

Minutes of the Regular 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, February 24, 2015

Members Present:

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

Others Present:

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

Student Representatives:

Jude Goossens
Thomas Olafson

➤ Chair Seliga Punyko called the regular school board meeting of February 24, 2015 to order at 6:30 p.m., and the pledge of allegiance to the American flag was given.

M-Westholm, S-Harala, to approve the agenda as presented.

M-Johnston, S-Welty, to amend the agenda by adding the following to the Education Committee - 1.B. Discussion of recent letter by Denfeld Teachers concerning academic placement, a letter from a concerned Denfeld parent about remedial courses, and SF 1067 introduced by Senator Wiger concerning proper placement of students based on performance.

Discussion took place regarding adding the item to the agenda. Superintendent Gronseth indicated that it would be on the March Education Committee agenda.

Upon a vote on the amendment to the agenda, the same failed 3-4 as follows:

Yea: Johnston, Miernicki, Welty

Nay: Harala, Loeffler-Kemp, Seliga Punyko, Westholm

Upon a vote on the agenda as presented, the same passed 5-2 as follows:

Yea: Harala, Loeffler-Kemp, Miernicki, Seliga Punyko, Westholm

Nay: Johnston, Welty

Chair Seliga Punyko asked school board members if there were any corrections or changes to the minutes of the Regular School Board Meeting of January 20, 2015.

M-Westholm, S-Loeffler-Kemp, to approve the minutes of the January 20, 2015 Regular School Board Meeting as presented. Upon a vote, the same was approved as presented - unanimously.

School and Community Recognition

February 2015

Ed Crawford: Members of the Board, this month I'm pleased to present Tim Renier from Duluth East High School for recognition in the area of Science. His accomplishments are many. They include, but are not limited to: Finalist in the Intel International Science and Engineering Fair (ISEF) Finalist: advancing to the Intel ISEF in Pittsburgh, Pennsylvania, 1st Place Project: advancing to the MN State Science and Engineering Fair in Bloomington, MN, 1st Place Paper: advancing to the Northeast Region Junior Science and Humanities Symposium in Bloomington, MN, Genius Olympiad Award: Selected to submit a project for the Genius Olympiad International Competition in Oswego, NY, U.S. Surgeon General's Public Health Award, Mu Alpha Theta Mathematics Honors Society Award, ASU Walton Sustainability Award: for a project involving social justice, environmental and economic prosperity: nomination for a trip to Arizona for a Sustainability Solutions Festival, Alpha Delta Community Involvement Award. Tim is also a recipient of the Scholar of Distinction Award from the Minnesota Department of Education and the Minnesota Academic Excellence Foundation. The award recognizes exceptional accomplishment, achievement and performance. It is MDE's highest award and denotes that Tim has a substantial body of work in his content area, exceeded the requirements for graduation standards, engaged in a rigorous course of study and has completed an extraordinarily focused research project. Congratulations to this outstanding and talented young man!

Public Comments

February 2015

Member Loeffler-Kemp read the District mission statement.

Tim Davis, no address provided, spoke to the school board regarding the failure of our students of color and the need to address the achievement gap by using best practices to address the not only financially but in having staff of color, to work toward a more sustainable future for students of color.

Communications, Petitions, Etc.

February 2015

Superintendent Gronseth reviewed the communications that had been received.

Superintendent's Report

February 2015

Earlier this month we had the opportunity to host Author Anton Truerur who lead a professional development opportunity for many of our staff members. A large group of teachers participated in a book study--the book was called "Everything You Ever Wanted to Know About Indians but Were Afraid to Ask. The book and the study were centered around building a better relationships through understanding. It was an honor to have him visit and it was a meaningful opportunity for staff and community members who were involved.

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Tonight I'm pleased and honored to let you know of a donation coming to our schools from a former student of Denfeld High School. Jerome Clarence Miller attended Denfeld in the 1940's. According to his family he had a great interest in horticulture and carpentry. When Mr. Miller passed away, he directed that \$100,000 should be given to our school district. His family indicated that they would appreciate some acknowledgement of this donation in the form of a plaque. And, given his interests, we are looking for some way to use this donation to support our Career and Tech ed programs.

Something that we have been working on is reducing the number of students who are dropped off at school when we have a school delay or closure. To help with this, we have added a new tool to our communications toolbox. From now on when we have school closures due to snow, or ice, or cold we will be using our all-call system. Families can expect to receive the call around 6 a.m. We will also have it on our website, alert the television and radio stations, the Duluth News Tribune, and social media.

