

GREENBUSH MIDDLE RIVER SCHOOL
INDEPENDENT SCHOOL DISTRICT 2683
REGULAR MEETING
March 21, 2022
7:30 PM
401 Park Avenue West Greenbush, MN 56726

1. Call to Order at 7:32 P.M.
2. Roll Call: Shane Kilen, Brandon Ignaszewski, Joe Melby, Carrie Jo Howard, Allison Harder, Kurt Stenberg, Brandon Kuznia
ADMINISTRATION: Supt Larry Guggisberg, Principal Sharon Schultz
OTHER ATTENDEES: Ryan Bergeron, Matthew Hammer (Ehlers & Associates), Cooky Kujava, Laurie Stromsodt, Cathy Schenkey, Arlette Pearson, Mark Stromsodt, Brittany Burkel
3. Public Hearing to Consider Granting Property Tax Abatement
 1. Motion to Open the Public Hearing to consider Granting Property Tax Abatement – Motion by Board Member Carrie Jo Howard and seconded by Kurt Stenberg to open the Public Hearing to consider Granting Property Tax Abatement. Motion unanimously approved.
 2. Opportunity for Public Comment
 3. Motion to Close the Public Hearing to consider Granting Property Tax Abatement – Motion by Allison Harder and seconded by Kurt Stenberg to close the Public Hearing to consider Granting Property Tax Abatement. Motion unanimously approved.
 4. Listening Session relating to the school board Agenda – Nothing to report
 5. Recommendation to add items to the agenda from Board members or School Administrators
 6. Approval of Agenda
 1. A motion was made by Board member Kurt Stenberg, seconded by Carrie Jo Howard to approve the agenda of the March 21, 2022 Regular Board Meeting as presented. Motion unanimously approved.
 7. Minutes
 1. A motion was made by Board Member Carrie Jo Howard, seconded by Kurt Stenberg to approve the minutes of the preceding regular meeting of February 28, 2022. Motion unanimously approved.
 8. Business Services
 1. A motion was made by Board Member Brandon Ignaszewski, seconded by Kurt Stenberg to approve the payment of bills check #39084 through #39156 for a total of \$143,324.22 and Purchasing Card electronic payments dated February 7, 2022 and Electronic Funds Transfers as submitted. Motion unanimously approved.
 2. Treasurer's Report
 3. Greenbush Middle River School District Budget to Actual Expenditure Report (as previously requested by board member to provide on monthly basis).
 9. Significant School Events and Communication:
 1. Board acceptance of donation to the School
Anonymous Donor.....\$1,000.00 to be applied towards unpaid lunch accounts. Motion by Board Member Carrie Jo and seconded by Allison Harder to accept the anonymous \$1,000.00 donation. Motion unanimously approved.
 10. Old Business
 1. Resolution Granting Property Tax Abatement

**RESOLUTION RELATING TO PROPERTY TAX ABATEMENT FOR
PARKING LOT PROJECTS; GRANTING THE ABATEMENT**

BE IT RESOLVED by the School Board (the “Board”) of Independent School District No. 2683 (Greenbush-Middle River), Minnesota (the “District”), as follows:

Section 1. Authorization and Recitals.

1.01. The District, pursuant to Minnesota Statutes, Sections 469.1812 to 469.1815, as amended, (the "Act") is authorized to grant an abatement of certain property taxes levied against net tax capacity imposed by the District on parcels of property by the adoption of a resolution specifying the terms of the abatement.

1.02. The District intends to undertake construction of and improvements to parking lots at various sites in the District (the "Improvements") and benefiting certain properties within the District boundaries identified on EXHIBIT A attached hereto (collectively, the "Property").

1.03. The District has proposed to finance the Improvements by granting an abatement of the property taxes imposed by the District on the Property (the "Proposed Property Tax Abatement"), and by issuing bonds to provide an amount equal to the sum of said Proposed Property Tax Abatement.

1.04. Pursuant to the Act, this Board on March 21, 2022, conducted a public hearing on the desirability of granting the Proposed Property Tax Abatement. Notice of the public hearing was duly published as required by law in a newspaper of general interest and readership in the District more than ten days but not more than thirty days prior to the date of the public hearing. The form of said Notice and the publication of said Notice prior to the date of adoption of this resolution is ratified and confirmed in all respects.

