

Regular School Board Meeting

Duluth Public Schools, ISD 709

Agenda

Tuesday, January 17, 2012

District Services Center

709 Portia Johnson Dr.

Duluth, MN 55811

6:30 PM

- 1. Call to Order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. Approval of the Agenda**
- 5. Reading and Approving Minutes**
 - A. Special School Board Meeting December 19, 2011 2
 - B. Regular School Board Meeting of December 20, 2011 4
 - C. Annual Organizational Meeting of January 3, 2012 13
 - D. Special School Board Meeting of January 6, 2012 20
 - E. Special School Board Meeting of January 9, 2012 23
- 6. Audience**
- 7. Reading Communications, Petitions, Etc.** **26**
- 8. Report of the Superintendent**
 - A. Schedule of Meetings and Events 27
- 9. Report of Standing Committees**
 - A. Education Committee (*see separate report*)
 - B. Human Resources Committee (*see separate report*)
 - C. Business Committee (*see separate report*)
- 10. Special Resolutions - None**
- 11. Questions / Other**
- 12. Adjournment**

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, December 19, 2011

Members Present:

Mary Cameron
Gary Glass
Tim Grover
Art Johnston
Tom Kasper
Judy Seliga Punyko
Ann Wasson

Others Present:

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

- Chair Seliga Punyko called the special school board meeting of December 19, 2011 to order at 8:00 p.m.

Member Wasson presented the resolution:

RESOLUTION
Executive (Closed) Session

WHEREAS, Pursuant to Minnesota Open Meeting Law, Minn. Stat. 13D.05 subd.2(b) allowing a closed session for preliminary consideration of allegations or charges against an individual subject to its authority.

NOW, THEREFORE, BE IT 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, December 19, 2011 at approximately 8:00 p.m. in the Board Conference Room of Historic Old Central High School for the purpose of preliminary consideration of allegations or charges against an employee.

Resolution B-12-11-2959

December 19, 2011

M-Wasson, S-Kasper, to approve the Resolution B-12-11-2959 - Executive Closed Session.

Member Glass asked for an explanation of what constitutes an emergency. Chair Seliga Punyko stated it was called as an emergency by legal counsel.

Upon a vote the same passed 5-2 as follows:

Yea: Cameron, Grover, Kasper, Seliga Punyko, Wasson

Nay: Glass, Johnston

- *The board recessed into closed session at 8:04 p.m.*
- *The board reconvened at 9:32 p.m.*

Member Cameron presented the resolution:

RESOLUTION
Administrative Leave and Investigation

WHEREAS, the School Board of Independent School District 709, St. Louis County, Minnesota, has received allegations regarding Superintendent Dr. I.V. Foster, and

WHEREAS, the School Board wishes to fully investigate those allegations against Dr. Foster.

BE IT RESOLVED, by the School Board of Independent School District 709, St. Louis County, Minnesota, that:

1. The School Board hereby authorizes an investigation into the allegations and concerns involving Superintendent Dr. I.V. Foster, with the investigation to be conducted by the law firm of Ratwik, Roszak & Maloney, P.A.
2. The School Board hereby places Dr. Foster on paid administrative leave, effective immediately, pending the completion and consideration of the investigation.
3. The Board Chair is hereby authorized to sign and deliver a letter to Dr. Foster enclosing a copy of this resolution, and notifying him that he is being placed on administrative leave and that an investigation will be conducted.
4. The School Board hereby designates William Gronseth to serve in the capacity of superintendent for the duration of the administrative leave of I.V. Foster.

Resolution B-12-11-2960

December 19, 2011

M-Cameron, S-Grover, to approve the Resolution B-12-11-2960 – Administrative Leave and Investigation. Upon a vote the same was approved – 5-0 as follows:

Yea: Cameron, Grover, Johnston, Kasper, Seliga Punyko

Abstain: Glass, Johnston

- Chair Seliga Punyko adjourned the Special School Board meeting of December 19, 2011 at 9:32 p.m.

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, December 20, 2011

Members Present:

Mary Cameron
Gary Glass
Tim Grover
Tom Kasper
Art Johnston
Judy Seliga Punyko
Ann Wasson

Others Present:

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

Student Representatives

Marcus Jahn
Lindsay Redenbaugh

- Chair Seliga Punyko called the regular school board meeting of December 20, 2011 to order at 6:30 p.m., and the pledge of allegiance to the American flag was given.

The Denfeld Chamber Orchestra played for board members prior to the meeting.

M-Wasson, S-Kasper, to approve the agenda as presented. Upon a vote on the agenda as presented, the same passed – unanimously.

Member Glass noted that he had submitted two items that were not placed on the agenda.

Chair Seliga Punyko asked school board members if there were any corrections or changes to the minutes of the special school board meeting of November 10, 2011.

M-Wasson, S-Grover, to approve the minutes of the November 10, 2011 special school board meeting.

Member Johnston noted that on Page 2 the minutes should state that he did attend the closed session. Member Glass noted that he stated he did not plan to record the meeting, not just a no answer.

Upon a vote, the same was approved as corrected – unanimously.

Chair Seliga Punyko asked school board members if there were any corrections or changes to the minutes of the Special school board meeting of November 15, 2011.

M-Kasper, S-Wasson, to approve the minutes of the November 15, 2011 special school board meeting.

Member Johnston noted that the minutes should state that he did attend the closed session. Member Glass noted that he stated he did not plan to record the meeting, not just a no answer.

Upon a vote, the same was approved as corrected – unanimously.