Tonight I'm looking forward to a new addition to the Superintendent report-- that is our student representative reports. Each month we will ask our student reps to highlight an activity and an academic area-- I think it will be a great addition to our meetings. I do want to take a moment to say congratulations to Tommy for earning the rank of Eagle Scout--nice work! And without further adieu, I'll ask our student representatives to share their reports. Why don't we start with Tommy's report from Denfeld, and then have Jude's report from East.

Tommy Olafson – Denfeld student report – The blood drive was a big success, our One Act Play took third at regionals, over 400 students came to 8th grade orientation, the Robotics team 4009 is going into first regionals, and the Sweetheart dance was held in earlier February.

Jude Goossens – East student report - East has had a successful blood drive, 8th grade orientation, and advanced to the state level in the One Act competition. We have just returned from our winter break with building excitement for the sectional final hockey game against Elk River on Thursday. Student groups are also working on the PRIDE campaign to promote values of peace, respect, integrity, diversity, and enthusiasm, and are having an assembly to cover the topic of respect this Thursday. East's student newspaper, The Greyhound, published an issue with a strong focus on mental health and how it affects the student body. Some students have been willing to share their personal stories with struggling against anxiety and depression among other things and have formed a group so students can come to safely share their experiences and get support. Many students feel that having a mental health counselor or at the very least some sort of additional mental health support in our schools is necessary because of the inadequacy of our current resources.

Education Committee Report
February 2015

Member Harala presented the Education Committee report, a copy of same being in the hands of each school board member.

Member Harala presented the resolution:

RESOLUTION
Acceptance of Grant Awards to Duluth Public Schools

WHEREAS, Minnesota Statute 465.03 requires a school district to accept grants by resolution expressed in the terms prescribed by the donor in full; and,

WHEREAS, acceptance of the grant in accordance with the donor's terms is in the best interest of the Duluth Public Schools:

NOW, THEREFORE, BE IT RESOLVED that the Duluth Public Schools does accept the below-described grants from said organizations in accordance with the terms set forth herein.

BE IT FURTHER RESOLVED that the Duluth Public Schools wishes to extend its grateful appreciation to these various organizations.

	Organization	Author/Contact	Project Title	Award Amount	Terms
1	Minnesota State Colleges and Universities/U S Department of Education	Jim Arndt	Carl D. Perkins Career and Technical Education Allocation	\$461,812 (\$151,268.69 for Secondary Schools and \$310,543.31 for Post-Secondary Schools)	Funds from this grant award will be used to support Career and Technical Education Programs and courses.
2	First Technologies	Jim Arndt and Dr. Mike Cary	Fab Lab Grant Application	\$27,586	Funds from this grant award will be used toward the implementation of the new FAB Lab at Denfeld High School beginning with the 2015-16 school year.

Resolution E-2-15-3236

February 24, 2015

M-Harala, S-Miernicki, to approve Resolution E-2-15-3236 – Acceptance of Grant Awards to Duluth Public Schools. Upon a vote, the same was approved – unanimously.

M-Harala, S-Loeffler-Kemp, to table Item 2.D. Request for Suspension of Policy 6160 – Field Trips and resolution E-11-10-2826 – Waiving Liability on Foreign Travel with the Exception of Canada. Upon a vote, the same was approved – unanimously.

M-Harala, S-Miernicki, to approve the Education Committee Report. Upon a vote on the Education Committee, the same was approved – unanimously.

Human Resources Committee Report
February 2015

Member Miernicki presented the Human Resources Committee report, a copy of same being in the hands of each school board member.

Member Miernicki presented the resolution:

RESOLUTION
Duluth Principals' Association

RESOLVED, By the School Board of Independent School District 709, St. Louis County, Minnesota, that the Collective Bargaining Agreement between Independent School District 709 and Duluth Principals' Association, a summary of which is in the hands of all School Board members, be approved and adopted for the periods August 1, 2013 to July 31, 2015, inclusive, and that the Chairperson and Clerk of the School Board be hereby authorized to execute said Agreement on behalf of the School District.

HR-2-15-3241

February 24, 2015

M-Miernicki, S-Loeffler-Kemp, to approve HR-2-15-3241 – Duluth Principals' Association.

Discussion took place regarding the contract.

Upon a vote, the same was approved – unanimously.

Member Miernicki presented the resolution:

RESOLUTION
Duluth District-Wide Instructional Administrators' Association

RESOLVED, By the School Board of Independent School District #709, St. Louis County, Minnesota, that the Collective Bargaining Agreement between Independent School District #709 and the Duluth District-Wide Instructional Administrators' Association, a summary of which is in the hands of all School Board members, be approved and adopted for the periods August 1, 2013 to July 31, 2014 and August 1, 2014 to July 31, 2017, inclusive, and that the Chairperson and Clerk of the School Board be hereby authorized to execute said Agreement on behalf of the School District.

