

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, November 20, 2018

Members Present:

Josh Gorham
David Kirby
Rosie Loeffler-Kemp
Jill Lofald
Alanna Oswald
Nora Sandstad

Others Present:

Bill Gronseth, Superintendent
Cathy Erickson, CFO
Jackie Dolentz, Secretary

Student Representatives:

Maggie Carlos (Denfeld)
Finnegan White (Duluth East)

Members Absent:

Sally Trnka

➤ Chair Kirby called the Regular School Board meeting of November 20, 2018 to order at 6:34 p.m., and the pledge of allegiance to the American flag was given.

Congratulations to the newly tenured teachers who were celebrated with refreshments, music and a ceremony prior to the start of the School Board meeting. The Annual Report for the Community also took place prior to the start of the School Board meeting.

M-Gorham, S-Sandstad, to approve the agenda as presented. Upon a vote, the agenda was approved as presented – 6-0.

Chair Kirby asked school board members if there were any corrections or changes to the minutes of the Regular School Board Meeting of October 16, 2018.

M-Loeffler-Kemp, S-Gorham, to approve the minutes of the October 16, 2018 Regular School Board Meeting as presented. Upon a vote, the same was approved – 6-0.

Chair Kirby asked school board members if there were any corrections or changes to the minutes of the Special School Board Meeting (Canvass General Election) of November 13, 2018.

M-Sandstad, S-Oswald, to approve the minutes of the November 13, 2018 Special School Board Meeting (Canvass General Election) as presented. Upon a vote, the same was approved – 6-0.

Chair Kirby asked school board members if there were any corrections or changes to the minutes of the Special Closed School Board Meeting (Lawsuit) of November 13, 2018.

M-Sandstad, S-Oswald, to approve the minutes of the November 13, 2018 Special Closed School Board Meeting (Lawsuit) as presented. Upon a vote, the same was approved – 6-0.

School and Community Recognition
November 2018

Members of the Board, this month we're recognizing Lincoln Park Middle School. Please welcome Principal Brenda Vathauer; she is accepting this recognition on behalf of Lincoln Park teachers, staff and administration.

The Minnesota Department of Education annually seeks out schools doing outstanding work to improve school climate. To these schools, they present Minnesota PBIS Sustaining Exemplar Recognition. The award recognizes schools that have completed Positive Behavioral Intervention and Supports implementation and are continuing to achieve positive student outcomes. Criteria are based on effective implementation of national PBIS standards. Schools must document the work of their leadership team and provide a system measuring effort, fidelity and outcomes. They must show data analysis and action planning, sustainability efforts and giving back at the local, state or national level.

This is no easy task. It's not one and done. It requires thoughtful planning, staff development and implementation - not just one day but every day. For the second year in a row, Lincoln Park Middle School is the recipient of Minnesota Sustaining Exemplar Schools Recognition. According to the state, the award recognizes Lincoln Park for "Leadership in promoting positive student behavior, improving school climate and creating respectful learning environments that lead to increased student achievement."

We are proud of the work being done at Lincoln Park. Congratulations to teachers, staff and administration; we appreciate all you do to promote safe, welcoming environments in our schools.

Public Comments
November 2018

Jen Jaros, address not provided, spoke to the School Board about Early Childhood Family Education.

Jaimie Nere, 4002 East Superior Street, spoke to the School Board about her experiences as a parent who has children in Early Childhood Family Education programs.

Betty Greene, 4015 Dodge Street, spoke to the School Board about the use of compensatory education funds by the buildings who have received them.

Communications, Petitions, Etc.
November 2018

Superintendent Gronseth stated that no communications had been received.

Superintendent's Report
November 2018

To start, I'd like to thank our students tonight for the musical performances, and for the delicious food prepared by the Clock Tower Cafe at Denfeld. I hope everyone got a chance to see the amazing artwork on display; we have such talented students! A big thank you also goes to everyone who helped to celebrate our newly tenured teachers and administrators this evening; another congratulations to all of them. It was also our Annual Report to the Community regarding our World's Best Workforce plan. More information, as well as the summary video will be available on our website. Many thanks to Katie Kaufman for all of her work for this event including directing, filming and editing our video! There were many more people behind the scenes, hanging displays, setting up, cleaning up, etc. Events like this would not be possible without your support and we thank you.

