

**Nova Classical Academy  
Board of Directors Meeting Minutes  
Regular Meeting  
July 26, 2021**

**Directors Present: Mel Hernandez, Claudia Gumbiner Hungs, Divya Karan** (participated via Zoom), **Becky Lund, Frank Ross, Sasha Ross, Diane Ruday, Jennie Winter** (participated via Zoom)

**Directors Absent: Nick LaRusso**

**Advisors Present: Brett Wedlund, Brooke Tousignant, Missy Johnson, Heather Gray** (NPTO Representative), **Craig Keplar** (Nova's attorney, via Zoom)

**Others in Attendance: Nova staff, parents (Note: While this meeting was held in-person at 1455 Victoria Way, it was also made available on Zoom.)**

**I. Call to Order**

The meeting was called to order at 6:01 pm. Frank Ross led the meeting.

**II. Business Meeting: Approval of Agenda**

Ms. Lund moved to approve the agenda. Ms. Gumbiner Hungs seconded. All present members, Ms. Karan, and Ms. Winter voted in favor. The motion passed unanimously.

**III. Consent Agenda**

- A. Regular June 28<sup>th</sup> minutes
- B. 2<sup>nd</sup> reading/ potential approval revised policy NP 501 (Curriculum)
- C. 2<sup>nd</sup> reading/ potential approval revised policy NP 502 (Parental Curriculum Review)
- D. Blue Ribbon Cleaning Services Agreement

Ms. Lund moved to approve the consent agenda. Ms. Ross seconded. There was discussion. The Blue Ribbon Cleaning Services Agreement was removed from the Consent Agenda. All present members, Ms. Karan, and Ms. Winter voted in favor. The revised motion passed unanimously.

**IV. Public Comment**

There was no public comment.

**V. Board Training**

The Board reviewed Open Meeting Law, working as an entity, and strategies for staying strategic. Mr. Keplar spoke more about Open Meeting Law and the three "free" meetings a board member gets to participate from a different location without needing to make it available to the public. There was discussion.

**VI. Reports received by the Board**

**A. Board Chair Report**

Mr. Ross formally recognized Jason Belter and Theresa Nelson for their commitment and service to the school through their participation on the Board.

He also spoke about setting ambitious but attainable goals on our individual and collective journeys to enhance our school and community and the need to continue to be strategic in our work.

Finally, Mr. Ross talked about the Board's objective to use multiple communication pieces to create consistency in our messaging and the logo being the last component of the marketing piece. There was discussion.

**B. Executive Director Report**

Dr. Wedlund briefly highlighted some of the upcoming business items like the mitigation strategies or the bond refunding. There was discussion.

**C. Board Committees**

i. **Governance Report**

There was no discussion.

ii. **Finance and Budget Report**

There was no report this month.

iii. **Academic Excellence Report**

There was no report this month.

**D. Ad Hoc Committees**

**E. NPTO Report**

Ms. Gray spoke about the NPTO's need for a treasurer and someone to take on Great Gatherings. The first meeting of the year will be on September 7<sup>th</sup> via Zoom. The co-chairs are communicating with the administration regarding events the NPTO can help with. Lastly, there was minimal fundraising last year due to the pandemic so the NPTO will be more mindful of requests not currently in their budget. There was discussion about the many ways the NPTO funds and supports activities at Nova.

**F. Student Report**

There was no report this month.

**VII. Business**

**A. Resolution for Refunding of Bonds**

Nick Hagen and Craig Keplar gave background information about the process including giving the school's officers to go and close the transaction. Mr. Hagen also spoke about interest rates being low and expecting good results with the refunding. They're looking to price the deal on 8/5/2021 and closing later in August. There was discussion. There were a few typos in the documents. The amount should be 6.250 million, not 10 million. There was also a correction to the address to reflect 1455 Victoria Way and a few other small errors in Appendix A. There was discussion. Mr. Hagen walked through some more details on the timeline.

Ms. Gumbiner Hungs, "The undersigned, constituting at least a quorum of the Members of the Board of Directors of Nova Classical Academy, a Minnesota non-profit corporation (the "**Charter School**"), do hereby duly adopt the following resolutions at a meeting properly noticed for such purpose. All capitalized terms below shall have the same meaning assigned to such terms in the Second Amended and Restated Indenture of Trust (the "**Indenture**") between the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the "**Issuer**") and U.S. Bank National Association ("**Trustee**") for

the Charter School Lease Revenue Refunding Bonds (Nova Classical Academy Project), Series 2021A and Taxable Series 2021B (collectively, the “**2021 Bonds**”).

