address.

WITNESSETH:

WHEREAS, it is the intent of the Owner to obtain the services of the Contractor in connection with the Scope of Work for **Eno Valley Elementary School – HVAC Replacement (DPS project 315-01, documents dated February 16, 2014)** hereinafter referred to as the "Project" or the "Work"; and

WHEREAS, the Contractor desires to perform such construction in accordance with the terms and conditions of this Agreement,

NOW, THEREFORE, in consideration of the promises made herein and other good and valuable consideration, the following terms and conditions are hereby mutually agreed to, by and between the Owner and Contractor:

Article 1
DEFINITIONS

- 1.1 All terms in this Agreement which are defined in the Information for Bidders and the General Conditions shall have the meanings designated therein.
- 1.2 The Contract Documents are as defined in the General Conditions provided with the Information to Bidders. Such documents form the Contract, and all are as fully a part thereof as if attached to this Agreement or repeated herein.

Article 2
STATEMENT OF THE WORK

- 2.1 The Contractor shall provide and pay for all materials, tools, equipment, labor and professional and non-professional services, and shall perform all other acts and supply all other things necessary, to fully and properly perform and complete the Work, as required by the Contract Documents.

**NORTH CAROLINA
DURHAM COUNTY**

- 2.2 The Contractor shall further provide and pay for all related facilities described in any of the Contract Documents, including all work expressly specified therein and such additional work as may be reasonably inferred therefrom, saving and excepting only such items of work as are specifically stated in the Contract Documents not to be the obligation of the Contractor. The totality of the obligations imposed upon the contractor by this Article and by all other provisions of the Contract Documents, as well as the structures to be built and the labor to be performed, is herein referred to as the "Work".

Article 3
DESIGN CONSULTANT

- 3.1 The Design Consultant (as defined in the General Conditions) is **DTW Architects & Planners, Ltd., 229 North Gregson Street, Durham, North Carolina 27701.**

Article 4
TIME OF COMMENCEMENT AND COMPLETION

- 4.1 The Contractor shall commence the Work promptly upon the date established in the Notice to Proceed. If there is no Notice to Proceed, the date of commencement of the Work shall be the date of this Agreement or such other date as may be established herein.
- 4.2 Time is of the essence. The Contractor shall achieve Final Completion, as defined in the Specifications on or before the date established for Final Completion.
- 4.3 The Specifications contains certain specific dates that shall be adhered to and are the last acceptable dates unless modified in writing by mutual agreement between the Contractor and the Owner. All dates indicate midnight unless otherwise stipulated.
- 4.4 Should the Contractor fail to complete the Work on or before the dates stipulated for Substantial Completion and/or Final Completion (or such later date as may result from an extension of time granted by the Owner), he shall pay the Owner, as liquidated damages the sums set forth in the General Conditions.

Article 5
CONTRACT SUM

- 5.1 Provided that the Contractor shall strictly and completely perform all of its obligations under the Contract Documents, and subject only to additions and deductions by Modification or as otherwise provided in the Contract Documents, the Owner shall pay to the Contractor, in current funds and at the time and in the installments hereinafter specified, the maximum sum of **Three Hundred Fifty Two Thousand Five Hundred Seventy Six Dollars (\$352,576.00)** herein referred to as the "Contract Sum". The Contract Sum includes the base bid work as specified in the bidding documents and accepted Value Engineering Options per Attachment A.

Article 6
PROGRESS PAYMENTS

**NORTH CAROLINA
DURHAM COUNTY**

6.1 The Contractor hereby agrees that on or about the First day of the month for every month during the performance of the Work he will deliver to the Owner's Project Manager an Application for Payment in accordance with the provisions of the General Conditions. This date may be changed upon mutual agreement, stated in writing, between the Owner and Contractor. Payment under this Contract shall be made as provided in the General Conditions.

Article 7
OTHER REQUIREMENTS

7.1 The Contractor shall submit the Performance Bond, Labor and Material Payment Bond and Certification of Insurance as required by the Contract Documents.

7.2 The Owner shall furnish to the Contractor drawings and specifications as outlined in the General Conditions. Additional sets of drawings or specifications may be obtained by the Contractor by paying the Owner for the costs of reproduction, handling and mailing.

7.3 The Contractor will make a good faith effort to utilize Minority Business Enterprises (MBEs) per N.C. Gen. Stat. 143-128 as subcontractors in the performance of this contract.

IN WITNESS WHEREOF, Durham County, by and through its authorized agent the Durham Public Schools Board of Education (hereinbefore called the "Owner") has caused these presents to be signed by and through its authorized agent the Durham Public Schools Board of Education pursuant to the Interlocal Agreement between the Owner and the Durham Public Schools, and **Superior Mechanical Services, Inc.** (hereinbefore called "Contractor") has caused these presents to be signed by its President and its Corporate seal to be hereunto affixed, as hereinafter attested, all as of the day and year first above written.

Durham County
By and through its authorized agent the Durham Public Schools Board of Education

Heidi Carter, Chair, Durham Public Schools Board of Education

This instrument has been pre-audited in the manner required by the School Budget and Fiscal Control Act.

Aaron Beaulieu, Chief Financial Officer, Durham Public Schools

Endorsement:

Executive Director
Durham Public Schools
Construction & Capital Planning

This contract was approved by the Board on the 22nd day of May, 2014.

**NORTH CAROLINA
DURHAM COUNTY**

Superior Mechanical Services, Inc.

By: _____

Name/Title: _____

STATE OF NORTH CAROLINA
COUNTY OF DURHAM

I, a Notary Public in and for the aforesaid County and State, do hereby certify that _____ personally appeared before me this day and acknowledged that he/she is _____ of _____, a _____ (state of incorporation) corporation, duly authorized to do business in the state of North Carolina, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its _____, sealed with its corporate seal and attested by _____ as its Corporate Secretary.

Witness my hand and notarial seal this ____ day of _____, 2014.

Notary Public (SEAL/STAMP)

My commission expires: _____

Date: May 2014

Eno Valley Elementary School
HVAC System Upgrades
Attachment "A"

The following deductive items were provided by Superior Mechanical Services Inc. on April 8, 2014 as part of a process to reduce the base bid for the above mentioned project. These items have been reviewed and determined acceptable by the Architect and Durham Public Schools.

1) Delete roofing for new curbs. Roofing by Roofing Contractor.	Deduct \$16,000
2) Delete project sign.	\$ 2,500
3) Reduce project allowances.	\$10,000
4) Furnish and install units to align with areas of new roofing. Reduction of six HVAC units.	
a) Labor	\$56,130
b) Electrical	\$40,320
c) Ductwork/Curbs/Fans	\$47,474
Total Base Bid Deduction	\$172,424

Date: May 2014

Eno Valley Elementary School
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Attachment "A"

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b) Electrical	\$40,320
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Total Base Bid Deduction	\$172,424



One Vision. One Durham.

Date: May 22, 2014

Durham Public Schools BOARD OF EDUCATION PRECIS

Agenda Item: Eno Valley Elementary School – Purchase Order for HVAC Equipment

Staff Liaison Present: Hugh Osteen
Evia Nelson

Phone # 560-3831
560-2216

Main Points:

- Reallocated 2007 Bond funds provide for replacement and upgrade of roof top HVAC equipment where roof replacement occurs. DPS has elected to direct purchase the equipment to maximize cost and scheduling.
- Construction & Capital Planning utilized The Cooperative Purchasing Network (TCPN) to obtain pricing from Trane U.S. Inc.
- The quote from TCPN for \$144,970.20 provides a lump sum cost to furnish and deliver eleven (11) rooftop units for installation by the Mechanical Contractor. Issuance of a purchase order for this equipment requires Board approval.

Administration submits this bid information and the proposed purchase order for approval.

Fiscal Implications:

This contract is within the project budget. Minority Business Enterprise participation is 0% as this is a direct-from-vendor equipment purchase.

Strategic Plan Alignment:

III.4 – Implement educational specifications for designing and renovating school facilities.

Purpose

Information **Discussion** **Action** **Consent**

Reviewed by: **Finance** Aaron Beulieu **Attorney** Rod Malone



Proposal Rev 1

(Valid for 30 days from Proposal date)

PROPRIETARY AND CONFIDENTIAL PROPERTY OF Trane U.S. Inc.
DISTRIBUTION TO OTHER THAN THE NAMED RECIPIENT IS PROHIBITED
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Prepared For: Durham Public Schools

Date: March 31, 2014

Job Name:
 Eno Valley Elementary School

Proposal Number: F4-63086-1
TCPN Quote # 22-10001-14-002

Engineer: Edmondson Engineering

Delivery Terms:
 Freight Allowed and Prepaid - F.O.B. Jobsite

Payment Terms:
 Net 30 Days

Trane U.S. Inc. is pleased to provide the following proposal for your review and approval.

Tag Data – 12.5- 20 ton sizes: Packaged Gas/Electric Rooftop Units (Qty: 4)

Item	Tag(s)	Qty	Description	Model Number
A1	RTU-1	1	20 Ton Packaged Unitary Gas/Ele	YHD240F3RHA--H0C10002B000000000000
A3	RTU-9	1	15 Ton Packaged Unitary Gas/Ele	YHD180F3RHA--H0C10002B000000000000
A4	RTU-10	1	15 Ton Packaged Unitary Gas/Ele	YHD180F3RHA--H0C10002B000000000000
A5	RTU-12	1	15 Ton Packaged Unitary Gas/Ele	YHD180F3RHA--H0C10002B000000000000

Product Data - Packaged Gas/Electric Rooftop Units

All Units

- Gas/Electric
- High efficiency
- Downflow
- 208-230/60/3
- Reliabel controls w/ Lontalk BAS interface factory installed
- Gas Heat - High
- Economizer Comparative Enthalpy 0-100% with Barometric Relief
- Field installed powered exhauster**
- Hinged panels/2" Pleated Filters Merv 8
- Standard condenser coil with hail guard
- Hot Gas Reheat coil w/ field installed humidity sensor **(Field installed & wired)**
- Std. uninsulated 14" high Trane Roof curb **(Field assembled & installed)**
- Room sensor with temperature adjustment and override buttons **(Field installed & wired)**
- Factory installed control sensor points: Dirty filter, fan proving, Discharge Air, Condensate overflow
- Factory startup & 1st Year Labor warranty
- 5 year compressor parts warranty
- 10 year heat exchanger parts warranty

Tag Data - 3-10 Ton Sizes R410A PKGD Unitary Gas/Electric Rooftop (Qty: 7)

Item	Tag(s)	Qty	Description	Model Number
B1	RTU-2	1	5 Ton R410A PKGD Gas/Electri	YHC060E3RMA--H0C10002B000000000000
B2	RTU-3	1	7.5 Ton R410A PKGD Gas/Electri	YHC092F3RLA--H0C10002B000000000000
B3	RTU-4	1	6 Ton R410A PKGD Gas/Electri	YHC072E3RLA--H0C10002B000000000000
B4	RTU-5	1	1.5 ton R410A PKGD Gas/Electri	4YCC3018
B4	RTU-6	1	3 Ton R410A PKGD Gas/Electri	YHC036E3RMA--H0C10002B000000000000
B5	RTU-7	1	3 Ton R410A PKGD Gas/Electri	YHC036E3RMA--H0C10002B000000000000
B6	RTU-17	1	8.5 Ton R410A PKGD Gas/Electri	YHC102F3RMA--H0C10002B000000000000

Product Data - 3-10 Ton R410A PKGD Unitary Gas/Electric Rooftop

All Units

- DX cooling, gas heat
- High efficiency
- 208-230/60/3
- Reliabel controls w/ Lontalk BAS interface factory installed
- Economizer Comparative Enthalpy 0-100% with Barometric Relief
- Hinged panels/2 in pleated filters Merv 8
- Standard condenser coil w/hail guard
- Hot Gas Reheat coil w/ field installed humidity sensor **(Field installed & wired)**
- Std. uninsulated 14" high Trane Roof curb **(Field assembled & installed)**
- Room sensor with temperature adjustment and override buttons **(Field installed & wired)**
- Factory installed control sensor points: Dirty filter, fan proving, Discharge Air, Condensate overflow
- Factory Startup & 1st Year Labor warranty
- 5 year compressor parts warranty
- 10 year heat exchanger parts warranty

****note RTU-5 is 1.5 ton residential style rooftop that will be provided with a field installed BAS controller and will not be able to have the same control points as the commercial microprocessor RTU systems or the dehumidification option.**

Tag Data - UPG Accessories (Qty: 1)

Item	Tag(s)	Qty	Description
C1	No Tag	1	Roofcurbs for existing units

Product Data - UPG Accessories

Item: C1 Qty: 1

Qty. 1 uninsulated 14" tall flat roofcurbs for existing Trane RTU systems Tagged **RTU-11** (Fld)

Not included with the Trane package:

- Disconnects
- Gas regulators at the units (will need to be field provided and setup by the contractor)
- Wiring, rigging, receiving, offloading of equipment
- Bid bond, payment bond, performance bond
- NC or local sales taxes
- Insulation for roof curbs or taller curbs (standard knocked down curb provided)

Total Net Price (Excluding Sales Tax) **\$ 134,856 + NC taxes**

Tax Status: Taxable <input type="checkbox"/> Exempt <input type="checkbox"/>	IF EXEMPT PLEASE SUBMIT COMPLETED TAX EXEMPTION CERTIFICATE WITH YOUR SIGNED PROPOSAL OR WITH YOUR PURCHASING DOCUMENTS, KEEP YOUR ORIGINAL ON FILE IN THE OFFICE. YOU WILL BE CHARGED TAX IF A VALID EXEMPTION CERTIFICATE IS NOT ON FILE BEFORE EQUIPMENT, PARTS OR SERVICES ARE PROVIDED. SEE WWW.TAXSITES.COM/STATE-LINKS.HTML FOR TAX FORMS.
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Sincerely,

J.D. Howard - Trane U.S. Inc.
 401 Kitty Hawk Drive
 Morrisville, NC 27560-8271
 Phone: (919) 781-0458
 Fax: (919) 781-9195

Subtotal = \$134,856.00
Sales tax - 7.5% = \$ 10,114.20
Total = \$144,970.20

This proposal is subject to your acceptance of the attached Trane terms and conditions.

TERMS AND CONDITIONS - EQUIPMENT

"Company" shall mean Trane Canada ULC for sales in Canada and Trane U.S. Inc. for sales in the United States.

1. Acceptance. These terms and conditions are an integral part of Company's offer and form the basis of any agreement (the "Agreement") resulting from Company's proposal (the "Proposal") for the sale of the described equipment and any ancillary services (the "Equipment"). **COMPANY'S TERMS AND CONDITIONS ARE SUBJECT TO PERIODIC CHANGE OR AMENDMENT.** The Proposal is subject to acceptance in writing by the party to whom this offer is made or an authorized agent ("Customer") delivered to Company within 30 days from the date of the Proposal. If Customer accepts the Proposal by placing an order, without the addition of any other terms and conditions of sale or any other modification, Customer's order shall be deemed acceptance of the Proposal subject to Company's terms and conditions. If Customer's order is expressly conditioned upon Company's acceptance or assent to terms and/or conditions other than those expressed herein, return of such order by Company with Company's terms and conditions attached or referenced serves as Company's notice of objection to Customer's terms and as Company's counter-offer to provide Equipment in accordance with the Proposal and the Company's terms and conditions. If Customer does not reject or object in writing to Company within 10 days, Company's counter-offer will be deemed accepted. Customer's acceptance of the Equipment will in any event constitute an acceptance by Customer of Company's terms and conditions. This Agreement is subject to credit approval by Company. Upon disapproval of credit, Company may delay or suspend performance or, at its option, renegotiate prices and/or terms and conditions with Customer. If Company and Customer are unable to agree on such revisions, this Agreement shall be cancelled without any liability.

2. Title and Risk of Loss. All Equipment sales with destinations to Canada or the U.S. shall be made as follows: FOB Company's U.S. manufacturing facility or warehouse (full freight allowed). Title and risk of loss or damage to Equipment will pass to Customer upon tender of delivery of such to carrier at Company's U.S. manufacturing facility or warehouse.

3. Pricing and Taxes. Following acceptance without addition of any other terms and condition of sale or any other modification by Customer, the prices stated are firm provided that notification of release for immediate production and shipment is received at Company's factory not later than 3 months from order acceptance. If such release is received later than 3 months from order acceptance date, prices will be increased a straight 1% (not compounded) for each 1 month period (or part thereof) beyond the 3 month firm price period up to the date of receipt of such release. If such release is not received within 6 months after the date of order acceptance, the prices are subject to renegotiation or at Company's option, the order will be cancelled. Any delay in shipment caused by Customer's actions will subject prices to increase equal to the percentage increase in list prices during that period of delay and Company may charge Customer with incurred storage fees. In no event will prices be decreased. The price of Equipment does not include any present or future foreign, federal, state, or local property, license, privilege, sales, use, excise, value added, gross receipts or other like taxes or assessments. Such amounts will be itemized separately to Customer, who will make prompt payment to Company. Company will accept valid exemption documentation for such from Customer, if applicable. All prices include packaging in accordance with Company's standard procedures. Charges for special packaging, crating or packing are the responsibility of Customer.