Sharing more gratitude, we are very pleased with the results of the referendum. Having two questions pass demonstrates how important education is to our community. Our level of local support is now just under the State average for operational referendum. We included students, staff, and community in our early discussions to identify priorities and followed that with community polling to take a deeper dive into those priorities. There were many teachers, principals, staff, organizations, and community members involved with getting information out to the community. Their time and efforts are greatly appreciated. It takes many people coming together to build support for a referendum and this would not have been possible without their help. Next month, the school board business agenda will include an overview of how the funds will be allocated through the budget process of the coming months.

Some more good news; since our last meeting we have finalized the sale of a large portion of the Hartley property. It was purchased by the City of Duluth through a grant. The property will be maintained as additional green space for Hartley Park. The remaining parcel is currently for sale and will likely be used to develop much needed housing.

Our work on educational equity has continued. We recently had a team attend a Summit for Courageous Conversations about Race. It was a significant experience for all involved. In the coming weeks, we will expand this work to the Continuous Improvement Teams from five of our elementary schools and other staff with a training called Beyond Diversity. It is a powerful, personally transforming two-day seminar designed to help participants understand the impact of race on student learning and to investigate the role that racism plays in institutional academic achievement disparities. We look forward to continuing this training over the next few years to increase our knowledge and skills in this area.

I want to share a few reminders now that winter weather has arrived. First, whenever there is severe weather expected (and in Duluth that could be anytime!), please be watchful for school delay or cancelation notices. If there is a closure, we wouldn't want to have students out waiting for a bus or walking to school when it isn't safe to do so. Keep in mind that our district has a large geographic area and it is not uncommon to have very different weather across the district.

One area could have rain while another has ice and still another has snow. We announce delays or cancellations through our website, social media, email, all-call or text, and through the media.

Another reminder this evening is about student safety as they are making their way to and from school. As we have seen in recent news reports, this is a growing concern across the country. Please be extra careful around our school buses and bus stops, especially with snow and ice on the ground. Minnesota law indicates that when the yellow or red lights are flashing, the stop sign is extended, or the arm is extended, drivers must come to a complete stop at least 20 feet from the bus. You may not move until the stop arm is retracted and the lights are no longer flashing. The safety of our students depends on you, please drive carefully. And now for our student reports:

Student Representative Maggie Carlos spoke to the School Board about activities happening at Denfeld such as debate, volleyball and soccer. The musical, “Anything Goes” was a huge success. Band, choir and orchestra concerts were held to honor veterans, along with performances at the DECC. The annual food drive was successful and resulted in 1,527 items being collected. The toy drive is currently happening; all donations will go to the Salvation Army. Denfeld is in the process of selecting the new School Board Student Representative.

Student Representative Finn White spoke to the School Board about activities happening at Duluth East such as the Government students attending tonight’s Board meeting and East for Peace month, which included A Path to Peace walk with over 200 students in attendance. A successful clothing drive collected socks, underwear, and long sleeve shirts which were donated to Life House. The fall musical, “Bonnie and Clyde” was a huge success. The Annual Veterans Day band concert was great, as well as the first concerts for orchestra and choir. The boys’ soccer team took second at the state tournament. The Harvest Ball had almost 900 folks in attendance. All are invited to the annual talent show which will be November 27th and 29th.

Education Committee Report
November 2018

Member Lofald presented the Education Committee report which was available electronically to each school board member.

Member Lofald presented the resolution:

RESOLUTION

Form A - Resolution Of School Board Supporting Form 1 Application To
Minnesota State High School League Foundation

WHEREAS, the Minnesota State High School League Foundation was formed to provide support for Minnesota’s high school youth to participate in athletics and fine arts;

WHEREAS, the District709 Duluth School Board recognizes the value of students participation in extracurricular activities; and

WHEREAS, the MSHSL Foundation is offering grants and funding to assist school

district in recognizing, promoting and funding extracurricular participation by high school students in athletic and fine arts programs.