## RECITALS

WHEREAS, Friends of Nova Classical Academy, a Minnesota nonprofit corporation (“**Company**”) desires to enter into a Second Amended and Restated Loan Agreement (the “**Loan Agreement**”) between the Company and the Issuer whereby the Company will borrow an amount (a) not to exceed \$6,250,000.00 (the “**Loan**”), and (b) at a combined true interest cost not in excess of four and one-half percent (4.5%), for substantially the following purpose: (i) current refund of the Issuer’s outstanding Charter School Lease Revenue Bonds (Friends of Nova Classical Academy), Series 2011A (the “**Series 2011A Bonds**”) currently outstanding in the principal amount of \$4,840,000 and maturing on September 1, 2031; (ii) make a deposit into the Reserve Fund (as defined in the Indenture); and (iii) pay a portion of the costs of issuing the 2021 Bonds; and

WHEREAS, the Company owns and leases an existing 92,400 square foot, three-story charter school facility located at 1455 Victoria Way in the City of Saint Paul, Minnesota (the “**City**”), for use as a public charter school facility for grades kindergarten through twelve (the “**School Facility**”). The Charter School leases the School Facility from the Company, and will continue to lease the School Facility pursuant to a pursuant to a Second Amended and Restated Lease Agreement, dated as of August 1, 2021 (collectively, the “**Lease**”); and

WHEREAS, the undersigned members of the Board of Directors (the “**Board**”) of the Charter School have determined that the refinancing of the School Facility and the continued leasing of the School Facility by the Charter School is in the best interests of the Charter School; and

WHEREAS, in furtherance of the refinancing of the School Facility, the undersigned members of the Board have reviewed and determined that it is necessary to authorize the execution of any document deemed necessary by the Issuer or Piper Sandler & Co. (formerly known as Piper Jaffray & Co.) (the “**Underwriter**”), the Underwriter for the 2021 Bonds, and revised by legal counsel for the Charter School, including without limitation the following (or similar instruments):

- (a) a Bond Purchase Agreement (the “**Bond Purchase Agreement**”) between the Issuer, the Charter School, the Company, and the Underwriter; and
- (b) all such other agreements, instruments, certificates and documents referred to in and contemplated by the 2021 Bonds, the Loan Agreement, the Bond Purchase Agreement, and the Indenture; and

The foregoing will collectively be referred to herein as the “**Bond Documents**”

- (c) the Lease together with a Memorandum of Lease (the “**Memorandum**”) and an Assignment of Lease (the “**Assignment of Lease**”) assigning the Company’s rights under the lease to the Trustee; and
- (d) (i) a Continuing Disclosure Agreement (the “**Disclosure Agreement**”), between the Charter School, the Company and U.S. Bank National Association, as dissemination agent, (ii) a Tax Certificate (“**Tax Certificate**”) by the Charter School and the Company, and endorsed by the Issuer, (iii) a Tax Regulatory Agreement (“**Tax Regulatory Agreement**”) among the Charter School, the Company, and the Trustee (iv) a Pledge and Covenant Agreement (the “**Pledge Agreement**”) by which the Charter School will

pledge to the Trustee, as security for the Loan, an interest in all of the revenue received by the Charter School from state, federal or other sources for its use in operating the School Facility, (v) an Account Control Agreement (“**Account Control Agreement**”) between the Charter School, the Trustee, and Old National Bank, (vi) an Intercreditor Agreement (the “**Intercreditor Agreement**”) between the Charter School, the Company, the Trustee, and Old National Bank, as line of credit lender, (vii) a Subordination, Non-Disturbance, and Attornment Agreement, between the Trustee, the Company and the Charter School (the “**SNDA**”), and (viii) all such agreements, instruments, certificates and documents referred to in and contemplated by the 2021 Bonds, the Bond Purchase Agreement, and the Indenture (collectively with the Disclosure Agreement, Tax Certificate, Tax Regulatory Agreement, Bond Purchase Agreement, Pledge Agreement, Account Control Agreement, the Intercreditor Agreement, and the SNDA, the “**Charter School Agreements**”).