4. Delivery and Delays. Delivery dates are approximate and not guaranteed. Company will use commercially reasonable efforts to deliver the Equipment on or before the estimated delivery date and will notify Customer if the estimated delivery dates cannot be honored and will deliver the and services as soon as practicable thereafter. In no event will Company be liable for any damages or expenses caused by delays in delivery times.

5. Performance. Company shall be obligated to furnish only the Equipment described in the Proposal, and submittal data (if such data is issued in connection with the order), and Company may rely on the acceptance of the Proposal and submittal data as acceptance of the suitability of the Equipment for the particular project or location. If Company and Customer are unable to agree on revised prices or terms, the order may be cancelled without any liability. Unless specifically stated in the Proposal, compliance with any local building codes or other laws or regulations relating to specifications or the location, use or operation of the Equipment is the sole responsibility of Customer. If Equipment is tendered which does not fully comply with the provisions of this Agreement, and Equipment is rejected by Customer, Company will have the right to cure within a reasonable time after notice thereof by substituting a conforming tender whether or not the time for performance has passed.

6. Force Majeure. Company's duty to perform under this Agreement and the Equipment prices are contingent upon the non-occurrence of an Event of Force Majeure. If the Company shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Company's election (i) remain in effect but Company's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon 10 days notice to Customer, in which event Customer shall pay Company for all parts of the Work furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Company. Without limiting the foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor/labour disputes; labor/labour or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid); and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Company; and the requirements of any applicable government in any manner that diverts either the material or the finished product to the direct or indirect benefit of the government.

7. Limited Warranty. Company warrants the Equipment manufactured by Company for a period of the lesser of 12 months from initial start-up or 18 months from date of shipment, whichever is less, against failure due to defects in material and manufacture and that it has the capacities and ratings set forth in Company's catalogs and bulletins ("Warranty"). **Equipment manufactured by Company that includes required start-up and sold in North America will not be warranted by Company unless Company performs the Equipment startup.** Exclusions from this Warranty include damage or failure arising from: wear and tear; corrosion, erosion, deterioration; modifications made by others to the Equipment; repairs or alterations by a party other than Company that adversely affects the stability or reliability of the Equipment; vandalism; neglect; accident; adverse weather or environmental conditions; abuse or improper use; improper installation; commissioning by a party other than Company; unusual physical or electrical or mechanical stress; operation with any accessory, equipment or part not specifically approved by Company; refrigerant not supplied by Company; and/or lack of proper maintenance as recommended by Company. Company shall not be obligated to pay for the cost of lost refrigerant or lost product. Company's obligations and liabilities under this Warranty are limited to furnishing replacement equipment or parts, at its option, FCA (Incoterms 2000) factory or warehouse (f.o.b. factory or warehouse for US domestic purposes) at Company-designated shipping point, freight-allowed to Company's warranty agent's stock location, for all non-conforming Company-manufactured Equipment (which have been returned by Customer to Company. Returns must have prior written approval by Company and are subject to restocking charge where applicable. Equipment, material and/or parts that are not manufactured by Company are not warranted by Company and have such warranties as may be extended by the respective manufacturer. **COMPANY MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, REGARDING PREVENTION OF MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES.** No warranty liability whatsoever shall attach to Company until Customer's complete order has been paid for in full and Company's liability under this Warranty shall be limited to the purchase price of the Equipment shown to be defective. Additional warranty protection is available on an extra-cost basis and must be in writing and agreed to by an authorized signatory of the Company. Additional terms and conditions of warranty coverage are applicable for refrigeration equipment. **EXCEPT FOR COMPANY'S WARRANTY EXPRESSLY SET FORTH HEREIN, COMPANY DOES NOT MAKE, AND HEREBY EXPRESSLY DISCLAIMS, ANY WARRANTIES, EXPRESS OR IMPLIED CONCERNING ITS PRODUCTS, EQUIPMENT OR SERVICES, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF DESIGN, MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, OR OTHERS THAT ARE ALLEGED TO ARISE FROM COURSE OF DEALING OR TRADE.**

8. Indemnity. To the fullest extent permitted by law, Company and Customer shall indemnify, defend and hold harmless each other from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or personal property, to the extent caused by the negligence or misconduct of their respective employees or other authorized agents in connection with their activities within the scope of this Agreement. Neither party shall indemnify the other against claims, damages, expenses or liabilities to the extent attributable to the acts or omissions of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their

relative fault. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination.

9. Insurance. Upon request, Company will furnish evidence of its standard insurance coverage. If Customer has requested to be named as an additional insured under Company's insurance policy, Company will do so but only subject to Company's manuscript additional insured endorsement under its primary Commercial General Liability policies. In no event does Company does not waive any rights of subrogation.

10. Customer Breach. Each of the following events or conditions shall constitute a breach by Customer and shall give Company the right, without an election of remedies, to terminate this Agreement, require payment prior to shipping, or suspend performance by delivery of written notice declaring termination, upon which event Customer shall be liable to the Company for all Equipment furnished to date and all damages sustained by Company (including lost profit and overhead): (1) Any failure by Customer to pay amounts when due; or (2) any general assignment by Customer for the benefit of its creditors, or if Customer becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, or makes or proposes to make any proposal or arrangement with creditors, or if any steps are taken for the winding up or other termination of Customer or the liquidation of its assets, or if a trustee, receiver, or similar person is appointed over any of the assets or interests of Customer; (3) Any representation or warranty furnished by Customer in connection with this Agreement is false or misleading in any material respect when made; or (4) Any failure by Customer to perform or comply with any material provision of this Agreement.

11. Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY, IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT CONSEQUENTIAL, OR PUNITIVE OR EXEMPLARY DAMAGES (INCLUDING WITHOUT LIMITATION REFRIGERANT LOSS, BUSINESS INTERRUPTION, LOST DATA, LOST REVENUE, LOST PROFITS) EVEN IF A PARTY HAS BEEN ADVISED OF SUCH POSSIBLE DAMAGES OR IF SAME WERE REASONABLY FORESEEABLE AND REGARDLESS OF WHETHER THE CAUSE OF ACTION IS FRAMED IN CONTRACT, NEGLIGENCE, ANY OTHER TORT, WARRANTY, STRICT LIABILITY, OR PRODUCT LIABILITY). In no event will Company's liability in connection with the provision of products or services or otherwise under this Agreement exceed the entire amount paid to Company by Customer under this Agreement.

12. Nuclear Liability. In the event that the Equipment sold hereunder is to be used in a nuclear facility, Customer will, prior to such use, arrange for insurance or governmental indemnity protecting Company against all liability and hereby releases and agrees to indemnify Company and its suppliers for any nuclear damage, including loss of use, in any manner arising out of a nuclear incident, whether alleged to be due, in whole or in part to the negligence or otherwise of Company or its suppliers.

13. Intellectual Property; Patent Indemnity. Company retains all ownership, license and other rights to all patents, trademarks, copyrights, trade secrets and other intellectual property rights related to the Equipment, and, except for the right to use the Equipment sold, Customer obtains no rights to use any such intellectual property. Company agrees to defend any suit or proceeding brought against Customer so far as such suit or proceeding is solely based upon a claim that the use of the Equipment provided by Company constitutes infringement of any patent of the United States of America, provided Company is promptly notified in writing and given authority, information and assistance for defense of same. Company will, at its option, procure for Customer the right to continue to use said Equipment, or modify it so that it becomes non-infringing, or replace same with non-infringing Equipment, or to remove said Equipment and to refund the purchase price. The foregoing will not be construed to include any Agreement by Company to accept any liability whatsoever in respect to patents for inventions including more than the Equipment furnished hereunder, or in respect of patents for methods and processes to be carried out with the aid of said Equipment. The provision of Equipment by Company does not convey any license, by implication, estoppel, or otherwise, under patent claims covering combinations of said Equipment with other devices or elements. The foregoing states the entire liability of Company with regard to patent infringement. Notwithstanding the provisions of this paragraph, Customer will hold Company harmless against any expense or loss resulting from infringement of patents or trademarks arising from compliance with Customer's designs or specifications or instructions.

14. Cancellation. Equipment is specially manufactured in response to orders. An order placed with and accepted by Company cannot be delayed, canceled, suspended, or extended except with Company's written consent and upon written terms accepted by Company that will reimburse Company for and indemnify Company against loss and provide Company with a reasonable profit for its materials, time, labor, services, use of facilities and otherwise. Customer will be obligated to accept any Equipment shipped, tendered for delivery or delivered by Company pursuant to the order prior to any agreed delay, cancellation, suspension or extension of the order. Any attempt by Customer to unilaterally revoke, delay or suspend acceptance for any reason whatever after it has agreed to delivery of or accepted any shipment shall constitute a breach of this Agreement. For purposes of this paragraph, acceptance shall be any waiver of inspection, use or possession of Equipment, payment of the invoice, or any indication of exclusive control exercised by Customer.

15. Invoicing and Payment. Equipment shall be invoiced to Customer upon tender of delivery thereof to the carrier. Customer shall pay Company's invoices within net 30 days of shipment date. Company reserves the right to add to any account outstanding for more than 30 days a service charge equal to the lesser of the maximum allowable legal interest rate or 1.5% of the principal amount due at the end of each month. Customer shall pay all costs (including attorneys' fees) incurred by Company in attempting to collect amounts due and otherwise enforcing these terms and conditions. If requested, Company will provide appropriate lien waivers upon receipt of payment. Company may at any time decline to ship, make delivery or perform work except upon receipt of cash payment, letter of credit, or security, or upon other terms and conditions satisfactory to Company in accordance with its credit and collections policy. Customer agrees that, unless Customer makes payment in advance, Company will have a purchase money security interest in all Equipment to secure payment in full of all amounts due Company and its order for the Equipment, together with these terms and conditions, form a security agreement (as defined by the UCC in the United States and as defined in the Personal Property Security Act in Canada). Customer shall keep the Equipment free of all taxes and encumbrances, shall not remove the Equipment from its original installation point and shall not assign or transfer any interest in the Equipment until all payments due Company have been made. The purchase money security interest granted herein attaches upon Company's acceptance of Customer's order and on receipt of the Equipment described in the accepted Proposal but prior to its installation. The parties have no agreement to postpone the time for attachment unless specifically noted in writing on the accepted order. Customer will have no rights of set off against any amounts, which become payable to Company under this Agreement or otherwise.

16. Claims. Company will consider claims for concealed shortages in shipments or rejections due to failure to conform to an order only if such claims or rejections are made in writing within 15 days of delivery and are accompanied by the packing list and, if applicable, the reasons in detail why the Equipment does not conform to Customer's order. Upon receiving authorization and shipping instructions from authorized personnel of Company, Customer may return rejected Equipment, transportation charges prepaid, for replacement. Company may charge Customer any costs resulting from the testing, handling, and disposition of any Equipment returned by Customer which are not found by Company to be nonconforming. All Equipment damaged during shipment and all claims relating thereto must be made with the freight carrier in accordance with such carrier's policies and procedures. Claims for Equipment damaged during shipment are not covered under the warranty provision stated herein.

17. Export Laws. The obligation of Company to supply Equipment under this Agreement is subject to the ability of Company to supply such items consistent with applicable laws and regulations of the United States and other governments. Company reserves the right to refuse to enter into or perform any order, and to cancel any order, under this Agreement if Company in its sole discretion determines that performance of the transaction to which such order relates would violate any such applicable law or regulation. Customer will pay all handling and other similar costs from Company's factories including the costs of freight, insurance, export clearances, import duties and taxes. Customer will be "exporter of record" with respect to any export from the United States of America and will perform all compliance and logistics functions in connection therewith and will also comply with all applicable laws, rules and regulations. Customer understands that Company and/or the Equipment are subject to laws and regulations of the United States of America which may require licensing or authorization for and/or prohibit export, re-export or diversion of Company's Equipment to certain countries, and agrees it will not knowingly assist or participate in any such diversion or other violation of applicable United States of America laws and regulations. Customer agrees to hold harmless and indemnify Company for any damages resulting to Customer or Company from a breach of this paragraph by Customer.

18. General. Except as provided below, to the maximum extent provided by law, this Agreement is made and shall be interpreted and enforced in accordance with the laws of the state of New York for Equipment shipped to a U.S. location and the laws of the province to which Equipment is shipped within Canada, without regard to its conflict of law principles that might otherwise call for the application of a different state's or province's law, and not including the United Nations Convention on Contracts for the International Sale of Goods. Any action or suit arising out of or related to this Agreement must be commenced within one year after the cause of action has accrued. To the extent the Equipment is being used at a site owned and/or operated by any agency of the Federal Government, determination of any substantive issue of law shall be according to the Federal common law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals of the Federal Government. This Agreement contains all of the agreements, representations and understandings of the parties and supersedes all previous understandings, commitments or agreements, oral or written, related to the subject matter hereof. This Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto. No documents shall be incorporated herein by reference except to the extent Company is a signatory thereon. If any term or condition of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, all other terms and conditions of this Agreement will nevertheless remain in full force and effect as long as the economic or legal substance of the transaction contemplated hereby is not affected in a manner adverse to any party hereto. Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, title or interest herein, without the written consent of the Company. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of Customer's permitted successors and assigns. This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement. A fully executed facsimile copy hereof or the several counterparts shall suffice as an original.

19. NOTICE: Company is restricted from receiving funds appropriated or otherwise made available under U.S. Public Laws 110-161, 111-8, and 111-117.

20. U.S. Government Work.

The following provision applies only to direct sales by Company to the US Government. The Parties acknowledge that Equipment ordered and delivered under this Agreement are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Company agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1).

The following provision applies only to indirect sales by Company to the US Government. As a Commercial Item Subcontractor, Company accepts only the following mandatory flow down provisions: 52.219-8; 52.222-26; 52.222-35; 52.222-36; 52.222-39; 52.247-64. If the sale of the Equipment is in connection with a U.S. Government contract, Customer certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Company will have no obligations to Customer unless and until Customer provides Company with a true, correct and complete executed copy of the prime contract. Upon request, Customer will provide copies to Company of all requested written communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to Customer's ownership, eligibility or performance of the prime contract. Customer will obtain written authorization and approval from Company prior to providing any government official any information about Company's performance of the work that is the subject of the Proposal or this Agreement, other than the Proposal or this Agreement.

21. Limited Waiver of Sovereign Immunity. If Customer is an Indian tribe (in the U.S.) or a First Nation or Band Council (in Canada), Customer, whether acting in its capacity as a government, governmental entity, a duly organized corporate entity or otherwise, for itself and for its agents, successors, and assigns: (1) hereby provides this limited waiver of its sovereign immunity as to any damages, claims, lawsuit, or cause of action (herein "Action") brought against Customer by Company and arising or alleged to arise out of the furnishing by Company of any product or service under this Agreement, whether such Action is based in contract, tort, strict liability, civil liability or any other legal theory; (2) agrees that jurisdiction and venue for any such Action shall be proper and valid (a) if Customer is in the U.S., in any state or United States court located in the state in which Company is performing this Agreement or (b) if Customer is in Canada, in the superior court of the province or territory in which the work was performed; (3) expressly consents to such Action, and waives any objection to jurisdiction or venue; (4) waives any requirement of exhaustion of tribal court or administrative remedies for any Action arising out of or related to this Agreement; and (5) expressly acknowledges and agrees that Company is not subject to the jurisdiction of Customer's tribal court or any similar tribal forum, that Customer will not bring any action against Company in tribal court, and that Customer will not avail itself of any ruling or direction of the tribal court permitting or directing it to suspend its payment or other obligations under this Agreement. The individual signing on behalf of Customer warrants and represents that such individual is duly authorized to provide this waiver and enter into this Agreement and that this Agreement constitutes the valid and legally binding obligation of Customer, enforceable in accordance with its terms.

1-26.130-4 (1013)
Supersedes 1-26.130-4(1012)



Date: May 22, 2014

Durham Public Schools BOARD OF EDUCATION PRECIS

Agenda Item: E-Rate Applications for 2014-15

Staff Liaison Present: Hugh Osteen
Scott Denton
Elaine Batten

Phone # 560-3831
560-3822
560-2180

Main Points:

- Applications have been prepared for qualified expenses for the 2014-15 school year.
- These efforts are supported through federal (E-Rate) and Durham Public School funds. The maximum district match will be 22% of the E-Rate grant request/award. Some grants will mean that the district match will be 10% of the grant request/award.

Administration submits these applications for approval.

Fiscal Implications:

- These E-Rate applications will provide key services at a great discount.

Strategic Plan Alignment:

Goal IV.1 Strategy 1- Develop sustainable budget/financing options to support technology upgrade as part of the annual and long-range budgets.