HR-2-15-3242

February 24, 2015

M-Miernicki, S-Westholm, to approve HR-2-15-3242 – Duluth District-Wide Instructional Administrators' Association.

Discussion took place regarding the contract.

Upon a vote, the same was approved – unanimously.

M-Miernicki, S-Welty, to approve the remainder of the Human Resource Committee report.

Member Johnston withheld Item 2.C.

Member Johnston withheld Item 2.C. – Pay Equity Implementation Report. To indicate his agreement that the District does well in this area.

Upon a separate vote on Item 1.A. – Staffing Report, the same was approved 6-0 as follows:

Yea: Harala, Johnston, Loeffler-Kemp, Miernicki, Welty, Westholm

Abstain: Seliga Punyko

Upon a vote, the same was approved - unanimously.

Business Committee Report

February 2015

Member Westholm presented the Business Committee report, a copy of same being in the hands of each school board member.

Member Westholm presented the resolution:

RESOLUTION

Acceptance of Donations to Duluth Public Schools

WHEREAS, Minnesota Statute 465.03 requires a school district to accept donations by resolution expressed in the terms prescribed by the donor in full; and,

WHEREAS, acceptance of the donations in accordance with the donor's terms is in the best interest of the Duluth Public Schools:

NOW, THEREFORE, BE IT RESOLVED that the Duluth Public Schools does accept the below-described donations from said organizations in accordance with the terms set forth herein.

BE IT FURTHER RESOLVED that the Duluth Public Schools wishes to extend its grateful appreciation to these various organizations.

SCHOOL	FIRST NAME	LAST NAME/ORG.	RESTRICTION	AMOUNT
Denfeld		The Saint Paul Foundation	Softball	500.00
Denfeld	Paul & Marla	Vranish	Softball	100.00
Denfeld	Duluth Brass Manufacturing		Robotics	100.00
Denfeld	SAPPI	SD Warren Co	Robotics	300.00
Denfeld	Stella Jennison &	Tina Schlee	Robotics	10.00
Denfeld	Gary & Marcia	Doty	Robotics	50.00
Denfeld		Irving Community Assn	Robotics	4,000.00
Denfeld	Raymond & Maurene	Morse	Hunter Hut	25.00
Denfeld	Mary & Todd	Hautajarvi	Softball	80.80
Denfeld		Maurices	General Fund	270.00
Denfeld		Nuss Truck Group Inc	Robotics	100.00
Denfeld		Park State Bank	Robotics	250.00
Denfeld	Richard	Swanson	Robotics	50.00
Homecroft		Maurices	None	115.00

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Lester Park		Maurices	None	210.00
Denfeld		Puglisi Classico LTD Inc	Debate	500.00
Denfeld	Mary & Jeff	Adams	Girls Swim	35.00
Denfeld	Nancy	McParlan	Hunter Hut	50.00
Denfeld		Catholic Charities Bureau	Orchestra	50.00
Denfeld		Beaners	Hunter Hut	85.00
Denfeld	Penelope	Dearth	Hunter Hut	100.00
Denfeld		Altec Hiline	Robotics	100.00
Denfeld		Nordic Waste Services Inc.	Robotics	200.00
Denfeld	Susan Coen	State Farm Agency	Robotics	500.00
Denfeld		Lake Superior Consulting	Robotics	1,000.00
Denfeld		Genesis Attachments	Robotics	500.00
		TOTAL		9,280.80

Resolution B-2-15-3237

February 24, 2015

M-Westholm, S-Miernicki, to approve Resolution B-2-15-3237 – Acceptance of Donations to Duluth Public Schools. Upon a vote, the same was approved - unanimously.

Member Westholm presented the resolution:

R E S O L U T I O N
Authorized Student Activity Bank Account Signer

RESOLVED, by the School Board of Independent School District No. 709, St. Louis County, Minnesota, that it hereby authorizes the following:

<u>District Building</u>	<u>Banking Institution</u>	<u>Account Number</u>	<u>Addition of Authorized Signer</u>	<u>Removal of Authorized Signer</u>
Area Lrng Center	DTCU	XXXX4		Jody LeBlanc
Congdon	North Shore	XXXXXX0		Jody LeBlanc
Denfeld	DTCU	XXXX2		Jody LeBlanc
	Western Nat'l	XXXXX4		Jody LeBlanc
East	North Shore	XXXXXX9		Jody LeBlanc
	North Shore	XXXXXX2		Jody LeBlanc
	DTCU	XXXX6		Jody LeBlanc
Headstart	DTCU	XXXX0		Jody LeBlanc
Homecroft	DTCU	XXXX2		Jody LeBlanc
ISD709	MN Trust	XXXX8		Jody LeBlanc
	MN Liquid Asset	XXXXX3		Jody LeBlanc
	Piper Jaffray	XXXXXXXXXXT		Jody LeBlanc
	MBS	XXXXXXXXX9		Jody LeBlanc
	DTCU	XXXX3		Jody LeBlanc

