INDEPENDENT SCHOOL DISTRICT NO. 278 CONDENSED REGULAR MEETING MINUTES

JUNE 6, 2018

Present: Bob Tunheim, Martha Van de Ven, Mike Bash, Laura Wallander, Sarah Borchers, Karen Orcutt, John Morstad

Absent: Dick Lewis

The regular meeting of the Board of Education of Orono Independent School District No. 278 was called to order by board chair Bob Tunheim at 8:05 a.m.

4. – Consent Agenda

UPON MOTION by Sarah Borchers, seconded by Mike Bash, the consent agenda was approved as follows:

- Approved the minutes from the May 14, 2018 Regular Board meeting
- Approved the minutes from the June 1, 2018 Special Board meeting
- Approved the appointment of Monica Luckett, as full-time math teacher at Orono Middle School, effective August 23, 2018.
- Approved the appointment of Jessica Hovland, as full-time fourth grade teacher at Orono Intermediate School, effective August 23, 2018.
- Approved the appointment of Kelly Jordahl, as full-time third grade teacher at Orono Middle School, effective August 23, 2018.
- Approved the appointment of Eric Pokornowski, as full-time physical education teacher at Orono Intermediate School, effective August 23, 2018.
- Approved the appointment of Heather Murphy-Klassen, as part-time biology teacher at Orono High School, effective August 23, 2018.
- Approved the appointment of Jennifer Springmeyer, as .75 FTE speech language pathologist at Orono High School, effective August 23, 2018.

- Approved the appointment of Philip Troy, as full-time special education teacher at Orono High School, effective August 23, 2018.

- Approved the change of assignment of Lindsey Nelson, full-time fourth grade teacher at Orono Intermediate School, to full-time third grade teacher at Orono Intermediate School, effective August 27, 2018.

- Approved the change of assignment of Lindsay Lappi, full-time special education teacher at Orono Middle School, to part-time reading intervention teacher at Orono Middle School, effective August 27, 2018.

- Approved the change of assignment of Mary Singleton, full-time seventh grade teacher at Orono Middle School, to full-time eighth grade teacher at Orono Middle School, effective August 27, 2018.

- Approved the change of assignment of Alanna Lucey, full-time instrumental music teacher at Orono Intermediate School and Orono Middle School, to full-time classroom music teacher at Orono Intermediate School, effective August 27, 2018.

- Approved the .5 FTE leave of absence for Lindsay Lappi, full-time teacher at Orono Middle School, effective beginning August 27, 2018 through June 7, 2019.

- Approved the resignation of Lavesa Glover-Verhagen, athletic director secretary at Orono High School, effective June 15, 2018.

- Approved the appointment of Kim Kavanagh, as part-time classroom paraeducator at Orono Schumann Elementary School, effective September 4, 2018.

- Approved the change of assignment of Rebecca Schweitzer, part-time custodian at Orono Intermediate School and Orono Schumann Elementary School, to full-time custodian at Orono Intermediate School and Orono

Schumann Elementary School, effective June 8, 2018.

- Accepted donations in the amount of $3,615.27
- Approved Treasurer's Report from April, 2018
- Approved the Electronic Fund Transfers from April, 2018
- Approved Individual Employment Contracts as follows:

1. Coordinator of Special Services (2018-2019)
2. Community Education Assistant Director/Pool Director (2018-2019, 2019-2020)
3. Community Education Marketing & Program Coordinator (2018-2019, 2019-2020)
4. Community Education Youth and Sports Program Coordinator (2018-2019, 2019- 2020)
5. Community Education Early Learning Coordinator (2018-2019, 2019-2020)
6. Community Education Youth Development Coordinator (2018-2019, 2019-2020)
7. Community Education School Age Coordinator (2018-2019, 2019-2020)
8. Coordinator of Child Nutrition (2018-2019, 2019-2020)
9. Child Nutrition Specialist (2018-2019, 2019-2020)
10. Director of Interscholastic Activities (2018-2019, 2019-2020)
11. Executive Assistant to the Superintendent (2018-2019)

- Approved the hourly pay ranges for Community Education Staff for the 2018-2019 and 2019-2020 School Years
- Approved bill vouchers 301375-301376 (voided), 301377-301578, 6019-6031, EP register V900117-V900120, V900121-V900158 and EFT Vouchers V109-V110, V1030-V1039.

