



NEW MEXICO INTERNATIONAL SCHOOL

Governing Council Special Meeting

DATE: 9 July 2018
TIME: 6:00 PM
LOCATION: New Mexico International School – Conference Room
 8650 Alameda Blvd. NE, Albuquerque, NM 87122

MINUTES

A. Call Meeting to Order (Ed)

Meeting called to order at 6:06 by Ed.

B. Roll Call (Leslie)

Governing Council Members	Non Voting Members
Ed Reyes, President Present in person	Todd Knouse, Head of School Present in person
Alyssa Sanchez Miranda, Vice President Absent	Corinne Teller, Business Manager Present in person
Leslie Slow Kaufman, Secretary Present in person	Gary Newell, SAC Liaison Present in person
Luc Berger-Vergiat, Treasurer Absent	
Gregory Hicks, Member Present in person	
Maralyn Beck, Member Present by phone	

Is a Quorum Established at the start of the meeting? Yes

C. Action Proposed (Ed) - Adoption of Agenda for 9 July 2018

Discussion: none

Action: Motion to approve today's agenda made by Greg and second by Leslie. **Vote:** Unanimous **Motion Passes**

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D. Action Proposed (Secretary) - Approval of Past Meeting Minutes

- 30 April 2018 – Regular Meeting
Discussion: none
Action: Motion to approve above meeting minutes made by Leslie and second by Greg. Vote: Unanimous Motion Passes
- 5 June 2018 – Regular Meeting
Discussion: none
Action: Motion to approve above meeting minutes made by Leslie and second by Greg. Vote: Unanimous Motion Passes

E. Public Comment (President) - This is an opportunity for members of the public to address the Governing Council (GC) for up to five minutes with comments or issues, whether or not they are posted on the agenda. The President may reduce the time for each participant to speak to ensure adequate time to conduct GC business. The GC, by law, cannot take action nor have any discussions or deliberation on any presentation made to it concerning an item not listed on the agenda. Any item presented may be noticed on a future agenda for deliberation or action.

Public in attendance but no comments made

Name	Summary of comments
Kayur Shah	
Stephanie Collins	
Sue Fox, NMIS Atty	

F. Discussion and Possible Action (Ed): Appointment of Gary Newell as voting member of Governing Council

Discussion: Gary has served one year as a non-voting member of the GC. He has served as the GC's liaison with SAC. As his child has graduated NMIS, he is no longer a parent of an NMIS student. In accordance with NMIS GC Bylaws, he is now eligible to be a voting member of the GC. Further, he has completed requirements per NMAC to allow him to vote.

Action: Motion to appoint Gary Newell as voting member of the NMIS Governing Council made by Greg and second by Maralyn. Vote: Unanimous Motion Passes

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G. Discussion and Possible Action (Todd and Ed): Purchase/Sale agreement for new facility.

Discussion: Todd and Ed explained that it necessary to acquire this building through a lease purchase agreement. Doing so meets the school's square footage for planned expansion. The GC agrees with this determination.

The estimated cost of this agreement is detailed in the Purchase/Sale agreement. It is \$5.6 million dollars plus an additional \$250,000 to be used for changes to the building to make it compliant with e-occupancy, state adequacy standards applicable to charter schools, and to result in a better than average NMCI score from PSFA.

School will use money from lease assistance, SB-9 and HB-33 as well as operational funds to make lease purchase payments. As enrollment grows into the new facility, the impact on the operational funds will reduce.

Prior to action, Ed solicited input on this item from public/staff present at the meeting.

Action: Motion approve Purchase/Sale agreement with RM 7201 for facility at 7201 Montgomery Blvd. NE, Albuquerque. Motion made by Leslie and second by Gary. Vote: Unanimous Motion Passes

H. Discussion and Possible Action (Todd and Ed): Action on resolution regarding submission of Lease Purchase Agreement to PED for approval.

Discussion: Todd and Ed presented the rationale for using the Lease Purchase Agreement facility acquisition mechanism. As the school cannot incur debt, it is the best way a school can "finance" the cost of obtaining a building. Doing so will make the building a "public space." Once the term of the Lease Purchase is fulfilled, the school acquires outright ownership of the building. The school cannot enter into a Lease Purchase Agreement without approval from the Public Education Department. The GC was presented with a copy of the Lease Purchase Agreement and a written Resolution concerning the Lease Purchase Agreement to be submitted to the Public Education Department for consideration for approval.