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	BMO Harris Bk	XXXXXXX7	Jody LeBlanc
	Key Bank		Jody LeBlanc
Lakewood	North Shore	XXXXXXX7	Jody LeBlanc
L MacArthur	Western Nat'l	XXXXXXX2	Jody LeBlanc
Lester Park	DTCU	XXXXX7	Jody LeBlanc
Lincoln Park	Park State Bank	XXXXXXX0	Jody LeBlanc
		XXXXXXX5	Jody LeBlanc
Lowell	DTCU	XXXXX4	Jody LeBlanc
Merritt Creek	DTCU	XXXXX0	Jody LeBlanc
MyersWilkins	DTCU	XXXXX3	Jody LeBlanc
Ordean East	DTCU	XXXXX1	Jody LeBlanc
Piedmont	DTCU	XXXXXX4	Jody LeBlanc
Public School			
Stadium	DTCU	XXXXX6	Jody LeBlanc
Stowe	DTCU	XXXXX0	Jody LeBlanc
Woodland			
Hills	DTCU	XXXXX1	Jody LeBlanc

B-2-15-3238

February 24, 2015

M-Westholm, S-Miernicki, to approve B-2-15-3238 – Authorized Student Activity Bank Account Signer.

Discussion took place regarding the resolution.

Upon a vote the same - unanimously.

Member Westholm presented the resolution:

Resolution Of The School Board Of Independent School District
No. 709 Approving Official Terms Of Offering For The Issuance Of General Obligation
Refunding Bonds, Series 2015B

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

Section 1. A. Under and pursuant to the authority contained in Minnesota Statutes, Section 123B.59 and Minnesota Statutes, Chapter 475 (the "Act"), the District previously issued its \$59,235,000 General Obligation Alternative Facilities Bonds, Series 2008A, dated February 15, 2008 (the "2008 Bonds"), to finance repairs, renovations, replacements and equipment for various District sites and facilities, pursuant to the District's facilities plan adopted pursuant to Minnesota Statutes, Section 123B.59, and as authorized by a Resolution adopted by the School Board on January 29, 2008 (the "2008 Resolution").

B. Under and pursuant to the Act and Section 475.67, Subdivisions 1 through 12 of the Act, the District is authorized to issue and sell its general obligation refunding bonds to refund obligations and the interest thereon before the due date of the obligations, if consistent with covenants made with the holders thereof, when determined by the District to be necessary or desirable for the reduction of debt service costs to the District or for the extension or adjustment of maturities in relation to the resources available for their payment.

C. The School Board hereby finds and determines that it is necessary and desirable, in order to reduce debt service costs, that the District issue, sell and deliver its general obligation refunding bonds, as hereinafter provided, for the refunding of the 2019 through 2028 maturities of the 2008 Bonds (the “2008 Refunded Bonds”), interest thereon through the redemption date and for the payment of the costs of issuance of the Bonds, as hereinafter described. The 2016 through 2018 maturities of the 2008 Bonds shall remain outstanding.

Section 2. The Bonds. The School Board hereby finds and determines it is necessary and desirable, in order to reduce debt service costs, that the District authorize the issuance of general obligation refunding bonds to refund the 2008 Refunded Bonds in an amount not to exceed \$49,000,000 plus an additional amount not to exceed two percent of the amount authorized to be issued, as permitted under Minnesota Statutes, Section 475.56. Due to present bond market conditions and expected premium bids, the District shall issue, sell and deliver its General Obligation Refunding Bonds, Series 2015B (the “Bonds”), in the approximate amount of \$46,435,000 which, together with estimated original issue premium, will provide for the refunding of the 2008 Refunded Bonds, interest thereon through the redemption date and payment of the costs of issuance of the Bonds.

Section 3. Official Terms of Offering. The District’s administrative staff is hereby authorized and directed to work with PMA Securities, Inc., independent municipal advisor to the District, and Fryberger, Buchanan, Smith & Frederick, P.A., bond counsel, to solicit bids and arrange for the sale of the Bonds in substantial compliance with the Notice of Sale attached hereto as Exhibit A. Due to a rapidly changing bond market, the Chief Financial Officer/Executive Director of Business Services, after consulting with the District’s municipal advisor and bond counsel, is authorized to modify the terms of the Notice of Sale prior to accepting the bids. The bids shall be received by the Chief Financial Officer/Executive Director of Business Services or his designee from 9:15 a.m. through 9:30 a.m. central time on March 17, 2015, through MuniAuction and consideration for the award of the Bonds will be by the School Board at 6:30 p.m. central time on the same date.

