



Independent School District 834
Oak Park Building, 6355 Osman Avenue North, Stillwater, MN 55082
School Board Special Meeting Agenda – November 4, 2021 6:00 p.m.

REVISED

- I. **Call to Order**
- II. **Roll Call**
- III. **Pledge of Allegiance**
- IV. **District Mission Statement and School Board Goals**
- V. **Approval of Agenda**
- VI. **Introductory Item**
 - A. Student Report
- VII. **Superintendent Report**
- VIII. **Board Chair Report**
- IX. **Consent Agenda**
 - A. Minutes of October 19, 2021 Business Meeting
 - B. Minutes of October 19, 2021 Closed Session
 - C. Disbursement Register – October 21, 2021 – November 5, 2021
 - D. Annual Review Policy 524 - Technology and Internet Access and Acceptable Use
 - E. Brookview Expansion Bids Work Scope 8-D – Specialty Doors
 - F. Human Resources Personnel Report
- X. **Action Items**
 - A. Northeast Metro Intermediate School District 916 Joint Power of Agreement – Superintendent Malinda Lansfeldt
 - B. Commercial Purchase Agreement - Superintendent Malinda Lansfeldt
 - C. Combined Polling Locations – Chair Beverly Petrie
- XI. **Reports**
 - A. Q-Comp Report - Dr. Jennifer Cherry
- XII. **Open Forum**

Fifteen speakers will be allotted three minutes each to speak
- XIII. **Adjournment**
 - A. Adjourn

Attachment:

- Finance and Operations Committee Notes
- Policy Committee Notes



Agenda Item I.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Agenda Item: Call to Order
Meeting Date: November 4, 2021

Background:

The School Board Chair will call the meeting to order.

Recommendation:

Board action is not required.



Agenda Item II.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Agenda Item: Roll Call
Meeting Date: November 4, 2021

Background:

The School Board Chair will ask the secretary to take the roll. A quorum must be established in order for the meeting to proceed.

Board Members

Beverly Petrie, Chair

Alison Sherman, Vice Chair

Annie Porbeni, Clerk

Katie Hockert, Director

Chris Kunze, Director

Tina Riehle, Director

Malinda Lansfeldt, Interim Superintendent, Ex-Officio

Recommendation:

Board action is not required.



Agenda Item III.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Agenda Item: Pledge of Allegiance
Meeting Date: November 4, 2021

Background:

The Pledge of Allegiance will be recited prior to the approval of the meeting agenda.

I pledge Allegiance to the flag
of the United States of America
and to the Republic for which it stands,
one nation under God, indivisible,
with Liberty and Justice for all.

Recommendation:

Board action is not required.



Agenda Item IV.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Agenda Item: District Mission and School Board Goals
Meeting Date: November 4, 2021

Background:

A School Board member will read the District Mission statement.

The mission of Stillwater Area Public Schools, in partnership with students, family and community, is to develop curious individuals who are active and engaged leaders in an ever-changing world by challenging all students as they travel along their personalized learning pathways.

A School Board member will read the School Board Goals (adopted June 2019)

In partnership with community, parents, and students, the School Board of Stillwater Area Public Schools ensures excellence in education by:

Increasing student achievement for ALL students.

Securing long-term financial stability of the district.

Increasing community trust and engagement.

Recommendation:

Board action is not required.



Agenda Item V.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Agenda Item: Approval of the Agenda
Meeting Date: November 4, 2021

Background:

Once quorum has been established the School Board Chair will request approval of the meeting agenda.

Recommendation:

A motion and a second to approve the meeting agenda will be requested.

Motion by: _____ **Seconded by:** _____ **Vote:** _____



Agenda Item IV.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Agenda Item: Introductory Items
Meeting Date: November 4, 2021
Student Report and District Recognition

Background:

The Student Board Members will provide updates on items of interest in the announcement category. Many times these topics develop between the time the agenda is prepared and distributed and the meeting date. Topics generally include announcement of academics, activities, arts and athletics. What is included in this item will vary each meeting depending on the nature of the topics, the school year schedule and time of activities.

Recommendation:

Board action is not required.



Agenda Item VII.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Agenda Item: Superintendent Report
Meeting Date: November 4, 2021

Background:

Each meeting the Superintendent will provide an update on items of interest in the announcement category. Many times these topics develop between the time the agenda is prepared and distributed, and the meeting date. Topics generally include announcement of attendance at district events, communications items, informational items and correspondence items worth noting. What is included in this item will vary each meeting depending on the nature of the topics, the school year schedule and time of activities.

Recommendation:

Board action is not required.



Agenda Item VIII.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Agenda Item: Board Chair Report
Meeting Date: November 4, 2021

Background:

Each meeting the Board Chair board will provide updates on items of interest in the announcement category. Many times these topics develop between the time the agenda is prepared and distributed, and the meeting date. What is included in this item will vary each meeting depending on the nature of the topics, the school year schedule and time of activities

Recommendation:

Board action is not required.



Agenda Item: Consent Agenda
Meeting Date: November 4, 2021
Contact Person: Varies by item

Agenda Item IX. A.B.C.D.E.F.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Background:

The consent agenda is a meeting practice which packages routine reports, Board meeting minutes, and other non-controversial items not requiring discussion or independent action as one agenda item. The Board will approve this 'package' of items together in one motion.

A. School Board Business Meeting Minutes October 19, 2021

Contact Person: Dr. Annie Porbeni, Clerk or Joan Hurley, Secretary

A copy of the minutes is included for your review.

B. School Board Closed Meeting Minutes October 9, 2021

Contact Person: Dr. Annie Porbeni, Clerk or Joan Hurley, Secretary

A copy of the minutes is included for you review.

C. Disbursement Register – October 9, 2021 – October 20, 2021

Contact Person: Dr. John Thein, Director, Finance

A copy of the register has been distributed to board members.

D. Annual Review Policy 524 – Technology and Internet Access and Acceptable Use

Contact Person: Dr. Jennifer Cherry, Assistant Superintendent

A copy of the policy is included for your review.

E. Brookview Expansion Bids Work Scope 8-D – Specialty Doors

Contact Person: Mr. Mark Drommerhausen, Director, Operations

A Copy of the bids are included for your review.

F. Human Resources Personnel Report

Contact Person: Ms. Cindy Gustafson, Director, Human Resources

A summary of personnel transactions for the month is included for your review.

Recommendation:

BE IT RESOLVED by the School Board of Independent School District 834 – Stillwater Area Public Schools that Consent Agenda Items A through F be approved as written, and a copy of the agenda items is attached to the minutes.

Motion by: _____ **Seconded by:** _____ **Vote:** _____



Independent School District No. 834 – Stillwater Area Public Schools
Oak Park Building, 6355 Osman Avenue North, Stillwater, MN 55082
October 19, 2021 – 6:00 p.m. Meeting Minutes

- I. **Call to Order:** The meeting was called to order at 6:05 p.m.
- II. **Roll Call:** Present: Beverly Petrie, chair, Alison Sherman, vice-chair, Annie Porbeni, clerk, Katie Hockert, director, Chris Kunze, director, Tina Riehle, director
- III. **Pledge of Allegiance**
- IV. **District Mission Statement and School Board Goals**
- V. **Approval of the Agenda**

Motion to approve the agenda by: Member Kunze; second by: Member Sherman; Vote: 6 ayes, 0 nays; Motion carried unanimously.

- VI. **Introductory Item**
 - A. Student Report
 - Nothing to report
- VII. **Superintendent Report**
 - Early Childhood Family Education (ECFE) program was featured on a Minnesota Department of Education's webinar last week.
 - Free take-home COVID-19 test kits are available in our school health offices by parent request.
 - November 2, 2021 is Election Day. You can vote early at the Washington County Government Center or the Woodbury Library. For more information, visit stillwaterschools.org/levy2021.
- VIII. **Board Chair Report**
 - Nothing to report
- IX. **Consent Agenda**
 - A. Minutes of October 5, 2021 Special Meeting
 - B. Minutes of October 7, 2021 Closed Session
 - C. Minutes of October 7, 2021 Business Meeting
 - D. Disbursement Register – October 9, 2021 – October 20, 2021
 - E. Accept Gifts and Donations – September 2021
 - F. Century College Joint Powers Agreement 2021-2022 - PSEO
 - G. District Wide Snow Removal and Pavement Treatment
 - H. Human Resources Personnel Report

Motion to approve consent item A - H by: Member Hockert; second by: Member Sherman; Vote: 6 ayes, 0 nays; Motion carried unanimously.

