

Geneva Area City Board of Education
Special Session – October 25 2018

The Board of Education of the Geneva Area City School District held a special meeting at 7:00 p.m., October 25, 2018, in the Middle School cafetorium. The meeting was called to order by President Brashear.

Roll Call: Present:	Mr. Arndt, Mr. Brashear, Mr. Dana, Ms. Fisher, Mrs. Ortiz, Superintendent Kujala, and Treasurer Lillie
Absent:	None
Visitors & Guests:	Principals Anderson and Wetherholt; A-Tech Superintendent Dr. Jerome Brockway; County Commissioner J.P. Ducro; Harpersfield Twp. Trustee Ray Gruber; Geneva Twp. Trustee and NAD Board Bob Russell; SPIRE Attorney Gary Pasqualone; Attorney David Pontius of Andrew & Pontius; GATA and OAPSE Representative; newspaper reporters and other citizens

Certification by Treasurer of Compliance with Meeting Requirements Rules

The Treasurer reported that we were in compliance with meeting notification rules.

Pledge of Allegiance Mr. Brashear led the Pledge of Allegiance

Hearing of the Public

Mr. Brashear stated that before we get into the business at hand, he wanted to give the public the opportunity to address the Board or make some sort of comment.

Evelyn Schaeffer, 1211 State Route 45, Austinburg, quoted from the May 12, 2017 letter form the Montrose Group to the Superintendent: “The financial requirements on the SPIRE Institute of the Geneva Area School Board are simply too high to permit the institution to operate and compete against other national sports facilities that benefit from a not-for-profit or government tax status.” She wondered if anything changed in SPIRE’s ownership or organizational model. Mrs. Schaeffer quoted from the Valuation of SPIRE Institute by Warzonoff Associates, Inc., commissioned by the County Auditor and delivered in June 2018: “The subject property in all of its capabilities is simply too large and too expensive to operate for the marketplace that it serves. While we cannot rule out bad management as one cause of the inability of the property to produce net operating income, we believe that the lion’s share of the problem

is super-adequacy – too much and too big for the market area the property is able to serve.” She asked if the SPIRE board informed the School Board of any future changes in SPIRE’s ownership or operational model. She said a critical issue during the past year plus of negotiations has been whether our students would be able to continue to use the facilities at SPIRE, particularly the football stadium, which was addressed by insisting on a use agreement at no charge through 2026 as a condition of the PILOT agreement. She wondered if the SPIRE board has presented a feasible plan to keep the facility open and available to our students through 2026.

Mrs. Schaeffer continued that since March 2017, the School Board has continued to strain to reach this PILOT agreement without any objective indications that SPIRE can stay open. She suggested that our students would be better served if the Board had additional revenue in hand to begin planning for whatever additional district-owned athletic facilities necessary to continue providing athletic opportunities for our students. She feels that if the Board continues with the consideration of this resolution tonight, they will be depending on Mr. Clutter to make payments totaling less than what is already owed over a 10-year period, while simultaneously depending on the SPIRE board, which does not own the property or the buildings, to keep a money-losing facility operating so our students can use it. She also wondered if it would be considered reasonable or unreasonable for the Board to withhold consent to reassign this tax break if the new ownership would close the facilities. She suggested that it was unwise to continue any partnership with a failed enterprise.

Mrs. Schaeffer felt there was possibly a third path, since SPIRE has been repeatedly referred to by our leaders as a vital community asset and an engine for economic growth in the region. She quoted again from the Warzonoff Report and from the GaREAT Sports Complex Site Description provided by Mr. Clutter to the Ashtabula County Planning Commission on May 19, 2008, and she said there would be no property tax issue going forward if Mr. Clutter would now give the property and buildings to the non-profit SPIRE Institute and arrange to pay the taxes he owes his community. She wondered if the SPIRE Institute owned everything, would they be more successful at garnering grants and contributions. She also wondered what kind of public contribution our leaders would deem necessary to support a valuable non-profit entity, and would the community agree. She asked if there has been any indication by Mr. Clutter, the SPIRE board, the County Commissioners, or Growth Partnership that there might be a possible way for the community to partner in this asset and save it, should the community be convinced it is worth saving.