Purpose

Information **Discussion** **Action** **Consent**

Reviewed by: **Finance** Aaron Beaulieu **Attorney** Benita Jones

Information Technology

Executive Summary for 2014-15 E-Rate Contracts

E-Rate is a federal government program that reimburses school districts for expenses associated with providing internet services to our schools. Funding is dependent upon availability and is based on a priority services as follows:

Priority One Services

- Maintain communication services for the District (cellular, local and long distance service for the District)
- New District website services
- Increased Internet Access for all schools

There is a high likelihood that these services will be funded for the 2014/2015 school year. Contracts for Priority One services include:

1. **Time Warner Cable** provides Wide Area Network (WAN) services throughout the district.

Total Contract Cost:	\$719,580
Projected E-Rate Reimbursement:	\$561,272 (78% Discount Rate)
Estimated Cost to DPS	\$158,308

2. **Edline LLC** d/b/a Blackboard will provide web hosting for the DPS district website.

Total Contract Cost:	\$58,872
Projected E-Rate Reimbursement:	\$45,920 (78% Discount Rate)
Estimated Cost to DPS	\$12,952

Priority Two Services (for the neediest schools as determined by free and reduced lunch count):

- Technical and maintenance support for the District network and video components
- Additional wireless connectivity in the classrooms and common learning areas
- Additional infrastructure of cabling and network components

There is a very low likelihood that these services will be funded for the 2014/2015 school year. However, contracts must be submitted to be eligible for funding. Contracts for Priority Two services include:

3. **IntelliNet** for 90 percent E-Rate eligible schools for basic maintenance of network components for schools in most need.

Total Contract Cost: \$595,000
 Projected E-Rate Reimbursement: \$535,500 (90% Discount Rate)
 Estimated Cost to DPS \$ 59,500

4. **IntelliNet** for 80 percent E-Rate eligible schools for basic maintenance of network components for schools in most need.

Total Contract Cost: \$714,000
 Projected E-Rate Reimbursement: \$ 0 (80% Discount Rate)
 Estimated Cost to DPS \$414,000 (DPS will reduce \$300k from contract cost)

5. **ConnectView LLC** for 90 percent E-Rate eligible schools for a “Not to Exceed” \$65,025 for technical support of our video environment (vBrick).

Total Contract Cost: \$65,025
 Projected E-Rate Reimbursement: \$ 0 (90% Discount Rate)
 Estimated Cost to DPS \$65,025

6. **CNIC, Inc.** for 90 percent E-Rate eligible schools for a “Not to Exceed” \$261,214 for cabling services for the schools in most need.

Total Contract Cost: \$261,214
 Projected E-Rate Reimbursement: \$ 0 (90% Discount Rate)
 Estimated Cost to DPS \$ 0 (Work will not be performed unless P2 approved)

7. **Presidio Networked Solutions** for 90 percent E-Rate eligible schools for a “Not to Exceed” amount of \$371,717.69 for network components and wireless access hardware for schools in most need. DPS is budgeting \$37,171 for refreshing wireless and network equipment, but will not engage any services unless USAC approves Priority 2 this year.

Total Contract Cost: \$371,717
 Projected E-Rate Reimbursement: \$ 0 (90% Discount Rate)
 Estimated Cost to DPS 0 (Work will not be performed unless P2 approved.)

Note: Contracts must be submitted for approval based on E-Rate scheduling guidelines; funds are reimbursed once contracts are approved and decisions are made regarding available funds.

Time Warner Cable Business Class Optical Access Service Agreement Cover Sheet

This Business Class Optical Access Service Agreement is made by and between Time Warner Cable, Raleigh Division ("TWC") and the Customer below ("Customer"). Contract #02577080

Customer: Durham Public School		Contact: Stephen Brown
Address: 511 Cleveland St.		
City: Durham	State: NC	Zip: 27701
Telephone #: 919-560-2675	Fax #: _____	E-mail: Stephen.brown@dpsnc.net

TWC:		Contact: Ken Bearden
Address: 101 Innovation Ave		
City: Morrisville	State: NC	Zip: 27560
Telephone #: 919-654-7647	Fax #: 704-945-5779	E-mail: kenneth.bearden@twcable.com

Services: Subject to the terms and conditions of this Agreement, TWC shall provide Customer with a dedicated fiber optic network as detailed in Exhibit A. Customer must purchase any additional capacity separately.

Monthly Recurring Fees: \$59,965.00

Installation Charges: \$0.00

The fees set forth above do not include applicable taxes and other similar charges (as described more fully in the Time Warner Cable Business Class Optical Access Service Agreement Terms and Conditions) which may be part of the fee charged by TWC hereunder and which shall be the responsibility of the Customer as set forth in this Agreement.

Initial Term of Service: 36 [months] from July 1, 2014 through June 30, 2017

THIS BUSINESS CLASS OPTICAL ACCESS SERVICE AGREEMENT SHALL AT ALL TIMES BE SUBJECT TO THE TERMS AND CONDITIONS, LOCATED AT help.twcable.com/html/policies.html (AS SUCH AGREEMENT MAY BE MODIFIED FROM TIME TO TIME AS SPECIFIED THEREIN), WHICH TERMS AND CONDITIONS ARE HEREBY INCORPORATED HEREIN BY REFERENCE AND MADE A PART OF THIS AGREEMENT FOR ALL PURPOSES. BY EXECUTING THIS AGREEMENT, CUSTOMER ACKNOWLEDGES THAT CUSTOMER HAS READ AND AGREES TO BE BOUND BY SUCH TERMS AND CONDITIONS.

CUSTOMER:

By: _____

Name: _____

Title: _____

Date: _____

TIME WARNER CABLE

By: _____

Name: _____

Title: _____

Date: _____

Exhibit A

	Site	Address	BW	MRC
1	Bethesda Elementary	2009 S. Miami Blvd	100Mb	\$850
2	Brogden Middle School	1001 Leon St	100Mb	\$850
3	Burton Elementary	1500 Mathison St	100Mb	\$850
4	C.C. Spaulding Elementary	1531 S Roxboro Rd	100Mb	\$850
5	Carrington Middle School	227 Milton Rd	300Mb	\$1,250
6	Schools for Creative Studies	5001 Red Mill Rd	300Mb	\$1,250
7	Club Blvd Elementary	400 W Club Blvd	100Mb	\$850
8	Creekside Elementary	5321 Ephesus Church Rd	100Mb	\$850
9	Fuller Building (BOE)	511 Cleveland St	300Mb	\$1,250
10	Maintenance Center	2011 Hamlin Rd	300Mb	\$1,250
11	Bacon St. (Durham County CSFB)	808 Bacon St	100Mb	\$850
12	Durham School of the Arts	400 N Duke St	300Mb	\$1,250
13	E.K. Powe Elementary	913 E 9 th St	100Mb	\$850
14	Easley Elementary	302 Lebanon Cr	100Mb	\$850
15	Eastway Elementary	610 Alston Ave	100Mb	\$850
16	Eno Valley Elementary	117 Milton Rd	100Mb	\$850
17	Fayetteville St. Elementary	2905 Fayetteville St.	100Mb	\$850
18	Forest View Elementary	3007 Mount Sinai Rd	100Mb	\$850
19	George Watts Elementary	700 Watts St	100Mb	\$850
20	Githens Middle School	4800 Chapel Hill Rd	100Mb	\$850
21	Glen Elementary	2415 E Geer St.	150Mb	\$1,125
22	Hillandale Elementary	2730 Hillandale Rd	100Mb	\$850
23	Holt Elementary	4019 Holt School Rd	100Mb	\$850
24	Hope Valley Elementary	3005 Dixon Rd	100Mb	\$850
25	J.D. Clement Early College HS	1801 Fayetteville St	100Mb	\$850
26	Jordan High School	6806 Garrett Rd	300Mb	\$1,250
27	Lakeview School	3507 Dearborn Dr	100Mb	\$850
28	Lakewood Elementary	2520 Vesson Ave	100Mb	\$850
29	Little River Elementary	2315 Snow Hill Dr	100Mb	\$850
30	Lowes Grove Middle School	4418 S Alston Ave	200Mb	\$1,200
31	Mangum Elementary	9008 Quail Roost Rd	100Mb	\$850
32	Merrick-Moore Elementary	2325 Cheek Rd	100Mb	\$850
33	Morehead Elementary	909 Cobb St	100Mb	\$850
34	Neal Middle School	201 Baptist Rd	300Mb	\$1,250
35	Northern High School	117 Tom Wilkinson Rd	300Mb	\$1,250
36	Oak Grove Elementary	3810 Wake Forest Rd	200Mb	\$1,200
37	Parkwood Elementary	5207 Revere Rd	100Mb	\$850
38	Pearsontown Elementary	4915 Barbee Rd	100Mb	\$850

39	R.N. Harris Elementary	1520 Cooper St	100Mb	\$850
40	Riverside High School	3218 Rose of Sharon Rd	300Mb	\$1,250
41	Rogers-Herr Middle School	911 Cornwallis Rd	150Mb	\$1,125
42	Shepard Middle School	2401 Dakota St	150Mb	\$1,125
43	Southern School of Energy and Sustainability	800 Clayton Rd	300Mb	\$1,250
44	Southwest Elementary	2320 Cook Rd	100Mb	\$850
45	Staff Development Center	2107 Hillandale Rd	300Mb	\$1,250
46	W. G. Pearson Elementary	600 E Umstead St	200Mb	\$1,200
47	W. G. Pearson Middle School	600 E Umstead St	100Mb	\$850
48	Y. E. Smith Elementary	2410 E. Main St	100Mb	\$850
49	Spring Valley Elementary	2051 N Durham Parkway	150Mb	\$1,125
50	Hamlin Rd Technology Dept	1817 Hamlin Rd	300Mb	\$1,250
51	City of Medicine Academy	301 Crutfield St	300Mb	\$1,250
52	Sandy Ridge Elementary	1417 Old Oxford Rd	100Mb	\$850
53	Hillside High School	3727 Fayetteville St	300Mb	\$1,250
54	Holton Career & Resource Center	401 N Drive St	150Mb	\$1,125
55	Lakewood Montessori Middle	2119 Chapel Hill Rd	100Mb	\$850
56	Durham Regional Hospital	3643 N Roxboro St	5Mb	\$395
57	Durham County Home	2432 Broad St	5Mb	\$395
58	Lucas Middle School	923 Snow Hill Rd	300Mb	\$1,250
59	Technology Data Center	3021 E. Cornwallis Rd	2G	\$3,150
			Total Monthly	\$59,965.00

Time Warner Cable Business Class Terms and Conditions

1.0 AGREEMENT.

These Time Warner Cable Business Class Terms and Conditions ("**Terms and Conditions**"), and any Time Warner Cable Business Class Service Orders (as described in Section 2.2 below) are hereby incorporated into the Time Warner Cable Business Class National Service Agreement or the Time Warner Cable Business Class Service Agreement, as the case may be, ("**Service Agreement**") and constitute the "**Master Agreement**" by and between Customer and TWC (collectively, the "**Parties**" or each individually a "**Party**") for the services specified on Service Orders ("**Services**"). The attachments to these Terms and Conditions ("**Attachments**") further describe TWC's services and are hereby incorporated into, and made a part of, these Terms and Conditions by this reference. The Attachments set forth additional terms and conditions for the applicable Service. "**TWC**" means the Time Warner Cable Inc.-affiliated entity that is providing the Services.

2.0 SERVICES AND SERVICE ORDERS.

2.1 Subject to the terms and conditions of the Master Agreement, TWC shall provide Customer with the Services in accordance with any Service Order entered into by the Parties. Customer understands and agrees that certain Services may not be available in all TWC service areas and that TWC, upon entering into a Service Order with Customer may, at TWC's discretion, utilize one or more of its affiliates or third parties to deliver the Services ("**Third Party Services**"). The Third Party Services may be subject to additional terms and conditions. Unless otherwise set forth, TWC shall use commercially reasonable efforts to provide the Services seven (7) days a week, twenty four (24) hours a day, excluding scheduled maintenance, required repair and events beyond TWC's reasonable control.

2.2 Customer shall request Services by issuing to TWC one or more proposed service and/or work order(s) (in the form provided or approved by TWC) or via a mutually agreed electronic order entry system. Upon TWC's acceptance of a proposed service and/or work order(s), such proposed service and/or work order(s), shall be deemed a "**Service Order**" hereunder and shall be deemed incorporated into, and made a part of, the Master Agreement by this reference. A proposed service and/or work order shall be deemed accepted upon the earlier of (a) TWC's acceptance of such proposed service and/or work order in writing; or (b) TWC's commencement of delivery of the Service(s) set forth in such proposed service and/or work order.

3.0 SERVICE & EQUIPMENT INSTALLATION.

3.1 Customer shall obtain and maintain, or ensure that each Customer employee or branch office which uses the Service (each, an "**End User**"), shall obtain and maintain throughout the Term, such consents (including without limitation landlord and land owner consents) as are necessary to timely permit, and shall timely permit, TWC personnel to install, deliver, operate and maintain the Services and TWC Equipment (as defined in Section 4 below) at Customer's and any Customer End User's facilities. Customer shall permit TWC reasonable access to the Customer and any End User facilities at any time as

needed to install, configure, upgrade, maintain or remove the TWC Equipment and other Service components collocated at Customer's or an End User's facilities. Customer shall make and maintain throughout the Term all reasonable site preparations necessary to permit the installation, maintenance and operation of the Service and any TWC Equipment as specified by TWC and that is required to provide the Services. In addition, Customer shall provide TWC with floor space, rack space, other space and clean power as is reasonably necessary for the installation and operation of TWC Equipment at the Customer locations identified in a Service Order. Customer shall not charge TWC, and shall ensure that TWC does not incur, any fees or expenses whatsoever in connection with Customer's provision of space, power or access as described in these Terms and Conditions, or otherwise in connection with Customer's performance of its obligations pursuant to this Section 3; and any such fees or expenses charged by a Customer End User shall be borne solely by Customer.

3.2 Provided that Customer properly performs all necessary site preparation and provides TWC with all required consents, TWC shall use commercially reasonable efforts to install the Service in accordance with the requested Service start date indicated on a Service Order. TWC shall provide Customer with a completion notice ("**Completion Notice**") upon completion of the installation of a Service. In the event that TWC is unable to install the Service in accordance with the agreed upon schedule as a result of (a) Customer's (or its End User's) failure to deliver any required materials, support or information to TWC; or (b) TWC not being able to obtain access to equipment or software at the installation location as necessary for installation of the Service, then Customer shall pay TWC the standard installation fee as identified on the applicable Attachment hereto for any installation trip made by TWC and an additional installation fee for each subsequent trip necessitated to perform the Service installation. Customer shall perform interconnection of the Services and TWC Equipment with Customer's or an End User's equipment, unless otherwise set forth in an Attachment or agreed in writing between the Parties.

4.0 SUPPORT & MAINTENANCE.

TWC shall use commercially reasonable efforts to maintain the TWC-provided and installed equipment, including as applicable, any cabling, cable modems, related splitters, routers or other items (collectively, "**TWC Equipment**"), on TWC's side of the demarcation points used by TWC to provide the Service. Equipment and services on Customer's side of the demarcation points, as well as any other Customer-provided equipment, are the responsibility of Customer. TWC shall provide a telephone number and email address for inquiries and remote problem support for the Service. All such Customer support shall be provided only to Customer's designated personnel, as mutually agreed upon by TWC and Customer. Customer is responsible for all communications and interfaces with its End Users. In no event shall TWC be responsible for providing support for any network, equipment or software not provided and installed by TWC or for issues or problems beyond its control. Notwithstanding anything to the contrary in the foregoing, TWC shall use commercially reasonable efforts to restore any cable cuts on the TWC network and shall keep Customer reasonably advised of such restoration progress. Customer shall provide routine operational Service support for TWC Equipment and Service components collocated at Customer's or an End User's facility, including without limitation by performing reboots, as requested by TWC.

5.0 CUSTOMER OBLIGATIONS.

5.1 Customer's use of the Service (including all content transmitted via the Service) shall comply with all applicable laws and regulations and the terms of the Master Agreement. Customer shall not resell or redistribute (whether for a fee or otherwise) the Service, or any portion thereof, or make any use of the Service other than for Customer's internal business purposes, unless otherwise agreed in writing by TWC. Customer shall ensure that its End Users' use of the Service, if any, shall comply with all applicable laws and regulations and terms of the Master Agreement. TWC may audit Customer's use of the Service remotely or otherwise, to ensure Customer's compliance with the Master Agreement.

5.2 Customer shall ensure that all TWC Equipment at Customer's and Customer's End Users' facilities remains free and clear of all liens and encumbrances, and Customer shall be responsible for loss or damage to the TWC Equipment while at Customer's or an End User's facilities. As between the Parties, Customer is solely responsible for: (a) all use (whether or not authorized) of the Service by Customer, an End User or any person or entity, which use shall be deemed Customer's use for purposes of the Master Agreement; (b) all content that is viewed, stored or transmitted via the Service; and (c) all third party charges incurred for merchandise and services accessed via the Service, if any. Customer shall conform its equipment and software, and ensure that each End User conforms its equipment and software, to the technical specifications for the Service provided by TWC.