- X. **Reports**
 - A. Professional Development Update - Dr. Caleb Drexler Booth
Information was provided on district professional development.
- XI. **Open Forum**
 - Pete Kelzenberg, Afton, MN - Levy
 - Natasha Fleischman, Stillwater, MN - Levy
 - Sarah Voight, West Lakeland, MN - Levy
 - Tracy Maki, Stillwater, MN - Educational Experience and Community Engagement

- Jack Hoye, Bayport, MN - Levy
- Erica Oesterreich, Stillwater, MN - Referendum
- Laura Super, Stillwater, MN - Levy
- George Hoeppner, Oak Park Heights, MN - Levy
- Bob Manning, Stillwater, MN - Pathways program and positives things happening in our schools
- Joe Samuelson, Stillwater, MN - Civility at the School Board
- Dianne Polasik, Stillwater, MN - Levy
- Jeremy Schurr, White Bear, MN - Observations from a staff member
- Robert Hagstrom, Stillwater, MN - Levy
- Erin Mathaus, Lake Elmo, MN - Levy
- Nance Purcell, Stillwater, MN - Levy

Motion by member Petrie to move to go into closed session at 7:46 p.m. Pursuant to Minnesota Statutes § 13D.05, Subd. 3(b), to discuss or consider offers for the purchase or sale of real properties. The properties are identified as: 10158 122nd St N, Hugo, MN 55038 (the former Withrow Elementary School property); second by: Member Hockert; Vote: 6 ayes, 0 nays. Motion carried unanimously.

XII. Adjournment

- A. The meeting adjourned at 8:06 p.m.

Respectfully submitted, Annie Porbeni, Clerk



Independent School District 834 – Stillwater Area Public Schools
Oak Park Building, 6355 Osman Avenue North, Stillwater, MN 55082
School Board Closed Meeting Minutes
October 19, 2021 following the board meeting

I. Call to order

The Open meeting was called to order at 6:05 p.m.

II Adjourn to Closed Session

The board adjourned to a closed session at 7:53 p.m. pursuant to Minnesota Statutes § 13D.05, Subd. 3(b), to discuss or consider offers for the purchase or sale of real properties. The properties are identified as: 10158 122nd St N, Hugo, MN 55038 (the former Withrow Elementary School property).

Motion by: Member Petrie to adjourn to closed session; second by: Member Hockert; Vote: 6 ayes, 0 nays, Motion carried unanimously.

Board Members present: Beverly Petrie, chair, Alison Sherman, vice chair, Annie Porbeni, clerk Katie Hockert, director, Chris Kunze, director Tina Riehle, director

Others present: Malinda Lansfeldt, Mark Drommerhausen,

III. Adjournment

A. Closed session adjourned to open meeting at 8:03 p.m.

Respectfully submitted by Beverly Petrie, Board Chair

STUDENTS

POLICY TITLE	POLICY NUMBER	ADOPTED	REVIEW FREQUENCY
Student Technology and Internet Access and Acceptable Use	524	Adopted: 12-18-2014 Reviewed: 11-04-2021	Annually

I. PURPOSE

The School Board believes that students should have an opportunity to access the Internet to facilitate learning, and for educational and personal growth in the use of technology, resource sharing, information gathering and communication skills. The use of the District technology system and access to use of the Internet is a privilege, not a right.

II. GENERAL STATEMENT OF POLICY

Access to District technology systems and to the Internet enables students to explore thousands of libraries, databases, bulletin boards, and other global resources while exchanging messages with people around the world. The District expects that staff will blend thoughtful use of the school District technology system and the Internet throughout the curriculum and will educate students about appropriate online behavior, including interacting with other individuals on social networking websites and in chat rooms, as well as bullying awareness and response.

The value of access to information and interaction on the Internet far outweighs the risk that users may procure material that is inconsistent with the educational goals of the District.

Students are expected to use Internet access through the District technology systems to further educational and personal goals consistent with the mission and policies of the District. Uses which might be acceptable on a user's private personal account on another system may not be acceptable on this limited purpose network.

III. NOTIFICATION / DISCLAIMER

- A. Students will use the District technology systems, resources and accounts to access the Internet.
- B. The District makes no warranties, expressed or implied, for the Internet access it is providing. The system is provided on an "as is, as available" basis.
- C. The District will not be responsible for any damages users experience, including but not limited to, damage, loss or unavailability of data stored on or accessed through the district technology system or for delays or interruptions in service or misdeliveries or non-deliveries of information. Additionally, the District will not be responsible for the accuracy, nature or quality of information stored or gathered on the District technology system.

- D. The District will not be responsible for personal property used to access the District technology system or networks.
- E. The District will not be responsible for the setup or maintenance of personal property used for remote access to District technology devices, networks, or District provided Internet access.
- F. The collection, creation, reception, maintenance and dissemination of data via the Internet, including electronic communications, are governed by the Minnesota Data Practices law and District policy Data Privacy Protection and Privacy of Pupil Specific Data Policy.
- G. District policy and all its provisions and rules are subordinate to local, state and federal statutes.
- H. The District will not be responsible for financial obligations incurred by users through district technology systems or the Internet. Parents/guardians must be aware that it is possible to purchase goods and services via the Internet.

IV. FILTERING TECHNOLOGY

- A. The District will use various means to limit student access to the Internet; however, these limits do not provide a foolproof means for enforcing the provisions of District policy and rules.
- B. Filtering technology will be narrowly tailored and will not discriminate based on viewpoint.
- C. The District will monitor online activities and employ technology protection measures during use of such technology devices by all users on the network. The technology protection measures utilized will block or filter Internet access to any visual depictions that are:
 - 1. Obscene;
 - 2. Child pornography; or
 - 3. Harmful to minors.

The term “harmful to minors” means any picture, image, graphic image file, or other visual depiction that:

 - a. taken as a whole and with respect to minors, appeals to an indecent interest in nudity, sex, or excretion; or
 - b. depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual or perverted act or sexual contact, or a lewd exhibition of the genitals; or
 - c. taken as whole, lacks serious literary, artistic, political, or scientific value for minors.

- D. Technology protection measures may be disabled by authorized personnel, to enable access for bona fide research or other lawful purposes.

V. ACCEPTABLE USE AND RESPONSIBILITY

- A. Users exercising their privilege to use the Internet as a resource must take responsibility for their choices in accessing and viewing information, and creating and publishing content.
- B. Guidelines for Internet and District Technology System Use
 - 1. It is impossible to assure that District staff can continually monitor each learner; therefore, it is important to emphasize the need for each student's cooperation to act responsibly. With Internet access, users join a community of millions of people who share a world of information resources. Since this community is not ruled by laws in the traditional sense, users of the district technology system and the Internet must abide by the following rules:
 - a. Users will be courteous and respectful in their messages to others, using appropriate language. Language that is knowingly false, defamatory, harassing, assaultive, bullying, discriminatory, obscene, abusive, profane, lewd, vulgar, rude, inflammatory, threatening, disrespectful, or sexually explicit is prohibited.
 - b. Users will not use the District technology system to engage in any illegal act or violate any local, state or federal ordinance or law.
 - c. Users will respect legal protection provided by copyright laws, software licensing and trademarks.
 - d. The District-provided Internet access will not be used for conducting business, for unauthorized commercial purposes, or for financial gain unrelated to the mission of the school district, nor will it be used for political fundraising and lobbying, or religious proselytizing.
 - e. Users are prohibited from attempting unauthorized access to the District technology system, attempt to log in through another person's account, or use computer accounts, access codes, or network identification other than those assigned to the user. Messages and records on the District technology system may not be encrypted without the permission of appropriate school authorities.
 - f. By authorizing use of the District technology system, the District does not relinquish control over materials on the system or contained in files on the system. Users must be aware that they must expect only limited privacy in the contents of personal files on the District technology system. The District retains the right at any time to investigate or review the contents of any files and e-mail files. In addition, data and other materials in files maintained on the District technology system may be subject to review, disclosure or discovery under Minnesota Statutes, Chapter 13.
 - g. Users will not use the District technology system or Internet to access, review, upload, download, store, print, post, receive, transmit or distribute:
 - 1. pornographic, obscene or sexually explicit material or other visual depictions that are harmful to minors;
 - 2. materials or information that includes language or images that are inappropriate in or disruptive to the education setting;
 - 3. materials that use language or images that advocate violence;

4. materials that may constitute bullying, harassment or discrimination.
- h. Users will not use the District technology system or Internet to:
 1. vandalize, damage, or disable property of another person or organization
 2. Degrade or disrupt equipment, software, or system performance by spreading computer viruses or by other means;
 3. Tamper with, modify or change the District technology system software, hardware, or wiring;
 4. Take any action to violate the District's technology security system, or use the system in such a way as to disrupt the use of other users.
- i. Students may use the District technology system for educational purposes consistent with the educational mission of the District.
- j. For their safety, students will not send personal information about self or others, including but not limited to, home or school address, phone or credit card numbers or other personally identifiable information over the Internet.
- k. Students who inadvertently access unacceptable material or an unacceptable Internet site should immediately report the situation to their classroom teacher or the building principal.

VI. PARENT/GUARDIAN RIGHTS/RESPONSIBILITIES

- A. The proper use of the District technology system and the Internet, and the educational value to be gained from proper Internet use, is the joint responsibility of students, parents/guardians and employees of the District. Outside of school, parents/guardians are responsible for monitoring their student's use of the District technology system and of the Internet if the student is accessing the District technology system from home or a remote location.
- B. Parents/guardians have the right at any time to investigate or review the contents of their child's files and e-mail files and to request the termination of their child's individual account at any time.