THEREFORE, BE IT RESOLVED, that the Duluth School Board supports the District’s application to the Minnesota State High School League Foundation for a FORM A grant to offset student activity fees.

Resolution E-11-18-3594

November 20, 2018

M-Lofald, S-Loeffler-Kemp, to approve Resolution E-11-18-3594 – Form A - Resolution Of School Board Supporting Form 1 Application To Minnesota State High School League Foundation. Upon a vote, the same was approved – 6-0.

Member Lofald 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 organizations.

| Organization | Author / Contact | Project Title | Award Amount | Terms |
|--|------------------|------------------------------|--------------|--|
| Miller-Dwan Foundation | Ron Lake | Sources of Strength (S.O.S.) | \$20,000 | Funds will be used to support Sources of Strength (S.O.S.) programming Duluth East and Denfeld High Schools. |
| Northland Foundation – KIDS PLUS Youth in Philanthropy Board | Calvin Harris | Soaring Eagles Robotics Team | \$500 | Fund will be used to support the Soaring Eagles Robotics Team at Laura MacArthur Elementary School. |

Resolution E-11-18-3595

November 20, 2018

M-Lofald, S-Sandstad, to approve Resolution E-11-18-3595 – Acceptance of Grant Awards to the Duluth Public Schools. Upon a vote, the same was approved – 6-0.

M-Lofald, S-Loeffler-Kemp, to approve the remainder of the Education Committee Report.

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Member Loeffler-Kemp withheld Item 1.C.1)

Member Loeffler-Kemp withheld Item 1.C.1) Course Guide Update to discuss some of the positive changes that have been made to this process.

Upon a vote, the remainder of the Education Committee Report was approved – 6-0.

Human Resources Committee Report
November 2018

Member Gorham presented the Human Resources Committee report which was available electronically to each school board member.

M-Gorham, S-Oswald, to approve the Human Resource Committee report. Upon a vote, the Human Resources Committee report was approved – 6-0.

Business Committee Report
November 2018

Member Gorham presented the Business Committee report which was available electronically to each school board member.

Member Gorham 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 individuals and organizations.

| SCHOOL | DONOR | AMOUNT | RESTRICTION |
|----------------------|--------------------|---------------|--------------------------------|
| Area Learning Center | MN Power Employees | In Kind | None |
| Area Learning Center | Narcotic Anonymous | \$60.00 | ALC students |
| Area Learning Center | Narcotic Anonymous | \$30.00 | ALC students |
| District-wide | Faster Solutions | In Kind | Families in Transition program |

