

Mrs. Gwin stated that public school laws allow the formation of school systems and she asked how Hoover could be denied the right to form its own school system. The board's attorney explained that under state law Hoover is entitled to form a separate school system, but it is subject to approval of Federal Judge Sam Pointer in regards to the Linda Stout case and subject to the pending federal litigation in regards to the Dillard (redistricting) case involving the voting rights act.

President Hicks voiced his opposition to the agreement including the personnel matter as well as the inclusion of the unnecessary "giving away" of Berry and Rocky Ridge worth approximately \$12 million. He reminded the board that at a meeting on February 22, 1988, it voted unanimously to oppose the annexations of Berry and Rocky Ridge by the City of Hoover. President Hicks reported that it was his understanding after talking with a financial management organization that the board could retain ownership of Berry and Rocky Ridge and lease those two pieces of property at an annual income of \$1.2 million. He noted that this would provide the board with the revenue needed to build new auditoriums or fine arts facilities or classrooms.

Dr. Walsh pointed out that the board filed suit against the City of Hoover due to the way the annexations of Berry and Rocky Ridge were done, without discussions or negotiations with the board. He pointed out that the vast majority of the students who will attend Berry and Rocky Ridge reside within the city limits of Hoover and the agreement has given consideration to what is in the best interest of all students whether they be County or Hoover. Dr. Walsh explained that as long as the residents of Hoover were a part of the Jefferson County school system their taxes were used to fund building projects, etc., in all areas of the County.

President Hicks suggested that the board entertain the idea of leasing or loaning Berry and Rocky Ridge properties possibly to the Hoover City Board of Education until the courts have determined if the annexations were or were not legal.

The superintendent explained that the code states that a board of education holds in trust certain assets for students and when another school system takes those students, those assets go with them. He pointed out that Berry High School was built for the students in that school zone which are now a part of Hoover and the building, as an asset, goes with the students. The superintendent reiterated that the agreement is subject to approval by the courts.

Mrs. Buckelew pointed out that the board is not "giving" anything away, it is relinquishing control to the Hoover City Board of Education. She noted that it would not be fair for one student to profit at another student's expense.

Mrs. Gwin reported that after having reviewed the agreement and consulted the code, Hoover has the right to form its own school system and the employees and buildings go with the new system. She voiced her agreement with the superintendent that the buildings are held in trust for the students and the employees are protected in that they will continue employment with the Hoover school system.

Upon request for a roll call vote on the motion to accept the Agreement and Understanding Between the Jefferson County Board of Education and the Hoover City Board of Education, the vote was: AYES: Mrs. Buckelew, Mrs. Gwin, Mrs. Smith, and Dr. Walsh. NAYS: Mr. Hicks. ABSTENTIONS: None.

AGREEMENT AND UNDERSTANDING
BETWEEN
THE JEFFERSON COUNTY BOARD OF EDUCATION
AND
THE HOOVER CITY BOARD OF EDUCATION

This Agreement, made and entered into on the date affixed hereto, by and between the Jefferson County Board of Education (hereinafter referred to as "Jefferson County") and the Hoover City Board of Education (hereinafter referred to as "Hoover"):

RECITALS

WHEREAS, the laws of Alabama authorize and enable a municipality with 5,000 or more inhabitants to form a municipal school system and a city board of education in accordance with §16-11-1, et seq., Code of Alabama (1975);

WHEREAS, the laws of Alabama vest in the city board of education all powers necessary or proper for the administration and management of the public schools within such city and territory adjacent to the city which has been annexed as a part of the school district as set forth in §16-11-9;

WHEREAS, the laws of Alabama authorize the county board affected by the formation of a city board or by the annexation of territory in the county to enter an agreement with reference to the matters of existing indebtedness and the provision of educational facilities and programs for the children in the involved territory;

WHEREAS, on October 5, 1987, the City of Hoover formed a municipal school system in accordance with §16-11-1, et seq.;

WHEREAS, Jefferson County has provided a public education for students in that part of Hoover within Jefferson County;

WHEREAS, the city limits of Hoover embrace residents of Jefferson County whose children will be within the attendance zones for the Hoover school system;

WHEREAS, students living in the Jefferson County portion of Hoover (as distinguished from the Shelby County portion of Hoover) have been zoned to attend Jefferson County schools in the past;