Section 4. Repayment of Bonds. The form, specifications and provisions for repayment of the Bonds shall be set forth in a subsequent resolution of the School Board.

Section 5. Credit Enhancement. A. The Board Chair, Superintendent or Chief Financial Officer/Executive Director of Business Services are hereby authorized and directed to submit a Minnesota School District Credit Enhancement Program Application for Default Preclusion to the Minnesota Department of Education, as provided by Minnesota Statutes, Section 126C.55.

B. 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 Bonds 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.

C. The District further covenants to comply with all procedures now or hereafter

established by the Department of Management and Budget and the Department of 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, Superintendent or Chief Financial Officer/Executive Director of Business Services are authorized to execute any applicable Department forms regarding such program.

NOTICE OF SALE

\$46,435,000*

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015B

**INDEPENDENT SCHOOL DISTRICT 709
(DULUTH), MINNESOTA**

(Book-Entry Only)

NOTICE IS HEREBY GIVEN that the School Board of Independent School District No. 709 (Duluth), Minnesota (the "Issuer"), will receive bids via MuniAuction hosted by Grant Street Group (as more fully described below) for sale of \$46,435,000* General Obligation Refunding Bonds, Series 2015B (the "Obligations"), according to the following terms:

TIME AND PLACE:

Bids will be opened by the Chief Financial Officer/Executive Director of Business Services, or his designee, on Tuesday, March 17, 2015, as set forth below at the offices of PMA Securities, Inc., 770 North Jefferson Street, Suite 200, Milwaukee, Wisconsin 53202 (the "Financial Advisor"). Consideration of the bids for award of the sale will be by the School Board at a meeting at the District Offices beginning Tuesday, March 17, 2015 at 6:30 P.M.

BIDDING INSTRUCTIONS: All bids must be submitted on the MuniAuction website at www.grantstreet.com beginning at 9:15 a.m. until 9:30 a.m. central time on March 17, 2015. No telephone, telefax or personal delivery bids will be accepted. The use of MuniAuction shall be at the bidder's risk and expense and the Issuer shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bids. Any questions regarding bidding on the MuniAuction website should be directed to Grant Street Group (the "Auction Administrator") at (412) 391-5555 x 370.

Each bidder may change and submit bids as many times as it likes during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower TIC (as hereinafter defined) with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid, the prior bid will remain valid.

If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by MuniAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.

The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winding bidder or bidders.

During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the

* The Issuer reserves the right to increase or decrease the principal amount of the Obligations. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread.

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ranking of their bid relative to other bids (i.e., “Leader,” “Cover,” “3rd” etc.).

On the Auction page, bidders will be able to see whether a bid has been submitted.

Bidders must comply with the Rules of MuniAuction in addition to the requirements of this Notice of Sale. To the effect there is a conflict between the Rules of MuniAuction and this Notice of Sale, this Notice of Sale shall control.

A bidder submitting a winning bid (“Winning Bid”) is irrevocably obligated to purchase the Obligations at the rates and prices of the Winning Bid, if acceptable to the Issuer, as set forth in this Notice of Sale. The Winning Bid is not officially awarded to the winning bidder until formally accepted by the Issuer.

Neither the Issuer, the Financial Advisor, nor the Auction Administrator is responsible for technical difficulties that result in loss of a bidder’s internet connection with MuniAuction, slowness in transmission of bids, any other technical problems resulting in bid submission failure, or any computational or data entry errors associated with using MuniAuction.

If for any reason a bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such bidder, unless the Issuer exercises its right to reject bids, as set forth herein.

Bids which generate error messages are not accepted until the error is corrected and the bid is received prior to the deadline.

Bidders accept and agree to abide by all terms and conditions specified in this Notice of Sale (including amendments, if any) related to the auction.

Neither the Issuer, the Financial Advisor nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in this Notice of Sale, amendments, or Preliminary Official Statement as they appear on MuniAuction resulting in bid submission failure, or any computational or data entry errors associated with using MuniAuction.

Only bidders who request and receive admission to an auction may submit bids. MuniAuction and the Auction Administrator reserve the right to deny access to the MuniAuction website to any bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.

Neither the Issuer, the Financial Advisor nor the Auction Administrator is responsible for protecting confidentiality of a bidder’s MuniAuction password.