6.0 TERM.

The Master Agreement shall commence on the earlier to occur of (a) the date of the last signature on the Service Agreement (the "**Effective Date**") or (b) TWC's commencement of delivery of the Service(s) set forth in a Service Order, and shall remain in effect for the term specified in the Service Agreement, or if no term is specified, until the expiration or termination of all Service Orders (the "**Term**"). The term for the applicable Service shall be set forth in the Service Order ("**Initial Order Term**") and shall remain in effect until expiration as set forth in the Service Order. Unless otherwise specified in the Service Agreement, if the Customer continues to receive Services after the expiration of the Initial Order Term, the Services shall renew on a month to month basis on the same terms and conditions ("**Renewal Order Term**", collectively with Initial Order Term, "**Order Term**"). The fees for the Renewal Order Term shall be as set forth in Section 7.

7.0 PAYMENT.

For each Service, Customer shall pay TWC all recurring and non-recurring charges, fees and taxes, (which may include Service installation and activation charges, measured and usage-based charges, local, long distance, directory assistance and operator services calling charges, and equipment and facilities charges) (collectively the "**Service Charges**") as set forth on the Service Order in accordance with the following payment terms: Service Charges shall be billed to Customer on a monthly basis commencing upon Service installation, and are payable within thirty (30) days after the date appearing on the invoice. Customer must bring any billing error to TWC's attention within thirty (30) days after the date appearing on the applicable invoice or Customer waives its right to a refund or credit associated with such billing error. TWC shall not defer any charges while Customer awaits reimbursement, subsidy, discount or credit from any third party or government entity, and Customer shall have the obligation to pay all charges regardless of the status of any such

reimbursement, subsidy, discount or credit. TWC shall have the right to increase Service Charges for each Service after the Initial Order Term for such Service upon thirty (30) days written notice to Customer. TWC may charge a late fee for any amounts which are not paid when due. The late fee shall be the lesser of one and one-half percent (1.5%) per month or the highest rate chargeable by law. Customer shall also be responsible for all costs of collection (including reasonable attorneys' fees) to collect overdue amounts. If TWC fails to present a charge in a timely manner, such failure shall not constitute a waiver of the charges for the fees to which it relates, and Customer shall pay such invoice in accordance with these payment terms.

8.0 TAXES.

8.1 Customer shall pay all federal, state, and local taxes, government fees, charges, surcharges or similar exactions imposed on the Services and/or products that are the subject of the Master Agreement including but not limited to state and local sales and use taxes, telecommunications taxes, federal and state universal service fund fees and/or state and local regulatory fees to the extent applicable. TWC shall have the right to recover from Customer, and Customer shall pay, the amount of any state or local fees, charges or taxes arising as a result of the Master Agreement that are imposed on TWC or TWC's Services, or measured on TWC's receipts, and any other costs or expenses that TWC is entitled under applicable law to pass through to or otherwise charge Customer for Customer's use or receipt of the Services. Such fees or taxes shall be invoiced to Customer in the form of a surcharge included on Customer's invoice. TWC shall be responsible for and shall pay all taxes measured by TWC's net income. To the extent that a dispute arises as to which Party is liable for fees or taxes under the Master Agreement, Customer shall bear the burden of proof in showing that the fee or tax is imposed upon TWC's net income. This burden may be satisfied by Customer producing written documentation from the jurisdiction imposing the fee or tax indicating that the fee or tax is based on TWC's net income. Customer shall provide TWC any and all documentation substantiating a claim for exemption from taxes or fees prior to the date that Services are first provided under the Master Agreement. To the extent such documentation is held invalid for any reason, Customer shall reimburse TWC for any tax or fee liability including without limitation related interest and penalties arising from such invalid documentation.

8.2 Customer acknowledges that currently, and from time to time, there is uncertainty about the regulatory classification and/or treatment of some of the Services TWC provides and, consequently, uncertainty about what fees, taxes and surcharges are due from TWC and/or its customers. Customer agrees that TWC has the right to determine, in its sole discretion, what fees, taxes and surcharges are due and to collect and remit them to the relevant governmental authorities, and/or to pay and pass them through to Customer. Customer hereby waives any claims it may have regarding TWC's collection or remittance of such fees, taxes and surcharges. Customer understands that it may obtain a list of the fees, taxes and surcharges that TWC currently collects or passes through by writing to TWC at the following address and requesting same: Time Warner Cable, 7800 Crescent Executive Drive, Charlotte, North Carolina, 28217; Attention: Subscriber Tax Inquiries.

9.0 PROPRIETARY RIGHTS AND CONFIDENTIALITY.

9.1 All materials including, but not limited to, any TWC Equipment (including related firmware), software, data and information provided by TWC, any identifiers or passwords used to access the Service or otherwise provided by TWC, and any know-how, methodologies or processes including, but not limited to, all copyrights, trademarks, patents, trade secrets, any other proprietary rights inherent therein and appurtenant thereto, used by TWC to provide the Service (collectively "**TWC Materials**") shall remain the sole and exclusive property of TWC or its suppliers. Nothing herein is intended to convey any right or ownership interest to Customer or any other person or entity in or to such TWC Materials. Customer shall acquire no interest in the TWC Materials by virtue of the payments provided for under the Master Agreement. Customer may use the TWC Materials solely for Customer's use of the Service during any applicable Order Term and the same may not be transferred by Customer to any other person, corporation or entity. Customer may not disassemble, decompile, reverse engineer, reproduce, modify or distribute the TWC Materials, in whole or in part, or use them for the benefit of any third party. All rights in the TWC Materials not expressly granted to Customer in the Master Agreement are reserved to TWC. Customer shall not open, alter, misuse, tamper with or remove the TWC Equipment as and where installed by TWC, and shall not remove any markings or labels from the TWC Equipment indicating TWC (or its suppliers) ownership or serial numbers.

9.2 Customer shall maintain in confidence, and not to disclose to third parties or use, except for such use as is expressly permitted in the Master Agreement, the TWC Materials and any other information and materials provided by TWC in connection with the Master Agreement, that are identified or marked as confidential or are otherwise reasonably understood to be confidential, including but not limited to the content of the Master Agreement.

9.3 If software is provided to Customer under the Master Agreement, TWC grants Customer a limited, non-exclusive and non-transferable license to use such software, in object code form only, solely for the purpose of using the Service for Customer's internal business purposes during the Term.

10.0 MONITORING, EQUIPMENT UPGRADES AND MODIFICATIONS.

TWC has the right, but not the obligation, to upgrade, modify and enhance the TWC Equipment (including related firmware) and the Service and take any action that TWC deems appropriate to protect the Service and its facilities. TWC has the right to add to, modify or delete any provision of the Service descriptions. TWC shall notify Customer of any material adverse change to the Service descriptions by posting such modified Service description on the TWC web site or by email, or, if applicable, in the appropriate TWC tariff. Upon the effectiveness of any addition, modification or deletion, Customer's continued use of the Services shall constitute Customer's consent to such addition, modification or deletion, and agreement to continue to be bound by the Master Agreement. In any event, if TWC modifies the Services and such modification has a material adverse impact on Customer's ability to use the Service, Customer may, within the thirty (30) day period following the date of such modification, terminate, without penalty, the Service Order relating to the affected Service.

11.0 TERMINATION.

11.1 Either Party may terminate a Service Order: (a) upon thirty (30) days written notice to the other Party of the other Party's material breach of the Master Agreement or the applicable Service Order, provided that such material breach is not cured within such thirty (30) day period; (b) immediately, in the event that the other Party liquidates, is adjudicated as bankrupt, makes an assignment for the benefit of creditors, invokes any provision of law for general relief from its debtors, initiates any proceeding seeking general protection from its creditors, or is removed or delisted from a trading exchange (each a "**Bankruptcy Event**"); or (c) immediately, in the event that, after entering into such Service Order, TWC conducts a site survey and learns that the construction costs shall require a material increase in the Service Charges. In the event that Customer fails to comply with any applicable laws or regulations or the terms of the Master Agreement, upon thirty (30) days written notice TWC may suspend or discontinue any applicable Service in whole or in part without further notice, provided that such failure is not cured within such thirty (30) day period. In addition, TWC may immediately terminate or suspend Customer's or its End User's use of the Service if such use is determined by TWC, in its sole discretion, to be resulting in a material degradation of the TWC network, until such time as such degradation has been remedied. In the event of a suspension of Service, TWC may require the payment of reconnect or other charges before restarting the suspended Service.

11.2 Upon the termination or expiration of the Master Agreement (including all Service Orders): (a) TWC's obligations under the Master Agreement shall cease; (b) Customer shall promptly pay all amounts due and owing to TWC for Service delivered prior to the date of termination or expiration, and any deinstallation fees, if any; (c) Customer shall promptly cease all use of any software provided by TWC under the Master Agreement, and shall return such software to TWC; and (d) Customer shall return to TWC or permit TWC to remove, in TWC's discretion, the TWC Equipment in the same condition as when received, ordinary wear and tear excepted. Customer shall reimburse TWC for the reasonable and documented costs of the repair or replacement, at TWC's discretion, of any TWC Equipment not returned in accordance with this Section 11.

11.3 In addition, notwithstanding anything to the contrary in the Master Agreement, in the event this Master Agreement or any Service Order hereunder terminates for any reason other than TWC's material breach or a Bankruptcy Event impacting TWC (as permitted in Sections 11.1(a) or (b)) or as permitted in Section 11.1(c) above, Customer shall, at TWC's discretion: (a) promptly pay TWC the full amount of the Service Charges that Customer would have been charged for the remainder of the Initial Term or the then-current renewal term; or (b) reimburse TWC for all volume, term or other discounts and credits provided in anticipation of full performance of Customer's obligations and any unpaid portion of the installation fee set forth in the applicable Service Order(s).

11.4 The provisions of sections 7 - 9, 11 - 15, 17.1, 18, 19, 21 - 23, 25 and 26 and the Attachments shall survive the termination or expiration of the Master Agreement.

12.0 INDEMNIFICATION.

Customer shall defend, indemnify and hold harmless TWC, its affiliates, its service providers and suppliers and their respective officers, directors, employees and agents, from and against third party claims, losses, liabilities, damages, costs and expenses, including reasonable attorneys' and other professionals' fees, arising out of or relating to: (a) the use of the Service, including but not limited to a breach of Section 5 of these Terms and Conditions; (b) personal injury or property damage caused by the negligence or willful misconduct of Customer or its employees or agents; or (c) any fees, fines or penalties incurred by TWC as a result of Customer's violation of the 10% Rule as set forth in Attachment D.

13.0 DISCLAIMER OF WARRANTY.

CUSTOMER ASSUMES TOTAL RESPONSIBILITY FOR USE OF THE SERVICE AND USES THE SAME AT ITS OWN RISK. TWC EXERCISES NO CONTROL OVER AND HAS NO RESPONSIBILITY WHATSOEVER FOR THE CONTENT TRANSMITTED OR ACCESSIBLE THROUGH THE SERVICE, AND TWC EXPRESSLY DISCLAIMS ANY RESPONSIBILITY FOR SUCH CONTENT. EXCEPT AS SPECIFICALLY SET FORTH IN THE MASTER AGREEMENT, THE SERVICE, TWC EQUIPMENT AND TWC MATERIALS ARE PROVIDED "AS IS," WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF TITLE, NON-INFRINGEMENT, SYSTEM INTEGRATION, DATA ACCURACY, QUIET ENJOYMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO ADVICE OR INFORMATION GIVEN BY TWC, ITS AFFILIATES OR ITS CONTRACTORS OR THEIR RESPECTIVE EMPLOYEES SHALL CREATE ANY WARRANTY. TWC DOES NOT REPRESENT OR WARRANT THAT THE SERVICE WILL MEET CUSTOMER'S REQUIREMENTS, PREVENT UNAUTHORIZED ACCESS BY THIRD PARTIES, BE UNINTERRUPTED, SECURE, ERROR FREE, WITHOUT DEGRADATION OF VOICE QUALITY OR LOSS OF CONTENT, DATE OR INFORMATION OR THAT ANY MINIMUM TRANSMISSION SPEED IS GUARANTEED AT ANY TIME. EXCEPT AS SET FORTH IN THE MASTER AGREEMENT, TWC DOES NOT WARRANT THAT ANY SERVICE OR EQUIPMENT PROVIDED BY TWC SHALL PERFORM AT A PARTICULAR SPEED, BANDWIDTH OR THROUGHPUT RATE. IN ADDITION, CUSTOMER ACKNOWLEDGES AND AGREES THAT TRANSMISSIONS OVER THE SERVICE MAY NOT BE SECURE. CUSTOMER FURTHER ACKNOWLEDGES AND AGREES THAT ANY DATA, MATERIAL OR TRAFFIC OF ANY KIND WHATSOEVER CARRIED, UPLOADED, DOWNLOADED OR OTHERWISE OBTAINED THROUGH THE USE OF THE SERVICE IS DONE AT CUSTOMER'S OWN DISCRETION AND RISK AND THAT CUSTOMER SHALL BE SOLELY RESPONSIBLE FOR ANY DAMAGE TO CUSTOMER'S OR AN END USER'S COMPUTER SYSTEM OR EQUIPMENT (INCLUDING NETWORK EQUIPMENT) OR LOSS OF SUCH DATA, MATERIAL OR TRAFFIC DURING, OR THAT RESULTS FROM, CUSTOMER'S OR ITS END USERS' USE OF THE SERVICE INCLUDING, BUT NOT LIMITED TO, CUSTOMER'S OR END USERS' SENDING OR RECEIVING, OR UPLOADING OR DOWNLOADING, OR ATTEMPTS TO DO SAME, OF SUCH DATA, MATERIAL OR TRAFFIC. IN ADDITION, CUSTOMER ACKNOWLEDGES AND AGREES THAT TWC'S THIRD PARTY SERVICE PROVIDERS DO NOT MAKE ANY WARRANTIES TO CUSTOMER UNDER THE MASTER AGREEMENT AND TWC DOES NOT MAKE ANY WARRANTIES ON BEHALF OF SUCH SERVICE PROVIDERS UNDER THE MASTER AGREEMENT, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, SYSTEM INTEGRATION, DATA ACCURACY OR QUIET ENJOYMENT.

14.0 LIMITATION OF LIABILITY.

IN NO EVENT SHALL TWC BE LIABLE TO CUSTOMER, AN END USER OR ANY THIRD PARTY FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THE MASTER AGREEMENT, REGARDLESS OF WHETHER TWC HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TWC'S AGGREGATE LIABILITY FOR ANY REASON AND ALL CAUSES OF ACTION ARISING OUT OF OR RELATING TO THE MASTER AGREEMENT (INCLUDING, BUT NOT LIMITED TO, CONTRACT, TORT (INCLUDING NEGLIGENCE) AND STRICT PRODUCT LIABILITY)) SHALL BE LIMITED TO THE FEES PAID OR OWED BY CUSTOMER UNDER THE SERVICE ORDER THAT IS THE SUBJECT MATTER OF THE CLAIM IN THE SIX (6) MONTHS PRECEDING THE DATE THE CLAIM ARISES. IN NO EVENT SHALL TWC'S AFFILIATES, THIRD PARTY SERVICE PROVIDERS OR SUPPLIERS HAVE ANY LIABILITY TO CUSTOMER UNDER THE MASTER AGREEMENT. TWC SHALL NOT BE RESPONSIBLE FOR ANY LOSSES OR DAMAGES ARISING AS A RESULT OF THE UNAVAILABILITY OF THE SERVICE, INCLUDING THE INABILITY TO REACH 911 OR OTHER EMERGENCY SERVICES, THE INABILITY TO CONTACT A SECURITY SYSTEM OR REMOTE MEDICAL OR OTHER MONITORING SERVICE PROVIDER OR ANY FAILURE OR FAULT RELATING TO CUSTOMER-PROVIDED EQUIPMENT, FACILITIES OR SERVICES.

15.0 DISCLOSURE OF CUSTOMER INFORMATION.

Customer's privacy interests, including Customer's ability to limit disclosure of certain information to third parties, may be addressed by, among other laws, the Federal Telecommunications Act (the "**Telecommunications Act**"), the Federal Cable Communications Act (the "**Cable Act**"), the Electronic Communications Privacy Act, and, to the extent applicable, state laws and regulations. Customer proprietary network information and personally identifiable information that may be collected, used or disclosed in accordance with applicable laws is described in Attachment B (Voice Services), the Subscriber Privacy Policy, and, if applicable, in TWC's tariff, which are incorporated into, and made a part of, the Master Agreement by this reference. The Subscriber Privacy Policy is available at www.twcbc.com/legal. In addition to the foregoing, Customer hereby acknowledges and agrees that TWC may disclose Customer's and its employees' personally identifiable information as required by law or regulation, or the American Registry for Internet Numbers ("**ARIN**") or any similar agency, or in accordance with TWC's Subscriber Privacy Policy or, if applicable, tariff. In addition, TWC shall have the right (except where prohibited by law), but not the obligation, to disclose any information to protect its rights, property and/or operations, or where circumstances suggest that individual or public safety is in peril.

