

March 13, 1969
Schools, Pass 3-25
Higher Education 4-23, Pass 5-5

HOUSE FILE 535

By BAKER

Passed House, Date 4-19-69 Passed Senate, Date 5-6-69
Vote: Ayes 92 Nays 1 Vote: Ayes 38 Nays 0
Approved 5-14-69

A BILL FOR

1 An Act to legalize and validate the proceedings of the Board
2 of Directors of Area Community College Merged Area (Educa-
3 tion) XI and the Board of Directors of the Boone Community
4 School District, in regard to the leasing and transfer of
5 the Boone Junior College facilities for an extended term,
6 and to authorize and direct said Boards of Directors to
7 execute such Lease Agreement and to constitute it a valid
8 and binding contractual obligation of the respective School
9 Districts.

10 WHEREAS, the Board of Directors of Area Community College
11 Merged Area (Education) XI in the Counties of Boone, Dallas,
12 Jasper, Madison, Marion, Polk, Story and Warren, State of Iowa,
13 with the exclusion of the Bayard Community School District,
14 State of Iowa, herein referred to as "Area XI", and the Board
15 of Directors of the Boone Community School District hereinafter
16 referred to as "Boone School", did on the 27th day of March,
17 1968 enter into an agreement whereby Area XI would operate the
18 Boone School's Junior College for a period of one (1) year,
19 pursuant to Section 280A.26, Iowa Code 1966, and

20 WHEREAS, the agreement provided that both Boards planned
21 toward a transfer of ownership and operation of the Boone Junior
22 College at the beginning of the school year following completion
23 of the new Junior College facilities, and that a committee com-
24 posed of members of both Boards would work out the financial
25 details of the transfer of the facilities, and

1 WHEREAS, pursuant to said provision the Boards of Directors
 2 did come to a meeting of the minds that said provision would
 3 be complied with by Area XI entering into a written agreement
 4 with the Boone School to lease the Boone School's Junior Col-
 5 lege facilities for a period of eighteen years commencing July
 6 1, 1969 with annual rental payments to be in the following
 7 amounts:

8	\$77,587.91,	\$76,087.91,	\$74,587.91,
9	\$73,200.41,	\$86,865.41,	\$85,470.41,
10	\$88,997.91,	\$87,447.91,	\$85,897.97,
11	\$67,656.25,	\$66,056.25,	\$69,376.25,
12	\$72,521.25,	\$75,473.75,	\$73,328.75,
13	\$76,075.00,	\$73,712.50,	\$76,265.63,

14 and with a provision that at the expiration of the lease term
 15 the Boone School Board of Directors would transfer ownership
 16 of the Junior College facility to Area XI, and

17 WHEREAS, the Boone School acted in reliance upon the pro-
 18 vision contained in the agreement of March 27, 1968, and the
 19 meeting of the minds of the two Boards in regard to the manner
 20 of giving effect to said provision, and

21 WHEREAS, prior to formal execution of the Lease Agreement,
 22 doubts arose concerning the validity of said agreement and the
 23 authority of the respective Boards to enter into such an agree-
 24 ment, and it is deemed advisable to put such doubts to rest,
 25 and to confirm the actions of the Boards and authorize them to
 26 enter into such Lease Agreement; NOW THEREFORE,

27 *Be It Enacted by the General Assembly of the State of Iowa:*

28 Section 1. All proceedings and actions of the Area XI
 29 Board of Directors and Boone School Board of Directors in re-
 30 gard to the leasing of the Boone School's Junior College for
 31 an eighteen (18) year term, for the agreed upon annual rental
 32 payments, with the provision that the Boone School Board trans-
 33 fer ownership of said Junior College to the Area XI Board at
 34 the expiration of the lease term, are hereby ratified, con-
 35 firmed, legalized and validated and the Boards are authorized

1 and directed to execute such Lease Agreement which shall there-
2 after constitute a valid and binding contractual obligation of
3 the respective districts.

4 Section 2. This Act being deemed of immediate importance
5 shall be in full force and effect from and after its publica-
6 tion in, a newspaper published at
7, Iowa, and in,
8 a newspaper published at, Iowa, all with-
9 out expense to the State of Iowa.

10 Approved, 1969.

EXPLANATION OF HOUSE FILE 535

The institution known as Boone Junior College was opened to classes in the fall of 1927 and has operated continuously in the Community of Boone for forty-two years under the control of the Boone Community School District.

In 1965 the 61st General Assembly enacted into law Senate File 550 which is now known as Chapter 280A, 1966 Code of Iowa. This law established the concept of, and provided the organizational procedures for forming, Area vocational schools or Area Community Colleges.

The County Boards of Education of Boone, Dallas, Jasper, Madison, Marion, Polk, Story and Warren Counties, State of Iowa, with the exclusion of the Bayard Community School District, State of Iowa, by joint action formulated the merged area now known and referred to as Merged Area XI Community College. In said plan of organization which was approved by the State Board of Public Instruction it was stated that "it is expected that the Boone Junior College will become an integral part of the area educational system and will serve as an attendance center."

Prior to the Acts of the 61st General Assembly, the Board of Education of Boone Community School District had initiated plans for the construction of new facilities for the Boone Junior College because the old facilities (which had been abandoned as an elementary school in 1954) were woefully inadequate and badly overcrowded with the increasing enrollments. With the wholehearted support of the then executive director of the Higher Education Facilities Commission of the State of Iowa application was made and approval granted for a Federal grant of \$625,472 to be used for said construction.

The electors of the Boone Community School District then approved a bond issue of \$925,000 to also be used for said construction, and in addition the Board of Education of Boone Community School District pledged an amount not to exceed \$150,000 from the 2½ Mill Schoolhouse Fund for said construction. The facility has now been completed and is occupied and being used for college classes, including a rather extensive adult program.

The specified annual rental payments in the proposed legalizing Act represent only the amounts necessary to pay off the annual principal and

interest payments on the \$925,000 bonded indebtedness and the reimbursement of the funds used from the 2½ mill Schoolhouse Fund, both referred to above. The Federal grant of \$625,472 would be passed to Area XI without any cost to said Area.

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- 1 Amend House File 535 by striking all of section two (2) and
 - 2 inserting in lieu thereof the following:
 - 3 Sec. 2. This Act being deemed of immediate importance shall
 - 4 be in full force and effect from and after its publication in
 - 5 The Boone News Republican, a newspaper published at Boone, Iowa,
 - 6 and in the Evening Sentinel, a newspaper published at Shenandoah,
 - 7 Iowa, all without expense to the State of Iowa.

Filed - *adopted 4-19*
March 27, 1969

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