If two bids submitted in the same auction by the same or two or more different bidders result in the same TIC, the first confirmed bid received by MuniAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in TIC.

Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to MuniAuction within 15 minutes after the bidding time period ends.

Regardless of the final results reported by MuniAuction, the Obligations are definitively awarded to the winning bidder (the “Underwriter”) only upon official award by the Issuer. If for any reason the Issuer fails to: (i) award the Obligations to the winner reported by MuniAuction, or (ii) deliver the Obligations to the Underwriter at settlement, neither the Issuer, the Financial Advisor nor the Auction Administrator will be liable for damages.

Bidders who submit a bid on the Auction Page by clicking the “Submit Bid” button must confirm that bid by checking the “Yes, Submit Bid” button on the Confirmation Page.

AWARD: The Obligations will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis, at the rate or rates designated in said bid from the dated date to the respective maturity dates after deducting the premium bid. The TIC will be calculated as the rate which, when used in computing the present value of all payments of principal and interest to be paid on the Obligations (commencing on August 1, 2015, and semiannually thereafter), produces an amount on the date of the Bonds (expected to be April 16, 2015) equal to the purchase price set forth in the bid.

In the event of more than one bid specifying the lowest TIC, the Obligations will be awarded to the bidder whose bid was submitted first in time on the MuniAuction webpage.

The TIC of each bid will be computed by MuniAuction and reported on the Observation Page of the MuniAuction webpage immediately following the date and time for receipt of bids.

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These TICs are subject to verification by the Financial Advisor and will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the Winning Bid. The Issuer or the Financial Advisor will notify the bidder to whom the Obligations will be awarded, if and when such award is made.

TYPE OF BID: A bids for not less than \$45,970,650 (99% of par) nor more than \$50,149,800 (108% of par) plus accrued interest on the total principal amount of the Obligations shall be filed with PMA Securities, Inc. prior to the time set for the opening of the bids. The initial prices to the public for each maturity must be at least 98.0% or greater. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the maturity date. A good faith deposit (the “Deposit”) in the amount of \$500,000 shall be provided to the Issuer by a wire transfer by the successful bidder payable to the Issuer (as instructed by the Issuer), no later than 3:30 p.m. Central time on Tuesday, March 17, 2015. In the event the successful bidder fails to provide the Deposit in accordance with the preceding sentence, the Issuer reserves the right to reject the successful bidder’s bid.

No interest on the Deposit will accrue to the successful bidder. The Deposit will be applied to the purchase price of the Obligations. In the event the successful bidder fails to honor its accepted bid, the Deposit will be retained by the Issuer as liquidated damages.

BOOK-ENTRY SYSTEM: The Obligations will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Obligations will be issued in fully registered form and will be registered in the name of Cede & Co. as nominee of Depository Trust Company (“DTC”), Jersey City, New Jersey, which will act as securities depository of the Obligations. Individual purchases of the Obligations may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. The District will appoint a qualified bond registrar, transfer agent, authenticating agent and paying agent (the “Paying Agent/Registrar”). Principal and interest are payable by the Issuer through the Paying Agent/Registrar to DTC, or its nominee as registered owner of the Obligations. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The successful proposal maker, as a condition of delivery of the Obligations, will be required to deposit the bond certificates with DTC. The Issuer will pay reasonable and customary charges for the services of the Paying Agent/Registrar.

AUTHORITY/PURPOSE: The Obligations are being issued pursuant to Minnesota Statutes, Chapter 475, and Sections 475.67, Subdivisions 1 through 12, as amended. The Obligations will be issued to advance refund the 2019 through 2028 maturities of the District’s General Obligation Alternative Facilities Bonds, Series 2008A, dated February 15, 2008 (the “2008 Refunded Bonds”).

DETAILS OF THE

OBLIGATIONS: The Obligations will be dated as of the date of delivery and will bear interest payable on February 1 and August 1 of each year, commencing on August 1, 2015. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Obligation will mature on February 1 in the years and amounts* as follows:

2016	\$930,000	2023	\$4,350,000
2017	\$450,000	2024	\$4,440,000
2018	\$460,000	2025	\$4,580,000
2019	\$4,040,000	2026	\$4,720,000
2020	\$4,110,000	2027	\$4,875,000
2021	\$4,185,000	2028	\$5,030,000
2022	\$4,265,000		

The Issuer reserves the right, after the bids are opened and prior to award, to increase or reduce the principal amount of the Obligations or the amount of any maturity in multiples of \$5,000. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in

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February 24, 2015

the same gross spread per \$1,000 of Obligations as that of the original proposal. Gross spread is the differential between the price paid to the Issuer for the new issue and the prices at which the securities are initially offered to the investing public.

