

**To:** School Board  
William Gronseth, Superintendent

**From:** Douglas A. Hasler, CFO *DH*

**Date:** August 9, 2017

**Subject:** Bond Resolution Amendments

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As you recall, the School Board approved resolutions during a special meeting of the School Board on May 30<sup>th</sup> to authorize the issuance of \$4.255 million General Obligation Facilities Maintenance/General Obligation Capital Facilities bonds. This bond financing is to pay for improvements to Rockridge School, and replacement of the Lakewood School roof. By the terms of these resolutions, the authorization to issue bonds would expire if bonds were not sold by August 15, 2017.

Following the May 30<sup>th</sup> meeting, I forwarded this proposed financing to the Minnesota Department of Education (MDE) for their review and approval. On July 19<sup>th</sup>, MDE approved our Long Term Facilities Maintenance Plan, and authorized the two bond issues.

The current zoning for the Rockridge School property does not allow the building to be operated as a school. Dave Spooner and I have been working with City of Duluth Community Planning staff to modify the zoning to allow for school use. Our request, which was approved by the Planning Commission during their August 8<sup>th</sup> meeting, will require approval from the Duluth City Council. I am anticipating that the City Council will consider our request to modify the zoning on August 14<sup>th</sup> and August 28<sup>th</sup>.

Until the zoning has been changed to allow for “school use” for the Rockridge School property, no bonds will be issued. The earliest date for such zoning change is August 28<sup>th</sup>. Since this date falls after the expiration date specified in the May 30<sup>th</sup> resolutions, it is necessary to amend these resolutions to extend the authorization. Draft amending resolutions have been prepared to extend the authorization to October 31, 2017. These resolutions are proposed to the School Board for your consideration, with the recommendation that you approve them during the Special Board meeting on August 14<sup>th</sup>.