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|-----------------|--------------------------------------|------------|--|
| District-Wide | Dan Bester | \$200.00 | Families in Transition program |
| District-Wide | Roy & Roberta Kruger | \$200.00 | Families in Transition program |
| East | Duluth Library Foundation | \$100.00 | Orchestra |
| East | The Noper Foundation, Inc | \$2,500.00 | Student athletes |
| Lakewood | Cub Foods | In Kind | None |
| Lakewood | Cub Foods | In Kind | None |
| Laura MacArthur | Cub Foods | In Kind | Students |
| Laura MacArthur | Lloyd Simich | In Kind | Students |
| Laura MacArthur | All American Club Women's Auxiliary | In Kind | Students |
| Lowell | PTA | \$6,094.67 | Nueva Vision Spanish Immersion Program |
| Lowell | Texas Roadhouse | In Kind | Parent/teacher conferences |
| Lowell | Country Lanes, Scott Carlson | In Kind | None |
| Myers-Wilkins | Cub Foods | In Kind | None |
| Myers-Wilkins | Theresa/Mike Akervik | \$60.00 | Media Center Book Purchase |
| Myers-Wilkins | Karen Meyer/Richard Schaefer | \$100.00 | Washer/Dryer |
| Myers-Wilkins | Bernadete Burnham | \$100.00 | Washer/Dryer |
| Myers-Wilkins | Lynn Olmsted | \$50.00 | Washer/Dryer |
| Myers-Wilkins | Dan/Mindy Beaudry | \$100.00 | Washer/Dryer |
| Myers-Wilkins | Lisa Mesedahl | \$1,000.00 | Washer/Dryer |
| Myers-Wilkins | Joan Setterlund | \$100.00 | Washer/Dryer |
| Myers-Wilkins | Jeanette McDonald | \$200.00 | Washer/Dryer |
| Myers-Wilkins | Cheryl/Mark Anderson | \$75.00 | Washer/Dryer |
| Myers-Wilkins | Richard/Mary Fruehauf | \$50.00 | Washer/Dryer |
| Stowe | Endowment Fund Grant | \$3,586.00 | Grant recipient will use as documented |
| Stowe | ServeMinnesota | \$750.00 | None |
| Stowe | Beacon Point Resort on Lake Superior | In Kind | None |
| Stowe | Asbury United Methodist Church | In Kind | None |
| Stowe | Bethany Community Church | In Kind | None |
| Stowe | Rick students Grandma | In Kind | None |
| Stowe | Kettle Kravings/Jeff Karkianen | In Kind | None |
| Stowe | Mr. Vang | \$500.00 | Wolf Ridge trip |

Resolution B-11-18-3598

November 20, 2018

M-Gorham, S-Lofald, to approve Resolution B-11-18-3598 – Acceptance of Donations to Duluth Public Schools. Upon a vote, the same was approved – 6-0.

Member Gorham presented the resolution:

RESOLUTION
Authorized Bank Account Signer – November 2018

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

| District Building | Banking Institution | Account Number | Addition of Authorized Signer | Removal of Authorized Signer |
|--------------------------|----------------------------|-----------------------|--------------------------------------|-------------------------------------|
| Lakewood | Northshore | XXXXXXXX7 | Heather Kemp | Erica Wittmers-Graves |

Resolution B-11-18-3599

November 20, 2018

M-Gorham, S-Sandstad, to approve Resolution B-11-18-3599 – Authorized Bank Account Signer. Upon a vote, the same was approved – 6-0.

Member Gorham presented the resolution:

RESOLUTION
Designation of Identified Official with Authority for the MDE External User Access
Recertification System

WHEREAS, The Minnesota Department of Education (MDE) requires that school districts annually designate an Identified Official with Authority to comply with State Access Control Security Standard 1.0 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).

RESOLVED, The Superintendent recommends the Board authorize Melinda Thibault to act as the Identified Official with Authority (IOwA) for Duluth Public School District 0709-01.

Resolution B-11-18-3600

November 20, 2018

M-Gorham, S-Sandstad, to approve Resolution B-11-18-3600 – Designation of Identified Official with Authority for the MDE External User Access Recertification System. Upon a vote, the same was approved – 6-0.

Member Gorham indicated that Administration recommended the following resolution not be approved:

RESOLUTION

Authorizing the Issuance of Full Term Refunding Certificates of Participation,
Series 2018A

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

Section 1. Authority and Background.

1.01 Pursuant to the authority contained in Minnesota Statutes, Section 126C.40, Subd. 6 (the “Act”), the District is authorized to purchase real or personal property under an installment contract or may lease real or personal property with an option to purchase under a lease purchase agreement upon application to, and approval by, the Minnesota Commissioner of Education.

1.02 The School Board has approved a Long-Range Facilities Plan (the “Plan”), and the Commissioner of Education has approved the District’s borrowing under the Act to finance the purchase of real and personal property for the projects set forth in the Plan as described in the Contract, as hereinafter defined (the “Project”).

1.03 By Resolution No. B-9-09-2679, adopted September 17, 2009, the School Board determined that it was necessary, expedient and in the best educational interests of the District’s pupils and residents that the District enter into an installment purchase contract pursuant to the Act to finance the costs of the Project and issuing full term certificates of participation in the installment payments under the installment purchase contract in the principal amount of \$71,170,000 pursuant to a declaration of trust.