16.0 FORCE MAJEURE.

Notwithstanding anything to the contrary in the Master Agreement, a Party shall have no liability to the other due to circumstances beyond its control, including, but not limited to, acts of God, terrorism, flood, fiber cuts, natural disaster, regulation or governmental acts, fire, civil disturbance, weather, or any unauthorized access to or destruction or modification of the Service, in whole or in part (each a "**Force Majeure Event**"). Notwithstanding anything to the contrary in the Master Agreement, Customer may terminate the affected Service Order(s) in its entirety and without penalty

if a Force Majeure Event continues for more than ten (10) consecutive days and prevents TWC from delivering the Service under such Service Order(s).

17.0 REGULATORY AND LEGAL CHANGES, POLE ATTACHMENT AND CONDUIT CHARGES, TARIFFS.

17.1 In the event of any change in applicable law, regulation, decision, rule or order, including without limitation any new application of or increase in any government- or quasi-government-imposed fees or charges that increases the costs or other terms of TWC's delivery of Service to Customer, or, in the event of any increase in pole attachment or conduit charges applicable to any facilities used by TWC in providing the Service, Customer acknowledges and agrees that TWC may pass through to Customer any such increased fees or costs, but only to the extent of the actual increase, provided TWC notifies Customer at least thirty (30) days in advance of the increase. In such case, and if such increase materially increases the fees or charges due by Customer under the Master Agreement for the applicable Service, Customer may, within thirty (30) days after notification of such increase, terminate the affected Service without incurring termination liability, provided Customer notifies TWC at least fifteen (15) days in advance of Customer's requested termination date. Further, in the event that TWC is required to file tariffs or rate schedules with a regulatory agency or otherwise publish its rates in accordance with regulatory agency rules or policies respecting the delivery of the Service or any portion thereof, and TWC is required under applicable law to apply those rates to Customer's purchase of Service under the Master Agreement, then the terms set forth in the applicable tariff or rate schedule shall govern TWC's delivery of, and Customer's use or consumption of the Service. In addition, if TWC determines that offering or providing the Service, or any part thereof, has become impracticable for legal or regulatory reasons or circumstances, then TWC may terminate the Master Agreement and any affected Service Orders without liability, by giving Customer thirty (30) days prior written notice or any such notice as is required by law or regulation applicable to such determination.

17.2 The Master Agreement, including the Attachments and the Service Order(s), are subject to all applicable federal, state or local laws and regulations in effect in the relevant jurisdiction(s) in which TWC provides the Services. If any provision of the Master Agreement, the Attachments, or the Service Order(s) contravene or are in conflict with any such law or regulation, then the terms of such law or regulation shall take priority over the relevant provision of the Master Agreement, the Attachments, and/or the Service Order(s). If the relevant law or regulation applies to some but not all of the Service(s) being provided under the Master Agreement, then such law or regulation shall take priority over the relevant provision of the Master Agreement, the Attachments, and the Service Order(s) only for purposes of those Service(s) to which the law or regulation applies. Except as explicitly stated in the Master Agreement, nothing contained in the Master Agreement shall constitute a waiver by TWC of any rights under applicable laws or regulations pertaining to the installation, operation, maintenance or removal of the Services, facilities or equipment.

18.0 ENTIRE AGREEMENT.

The Master Agreement, including without limitation all Attachments, sets forth the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous written or oral agreements or representations between the Parties with respect to such subject matter.

19.0 ORDER OF PRECEDENCE.

Each Service shall be provisioned pursuant to the terms and conditions of the Master Agreement. In the event that TWC permits a Customer to use its own standard purchase order form to order the Service, the Parties hereby acknowledge and agree that the terms and conditions hereof shall prevail notwithstanding any variance with the terms and conditions of any purchase order submitted by Customer, and any different or additional terms contained in such purchase order shall have no force or effect. To the extent that the terms of any Service Agreement or Service Order are inconsistent with the terms of these Terms and Conditions, the terms of the Service Agreement then the terms of the Service Order shall control.

20.0 COMPLIANCE WITH LAWS.

As between the Parties, TWC shall obtain and maintain at its own expense all licenses, approvals and regulatory authority required by law with respect to TWC's operation and provision of the Services as contemplated in the Master Agreement, and Customer shall obtain and maintain at its own expense all licenses, approvals and regulatory authority required by law with respect to Customer's use of the Services as contemplated in the Master Agreement. Unless specified otherwise in the Master Agreement, each Party shall give all notices, pay all fees and comply with all laws, ordinances, rules and regulations relating to its performance obligations specified in the Master Agreement.

21.0 ARBITRATION.

EXCEPT FOR CLAIMS FOR INJUNCTIVE RELIEF, AS DESCRIBED BELOW, ANY PAST, PRESENT, OR FUTURE CONTROVERSY OR CLAIM ARISING OUT OF OR RELATED TO THE MASTER AGREEMENT SHALL BE BROUGHT IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK AND SHALL BE RESOLVED BY BINDING ARBITRATION ADMINISTERED BY THE AMERICAN ARBITRATION ASSOCIATION UNDER ITS COMMERCIAL ARBITRATION RULES, INCLUDING, IF APPLICABLE, THE SUPPLEMENTARY PROCEDURES FOR THE RESOLUTION OF CONSUMER RELATED DISPUTES. CONSOLIDATED OR CLASS ACTION ARBITRATIONS SHALL NOT BE PERMITTED. THE ARBITRATOR OF ANY DISPUTE OR CLAIM BROUGHT UNDER OR IN CONNECTION WITH THE MASTER AGREEMENT SHALL NOT HAVE THE POWER TO AWARD INJUNCTIVE RELIEF; INJUNCTIVE RELIEF MAY BE SOUGHT SOLELY IN AN APPROPRIATE COURT OF LAW. NO CLAIM SUBJECT TO ARBITRATION UNDER THE MASTER AGREEMENT MAY BE COMBINED WITH A CLAIM SUBJECT TO RESOLUTION BEFORE A COURT OF LAW. THE ARBITRABILITY OF DISPUTES SHALL BE DETERMINED BY THE ARBITRATOR. JUDGMENT UPON AN AWARD MAY BE ENTERED IN ANY COURT HAVING COMPETENT JURISDICTION. IF ANY PORTION OF THIS SECTION IS HELD TO BE UNENFORCEABLE, THE REMAINDER SHALL CONTINUE TO BE ENFORCEABLE.

22.0 GOVERNING LAW; JURISDICTION; CLAIMS.

The interpretation, validity and enforcement of the Master Agreement, and all legal actions brought under or in connection with the subject matter of the Master Agreement, shall be governed by the law of the State of New York (except that any conflicts-of-law principles of such state that would result in the application of the law of another jurisdiction shall be disregarded). Any legal action brought under or in connection with the subject matter of the Master Agreement shall be brought only in the United States District Court for the Southern District of New York or, if such court would not have jurisdiction over the matter, then only in a New York State court sitting in the Borough of Manhattan, City of New York. Each party submits to the exclusive jurisdiction of these courts and agrees not to commence any legal action under or in connection with the subject matter of the Master Agreement in any other court or forum. Each Party waives any objection to the laying of the venue of any legal action brought under or in connection with the subject matter of the Master Agreement in the Federal or state courts sitting in the Borough of Manhattan, City of New York, and agrees not to plead or claim in such courts that any such action has been brought in an inconvenient forum. Any claim that Customer wishes to assert under the Master Agreement must be initiated not later than one (1) year after the claim arose.

23.0 SEVERABILITY; WAIVER.

In the event that any portion of the Master Agreement is held to be invalid or unenforceable, the invalid or unenforceable portion shall be construed in accordance with applicable law as nearly as possible to reflect the original intentions of the parties set forth in the Master Agreement and the remainder of the Master Agreement shall remain in full force and effect. No waiver of any breach or default under the Master Agreement shall be deemed to be a waiver of any preceding or subsequent breach or default. To be legally binding on TWC, any waiver must be in writing.

24.0 ASSIGNMENT.

Customer may not assign the Master Agreement without the prior written consent of TWC, and any assignment in violation of this Section shall be null and void. TWC may assign its rights and obligations under the Master Agreement including, without limitation, in whole or in part, to any affiliate without the prior written approval of or notice to Customer. Customer understands and agrees that, regardless of any such assignment, the rights and obligations of TWC in the Master Agreement may accrue to, or be fulfilled by, any affiliate, as well as by TWC and/or its subcontractors.

25.0 PUBLICITY.

Customer may not issue a press release, public announcement or other public statements regarding the Master Agreement without TWC's prior written consent.

26.0 NO THIRD PARTY BENEFICIARIES; RELATIONSHIP OF THE PARTIES.

There are no third party beneficiaries to the Master Agreement. The Parties to the Master Agreement are independent contractors.

27.0 TWCBC.COM.

Customer agrees that all of its use of the TWCBC.COM website shall comply with the Term of Use available at <http://www.twcbc.com/Corporate/Privacy.html>, as the same may be updated by TWC from time to time.

28.0 NOTICES.

Any notice under the Master Agreement shall be given in writing and shall be deemed to have been given when actually received by the other Party. Notices shall be delivered to Customer and TWC at the respective addresses set forth above, or to such other address as is provided by one Party to the other in writing. Notices to TWC shall include a cc to: Time Warner Cable Inc., 60 Columbus Circle, New York, New York, 10023, Attn: General Counsel, Fax: (212) 364-8254.

29.0 COUNTERPARTS.

The Master Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

Attachment D Business Class Data Transport Services: Ethernet Solutions ("Ethernet Service")

Ethernet: If Customer selects to receive the Ethernet Service, TWC shall provide Customer with a dedicated circuit connection between Customer's data network and the TWC facility identified on a Service Order. The Ethernet Services shall be limited to the capacity set forth on a Service Order.

Customer's use of Ethernet Service is subject to the following additional terms and conditions:

- TWC's provision of Ethernet Services is subject to availability.
- TWC shall have the right to disconnect (or demand the immediate disconnection of) any such Ethernet Service that degrades any service provided to other subscribers on the TWC network.
- Customer shall not transmit or otherwise make available on or via the Ethernet Service any material (including any message or series of messages) that violates or infringes in any way upon the rights of others, that is unlawful, threatening, abusive, obstructive, harassing, libelous, invasive of privacy or publicity rights, that in the circumstances would be obscene or indecent, that constitutes hate speech, that is otherwise offensive or objectionable, or that encourages conduct that would constitute a criminal offense, give rise to civil liability or otherwise violate any law.
- TWC shall have the right, but not the obligation, to (a) monitor traffic and content on its network, in its sole discretion, including through the use of automatic content filters (including

without limitation spam, virus, and adult language sniffers and filters); and (b) monitor Customer's bandwidth utilization and to limit excessive use of bandwidth (as determined by TWC) as TWC deems appropriate to efficiently manage its network. In the event that any TWC audit reveals that Customer's usage of the Ethernet Service exceeds Customer's rights under the Master Agreement, Customer shall pay TWC an amount equal to one and a half times the Service Charges that would have been due for such excessive usage as liquidated damages and not as a penalty. In addition, Customer shall either discontinue any excess usage or thereafter continue to pay the applicable Service Charges for such additional usage.

- Each tier or level of Ethernet Service has limits on the maximum throughput rate at which Customer may send and receive data at any time and the maximum throughput rate may be achieved in bursts, but generally shall not be sustained on a consistent basis. The throughput rate experienced by Customer at any time shall vary based on numerous factors, including without limitation, the condition of Customer's inside wiring, computer configurations, Internet and TWC network congestion, time of day and the accessed servers, among other factors.

- Customer represents and warrants that Customer's use of Ethernet Services shall be such that the Ethernet Service shall be deemed jurisdictionally interstate, pursuant to the Federal Communications Commission's mixed use "**10% Rule**" (47 C.F.R. 36.154, 4 FCC Red. 1352), and shall notify TWC in the event of breach or threatened breach of the foregoing. If, as a result of Customer's use of Ethernet Services, the Ethernet Services are deemed not to be jurisdictionally interstate pursuant to the 10% Rule, then Customer shall be liable for any resulting fees, fines, penalties and costs incurred by TWC. In addition, if TWC determines that Customer's use of the Ethernet Services is likely to be deemed not to be jurisdictionally interstate, and therefore that TWC's provision of the Ethernet Services is likely to put TWC's franchises, licenses, permits or business at risk, or otherwise cause regulatory problems for TWC, then TWC may immediately suspend the provision of any or all Ethernet Service under any or all affected Service Orders until such time as either (a) Customer provides TWC with satisfactory assurances that Customer's use of Ethernet Services shall be deemed to be jurisdictionally interstate or (b) TWC is otherwise brought into full compliance with any applicable laws and regulations.

BASIC MAINTENANCE CONTRACT
(90% SCHOOLS)

Customer: Durham Public Schools (DPS)

Address: 511 Cleveland Street
Durham, NC 27702

Contact: Aaron Beaulieu

Service Provider: IntelliNet Corporation

Address: Sterling Building
1255 Euclid Ave, Ste 205
Cleveland, Ohio 44115

Contact: Paul Ray

Service: Attachment #1 (Form 471 Item 21 Attachment)

Effective Date: July 1, 2014 - June 30, 2015 (final voluntary extension)

Service/hardware: Off Site Basic Maintenance of Internal Connections

Contract Amount: NRC/Not-to-Exceed Charges: \$595,000.00

This is representative of the third and final year of a multi-year agreement where IntelliNet will provide Durham Public Schools the services as set forth in the attached agreement and Attachment #1, at the prices set forth in Attachment #1 of the attached agreement.

In consideration for provision of the services provided by IntelliNet, DPS agrees to pay IntelliNet directly 10% of the price of the services as identified in this Agreement. This 10% payment will be paid to IntelliNet in accordance with invoice[s] from IntelliNet. The Schools and Libraries Division (SLD) shall pay the additional 90% payment due directly to IntelliNet as provided by the Federal Communications Commission and SLD rules and regulations. PROVIDED HOWEVER, that as provided by the FCC, payment shall only be made by DPS and the USAC for hours and work actually performed. As service is provided, DPS shall file a FCC Form 486, or such other form as required, to pay IntelliNet. This contract is not assignable unless agreed to in writing by DPS.

DPS reserves the right to approve the Technician(s) dispatched to DPS by IntelliNet. Upon DPS' objection to the technician dispatched to DPS, IntelliNet shall immediately replace the Technician with a more qualified one.

If the Vendor does not meet the criteria set forth below, then the Vendor shall pay DPS damages as stated below:

INCIDENT PRIORITY LEVEL DESCRIPTIONS/PARAMETERS:

Priority 1 – Any widespread outages

Examples – Internet Access, Phone system, Email (Exchange)

- 24x7x365 support
- Immediate Notification to DPS designated staff and qualified personnel on-site within 15 minutes
- Problem resolution continues until resolved
- All events from time of discovery until time of resolution including any lessons learned, must be documented fully
- Updates to designated DPS staff every 30 minutes until resolved within 2 hours

Priority 2 – Building-wide outages

Examples – Internet Access, Phone system, Local Network File Servers

- 12x5x260 support
- Immediate Notification to DPS designated staff and qualified personnel on-site within 15 minutes
- Problem are worked during SLA hours until resolved
- All events from time of discovery until time of resolution including any lessons learned, must be documented fully
- Updates to designated DPS staff every 30 minutes until resolved within 4 hours

Priority 3 – Partial Site outages – MDF' s, Wings, Multiple classrooms

Examples – Internet Access, Phone system, Local File Servers, Wireless

- 12x5x260 support
- Notification to DPS designated staff within 30 minutes and qualified personnel on-site within 45 minutes
- Problem are worked during SLA hours until resolved within 4 hours

Priority 4 – Application outages / Minimal Business Impact

Examples – Application is still functioning but experiencing intermittent problems

- 8x5x260 support
- Notification to DPS designated staff within 60 minutes and qualified personnel on-site within 2 hours
- Problem are worked during SLA hours until resolved within 8 hours

Priority 5 – Work Request / Non-Critical

Examples – Help desk Request / Incident Responses

- 8x5x260 support
- Notification to DPS designated staff within 75 minutes and qualified personnel on-site within 4 hours
- Problem are worked during SLA hours until resolved within 1 day

SERVICE LEVEL RESPONSE TIMES REQUIRED:

SUPPORT RESPONSE GOALS				
System Priority	System Priority Description	Initial Response Time (During Business Hours)	Initial On-Site Response (During Business Hours)	Resolution Goal
Priority 1 - URGENT	Very High	Immediate	Within 15 minutes	Less than 2 hours (without parts)
Priority 2 – SIGNIFICANT BUSINESS	High	Immediate	Within 30 minutes	Less than 4 hours

IMPACT				
Priority 3 – IMPACTS SOME BUSINESS	Medium	Within 30 minutes	Within 45 minutes	Less than 4 hours
Priority 4 – MINIMAL BUSINESS IMPACT	Low	Within 60 minutes	Within 2 hours	Less than 8 hours
Priority 5 – INFORMATION REQUEST	Very Low	Within 75 minutes	Within 4 hours	Within 1 day

PENALTY CALCULATIONS:

If the Vendor selected does not meet the criteria set forth below, then the vendor shall pay DPS damages as stated in the contract and restated below:

System Priority	System Priority Description	System Priority Multiplier	Productivity Impact Index Description	Productivity Impact Index	Hours Past SLA	Billable Rate (Blended Rate)	Liquidated Damages
1	Very High	4	Very High	2		\$119	
2	High	2	High	1		\$119	
3	Medium	1	Medium	0.75		\$119	
4	Low	0.5	Low	0.5		\$119	
5	Very Low	0.25	Very Low	0.25		\$119	

The payment(s) by USAC will be made directly to IntelliNet, provided, however, that IntelliNet shall reimburse DPS for any overpayment for service provided. Such reimbursement shall be no

later than thirty (30) calendar days after DPS notifies IntelliNet of such overpayment. IntelliNet and DPS mutually agree that a timeline will be established to determine when work may begin and termination date for the work. An evaluation performance will occur within six months of the start date of service.