Section 2. Findings. On the basis of the information compiled by the District and elicited at the public hearing referred to in Section 1.04, it is hereby found, determined and declared:

2.01. The District expects that the benefits to the District associated with granting the Proposed Property Tax Abatement are at least equal to or exceed the associated costs to the District.

2.02. The granting of the Proposed Property Tax Abatement is in the public interest because it will finance and provide public infrastructure and help provide access to services for residents of the District.

2.03. The nature and extent of the public benefits which the District expects to result from the Proposed Property Tax Abatement are the construction of and improvements to parking lots at various sites in the District, which will enable District residents to continue to conveniently and safely access these facilities which are regularly utilized by the public for school and community events.

2.04. The Property is not located in a tax increment financing district.

2.05. The granting of the Proposed Abatement will not cause the aggregate amount of abatements granted by the District under the Act to exceed the greater of (i) ten percent (10%) of the District's net tax capacity for each taxes payable year to which the abatement applies, or (ii) \$200,000.

2.06. It is in the best interests of the District to grant the tax abatement authorized in this resolution.

2.07. Under Section 469.1813, Subdivision 9 of the Minnesota Statutes, it is not necessary for the District to obtain the consent of any owner of the Property to grant an abatement.

Section 3. Granting of Tax Abatement.

3.01. A property tax abatement (the "Abatement") is hereby granted in respect of property taxes levied by the District on the Property for five (5) years, commencing with taxes payable in 2023 and concluding with taxes payable in 2027. In the Board's resolution dated February 28, 2022, the estimated total cost of the abatement was \$168,000 five (5) years. As a result of interest rate increases since that time, the total Abatement amount is now determined to be approximately \$172,000 over five (5) years.

3.02. The District shall retain the Abatement and apply it to payment of all or a portion of the costs of acquiring or constructing the Improvements or to the payment of bonds of the District issued to finance costs of acquiring or constructing the Improvements, whether such bonds are issued pursuant to the Act, or other law, as authorized by Section 469.1815, Subdivision 2 of the Act.

3.03. The Abatement may not be modified or terminated by the Board during its term.
The motion for the adoption of the foregoing resolution was duly seconded by Member Brandon Kuznia, and upon vote being taken thereon, the following voted in favor thereof: Brandon Ignaszewski, Carrie Jo Howard, Joe Melby, Brandon Kuznia, Kurt Stenberg, Allison Harder

and the following voted against the same: None
whereupon the resolution was declared passed and adopted.

2. Intent Resolution Related to the Issuance of the School District's Tax Abatement Bonds.
Member Allison Harder introduced the following resolution and moved its adoption:

RESOLUTION STATING THE INTENTION OF THE SCHOOL BOARD TO ISSUE GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2022A, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$150,000; AND TAKING OTHER ACTIONS WITH RESPECT THERETO

BE IT RESOLVED by the School Board (the "Board") of Independent School District No. 2683 (Greenbush-Middle River), Kittson, Marshall, and Roseau Counties, Minnesota (the "District"), as follows:

1. Background. It is hereby determined that:

(a) The District is authorized by Minnesota Statutes, Sections 469.1812 to 469.1815 and Chapter 475, as amended (the "Act") to issue general obligation tax abatement bonds.

(b) Pursuant to a resolution adopted by the Board on March 21, 2022 (the "Abatement Resolution"), following a duly noticed public hearing, the Board approved a property tax abatement (the "Abatements") in the approximate amount of \$172,000 for certain property in the District (the "Abatement Parcels") over a period of five (5) years in an amount sufficient to provide financing for construction of and improvements to parking lots at various sites in the District and related financing costs (the "Abatement Project").

(c) In the Abatement Resolution, the District found and determined that the Abatement Project benefits the Abatement Parcels, that the Abatement Project will provide access to services for residents in the District, and that the maximum principal amount of bonds to be secured by Abatements does not exceed the estimated sum of Abatements from the Abatement Parcels for the term authorized under the Abatement Resolution.