1.04 Pursuant to the Act, the District applied to the Commissioner of Education for permission to make an additional levy for the installment payments under the Contract to finance the Project, and the Commissioner authorized the Project and the levy.

1.05 The District selected Associated Trust Company, National Association, Milwaukee, Wisconsin (the “Trustee”) to act as vendor and the trustee as follows: the Trustee, as vendor, entered into an Installment Purchase Contract dated as of October 1, 2009 (the “Contract”), with the District regarding the acquisition, construction and equipping of the Project, and the District and the Trustee entered into a Declaration of Trust dated as of October 1, 2009 (the “Declaration”), pursuant to which Taxable Full Term Certificates of Participation, Series 2009A (Build America Bonds-Direct Pay), in the installment payments under the Contract in the principal amount of \$71,170,000 (the “2009A Certificates”), were executed and delivered by the Trustee.

1.06 Under and pursuant to the Act and Minnesota Statutes, Section 475, Subdivision 1 through 4, the District hereby determines that it is necessary, in order to reduce debt service costs, to refinance the outstanding 2009A Certificates through the issuance of Full Term Refunding Certificates of Participation, Series 2018A (the “2018A Certificates”).

Section 2. Sale of 2018 Certificates.

2.01 The District has retained PMA Securities, Inc., in Albertville, Minnesota (“PMA”), as independent financial advisor in connection with the sale of the 2018A Certificates. The School Board desires to proceed with the sale of the 2018A Certificates by direct negotiation to Northland Securities, Inc., in Minneapolis, Minnesota (“Northland”), as underwriter.

2.02 Any officer of the School District and the Superintendent (the “Pricing

Committee”), are hereby authorized to approve the sale of the 2018A Certificates and to execute a bond purchase agreement for the sale and purchase of the 2018A Certificates with Northland.

2.03 Upon approval of the sale of the 2018A Certificates by the Pricing Committee, the School Board will take action at a regular or special meeting to adopt the necessary approving resolution prepared by the District’s bond counsel.

2.04 PMA is authorized to prepare and Northland is authorized to distribute an official statement related to the sale of the 2018A Certificates.

2.05 If the Pricing Committee has not approved the sale of the 2018A Certificates to Northland and executed the related bond purchase agreement by December 31, 2018, this resolution shall expire.

Section 3. 2018A Certificates Documents. The form, specifications and provisions for the issuance and repayment of the 2018A Certificates shall be set forth in a subsequent resolution of the School Board, in an amendment to the Contract and in a supplement to the Declaration.

Section 4. Minnesota School District Credit Enhancement Program.

4.01 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 2018A Certificates and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the 2018A Certificates when due. The District further covenants to deposit with the Trustee, as bond registrar and paying agent for the 2018A Certificates, or any successor paying agent (the “Bond Registrar”) three 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 2018A Certificates 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 2018A Certificates or if, on the day two business days prior to the date a payment is due on the 2018A Certificates, 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 2018A Certificates of this issue remain outstanding.

4.02 The District further covenants to comply with all procedures now or hereafter established pursuant to Minnesota Statutes, Section 126C.55, Subdivision 2(c) by the Minnesota Department of Management and Budget and the Minnesota Department of Education and otherwise to take such actions as necessary to comply with that section. The Chair, Clerk and Superintendent is authorized to execute any applicable Minnesota Department of Education forms.

Resolution B-11-18-3601

November 20, 2018

M-Gorham, S-Oswald, to not approve Resolution B-11-18-3601 – Authorizing the Issuance of Full Term Refunding Certificates of Participation, Series 2018A. Upon a vote, the same was approved – 6-0.

Member Gorham indicated that Administration recommended the following resolution not be approved:

RESOLUTION

Authorizing the Issuance of Full Term Refunding Certificates of Participation,
Series 2018B

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

Section 1. Authority and Background.