Chair Seliga Punyko asked school board members if there were any corrections or changes to the minutes of the regular school board meeting of November 15, 2011.

M-Wasson, S-Kasper, to approve the minutes of the November 15, 2011 regular school board meeting.

Member Johnston stated that in the Superintendents report it should indicate that he asked a question about the notification from MDE on the review and comment and was told we had not received one.

Upon a vote, the same was approved as corrected – unanimously.

Bill Hanson, CFO, Executive Director of Business Services gave the Truth in Taxation presentation. Member Johnston noted concerns with some of the information presented.

Public Comments
December 2011

Terri Akervik, Music Learning Services, acknowledged a donation by Vega Productions of over 35 musical instruments.

Stephan Gorny, 5210 Greenwood Road, spoke to the school board to thank board members for the new/improved buildings and presented handmade cards from students in the early childhood program.

Adrienne Payne, 4216 Grand Avenue, spoke to the board, regarding issues with her son's needs not being met and issues with the school he attends. Assistant Superintendent Gronseth stated that he is aware of the situation and that the District is working toward a resolution.

Loren Martell, 623 East 7th Street, spoke to the board regarding his concern with the amount of money being spent out of the reserves.

Paul Goossens, 1816 North Road, spoke to the board to extend his appreciation for the service by Tim Grover on the school board.

Bevan Schraw, 531 North 22nd Avenue West, spoke to the school board to congratulate the new board members and to thank Tim Grover and Gary Glass for their service on the school board.

Claudie Washington, 11 West 4th Street, spoke to the school board regarding his disappointment in the compromise in the naming of the middle school.

Communications, Petitions, Etc.
December 2011

Interim Superintendent Gronseth stated no communications had been received.

Superintendent's Report
December 2011

Interim Superintendent Bill Gronseth acknowledged the donation of musical instruments and the musical performance prior to the meeting.

He acknowledged and thanked the outgoing school board members and congratulated Judy Seliga Punyko on receiving the MSBA's Directors Award. He also thanked the outgoing student representatives for their service on the board.

Member Grover made a statement regarding his service on the board.

Member Johnston asked if the District has received a response from MDE on the review and Comment. Bill Hanson explained that he received a letter from MDE with several questions and that he was working on a response.

Education Committee Report
December 2011

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

Member Wasson 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	Northland Foundation	Victoria Sundell	ECFE Supportive Parenting Group – Early Childhood Special	\$600.00	Funds from this grant award will be used to support the ECFE Supportive Parenting Group.

			Education Project		
--	--	--	----------------------	--	--

Resolution E-12-11-2958

December 20, 2011

M-Wasson, S-Kasper, to approve Resolution E-12-11-2958 - Acceptance of Grant Awards to the Duluth Public Schools. Upon a vote taken, the same was approved – unanimously.

M-Wasson, S-Kasper, to approve the remainder of the Education Committee Report as presented.

Member Kasper withheld Item 1.A.1)

Member Grover withheld Item 2.A.1)

Member Kasper withheld Item 1.A.1) – Anti-bullying Initiatives Underway within the Duluth Public Schools to acknowledged Ron Lake in his new Climate Control position and to state that the Rachaels Challenge Program presentation was wonderful. Student Representatives Lindsay Redenbaugh and Marcus Jahn both noted that the presentation was an important one and had a huge impact.

Member Grover withheld Item 2.A.1) – Recommended Middle and High School Course offerings for the 2012-13 School Year to note that the recommendation should be fixed to state that it is for approval.

Upon a vote on the remainder of the Education Committee Report as presented, the same was approved – unanimously.

Human Resources Committee Report
December 2011

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

M-Cameron, S-Wasson, to approve the Building Systems Technology coordinator position. Upon a vote, the same was approved - unanimously.

M-Cameron, S-Wasson, to approve the Human Resources Committee Report as presented. Upon a vote, the same was approved unanimously.

Business Committee Report
December 2011

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

Member Grover presented the resolution:

**RESOLUTION AUTHORIZING TRANSFER OF FUNDS FROM THE
GENERAL FUND TO THE DEBT SERVICE FUND REGARDING
FINANCING OF THE LONG-RANGE FACILITIES PLAN**

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

Section 1. A. The Board approved a Long-Range Facilities Plan, as amended (the “Facilities Plan”), which calls for renewal and remodeling of existing school facilities, additions to existing facilities and construction of new schools.

B. The District has submitted the Facilities Plan to the Minnesota Department of Education (i) for approval of the Facilities Plan; (ii) for approval of the financings for the Facilities Plan, and (iii) for review and comment on the Facilities Plan. The Commissioner of Education has approved the Facilities Plan and the financing for the Facilities Plan.

C. The District has issued six series of obligations to finance the Facilities Plan, including the \$71,170,000 Taxable Full Term Certificates of Participation, Series 2009A (Build America Bonds – Direct Pay), dated October 1, 2009 (the “Series 2009A COPs”).

D. The financing plan for the Facilities Plan anticipates canceling all or a portion of tax levies for the Series 2009A COPs each year from general fund monies derived primarily from operational savings, rebates and grants and proceeds from the sale of excess properties.

Section 2. The Board hereby authorizes, pursuant to Minnesota Statutes Section 475.61, Subd. 3(g), the permanent transfer of funds from the General Fund (Fund 01) to the Debt Service Fund (Fund 07) in the amount of \$4,587,733.00 for the purpose of canceling a portion of the tax levy for the Series 2009A COPs for Levy Year 2011/Collection Year 2012.