(d) It is necessary and expedient to the sound financial management of the affairs of the District to issue its General Obligation Tax Abatement Bonds, Series 2022A (the "Bonds"), in the original aggregate principal amount not to exceed \$150,000, pursuant to the Act, to provide financing for the Abatement Project.

2. Covenant as to State Credit Enhancement. The District hereby covenants and obligates itself to notify the Minnesota 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 (the "Credit Enhancement Act") to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the paying agent for the Bonds (the "Paying Agent"), 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 Paying Agent 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 on deposit with the Paying Agent to make that payment. The District understands that as a result of its covenant to be bound by the provisions of the Credit Enhancement Act, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

The District further covenants to comply with all procedures now and hereafter established by the Minnesota Departments of Management and Budget and Education pursuant to subdivision 2(c) of the Credit Enhancement Act and otherwise to take such actions as necessary to comply with that section. The Board Chair, Clerk, Superintendent, or Business Manager of the District is authorized to execute any applicable Minnesota Department of Education forms.

3. Sale of Bonds. The Board has retained Ehlers and Associates, Inc. (the "Municipal Advisor") to act as the independent municipal advisor for the District with respect to the offer and sale of the Bonds and, therefore, is authorized by Section 475.60, subdivision 2(9), of the Act to sell the Bonds other than pursuant to a competitive sale.

4. Acceptance of Proposal. The Board shall meet at the time and place specified by the Board to receive and consider proposals for the purchase of the Bonds and take any other appropriate action with respect to the Bonds.

5. Authority of Municipal Advisor. The Municipal Advisor is authorized and directed to assist the District in the solicitation of proposals to potential purchasers of the Bonds and to open, read, and tabulate the proposals for the purchase of the Bonds for presentation to the Board. The Municipal Advisor is further authorized and directed to assist the District in the award and sale of the Bonds on behalf of the District after receipt of written proposals.

6. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered, as bond counsel for the District (the "Bond Counsel"), is authorized to act as bond counsel and to assist in the preparation and review of necessary documents, certificates, and instruments relating to the Bonds. The officers, employees, and agents of the District are hereby authorized to Bond Counsel in the preparation of such documents, certificates, and instruments.

7. Reimbursement from Bond Proceeds. The District may incur certain expenditures that may be financed temporarily from sources other than the Bonds and reimbursed from the proceeds of the Bonds. Treasury Regulation § 1.150-2 (the "Reimbursement Regulations") provides that proceeds of tax-exempt bonds allocated to reimburse expenditures originally paid from a source other than the tax-exempt bonds will not be deemed expended unless certain requirements are met. In order to preserve its ability to reimburse certain costs from proceeds of the Bonds in accordance with the Reimbursement Regulations, the District hereby makes its declaration of official intent (the "Declaration") described below to reimburse certain costs.

(a) Declaration of Intent. The District proposes to issue the Bonds to finance the costs of the Abatement Project. The District may reimburse original expenditures made for certain costs of the Abatement Project from the proceeds of the Bonds in an estimated maximum principal amount of \$150,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the Bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

(b) Declaration Made Not Later Than 60 Days. This Declaration has been made not later than sixty (60) days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of the Bonds, except for the following expenditures: (a) costs of issuance of the Bonds; (b) costs in an amount not in excess of \$100,000 or five percent (5%) of the proceeds of the Bonds; or (c) "preliminary expenditures" up to an amount not in excess of twenty (20) percent of the aggregate issue price of the Bonds that finance or are reasonably expected by the District to finance the Abatement Project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of the Abatement Project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

(c) Reasonable Expectations; Official Intent. This Declaration is an expression of the reasonable expectations of the District based on the facts and circumstances known to the District as of the date hereof. The anticipated original expenditures for the Abatement Project and the principal amount of the Bonds described in Section 7(a), above, are consistent with the District's budgetary and financial circumstances. No sources other than proceeds of the Bonds to be issued by the District are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the District's budget or financial policies to pay such original expenditures. This resolution is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

The motion for the adoption of the foregoing resolution was duly seconded by Member Joe Melby, and upon vote being taken thereon the following director voted in favor of the motion: Brandon Ignaszewski, Carrie Jo Howard, Joe Melby, Brandon Kuznia, Kurt Stenberg, Allison Harder and the following voted against: None whereupon the resolution was declared duly passed and adopted.