1.01 Pursuant to the authority contained in Minnesota Statutes, Section 126C.40, Subd. 6 (the “Act”), the District is authorized to purchase real or personal property under an installment contract or may lease real or personal property with an option to purchase under a lease purchase agreement upon application to, and approval by, the Minnesota Commissioner of Education.

1.02 The School Board has approved a Long-Range Facilities Plan (the “Plan”), and the Commissioner of Education has approved the District’s borrowing under the Act to finance the purchase of real and personal property for the projects set forth in the Plan as described in the Contract, as hereinafter defined (the “Project”).

1.03 By Resolution No. B-5-08-2541, adopted May 29, 2008, the School Board determined that it was necessary, expedient and in the best educational interests of the District’s pupils and residents that the District enter into an installment purchase contract pursuant to the Act to finance the costs of the Project and issuing full term certificates of participation in the installment payments under the installment purchase contract in the maximum principal amount of \$111,440,000 pursuant to a declaration of trust.

1.04 Pursuant to the Act, the District applied to the Commissioner of Education for permission to make an additional levy for the installment payments under the Contract to finance the Project, and the Commissioner authorized the Project and the levy.

1.05 The District selected U.S. Bank National Association, St. Paul, Minnesota (the “Trustee”) to act as vendor and the trustee as follows: the Trustee, as vendor, entered into an Installment Purchase Contract dated as of June 1, 2008 (the “Contract”), with the District regarding the acquisition, construction and equipping of the Project, and the District and the Trustee entered into a Declaration of Trust dated as of June 1, 2008 (the “Declaration”), pursuant to which Full Term Certificates of Participation, Series 2008B, in the installment payments under the Contract in the principal amount of \$111,440,000 (the “2008 Certificates”), were executed and delivered by the Trustee.

1.06 Pursuant to an approval from the Commissioner of Education, the District has entered into an Amendment to Installment Purchase Contract dated as of October 1, 2010, with the Trustee which amended the Contract and a Supplement to Declaration of Trust dated as of October 1, 2010 with the Trustee, which supplemented the Declaration, in connection with the \$5,000,000 Full Term Certificates of Participation, Series 2010C dated October 1, 2010 (the “2010C Certificates”), the proceeds of which financed the Project, as amended.

1.07 Pursuant to an approval from the Commissioner of Education, the District has entered into an Amendment to Installment Purchase Contract dated as of June 1, 2012, with the Trustee which amended the Contract, as amended, and a Supplement to Declaration of Trust, dated as of June 1, 2012, which supplemented the Declaration, as supplemented, in connection with the \$12,800,424.50 Full Term Capital Appreciation Certificates of Participation, Series

2012A, dated June 27, 2012, the proceeds of which financed the Project, as amended.

1.08 Under and pursuant to the Act and Minnesota Statutes 475, Subdivision 1 through 12, the District refinanced the outstanding 2008 Certificates through the issuance of \$82,605,000 Full Term Refunding Certificates of Participation, Series 2016A, dated as of August 17, 2016.

1.09 Under and pursuant to the Act and Minnesota Statutes, Section 475, Subdivision 1 through 4, the District hereby determines that it is necessary, in order to reduce debt service costs, to refinance the outstanding 2010C Certificates through the issuance of Full Term Refunding Certificates of Participation, Series 2018B (the “2018B Certificates”).

Section 2. Sale of 2018B Certificates.

2.01 The District has retained PMA Securities, Inc., in Albertville, Minnesota (“PMA”), as independent financial advisor in connection with the sale of the 2018B Certificates. The School Board desires to proceed with the sale of the 2018B Certificates by direct negotiation to Northland Securities, Inc., in Minneapolis, Minnesota (“Northland”), as underwriter.

2.02 Any officer of the School Board and the Superintendent (the “Pricing Committee”), are hereby authorized to approve the sale of the 2018B Certificates and to execute a bond purchase agreement for the purchase of the 2018B Certificates with Northland.

2.03 Upon approval of the sale of the 2018B Certificates by the Pricing Committee, the School Board will take action at a regular or special meeting to adopt the necessary approving resolution prepared by the District’s bond counsel.