B-12-11-2955

December 20, 2011

M-Grover, S-Wasson, To Approve Resolution B-11-11-2955 – Resolution Authorizing Transfer Of Funds From The General Fund To The Debt Service Fund Regarding Financing Of The Long-Range Facilities Plan.

Discussion took place regarding the transfer.

M-Johnston, S-Glass to delete the \$4,587,733 amount and replace it with \$2,323,290.58, which is the amount listed in the review and comment document.

Discussion took place regarding the proposed amendment.

Upon a vote on the amendment, the same failed 2-5 as follows:

Yea: Glass, Johnston

Nay: Cameron, Grover, Kasper, Seliga Punyko, Wasson

Upon a vote on original resolution, the same passed 5-2 as follows:

Yea: Cameron, Grover, Kasper, Seliga Punyko, Wasson

Nay: Glass, Johnston

Member Grover presented the resolution:

RESOLUTION

Certified Tax Levy 2011 Payable 2012

BE IT RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota, to hereby set the Tax Levy for 2011 Payable 2012 at \$25,848,261.61.

B-12-11-2956

December 20, 2011

M-Grover, S-Wasson, to approve Resolution B-12-11-2956 – Certified Tax Levy 2011 Payable 2012

Board discussion took place regarding the resolution.

Upon a vote, the same was approved – 5-2 as follows:

Yea: Cameron, Grover, Kasper, Seliga Punyko, Wasson

Nay: Glass, Johnston

Member Grover presented the resolution:

RESOLUTION

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 Auth. Signer</u>
East	Northshore Bank Of Commerce	XXXXXXX9		Nathan Glockle
ALC (GED)	DTCU	XXXX9		Michael Conboy
Laura MacArthur	Western	XXXXXXX2	Nathan Glockle	Deb Sauter
Morgan Park	Park State Bank	XXXXXXX0	Susan Cora	Yvonne Eider

B-12-11-2957

December 20, 2011

M-Grover, S-Kasper, to approve Resolution B-12-11-2957 Authorized Account Signers..

Upon a vote, the same was approved – unanimously

M-Grover, S-Wasson, to table Resolution B-12-11-2954 – to Approve the Joint Powers Collaborative Agreement with the City of Duluth. Upon a vote to table the resolution, the same was approved – unanimously.

M-Grover, S-Kasper, to approve the remainder of the Business Committee Report, as presented.

Member Johnston withheld Items 2.C.1), 3.A.1) for a separate vote, 4.A.1) & 2) for a separate vote, 4.B.1), 4.B.2), and 6.E.

Member Glass withheld Item 1.A., 1.B. and 4.B.3)f. for a separate vote.

Member Glass withheld Item 1.A. – Financial Report, to comment on what funds the auditors seem to focus on, and other areas he believes should be looked at. Bill Hanson commented on Member Glass' concerns.

Member Glass withheld Item 1.B. – Approval of Payment of Claims to note payments to JCI.

Member Johnston withheld Item 2.C.1) – Quote 4101 Intrusion Detection System at Eastern Middle School (Ordean East Middle School) to ask if it is within the budget. Kerry Leider, Facilities Management Supervisor, stated that it remains within budget.

Upon a separate vote on Policy 9000, the same approved – unanimously

Upon a separate vote on 4.A.1) - Contract for Tutoring Services, the same was approved – unanimously

Upon a separate vote on 4.A.2) – Speech Partners LLC, the same was approved – unanimously

Member Johnston withheld Item 4.B.1) Denfeld High School Change Orders to ask if any of the money is dependent on the pending review and comment. Kerry Leider stated it was not. Further discussion took place regarding the funding.

Member Johnston withheld Item 4.B.2) East High School Change Orders to ask if any of the money is dependent on the pending review and comment. Kerry Leider stated it was not. Further discussion took place regarding the funding.

Upon a separate vote on Item 4.B.3)f. Eastern Middle School Change Orders, the same was approved 6-0 with Member Cameron not at her station.

Member Johnston withheld Item 6.E. – JCI Long Range Facilities Plan Status Report to ask why he hadn't been informed of the delays at Congdon and Grant. Kerry Leider explained that it had

been discussed with board members and that the delay is due to waiting for a response from MDE on the review and comment. Discussion continued regarding the fact that it had been discussed with board members.

Upon a vote on the remainder of the business committee report as presented, the same was approved 5-2 as follows:

Yea: Cameron, Grover, Kasper, Seliga Punyko, Wasson
Nay: Glass, Johnston

Special Resolutions
December 2011

Member Grover presented the resolution:

RESOLUTION

School Board Member Attendance at MSBA Leadership Conference

RESOLVED, That Independent School District 709, St. Louis County, Minnesota, pay costs incurred, as per District policy, for school board members to attend the *Minnesota School Boards Association 91st Annual Leadership Conference* in Minneapolis, Minnesota on January 11-13, 2012.

B-12-11-2952

December 20, 2011

M-Grover, S-Kasper, to approve Resolution B-12-11-2952 – School Board Member Attendance at MSBA Leadership Conference. Upon a vote, the same was approved -unanimously

Member Grover presented the resolution:

RESOLUTION

School Board Member Attendance at MSBA Phase I and Phase II Orientations

RESOLVED, That Independent School District 709, St. Louis County, Minnesota, pay costs incurred, as per District policy, for newly elected school board members to attend the Minnesota School Boards Association Phase I and Phase II Orientations in December 2011 and/or January 2012.