VII. CONSEQUENCES OF DISTRICT TECHNOLOGY SYSTEM /INTERNET MISUSE

- A. Inappropriate or offensive content distributed electronically or posted to social media, regardless of whether it was done using the district technology system, may be investigated by school and District officials and, if warranted, may result in disciplinary action.
- B. Students engaging in unacceptable use of the Internet when off school District premises may be in violation of this policy as well as other District policies. If the District receives a report of unacceptable use originating from a non-district technology device or resource, the District may investigate such reports to the best of its ability. Students may be subject to disciplinary action for such conduct.
- C. An individual investigation or search will be conducted if school authorities have a reasonable suspicion that the search will uncover a violation of law or District policy or rules.

D. Evidence of illegal or prohibited activities may be disclosed to law enforcement authorities and civil or criminal liability under applicable laws may result. The District will cooperate fully with local, state or federal authorities in any investigation concerning or related to any illegal activities or activities not in compliance with District policies conducted through the District technology system.

1. Inappropriate use may result in termination of the student's access privileges and other consequences as described in the District's Discipline Policy, including, but not limited to, payments for unauthorized financial obligations, damages or repairs.
2. Obligation incurred by a student through the Internet is the sole responsibility of the student and/or the student's parents/guardians. Inappropriate use may also result in suspension, expulsion or exclusion from school.
3. Student use of Internet capabilities in a manner which violates any other school policy or procedure will be subject to additional consequences pursuant to the District and building disciplinary rules.

VIII. DISTRIBUTION AND ACKNOWLEDGEMENT OF POLICY TERMS AND CONDITIONS

- A. Notification of this policy and the requirements herein will be provided to parents/guardians and students as part of the annual district handbook and on the District's web page.
- B. User agreement and acceptance of the terms and conditions of this policy will be accomplished through parental/guardian electronic acknowledgement via the District's online registration process at the beginning of each school year.

Legal References:

15 U.S.C. § 6501 *et seq.* (Children's Online Privacy Protection Act)
17 U.S.C. § 101 *et seq.* (Copyrights)
47 U.S.C. § 254 (Children's Internet Protection Act of 2000 (CIPA))
47 C.F.R. § 54.520 (FCC rules implementing CIPA)
Minn. Stat. § 121A.031 (School Student Bullying Policy)
Minn. Stat. § 125B.15 (Internet Access for Students)
Minn. Stat. § 125B.26 (Telecommunications/Internet Access Equity Act)
Tinker v. Des Moines Indep. Cmty. Sch. Dist., 393 U.S. 503, 89 S.Ct. 733, 21 L.Ed.2d 731 (1969)
United States v. Amer. Library Assoc., 539 U.S. 194, 123 S.Ct. 2297, 56 L.Ed.2d 221 (2003)
Doninger v. Niehoff, 527 F.3d 41 (2nd Cir. 2008)
R.S. v. Minnewaska Area Sch. Dist. No. 2149, No. 12-588, 2012 WL 3870868 (D. Minn. 2012)
Tatro v. Univ. of Minnesota, 800 N.W.2d 811 (Minn. App. 2011), *aff'd* on other grounds 816 N.W.2d 509 (Minn. 2012)
S.J.W. v. Lee's Summit R-7 Sch. Dist., 696 F.3d 771 (8th Cir. 2012)
Kowalski v. Berkeley County Sch., 652 F.3d 565 (4th Cir. 2011)
Layshock v. Hermitage Sch. Dist., 650 F.3d 205 (3rd Cir. 2011)
Parents, Families and Friends of Lesbians and Gays, Inc. v. Camdenton R-III Sch. Dist., 853 F.Supp.2d 888 (W.D. Mo. 2012)
M.T. v. Cent. York Sch. Dist., 937 A.2d 538 (Pa. Commw. Ct. 2007)



Agenda Item: Brookview Elementary- Work Scope 08-D; Specialty Door
Meeting Date: November 4, 2021
Contact Person: Mark Drommerhausen, Director of Operations

Agenda Item IX.E.
Date Prepared: October 28, 2021
ISD 834 Board Meeting

Background:

Background: Brookview Elementary Addition is scheduled to begin late October 2021 and completed for the start of the 2022-2023 school year. To obtain the lowest construction cost for the project, Kraus-Anderson Construction Company broke the project down into 26 separate work scopes. The last work scope to be awarded is 08-D Specialty Door.

Two bids were received on October 28, 2021 for Work Scope 08-D Specialty Door. This will provide and install the storm rated shutters and doors needed for the required storm shelter located within Brookview Elementary. The cost for this work scope was budgeted at \$250,000. The lowest responsible bidder was from Skold Specialty Contracting of, Isanti, MN for a bid total of \$235,280. The Specialty Door work scope will be funded by the Certificate of Participation/Lease Purchase with Lease Levy Authority. Administration requests approval to award the bid for Work Scope 08D-Specialty Door to Skold Specialty Contracting.

Location(s): Brookview Elementary

Project Name: Brookview Elementary - Specialty Door

Fund: Certificate of Participation/Lease Purchase with Lease Levy

AuthorityFund: Description: Brookview Elementary Addition

Item: Work Scope 08-D,

Specialty DoorAmount:

\$235,280.00

Company: Skold Specialty Doors

Recommendation:

A motion and second to approve the consent agenda will be requested.

Motion by: _____ **Seconded by:** _____ **Vote:** _____

EXPENDITURE APPROVAL FORM

Fiscal Year 2021-2022

Instructions: This form is to be completed any time a lease, purchase, or contract for goods or services exceeds \$50,000.

REQUESTED BY: Mark Drommerhausen **DATE:** 10/28/2021

DESCRIPTION OF REQUEST

Brookview Elementary Addition is scheduled to begin late October 2021 and completed for the start of the 2022-2023 school year. To obtain the lowest construction cost for the project, Kraus-Anderson Construction Company broke the project down into 26 separate work scopes. The last work scope to be awarded is 08-D Specialty Door.

Two bids were received on October 28, 2021 for Work Scope 08-D Specialty Door. This will provide and install the storm rated shutters and doors needed for the required storm shelter located within Brookview Elementary. The cost for this work scope was budgeted at \$250,000. The lowest responsible bidder was from Skold Specialty Contracting of, Isanti, MN for a bid total of \$235,280.00. The Specialty Door work scope will be funded by the Certificate of Participation/Lease Purchase with Lease Levy Authority. Administration requests approval to award the bid for Work Scope 08D-Specialty Door to Skold Specialty Contracting.

FINANCIAL IMPACT

Budget(s) Impacted: \$235,280.00 Brookview Elementary Certificate of Participation/Lease Purchase with Lease Levy Authority.

Is This a One-Time Expenditure?

☒ **Yes**, once implemented there will be no ongoing costs

☐ **No**, it will need to be funded indefinitely

☐ **No**, it will need to be funded for Fiscal Years 2022-?

Is there an off-setting revenue source(s)?

☐ **Yes** List Source(s):

☒ **No**

PROGRESS MONITORING

The materials and installation will be completed for the construction of the Brookview Elementary addition.

OWNER: Stillwater Area Public Schools

ARCHITECT: Wold

WORK SCOPE 08-0: Specialty Door

	BIDDER	BIDDER	BIDDER	BIDDER	BIDDER	BIDDER
	Skold Specialty Contracting	Crawford Door	American DoorWorks	Twin City Garage Door	Yale Mechanical	Rice Lake Glass and Door
BID-SECURITY	X	X				
ADDENDA REC'D.	X	X				
BASE BID	\$235,280.00	\$237,800.00				
COMBINED BASE BID						
			Will not bid	Will not bid	Will not bid	Will not bid



October 28, 2021

Mr. Tony Willger
Stillwater Area Public Schools, ISD#834
1875 Greeley Street South
Stillwater, MN 55082

RE: **Brookview Elementary Addition**
Contract Award Recommendation – WS 08-D Specialty Door

Dear Mr. Tony Willger

This letter is concerning our recommendation for contract award for the Brookview Elementary Addition project – WS 08-D Specialty Door Rebid that was bid on October 28, 2021. Kraus-Anderson has verified bidders and we submit the following lowest responsible bidder and their bid amount.