WHEREAS, Jefferson County has operated, maintained, and equipped schools within the Hoover city limits, and employed personnel to work at such schools;

WHEREAS, Jefferson County and Hoover desire to facilitate the transfer to and assumption by Hoover of educational functions and responsibilities for school-aged residents of the City of Hoover;

May 27, 1988

WHEREAS, Jefferson County and Hoover seek to assure that students enrolled in school in their respective districts shall be able to continue their education with minimum distraction and interruption;

WHEREAS, Jefferson County and Hoover seek to institute procedures and implement agreements that will protect the present and future interests of students and residents of Jefferson County and Hoover, the schools and property held in trust by Jefferson County in accordance with §16-8-12, and the affected employees;

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants and promises set forth in this Agreement, have mutually covenanted and agreed, and do hereby mutually covenant and agree for themselves and their successors, as follows:

1. Definitions: The following terms and phrases will be used and understood as defined or explained hereafter:

(a) Attendance Zones: Except as otherwise provided herein, attendance zones and eligibility for attendance in such zones shall be determined with reference to city limits, county boundaries, and federal court orders affecting attendance zones in Jefferson County.

(b) Hoover Schools: Hoover schools shall refer to the following schools: Berry High; Bluff Park Elementary; Green Valley Elementary; Gwin Elementary; Rocky Ridge Elementary; Shades Mountain Elementary; and Simmons Junior High School (hereinafter referred to collectively as "Hoover schools").

(c) Applicable Laws: The obligations and responsibilities stated and assumed herein by Jefferson County and Hoover shall be undertaken and discharged in compliance with and in deference to state and federal laws.

(d) Hoover Students: Hoover students are students residing within that portion of the city of Hoover that lies within Jefferson County.

(e) Jefferson County Students: Jefferson County students are students residing in Jefferson County but outside the city limits of Hoover.

2. Student Attendance: Jefferson County and Hoover agree that, except as explained hereinafter, students may continue to attend the school and/or school district in which they were enrolled for the 1987-88 school year until graduation without imposition of tuition or fees not imposed on resident students. Students in the Rocky Ridge or Berry attendance zones, as explained hereinafter, who elect to return to a school in their resident district must remain in that district. Jefferson County and Hoover agree to release to the non-resident district all state funds generated by non-resident students.

(a) Rocky Ridge Attendance Zone: The Rocky Ridge attendance zone, as established by federal court order for the 1987-88 school year, includes areas within the Hoover city limits and areas beyond the Hoover city limits. Students residing now in the Jefferson County portion of the Rocky Ridge attendance zone (i.e., beyond Hoover city limits) or who became residents therein and are enrolled before or during (but no later than the end of) the 1991-92 school year shall be eligible to attend Rocky Ridge Elementary School through the highest grade level at the school. The present grade configuration is K-6, but Hoover reserves the right to alter this configuration to K-5, provided, however, that Jefferson County students enrolled in the sixth grade through the 1990-91 school year shall be housed either at Rocky Ridge or another Hoover school. When these Jefferson County students complete the highest grade level at Rocky Ridge Elementary School, or the sixth grade at that school designated by Hoover to assume the sixth-grade students at Rocky Ridge, they shall attend county schools designated by Jefferson County.

(b) Berry Attendance Zone: Jefferson County students who reside in the Berry attendance zone (as established by federal court order) or become residents of said zone and who are enrolled in Hoover schools before or during the 1990-91 school year shall attend Hoover schools until graduation from high school or other departure from the school system. Caveat: Rocky Ridge students are not within the Berry attendance zone. (See numbered paragraph 2 [a] above).

(c) Hoover Students: Hoover students shall be allowed to enroll at the Shades Valley High School Annex Resource Learning Center (RLC) or its successor school through the 1990-91 school year. Students who are enrolled at the RLC during the 1990-91 school year shall be permitted to remain until graduation from high school. Jefferson County agrees to provide vocational education services to Hoover students at the E. H. Gilmore Western Area Vocational School through the 1990-91 school year. Said students may remain until graduation. Hoover shall assume the excess cost associated with the education of any handicapped Hoover student in the vocational education program at the E. H. Gilmore Western Area Vocational School beyond the cost of basic vocational education programs. Hoover shall assume responsibility for educating handicapped Hoover students presently attending the Hueytown Multi-Handicapped Center. The equipment utilized by these Hoover students shall be transferred to Hoover.