B-12-11-2953

December 20, 2011

M-Grover, S-Kasper, to approve Resolution B-12-11-2953 – School Board Member Attendance at MSBA Phase I and Phase II Orientations. Upon a vote, the same was approved -unanimously

Other
December 2011

Member Cameron thanked the student representatives for the service and stated that she is relying on them to help educate others on who Ruth Myers and Marge Wilkins were. She also congratulated and thanked Members Grover and Glass for their service on the board.

Member Glass made a statement regarding his service on the board.

Member Grover thanked the student representatives for their service on the board stating that they brought an important perspective to the table. He also thanked Chair Seliga Punyko for her service as Board Chair.

- Chair Seliga Punyko adjourned the regular school board meeting of December 20, 2011 at 8:41 p.m.

Minutes of the School Board Annual Organizational 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, January 3, 2012 at 6:30 p.m.

Members Present:

Mary Cameron
Art Johnston
Tom Kasper
Mike Miernicki
Judy Seliga Punyko
Ann Wasson
Bill Westholm

Others Present:

Bill Gronseth, Interim Superintendent

Bill Hanson, Deputy Clerk

Sue Talerico, Interim Secretary

➤ Chair Seliga Punyko called the organizational meeting of the school board to order at 6:30 PM.

1. Call to Order by Member Seliga Punyko as Temporary Chairperson
2. Oath of Office
3. Election of Chairperson
4. Election of Vice-Chairperson
5. Election of Clerk
6. Election of Treasurer
7. Appointment of Deputy Clerk
8. Appointment of Board Secretary
9. Resolution B-1-12-2991 – Setting Meeting Dates/Times
10. Resolution B-1-12-2992 – Designation of Depositories and Acceptance of Collateral
11. Resolution B-1-12-2993 – Designation of Authority to Perform Electronic Fund Transfers
12. Resolution B-1-12-2994 – Authorization for the Superintendent of Schools and Director of Business Services to Sign Contracts and Grants
13. Resolution B-1-12-2995 – Selection of District’s Legal Counsel
14. Resolution B-1-12-2996 – Selection of District’s Official Newspaper
15. Adjournment

2. Oath of Office

Bill Gronseth read the Oath of Office for the following Board Members:

- Mike Miernicki took the Oath of Office for a four-year term
- Judy Seliga Punyko took the Oath of Office for a four-year term
- Bill Westholm took the Oath of Office for a four-year term

3. Election of Chairperson

Member Seliga Punyko opened the nominations for the office of chairperson.
Member Seliga Punyko nominated Member Wasson for the office of chairperson.
Member Johnston nominated Member Johnston for the office of chairperson.
Member Seliga Punyko closed the nominations for the office of chairperson.

Each nominee briefly discussed their interest in the office of chair.

Upon a vote member Wasson was elected Board Chair as follows:

**Wasson – Cameron, Kasper, Miernicki, Seliga Punyko, Wasson, Westholm
Johnston – Johnston**

4. Election of Vice-Chairperson

Chair Wasson opened the nominations for the office of vice-chairperson.
Member Seliga Punyko nominated Member Kasper for the office of vice-chairperson.
Member Cameron nominated Member Miernicki, who declined.
Chair Wasson closed the nominations for the office of vice-chairperson.

Chair Wasson announced that Member Kasper is the Vice-Chairperson by acclamation.

5. Election of Clerk

Chair Wasson opened the nominations for the office of clerk.
Member Johnston nominated Member Cameron for office of clerk, who declined.
Member Kasper nominated Member Seliga Punyko for the office of clerk.
Member Johnston nominated Member Johnston for the office of clerk.
Chair Wasson closed the nominations for the office of clerk.

Each nominee briefly discussed their interest in the office of clerk.

**Upon a vote Member Seliga Punyko was elected Clerk as follows:
Seliga Punyko – Kasper, Miernicki, Seliga Punyko, Wasson, Westholm
Johnston – Cameron, Johnston**

6. Election of Treasurer

Chair Wasson opened the nominations for the office of treasurer.
Member Cameron nominated Member Westholm for the office of treasurer.
Member Seliga Punyko nominated Member Cameron for the office of treasurer.
Chair Wasson closed the nominations for the office of treasurer.

**Chair Wasson announced that Member Cameron is the Treasurer as follows:
Cameron – Kasper, Johnston, Miernicki, Seliga Punyko, Wasson, Westholm
Westholm – Cameron**

7. Appointment of Deputy Clerk

Chair Wasson appointed Bill Hanson as Deputy Clerk.

8. Appointment of Board Secretary

Chair Wasson appointed Melinda Thibault as School Board Secretary.

9. Resolution B-1-12-2991 – Setting Meeting Dates/Times

Member Kasper presented the resolution as follows:

RESOLUTION
Selection of Meeting Dates/Times

RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota, that the Regular meetings of the School Board shall be held the third Tuesday of each month at 6:30 p.m. at the Central Administration Building unless otherwise scheduled by the School Board.

B-1-12-2991

January 3, 2012

Member Johnston suggested there is no need to pass this as an annual resolution as it is identical to Bylaw 9070. Wasson noted that we are following the MSBA Organizational meeting setup agenda, which is the reason this resolution is on the agenda.

