

**MINUTES OF THE REGULAR MEETING OF THE SCHOOL BOARD
INDEPENDENT SCHOOL DISTRICT 271
Bloomington, Minnesota**

January 23, 2017

- I. ROLL CALL Pursuant to due call and notice thereof, and there being a quorum present, the School Board of Independent School District 271, was called to order by Chair Ric Oliva at 7:00 p.m. on January 23, 2017, in the Arlene Bush Board Room at the Educational Services Center, 1350 West 106th Street, Bloomington, Minnesota.
- Members Present Ric Oliva, Chair; Tom Bennett, Vice Chair; Nelly Korman, Clerk; Jim Sorum, Treasurer; Maureen Bartolotta, Dick Bergstrom and Dawn Steigauf. Student Representatives: Allie Andersen and Ethan Skophammer.
- Administration Present Les Fujitake, Eric Melbye, Rod Zivkovich, Rick Kaufman, and Tamra Sieve.
- Attorney Present David Holman.
- II. PLEDGE OF ALLEGIANCE Recited.
- Maureen Bartolotta moved, Dick Bergstrom seconded, to establish a Closed Session upon the conclusion of tonight's meeting. The meeting will be closed as permitted by section 13D.03 to discuss the District's labor negotiation strategy related to the District's negotiations with all bargaining groups. Motion carried unanimously.
- III. APPROVAL OF THE AGENDA Dick Bergstrom moved, Maureen Bartolotta seconded, to approve the agenda. Motion carried unanimously.
- IV. RECOGNITION OF STUDENTS/ STAFF/PUBLIC The Minnesota School Boards Association Leadership Conference was held January 12-13. As part of the conference, there was a Recognition Luncheon at which MSBA presented its annual awards. Tom Bennett and Jim Sorum each received the Directors Award for 2016-2017. This award recognizes members who have completed 100 or more hours of attendance at MSBA sponsored meetings and activities over a four-year period.
- MSBA Director Awards
- School Board Student Representative Reports Ethan Skophammer reported on Kennedy activities: Nominations now open for Senior Achievement Awards, an Open House for Bloomington Career & College Academy is on 1/24, RIG is participating in a competition this weekend, theater will be performing a one-act play—The Lottery, the Board Student Advisory Council meeting of high school representatives was held tonight—discussion topic was classroom size, affects of higher class size, and possible solutions.
- Allie Andersen highlighted a variety of activities going on at Jefferson: National Honor Society variety show, JAG Corps benefit dinner, JAG Corps Men's Pageant, Sadie Hawkins dance, blood drive, Bandcake Breakfast, Jefferson vs. Edina in Basketball at Target Center, Career Day, Science Olympiad, AAA Award winner, and Math teacher Scott Cater received the TIES Exceptional teacher award.

V. PART A

1. *Board Business*

Minutes

a. Minutes of the Organizational Meeting of the School Board on January 9, 2017.

Personnel Items

b. Licensed Personnel: Leave of Absence, Change of Status.
Independent Personnel: Employment.
Classified Personnel: Termination, Retirement, Resignations, Employments, Changes of Status.

2. *Field Trips Approval* RESOLVED, that the School Board of Independent School District 271 approves field trips per the attached list (on file).

3. *Grants*

Education Foundation of Bloomington

RESOLVED, that the School Board of Independent School District 271 accepts \$37,000 in grants from the Education Foundation of Bloomington to be used for selected educational projects.

4. *Contracts/Agreements*

BEC TV

a. RESOLVED, that the School Board of Independent School District 271 approves the agreement between the City of Bloomington and Independent School District 271 to participate in the promotion and development of Educational Access programming (BEC-TV) on the Bloomington cable television system.

Older Adult Fitness

b. RESOLVED, that the School Board of Independent School District 271 approves the renewal Agreement between the City of Bloomington and Independent School District 271 – Older Adult Fitness Programs. The term of the agreement is January 1, 2017 through December 31, 2018.

American National Red Cross

c. RESOLVED, that the School Board of Independent School District 271 approves the Licensed Training Provider Agreement between the American National Red Cross and Independent School District 271 in order to permit Red Cross certified instructors to teach Red Cross training courses.

Water's Edge Counseling

d. RESOLVED, that the School Board of Independent School District 271 approves the agreement with Water's Edge Counseling & Healing Center to provide services at Jefferson High School and Olson Middle School between the dates of January 25, 2017 through June 10, 2017.

5. *Finance*

Donations

a. RESOLVED, that the School Board of Independent School District 271 accepts donations, as indicated in the background, in the amount of \$30,502.53.

Finance Reports

b. Statement of Revenues and Statement of Expenditures for the month of November 2016.