The term of this contract is from July 1, 2014 until June 30, 2015, **and may be continued for one additional year, at the discretion of Durham Public Schools.** If E-Rate Funding is delayed, this contract shall not terminate but shall remain in effect until a FCDL is received. IT' S FURTHER PROVIDED, HOWEVER, THAT THIS CONTRACT MAY EXTEND BEYOND THE E-RATE YEAR FOR PURPOSES OF COLLECTING E-RATE FUNDS.

This is the entire agreement, as governed by the laws of the State of North Carolina, between the parties and there are no representations, understandings, oral or written, which are not included here.

Agreed:

Durham Public Schools

IntelliNet Coporation

Date: _____

Date: _____

BASIC MAINTENANCE CONTRACT
(80% SCHOOLS)

Customer: Durham Public Schools (DPS)

Address: 511 Cleveland Street
Durham, NC 27702

Contact: Aaron Beaulieu

Service Provider: IntelliNet Corporation

Address: Sterling Building
1255 Euclid Ave, Ste 205
Cleveland, Ohio 44115

Contact: Paul Ray

Service: Attachment #1 (Form 471 Item 21 Attachment)

Effective Date: July 1, 2014 - June 30, 2015 (final voluntary extension)

Service/hardware: Off Site Basic Maintenance of Internal Connections

Contract Amount: NRC/Not-to-Exceed Charges: \$714,000.00

This is representative of the third and final year of a multi-year agreement where IntelliNet will provide Durham Public Schools the services as set forth in the attached agreement and Attachment #1, at the prices set forth in Attachment #1 of the attached agreement.

In consideration for provision of the services provided by IntelliNet, DPS agrees to pay IntelliNet directly 20% of the price of the services identified in this Agreement. This 20% payment will be paid to IntelliNet in accordance with invoice[s] from IntelliNet. The Schools and Libraries Division (SLD) shall pay the additional 80% payment due directly to IntelliNet as provided by the Federal Communications Commission and SLD rules and regulations. PROVIDED HOWEVER, that as provided by the FCC, payment shall only be made by DPS and the USAC for hours and work actually performed. As service is provided, DPS shall file a FCC Form 486, or such other form as required, to pay IntelliNet. This contract is not assignable unless agreed to in writing by DPS.

DPS reserves the right to approve the Technician(s) dispatched to DPS by IntelliNet. Upon DPS' objection to the technician dispatched to DPS, IntelliNet shall immediately replace the Technician with a more qualified one.

If the Vendor does not meet the criteria set forth below, then the Vendor shall pay DPS damages as stated below:

INCIDENT PRIORITY LEVEL DESCRIPTIONS/PARAMETERS:

Priority 1 – Any widespread outages

Examples – Internet Access, Phone system, Email (Exchange)

- 24x7x365 support
- Immediate Notification to DPS designated staff and qualified personnel on-site within 15 minutes
- Problem resolution continues until resolved
- All events from time of discovery until time of resolution including any lessons learned, must be documented fully
- Updates to designated DPS staff every 30 minutes until resolved within 2 hours

Priority 2 – Building-wide outages

Examples – Internet Access, Phone system, Local Network File Servers

- 12x5x260 support
- Immediate Notification to DPS designated staff and qualified personnel on-site within 15 minutes
- Problems are worked during SLA hours until resolved
- All events from time of discovery until time of resolution including any lessons learned, must be documented fully
- Updates to designated DPS staff every 30 minutes until resolved within 4 hours

Priority 3 – Partial Site outages – MDF' s, Wings, Multiple classrooms

Examples – Internet Access, Phone system, Local File Servers, Wireless

- 12x5x260 support

- Notification to DPS designated staff within 30 minutes and qualified personnel on-site within 45 minutes
- Problem are worked during SLA hours until resolved within 4 hours

Priority 4 – Application outages / Minimal Business Impact

Examples – Application is still functioning but experiencing intermittent problems

- 8x5x260 support
- Notification to DPS designated staff within 60 minutes and qualified personnel on-site within 2 hours
- Problem are worked during SLA hours until resolved within 8 hours

Priority 5 – Work Request / Non-Critical

Examples – Help desk Request / Incident Responses

- 8x5x260 support
- Notification to DPS designated staff within 75 minutes and qualified personnel on-site within 4 hours
- Problem are worked during SLA hours until resolved within 1 day

SERVICE LEVEL RESPONSE TIMES REQUIRED:

SUPPORT RESPONSE GOALS				
System Priority	System Priority Description	Initial Response Time (During Business Hours)	Initial On-Site Response (During Business Hours)	Resolution Goal
Priority 1 - URGENT	Very High	Immediate	Within 15 minutes	Less than 2 hours (without parts)
Priority 2 – SIGNIFICANT BUSINESS IMPACT	High	Immediate	Within 30 minutes	Less than 4 hours

Priority 3 – IMPACTS SOME BUSINESS	Medium	Within 30 minutes	Within 45 minutes	Less than 4 hours
Priority 4 – MINIMAL BUSINESS IMPACT	Low	Within 60 minutes	Within 2 hours	Less than 8 hours
Priority 5 – INFORMATION REQUEST	Very Low	Within 75 minutes	Within 4 hours	Within 1 day

PENALTY CALCULATIONS:

If the Vendor selected does not meet the criteria set forth below, then the vendor shall pay DPS damages as stated in the contract and restated below:

System Priority	System Priority Description	System Priority Multiplier	Productivity Impact Index Description	Productivity Impact Index	Hours Past SLA	Billable Rate (Blended Rate)	Liquidated Damages
1	Very High	4	Very High	2		\$119	
2	High	2	High	1		\$119	
3	Medium	1	Medium	0.75		\$119	
4	Low	0.5	Low	0.5		\$119	
5	Very Low	0.25	Very Low	0.25		\$119	

The payment(s) by USAC will be made directly to IntelliNet, provided, however, that IntelliNet shall reimburse DPS for any overpayment for service provided. Such reimbursement shall be no later than thirty (30) calendar days after DPS notifies IntelliNet of such overpayment. IntelliNet

and DPS mutually agree that a timeline will be established to determine when work may begin and termination date for the work. An evaluation performance will occur within six months of the start date of service.

The term of this contract is from July 1, 2014 - June 30, 2015, **and may be continued for one additional year, at the discretion of Durham Public Schools.** If E-Rate Funding is delayed, this contract shall not terminate but shall remain in effect until a FCDL is received. IT IS FURTHER PROVIDED, HOWEVER, THAT THIS CONTRACT MAY EXTEND BEYOND THE E-RATE YEAR FOR PURPOSES OF COLLECTING E-RATE FUNDS.

This is the entire agreement, as governed by the laws of the State of North Carolina, between the parties and there are no representations, understandings, oral or written, which are not included here.

Agreed:

Durham Public Schools

IntelliNet Coporation

Date: _____

Date: _____

BASIC MAINTENANCE – VIDEO CONTRACT
(90% SCHOOLS)

Customer: Durham Public Schools (DPS)

Address: 511 Cleveland Street
Durham, NC 27702

Contact: Aaron Beaulieu

Service Provider: ConnectVIEW, LLC (ConnectVIEW)

Address: 1033 Wade Ave, Suite 100
Raleigh, NC 27560

Contact: John Seaman III

Service: Attachment #1 (Form 471 Item 21 Attachment)

Effective Date: July 1, 2014 - June 30, 2015 (final voluntary extension)

Service/hardware: Off Site Basic Maintenance of Internal Connections (Video)

Contract Amount: NRC/Not-to-Exceed Charges: \$65,025.00

This is representative of the third and final year of a multi-year agreement where ConnectVIEW will provide Durham Public Schools the services as set forth in the attached agreement and Attachment #1, at the prices set forth in Attachment #1 of the attached agreement.

In consideration for provision of the services provided by ConnectVIEW, DPS agrees to pay ConnectVIEW directly 10% of the price of the services identified in this Agreement. This 10% payment will be paid to ConnectVIEW in accordance with invoice[s] from ConnectVIEW. The Schools and Libraries Division (SLD) shall pay the additional 90% payment due directly to ConnectVIEW as provided by the Federal Communications Commission and SLD rules and regulations. PROVIDED HOWEVER, that as provided by the FCC, payment shall only be made by DPS and the USAC for hours and work actually performed. As service is provided, DPS shall file a FCC Form 486, or such other form as required, to pay ConnectVIEW. This contract is not assignable unless agreed to in writing by DPS.

DPS reserves the right to approve the Technician(s) dispatched to DPS by ConnectVIEW. Upon DPS' objection to the Technician dispatched to DPS, ConnectVIEW shall immediately replace the Technician with a more qualified one.

The payment(s) by USAC will be made directly to ConnectVIEW, provided, however, that ConnectVIEW shall reimburse DPS for any overpayment for service provided. Such reimbursement shall be no later than thirty (30) calendar days after DPS notifies ConnectVIEW of such overpayment. ConnectVIEW and DPS mutually agree that a timeline will be established to determine when work may begin and termination date for the work. An evaluation performance will occur within six months of the start date of service.

The term of this contract is from July 1, 2014 until June 30, 2015, **and may be continued for one additional year, at the discretion of Durham Public Schools.** If E-Rate Funding is delayed, this contract shall not terminate but shall remain in effect until a FCDL is received. IT IS FURTHER PROVIDED, HOWEVER, THAT THIS CONTRACT MAY EXTEND BEYOND THE E-RATE YEAR FOR PURPOSES OF COLLECTING E-RATE FUNDS.

This is the entire agreement, as governed by the law of the State of North Carolina between the parties and there are no representations, understandings, oral or written which are not included here.

Agreed:

Durham Public Schools

ConnectVIEW, LLC

Date: _____

Date: _____

CNIC, INC
PURCHASE AGREEMENT FOR E-RATE CUSTOMERS

This Purchase Agreement, for E-Rate Customers (“**Agreement**”) is entered into between CNIC, Inc (“**Provider**”), a North Carolina Corporation with offices at 4418-E Monroe Road, Charlotte, North Carolina 28205, and Durham Public School District, a non-profit school eligible for Universal Service Program funding, with offices at 511 Cleveland Street, Durham, North Carolina 27701 (“**Customer**”).

I. DEFINITIONS.

“**E-Rate**” means the Education Rate discount provided by the 1996 Telecommunications Act, as amended, designed to provide 20% - 90% discounts to schools and libraries for eligible products and services.

“**E-Rate Customer** or “**Customer**” means the non-profit school or library identified in the preamble of this Agreement which is eligible for Universal Service Program funding and is applying for an E-Rate discount on E-Rate Eligible Products/Services.

“**E-Rate Eligible Products and/or Services**” or “**Products/Services**” means internal wiring and/or equipment sold by Provider to be eligible for E-Rate discounts in accordance with the rules adopted by the FCC. A list of E-Rate Eligible Services and Products can be obtained by contacting SLD.

“**SLD**” means Schools and Libraries Division, a not-for-profit organization, established by the Federal Communications Commission (“**FCC**”) to administer the Universal Service Program for schools and libraries.

II. SERVICES.

Provider shall provide services (“**Services**”) to Customer as specified on purchase orders (each a “**Purchase Order**”) that are mutually agreed upon in writing by Customer and Provider. Any change in the scope of Services as set forth in a Purchase Order shall be agreed upon in writing by the parties. Provider shall have no obligation to perform Services in connection with any such change until the parties have agreed upon the effect of such change on Provider’s fees and/or schedule of performance.

III. CUSTOMER REPRESENTATIONS.

A. E-Rate Status. Customer represents and warrants to Provider that it qualifies to be eligible to receive E-Rate discounts. Customer hereby agrees that this Agreement, along with any Customer Purchase Orders that are proposed by Customer and accepted in writing by Provider, will constitute a contract as required by the SLD.

B. E-Rate Purchases. Customer represents and warrants to Provider that all purchases under this Agreement will be for its own use and are eligible for E-Rate discounts as specified by the SLD guidelines. IN ACCORDANCE WITH FCC REQUIREMENTS, THE CUSTOMER WILL SUBMIT A COMPLETED AND SIGNED FCC FORM 486 TO THE SLD WITHIN 5 DAYS OF

RECEIPT OF E-RATE ELIGIBLE PRODUCTS AND/OR SERVICES FOR THE PURPOSE OF ACKNOWLEDGING RECEIPT OF PRODUCTS AND/OR SERVICES.

IV. ORDERING; PRICE; PAYMENT.

A. Ordering. Purchase Orders should be submitted directly to CNIC, Inc via facsimile to (704) 374-0069 with the original signed document sent to the following address:

CNIC, Inc
4418-E Monroe Road
Charlotte, NC 28205
Phone: 704-344-0090

B. Contents of Purchase Order. All Purchase Orders must include: Contact Name Printed, Contact Name Signature, Title, Date, Phone Number, Purchase Order Number, Ship-To Location Address, Bill To Location Address and Contract Number of this Agreement. PURCHASE ORDERS FOR E-RATE ELIGIBLE PRODUCTS OR SERVICES SHOULD ALSO INCLUDE THE E-RATE DISCOUNT FOR WHICH THE CUSTOMER IS ELIGIBLE AND SHOULD BE ACCOMPANIED BY A DULY-EXECUTED COPY OF THIS AGREEMENT AND A COPY OF THE NOTIFICATION OF FUND COMMITMENT FROM THE SLD THAT VERIFIES THE CUSTOMER'S DISCOUNT AMOUNT. PRODUCTS OR SERVICES THAT ARE **NOT ELIGIBLE** FOR E-RATE DISCOUNTS WILL REQUIRE A SEPARATE PURCHASE ORDER. Provider reserves the right to decline a Purchase Order in its sole discretion.

C. Price. Prices are set per bid price. Prices are inclusive of federal, state, local, or other taxes, which shall be the responsibility of the Customer. Any taxes will be listed separately on the invoice.

D. Payment.

(1) Invoices for Services by Provider supplied under this Agreement will be submitted when the Services have been completed. Customer shall pay invoices within thirty (30) days of the date of invoice. Provider reserves the right to submit partial billing invoices for completed phases of work. Provider also reserves the right to submit invoices for materials and/or equipment that are delivered and available on-site. Provider reserves the right to invoice an initial up-front fee of 30%. The initial onetime payment is immediately due when the school district is notified, whether in writing or SLD site posting, that this contract is funded and the corresponding Form 486 has been filed.

(2) NOTWITHSTANDING ANYTHING TO THE CONTRARY, CUSTOMER IS RESPONSIBLE FOR 100% PAYMENT OF THE PRICE OF PRODUCTS AND/OR SERVICES IN THE CASE WHERE THE SLD DISALLOWS CUSTOMER'S REQUEST FOR DISCOUNT AND REFUSES PAYMENT OF THE DISCOUNT AMOUNT TO CNIC, INC.

(3) At the Provider's sole discretion, Customer shall pay a late payment fee equal to the lesser of: (a) one and one-half percent (1.5%) per month; or (b) the highest rate allowed by law on any balance aged over thirty (30) days from invoice date.

V. WARRANTIES.

A. Provider warrants to Customer that for a period of one (1) year from the completion of the Services that the Services shall be performed in a professional and workmanlike manner.

B. The foregoing warranties shall only apply provided that: (a) the nonconformity was not caused by Customer or its agents or any third party; (b) Customer promptly notifies Provider of the nonconformity after discovery; and (c) all fees due to Provider have been paid.