(d) Out-of-District Tuition: Jefferson County and Hoover agree that neither system will assess tuition or impose other fees on students attending either system under the provisions of this Agreement which costs are not assessed resident students.

(e) Interdistrict Attendance Agreement: Jefferson County and Hoover reserve the right to enter into an interdistrict attendance agreement regarding release, transfer, and acceptance of students not otherwise covered by the provisions stated herein. In such cases, the receiving board reserves the right to impose tuition at its discretion.

(f) Federal Court Orders: All provisions and agreements herein regarding student attendance must yield to and be consistent with federal court orders respecting such matters.

3. Conveyance of School Facilities and other Property; Assumption of Existing Bonded Indebtedness:

(a) Real Property: Jefferson County will convey to Hoover on June 6, 1988, all of its right, title, and interest in and to the schools named hereafter and real estate upon which same are located, subject to the assumption by Hoover of bonded indebtedness allocable to these schools (Hoover's first payment on which is due February 1, 1989), this conveyance to be without warranty of any kind, express or implied:

1. Berry High School
2. Bluff Park Elementary School
3. Green Valley Elementary School
4. Gwin Elementary School
5. Rocky Ridge Elementary School
6. Shades Mountain Elementary School
7. Simmons Junior High School

(b) Materials, Equipment, and Supplies; Personalty: All portable classrooms, furniture, equipment, materials and supplies designated for use in or on the above-named schools or school sites shall remain with or on said schools or school sites and shall become the property of Hoover. Hoover shall assume all other existing indebtedness and obligations associated with the operation of the schools and property transferred under this Agreement (e.g., equipment leases, service contracts, school loans).

(c) Assumption of Existing Bonded Indebtedness: In accordance with §16-8-20, Hoover shall assume and be responsible for the existing bonded indebtedness on Hoover schools transferred pursuant to this Agreement. Appendix A attached hereto sets forth the amount of debt for each school which Hoover shall and does hereby assume and the schedule for such payments.

4. Maintenance, Management, and Operation of Schools: Jefferson County agrees to maintain, manage, and operate the Hoover Schools from the date hereof to June 6, 1988 in a manner equivalent to Jefferson County's prior management of the premises.

5. Transportation Equipment (Vehicles): Jefferson County shall assign, transfer, or convey to Hoover without charge the vehicles described in Appendix B attached hereto. Jefferson County shall maintain said vehicles in operational condition until transfer on June 6, 1988.

6. Condition of Premises and Property Conveyed: It is understood and agreed, except as otherwise specifically provided herein, that all schools and property of any kind transferred under this Agreement shall be conveyed in an "as is" condition as of the date of transfer, and that Jefferson County assumes no obligation whatsoever to repair or to maintain property and disclaims any and all warranties of any kind, express or implied, with regard to the condition or fitness of said property (real or personal) for its intended purpose or any other purpose.

7. Risk of Loss: Jefferson County agrees to maintain property insurance coverage in force on all property to be transferred under the terms of this Agreement to date of closing (June 6, 1988). In the event of an insured loss occurring prior to the date of closing, Jefferson County shall transfer or assign any insurance proceeds allocable to the loss to Hoover. Subject to the foregoing provision, Hoover assumes the risk of any loss occurring prior to closing (June 6, 1988).

8. (a) Personnel: Hoover shall employ in positions comparable to those held in the 1987-88 school year all regular certificated and classified Jefferson County employees who worked exclusively at the Hoover schools through the end of the 1987-88 school year and whose contract was not terminated or non-renewed by Jefferson County at the end of the 1987-88 school year; provided, however, that nothing herein shall be construed to extend the right of the Jefferson County Board of Education to exercise personnel management prerogatives regarding Hoover employees beyond the date of transfer (June 6, 1988), or otherwise restrict in any manner the exercise of personnel management prerogatives on the part of Hoover as are enjoyed and exercised by boards of education under Alabama law. A list of said employees is attached hereto as Appendix C and made a part hereof. Hoover agrees to provide job information (salary and benefits schedule), Appendix D attached hereto and incorporated herein, and assurances to the affected employees that they will have employment with Hoover. Jefferson County shall have no obligation to secure or provide employment for or to affected employees.