M-Kasper, S-Seliga Punyko to approve Resolution B-1-12-2991, Selection of Meeting Dates/Times. Upon a vote taken on the resolution, the same was approved 6-1 as follows:

Yea: Cameron, Kasper, Miernicki, Seliga Punyko, Wasson, Westholm

Nay: Johnston

10. Resolution B-1-12-2992 - Designation of Depositories and Acceptance of Collateral

Member Cameron presented the resolution as follows:

RESOLUTION
Designation of Depositories and Acceptance of Collateral

RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota, that Duluth Teachers Credit Union, US Bank, North Shore Bank of Commerce, Wells Fargo Bank, Park State Bank, M & I Bank, Associated Bank, and Western Bank shall be depositories of the funds of this School District for up to a one year period commencing January 1, 2012, and said banks shall be required to deposit with said district collateral securities, subject to approval by the School Board, and kept in trust;

RESOLVED, That the collateral securities pledged by Duluth Teachers Credit Union and placed in trust at Federal Reserve Bank of Boston; North Shore Bank of Commerce and placed in trust at U S Bank N. A.; U S Bank and placed in trust at Federal Reserve Bank of Boston; Key Bank and placed in trust at Federal Reserve Bank of Boston; all as provided by law and evidence by trust agreements executed by the Treasurer of the School Board, an officer of the depository bank, and acknowledged by an officer of the bank holding the securities in trust, shall be approved.

DULUTH TEACHERS CREDIT UNION –

\$250,000.00 FHOR, Cusip xxxxxxTS6, due 1/14/2014
\$250,000.00 FHLB, Cusip xxxxxxXW7, due 11/27/2013
\$250,000.00 FHLB, Cusip xxxxxxKY2, due 5/30/2013
\$250,000.00 FHLB, Cusip xxxxxxP93, due 12/13/2013

NORTH SHORE BANK OF COMMERCE –

\$400,000.00 FFCB, Cusip xxxxxxNQ8, due 4/24/2012

MARSHALL & ILSLEY (M & I BANK) –

Authorized up to maximum of \$250,000 on deposit at any one time

U S BANK –

\$21,135,000.00 FHLMC, Cusip xxxxxxHUY7, due 12/1/2022
\$14,295,000.00 FNMA, Cusip xxxxxxDJR2, due 9/1/2034
\$10,383,000.00 FNMA, Cusip xxxxxxLBU5, due 9/1/2018
\$2,760,000.00 FHLMC, Cusip xxxxxxRME1, due 11/1/2036
\$700,000.00 FHLMC, Cusip xxxxxxRMB7, due 3/1/2036
\$2,435,000.00 FNMA, Cusip xxxxxxZJ7, due 1/1/2019
\$2,930,000.00 FNMA, Cusip xxxxxx5R9, due 5/1/2034
\$10,210,000.00 FNMA, Cusip xxxxxxXGR2, due 7/1/2033

KEYBANK –

\$32,274,670.00 FHLMC, Cusip xxxxxx6R0, due 6/15/2039

WELLS FARGO BANK –

Authorized up to maximum of \$250,000 on deposit at any one time

PARK STATE BANK –

Authorized up to maximum of \$250,000 on deposit at any one time

WESTERN BANK –

Authorized up to maximum of \$250,000 on deposit at any one time

RESOLVED, That the Treasurer, Clerk, and/or Director of Business Services shall be authorized to arrange for the exchange, release, or placing of additional collateral, provided that in all instances such exchange, releases, or placing of additional collateral shall be approved by the school board and all new collateral shall be placed in trust with the respective aforementioned institutions.

B-1-12-2992

January 3, 2012

Member Johnston inquired regarding the M&I Bank and US Bank changes. Mr. LeBlanc explained the reasons for the changes.

M-Cameron, S-Seliga Punyko to approve Resolution B-1-12-2992 - Designation of Depositories and Acceptance of Collateral. Upon a vote taken on the resolution, the same was approved – unanimously.

11. Resolution B-1-12-2993 - Designation of Authority to Perform Electronic Fund Transfers

Member Seliga Punyko presented the resolution as follows:

RESOLUTION

Designation of Authority to Perform Electronic Fund Transfers

RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota, that the Director of Business Services has the authority to designate a district employee/employees to initiate electronic fund transfers, as required by MS 471.38.

Resolution B-1-12-2993

January 3, 2012

M-Seliga Punyko, S-Kasper, to approve Resolution B-1-12-2993 - Designation of Authority to Perform Electronic Fund Transfers. Upon a vote taken on the resolution, the same was approved – unanimously.

12. Resolution B-1-12-2994 - Authorization for the Superintendent of Schools and Director of Business Services to Sign Contracts and Grants

Member Westholm presented the resolution as follows:

RESOLUTION

Authorization for Superintendent of Schools and Director of Business Services to Sign Contracts and Grants

RESOLVED, By the School Board of Independent School District 709, St. Louis County, Minnesota, that to increase operational efficiency, it is requested that authorization to sign revenue contracts and expenditure contracts for the lease, purchase, and contract for goods or services within budgetary and policy limits up to \$25,000 be granted to the Superintendent of Schools and Director of Business Services. This delegation of authorization is allowable under Minnesota Statute 123B.52 subd. 2. The superintendent's designee will review each contract before execution.

RESOLVED, By the School Board of Independent School District 709, St. Louis County, Minnesota, that the Superintendent of Schools, or in his/her absence the Director of Business Services, be designated the legal authorized representative to sign applications and execute grant documents for and in behalf of the school district in connection with federal and state laws and funding authorities and local, public, and private funding agencies that offer categorical financial support to this school district.

