

Minutes of Meeting of Board of Trustees
El Paso Independent School District
August 7, 2001
5:00 p.m.
Education Center-Boeing

Present: Mr. Dan Wever, President
Dr. Gene Finke, Vice President¹
Miss Leonor Garcia, Secretary
Mr. Sal Mena, Jr.²
Dr. Charles Roark³
Mr. Joe Rosales
Mr. Richard Telles
Dr. Gilberto Anzaldua, Superintendent
Mr. Anthony Safi, School District Attorney

The meeting was called to order at 5:06 p.m. by Mr. Wever. The Pledge of Allegiance was led by Mr. Mena.

Speakers on Grievance Hearing – Gloria P. Sullivan, Assistant Principal, Middle School (Item #2, A.)

The following people requested to speak to this item:

1. Ms. Margaret Gallardo, senior clerk at Rusk Elementary School, voiced her support of Gloria Sullivan as principal at Rusk.
2. Ms. Maria Stamps spoke in support of Gloria Sullivan.
3. Ms. Tina Sanchez, parent at Rusk Elementary School, spoke in support of Gloria Sullivan.

Arrival of Board Member

Dr. Finke arrived at 5:10 p.m. and was present for any subsequent action by the Board of Trustees.

Speakers on Consultation with Attorney Regarding Proposed Retention Agreement with Special Counsel Establishing Terms of Representation Regarding Potential Litigation Against ASARCO, Inc., and Other Potential Parties Arising from Possible Environmental Contamination of Certain District Properties (Item #2, D.)

The following people requested to speak to this item:

¹ Dr. Finke arrived at 5:10 p.m., during public speakers on Item #2, A.

² Mr. Mena departed at 10:49 p.m., during discussion on Item #4.

³ Dr. Roark departed the meeting at 10:35 p.m., during discussion on Item #4.

1. Mr. Bob Mayfield was not present when called to speak.
2. Mr. Ralph Richards was not present when called to speak.
3. Ms. Martie Jobe, Jobe Concrete Products, Inc., stated that the plaintiffs' attorneys in this potential litigation were not yet present at the meeting, and they had requested that Ms. Jobe and Mr. Ralph Richards hold their comments to the Board until they had had an opportunity to speak to them. It was the consensus of the Board that comments by representatives of Jobe Concrete Products, Inc. be postponed until later in the meeting.
4. Mr. Lairy Johnson, Environmental Manager, ASARCO, Inc., discussed an open records request for a copy of the District's proposed contract with Mithoff & Jacks, L.L.P. and requested that the Board postpone any action on this item until an Attorney General's opinion is rendered on whether the contract is public information.

Scheduling of Public Meeting to Discuss Budget and Proposed Tax Rate (Item #1)

It was moved by Mr. Mena and seconded by Dr. Finke that the Board approve a public meeting date of August 21, 2001, to discuss the 2001-02 preliminary budget and proposed tax rate. Upon the vote, the motion carried with Mr. Telles voting against the motion.

Meeting Closed (Item #2)

The meeting was recessed at 5:22 p.m. to a closed meeting by Mr. Wever under Sections 551.071, 551.074, and 551.082 of the Texas Government Code as follows:

- A. Grievance Hearing – Gloria P. Sullivan, Assistant Principal, Middle School
- B. Personnel Appointment – Principal, Rusk Elementary School
- C. 2001-02 Compensation for Contract Employees Previously Placed in Lower Pay Level Positions as a Result of Reorganization or Other Personnel Actions
- D. Consultation with Attorney Regarding Proposed Retention Agreement with Special Counsel Establishing Terms of Representation Regarding Potential Litigation Against ASARCO, Inc., and Other Potential Parties Arising from Possible Environmental Contamination of Certain District Properties
- E. Consultation with School District Attorney Regarding Pending Litigation – Jerry Boyer, President, El Paso Classroom Teachers Association, et al., vs. El Paso Independent School District, et al; In the 346th District Court, El Paso County, Texas; Cause No. 2000-3533

The closed meeting started at 5:28 p.m. The closed meeting ended at 6:52 p.m.

Meeting Opened

The meeting was reassembled in Open Session at 6:52 p.m.

Grievance Hearing – Gloria P. Sullivan, Assistant Principal, Middle School (Item #2, A.)

It was moved by Dr. Finke and seconded by Mr. Rosales that the Board uphold the Superintendent's Supplemental Step 4 Response and Supplemental II Response in the grievance filed by Gloria P. Sullivan. Upon the vote, the motion carried with Miss Garcia, Dr. Finke, Mr. Wever, and Mr. Rosales voting in favor of the motion and Dr. Roark, Mr. Mena, and Mr. Telles voting against the motion.

Meeting Closed

The meeting was again recessed at 6:55 p.m. to a closed meeting by Mr. Wever under the authority previously cited. The closed meeting started at 6:57 p.m. The closed meeting ended at 8:13 p.m.

Meeting Opened

The meeting was reassembled in Open Session at 8:13 p.m..

Personnel Appointment – Principal, Rusk Elementary School (Item #2, B.)

It was moved by Miss Garcia and seconded by Dr. Finke that the Board accept the Superintendent's recommendation to appoint Angie Cooper, Assistant Principal at Clendenin Elementary School, to the position of Principal, Rusk Elementary School. Upon the vote, the motion carried with Mr. Telles voting "present."

2001-02 Compensation for Contract Employees Previously Placed in Lower Pay Level Positions as a Result of Reorganization or Other Personnel Actions (Item #2, C.)