Receipts/ &

Disbursements

c. Receipts and Disbursements as submitted for the months of November and December 2016.

Dick Bergstrom moved, Maureen Bartolotta seconded, to approve Part A items in accordance with all of the written material submitted to the School Board. Motion carried unanimously.

VI. PART B
Intent to Issue
Bonds 2017A
for Alt Facility
Projects

Dick Bergstrom moved, Tom Bennett seconded, that the School Board of Independent School District 271 hereby finds and declares that it is necessary and expedient for Independent School District 271 (the "District") to issue its fully registered general obligation alternative facilities bonds (the "Bonds") pursuant to Minnesota Statutes, Section 123B.59, subdivision 3 and Chapter 475, as amended, to fund a portion of the costs of the following projects, as included in its ten-year facility plan approved by the School Board and the Commissioner of Education, and related financing costs:

- Miscellaneous deferred maintenance projects at various District facilities as included in the District's approved ten-year facility plan.

The Bonds would be issued in the total aggregate principal amount of not to exceed \$24,720,000. The District will conform to all aspects of the attached Extract of Meeting Minutes and Exhibit A (on file). Motion carried unanimously.

BOND SALE GUIDELINES

- 1) **Sale.** The District has retained Ehlers & Associates, Inc. (Ehlers) in Roseville, Minnesota, as its independent financial advisor for the Bonds. Ehlers is authorized to solicit proposals in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9). If the issuance of the Bonds is approved, the School Board shall meet at the time and place specified in the Official Statement to receive and consider proposals for the purchase of the Bonds.
- 2) **Official Statement; Tabulation of Proposals.** Ehlers is authorized to prepare and distribute an Official Statement and to open, read and tabulate the proposals for presentation to the School Board.
- 3) **Minnesota School District Credit Enhancement Program.** (a) The District hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the Bond Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Bond Registrar for the Bonds is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Bond Registrar. The District understands that as a result of its covenant to be bound by the provisions of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding. b) The District further covenants to comply with all procedures now or hereafter established by the Departments of Finance and Education of the State of Minnesota pursuant to Minnesota Statutes, Section 126C.55, subdivision 2(c) and otherwise to take such actions as necessary to comply with that section. The chair, clerk, superintendent or business manager is authorized to execute any applicable Minnesota Department of Education forms.

Background—In 2012, the District provided the School Board with options to address the District's preferred maintenance needs. The School Board approved at their December 10, 2012 meeting a \$15 million a year Alternative Facility Plan to address stated needs. Administration, working with our financial consultant (Ehlers), determined the best way to fund these projects was through a combination of pay-as-you go levy and Alternative Facility Bonds. The financing plan is to sell bonds every other year for ten years. This will help the District fund two years of projects without incurring issuance cost each year. This is the second Bond Issue under this plan. The District and our financial advisor will review our option biannually.

RESOLUTION STATING THE INTENTION OF THE SCHOOL BOARD TO ISSUE GENERAL OBLIGATION BONDS TO FINANCE PROJECTS INCLUDED IN THE DISTRICT'S APPROVED TEN-YEAR FACILITY PLAN; COVENANTING AND OBLIGATING THE DISTRICT TO BE BOUND BY AND TO USE THE PROVISIONS OF MINNESOTA STATUTES, SECTION 126C.55 TO GUARANTEE THE PAYMENT OF THE PRINCIPAL AND INTEREST ON THE BONDS

BE IT RESOLVED by the School Board of Independent School District No. 271, State of Minnesota, as follows:

1. The Board hereby finds and declares that it is necessary and expedient for Independent School District No. 271 (the "District") to issue its fully registered general obligation facilities maintenance bonds (the "Bonds") pursuant to Minnesota Statutes, Section 123B.595, subdivision 5 and Chapter 475, as amended, to fund the costs of the following projects included in its approved ten-year facility plan and related financing costs:

- miscellaneous deferred maintenance projects at various school district facilities included in the District's ten-year facility plan approved by the Commissioner of Education

The Bonds would be issued in the total aggregate principal amount of not to exceed \$24,720,000. The issuance of the Bonds is hereby authorized.

2. The ten-year facility plan approved by the Board is incorporated in this resolution as though fully specified herein. The administration is authorized and directed to submit to the Commissioner such additional information as may be necessary to secure the approval of the Commissioner for the ten-year facility plan and this bond issuance, as required by Minnesota Statutes, Section 123B.595. The submission of a proposed plan and a request for approval prior to the date of this resolution is ratified and approved in all respects.

3. The District further covenants to comply with all procedures now or hereafter established by the Minnesota Department of Education pursuant to Minnesota Statutes, Section 123B.595 and otherwise to take such actions as necessary to comply with that statute. The chair, clerk, superintendent or business manager is authorized to execute any applicable Minnesota Department of Education forms.