Motion carried.

<u>5. – Superintendent's "Report on Excellence"</u>

<u>6. – Board Members Questions and Comments</u>

<u>7. – Community Members Questions and Comments</u>

8. – Old Business

8.A. – Policy 527 Wellness

Dr. Karen Orcutt, Superintendent, presented Policy 527 Wellness for a second reading and approval. Policy 527 was presented at the May 14, 2018 Board Meeting for a first reading.

UPON MOTION by Martha Van de Ven, seconded by Sarah Borchers, the board approved Policy 527 Wellness.

Motion carried.

8.B. - Other Old Business as Necessary

No other old business brought forward.

9. – New Business

9.A.- Long Term Facilities Revenues for Intermediate District 287

John Morstad, Director of Business Services, presented the LTFM plan for Intermediate District 287.

Sarah Borchers introduced the following resolution and moved its adoption:

RESOLUTION APPROVING INTERMEDIATE SCHOOL DISTRICT NO. 287'S LONG-TERM FACILITY MAINTENANCE PROGRAM BUDGET AND AUTHORIZING THE INCLUSION OF A PROPORTIONATE SHARE OF THOSE PROJECTS IN THE DISTRICT'S APPLICATION FOR LONG-TERM FACILITY MAINTENANCE REVENUE

BE IT RESOLVED by the School Board of District No. 278, State of Minnesota, as follows:

1. The School Board of Intermediate School District 287 has approved a long-term facility maintenance program budget for its facilities for the 2018-19 school year in the amount of $ 912,000 of which District No. 278's proportionate share is $ 9,393.61, consisting of $ 4,627.28 for pay as you go projects and $ 4,766.33 for debt service payments on the 2017B Facilities Maintenance Bonds. The various

components of this program budget are attached as Exhibit A hereto and are incorporated herein by reference. Said budget is hereby approved. (Exhibit A)

2. Minnesota Statutes, Section 123B.53, Subdivision 1, as amended, provides that if an intermediate school district's long-term facility maintenance budget is approved by the school boards of each of the intermediate school district's member school districts, each member district may include its proportionate share of the costs of the intermediate school district program in its long-term facility maintenance revenue application.

3. The proportionate share of the costs of the intermediate school district's long term facility maintenance program for each member school district to be included in its application shall be determined by multiplying the total cost of the intermediate school district long-term facility maintenance program times a three year weighted average adjusted pupil units formula. For 2019-202, the long-term facility maintenance costs shall be funded through annual levy. The inclusion of this proportionate share in the district's long-term facility maintenance revenue application for fiscal year 2020 is hereby approved, subject to approval by the Commissioner of Education.

4. Upon receipt of the proportionate share of long-term facility maintenance revenue attributable to the intermediate school district program, the district shall promptly pay to the intermediate school district the applicable aid or levy proceeds.

5. Pursuant to Minnesota Statutes Section 123B.595, Subdivision 3, the intermediate district issued $5,065,000 Facilities Maintenance Bonds, Series 2017B. Such bonds are payable from long-term maintenance revenue transferred by each member district. This district

hereby covenants to adopt in each fiscal year during the term of such bonds, a resolution authorizing the inclusion in the application for long-term facilities maintenance revenue the District's proportionate share for such fiscal year of debt service on such bonds. Upon approval of such application by the Commissioner of Education, the District shall include in its authority under Section 123B.595 its proportionate share of debt service in such bonds due in such fiscal year.

The motion for the adoption of the foregoing resolution was duly seconded by Mike Bash and, upon vote being taken thereon, the following voted in favor thereof:

Laura Wallander, Mike Bash, Martha Van de Ven, Bob Tunheim and Sarah Borchers

And the following voted against the same: None.