C. THE FOREGOING WARRANTIES ARE PROVIDER'S ONLY WARRANTIES CONCERNING THE SERVICES AND ANY DELIVERABLES, AND ARE MADE FOR THE BENEFIT OF CUSTOMER ONLY IN LIEU OF ALL OTHER WARRANTIES AND REPRESENTATIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE.

VI. TERM.

The term of this Agreement shall be for a period of eighteen months, with the option to renew annually. The first period of eighteen months will begin on July 1, 2014 and end on December 31, 2015. This Agreement may be renewed from year to year thereafter, unless terminated by either party, at the end of the then current contract year by providing thirty (30) days prior written notice. Notwithstanding the foregoing, Provider may terminate this Agreement at any time for any reason upon ninety (90) days prior written notice to Customer.

VII. LIMITATION OF LIABILITY.

THE MAXIMUM LIABILITY OF PROVIDER, ITS DIRECTORS AND OFFICERS TO CUSTOMER FOR DAMAGES FOR ANY AND ALL CAUSES WHATSOEVER, AND CUSTOMER'S MAXIMUM REMEDY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE TOTAL FEES PAID BY CUSTOMER TO PROVIDER HEREUNDER FOR THE PORTION OF THE SERVICES GIVING RISE TO ANY CLAIM. IN NO EVENT SHALL PROVIDER, ITS DIRECTORS AND OFFICERS BE LIABLE FOR ANY LOST DATA OR CONTENT, LOST PROFITS, BUSINESS INTERRUPTION OR FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THE SERVICES PROVIDED UNDER THIS AGREEMENT, EVEN IF CUSTOMER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

VIII. INDEMNIFICATION.

Provider shall indemnify, defend and hold the Customer harmless, including its officers, directors, employees, agents and representatives (collectively, "**Provider Indemnified Parties**") from and against all third party suits, actions, liabilities, legal proceedings, claims, demands, losses,

costs and expenses (including reasonable attorney’s fees) for injury to or death of persons or loss of or damage to property arising as a result of, but only to the extent of, any gross negligence, fraud or willful misconduct of Provider in connection with its performance under this Agreement. Customer shall indemnify, defend and hold Provider harmless, including its officers, directors, employees, agents and representatives (collectively, “**Company Indemnified Parties**”) from and against all third party suits, actions, liabilities, legal proceedings, claims, demands, losses, costs and expenses (including reasonable attorney’s fees) for injury to or death of persons or loss of or damage to property arising as a result of, but only to the extent of, any gross negligence, fraud or willful misconduct of Customer.

IX. MISCELLANEOUS.

A. Non-Assignability Agreement. Customer shall not assign or otherwise transfer its rights or delegate its obligations under this Agreement without Provider’s prior written consent. Any attempted assignment transfer or delegation without such consent shall be void.

B. Applicable Law. This Agreement and all transactions executed hereunder shall be governed exclusively by and construed in accordance with the laws of the state of North Carolina.

C. No Waiver. The waiver of any one right or default shall not waive subsequent rights or defaults of the same or different kind.

D. Counterparts. This Agreement may be executed in multiple counterparts (including by means of telecopied signature pages), each of which shall be an original and all which taken together shall constitute one and the same agreement.

E. Entire Agreement. This Agreement and all documents referred to or incorporated herein by reference contain all the agreements, warranties, understandings, conditions, covenants and representations made between Customer and CNIC, Inc related to the subject matter of this Agreement. Neither Provider nor Customer shall be liable for any agreements, warranties, understandings, conditions, covenants, or representations that are not expressly set forth in this Agreement. Any modifications and amendments to this Agreement must be in writing and signed by a duly authorized agent or representative of Provider and Customer.

F. Notices. All notices and other communications required or permitted under this Agreement shall be served in person or via U.S.P.S., Federal Express, or equivalent carrier at the following address:

<i>If to Customer:</i>	<i>If to CNIC, Inc:</i>
Durham Public Schools	CNIC, Inc
511 Cleveland Street	4418-E Monroe Road
Durham, NC 27701	Charlotte, NC 28205

G. Independent Contractor. Provider is an independent contractor, and no party shall have the authority to bind, represent or commit the other. Nothing in this Agreement shall be deemed or construed to create a joint venture, partnership, or agency relationship between the parties for any purpose.

H. Force Majeure. Except with regard to payments due Provider, neither party shall be liable for any delays or failures in performance due to circumstances beyond its control which could not be avoided by the exercise of due care.

THE CUSTOMER ACKNOWLEDGES THAT IT HAS NOT ALTERED THIS AGREEMENT OR MADE ANY CHANGES FROM ITS ORIGINAL FORM. ANY CHANGES TO THIS AGREEMENT WILL MAKE IT INVALID. THE PARTIES ACKNOWLEDGE THAT THEY HAVE READ THIS AGREEMENT AND AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS. FACSIMILE SIGNATURES ARE DEEMED EQUIVALENT TO ORIGINAL SIGNATURES FOR THE PURPOSE OF THIS AGREEMENT.

CUSTOMER

CNIC, Inc

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: Patricia A. Hicks

Title: _____

Title: President

Date: _____

Date: _____

Contract No. ER17-DURPUB-CABLING

INTERNAL CONNECTIONS AGREEMENT-NETWORK ELECTRONICS

Customer: Durham Public Schools (DPS)
Address: 511 Cleveland Street
Durham, NC 27702

Contact: Aaron Beaulieu

Service Provider: Presidio Networked Solutions, Inc. (Presidio)
5003 S. Miami Blvd.
Suite 110
Durham, NC 27703

Contact: Karla Foster

Service: Attachment A
Effective Date: July 1, 2014 – September 30, 2015

Non-Recurring (one-time) Charge: \$371,717.69

Presidio Networked Solutions, Inc. will provide Durham Public Schools the services as set forth in Attachment A, at the prices set forth in Attachment A.

In consideration for provision of the services provided by Presidio, DPS agrees to pay Presidio in accordance with invoice(s) from Presidio. This contract is not assignable unless agreed to in writing by DPS.

If a Funding Commitment Decision Letter (FCDL) from the Universal Service Administration Company (USAC) is not received by the District at the time of purchase, then Presidio will bill DPS the entire amount and DPS will file for reimbursement of the purchase via the Billed Entity Reimbursement Form (BEAR) process when funding from USAC occurs. If a FCDL is received by DPS at the time of purchase, DPS agrees to pay Presidio directly their E-Rate "match" for funding of the price of the services identified in this Agreement. This payment will be paid to Presidio in accordance with invoice(s) from Presidio. The USAC shall pay the additional payment due directly to Presidio as provided by the Federal Communications Commission's rules and regulations. Provided however, that as provided by the FCC, payment shall only be made by DPS and the USAC for services actually performed. DPS, when funded, shall file an FCC Form 486, or such other Form as required, to allow payment to Presidio.

Presidio and DPS mutually agree that a timeline will be established to determine when work may begin and end to be in compliance with E-Rate funding. The term of this agreement is from July 1, 2014 until September 30, 2015. If E-Rate funding is delayed, this contract shall not terminate but shall remain in effect until a FCDL is received. It is further provided that this contract may extend beyond the E-Rate year for purposes of collecting E-Rate funds.

This is the entire agreement, as governed by the laws of the state of North Carolina, between the parties and there are no representations, understandings, oral or written, which are not included here.

Agreed:

Durham Public Schools

Presidio Networked Solutions, Inc.

Date: _____

Date: _____



One Vision. One Durham.

Date: May 22, 2014

Durham Public Schools BOARD OF EDUCATION PRECIS

Agenda Item: Construction Management Services – 2014-2015 Contract Extension

Staff Liaison Present: Hugh Osteen
Evia Nelson

Phone # 560-3831
560-2216

Main Points:

- Durham Public Schools’ construction program is entering the next phase of bond projects that will continue through the 2014-2015 fiscal year.
- The original contract with Heery International, as amended, continues through June 30, 2014. This includes full time resources provided consistently over the last seven years.
- It is further recommended to extend Heery’s contract through June 30, 2015 to provide continuity of services for successful implementation of the program, including new projects resulting from the reallocation of funds from High School ‘A’.
- Heery has adjusted the assigned resources commensurate with the project requirements and has maintained unit costs for professional services at the 2013/2014 rates.

Administration submits the attached addendum for approval.

Fiscal Implications:

These services are critical to a successful program and are covered by capital funding.

Strategic Plan Alignment:

III.4 – Implement educational specifications for designing and renovating school facilities.

Purpose

Information **Discussion** **Action** **Consent**

Reviewed by: **Finance** Aaron Beaulieu **Attorney** _____

**Extension of Services for
Construction Program Management Contract
July 1, 2014 through June 30, 2015**

Heery International will provide staff augmentation services within Construction & Capital Planning in support of the bond program and other projects for the period of July 1, 2014 through June 30, 2015. This includes three (3) full time Project Managers with specific project assignments and periodic support from other personnel to complete projects underway.

Based on currently known projects and schedules, a not to exceed fee of \$479,080 is recommended for the 2014-2015 extension. The cost rate (per hour worked) remains unchanged from Heery's previous amendment. Funding is provided by the 2007 bond (including the reallocated funds from High School 'A'), approved Public School Building Capital Funds and each non-bond project (Local Capital). Project Management time is billed directly to each project.

**Addendum
To
Program Management Consultant Services Agreement**

Durham Public Schools Board of Education and Heery International, P.C. hereby agree to extend the original contract agreement dated July 1, 2008 as amended through June 30, 2014, for one additional year from July 1, 2014 through June 30, 2015. The agreement will use the 2012/2013 fixed billing rates as proposed for a not-to-exceed value of \$479,080. All other conditions and terms continue to apply.

Heery International, P.C.

Date

Durham Public Schools Board of Education

Date



One Vision. One Durham.

Date: May 22, 2014

Durham Public Schools BOARD OF EDUCATION PRECIS

Agenda Item: Y.E. Smith Elementary School – Bids for Kitchen Hood Replacement

Staff Liaison Present: Hugh Osteen
Evia Nelson

Phone # 560-3831
560-2216

Main Points:

- 2007 Bond funds provide for classroom addition and renovation at Y.E. Smith Elementary School. Replacement of the kitchen hood was not in the original scope of the project but, due to age of the existing hood and updated code requirements, the kitchen hood and associated ductwork need replacement.
- Bids were received on April 17, 2014 from five (5) qualified bidders. The lowest, responsive, responsible bidder is:

Riggs-Harrod Builders, Inc.
Durham, NC

Base Bid:	\$172,273.00
Alternate 1:	\$ 12,000.00
Total:	<u>\$184,273.00</u>

Administration submits this bid information and the proposed contract for approval.

Fiscal Implications:

This contract is within the project budget. Minority Business Enterprise participation is 2.64% and all required affidavits were submitted by the contractor.

Strategic Plan Alignment:

III.4 – Implement educational specifications for designing and renovating school facilities.

Purpose

Information **Discussion** **Action** **Consent**

Reviewed by: **Finance** Aaron Beaulieu **Attorney** Rod Malone

BID TABULATIONS**Durham Public Schools****Y.E. Smith Elementary School - Kitchen Hood Replacement**

Bid Date: Thursday, April 17, 2014

Time: 10:00 AM

	GENERAL CONTRACTORS	MWBE FORM	LICENSE NUMBER	BASE BID	Alternate 1	TOTAL BID
*1	Riggs Harrod Builders, Inc.	Y	18667	\$ 172,273.00	\$ 12,000.00	\$ 184,273.00
2	Scotia Construction	Y	6481	\$ 183,800.00	\$ 30,000.00	\$ 213,800.00
3	L.A. Downey & Son, Inc.	Y	1774	\$ 215,800.00	n/a	\$ 215,800.00
4	C.T. Wilson Construction	Y	2443	\$ 169,370.00	\$ 49,117.00	\$ 218,487.00
5	Bordeaux Construction	Y	9266-U	\$ 212,500.00	\$ 7,500.00	\$ 220,000.00
6	Hutchins Construction	N	34092	no bid	no bid	no bid

* Apparent lowest responsible, responsive bidder.

Alternate No. 1: Furnish and install vertical ductwork screen enclosure on exterior gymnasium wall.

I (We) hereby certify that this is a true and accurate tabulation of bids received this day, for the above project.

Signed: _____ Date: _____

Durham Public Schools 2011 Hamlin Road Durham, NC 27704 (919) 560-2216 Fax: (919) 560-9119

**NORTH CAROLINA
DURHAM COUNTY**

OWNER-CONTRACTOR AGREEMENT

Durham County
Y.E. Smith Elementary School – Kitchen Hood Replacement

THIS AGREEMENT, is made this 22nd day of May in the year of 2014 by and between the **Durham County, by and through its authorized agent the Durham Public Schools Board of Education** (herein referred to as the "Owner"), whose mailing address for purposes of this agreement shall be, **Construction & Capital Planning, 2011 Hamlin Road, Durham, North Carolina 27704** and **Riggs-Harrod Builders, Inc. SS/EID #56-1470287** (herein referred to as the "Contractor"), whose mailing address is **1117 E. Geer Street, Durham, North Carolina 27704**. All correspondence, submittals, and notices relating to or required under this Contract shall be sent in writing to the above addresses; unless either party is notified in writing by the other, of a change in address.

WITNESSETH:

WHEREAS, it is the intent of the Owner to obtain the services of the Contractor in connection with the Scope of Work for **Y. E. Smith Elementary School – Kitchen Hood Replacement (DPS project 400-02, documents dated March 24, 2014)** hereinafter referred to as the "Project" or the "Work"; and

WHEREAS, the Contractor desires to perform such construction in accordance with the terms and conditions of this Agreement,

NOW, THEREFORE, in consideration of the promises made herein and other good and valuable consideration, the following terms and conditions are hereby mutually agreed to, by and between the Owner and Contractor:

Article 1
DEFINITIONS

- 1.1 All terms in this Agreement which are defined in the Information for Bidders and the General Conditions shall have the meanings designated therein.
- 1.2 The Contract Documents are as defined in the General Conditions provided with the Information to Bidders. Such documents form the Contract, and all are as fully a part thereof as if attached to this Agreement or repeated herein.

Article 2
STATEMENT OF THE WORK

- 2.1 The Contractor shall provide and pay for all materials, tools, equipment, labor and professional and non-professional services, and shall perform all other acts

**NORTH CAROLINA
DURHAM COUNTY**

and supply all other things necessary, to fully and properly perform and complete the Work, as required by the Contract Documents.

- 2.2 The Contractor shall further provide and pay for all related facilities described in any of the Contract Documents, including all work expressly specified therein and such additional work as may be reasonably inferred therefrom, saving and excepting only such items of work as are specifically stated in the Contract Documents not to be the obligation of the Contractor. The totality of the obligations imposed upon the contractor by this Article and by all other provisions of the Contract Documents, as well as the structures to be built and the labor to be performed, is herein referred to as the "Work".

Article 3
DESIGN CONSULTANT

- 3.1 The Design Consultant (as defined in the General Conditions) is **Spring Stoops McCullen Engineering, 3624 Shannon Road, Suite 102, Durham, North Carolina 27707.**

Article 4
TIME OF COMMENCEMENT AND COMPLETION

- 4.1 The Contractor shall commence the Work promptly upon the date established in the Notice to Proceed. If there is no Notice to Proceed, the date of commencement of the Work shall be the date of this Agreement or such other date as may be established herein.
- 4.2 Time is of the essence. The Contractor shall achieve Final Completion, as defined in the Specifications on or before the date established for Final Completion.
- 4.3 The Specifications contains certain specific dates that shall be adhered to and are the last acceptable dates unless modified in writing by mutual agreement between the Contractor and the Owner. All dates indicate midnight unless otherwise stipulated.
- 4.4 Should the Contractor fail to complete the Work on or before the dates stipulated for Substantial Completion and/or Final Completion (or such later date as may result from an extension of time granted by the Owner), he shall pay the Owner, as liquidated damages the sums set forth in the General Conditions.

Article 5
CONTRACT SUM

- 5.1 Provided that the Contractor shall strictly and completely perform all of its obligations under the Contract Documents, and subject only to additions and deductions by Modification or as otherwise provided in the Contract Documents,

**NORTH CAROLINA
DURHAM COUNTY**

the Owner shall pay to the Contractor, in current funds and at the time and in the installments hereinafter specified, the maximum sum of **One Hundred Eighty Four Thousand Two Hundred Seventy Three Thousand Dollars (\$184,273.00)** herein referred to as the "Contract Sum". The Contract Sum includes the base bid work and Alternate No. 1 as specified in the bidding documents.

Article 6
PROGRESS PAYMENTS

- 6.1 The Contractor hereby agrees that on or about the First day of the month for every month during the performance of the Work he will deliver to the Owner's Project Manager an Application for Payment in accordance with the provisions of the General Conditions. This date may be changed upon mutual agreement, stated in writing, between the Owner and Contractor. Payment under this Contract shall be made as provided in the General Conditions.