It was moved by Mr. Mena, seconded by Mr. Rosales., and carried unanimously that the Board approve an exception to Board Policy DEA (Local), Compensation and Benefits: Salaries, Wages, and Stipends, for one year for the contract employees as presented and that they receive a rate of pay for the 2001-02 school year in accordance with the daily pay levels of the positions they occupied prior to their transfers.

Consultation with Attorney Regarding Proposed Retention Agreement with Special Counsel Establishing Terms of Representation Regarding Potential Litigation Against ASARCO, Inc., and Other Potential Parties Arising from Possible Environmental Contamination of Certain District Properties (Item #2, D.)

The following people requested to speak to this item:

1. Mr. Bob Mayfield declined the opportunity to speak.
2. Mr. Ralph Richards declined the opportunity to speak.
3. Ms. Martie Jobe declined the opportunity to speak.
4. Mr. Lairy Johnson, Environmental Manager, ASARCO, Inc., spoke again about an open records request and the results of the preliminary soil testing by the Environmental Protection Agency (EPA).

Consider and Take Appropriate Action Regarding the Retention of Enrique Moreno and Mithoff & Jacks, L.L.P. as Special Counsel to Represent the District in Connection with the Investigation and Potential Litigation Arising Out of the Possible Environmental Contamination of Certain District Properties by ASARCO, Inc., and Other Potential Parties and Approve a Retention Agreement with Special Counsel Establishing the Terms of the Representation (Item #3)

The following people requested to speak to this item:

1. Mr. Bob Mayfield declined the opportunity to speak.
2. Mr. Ralph Richards declined the opportunity to speak.
3. Ms. Martie Jobe declined the opportunity to speak.

It was moved by Dr. Finke and seconded by Mr. Rosales that the Board approve retaining Enrique Moreno, Mithoff & Jacks, L.L.P., and Gary Weiser as special counsel to represent the District in connection with the investigation and potential litigation arising out of the possible environmental contamination of certain District properties by ASARCO, Inc., and other potential parties, and approve the Retention Agreement with special counsel which establishes the terms of the representation, subject to the approval of specific contract language being brought back to the Board on August 14, 2001. Upon the vote, the motion carried with Dr. Roark voting against the motion.

Meeting Closed

The meeting was again recessed to a closed meeting at 8:22 p.m. by Mr. Wever under the authority previously cited. The closed meeting started at 8:22 p.m. The closed meeting ended at 8:40 p.m.

Meeting Opened

The meeting was reassembled in Open Session at 8:40 p.m.

Consultation with School District Attorney Regarding Pending Litigation – Jerry Boyer, President, El Paso Classroom Teachers Association, et al., vs. El Paso Independent School District, et al; In the 346th District Court, El Paso County, Texas; Cause No. 2000-3533 (Item #2, E.)

It was moved by Mr. Rosales, seconded by Dr. Finke, and carried unanimously that the Board approve the settlement letter agreement dated August 3, 2001; authorize Mr. Anthony Safi and his law firm, Mounce, Green, Myers, Safi & Galatzan, PC, to sign the letter agreement; and authorize the execution of any necessary additional documentation.

Insurance Benefit Workshop, Including Discussion on the Status of the Employee Medical Plan and Funding Requirements (Item #4)

Mr. Clair Naylor, President, AmeriBen Solutions (ABS), provided information on the role of ABS as the District's third party administrator (TPA); clarified its relationship with Texas True Choice, Express Scripts, and SPECTERA; and reviewed the claims utilization and expense analysis and the medical claims reporting process.

Ms. Shelli Hartge, Operations, SPECTERA, provided an overview of the CARE Programs, including utilization management; certifications, reviews, and appeals processes; and medical case management. Dr. Tracey Goessel, Medical Director, SPECTERA, reviewed the Utilization Management Performance Analysis.

Ms. Marie Moore, Sales Manager, Express Scripts, and Peggy Carson, Benefit Analysis Consultant, Express Scripts, provided information on the status of the EPISD prescription plan for prescriptions billed from January through June 2001 compared to the same period in 2000. A review was provided on the utilization by therapy class; drug rank by prescriptions dispensed and by net cost; and options available to EPISD to decrease the effects of high utilization to the prescription plan, including the implementation of the Express Health Line.

There was discussion on the ownership of the physician network; rate increases and notification to the District; a stipulation related to rates in the Texas True Choice contract; percentage of claims being audited; medical necessity and prospective reviews; appeal processes; the execution of employee wellness plans; and notifying network physicians of formulary coverage by the medical plan.

Mr. Randy McGraw, Benefit Consultant, G. P. Graham & Associates, reviewed information in the contract with Texas True Choice (TTC). He advised that TTC subcontracts the provider network with the Sierra Providence Health Network and provides the added “wrap” of the Medical Control Group for network access out of the El Paso area.

Mr. McGraw discussed the proposed plans to carry the District’s health coverage forward until January 1, 2001, and through calendar year 2002. He reported that approximately \$14 million in additional funding would be required in order to fully fund the Employee Healthcare Plan. This amount includes \$5 million to fund the appropriate level of reserves, which will be at a zero balance at the end of August 2001. He added that an initial lump sum contribution of \$3 million would get the District through the end of the year. Mr. James Damm, Consultant, Finance, provided information on possible funding sources.

There was discussion on possible increases to employee dependent insurance coverage; the 35 percent increase needed to fund the current health plan through 2002; implementation of possible changes to the plan design; ownership of a physician network compared to rented; and emergency room usage.

Departure of Board Members

Dr. Roark departed the meeting at 10:35 p.m. and Mr. Mena departed the meeting at 10:49 p.m. and were not present for any subsequent action taken by the Board of Trustees.

Meeting Adjourned

The meeting was adjourned at 10:55 p.m.

Date Approved: October 23, 2001