WHEREAS, members of this Board, with assistance from counsel, other pertinent representatives and appropriate Charter School officers and administrators, have reviewed the Offering Materials (as defined below), and drafts of the same as and when they are prepared, for accuracy and completeness; and

WHEREAS, the Board acknowledges that the Offering Materials (as defined herein) contain information concerning the Charter School, its operations, and relevant financial information, which information has been provided by the Charter School and/or its officers and administrators, which will be relied upon by purchasers of the 2021 Bonds and the Underwriter, and used by the Underwriter in connection with the marketing and sale of the 2021 Bonds.

## **RESOLUTIONS**

NOW, THEREFORE, BE IT RESOLVED, as follows:

Resolution 1: Approval of the Project; Retention of Piper Sandler & Co. The Board hereby approves of the refinancing of the School Facility and the use of the proceeds from the 2021 Bonds pursuant to the Loan Agreement in furtherance thereof. The Board of Directors also hereby ratifies and approves the retention of the Underwriter to serve as underwriter agent with respect to the 2021 Bonds.

Resolution 2. Approval of the 2021 Bonds; Approval of Subsequent Changes in Terms. The Board hereby approves the issuance of the 2021 Bonds in an aggregate principal amount not to exceed \$6,250,000.00 as set forth in the Bond Documents. Principal and interest on the 2021 Bonds shall be paid on the dates and in the approximate amounts set forth in the Bond Documents. The 2021 Bonds shall bear interest at rates per annum which will produce a combined true interest cost not in excess of four and one-half percent (4.5%). The purchase price to be paid for the 2021 Bonds shall be as set forth in the Bond Purchase Agreement. The 2021 Bonds shall be issued with substantially the terms as provided above, with such changes in terms as provided in the final Bond Documents as may be approved by the Board of the Charter School. Execution of said final Bond Documents, the Lease, the Memorandum, the Charter School Agreements by an authorized officer of the Charter School or any other member of the Board shall constitute full approval of such changes on behalf of the Board.

Resolution 3. Document and Transactions Approval. The Bond Documents, the Lease, the Memorandum, the Assignment of Lease, the Charter School Agreements, the Bond Purchase Agreement, and all other related agreements, certificates and documents referred to therein and all the transactions contemplated thereby are hereby approved in all material respects. The Chairperson,

Secretary and/or Treasurer of the Board, the Charter School Executive Director, or any other officer authorized or required to execute documents such as the Lease, the Charter School Agreements, and the Bond Documents on behalf of the Board and for the Charter School are authorized to work with the underwriter to complete such documents and to execute and deliver any and all said documents when the same are finalized. In the event that any of the Chairperson, Secretary and/or Treasurer of the Board is not available to execute and deliver the Charter School Agreements, the Bond Documents, or any other instrument or certificate necessary to complete the transaction contemplated by the 2021 Bonds, then any other member of the Board shall have the authority to execute and deliver such document, instrument or certificates as are necessary and desirable in order to complete the financing transaction.

Resolution 4. Declaration of Official Intent. Expenditures in furtherance of the Project are hereby authorized to be made from available funds on hand until proceeds of the 2021 Bonds become available. The Board of Directors on behalf of the Charter School hereby declares its official intent under Treas. Reg. Section 1.150-2 to reimburse said expenditures with proceeds of the 2021 Bonds.

Resolution 5. Ratification. All actions heretofore undertaken by Charter School staff prior to the date hereof in connection with preparation of any Offering Materials, the preparation of the Bond Documents, the Charter Agreements, the Lease, the issuance of the 2021 Bonds and the refinancing of the School Facility are hereby ratified and approved in all material respects.

Resolution 6. Offering Materials. The Board hereby authorizes the Chairperson, and such other members of the Board as the Chairperson shall appoint, to find, determine, and declare on behalf of the Charter School that the information contained in the Preliminary Official Statement and in the Official Statement (the “**Offering Materials**”) prepared and distributed in connection with the offer and sale of the 2021 Bonds: (i) is true, complete, and correct to the knowledge of the Charter School; and (ii) does not contain an untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading. Such members of the Board and the Executive Director are further authorized to approve the use of the Preliminary Official Statement and Official Statement by the Underwriter in the offering and sale of the 2021 Bonds.

This Resolution may be executed by facsimile or counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Resolution. The undersigned have executed this Resolution as of the respective dates set forth below.”

Ms. Ruday seconded. All present members, Ms. Karan, and Ms. Winter voted in favor. The motion passed unanimously.

**B. Reappointment of the Friends of Nova Board**

Dr. Wedlund gave background information.

