

## Minutes of the Special 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

Monday, May 2, 2016

### Members Present:

Annie Harala  
Art Johnston  
David Kirby  
Rosie Loeffler-Kemp  
Alanna Oswald  
Nora Sandstad  
Harry Welty

### Others Present:

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

- Chair Harala called the special school board meeting of May 2, 2016 to order at 6:30 p.m.

Chair Harala asked for a motion to approve the agenda. Member Welty asked which agenda they would be approving, the one they submitted or the one that was posted. Chair Harala stated that he could request that the agenda be amended.

### M-Welty, S-Oswald, to replace the posted agenda with the agenda submitted by the three board members who called the meeting.

Discussion took place regarding the proposal and how the agenda was set.

### Member Welty requested to amend the motion to remove item number three from the original agenda.

### Member Sandstad called the question.

#### Agenda to change to:

1. Call to Order
2. Roll Call
3. ~~Presentation by the Superintendent on the Potential of Disposing of Central High School/STC Site, 800 East Central Entrance, Duluth, MN~~
4. Receiving of Public Comments Related to Property Disposal of Central High School/STC Site, 800 East Central Entrance, Duluth, MN
5. Resolution B-5-16-~~3363~~ 3367 -Executive (Closed) Session
6. Recess to Executive (Closed) Session -Discussion Related to Property Disposals [Minn. Stat. 13D.05, subd. 3.(c)] involving undisclosed sale negotiation items.
7. Reconvene to Special School Board Meeting
8. Questions and comments by the School Board concerning potential said sale.
9. Resolution B-5-16-~~3364~~ 3368 Directing the School District to Enter into negotiations with Tischer Creek Duluth Building Co. of Said Property and Suspension of Policies 3195 and 8120.
10. Adjournment

**Upon a vote to change the agenda to the version originally submitted, removing item number three, the same was approved – unanimously.**

➤ Public Comment

Clay Odden, 38 E. Owatonna Street, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school.

Bob Recchert, 2626 E. Superior St., spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school, and the need to preserve the Snowflake site.

Sandra Henningsgaard, no address provided, spoke to the school board to encourage them not to change their decision not to approve the sale of the Central site for use by Edison as a high school

John Graham, 1526 Woodcrest Drive, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school.

John Gould, 1003 Bong Boulevard, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school.

Lisa Graham, 1526 Woodcrest Drive, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school.

Linda Vukson, 5331 Juniata Street, spoke to the school board to ask them to not to sell the Central property to Tischer Creek for use by Edison as a high school.

Shelley Chandler, 2816 Greysolon Road, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school, and the need to preserve the Snowflake site.

Barb Walcome, 5314 Wyoming, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school.

Dave Johnson, 602 Pecan Avenue, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school.

Bob Hill, 5231 Norwood Street, spoke to the school board to encourage them move forward and abide by their decision not to dell the Central site.

Greg & Laurie Ash, 1510 Triggs Avenue, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school, and the need to preserve the Snowflake site.

Trent Wickman, 227 Isanti Street, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school.

Marcia Stromgren, no address provided, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school.

Katherine Rubin, no address provided, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school.

Loren Martell, 623 East 7<sup>th</sup> Street, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school

Zandra Zwiebel, 557 West Wabasha Street, spoke to the school board to encourage them to not to change their vote not to approve the sale of the Central site for use by Edison as a high school.

Linda Ross Sellner, 402 Arrowhead, spoke to the school board to encourage them to approve the sale of the Central site for use by Edison as a high school, and the need to preserve the Snowflake site.

Judy Seliga Punyko, no address provided, spoke to the school board to encourage them not to change their vote not to approve the sale of the Central site for use by Edison as a high school.

➤ Resolution B-5-16-3367 – Executive Closed Session

Member Welty presented the resolution:

R E S O L U T I O N  
Executive (Closed) Session

WHEREAS, Pursuant to Minnesota Statute 13D.05 Subd. 3.(c) allowing a closed meeting for discussion related to the purchase or sale of real property.

RESOLVED, By the School Board of Independent School District 709, St. Louis County, Minnesota, that the School Board shall meet in Executive (Closed) Session on Monday, May 2, 2016, at approximately 7:30 p.m. in the Board Conference Room of the Historic Old Central High School for the purpose of discussion related to of Central High School/STC Site, 800 East Central Entrance, Duluth.