Bids for the Obligations may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption as a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth above. In order to designate term bonds, the bid must specify “years of Term maturities” in the spaces provided on the bid form.

INTEREST RATES: All rates must be in integral multiples of 1/20th or 1/8th of 1%. All Obligations of the same maturity must bear a single uniform rate from date of issue to maturity.

REDEMPTION: Obligations maturing on February 1, 2026 through 2028 are subject to redemption and prepayment at the option of the Issuer on February 1, 2025, and any date thereafter, at a price of par plus accrued interest. Redemption may be in whole or in part of the Obligations subject to prepayment. If redemption is in part, the maturities and principal amounts within each maturity to be redeemed shall be determined by the Issuer and if only part of the Obligations having a common maturity date are called for prepayment, the specific obligations to be prepaid shall be chosen by lot by the Bond Registrar.

SECURITY: The Obligations will be general obligations of the Issuer for which the Issuer will pledge its full faith and credit and taxing power to levy direct ad valorem taxes for payment of the principal of and interest on the Obligations when due.

CUSIP NUMBERS: If the Obligations qualify for assignment of CUSIP numbers such numbers will be printed on the Obligations, but neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the Obligations in accordance with terms of the purchase contract. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the successful bidder.

DELIVERY: Within forty-five days after award (but expected to be on April 16, 2015) subject to approving legal opinion by Fryberger, Buchanan, Smith and Frederick, P.A., Bond Counsel. Legal opinion will be paid by the Issuer and delivery will be anywhere in the continental United States without cost to the successful bidder at DTC.

BOND INSURANCE AT

PURCHASER’S OPTION:

The Issuer has **not** applied for or pre-approved a commitment for any policy of municipal bond insurance with respect to the Obligations. If the Obligations qualify for municipal bond insurance and a bidder desires to purchase a policy, such indication, the maturities to be insured, and the name of the desired insurer must be set forth on the bidder’s proposal. The Issuer specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the Issuer. All costs associated with the issuance and administration of such policy and associated ratings and expenses (other than any independent rating requested by the Issuer) shall be paid by the successful bidder. Failure of the municipal bond insurer to issue the policy after the award of the Obligations shall not constitute failure or refusal by the successful bidder to accept delivery of the Obligations.

INFORMATION FROM

SUCCESSFUL BIDDER: The successful bidder will be required to provide, in a timely manner, certain information relating to the initial offering price of the Obligations necessary to compute the yield on the Obligations pursuant to the provisions of the Internal Revenue Code of 1986, as

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amended.

OFFICIAL STATEMENT By awarding the Obligations to any underwriter or underwriting syndicate submitting a bid therefor, the Issuer agrees that, no more than seven business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Obligations are awarded copies of the Official Statement.

CONTINUING DISCLOSURE:

The Issuer will covenant in the resolution awarding the sale of the Obligations and in a Continuing Disclosure Undertaking to provide, or cause to be provided, annual reports and notices of certain events, as required by SEC Rule 15c2-12. The successful bidder's obligation to purchase the Obligations will be conditional upon receiving evidence of this undertaking at or prior to delivery of the Obligations.

BANK QUALIFIED TAX-EXEMPT
OBLIGATIONS

The Issuer WILL NOT designate the Obligations as qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The Issuer reserves the right to reject any and all bids, to waive informalities and to adjourn the sale.

Dated: February 24, 2015

BY ORDER OF THE SCHOOL BOARD OF ISD 709

/s/ William Hanson

Chief Financial Officer/Executive Director of Business
Services

Additional information may be obtained from:

PMA Securities, Inc.

770 North Jefferson Street, Suite 200

Milwaukee, Wisconsin 53202

Telephone: (414) 225-0099, Ext. 1507

B-2-15-3239

February 24, 2015

M-Westholm, S-Harala, to approve Resolution B-2-15-3239 - Resolution of the School Board Of Independent School District No. 709 Approving Official Terms of Offering For The Issuance Of General Obligation Refunding Bonds, Series 2015B.

Discussion took place regarding the resolution.

Upon a vote on the resolution as presented, the same was approved – unanimously.

M-Westholm, S-Miernicki, to approve the remainder of the Business Committee report.

Member Johnston withheld Items 1.B., 1.F., separate vote on 2.A.1) & 2), and 6.E.

Member Harala withheld Item 6.A.

Member Miernicki withheld Item 1.A.

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Member Miernicki withheld Item 1.A. – Financial Report to note that he is happy to see that we are in pretty good shape financially and hoping things will continue to improve in the future.