Whereupon said resolution was declared duly passed and adopted.

9.B. –Resolution for Continuation of Membership of the Minnesota State High School League

Dr. Karen Orcutt presented the Resolution to Continue Membership in the Minnesota State High School League (MSHSL).

UPON MOTION by Laura Wallander, seconded by Mike Bash, the board adopted the Resolution to Continue Membership in the Minnesota State High School League and, upon vote being taken thereon, the following voted in favor thereof:

Laura Wallander, Mike Bash, Martha Van de Ven, Bob Tunheim and Sarah Borchers

And the following voted against the same: None.

Whereupon said resolution was declared duly passed and adopted.

9.C. –Budget Approval

John Morstad, Director of Business Services, presented the 2017-2018 Revised Budget to the Board.

UPON MOTION by Mike Bash, seconded by Martha Van de Ven, the board approved the 2017-2018 revised budget as proposed modified.

Motion carried.

John Morstad, Director of Business Services, also presented the 2018-2019 Preliminary Budget.

UPON MOTION by Mike Bash, seconded by Laura Wallander, the board approved the 2018-2019 Preliminary Budget as presented.

Board Member Martha Van de Ven expressed appreciation to Mr. Morstad for the Budget presentation and packet.

Motion carried.

9.D. – Resolution Authorizing Execution of Legal Documents for TIES

John Morstad, Director of Business Services, presented a resolution authorizing execution of legal documents for the sale of TIES. It was recommended Dr. Karen Orcutt, Superintendent be authorized to execute such documents.

Upon discussion, Bob Tunheim, Board Chair, is also authorized to execute such documents.

Resolution Authorizing Execution of Legal Documents

Orono Schools and
ISD#278 (the "District")
(TIES Dissolution, Sale of
TIES Building, NJPA Closing)

RESOLVED:

Whereas, the District is a member of TIES (Technology and Information Educational Services);

Whereas, during a Special Meeting of the TIES Executive Committee on January 18, 2018, the Executive Committee adopted a resolution in which the Executive Committee recommended that the TIES Board vote in favor of dissolution at the upcoming Special Board Meeting on January 24, 2018;

Whereas, during the TIES Special Board Meeting on January 24, 2018, the TIES Board approved the resolution dated January 18, 2018 and voted in favor of dissolving TIES;

Whereas, the TIES resolution dated January 18, 2018 authorized the TIES Executive Committee to complete the dissolution process on or before June 30, 2019 (provided that the TIES Board voted in favor of dissolution on January 24) and to continue exploring potential business opportunities with third parties, e.g., an asset transfer or a similar business deal toward the goal of minimizing negative financial impact on the TIES 48 member school districts and to ensure continuation of essential services for the members;

Whereas, on January 23, 2018, the National Joint Powers Alliance ("NJPA") presented TIES management with a Letter of Intent in which its intent to consider a possible transaction was outlined, subject to the completion of due diligence by March 30, 2018;

Whereas, NJPA and TIES completed due diligence by March 30, 2018;

Whereas, on April 19, 2018, the TIES Executive Committee adopted a resolution accepting a proposal from NJPA (as authorized by NJPA's governing board on April 17, 2018) to proceed with discussions and directed TIES management (including outside experts as needed, e.g., legal counsel) to draft, review and negotiate all necessary legal agreements between TIES and NJPA to close on the transaction (the "Transaction");

Whereas, the Transaction is expected to close effective July 1, 2018 (the beginning of Fiscal Year 2018-2019);

Whereas, the effective date for TIES dissolution has not been determined as of the date of this

School Board meeting;

Whereas, the School Board has determined that it is in the best interests of the District to authorize the Superintendent (or another representative of the District with authority to legally bind the District, e.g., the Chair of the School Board) to execute legal documents on behalf of the District within his/her discretion necessary to close the Transaction and to complete TIES' dissolution, subject to and within the scope of each of the conditions set forth below in this resolution;