Resolution B-1-12-2994

January 3, 2012

M-Westholm, S-Kasper, to approve Resolution B-1-12-2994 - Authorization for the Superintendent of Schools and Director of Business Services to Sign Contracts and Grants.

Upon a vote on Resolution B-1-12-2994 – the same was approved – unanimously.

13. Resolution B-1-12-2995 – Selection of District’s Legal Counsel

Member Miernicki presented the resolution as follows:

RESOLUTION
Selection of District’s Legal Counsel

RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota that, the following firms have been selected as legal counsel for the District.

Fryberger, Buchanan, Smith & Frederick, P.A.
700 Lonsdale Building
302 West Superior Street
Duluth, MN 55802

Ratwik, Roszak & Maloney
300 US Trust Building
730 Second Avenue South
Minneapolis, MN 55402

Dryer, Storaasli, Knutson & Pommerville
202 West Superior Street, Suite 200
Duluth, MN 55802

RESOLVED, that the authorized contact persons for the District are as follows:

Chair of the School Board
Superintendent of Schools
Executive Assistant to Superintendent
Assistant Superintendent
Director of Business Services
Director of Special Education
Manager of Facilities
Finance Manager
Business Services Secretary
Human Resources Manager for Certified Staff
Human Resources Manager for Non-Certified Staff
Human Resources Secretary

Resolution B-1-12-2995

January 3, 2012

M-Miernicki, S-Seliga Punyko, to approve Resolution B-1-12-2995 – Selection of District’s Legal Counsel.

Johnston expressed his concern about the expenses incurred by having an attorney at board meetings. Wasson reminded all that that is one board member’s opinion. Westholm noted his presumption that the District has three different firms due to having a variety of legal issues.

Upon a vote Resolution B-1-12-2995, the same was approved –unanimously.

14. Resolution B-1-12-2996 – Selection of District’s Official Newspaper

Member Johnston presented the resolution as follows:

RESOLUTION
Selection of District's Official Newspaper

RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota, that the District's official newspaper will continue to be the Duluth News Tribune.

Resolution B-1-12-2996

January 3, 2012

Member Johnston suggested there is no need to pass this as an annual resolution as it is included in Bylaw 9105. Member Johnston reminded the board that we have not adopted the MSBA model policies, and that we should follow our policies as adopted.

M-Johnston, S-Kasper, to approve Resolution B-1-12-2996 – Selection of District's Official Newspaper. Upon a vote taken on the resolution, the same was approved 6-1 as follows:

Yea: Cameron, Kasper, Miernicki, Seliga Punyko, Wasson, Westholm
Nay: Johnston

Members Johnston and Cameron welcomed new board members. Member Cameron noted that she looks forward to serving under Chair Wasson, that she expects transparency, and wants to see the District continue moving forward with the long range facilities plan, open those schools yet to be open and on time, and expects equity across the District.

Chair Wasson stated that she was informed by Deputy Clerk Hanson that legal counsel would be available to provide an update to the board regarding the superintendent situation on Friday, January 6, 2012, at 11:30 a.m. or 5:30 p.m. Chair Wasson asked for board members' availability. **After brief discussion, it was noted that the Special Executive Closed Session meeting will be scheduled for 5:30 p.m. January 6, 2012.**

Chair Wasson noted that the memorandum requesting committee assignment volunteers was at board members' places, asking to have their choices to her by the end of the week or Monday.

15. Adjournment

Chair Wasson welcomed new board members and adjourned the annual organizational school board meeting of January 3, 2012 at 7:00 p.m.

Minutes of the Special School Board Meeting

20

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

Friday, January 6, 2012

Members Present:

Mary Cameron
Art Johnston
Tom Kasper
Mike Miernicki
Judy Seliga Punyko
Ann Wasson
Bill Westholm

Others Present:

Bill Gronseth, Interim Superintendent
Bill Hanson, Deputy Clerk
Sue Talerico, Interim Secretary

➤ Chair Wasson called the special school board meeting of January 6, 2012 to order at 5:30 p.m.

M-Johnston, S-Kasper, presented a motion to amend the Agenda by allowing Public Comment prior to reading the resolution.

Chair Wasson stated that, although public comment is not a normal agenda item in personnel issues, in this instance she would allow if voted unanimously by the full board

Johnston expressed his belief that it is important to allow public to speak if and appropriate and critical if they choose. Wasson needs a unanimous vote

Upon a vote the same passed – unanimously.

Public Comment

Portia Johnson, 504 N 12th Avenue East, spoke to the board, expressing her concerns that there are many questions in the community as to what's going on and what is going to happen to Dr. Foster's office, and how this has been handled in the newspaper, which she believes has not been fair. Ms. Johnson urged the board to look very carefully how this happened and how it's been handled.

Carl Crawford, 38 2nd Street, spoke to the board regarding his concern when looking at this as a holistic opportunity to change the look of the community, to move forward as a diverse community, and that it means a lot to have someone in this community to show students they too can be superintendent.

Claudie Washington, 11 West 4th Street, spoke to the school board regarding his belief that Dr. Foster was the most qualified candidate to set a great example, close achievement gap, and show diversity in this district. Mr. Washington expressed that Dr. Foster qualifies for the license, that this is a minor and correctible infraction and urged the board to have sense of justice.

Marcia Stromgren, 6179 Lakewood Road, spoke to the board regarding her belief that I.V. Foster was the best person for the position, that his executive secretary should have handled this, given the scope of his job, and that he is extremely qualified and needs to be given the chance.