4. The clerk is hereby authorized and directed to cause a notice substantially in the form of the Notice attached hereto as EXHIBIT A and incorporated herein by reference to be published as a legal notice one (1) time in the official newspaper of the District as soon as reasonably practicable after the date of adoption of this resolution, but at least twenty (20) days before the earliest of the solicitation of bids, the issuance of bonds or the final certification of levies. Any publication of said notice prior to the date of adoption of this resolution is hereby ratified and approved in all respects.

5. The Board, having been advised by Ehlers & Associates, Inc., its independent municipal advisor, hereby determines that the Bonds shall be privately sold after receipt of written proposals, as authorized pursuant to Minnesota Statutes, Section 475.60, Subdivision 2, as amended.

6. If the issuance of the Bonds is approved, the Board shall meet at the time and place specified in the Official Statement to receive and consider proposals for the purchase of the Bonds. The terms and provisions specified in the Official Statement are hereby adopted as the terms and conditions of the Bonds and of the sale thereof, and shall be made available to all prospective purchasers of the Bonds. Ehlers & Associates, Inc., is authorized to prepare an Official Statement and to open, read and tabulate the proposals for presentation to the Board.

7. (a) The District hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the Bond Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Bond Registrar for the Bonds is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Bond Registrar. The District understands that as a result of its covenant to be bound by the provisions of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

(b) The District further covenants to comply with all procedures now or hereafter established by the Departments of Management and Budget and Education of the State of Minnesota pursuant to Minnesota Statutes, Section 126C.55, subdivision 2(c) and otherwise to take such actions as necessary to comply with that section. The chair, clerk, superintendent or business manager is authorized to execute any applicable Minnesota Department of Education forms.

Intent to Issue
Refunding Taxable
OPEB Bonds,
Series 2017B
to Refund Taxable
OPEB Bonds 2009A

Jim Sorum moved, Dick Bergstrom seconded, that the School Board of Independent School District 271 has determined that it is necessary and expedient to issue General Obligation taxable OPEB Bonds, Series 2017B, to refund certain maturities of the District's \$12,585,000 Bonds, Series 2009A.

The sale of bonds will be conducted in accordance with the Bond Sale Guidelines attached. Motion carried unanimously.

The primary reason for this refunding is to reduce our annual school debt service levy beginning in Pay 18.

BOND SALE GUIDELINES

- 1) **Sale.** The District has retained Ehlers & Associates, Inc. (Ehlers) in Roseville, Minnesota, as its independent financial advisor for the Bonds. Ehlers is authorized to solicit proposals in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9). If the issuance of the Bonds is approved, the School Board shall meet at the time and place specified in the Official Statement to receive and consider proposals for the purchase of the Bonds.
- 2) **Official Statement; Negotiation of Sale.** Ehlers is authorized to prepare and distribute an Official Statement and to open, read and tabulate the proposals for presentation to the School Board.
- 3) **Minnesota School District Credit Enhancement Program.** (a) The District hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the Bond Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Bond Registrar for the Bonds is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Bond Registrar. The District understands that as a result of its covenant to be bound by the provisions of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding. (b) The District further covenants to comply with all procedures now or hereafter established by the Departments of Finance and Education of the State of Minnesota pursuant to Minnesota Statutes, Section 126C.55, subdivision 2(c) and otherwise to take such actions as necessary to comply with that section. The chair, clerk, superintendent or business manager is authorized to execute any applicable Minnesota Department of Education forms.

RESOLUTION PROVIDING FOR THE SALE OF GENERAL OBLIGATION TAXABLE OPEB REFUNDING BONDS, SERIES 2017B; AND COVENANTING AND OBLIGATING THE DISTRICT TO BE BOUND BY AND TO USE THE PROVISIONS OF MINNESOTA STATUTES, SECTION 126C.55 TO GUARANTEE THE PAYMENT OF THE PRINCIPAL AND INTEREST ON THESE BONDS

BE IT RESOLVED by the School Board of Independent School District No. 271 (Bloomington), Minnesota, as follows:

1. **Bond Authorization.** The School Board has determined that it is necessary and expedient to issue \$ 12,585,000 General Obligation Taxable OPEB Refunding Bonds, Series 2017B.

2. Sale. The District has retained Ehlers & Associates, Inc. (Ehlers) in Roseville, Minnesota, as its independent municipal advisor for the Bonds. Ehlers is authorized to solicit proposals in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9). If the issuance of the Bonds is approved, the School Board shall meet at the time and place specified in the Official Statement to receive and consider proposals for the purchase of the Bonds.