3. Resolution to approve Parking Lot Replacement Project Memorandum of Understanding with Roseau County

Board Member Carrie Jo Howard introduced the following Resolution and moved its adoption:

MEMORANDUM OF UNDERSTANDING BETWEEN GREENBUSH MIDDLE RIVER SCHOOL DISTRICT #2683 AND ROSEAU COUNTY REGARDING GREENBUSH SCHOOL PARKING LOT PAVING PROJECT

This Agreement is made and entered into by and between the GMR SCHOOL DISTRICT #2683, under the laws of the State of Minnesota hereinafter referred to as the "District", and ROSEAU COUNTY, State of Minnesota hereinafter referred to as the "County", and collectively referred to as the "parties." The parties enter into this Agreement as of the date of execution by both parties, for the purposes and under the terms contained herein.

WHEREAS Minnesota Statute Section 471.59 provides for cooperation between governmental units. WHEREAS the parties are responsible for the construction and maintenance of parking lots, highways, roads, streets, bridges and ditches and it is in the public interest for the parties to cooperate and to reduce duplicative activities.

WHEREAS the purpose of this Agreement This agreement is to create a framework for roles and responsibilities between the County and the District, regarding parking lot paving for the Greenbush School, the "Site".

WHEREAS, the District would like their parking lot paving project bid with the 2022 County paving projects. The District is in favor of combining the Greenbush School Parking Lot Paving with the County Paving Projects to reduce cost liability.

NOW, THEREFORE, in consideration of the mutual covenants contained herein it is agreed as follows:

1. County Obligation.

a. County will prepare the project plans and specifications for the joint project incorporating both the County and District project information. The County shall submit the plans to the MnDOT Office of State Aid for approval.

b. County will advertise and receive bids for the project. Prior to awarding the bid, the County Engineer shall request the State Aid Engineer to concur with the selection of the lowest responsible bidder and of the proposed project cost.

c. County will make all contractor payments and be responsible for the administration of the project.

2. District Obligation.

a. District will ensure that the proper documentation is available for payments and reimbursements.

b. District shall be responsible for the inspection of their portion of the work, unless the District contracts the County to perform inspections, through a separate agreement therefore

c. District shall communicate with the public regarding construction at the Site and shall be responsible for alternative parking during the construction period.

d. District shall be responsible for safety and liability concerns for construction on Site at the District. 49

3. County is not liable for deficient work, project warranty for construction on Site at the District.

4. Upon completion of the project, the County shall invoice the District for their share of the construction and engineering costs of the project at the Site.

5. Acknowledgment. The parties acknowledge that they have read, understand and accept this Agreement and this agreement constitutes the entire agreement between them and supersedes all other communications, written or oral, relating to the subject matter of this Agreement.

The motion for the adoption of the foregoing resolution was duly seconded by Member Joe Melby and upon vote being taken thereon, the following voted in favor thereof: Shane Kilen, Allison Harder, Kurt Stenberg, Brandon Kuznia, Joe Melby, Carrie Jo Howard, Brandon Ignaszewski and the following voted against: None whereupon the resolution was declared duly passed and adopted.

4. Superintendent Search

5. Greenbush Middle River 2022 - 2023 School Calendar

Motion by Board Member Carrie Jo Howard and seconded by Allison Harder to approve the Greenbush Middle River 2022-2023 School Calendar as introduced. Motion was unanimously approved.

11. New Business:

12. Accept resignation of part-time high school Science Teacher

Motion by Board Member Shane Kilen and seconded by Joe Melby to accept the resignation of part time (.50) FTE high school Science Teacher Mrs. Carol Rhen. Motion was unanimously approved.

13. Reports:

1. Superintendent

a. Report on September 9, 2022 fuel oil tank leak

2. Principal

a. Report on Joint Sports Meeting

b. Report on start-up of Spring Sports

c. Scholastic Book Fair

d. Robotics

14. Adjournment

Motion by Carrie Jo Howard, second by Kurt Stenberg to ADJOURN. Motion was unanimously approved

Communications:

MAKE-UP instructional day for students and staff on April 18, 2022

Regular April School Board Meeting – April 18, 2022 @ 7:30 pm in GMR School Library