(b) Interim Salaries and Benefits: Jefferson County shall pay salaries (based on its 1987-88 salary schedule), attendant benefits, and appropriate community school supplements through September 30, 1988, to or for those employees specified in Appendix C who became Hoover employees; provided, however, that Hoover agrees to pay any and all salaries, benefits, and supplements, or portions thereof, the funding source of which has heretofore been community school, local school, or child nutrition funds, or some fund other than the general fund of Jefferson County. On or before July 1, 1988, Jefferson County shall settle unused personal leave with all twelve-month employees who became Hoover employees. Hoover shall have no responsibility or liability for benefits earned or accrued by Hoover employees during their employment with Jefferson County (e.g., deferred compensation program, earned vacation leave).

9. Taxes; Transfer of Funds; Miscellaneous Financial Matters:

(a) District Ad Valorem Taxes: All Jefferson County ad valorem taxes to which municipal school systems in Jefferson County are entitled shall be allocated and distributed to Hoover in the same manner and on the same basis as such taxes are distributed to other similarly situated municipal school systems in Jefferson County beginning October 1, 1988.

(b) Local School, Community Education, Child Nutrition, Business Office Education Funds: Jefferson County agrees that local, community education, child nutrition, and business office education fund balances shall remain with individual Hoover schools or be transferred to Hoover at the earliest practicable date, subject to provisions relating to the payment of salaries in numbered paragraph 8 (b) above.

(c) Utility Payments: Jefferson County shall be responsible for payment of utility bills (telephone, electricity, water, natural gas) for utility services rendered to Hoover schools through June 30, 1988.

(d) Allotments: All allotments (e.g., state funds in lieu of fees, janitorial and supply allotments) allocated to Hoover schools shall remain in place through September 30, 1988.

(e) Insurance: Jefferson County shall have no obligation to provide insurance coverage of any kind beyond the date of transfer, but shall lend reasonable assistance and cooperation to Hoover in obtaining desired insurance coverage.

May 27, 1988

10. Summer School: Hoover students shall be allowed by Jefferson County to attend summer school programs for the summer of 1988. Hoover students shall be responsible for paying fees equal to those assessed Jefferson County students.

11. Mutual Cooperation: Jefferson County and Hoover agree to cooperate in all matters required to implement the terms of this Agreement. Jefferson County agrees to dismiss with prejudice any lawsuits pending against the City of Hoover upon closing (transfer).

12. Compliance with State and Federal Law: Jefferson County and Hoover acknowledge and agree that this Agreement has been designed to conform to the laws of Alabama and the United States of America.

13. Entire Agreement: This Agreement contains the entire understanding and agreement of the parties upon the subject matters stated herein. This Agreement may not be modified or amended except by written agreement signed by both parties or upon order of the court.

14. Binding Effect: The terms, provisions, and conditions stated herein shall extend to, be binding upon, and inure to the benefit of the parties hereto and their successors.

IN WITNESS WHEREOF, this Agreement is executed in counterparts, each copy for all purposes to be deemed an original, the day and year written below.

Date: May 27, 1988

JEFFERSON COUNTY BOARD OF EDUCATION

/s/ Jim R. Hicks
PRESIDENT

/s/ Mary M. Buckelew
BOARD MEMBER

/s/ Harriette W. Gwin
BOARD MEMBER

/s/ Kevin Walsh
BOARD MEMBER

/s/ Jacqueline A. Smith
BOARD MEMBER

ATTEST: /s/ William E. Burkett
SECRETARY

Recorded in Board Minutes at p. 191, Book 26.

Date: May 27, 1988

HOOVER CITY BOARD OF EDUCATION

/s/ Harold E. Shepherd
PRESIDENT

/s/ Paul N. Doran
BOARD MEMBER

/s/ Morrissey Marich
BOARD MEMBER

/s/ Martha G. Stone
BOARD MEMBER

/s/ Charles E. Hickman
BOARD MEMBER

ATTEST: /s/ C. Robert Mitchell
SECRETARY

Recorded in Board Minutes at p. _____