Mrs. Schaeffer stated that if she was in the Board’s position, she hoped she would not be continuing the same negotiations from nearly two years ago and expecting different results, negotiations that

were based on the now demonstrated false premise that there are no barriers to SPIRE'S success other than the delinquent tax bill. She felt that as our elected representatives, we cannot afford to be viewed as prioritizing the continued operation of an unsuccessful for-profit facility, one that serves elite NCAA and Olympic athletes, over educating the students of the Geneva Area Schools, and she recommended that the board stop following this path.

SPIRE PILOT
Resolution

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Upon Mr. Kujala's recommendation, Mrs. Ortiz moved, seconded by Mr. Dana, that the Board of Education approve the resolution amending the resolution passed September 19, 2018 disapproving the Agreement pursuant to section 5709.57 of the Ohio Revised Code between the Ashtabula County Board of Commissioners and Roni Lee, LLC and providing conditions under which the Geneva Area City Schools Board of Education would approve such an agreement (see addendum file).

Mr. Brashear said that essentially there has been an awful lot of people, a lot of organizations, a lot of time, a lot of effort, a lot of discussion, and input from private citizens involved in the process, and here we are. We always wanted this to be an open public forum.

Mr. Arndt stated that he doesn't feel comfortable being involved with the SPIRE complex. He personally has never experienced anything good, he's never seen promises kept, and the board doesn't work. We have a Superintendent that has to spend countless hours dealing with the owner of SPIRE. The document before us calls for an annual payment, yet we haven't received a payment for this year that was supposed to be received by the end of September. Nothing has seemed to work right with this whole relationship, he believes it's a private business, and he's not comfortable with it.

Mr. Dana said he had the wonderful opportunity to spend time at the Middle School today for a Junior Achievement event. The topic of discussion with children was what their future choices were going to be as far as careers, and it astonished him how many said they were going to be a pro football star. When he asked how many professional football players this school has produced, the students correctly answered none. Then he asked how many true professionals have we created, such as doctors, lawyers, teachers, and the students answered probably thousands. He said that in addition to spending 19 months on this SPIRE issue, how much time did we spend at our last meeting talking about football in an open setting as if it were the most important thing on earth. During his time on the Board, it astonishes him that the calls he gets are about sports and football, and not about educational issues, and that's shocking. When we talk about community and choices we're making, what's important and what is our mission? He said that we need to have a strategic planning process come into play, and it needs to be done sooner rather

than later. We need to determine priorities. Is it all about football? If SPIRE is not successful, and we hope it will be, how much would it cost to build a new stadium?

Mr. Dana continued that there's no question we have concerns about SPIRE. We're in a tough spot here. If we say we're not going to play our football games there, then we have to spend millions of dollars building a new stadium. He'd like to have further conversation with the community about that before we spend those funds or seek those funds through a levy or a bond issue. This is the best we can do. With respect to what we previously adopted last month, there are some changes that have been made to clear up some language about what happens if someone claims there is a default and utilizing binding arbitration. He intends to vote on it knowing that it's not perfect, but it's the best we can do under the circumstances, and we have to have a serious conversation with our community about where we're going forward and what are our priorities.

Mrs. Ortiz said that while it is not a perfect relationship, it is a place for our community to utilize, and unfortunately, we don't appreciate it to the degree that we should. Who else in our community would have spent \$60 million to build that facility? Although it isn't perfect, it will definitely keep the kids in a sports facility at their home location hopefully a little bit longer until the community can come together and decide that we need our own complex on our own property.

Ms. Fisher said that as far as she is concerned, football can come and go. She has a son who was an athletic trainer, and he has dealt with the results of football. She has friends and associates who have dealt with the long-term results of football. However, in our society, football is a major selling point for colleges and scholarships and all sorts of future possibilities for these kids. There are scholarships available in other sports associated with high school athletics, and as long as that is an effective factor to put kids through college, we're going to have to continue with sports issues and try to make them as safe as possible.

Mr. Brashear said the time has come where there's been enough discussion, so let's take a vote. Roll Call: YES: Brashear, Dana, Fisher, and Ortiz. NO: Arndt Motion carried.

Adjournment

Mrs. Ortiz moved, seconded by Mr. Dana, to adjourn the session at 7:26 p.m. Roll Call: YES: Brashear, Dana, Fisher, Ortiz and Arndt. Motion carried.

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The foregoing is a true and accurate record of the minutes and proceedings of the special meeting held by the Board of Education of the Geneva Area City School District on October 25, 2018.