

Independent School District #891
Canby, Minnesota
Regular Board Meeting
August 25, 2015
6:00 PM
Canby High School – Room 156

The regular meeting of the Board of Education was called to order by Chair Pederson.

Members present: Brenda Full, Greg Pederson, Alan Saltee, Kari Harding, Laurie Driessen, Nathan Thorpe, and Superintendent Laura K. Schuster.

Members absent: None

Others present: Ryan Feiock, David Leppke, James Schmidt, Ryan Arndt, Joe Henn (ESG-Honeywell), Laurie Yackley (Recording Secretary), and Dr. Robert Slaba.

Motion by Thorpe, seconded by Saltee and carried unanimously to adopt the amended agenda. Add: 1a Discuss with possible approval request from James Schmidt for an extended leave of absence/resignation Add: 1b Re-assign Nick Kockelman to the JH/HS for 2015-16 to teach math, pending MDE approval Add: 1c Approve hiring Jessica Sheik as Kdgn. teacher for 2015-16 with start date of 8/25/15, pending MDE approval Add: 2a Discuss proposal from North Central Insulation for roof replacement at the High School Add: 4d Tin color samples for elementary roof

Motion by Driessen, seconded by Harding and carried unanimously to approve the minutes of the August 11, 2015, regular meeting.

Motion by Driessen, seconded by Harding to accept extended leave of absence request by James Schmidt for up to 3 years. Motion failed by a 2-4 vote.

Motion by Harding, seconded by Thorpe and carried unanimously to accept the resignation of James Schmidt as a high school math teacher effective August 25, 2015.

Motion by Harding, seconded by Driessen and carried unanimously to re-assign Nick Kockelman to the JH/HS for 2015-16 to teach math, pending MDE approval.

Motion by Saltee, seconded by Harding and carried unanimously to approve hiring Jessica Sheik as Kdgn. teacher for 2015-16 with start date of 8/25/15, pending MDE approval.

Member Full introduced the following resolution and moved its adoption:

**RESOLUTION STATING THE INTENTION OF THE SCHOOL BOARD
TO ISSUE GENERAL OBLIGATION REFUNDING BONDS; 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. 891, State of Minnesota, as follows:

1. The Board hereby finds and declares that it is necessary and expedient for Independent School District No. 891 (the "District") to issue its fully registered general obligation refunding bonds (the "Bonds") pursuant to Minnesota Statutes, Chapter 475, as amended, to current refund on February 1, 2016 the February 1, 2017 through 2021 maturities of the District's General Obligation Crossover Refunding Bonds, Series 2005A, dated July 1, 2005 and to pay the costs of issuing the Bonds.

The General Obligation Refunding Bonds, Series 2015A (the "Bonds") would be issued in the total aggregate principal amount of not to exceed \$1,475,000. The Board hereby expresses its intent to issue and tentatively authorizes the issuance of said Bonds.

2. (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 Notes 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, or Superintendent is authorized to execute any applicable Minnesota Department of Education forms.

4. The School Board desires to proceed with the sale of the Bonds by direct negotiation to Northland Securities, Inc. (herein, "NSI"). NSI will purchase the Bonds in an arm's-length commercial transaction with the District.

5. The Chair and Superintendent are hereby authorized to approve the sale of the Bonds in an aggregate principal amount of not to exceed \$1,475,000 and to execute a bond purchase agreement for the purchase of the Bonds with NSI, provided that the total savings is at least \$50,000.

6. Upon approval of the sale of the Bonds by the Board Chair and the Superintendent, the School Board will take action at its next regularly scheduled meeting thereafter to adopt the necessary approving resolutions as prepared by the District's bond counsel.

7. NSI is authorized to prepare and distribute an Official Statement related to the sale of the Bonds.

8. If the Board Chair and the Superintendent have not approved the sale of the Bonds to NSI and executed the related bond purchase agreement by December 31, 2015, this resolution shall expire.

The motion for the adoption of the foregoing resolution was duly seconded by Member Harding, and upon vote being taken thereon, the following voted in favor thereof: Saltee, Harding, Driessen, Thorpe, Full and Pederson

and the following voted against the same: None
Absent: None

whereupon said resolution was declared duly passed and adopted.

Joe Henn, ESG-Honeywell, presented the bids for the 2015 Elementary School Upgrade. Bid opening was held on August 20 at 2:00 PM.

After low bids were reviewed, the board directed Joe Henn to negotiate and discuss with low bidders cost cutting measures to bring the bids more into line with the project's budget and available funds. Two items

that the board decided to eliminate were the replacement of the base cabinets along the outer wall in each of the elementary classrooms and the Kalwall (skylight) in the courtyard area. Joe Henn brought up ESG's concern about the current storm sewer being able to handle the water runoff from the pitched roof and presented a proposal for replacing the storm sewer surrounding the elementary school at a total estimated cost of \$220,000. After considerable discussion the board rejected the proposal. There was further discussion about holding off on the window replacement which was going to be paid for with deferred maintenance dollars and using those dollars instead to help offset the cost of pitching the entire roof at the elementary excluding the gymnasium.

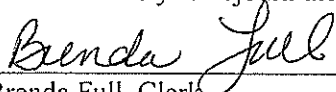
Motion by Harding, seconded by Saltee and carried by a 5-1 vote to accept bid packages as follows:

Mechanical	Chappell Central, Inc.	\$2,395,000.00
Electrical	J & R Electric	\$381,429.00
General Construction	Doom & Cuypers	\$550,826.00
Temperature Controls	Johnson Controls	\$165,705.00
Testing, Adjusting & Balancing	Balancing Professionals	\$24,635.00
Roofing	Modern Builders	\$1,491,600.00

The following items were discussed:

1. Elementary Principal's Report – Mr. Arndt distributed the first newsletter of the new school year which contains basic back to school information; Kdgn. orientation is tomorrow night; Elementary open house burger feed is September 17. The community ed flyer in online and placed in numerous businesses in. 5th/6th grade tackle FB starts tonight. A school from the cities donated some equipment to the program that is exactly like what we have. Enrollment is estimated to be 261.
2. JH/HS Principal's Report – Dr. Slaba reviewed the ACT test results for the class of 2015. He presented Junior test data by years for comparison. He's proud of the kids.
3. Discuss proposal from North Central Insulation for roof replacement at the High School. Supt. Schuster presented the proposal from North Central. She will also get a quote from Tremco.
4. Communications
 - a. Notification of Pending Creation of TIF District 1-27
 - b. Operating Referendum Committee Update – Meeting held on 08/25/15 – committee reviewed trifold brochure, Q & A's, etc. Kelly Nemitz will manage the FB page. Board would like to have an open form prior to a board meeting – possibly before the 9/22 board meeting.
 - c. Negotiations Committee Update – Meeting held on 08/18/15. Greg Pederson updated on the last meeting. There were some suggested language changes because of law changes. Will meet again Sept. 16.
 - d. Tin color samples for elementary roof – board members should get the samples from the District Office and take to the elementary school.

Motion by Saltee, seconded by Harding and carried unanimously to adjourn the meeting.



Brenda Full, Clerk

Approved: Sept. 8, 2015