Member Johnston withheld Item 1.B. – Approval of Payment of Claims to note the Districts legal costs.

Member Johnston withheld Item 1.F. – WADM Projections to note his concerns with the loss of students in the District. Discussion continued regarding the subject. Chair Seliga Punyko asked that comments be kept to the WADM Projections. Member Johnston made a point of order that he had the floor and should not be interrupted. Member Seliga Punyko moved on with comments. Member Johnston indicated that his point of order had been ignored. Discussion continued.

Upon a separate vote on Items 2.A. – Bids 1236 and 1237, the same was approved – unanimously.

Member Johnston withheld Item 3.A. - Policy 1098-Gifts to Employees and School Board Members to make a recommendation to reinsert paragraph II.B. A Violation of this policy occurs when any employee solicits a gift from a student, parent, or other individual or organization of greater than nominal value within the policy. Discussion took place regarding the policy changes.

Upon a separate vote on the item the same was approved 6-1 as follows:

Yea: Harala, Loeffler-Kemp, Miernicki, Seliga Punyko, Welty, Westholm
Nay: Johnston

Member Harala withheld Item 6.A. – Expenditure Contracts to say that she appreciated the Martin Luther King Day activities.

Member Johnston withheld Item 6.E. – Audit Engagement Letter to note his concern with the audit cost. Discussion continued regarding audits.

Upon a vote on the remainder of the Business Committee, the same was approved – 6-1 as follows:

Yea: Harala, Loeffler-Kemp, Miernicki, Seliga Punyko, Westholm, Welty
Nay: Johnston

Special Resolutions
February 2015

Member Harala presented the resolution.

SPECIAL RESOLUTION
Commencing With the Review of District Policies and Transition to the Minnesota School Boards
Association (MSBA) Model Policies

WHEREAS, A major role and responsibility of the School Board is reviewing, revising, adopting and rescinding District #709 policies.

WHEREAS, Duluth Public Schools ISD 709 is a subscribed member of the Minnesota School Boards Association (MSBA), which includes MSBA Policy Services. All model policies are carefully examined to by MSBA's legal counsel to insure compliance with federal and Minnesota laws.

WHEREAS, The MSBA model policies are reviewed and updated annually to reflect any changes by legislation or court decisions. Those changes are posted on the MSBA website and subscribing districts are notified.

NOW, THEREFORE, BE IT RESOLVED, By the School Board of Independent School District 709, St. Louis County, Minnesota, that the School Board directs District administration to commence with the review of current District Policies and transition to the MSBA model policies, including their numbering system.

SP-2-15-3240

February 24, 2015

M-Harala, S-Loeffler-Kemp, to approve Resolution SP-2-15-3240 – Commencing with the Review of District Policies and Transition to the Minnesota School Boards Association (MSBA) Model Policies.

Discussion took place regarding the resolution.

M-Johnston, S-Welty, to amend the resolution to change the last paragraph to read, that the School Board directs District administration and School Board to commence with t the review of Current District Policies. (removing the last part of the paragraph).

Discussion took place regarding the proposed amendment.

Upon a vote on the proposed amendment, the same failed 1-6 as follows:

Yea: Johnston

Nay: Harala, Loeffler-Kemp, Miernicki, Seliga Punyko, Westholm, Welty

Upon a vote on the resolution as presented, the same was approved 6-1 as follows:

Yea: Harala, Loeffler-Kemp, Miernicki, Seliga Punyko, Westholm, Welty
Nay: Johnston

Member Miernicki presented the resolution:

SPECIAL RESOLUTION
Nominees to Serve on Duluth Public Schools Fund Board

WHEREAS, The Duluth Superior Community Foundation oversees the Duluth Public Schools Fund, and

WHEREAS, The Duluth Public Schools Fund is seeking nominees to serve on their Board.

THEREFORE, The Duluth Public School Board suggests the following names to serve on the Duluth Public Schools Fund Board.

- Acted Upon at the January 20, 2015 School Board Meeting:
 - Carol Hubert
 - JoAnn Luhtala
- Suggested in addition to those recommendations:
 - Kristy Haller
 - Laurie Carlson

SP-2-15-3243

February 24, 2015

M-Miernicki, S-Harala, to approve Resolution SP-2-15-3243 – Nominees to Serve on Duluth Public Schools Fund Board. Upon a vote, the same was approved – unanimously.

Other
February 2015

Member Johnston noted his concern with not following parliamentary procedure during the meeting.

Members Harala and Loeffler-Kemp provided a brief overview of the School Board Officers workshop they attended.

Chair Seliga Punyko adjourned the Regular School Board Meeting of February 24, 2015 at 8:46 p.m.