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Susan Fox presented a summary of the key terms of the Lease Purchase Agreement and answered questions posed. This Resolution was read into the minutes, transcribed below:

**NEW MEXICO INTERNATIONAL SCHOOL
GOVERNING COUNCIL**

Resolution No. FY19-01

Resolution Re: Lease Purchase Agreement with Option to Purchase Preliminary Approval, Per NMSA 1978, §22-26A-6

WHEREAS, the New Mexico International School Governing Council (“Council”), the governing body of New Mexico International School, a public charter school (“School”), met in special session at 8650 Alameda Blvd. NE, Albuquerque, New Mexico on July 9, 2018, at 6:00 p.m.; notice of the meeting was provided by law; and

WHEREAS, the Council has determined that it is necessary and in the School’s best interest to acquire from RM 7201 LLC, the existing buildings, land, and fixtures located at 7201 Montgomery Blvd NE, Albuquerque, New Mexico (“Property”) through a lease agreement with option to purchase arrangement as defined by the New Mexico Public School Lease Purchase Act, NMSA 1978, §§22-26A-1, *et seq.*; and

WHEREAS, The Council has made a determination that as of June 1, 2019, the purchase price for the buildings, land and fixtures is \$5,850,000.00, less a prepayment of \$500,000, for a total of \$5,350,000 at a variable annual interest rate that does not exceed the maximum interest rate allowed pursuant to the Public Securities Act, NMSA 1978, §6-14-1 through 6-14-3, and which the Council deems is fair and reasonable based on the School’s current and projected educational program needs.

WHEREAS, the Council has developed, negotiated and reviewed the draft Lease Purchase Agreement attached hereto as Exhibit A which contains the specific terms and conditions of the lease purchase arrangement and determined the terms and conditions to be acceptable to the Council, if approved by the New Mexico Public Education Department (“Department”).

WHEREAS, the Council will, prior to executing the Lease Purchase Agreement, submit the agreement to the New Mexico Public Education Department (“Department”) for approval, pursuant to the requirements of the Department and the terms of the New Mexico Lease Purchase Act and the Charter Schools Act, NMSA 1978, §22-8B-1, *et seq.*

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WHEREAS, the Council has identified the sources of funds for the lease purchase payments as set forth in Exhibit B to this Resolution;

NOW, THEREFORE, be it resolved by the New Mexico International School Governing Council that:

(1) It is necessary and in the School's best interest to acquire from RM 7201 LLC, the existing buildings, land, and fixtures, and improvements to be made by Seller, located at 7201 Montgomery Blvd NE, Albuquerque, New Mexico through a lease purchase arrangement as defined by the New Mexico Public School Lease Purchase Act, NMSA 1978, §§22-26A-1, *et seq.*;

(2) Upon review of the costs of the buildings, land and fixtures to be acquired, that the purchase price of \$5,850,000.00, at a variable annual interest rate that does not exceed the maximum interest rate allowed pursuant to the Public Securities Act, NMSA 1978, §6-14-1 through 6-14-3, is reasonable and will meet the School's needs;

(3) Having reviewed the terms of the proposed Lease Purchase Agreement, the final terms of the proposed Lease Purchase Agreement are acceptable and in the best interest of the School;

(4) The source of funds to make the payments under the proposed Lease Purchase Agreement have been identified from available funds;

(5) The Governing Council authorizes the School's head administrator, with the support of the Council President, to make all revisions required by the Department or as advised by counsel that do not change the material terms of agreement, take such other necessary steps to finalize the draft Lease Purchase Agreement in consultation with the School's legal counsel, and to deliver all required documents to the Department for consideration and approval; and

(6) The Governing Council shall adopt a final resolution approving the Lease Purchase Agreement and shall enter into the Lease Purchase Agreement, if the required approvals are obtained from the Department and the New Mexico Public School Facilities Authority.

The undersigned Secretary certifies that she is the duly elected Secretary of the Council and that the above is a true and correct statement of the Resolution that was duly adopted at a meeting of the Council, which was held in accordance with State laws and bylaws of the New Mexico International School's Governing Council.

Prior to action, Ed solicited input on this item from public/staff present at the meeting.

Action: Motion to approve the Resolution for New Mexico International School Governing Council to enter into the proposed Lease Purchase Arrangement with RM 7201 LLC and to submit the proposed Lease Purchase Arrangement to the New Mexico Public Education Department for approval made by Maralyn and second by Gary.

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Roll Call Vote called for by GC president:

Ed	Alyssa	Leslie	Luc	Maralyn	Greg	Gary
Yes		Yes		Yes	Yes	Yes

Motion Passes

I. Discussion and Possible Action (Corinne): Approval of BAR's

BAR's	Discussion of BAR	Action Taken
0001-I \$12,272 to special ed	This BAR was to be submitted in FY18, but the school did not receive notice of it until a couple of days prior to the end of FY18. It was impossible to gather a quorum of the GC to consider this BAR in such short notice. As such, the BAR was presented to the GC at the soonest possible special meeting, today being that meeting.	Motion to approve: Greg Second: Leslie Vote results: unanimous Approved

J. Adjournment

Meeting adjourned at 7:04.

Next Governing Council Events:

- 26 July 2018 @ 6:00 pm Regular GC Meeting
- 13 September 2018 @ 6:00 pm Regular GC Meeting

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