2.04 PMA is authorized to prepare and Northland is authorized to distribute an official statement related to the sale of the 2018B Certificates.

2.05 If the Pricing Committee has not approved the sale of the 2018B Certificates to Northland and executed the related bond purchase agreement by December 31, 2018, this resolution shall expire.

Section 3. 2018B Certificates Documents. The form, specifications and provisions for the issuance and repayment of the 2018B Certificates shall be set forth in a subsequent resolution of the School Board, in an amendment to the Contract and in a supplement to the Declaration.

Section 4. Minnesota School District Credit Enhancement Program.

4.01 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 2018B Certificates and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the 2018B Certificates when due. The District further covenants to deposit with the Trustee, as bond registrar and paying agent for the 2018B Certificates, or any successor paying agent (the “Bond Registrar”) three 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 2018B Certificates 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 2018B Certificates or if, on the day two business days prior to the date a payment is due on the 2018B Certificates, 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 2018B Certificates of this issue remain outstanding.

4.02 The District further covenants to comply with all procedures now or hereafter established pursuant to Minnesota Statutes, Section 126C.55, Subdivision 2(c) by the Minnesota

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Department of Management and Budget and the Minnesota Department of Education and otherwise to take such actions as necessary to comply with that section. The Chair, Clerk or Superintendent is authorized to execute any applicable Minnesota Department of Education forms.

Resolution B-11-18-3602

November 20, 2018

M-Gorham, S-Oswald, to not approve Resolution B-11-18-3602 – Authorizing the Issuance of Full Term Refunding Certificates of Participation, Series 2018B. Upon a vote, the same was approved – 6-0.

M-Gorham, S-Sandstad, to approve the remainder of the Business Committee report.

Member Oswald withheld Item 6.H.

Member Loeffler-Kemp withheld Item 4.A.2)

Member Loeffler-Kemp withheld Item 4.A.2) Duluth Heritage Sports Center to comment on the support that the Community Opportunity Fund, operated by the Duluth Heritage Sports Center Foundation, has shown to the Duluth Public Schools. They have provided several free field trips to their facilities.

Member Oswald withheld Item 6.H. Discretionary Compensatory Spending Update to request more details in the report when they become available.

Discussion took place regarding this item.

Upon a vote, the remainder of the Business Committee report was approved – 6-0.

Special Resolutions

November 2018

Member Gorham presented the resolution:

RESOLUTION

Support for a Legal Minimum Sales Age of 21 to Purchase Tobacco Products

WHEREAS, there has been a substantial increase in tobacco use rates among teens for the first time in 17 years;

WHEREAS, the increase in tobacco use among teens has been attributed primarily to the marketing, sale, and use of electronic cigarettes, vape and other electronic nicotine delivery systems. The growing use of these devices has become a prominent issue in Duluth Public Schools.

WHEREAS, the rise in nicotine addiction among middle school and high school aged youth represents a clear threat to their future health.

WHEREAS, the School District has adopted a Wellness Policy to promote healthy choices in our schools;

WHEREAS, the policy to change the minimum legal sales age of 21 to purchase tobacco products (T21) will effectively keep more kids from becoming addicted to nicotine before they are out of high school and is a common sense response that reflects our community's commitment to "health in all policies" to and advancing health equity.

NOW, THEREFORE, BE IT RESOLVED that because of this threat to the health and well-being of our community and the costs associated with tobacco and nicotine use that the Duluth School Board encourages the Duluth City Council to pass an ordinance to raise the age required to purchase tobacco products to age 21.

Resolution SP-11-18-3603

November 20, 2018

M-Gorham, S-Sandstad, to approve Resolution SP-11-18-3603 – Support for a Legal Minimum Sales Age of 21 to Purchase Tobacco Products.

Discussion took place regarding this item.

Upon a vote, the same was approved – 6-0.

Other

November 2018

M-Sandstad, S-Oswald, to adjourn the meeting. Upon a vote, the same was approved – 6-0.

➤ Chair Kirby adjourned the Regular School Board Meeting of November 20, 2018 at 7:45 p.m.