B-5-16-3367

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**M-Welty, S-Oswald, to approve Resolution B-5-16-3367 – Executive Closed Session.**

Member Johnston stated that he no longer believed there was a need for a closed session. Member Welty noted that they had hoped to have experts at the meeting to go over the value of the property, but that didn't work out, so there was no need for the closed session.

**Member Sandstad called the question.**

**Upon a vote on Resolution B-5-16-3367 – Executive Closed Session, the same failed – unanimously.**

➤ Resolution B-5-16-3368 – Directing the School District to Enter into negotiations with Tischer Creek Duluth Building Co. of Said Property and Suspension of Policies 3195 and 8120.

Member Welty began to read the resolution. Chair Harala stated that she did not have a copy of the resolution. Member Johnston made a point of order that the resolution was listed as an item on the agenda. Discussion took place on what was being voted on. Member Johnston made a point of order that the question was on the floor.

Member Welty presented the resolution:

**Resolution**  
**Directing the School District to Enter into Negotiations with Tischer Creek Duluth Building Co. of Said Property and Suspension of Policies 3195 and 8120**

WHEREAS, Pursuant to District Policy 3195 – Disposal of School District Property, All property sold shall contain a deed restriction prohibiting the property's future use as a school or other E-12 educational facility.

WHEREAS, Pursuant to District Policy 8120 – Disposal of school Board Properties, property shall not be released without knowledge of its proposed utilization, and no property is to be released for the purpose or subsequent purpose of usage as a school other than ISD 709. By contract, such violation shall result in the property reverting back to ISD 709.

WHEREAS, In order to consider offers to purchase School District property for the utilization as a E-12 educational facility, the School Board must suspend District Policies 2195 and 8120.

WHEREAS, The School Board of ISD 709 has received a proposal for \$14.2 million from Tischer Creek Duluth Building Co., a nonprofit entity affiliated with North Star and Raleigh Charter Schools, for the Central High School site.

WHEREAS, incomplete information or misinformation was cited as reasons for voting by some members of the School Board in the March 31<sup>st</sup> meeting.

WHEREAS, new information has surfaced that could potentially change reasons to vote a certain way including, but not limited to: Assessed values, realtor opinions and public opinions.

WHEREAS, the fact that the land value of the Central High School site was assessed at only \$8 million in the 2006 evaluation by Ramsland and Vigen, Inc., this is the most recent property assessment, and was conducted during a peak in property values in Duluth.

WHEREAS, The School Board of ISD 709 has adopted a civility resolution where we will show your evidence and share your reasoning.

THEREFORE, BE IT RESOLVED THAT, In order to fully investigate the offer, the School Board directs the Administration and School Board to initiate negotiations with Tischer Creek Duluth Building Co. to devise for the School Board's consideration the most favorable mutual conditions for said sale including, but not limited to: provisions for enrollment caps, possible withholding of some parcels of the whole property from inclusion, potential joint usage of existing buildings, and an acceptable price for the purchase.

THEREFORE, BE IT RESOLVED THAT the School Board of Independent School District 709, St. Louis County, Minnesota shall suspend District Policies 3195 and 8120 in order to consider negotiating the current offer from Tischer Creek Duluth Building Co. for the Central High School site to take place at the earliest possible date.

THEREFORE, BE IT RESOLVED THAT the School Board of Independent School District 709, St. Louis County, Minnesota shall have an agenda item on a special board meeting to be held preferably by May 9<sup>th</sup> but no later than the May 17<sup>th</sup> regular school board meeting on whether to sell the Central High School site to Tischer Creek Duluth Building Co.

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**M-Welty, S-Oswald, to approve Resolution B-5-16-3368 – Directing the School District to Enter into Negotiations with Tischer Creek Duluth Building Co. of Said Property and Suspension of Policies 3195 and 8120.**

Discussion took place regarding the proposed resolution.

**Upon a vote, the same failed 3-4 as follows:**

**Yea: Johnston, Oswald, Welty**

**Nay: Harala, Kirby, Loeffler-Kemp, Sandstad**

- Chair Harala adjourned the Special School Board meeting of May 2, 2016 at 8:59 p.m.