Work Scope		Contractor, City, State		Bid Amount
WS 08-D	Specialty Door	Skold Specialty Contracting Isanti, MN	Base Bid	\$235,280.00
		Total Base Bid		\$235,280.00

If you have any questions regarding this information, please do not hesitate to contact me at 651-447-3247

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY

Mike Phillips
Project Manager

RETIREMENT/RESIGNATION/RELEASE

NAME	STATUS	ASSIGNMENT	GROUP	EFFECTIVE DATE
Borgstrom, Allison	Resignation	Assistant Girls Hockey Coach Stillwater Area High School	Co-Curricular	October 19, 2021
Deeg, Peter	Resignation	Head Girls Golf Coach Stillwater Area High School	Co-Curricular	October 8, 2021
Klett, Daniel	Resignation	Custodian, LVL VI, 8.0 hrs/day Stillwater Middle School	Custodial	October 29, 2021
Olson, Mitchell	Retirement (6 years)	Paraprofessional, 6.0 hrs/day Oak-Land Middle School	SCPA	October 27, 2021
Richter-Eggert, Susan	Resignation	1.0 FTE Special Education Teacher Andersen Elementary	SCEA	February 1, 2022
Schiek, Madison	Resignation	Paraprofessional 6.25 hrs/day Lily Lake Elementary	SCPA	December 22, 2021

HIRES/REHIRES

NAME	ASSIGNMENT	SALARY PLACEMENT/ HOURLY RATE	REASON	GROUP	EFFECTIVE DATE
Anderson-Simon, Michelle	Community Education Assistant 4.0 hrs/day Brookview Elementary	\$15.84 / hour	Replacement	CE Leads & Assistant	October 25, 2021
Carlson, Lisa	Cafeteria 4.0 hrs/day Stillwater Area High School	\$15.97 / hour	Replacement	Cafeteria	October 20, 2021
Corcoran, Elizabeth	ECFC Teacher, 107.8 hours Early Childhood Family Center	\$53.45 / hour	2021-2022 Staffing	SCEA	October 19, 2021 - June 6, 2022
Forrest, Caitlyn	Accounting Technician CE, 8.0 hrs/day Central Services	\$20.35 / hour	Replacement	Tech Support	October 25, 2021 - May 2, 2022
Froehle, Matthew	Assistant Girls Basketball Coach Stillwater Area High School	\$5,907	Replacement	Co-Curricular	November 15, 2021
Gray, Sherri	Community Education Assistant 1.5 hrs/day Andersen Elementary	\$15.63 / hour	Replacement	CE Leads & Assistant	November 3, 2021
Jorgensen, Susan	Temporary Casual Custodian District Wide	\$14.50 / hour	COVID	Custodians	October 11, 2021
Pudlik, Pamela	Secretary - ECFC, 8.0 hrs/day Early Childhood Family Center	\$20.88 / hour	Replacement	Tech Support	October 11, 2021

LEAVES OF ABSENCE

NAME	STATUS	ASSIGNMENT	GROUP	EFFECTIVE DATE
Duberstein, Nancy	Approve	1.0 FTE Math Teacher Oak-Land Middle School	SCEA	September 30, 2021 - November 12, 2021
Prestegaard, Jennifer	Approve .2 FTE	1.0 FTE Counselor Stillwater Area High School	SCEA	October 5, 2021 - November 5, 2021

ASSIGNMENT CHANGES

NAME	FROM	TO	REASON	GROUP	EFFECTIVE DATE
Hall, Pamela	Cafeteria Manager 7.0 hrs/day Afton-Lakeland Elementary	Cafeteria 6.5 hrs/day Mahtomedi High School	Replacement	Cafeteria	October 18, 2021

ADDITIONAL ASSIGNMENTS

NAME	Position	Reason	Group	EFFECTIVE DATE
Breucop de flores, Silvia	Community Education Assistant 1.25 hrs/day Lake Elmo Elementary	Replacement	CE Leads & Assistant	October 18, 2021
Neumann, Brianna	Stretch & Grow Math Club Advisor Oak-Land Middle School	Replacement	Co-Curricular	October 13, 2021
Perkins, Wayne	Girls Basketball Coach Oak-Land Middle School	Replacement	Co-Curricular	October 14, 2021



Agenda Item X.A.
Date Prepared: October 26, 2021
ISD 834 Board Meeting

Agenda Item: Intermediate 916 Joint Powers Agreement Proposal to Member Districts
Meeting Date: November 4, 2021
Contact Person: Superintendent Malinda Lansfeldt

Background:

The original Joint Power Agreement was developed in 1969 and the resolution for consideration is the first amendment to this JPA since then. The intent is to modernize the agreement and more fully describe what occurs when a member district decides to withdraw from the JPA. This updated JPA resolution will replace the current JPA once fully executed by all member districts.

Recommendation:

A motion and a second to approve Intermediate 916 Joint Powers Agreement Proposal to Member Districts.

Motion by: _____ **Seconded by:** _____ **Vote:** _____

**FIRST AMENDED AND RESTATED AGREEMENT FOR INTERMEDIATE SCHOOL DISTRICT
THIS AGREEMENT** effective the first day of July 2021 between Independent School Districts

Nos. 12, 13, 14, 16, 282, 621, 622, 623, 624, 831, 832, 833, and 834 hereinafter referred to as “Participating School Districts” as follows:

WITNESSED:

WHEREAS, the Participating School Districts are duly organized independent school districts for the purpose of providing public school education for persons within their geographical boundaries, and

WHEREAS, each Participating School District is interested in cooperating with other school districts in acquiring lands and buildings, organizing, establishing, financing, maintaining and operating a special intermediate school district on a site or sites to be selected by the school board of such special intermediate school district, and

WHEREAS, the Participating School Districts are eligible to organize and create a special intermediate school district pursuant to Chapter 775 Laws of 1969 (the “Enabling Legislation”), Minnesota Statutes §§ 136D.71-.76 and 471.59 and other applicable statutes for such purpose, and those participating school districts who are signatory hereto are the initial participants in such special intermediate school district.

NOW, THEREFORE, each of the Participating School Districts hereto hereby agree with the other Participating School Districts hereto as follows:

1. **Prior Agreements:** This Agreement shall supersede and replace in its entirety the prior Agreement initially executed on December 16, 1969. This Agreement shall be effective, and the prior agreements shall be terminated, upon the execution of this Agreement by the Parties. Upon such execution, all provisions of the Prior Agreement are hereby suspended in their entirety and replaced herein and shall have no further force or effect.
2. **Purpose of Agreement:** The Participating School Districts intend hereby to jointly and cooperatively create an intermediate school district, hereinafter the “District”, pursuant to the broad authority contained in the Enabling Legislation, Minn. Stat. § 471.59, Minn. Stat. § 136D.71-.76 (2020) and other statutes generally applicable to independent school districts for the purpose of acquisition of lands and buildings, organizing, establishing, financing, maintaining and operating an intermediate school district to serve generally the members and persons resident in the geographical area encompassed by said District.
3. **Authority:** Each Participating School District signatory hereto has been duly authorized by its school board to execute this Agreement.
4. **Name:** The District so created shall be known as “Northeast Metro Intermediate School District No. 916, State of Minnesota”.

5. Governing Board: The governing board (hereinafter the “Board”) of the District shall contain one representative from each Participating School District, who shall serve at the pleasure of the Participating School District. Each Board member shall report quarterly to its participating district school board concerning the activities of the District. Terms of office shall be four years, and shall commence on January 1. At its first meeting in January, the Board shall conduct an organizational meeting, and shall select a chair, vice-chair, clerk, and treasurer, no two of which shall be from the same Participating School District. A majority of the Board shall constitute a quorum for purposes of transacting the business of the Board. The Board may adopt Bylaws governing its procedures. Any person serving on the Board must also be serving as a member of his or her participating district school board.
6. Powers: The Board shall be vested with all those powers granted to independent school districts under statute, except as provided herein. The powers of the Board shall include but not be limited to the following:
 - (a) To acquire, maintain, and dispose of real and personal property
 - (b) To enter into contracts for goods and services deemed to be in the best interests of the District
 - (c) To employ and discharge employees
 - (d) To prosecute and defend actions by or against the District
 - (e) To establish and operate educational programming and other programs and services and make them available to Participating School Districts
 - (f) To establish and maintain financial accounts
 - (g) To acquire and maintain insurances as deemed necessary by the Board
 - (h) To adopt policies governing the use of facilities
 - (i) To engage in any other activity authorized by law in furtherance of the purpose set forth in Section Two hereof.
7. Financing: The Board of the District shall have the power to utilize financing as may be permitted by state law.
8. Participation and Enrollment in Programming: The Board shall establish policies governing participation and enrollment in District programs. The policies shall, at a minimum, include the following:
 - (a) Non-participating districts may only enroll students in intermediate school programs if there is space taking into consideration enrollment from all Participating School Districts.
 - (b) Access fees to programming by non-participating school districts shall be as established by the Board.

