

Minutes of the Special School Board Meeting

Of the School Board of Independent School District No. 709 held at the Historic Old Central High School, 215 North First Avenue East, Duluth, Minnesota 55802, on

Tuesday, March 17, 2015

Members Present:

Annie Harala
Art Johnston
Rosie Loeffler-Kemp
Mike Miernicki
Harry Welty
Bill Westholm

Others Present:

William Gronseth, Superintendent
Bill Hanson, Deputy Clerk
Melinda Thibault, Secretary

Members Absent:

Judy Seliga Punyko

➤ Vice-Chair Harala called the special school board meeting of March 17, 2015 to order at 4:30 p.m., and the pledge of allegiance to the American flag was given.

M-Welty, S-Loeffler-Kemp, to approve the agenda. Upon a vote, the same was approved – 6-0.

➤ Audience

None

➤ Resolution

Member Welty presented the resolution:

RESOLUTION RELATING TO
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015B,
OF INDEPENDENT SCHOOL DISTRICT NO. 709

WHEREAS, pursuant to Resolution No. B-2-15-3239, adopted on February 24, 2015 (the “Resolution”), the School Board called for the sale of General Obligation Refunding Bonds, Series 2015B (the “Bonds”), to provide funds to advance refund the 2019 through 2028 maturities of the District’s \$59,235,000 General Obligation Alternative Facilities Bonds, Series 2008A; and

WHEREAS, in accordance with the Resolution, the District received proposals for the purchase of the Bonds on March 17, 2015; and

WHEREAS, Minnesota Statutes, Section 475.67, Subd. 12 requires, on an advance refunding, the present value of debt service on the refunding obligations is lower by at least three percent than the present value of debt service on the obligations being refunded; and

WHEREAS, the best proposal received for the sale of the Bonds failed to satisfy such savings test; and

2 – Minutes of the Special School Board Meeting
March 17, 2015

WHEREAS, Minnesota Statutes, Section 475.60, Subd. 3, permits the School Board to reject any and all offers for the purchase of the Bonds, in which event the School Board may award the Bonds to any purchaser who within 30 days after the date hereof presents an offer complying with the terms of sale for the Bonds and is more favorable to the District than any offer received previously.

NOW, THEREFORE, BE IT RESOLVED, by the School Board of Independent School District No. 709, St. Louis County, Minnesota (the “District”), as follows:

Section 1. The School Board hereby rejects all proposals presented pursuant to the Notice of Sale authorized by the Resolution for the sale of the Bonds.

Section 2. The School Board desires to proceed with the sale of the Bonds upon condition that a proposal to purchase the Bonds satisfies the debt service saving test set forth in Minnesota Statutes, Section 475.67, Subd. 12. Any officer of the School Board and either the Superintendent or the Chief Financial Officer/Executive Director of Business Services are authorized to execute a purchase contract for the sale and purchase of the Bonds that satisfy the condition set forth above. The School Board shall thereafter ratify such sale through a bond resolution in the format previously provided to the School Board.

B-3-15-3248

March 17, 2015

M-Welty, S-Miernicki, to approve B-3-15-3248 – Resolution Relating to General Obligation Refunding Bonds, Series 2015B, of Independent School District No. 709.

Steve Pumper, PMA Securities, reviewed the results of the sale. Discussion took place regarding the resolution.

Upon a vote the same passed – 6-0.

M-Harala, S-Loeffler-Kemp, to adjourn, upon a vote the same was approved – 6-0.

- Vice-Chair Harala adjourned the Special School Board Meeting of March 17, 2015 at 4:55 p.m.