3. Official Statement; Negotiation of Sale. Ehlers is authorized to prepare and distribute an Official Statement and to open, read and tabulate the proposals for presentation to the Board.

4. Minnesota School District Credit Enhancement Program. (a) The District hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Registrar for the Bonds is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Registrar. The District understands that as a result of its covenant to be bound by the provision of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding. (b) The District further covenants to comply with all procedures now and hereafter established by the Departments of Management and Budget and Education of the State of Minnesota pursuant to Minnesota Statutes, Section 126C.55, subdivision 2(c) and otherwise to take such actions as necessary to comply with that section. The chair, clerk, superintendent or business manager is authorized to execute any applicable Minnesota Department of Education forms.

Right Sizing the
Budget Target
2017-2018

Dawn Steigauf moved, Dick Bergstrom seconded, that the School Board of Independent School District 271 approves the target for Right Sizing the Budget for 2017-18 at an amount of \$1.0 million. Motion carried unanimously.

This resolution gives administration a guide for finalizing the recommendation for adjustments to meet the target. This year's resolution allows the District to maintain a small fund balance to level adjustments in future years. Attached (on file) is the proposed RSB 2017-18 recommendations from administration. Final agreement on the recommendation to right size the budget for 2017-18 must be made by February 13, 2017.

School Calendar
2017-2018

Tom Bennett moved, Dawn Steigauf seconded, that the School Board of Independent School District 271 approves the calendar for the 2017-2018 school year. Motion carried unanimously.

The school calendar for 2017-2018 was developed through the Calendar Committee. Two calendar options were presented to the sites for review. Based on the feedback, the Calendar Committee is recommending the option presented.

The Administrative Cabinet, Principals, District Supervisors and District PTSA Council reviewed the proposed calendar. Plans are to begin work on the 2018-2019 calendar in February with approval by the end of the school year.

Amended Tax
Abatement Plan 2017
Normandale Area

Tom Bennett moved, Dick Bergstrom seconded, that the School Board of Independent School District 271 chooses not to participate in the City of Bloomington's Amended Normandale Area Tax Abatement Plan in 2017. Motion carried unanimously.

The City of Bloomington established a tax abatement district in 2007 and amended the tax abatement district in 2010 to help finance improvements in the area bounded by East Bush Lake Road, 84th Street, Stanley Road (as extended), and I-494. The City of Bloomington has revised the list of improvements and the financial projection and is seeking to amend the tax abatement plan in 2017 (on February 27, 2017). The main considerations before the City Council are to update the list of improvements to include transportation, pedestrian, urban design, and utility improvements; and to update the property descriptions included in the abatement area. In 2007 and 2010, the school district and Hennepin County chose not to participate in the abatement district. Should the school district or the county choose not to participate with the 2017 amendment, the City will hold each parcel open within the district for the 20 years allowed per state statute.

The Administration has reviewed the City's request with the District's legal counsel. The review indicates that there are no financial, legal or operational reasons for the school district to grant this abatement. Therefore, it is the recommendation of Administration not to participate in granting a tax abatement for this project.

VII. BOARD MEMBER
REPORTS

School Board members reported on various meetings and activities. All School Board members attended the MSBA Leadership Conference and reported on sessions they attended. Dick Bergstrom attended the Oak Grove Elementary PTA Read-A-Thon. Dawn Steigauf attended a joint meeting of the Community Collaborative Council and the District Diversity Advisory Council, a committee meeting planning the 100th birthday celebration, and a spaghetti dinner at Kennedy High School. Tom Bennett attended a meeting of the Early Childhood Parent Advisory Council. Nelly Korman indicated that the first meeting of the Bloomington Advocacy Council is January 25, 2017. She attended a meeting at the City regarding Forward 2040.

VIII. SUPERINTENDENT'S
REPORT

Superintendent Les Fujitake asked for a motion to establish the remaining professional development sessions of the School Board as they participate in equity conversations: February 13, March 13 and May 22. So moved by Tom Bennett and seconded by Dick Bergstrom. Motion carried unanimously.

Parents and guardians of current 5th grade students are invited to attend an Open House at the middle school your child will attend next year. Each of the middle schools—Oak Grove, Olson and Valley View—will hold an information night on Monday, February 6, beginning at 6:30 p.m. This will be a preview of programs at the middle school your child will attend next year.

Your student is welcome to join you for the evening to learn about the middle school experience including class offerings, how we integrate technology and career readiness into the curriculum, as well as clubs, music and athletic activities.

IX. OTHER

None.

X. ADJOURNMENT

There being no further business to come before the School Board, the meeting was adjourned at 8:50 p.m.

Nelly Korman, Clerk