- (c) In the event that a Participating School District withdraws from this Agreement, any students enrolled from such district (“Withdrawing District”) at the time of withdrawal may remain enrolled until such time that the student is deemed eligible to graduate or return to the Withdrawing District. However, the Withdrawing District shall be required to pay the access fee established by the Board as a non-participating district after the effective date of the withdrawal for such student’s continued enrollment.
 - (d) Effective upon receipt of a notice of withdrawal of a Participating School District under Section 10, priority for student placement in the District’s programs will be given to Participating School Districts that are continuing their participation. Referrals from the Withdrawing District will only be considered for programs that are open to non-participating districts.
9. Liability: Subject to the withdrawal obligations established by Section 10 below, no Participating School District shall have direct individual liability for any debts or obligations of the District, nor shall any representatives on the Board have any such personal liability.
10. Withdrawal of Members: A Participating School District may elect to withdraw from this Joint Powers Agreement by a majority vote of its school board. Notice of withdrawal shall be in the form of a Resolution, an approved copy of which must be provided to the District on or before February 1. Withdrawal shall be effective June 30 of the fiscal year following proper notice (“Withdrawal Date”). The rights and obligations of a Withdrawing District shall be as follows.
- (a) Financial Obligations Upon Withdrawal: The Withdrawing District shall pay to the District the following amounts without regard for any payments made to or on behalf of the District prior to the Withdrawal Date.
 - i. Debt Service. The Withdrawing District shall pay an amount equal to one year of the District’s debt service (“Debt Service Obligation”) in accordance with the following provisions:
 - a. Calculating Debt Service Obligation. The Withdrawing District’s Debt Service Obligation shall be determined by first calculating a Withdrawal Rate per adjusted pupil unit (“APU”) equal to the District’s total debt service for the fiscal year following the Withdrawal Date divided by the combined total APUs of all Participating School Districts that are parties to this Joint Powers Agreement in the fiscal year of the Withdrawal Date, including the Withdrawing District. This Withdrawal Rate shall then be multiplied by the Withdrawing District’s APUs to establish the Debt Service Obligation owed by the Withdrawing District. The APUs used in calculating the Debt Service Obligation shall be the projected APUs

for the fiscal year following the Withdrawal Date as set forth in the most recent Levy Limitation and Certification Reports issued by MDE as of the Withdrawal Date. For clarity, the Debt Service Obligation calculation shall look as follows:

$$\frac{\text{Debt Service for FY after Withdrawal Date}}{\text{Combined APUs of All Participating School Districts}} = \text{Withdrawal Rate}$$

$$\begin{aligned} &\text{Withdrawal Rate} \times \text{Withdrawing District's APUs} \\ &= \text{Debt Service Obligation of Withdrawing District} \end{aligned}$$

By way of example only, if a district submits notice of withdrawal by February 1, 2024, making its withdrawal effective June 30, 2025; the combined APUs of all 2024-2025 Participating School Districts is projected to be 100,000 for the 2025-2026 fiscal year; the District's debt service for the 2025-2026 fiscal year is \$5,000,000.00; and the Withdrawing District is projected to have 10,000 APUs during the 2025-2026 fiscal year, then the Debt Service Obligation of the Withdrawing District would equal \$500,000. This is illustrated in the following calculation:

$$\frac{\$5,000,000}{100,000} = \$50 \times 10,000 = \$500,000$$

- b. Payment Structure. The Withdrawing District shall pay the Debt Service Obligation within three years of the Withdrawal Date. Interest on any outstanding balance will begin to accrue one year after the Withdrawal Date at an interest rate equal to the prime lending rate in effect at the time the interest begins to accrue plus two percent. The Withdrawing District shall notify the District by or before February 1 immediately preceding the Withdrawal Date of its timeline for paying the Debt Service Obligation and shall comply with its stated timeline unless the District agrees, in writing, to a modification of the timeline.
- c. Allocation of Funds. The District shall use the Withdrawing District's Debt Service Obligation payments to offset debt service owed by the District for the benefit of the remaining Participating School Districts.
- ii. Membership Equivalence Fee: In addition to the Debt Service Obligation, the Withdrawing District shall pay the District a Membership Equivalence Fee. This Membership Equivalence Fee shall be equal to the amount the Withdrawing District would have paid as a membership fee for the fiscal year immediately following the Withdrawal Date had it remained a Participating School District, as determined by the

membership fee calculation used for the remaining Participating School Districts. The Withdrawing District shall pay the Membership Equivalence Fee in a manner consistent with the payment process required of Participating School Districts to pay their membership fees. The Membership Equivalence Fee shall be allocated to the District's general operating expenses. Payment of the Membership Equivalence Fee shall not entitle the Withdrawing District to the benefits of membership afforded to Participating School Districts.

- (b) District Assets: The Withdrawing District is not entitled to take or receive any of the District's assets or the value of the such assets and shall forfeit any proportionate share of the District's assets upon withdrawal.
- (c) Additional and Remaining Liabilities: The Withdrawing District shall not be responsible for any expenses aside from those addressed in Section 10(a) above or any liabilities incurred by the District after the Withdrawal Date.

11. Addition of Members: If a school district wishes to become a member of the District, it may petition the Board for membership. The petition shall be in the form of a resolution. Addition of a new member shall require an affirmative majority vote of all members of the Board and a majority vote of the petitioning district and as allowed per Minnesota Statute Section 136D.76, subdivision 2, as it may be amended from time to time. Addition of a new member shall be on terms determined by the Board. Once a school district becomes a member, it shall be considered a "Participating School District" for purposes of this Agreement.
12. Local Levy: Each Participating School District shall take such action as is necessary to assure approval of the Participating School District's share of all appropriate levies as per state law relating to intermediate school districts.
13. Amendment and Review: This First Amended and Restated Agreement shall be reviewed once every five years. This Agreement may be amended from time to time as deemed necessary by an instrument duly executed by all the parties hereto.
14. Annual Meeting: The District and Participating School Districts agree to meet annually to review this agreement.
15. Miscellaneous: This Agreement is subject to the following:
 - (a) Severability. If any provision, or application of a provision of this Agreement is held invalid, illegal, unenforceable, or in conflict with law, the validity, legality, and enforceability of the remaining provisions, and the application of the provision in circumstances other than those as to which it is held invalid, shall not be affected and shall continue in full force with effective.

- (b) Governing law. This Agreement shall be construed and enforced in accordance with Minnesota law. Nothing herein shall be construed contrary to law.
- (c) Counterparts. This Agreement may be executed in counterparts.
- (d) Captions. The captions used in this Agreement are for reference only and shall not be considered a part of the Agreement.
- (e) Notices. All notices required under this Agreement shall be in writing and sent first class U.S. mail addressed to the Participating School District, or the Board, at their respective administrative offices.
- (f) Records and Reports. The books and records, including minutes and the original fully executed Agreement, of the Board shall be subject to the provisions of Minn. Stat. Chapter 13. They shall be maintained at the District Office of Northeast Metro Intermediate School District No. 916.

IN WITNESS WHEREOF the parties have caused this agreement to be executed on the dates appearing below opposite the signatures of each participating school district representatives.

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #12
Centennial, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #13
Columbia Heights, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #14
Fridley, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #16
Spring Lake Park, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #282
St. Anthony-New Brighton, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #621
Mounds View, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #622
North St. Paul-Maplewood Oakdale, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #623
Roseville, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #624
White Bear Lake, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #831
Forest Lake, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #832
Mahtomedi, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #833
South Washington County, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated_____, 2021 INDEPENDENT SCHOOL DISTRICT #834
Stillwater, Minnesota

By:_____
Chairman

And:_____
Clerk

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

NORTHEAST METRO INTERMEDIATE SCHOOL DISTRICT NO. 916 UPDATED JOINTS POWERS AGREEMENT

The following information is meant to assist member districts of Northeast Metro Intermediate School District No. 916 understand the purpose and meaning of the updates to the joint powers agreement (JPA) and to provide context for a conversation about how best to structure terms in the updated JPA related to the financial obligations for withdrawing members.

Background

The legislature authorized the formation of Northeast Metro Intermediate School District No. 916 in 1969 and Minnesota Statutes Sections 136D.71 to .76 (enabling legislation) relate specifically to this intermediate district. The original JPA forming ISD 916 is also from 1969. JPAs are governed by state law under Minnesota Statutes Section 471.59. There have been no amendments to the ISD 916 JPA since it was originally executed.

A first draft of the First Amended and Restated Agreement for Intermediate School District has been shared with ISD 916's member districts. An updated draft is being provided with this narrative and is the version addressed here. The updated JPA is geared toward modernizing the agreement and better addressing what happens when a member district decides to withdraw from the JPA. This is, in part, a response to the protracted withdrawal dispute between Intermediate School District No. 287 and the Bloomington District (addressed in more detail below), as well as similar issues at other education cooperatives and the relatively recent withdrawal of the St. Francis District from ISD 916. These situations highlighted a need to have a more defined withdrawal plan in place to hopefully head off an issue down the road. Beyond that, the updated JPA includes terms that are more in line with ISD 916's current structure and operations, as set out below.