Sharon Witherspoon, 1049 University Drive, spoke to the board, hoping they would be swift to hear, slow to speak and slow to wrath.

Member Kasper presented the resolution:

RESOLUTION
Executive (Closed) Session

WHEREAS, Pursuant to Minnesota Open Meeting Law, Minn. Stat. 13D.05 subd.2(b) allowing a closed session for preliminary consideration of allegations or charges against an individual subject to its authority.

NOW, THEREFORE, BE IT 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 Friday, January 6, 2012 at approximately 5:30 p.m. in the Board Conference Room of Historic Old Central High School for the purpose of preliminary consideration of allegations or charges against an employee.

Resolution B-1-12-2963

January 6, 2012

M-Kasper, S-Seliga Punyko, to approve the Resolution B-1-12-2963 - Executive Closed Session.

Member Johnston expressed his concerns about this meeting, and that over three weeks ago the board passed a resolution authorizing an investigation and put I.V. Foster on paid leave. Our superintendent is I.V. Foster and he should have been given the opportunity to be at this meeting. Member Johnston stated that, because of this, he will be voting against this resolution.

Upon a vote the same passed 6-1 as follows:

Yea: Cameron, Kasper, Miernicki, Seliga Punyko, Wasson, Westholm

Nay: Johnston

➤ *The Board Recessed into Executive Closed Session at 5:51 p.m.*

➤ *The Board Reconvened at 6:48 p.m.*

Member Kasper presented the resolution:

RESOLUTION
Approval of Terms of Separation Agreement

WHEREAS, the School Board of Independent School District 709, St. Louis County, Minnesota, has received allegations regarding Superintendent Dr. I.V. Foster, and

WHEREAS, the employment contract between the School District and Superintendent Foster expires on June 30, 2014, and

WHEREAS, the School Board and the Superintendent wish to resolve this matter in a mutually acceptable manner and without the costs and burdens associated with further consideration of the allegations.

BE IT RESOLVED, by the School Board of Independent School District 709, St. Louis County, Minnesota, that:

1. The Superintendent will resign from employment with the School District effective immediately.
2. The Superintendent will be paid the salary specified in his employment contract through the end of March 2012.
3. The superintendent will receive the benefits as provided in his employment contract through the end of June 2012.
4. These terms will be part of a formal separation agreement, to be drafted and approved by the School Board's legal counsel, that will also include other standard terms for separation agreements.
5. The School Board Chair and Clerk are authorized to sign the agreement on behalf of the School District once it has been finalized and signed by the Superintendent.
6. William Gronseth will continue to serve as interim superintendent until further notice from the School Board.

Resolution B-12-11-2966

January 6, 2012

M-Kasper , S-Seliga Punyko , to approve the Resolution B-1-12-2966 – Approval of Terms of Separation Agreement. Upon a vote the same was approved – 5-2 as follows:

Yea: Kasper, Miernicki, Seliga Punyko, Wasson, Westholm

Nay: Cameron, Johnston

➤ Chair Wasson adjourned the Special School Board meeting of January 6, 2012 at 6:52 p.m.

Minutes of the Special School Board Meeting

23

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, January 9, 2012

Members Present:

Mary Cameron
Art Johnston
Tom Kasper
Mike Miernicki
Judy Seliga Punyko
Ann Wasson
Bill Westholm

Others Present:

Bill Gronseth, Interim Superintendent
Bill Hanson, Deputy Clerk
Sue Talerico, Interim Secretary

- Chair Wasson called the special school board meeting of January 9, 2012 to order at 5:42 PM.

Public Comment – None

Update: Central High School Property – Comprehensive Land Use Plan Map Amendment

Kerry Leider explained that the purpose of this special school board meeting is to update the board with regard to the land-use classification for the Central High School property, and to address their interest in the sale of the property and how it is impacted by the City of Duluth zoning for land use. Mr. Leider indicated he wished to update the board regarding the City of Duluth staff's *Proposed Recommended Future Land Use for Former Central High School Site*, which will be presented to the City of Duluth Planning Commission at its meeting of January 10, 2012. As a public entity, the District's properties land use classification must be in compliance with the City's comprehensive plan / future land use plan prior to being sold. Mr. Leider further noted that, per comments made to him by school board members after attending public meetings or reading articles in the newspaper regarding the City's proposed recommendations for the Central High School property, the school board may want to take action relative to the land use classification and land use map being proposed to the City Planning Commission, then the City Council.

Mr. Leider introduced City of Duluth staff Chuck Froseth and Keith Hamre, who gave a summary of the process by which they developed the proposed staff recommendation for the Planning Commission, future steps in the process that ultimately leads to a City Council proposal, and answered questions regarding the same.

Board members and Interim Superintendent Gronseth expressed concern with the late timing of this meeting and the randomness of the boundaries. Keith Hamre stated that the District is allowed to ask the City to give more time for dialogue and planning with the District. Member Kasper asked how to formally ask the Planning Commission to table this for a month. Discussion, questions and answers took place. Member Wasson expressed that the land use classification for this property needs to be broad enough to benefit the city and taxpayers; we must make sure the tax base is there for the community as a whole and that the tax burden is not.

Chair Wasson encouraged the school board to take action and asked if there are other comments.