Ms. Lund, “Resolved that the Board approves extending the terms of Scott Krizan, Jeff Ellerd, and Ken Scholsser on the Friends of Nova Board through July 31, 2024.” Ms. Gumbiner Hungs seconded. All present members, Ms. Karan, and Ms. Winter voted in favor. The motion passed unanimously.

**C. Board Officers**

Mr. Ross, “Resolved, that Frank Ross is the Board Chair, Claudia Gumbiner-Hungs the Chair-Elect, Becky Lund the Secretary, and Sasha Ross the Treasurer.

Further resolved that Jennie Winter is the chair of the Budget and Finance Committee, Becky Lund is the chair of the Governance Committee, and Divya Karan and Claudia Gumbiner-Hungs are the co-chairs of the Academic Excellence Committee.” Ms. Lund seconded. There was discussion. All present members, Ms. Karan, and Ms. Winter voted in favor. The motion passed unanimously.

**D. Covid-19 Mitigation Strategies for 2021-2022**

Dr. Wedlund walked through Nova’s plans for the upcoming school year including that double-masking means that contacts do not count as “close contacts” and people would not need to quarantine. The administration anticipates some unknowns including what will happen with lunch. We are still missing some guidance from MDE and we may have to update things as we get more information. The administration feels that the proposed mitigation strategies will solidify the full in-person model. There was discussion.

**E. Branding Update - Logo**

Melissa Guertin presented Nova’s new logo and reviewed Nova’s new tagline from last month. She also reviewed the process including the involvement of the steering committee. There was discussion including discussion about a roll-out plan.

Ms. Lund, “Resolved, that the Board approves the new logo as presented.” Ms. Ross seconded. Ms. Gumbiner Hungs, Ms. Hernandez, Ms. Karan, Ms. Lund, Mr. Ross, Ms. Ross, and Ms. Winter voted in favor. Ms. Ruday voted against. The motion passed.

**F. Designation of Identified Official with Authority for the MDE External User Access Recertification System**

Dr. Wedlund gave some background information.

Ms. Lund, “The Minnesota Department of Education (MDE) requires that school districts annually designate an Identified Official with Authority to comply with the MNIT Enterprise Identity and Access Management Standard which states that all user access rights to Minnesota state systems must be reviewed and recertified at least annually. The Identified Official with Authority will assign job duties and authorize external user’s access to MDE secure systems for their local education agency (LEA). The Board recommends to authorize Brett Wedlund to act as the Identified Official with Authority (IOwA) for Nova Classical Academy 4098-07.” Ms. Hernandez seconded. All present members, Ms. Karan, and Ms. Winter voted in favor. The motion passed unanimously.

**G. Discussion Regarding Executive Director Performance Review Process**  
(A five-minute break was taken.)

Mr. Ross gave background information and the lack of a standard way to review the ED. The goal is to decide how to finish the process from last year. There was discussion. Mr. Ross spoke about the lateness of this and the need to be efficient. It was proposed that information be gathered, synthesized by the committee, and then be presented to the Board. There was further discussion. It’s important the information gathering is straightforward and the Board agrees on any additional areas of feedback. We have two questions to answer: To what degree did Brett meet the goals set? Do we have the information to recommend renewing his contract, at least as a start? We would like to make a decision by the end of August after

gathering data and filtering some feedback from all board members to the ED Review Committee. We also want to get feedback from Dr. Wedlund and his perspective as a part of the process. Ms. Gumbiner Hungs will begin with the data collection. There was further discussion regarding input and when to gather it from whom. The ED Review Committee will look into this further.

**H. Check Signing**

Ms. Lund, “Resolved that the Board approve Jennie Winter, Sasha Ross, and Brett Wedlund as signers on Nova’s account at Old National Bank.

Further resolved that the Board removes any other past signers.” Ms. Gumbiner Hungers seconded. There was discussion. All present members, Ms. Karan, and Ms. Winter voted in favor. The motion passed unanimously.

**I. Blue Ribbon Cleaning Agreement**

Ms. Lund, “Resolved, that the Board approves the agreement with Blue Ribbon Cleaning with the addition that the Executive Director first fix any inconsistencies in the agreement.” Ms. Gumbiner Hungs seconded. All present members, Ms. Karan, and Ms. Winter voted in favor. The motion passed unanimously.

**VIII. Next Meeting Date/Agenda Items**

The next regular board meeting will be on August 23, 2021.

**IX. Adjournment:**

The meeting was adjourned at 8:37 p.m.

Minutes submitted by Becky Lund.