Highlights from the Updated JPA

- As stated in Paragraph 1, the updated JPA will fully replace the original 1969 JPA once the updated JPA is executed by all member districts.
- Paragraphs 5 identifies the structure for ISD 916's Board, but does not change it from its current form: each member district gets one representative on the Board who must sit on the member district's Board. It does remove some of the language found in original JPA that broke down how Board membership would work if there were five or fewer member districts, which is not an issue now. There are two other things to note about this paragraph:

- It states that no two officers may be from the same member district. While this is not possible under the stated Board structure, since each member district only has one representative on the ISD 916 Board, this mirrors language found in the enabling legislation. Minn. Stat. § 136D.72, subd. 4.
- This provision also states that Board members shall report to their member district Boards about ISD 916's activities on a quarterly basis. This language is not found in the original JPA, but is contained in the enabling legislation. Minn. Stat. 136D.72, subd. 1.
- Paragraphs 6 and 7 relate to the authority ISD 916 has to operate much like any other school district consistent with state law. These provisions do not expand the district's current authority. The powers listed here are based primarily on the enabling legislation and Minnesota Statutes Chapter 123B.
- Paragraph 8 builds on the tuition provision found in paragraph 7 of the original JPA, making clear that the Board will set policies governing participation and enrollment in District programs and laying out a few minimum requirements for those policies. Specifically, it sets parameters for non-member enrollment and enrollment after a member withdraws. Students enrolled in ISD 916 before their member district withdraws may remain enrolled, but must pay the non-member district access fee. During the period between the withdrawing member's notice of withdrawal and the effective date of withdrawal, priority for student placement in ISD 916 programs will be given to districts continuing their membership and referrals from the withdrawing member district will be treated like those from non-member districts.
- Paragraph 9 insulates member districts and ISD 916 Board members from liability for ISD 916's debts or obligations. This is consistent with language found in paragraph 8 of the original JPA and in the enabling legislation. Minn. Stat. 136D.74, subd. 1a.
- Paragraph 10 relates to withdrawal of member districts, setting out the terms of withdrawal to ensure a clear and consistent process. This is in contrast to the original JPA which merely provides that withdrawal is allowed by mutual consent of the member district's and ISD 916's Boards (*see* paragraph 9). Paragraph 10 is a work in progress and member districts are invited to weigh in on these terms. More context on state law related to withdrawal, the dispute between ISD 287 and the Bloomington District, and the resulting changes to ISD 287's JPA are addressed below. The current withdrawal terms are meant to set relatively simple calculations for determining a withdrawing member's financial obligations, rather than devising a complex formula for dividing assets and liabilities that may be

difficult, time consuming, and/or costly to implement in practice. The following are the highlights of the current withdrawal terms in the updated JPA:

- A member district wishing to withdraw must provide notice by February 1, with withdrawal effective on June 30 of the following fiscal year. Notice of withdrawal must be via a resolution passed by the member district's board.
- The withdrawing member is obligated to pay two different sums upon withdrawal:
 - The first sum is a debt service obligation, which can be paid over the three years following withdrawal, subject to the accrual of interest after one year. This amount is determined by first calculating the per-adjusted pupil unit value of the debt service owed by ISD 916 in the fiscal year following withdrawal. This calculation will use the total APUs of all member districts as projected by MDE for the fiscal year following withdrawal. Applying this calculation for the 2021-2022 fiscal year, the per-APU debt service rate is \$54.47 (\$5,703,324 total ISD 916 debt service/104,699.2 projected APUs from all member districts). The per-APU debt service rate will then be multiplied by the withdrawing member's projected APUs to determine the withdrawing member's total debt service obligation. This money will go toward ISD 916's actual debt service to mitigate any impacts of the withdrawal on the remaining members.
 - The second sum is a membership equivalence fee, which is essentially what the member would have paid in membership fees for the fiscal year following withdrawal had it remained a member. This amount will be paid as other membership dues are paid and will go toward ISD 916's general operating costs.
- The withdrawing member will not be entitled to receive any ISD 916 assets upon withdrawal or their value and will forfeit any proportionate share of those assets. At the same time, the financial obligations described above are the extent of what the withdrawing district following withdrawal and it will not be on the hook for any other debts or liabilities of ISD 916.
- Paragraph 11 addresses the addition of member districts. This provision is less detailed than it was in paragraph 10 of the original JPA, stripping out some of the information about what the ISD 916 Board should consider when accepting a new member, but it does not restrict what factors the Board may consider. On a whole, the updated JPA does not change the process for adding members. Note that if a district is denied membership, it may appeal to MDE, which can require ISD 916 to grant membership to the district. Minn. Stat. 123A.24, subd. 3.

- Paragraph 12 requires member districts to assure approval of its share of ISD 916's costs through levies as allowed under state law. Though this expectation isn't directly stated in the original JPA, it is certainly required for the continued operations of ISD 916.
- Paragraphs 13 and 14 provide that the updated JPA will be reviewed regularly – formally every five years and at an annual meeting among the parties. This should ensure the everyone understands the content and requirements of the JPA and that there are opportunities to discuss amendments, as needed.

Withdrawal Process under State Law

Minnesota Statutes Sections 123A.24 and 123B.02, subdivision 3, address withdrawal of member districts and the distribution of assets and assignment of liabilities when a member district withdraws from an intermediate school district, though the process is only loosely defined. These statutes include the following parameters:

- A withdrawing member must adopt a resolution and notify the other parties of their intent to withdraw by February 1, with withdrawal becoming effective June 30 of the following fiscal year. Minn. Stat. § 123B.02, subd. 3(c). In other words, the withdrawal becomes effective at the end of the school year after the year in which notice of withdrawal is given, resulting in at least 17 months of lead time.
- A withdrawing member district remains responsible for its share of debts incurred by the intermediate district, though the intermediate district and withdrawing district may agree to the terms and conditions of the distribution of assets and assignment of liabilities. This is done through a Board resolution approved by each. Minn. Stat. § 123A.24, subd. 1(b).
- If the intermediate district and withdrawing district can't reach an agreement, the MDE commissioner will resolve the dispute by determining the withdrawing district's share of assets and liabilities based on its enrollment, financial contribution, usage, and other facts determined appropriate. MDE may involve an administrative law judge to make the necessary determinations, the cost of which will be split equally by the intermediate and withdrawing district. Minn. Stat. § 123A.24, subd. 1(c).
- Any distribution of assets to the withdrawing district must be done in a manner that minimizes financial disruption to the intermediate district. Minn. Stat. § 123A.24, subd. 1(c).
- Insurance pool-related assets are not subject to disbursement by MDE to a withdrawing district. Minn. Stat. § 123A.24, subd. 1(d).

Context from ISD 287

ISD 287 was formed in 1968 and its enabling legislation is found in Minnesota Statutes Sections 136D.21 to .31. In 2011, the Bloomington School District, which was an original member of ISD 287, withdrew from the intermediate district. Neither the JPA nor ISD 287's bylaws addressed the financial implications of withdrawal, which led to a dispute between the Bloomington District and ISD 287 over the distribution of assets and assignment of liabilities. The disagreements related to the value of assets and liabilities of real estate in which the intermediate district had an interest, the amount of pension and other post-employment benefits for which Bloomington was responsible, and Bloomington's proportionate share of ISD 287's assets and liabilities.

The parties attempted to resolve the dispute on their own and with the assistance of a mediator until the end of May of 2012 – almost a year after Bloomington's withdrawal became effective – when they submitted the matter to MDE for resolution. MDE enlisted the aid of an administrative law judge (ALJ) from the Office of Administrative Hearings to resolve the dispute. The ALJ held an evidentiary hearing in 2014 that lasted six days, which waded through dense financial information and witness testimony from experts and a number of employees of the Bloomington district, intermediate district, and other member districts. The ALJ subsequently requested additional briefing and further documentation from the parties. She ultimately issued a 100-page decision in early 2015, finding that Bloomington's proportionate share of ISD 287's assets and liabilities was \$525,297.00. The ALJ directed the parties to agree to a payment schedule to minimize the financial disruption to the intermediate district and remaining member districts to pay this amount.

Thereafter, both parties requested reconsideration by the ALJ, which led to further hearings and disputes over additional documentation to be submitted for consideration. The ALJ issued a 104-page amended decision at the end of June 2015 – now four years after Bloomington withdrew – reassessing Bloomington's proportionate share of ISD 287's assets and liabilities to be \$90,751.00. She again ordered the parties to agree to a payment schedule to minimize disruption to the intermediate district. While either party could have appealed this ruling to the Minnesota Court of Appeals, neither did so and this became a final decision.

In 2016, ISD 287 revised its JPA, which it calls a Memorandum of Agreement (MOA). On a whole, ISD 287's updated MOA is very similar in terms of content to the updated JPA for ISD 916. Most differences, such as the term length of Board members (four years for ISD 916 versus two years for ISD 287) and details about dissolution of the intermediate district (ISD 916's updated JPA is silent on this issue whereas ISD 287's updated MOA says that two-thirds of member districts must agree to dissolve), are based on different requirements in the relevant enabling legislation.

The main purpose of revising the MOA, of course, was to clarify financial implications of withdrawal following the extended – and no doubt costly – dispute with Bloomington. The updated MOA addresses withdrawal separately for existing member (members who were part of the intermediate district at the time the MOA went into effect) and future members (those who weren't originally part of the updated MOA).