Article 7
OTHER REQUIREMENTS

- 7.1 The Contractor shall submit the Performance Bond, Labor and Material Payment Bond and Certification of Insurance as required by the Contract Documents.
- 7.2 The Owner shall furnish to the Contractor drawings and specifications as outlined in the General Conditions. Additional sets of drawings or specifications may be obtained by the Contractor by paying the Owner for the costs of reproduction, handling and mailing.
- 7.3 The Contractor will make a good faith effort to utilize Minority Business Enterprises (MBEs) per N.C. Gen. Stat. 143-128 as subcontractors in the performance of this contract.

IN WITNESS WHEREOF, Durham County, by and through its authorized agent the Durham Public Schools Board of Education (hereinbefore called the "Owner") has caused these presents to be signed by and through its authorized agent the Durham Public Schools Board of Education pursuant to the Interlocal Agreement between the Owner and the Durham Public Schools, and **Riggs-Harrod Builders, Inc.** (hereinbefore called "Contractor") has caused these presents to be signed by its President and its Corporate seal to be hereunto affixed, as hereinafter attested, all as of the day and year first above written.

Durham County
By and through its authorized agent the Durham Public Schools Board of Education

Heidi Carter, Chair, Durham Public Schools Board of Education

**NORTH CAROLINA
DURHAM COUNTY**

This instrument has been pre-audited in the manner required by the School Budget and Fiscal Control Act.

Aaron Beaulieu, Chief Financial Officer, Durham Public Schools

Endorsement:

Executive Director
Durham Public Schools
Construction & Capital Planning

This contract was approved by the Board on the 22nd day of May, 2014.

Riggs-Harrod Builders, Inc.

By: _____

Name/Title: _____

STATE OF NORTH CAROLINA
COUNTY OF DURHAM

I, a Notary Public in and for the aforesaid County and State, do hereby certify that _____ personally appeared before me this day and acknowledged that he/she is _____ of _____, a _____ (state of incorporation) corporation, duly authorized to do business in the state of North Carolina, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its _____, sealed with its corporate seal and attested by _____ as its Corporate Secretary.

Witness my hand and notarial seal this ___ day of _____, 2014.

Notary Public (SEAL/STAMP)

My commission expires: _____



Date: May 22, 2014

Durham Public Schools BOARD OF EDUCATION PRECIS

Agenda Item: Revised Policy 4131 - *Program Magnet Schools* – Second Reading

Staff Liaison Present: Donna Hudson
Margaret Henderson

Phone #: 560-2059
560-2617

Main Points:

- Revision of Board Policy 4131.2.G *Assignment Priorities* is presented for the Board’s consideration to support late assignments to Josephine Dobbs Early College for students who enroll in Durham Public Schools from another Early College Program.
- Revision of Board Policy 4131.2.H *Assignment Priorities* is presented for the Board’s consideration to support late assignments to program magnet schools if the lottery applicant pool has been exhausted for the respective assignment year, and the school remains under enrolled by more than 10% of its enrollment capacity. (Refer to Attachment 1).
- Administration presents these policy revisions for discussion and subsequent Board approval.

Fiscal Implications:

- None

Strategic Plan Alignment:

- Goal 3 - Ensure efficient and effective business systems operations.

<u>Purpose</u>			
Information <input type="checkbox"/>	Discussion <input type="checkbox"/>	Action <input checked="" type="checkbox"/>	Consent <input type="checkbox"/>
Reviewed by:	<input type="checkbox"/> Finance	<input type="checkbox"/> _____	<input checked="" type="checkbox"/> Attorney <u>SGR/ KS</u>

Program Magnet Schools Capacity and Projected Enrollment for 2014-15

School	Projected Enrollment	Building Capacity	Difference in Projected Enrollment – Building Capacity	%
Burton IB	380	376	+4	101%
Club	531	492	+39	108%
R.N. Harris	376	376	0	100%
Morehead Montessori	262	262	0	100%
Sandy Ridge	615	628	-13	98%
W.G. Pearson	586	586	0	100%
Watts Montessori	398	398	0	100%
Durham School of the Arts	1630	1630	0	100%
Lakewood Montessori	300	300	0	100%
Lowes Grove STEM	710	774	-64	92%
Neal STEM	815	810	0	100%
Shepard IB	542	546	0	100%
City of Medicine Academy	320	320	0	100%
Hillside High (with IB)	1170	1135	+35	103%
Hillside New Tech	326	400	-74	82%
JDC Early College	350	350	0	100%
Southern School of Energy & Sustainability (includes SSE)	1239	1540	-301	81%

4131 - PROGRAM MAGNET SCHOOLS

The Board of Education is committed to the following guiding purposes for magnet schools; to utilize school facilities effectively, promote school diversity, provide diverse and relevant program offerings throughout the district that meet student interest and provide expanded learning opportunities.

The purpose of this policy is to clarify assignments to program magnet schools.

4131.1 Assignment to Program Magnet Schools

A. Applications must be submitted by the published deadline, and there must be space available at the grade level requested. Once a student is enrolled in a program magnet school, the student will be eligible for continued enrollment for the duration of grades, as long as their enrollment is continuous. A student who withdraws loses eligibility for continued enrollment.

B. Except as listed below, students will be assigned to a program magnet through an application and lottery process that first takes into account any sibling, priority zone, and program links established by the Board of Education, and then randomly assigns students from the applicant pool to the remaining seats.

C. Defined Assignment Zones:

1. Walk Zone (Non-Lottery): An assignment that allows automatic enrollment for students domiciled (permanently residing) within the designated one-half mile safe walking distance of the school.
2. Attendance Zone (Non-Lottery): An assignment that allows automatic enrollment for students domiciled (permanently residing) in that designated zone.
3. Designated Choice Zone (Lottery): An assignment priority that gives applicants domiciled (permanently residing) in the designated zone first consideration in the lottery.
4. Priority Zone (Lottery): An assignment priority that gives applicants domiciled (permanently residing) in the designated zone second consideration in the lottery.
5. Program Link (Lottery): An assignment priority that gives rising 6th grade applicants and rising 9th grade applicants first consideration in the lottery, to which they are linked, if the applicant selects the linked school as their first choice on the application.

D. Students who are domiciled (permanently residing) in the attendance zone for W. G. Pearson Magnet Elementary School will be assigned to the school automatically. Students who are domiciled in the one-half mile walk zone for Burton Magnet Elementary School, Club Boulevard Magnet Elementary School and R.N. Harris Magnet Elementary School will be assigned to their respective schools automatically. Once a student is enrolled at that school, the student will be eligible for continued enrollment, as long as the student is domiciled in the school walk zone. Relocating outside the school walk zone will result in loss of assignment pursuant to Policy 4130.1 Change of Residence During the School Year.

E. Students will be assigned to available seats at George Watts Magnet and Morehead Magnet Montessori Schools in the following order of priority:

1. Applicants who are siblings of students currently enrolled in their respective schools.
2. Applicants who are domiciled in the designated priority zone.
3. Applicants who are applying to the same program magnet school at the same time may be considered together. If one is chosen, the other sibling(s) will receive priority if space is available. However, if space is not available, but parents choose to link siblings, none of the siblings will be assigned at this priority level.
4. Applicants assigned from the remaining applicant pool.

F. Students will be assigned to available seats at Sandy Ridge Elementary in the following order of priority:

1. Applicants who are domiciled in the priority zone will receive first consideration for assignment.
2. Applicants who are domiciled in the attendance zones of the priority schools (Easley, Eno Valley, Glenn, Hillandale, Holt, Little River and Mangum) will receive second consideration for assignment.
3. Applicants who are domiciled outside the attendance zones of the priority schools will receive third consideration for assignment.
4. Only applicants who are domiciled in the attendance zones of the priority schools, Easley, Eno Valley, Glenn, Hillandale, Holt, Little River and Mangum attendance zones will receive transportation services.

G. Students of full-time, part-time or itinerant school employees may apply for a transfer to the program magnet school in which their parent is employed following Policy 4132 - Student Transfers.

H. All applications to program magnet schools must be made in accordance with this policy. The Superintendent or designee shall not have authority to grant any transfers to a program magnet school made pursuant to Policy 4132 - Student Transfers.

4131.2 Assignment Priorities

A. Siblings of students assigned to an elementary program magnet will receive a sibling priority through the application/lottery process. The applicant must indicate the sibling information on the magnet application.

B. Siblings of those students in membership at Durham School of the Arts, Shepard Magnet Middle, Lakewood Montessori Magnet Middle, Hillside International Baccalaureate Magnet (IB), Neal Magnet Middle, Lowes Grove Magnet Middle and Southern School of Energy and Sustainability are not eligible for an assignment priority.

C. Rising sixth graders from Burton Magnet Elementary School will be assigned to Shepard Middle Magnet School if a magnet application is submitted listing Shepard as first choice.

D. Rising ninth graders from Shepard Magnet Middle School will be assigned to the International Baccalaureate magnet program at Hillside High School if a magnet application is submitted listing Hillside IB as first choice.

E. Rising sixth graders from George Watts Montessori and Morehead Montessori Magnet Elementary Schools will be assigned to Lakewood Montessori Magnet Middle School provided they submit a magnet application listing Lakewood Montessori Magnet Middle School as their first choice.

F. Students who relocate to Durham and were previously enrolled in an International Baccalaureate (IB) Program will receive consideration as a late applicant/assignment into an IB program in Durham Public Schools.

G. Students who relocate to Durham and were previously enrolled in an Early College Program will receive consideration as a late applicant/assignment into the Josephine Dobbs Clements Early College program.

H. Students who relocate to Durham after the published lottery application deadline may be considered as a late applicant/assignment into a program magnet school, if the applicant pool has been exhausted for the assignment year and the school is under enrolled by more than 10% of its enrollment capacity by school and grade, as of the 10th day of school.

~~I.G.~~ Please refer to Policy 4133 - Calendar Magnet Schools regarding assignment priorities for Holt Language Academy (elementary) and The School for Creative Studies (secondary). Both schools are identified as a program and calendar magnet, but students are assigned by the calendar magnet assignment priorities.

Legal Reference: G.S. 115C-366

Adopted Effective: July 2, 1992

Revised Effective: November 13, 1997

Revised Effective: July 1, 1999

Revised Effective: May 18, 2006

Revised Effective: January 25, 2007

Revised Effective: October 22, 2009

Revised Effective: April 29, 2010

Revised Effective: January 27, 2011

Revised Effective: June 23, 2011

Revised Effective: December 20, 2012

4131 - PROGRAM MAGNET SCHOOLS

The Board of Education is committed to the following guiding purposes for magnet schools; to utilize school facilities effectively, promote school diversity, provide diverse and relevant program offerings throughout the district that meet student interest and provide expanded learning opportunities.

The purpose of this policy is to clarify assignments to program magnet schools.

4131.1 Assignment to Program Magnet Schools

A. Applications must be submitted by the published deadline, and there must be space available at the grade level requested. Once a student is enrolled in a program magnet school, the student will be eligible for continued enrollment for the duration of grades, as long as their enrollment is continuous. A student who withdraws loses eligibility for continued enrollment.

B. Except as listed below, students will be assigned to a program magnet through an application and lottery process that first takes into account any sibling, priority zone, and program links established by the Board of Education, and then randomly assigns students from the applicant pool to the remaining seats.

C. Defined Assignment Zones:

1. Walk Zone (Non-Lottery): An assignment that allows automatic enrollment for students domiciled (permanently residing) within the designated one-half mile safe walking distance of the school.
2. Attendance Zone (Non-Lottery): An assignment that allows automatic enrollment for students domiciled (permanently residing) in that designated zone.
3. Designated Choice Zone (Lottery): An assignment priority that gives applicants domiciled (permanently residing) in the designated zone first consideration in the lottery.
4. Priority Zone (Lottery): An assignment priority that gives applicants domiciled (permanently residing) in the designated zone second consideration in the lottery.
5. Program Link (Lottery): An assignment priority that gives rising 6th grade applicants and rising 9th grade applicants first consideration in the lottery, to which they are linked, if the applicant selects the linked school as their first choice on the application.

D. Students who are domiciled (permanently residing) in the attendance zone for W. G. Pearson Magnet Elementary School will be assigned to the school automatically. Students who are domiciled in the one-half mile walk zone for Burton Magnet Elementary School, Club Boulevard Magnet Elementary School and R.N. Harris Magnet Elementary School will be assigned to their respective schools automatically. Once a student is enrolled at that school, the student will be eligible for continued enrollment, as long as the student is domiciled in the school walk zone. Relocating outside the school walk zone will result in loss of assignment pursuant to Policy 4130.1 Change of Residence During the School Year.

E. Students will be assigned to available seats at George Watts Magnet and Morehead Magnet Montessori Schools in the following order of priority:

1. Applicants who are siblings of students currently enrolled in their respective schools.
2. Applicants who are domiciled in the designated priority zone.
3. Applicants who are applying to the same program magnet school at the same time may be considered together. If one is chosen, the other sibling(s) will receive priority if space is available. However, if space is not available, but parents choose to link siblings, none of the siblings will be assigned at this priority level.
4. Applicants assigned from the remaining applicant pool.

F. Students will be assigned to available seats at Sandy Ridge Elementary in the following order of priority:

1. Applicants who are domiciled in the priority zone will receive first consideration for assignment.
2. Applicants who are domiciled in the attendance zones of the priority schools (Easley, Eno Valley, Glenn, Hillandale, Holt, Little River and Mangum) will receive second consideration for assignment.
3. Applicants who are domiciled outside the attendance zones of the priority schools will receive third consideration for assignment.
4. Only applicants who are domiciled in the attendance zones of the priority schools, Easley, Eno Valley, Glenn, Hillandale, Holt, Little River and Mangum attendance zones will receive transportation services.

G. Students of full-time, part-time or itinerant school employees may apply for a transfer to the program magnet school in which their parent is employed following Policy 4132 - Student Transfers.

H. All applications to program magnet schools must be made in accordance with this policy. The Superintendent or designee shall not have authority to grant any transfers to a program magnet school made pursuant to Policy 4132 - Student Transfers.

4131.2 Assignment Priorities

A. Siblings of students assigned to an elementary program magnet will receive a sibling priority through the application/lottery process. The applicant must indicate the sibling information on the magnet application.

B. Siblings of those students in membership at Durham School of the Arts, Shepard Magnet Middle, Lakewood Montessori Magnet Middle, Hillside International Baccalaureate Magnet (IB), Neal Magnet Middle, Lowes Grove Magnet Middle and Southern School of Energy and Sustainability are not eligible for an assignment priority.

C. Rising sixth graders from Burton Magnet Elementary School will be assigned to Shepard Middle Magnet School if a magnet application is submitted listing Shepard as first choice.

D. Rising ninth graders from Shepard Magnet Middle School will be assigned to the International Baccalaureate magnet program at Hillside High School if a magnet application is submitted listing Hillside IB as first choice.

E. Rising sixth graders from George Watts Montessori and Morehead Montessori Magnet Elementary Schools will be assigned to Lakewood Montessori Magnet Middle School provided they submit a magnet application listing Lakewood Montessori Magnet Middle School as their first choice.

F. Students who relocate to Durham and were previously enrolled in an International Baccalaureate (IB) Program will receive consideration as a late applicant/assignment into an IB program in Durham Public Schools.

G. Students who relocate to Durham and were previously enrolled in an Early College Program will receive consideration as a late applicant/assignment into the Josephine Dobbs Clements Early College program.

H. Students who relocate to Durham after the published lottery application deadline may be considered as a late applicant/assignment into a program magnet school, if the applicant pool has been exhausted for the assignment year and the school is under enrolled by more than 10% of its enrollment capacity by school and grade, as of the 10th day of school.

I. Please refer to Policy 4133 - Calendar Magnet Schools regarding assignment priorities for Holt Language Academy (elementary) and The School for Creative Studies (secondary). Both schools are identified as a program and calendar magnet, but students are assigned by the calendar magnet assignment priorities.

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Child Nutrition Services Universal Free Breakfast

Child Nutrition Services (CNS) conducted a pilot program to determine if a Universal Free Breakfast Program could be sustained financially. The pilot included twenty-two (22) schools. Eleven (11) elementary schools, three (3) middle schools, two (2) secondary schools and six (6) high schools participated in the pilot. These schools were selected to include high levels of free and reduced students as well as low levels of free and reduced students.

Collectively, these pilot schools served an additional 64,971 breakfast meals from the start of school until March 31, 2014 in comparison to the same period last year. The increase in reimbursement exceeded the loss of student revenue by a total of \$7,001.57 year to date. The pilot has demonstrated that a Universal Free Breakfast Program can be maintained financially.

The Universal Free Breakfast Program allows that all students will be able to eat free regardless of meal status, thereby reducing the stigma associated with the breakfast program. Nationally, data shows that schools with Universal Free Breakfast Programs recognize higher test scores, reduced disciplinary actions and more focused students. In addition, no students will accrue negative balances for breakfast meals. A Universal Free Breakfast Program would provide tremendous goodwill in the community.

CNS recommends that all schools be provided with Universal Free Breakfast Programs for the 2014-2015 school year.