Member Cameron presented the resolution:

RESOLUTION

Central High School Property – Comprehensive Land Use Plan Map Amendment

WHEREAS, the School Board by Resolution B-6-07-2452 adopted a Long-range Facilities Plan for the District, and therein also directed the District's administrative staff to commence with the disposition of certain non-school sites including the Central High School property that will no longer be used for purposes set forth in Minnesota Statute Section 123B.51; and

WHEREAS, the City of Duluth has a Comprehensive Land Use Plan (CLP) with Map that categorizes the Central High School Property use as "Institutional"; and

WHEREAS, the sale, redevelopment and repurposing of the Central property, other than for institutional uses, requires an amendment to the current Comprehensive Land Use Plan - Map, and where City Planning and Community Development Departments have completed a process and created a recommendation to amend the current Plan, and they have presented this recommendation for consideration by the City Planning Commission and then the City Council; and

WHEREAS, the School Board has been presented with a copy of the City Staff report recommending the amendment to the Comprehensive Land Use Plan, and have considered such Plan as it relates to the District's obligations to Tax payers and what the School Board resolves will be in the best interest of the Duluth Community as well as the School District;

NOW, THEREFORE, BE IT RESOLVED the Duluth School Board, hereby resolves they are not able to support the CLP Map Amendment as it has been recommended by City Staff; the reasons for non support and objection are as follows:

1. The School Board and District have adopted and have substantially completed a Long Range Facilities Plan that contemplates a value for the former Central High School property based on its highest and best use other than a school.
2. The Proposed Amendment to the Comprehensive Land Use Plan recommends a Map that randomly divides the approximate 77 acre property without regard for existing platting, and this bifurcation is expected to result in significant devaluation of the property and severely reduce property redeveloper interest in this site.
3. Should this Plan amendment proceed and the devaluation of this property be experienced, the School Board expects there will be a correlating property tax increase impact affecting the property owners in the School District; and

BE IT FURTHER RESOLVED the School Board hereby requests the Planning Commission and City Council postpone action on this current Staff recommendation until it is modified and amended in a manner to resolve the Duluth School Board's reasons as stated above for their non-support of the recommendation.

Resolution B-1-12-2965

January 9, 2012

M-Cameron, S-Kasper, to approve the Resolution B-1-12-2965 – Central High School Property - Land Use Plan Map Amendment.

Chair Wasson requested that Kerry Leider attend the City Planning Commission meeting of January 10, 2012 to request, on behalf of the School Board, that the issue be tabled to give the District and City time to work together in adjusting the land-use recommendation to be more flexible. Chair Wasson also stated she would appreciate them looking at the same for the Rockridge and Kenwood properties.

Upon a vote the same passed - unanimously

- Chair Wasson adjourned the Special School Board meeting of January 9, 2012 at 6:47 PM.

7. Communications, Petitions, etc.

01/10/12 Copy of letter addressed to All School Board Members from Barbara Walcome, expressing concern that standard gift etiquette was not followed when Member Grover was presented with a school clock while Member Glass was not. Ms. Walcome included photos of demolition of the old Lester Park School building, showing school clocks remaining on the walls, suggesting that, if the clock had been first removed, the District would have many clocks to present to future retiring school board members.

Independent School District 709
SCHEDULE OF MEETINGS AND EVENTS

27

All meetings are scheduled at Historic Old Central High School unless otherwise noted.

Week of January 16 – January 20, 2012

Tuesday	January 17	5:30 p.m.	Special School Board Meeting Adjourn to Executive (Closed) Session Re: Discussion Related to the Sale and Acquisition of Property Board Room
Tuesday	January 17	6:30 p.m.	Regular School Board Meeting Board Room

Week of January 23 – January 27, 2012

Thursday	January 26	4:15 p.m.	Parent Advisory Council on Special Education (PACSE) Room 203C
Thursday	January 26	5:30 p.m.	Education Equity Advisory Committee Board Room

Week of January 30 – February 3, 2012

Wednesday	February 1	9:00 a.m.	PTSA City Wide Council Board Room
-----------	------------	-----------	--------------------------------------

Week of February 6 – February 10, 2012

Thursday	February 9	5:00 p.m.	Education Equity Advisory Budget Subcommittee Room 302
----------	------------	-----------	--

Week of February 13 – February 17, 2012

Monday	February 13	4:15 p.m.	Human Resources Committee Board Room
Monday	February 13	4:30 p.m. <i>(or to follow Human Resources Comm. Mtg)</i>	Business Committee Board Room
Tuesday	February 14	4:15 p.m.	Education Committee Board Room
Thursday	February 16	5:30 p.m.	Education Equity Advisory Committee Board Room

Week of February 20 – February 24, 2012*No meetings scheduled at this time.***Week of February 27 – March 2, 2012**

Tuesday	February 28 (<i>4th Tuesday</i>)	6:30 p.m.	Regular School Board Meeting Board Room
---------	---	-----------	--

Week of March 5 – March 9, 2012

Wednesday	March 7	9:00 a.m.	PTSA City Wide Council Board Room
Thursday	March 8	5:00 p.m.	Education Equity Advisory Budget Subcommittee Room 302

Week of March 12 – March 16, 2012

Monday	March 12	4:15 p.m.	Human Resources Committee Board Room
Monday	March 12	4:30 p.m. <i>(or to follow Human Resources Comm. Mtg)</i>	Business Committee Board Room
Tuesday	March 13	4:15 – 6:00 p.m. only <i>(No Mtgs 6:00-8:00 pm Township Elections)</i>	Education Committee Board Room

Week of March 19 – March 23, 2012

Tuesday	March 20	6:30 p.m.	Regular School Board Meeting Board Room
---------	----------	-----------	--

*Office of the Superintendent
January 12, 2012*