When an existing member withdraws, it will be allocated its proportionate share of the intermediate district's assets and liabilities as of the effective date of withdrawal subject to the following terms:

- ISD 287's long-term assets and liabilities are to be determined through independent appraisals performed by qualified actuaries and appraisers.
- The actuarial firm that issued the intermediate district's most recent 2-year report will determine the actuarial value of its long-term Other Post-Employment Benefits (OPEB) and severance liabilities.
- ISD 287 will have all properties in which it has an ownership interest appraised at least every ten years and, to the extent willing and able, the appraiser who issued the most recent appraisal report will determine the values of the properties ISD 287 owns in fee simple (meaning not leased or other split interests) as of the effective date of withdrawal. If the appraiser from the most recent report isn't able or willing to do the appraisal for the withdrawal, this appraisal will be done by the appraiser or alternative appointed by the ISD 287 Board at its annual organizational meeting.
- The cost of an appraisal or actuarial report done specifically for the withdrawal (because the effective date of the withdrawal does not time out with the regular appraisal or actuarial report completed by the intermediate district) will be split equally by the withdrawing district and ISD 287.
- Real estate that the intermediate district doesn't own in fee simple on the withdrawal date is not to be included in the valuation of assets and liabilities.
- The Actuarial Accrued Liability figure from the actuarial report will be used to value OPEB and severance liabilities.
- Other long-term liabilities to be included in the valuation of the intermediate district are the "due within one year" amount and the first year's interest amounts listed in the Minimum Debt Payments Table shown on its audited financial statements.

- Amounts due from the withdrawing district to the intermediate district or vice versa as of the withdrawal date will be excluded from the assets and liabilities valuation.
- The withdrawing district remains liable for all outstanding invoices at the time of withdrawal.
- Other long-term liabilities not in existence at the time of the MOA that exist at the time of withdrawal will be factored into the withdrawing member's proportionate share with the goal of preventing continuing members from having to pay the withdrawing member's proportionate share of long-term liabilities in addition to their own.
- The values of long-term assets and liabilities and the audited figures for short-term assets, less restricted assets, and short-term liabilities will be used to determine the value of ISD 287's assets and liabilities as of the date of withdrawal.
- The withdrawing member's proportionate share of assets and liabilities will be based on its participation in the intermediate district, calculated based on its share of tuition paid from all sources during the ten years preceding the withdrawal date. If the withdrawing member has not been a member for a full ten years, participation will be based on tuition paid during the entire period the withdrawing member was a member.
- Payment under this scheme due to the intermediate district or the withdrawing district is to be made as soon as possible following withdrawal. Unless the intermediate district and withdrawing district come to a different agreement, all payments must be made within ten years of the withdrawal, with interest applying to any balance outstanding after one year. The interest rate is the prime lending rate in effect at the time interests begins accruing plus two percent.

The level of detail in ISD 287's updated MOA clearly reflects lessons learned from its experience sorting out withdrawal terms with Bloomington. The new scheme identifies what assets and liabilities will be included in the valuation; what information and which professionals will be used to determine those values; who will pay for that work; how the withdrawing district's proportionate share is calculated; and how payment must be made. Identifying all of this on the front end should help alleviate issues when a longstanding member district actually decides to withdraw. At the same time, these terms are somewhat complex. It is likely to take considerable time to determine the withdrawing member's proportionate share of the intermediate district's assets and liabilities, given the need for specific valuations, and completing this process is likely incur at least some expenses for both the intermediate district and withdrawing district to hire an appraiser and/or actuary.

For future members, the calculation ISD 287 has opted to use is simpler. In that case, the withdrawing member must pay the intermediate the sum of \$50 multiplied by the total number of adjusted pupil units in the withdrawing member district as of the effective date of withdrawal. Payment is immediately due on the effective date of withdrawal and interest will be applied to any outstanding balance. The interest rate is the prime lending rate on the effective date of withdrawal plus two percent. But if the withdrawing member has been a member for at least six years as of the effective date of withdrawal, these terms do not apply and the withdrawing member will be treated as an existing member and subject to the financial withdrawal terms described above.

ISD 287's updated MOA also specifies that payments made by a withdrawing member to the intermediate district under these provisions are to be used to offset the continuing members' costs.

Next Steps

ISD 916 and its member districts will need to review the proposed draft of the updated JPA, paying particular attention to the withdrawal terms, and incorporate any necessary revisions. With the withdrawal terms, the main goal will be to structure the terms such that when a member withdraws, that withdrawing member will help to offset the increased levy the remaining members would experience as a result of the reallocation of costs across fewer member districts for a set period of time. It will be important that the withdrawal terms are clear as to how they are applied to avoid controversy during the withdrawal process.

The terms for calculating a withdrawing district's financial obligations as currently set forth in the draft updated JPA are meant to be simple, straightforward, and objective so that member districts can reasonably predict the financial implications of withdrawal without extensive appraisals or actuarial valuations. Appraisals and actuarial reports are at least somewhat subjective because there are different approaches to completing these valuations, which could lead to disputes during the withdrawal process. Though these issues could be mitigated, at least to some extent, by identifying who will complete those reports separate from the withdrawal process, as ISD 287 has now done, generating these reports can also be time consuming and expensive. The tradeoff for the simplicity of the methods of determining a withdrawing district's financial obligations as set forth in the draft updated JPA for ISD 916 is that withdrawing members will not take any assets, or equivalent value, with them upon withdrawal. These are issues to be considered as ISD 916 and its member districts review the draft updated JPA.

The final updated JPA will need to be approved and executed by the Boards of all member districts to become effective.



Agenda Item: X. B.
Date Prepared: October 21, 2021
ISD 834 Board Meeting

Action Item: Commercial Purchase Agreement
Meeting Date: November 4, 2021
Contact Person: Superintendent Malinda Lansfeldt, Superintendent

Summary:
Superintendent Lansfeldt will present the Commercial Purchase Agreement for Withrow and provide further information and a purchase agreement for property located at 10158 122nd Street N, Hugo, MN 55038.

Administration recommends approval of the Commercial Purchase Agreement.

Recommendation:

A motion and a second to approve the Commercial Purchase Agreement.

