

**INDEPENDENT SCHOOL DISTRICT NO. 709**  
**Duluth Public Schools**

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**In the Matter of the Proposed Closing  
Of The Secondary Technical Center**

**FINDINGS AND CONCLUSIONS,**

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A hearing on the proposed closing of the Secondary Technical Center (“The Secondary Technical Center”) by Independent School District No. 709, Duluth Public Schools (“School District”) was held on June 2, 2011, at 6:30 P.M. at the Secondary Technical Center.

The hearing was conducted pursuant to Minnesota Statutes, section 123B.51, subdivision 5. The hearing was recorded by a court reporter. A transcript of the hearing has been provided to the members of the School Board. Exhibits were offered, received, and kept as part of the record of the hearing. All individuals wishing to speak and offer evidence in favor of, or in opposition to, the proposed closing were given the opportunity to testify during the hearing.

**FINDINGS**

1. The Secondary Technical Center, located at 802 East Central Entrance in Duluth, sits on an approximate 5.6 acre site. The Secondary Technical Center is a three story, 52,775 square foot building. The building was constructed in 1995.
2. The Secondary Technical Center is currently configured as a 9-12 program.
3. The Secondary Technical Center has an enrollment capacity of 592 students. This number is based on a classroom size of 29 students.
4. The School District currently operates two high schools, two middle schools and ten elementary schools in addition to the Secondary Technical Center.
5. In accordance with its long range facilities plan, the School District will complete construction of new high school buildings (at East and Denfeld) within the Secondary Technical Center’s enrollment area. These new facilities will open in September of 2011.
6. The East and Denfeld High Schools have an enrollment capacity of 550 students. Therefore, it will house the combined enrollment of the existing Secondary Technical Center without the need to increase class size.

7. In 2006, the School District commissioned a report from Dr. Hazel Reinhart. Her demographics report predicted a 10 year decline in the School District's enrollment of approximately 25%. The demographics report attributed this decline to shifting age demographics in the area served by the School District.
8. Since 2006, the School District's enrollment has been, on average, less than what the demographics report predicted.
9. Considering the enrollment capacity at the new East and Denfeld High Schools, the current enrollment of The Secondary Technical Center, the enrollment figures predicted in the demographics report, and the enrollment trend, it is not necessary to keep the Secondary Technical Center open to provide enrollment capacity for students. Closing the Secondary Technical Center would eliminate the excess use of a separate building.
10. During the 2009-2010 fiscal year, the total building operations cost (including utilities, supplies, and custodial labor) for the Secondary Technical Center was \$193,833.
11. The projected building operations cost for the Secondary Technical Center for the 2011-2012 fiscal year is \$0.
12. Consolidating the Secondary Technical Center into the new East and Denfeld High Schools into two school buildings is expected to save the School District \$193,833 in building operations costs.
13. During the 2009-2010 fiscal year, the total cost of employing administrators and school support personnel (such as nurses, nutritionists, media specialists, etc.) at The Secondary Technical Center was \$176,825
14. The projected cost of employing administrators and school support personnel for the Secondary Technical Center for the 2011-2012 fiscal year is \$0.
15. Consolidating The Secondary Technical Center into the new East and Denfeld High Schools is expected to save the School District approximately \$176,825, in costs related to employing administrators and school support personnel.
16. In order to consolidate the Secondary Technical Center into the new East and Denfeld High Schools and realize the financial savings described in paragraphs 14 and 17, the School District must close the Secondary Technical Center.
17. Consolidating the Secondary Technical Center into the new East and Denfeld High Schools also allows the School District to streamline student transportation.

18. During the 2010-2011 school year, operating fewer school buildings has already saved the School District's general fund approximately \$4,400,000. These savings have primarily been used to offset potential deficits.
19. In order to consolidate the Secondary Technical Center into the new East and Denfeld High Schools and realize the benefits associated with student transportation, the School District must first close the Secondary Technical Center.
20. The Secondary Technical Center building and surrounding land has been valued at approximately \$3,700,000.
21. If the School District closes the Secondary Technical Center, it will be able to sell the Secondary Technical Center building and surrounding land to reduce the School District's bonded debt by the sale value.
22. If the School District does not sell the Secondary Technical Center building and/or surrounding land, it will not be able to use the proceeds from such sale to pay down the School District's bonded debt. Instead, the anticipated value of that sale will be drawn from either or both of: (1) an additional tax levy; or (2) a reduction from the School District's general fund.
23. If the School District closes, but does not sell, The Secondary Technical Center, it will annually incur an anticipated \$20,000, plus inflation and ongoing maintenance and repair costs in order to keep The Secondary Technical Center in a serviceable and minimally preserved condition.
24. Closing the Secondary Technical Center permits the School Board to later choose whether to incur the annual cost of approximately \$20,000 in case of future need for the existing facility, or sell the Secondary Technical Center building and surrounding property to eliminate this cost and pay down the School District's bonded debt. The School District loses these options if it does not close the Secondary Technical Center.
25. Closing the Secondary Technical Center will not necessitate the non-renewal, termination, or layoff of any classroom teacher. Teachers currently assigned to the Secondary Technical Center will be reassigned to other teaching positions, based on enrollment, and in accordance with the provisions of the applicable collective bargaining agreement and/or School District policies.
26. All classes and services, including special education classes and services, currently available at the Secondary Technical Center will be available at the new East and Denfeld High Schools.

27. If the Secondary Technical Center is closed, all students currently attending the Secondary Technical Center will attend the new East and Denfeld High Schools starting in the 2011-2012 school year.
28. The educational benefits of closing the Secondary Technical Center include an improved proximity for students which will enhance their availability for these programs.
29. The School District has published notice of the school closing hearing in the official newspaper for two weeks before the hearing.
30. At the hearing, the School District administration presented documentary evidence regarding the proposed closure of the Secondary Technical Center. Specifically, the following documents were entered as exhibits:
  - a. An Educational Adequacy Report completed in connection with the School District's Long Range Facilities Plan;
  - b. A Facility Assessment Report completed in connection with the School District's Long Range Facilities Plan;
  - c. A Property Value Report completed in connection with the School District's Long Range Facilities Plan;
  - d. A Solutions Options Report completed in connection with the School District's Long Range Facilities Plan;
  - e. The Review and Comment Documents that the School District submitted to the Minnesota Department of Education in connection with its Long Range Facilities Plan; and
  - f. The Demographic Report from former State Demographer, Dr. Hazel Reinhart.

The School Board has fully considered this evidence prior to reaching any conclusion or adopting any resolution regarding the closure of the Secondary Technical Center.

31. At the hearing, members of the public were allowed to present testimony for and against the proposed closure of the Secondary Technical Center. The School Board has considered all comments by members of the public prior to reaching

any conclusion or adopting any resolution regarding the closure of the Secondary Technical Center.

### **CONCLUSIONS**

1. The closure of the Secondary Technical Center is necessary and practicable.
2. The School District has complied with the procedural requirements of Minnesota Statutes, section 123B.51, subdivision 3, for the purpose of closing the Secondary Technical Center.