NOW THEREFORE, BE IT RESOLVED by the School Board as follows:

1. The School Board hereby authorizes the District Superintendent, Karen Orcutt or Board Chair, Bob Tunheim ~~another District representative with authority to legally bind the District~~ to execute legal documents within his/her discretion on behalf of the District in its capacity as a member of TIES necessary to consummate the closing of the Transaction and complete TIES' dissolution, subject to and within the scope of each of the following conditions:

(a) District shall not be obligated to pay an amount in excess of \$20 per student to cover its proportionate share of TIES current liabilities;

(b) District shall not be obligated to pay an amount in excess of \$3 per student to cover its proportionate share of the cost to maintain and operate the TIES building (located at 1667, Smelling Ave. N., St. Paul, MN 55108) until the building is sold;

(c) District shall retain all legal rights to the TIES building in its proportionate share as a TIES member according to the TIES Bylaws and no such rights shall be assigned to NJPA; and

(d) District shall retain all legal rights to receive a proportionate share of any proceeds from the sale of the TIES building for an amount in excess of the debt owed to U.S.

Bank according to the TIES Bylaws, and NJPA shall have no rights in any such proceeds.

2. The motion for adoption of this resolution was brought by School Board member Mike Bash, seconded by School Board member Sarah Borchers, and upon a roll call vote being taken, the following voted in favor thereof: Laura Wallander, Mike Bash, Martha Van de Ven, Bob Tunheim and Sarah Borchers.

and the following voted against the same: none.

Whereupon, this resolution was declared duly passed and adopted.

9.E. - Cooperative Agreement for the Old Crystal Bay Road Project

John Morstad, Director of Business Services, presented the cooperative agreement for the Old Crystal Bay Road Project between the Orono Schools and the City of Orono.

UPON MOTION by Martha Van de Ven, seconded by Sarah Borchers the board approved the cooperative agreement for the Old Crystal Bay Road Project.

Board Member Martha Van de Ven expressed appreciation to Justin McCoy, Coordinator of Facilities and Safety and John Morstad, Director of Business Services for their work on this project.

Motion carried.

9.F - Resolution to Amend 403(b) Vendors

John Morstad, Director of Business Services presented a resolution to amend the current approved list of 403(b) vendors from 10 to 5.

Board Member Mike Bash abstained from the vote due to a conflict of interest.

Sarah Borchers introduced the following resolution and moved its adoption:

RESOLUTION TO AMEND

WHEREAS, the District currently maintains a 403(b) Plan pursuant to the requirements of Section 403 of the Internal Revenue Code called the Orono ISD #278 403(b) Plan (the Plan), which provides for the opportunity for eligible employees to save for retirement on a tax-deferred basis; and

NOW, THEREFORE, BE IT RESOLVED, that the District's 403(b) Plan Document, specifically Appendix A - Approved Vendor List, has been amended to include the following vendors:

- Equitable
- Fidelity
- MN Deferred Comp
- Thrivent
- Valic

BE IT FURTHER RESOLVED, that the appropriate designees of the District are hereby authorized and directed to execute and deliver all documents necessary to formally amend the Plan and ensure proper implementation of the Plan to ensure that the amended Plan, hereby approved is in effect.

The motion for the adoption of the foregoing resolution was duly seconded by Martha Van De Ven and, upon vote being taken thereon, the following voted in favor thereof:

Laura Wallander, Martha Van de Ven, Bob Tunheim and Sarah Borchers

And the following voted against the same: None.

Board Member Mike Bash abstained.

Whereupon said resolution was declared duly passed and adopted.

<u>9.E. - Other New Business as Necessary</u>

No other new business was brought forward.

The next regular meeting is Monday, August 20, 2018 at 7:00 p.m. in the District Office Assembly Room.

UPON MOTION by Laura Wallander, seconded by Sarah Borchers the meeting was adjourned at 9:48 a.m.

Motion carried.

Bob Tunheim, Chair
Michael Bash, Clerk

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