Motion by: _____ ***Seconded by:*** _____ ***Vote:*** _____

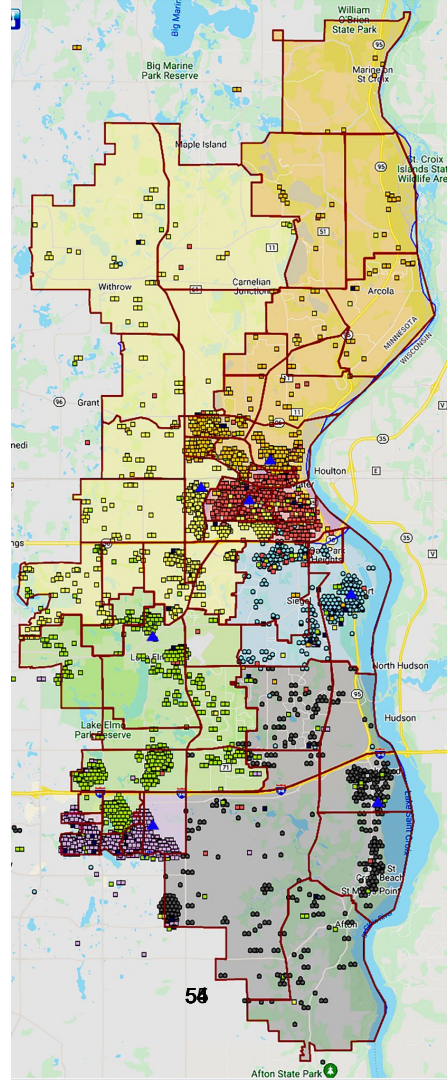


Withdraw Sale

School Board Meeting
Nov. 4, 2021

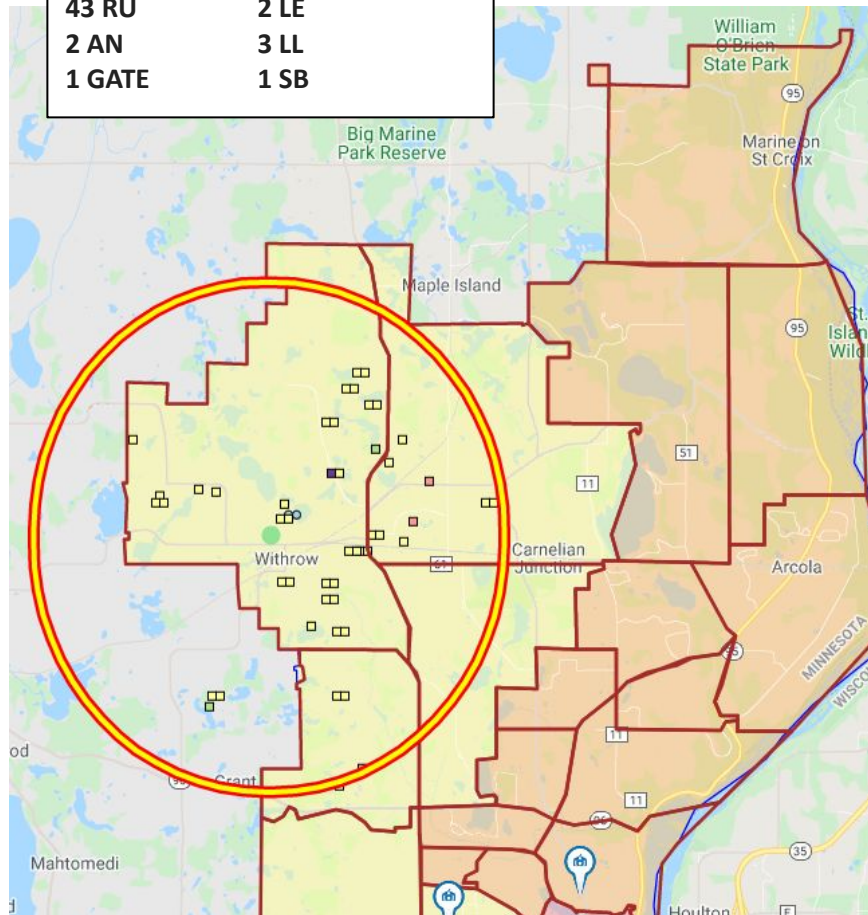
Student Distribution

Current Attendance
Boundaries



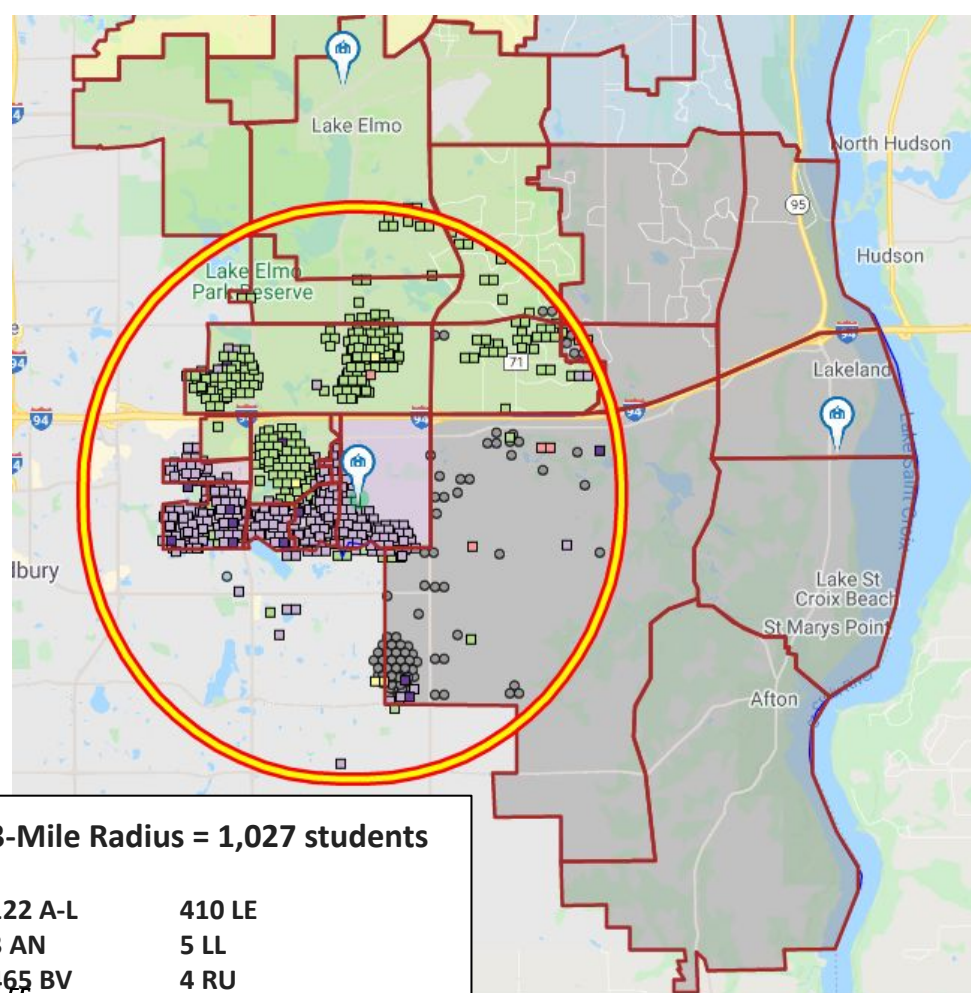
3-Mile Radius = 52 students

43 RU	2 LE
2 AN	3 LL
1 GATE	1 SB

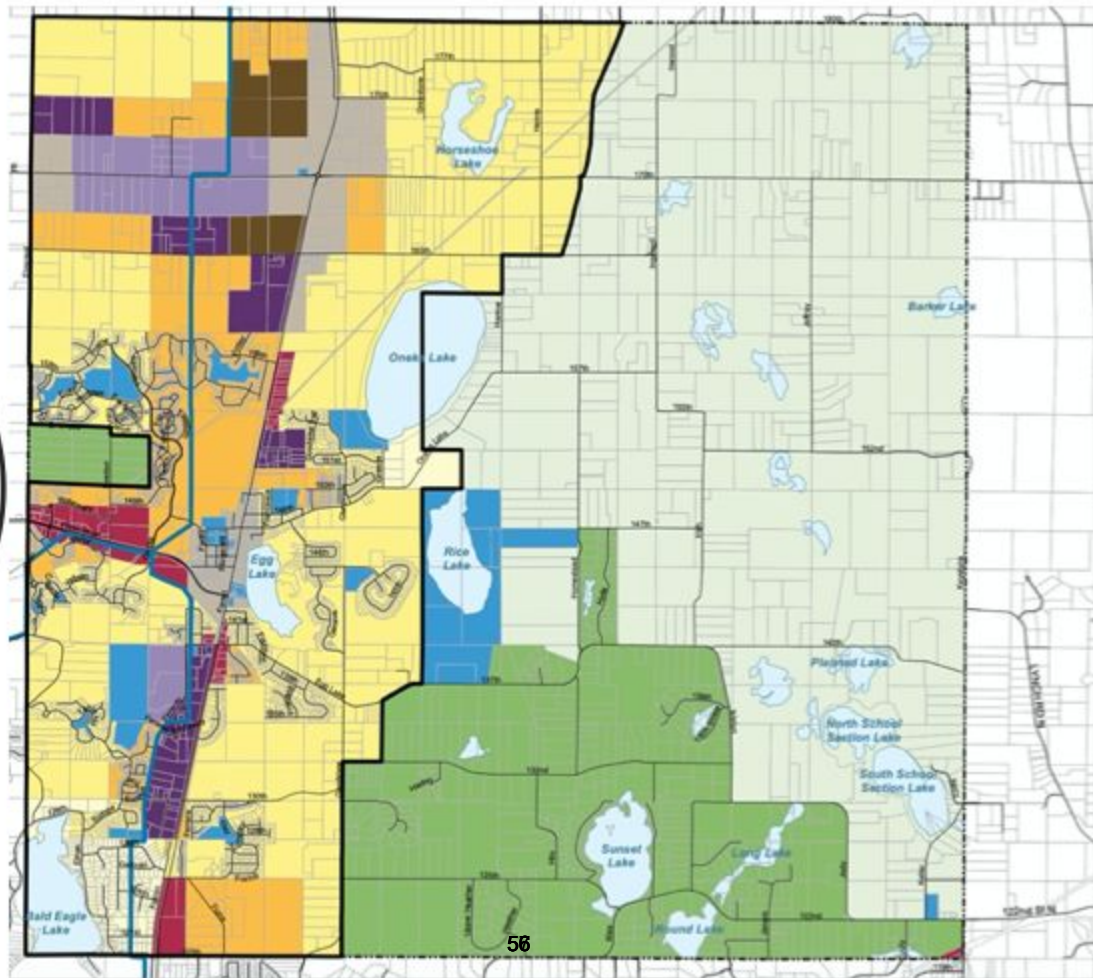


3-Mile Radius = 1,027 students

122 A-L	410 LE
3 AN	5 LL
465 BV	4 RU
18 GATE	



City of Hugo



2030 Land Use Plan

- Agriculture (AG)
- Large Lot Residential (LL)
- Very Low Density (VLD)
- Low Density Residential (LD)
- Medium Density Residential (MD)
- High Density Residential (HD)
- Mixed Use (MIX)
- Commercial (COM)
- Business Park (BP)
- Industrial (IND)
- Public/Quasi-Public (PQ)
- Municipal Boundary
- 2040 MUSA Boundary
- Parcels
- Open Water
- Sewer Interceptor
- Street



11/18/2019

Map 2-5

COMMERCIAL PURCHASE AGREEMENT

between

Independent School District No. 834

(a public corporation under the laws of Minnesota)

(Seller)

and

10158, LLC

(a Minnesota limited liability company)

(Buyer)

PURCHASE AGREEMENT

This Purchase Agreement (the "Agreement") is entered into effective as of the date of the last signature set forth below (the "Effective Date"), by and among **10158, LLC, a Minnesota limited liability company** ("Buyer"), **Independent School District No. 834, a public corporation under the laws of Minnesota** ("Seller"). Buyer and Seller are sometimes referred to individually as a "Party" and collectively as the "Parties."

For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. **Sale of Property; Assumed Liabilities; Excluded Liabilities.**

(a) Sale of Property. Subject to the terms of this Agreement, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the following property (collectively, "Property"):

(i) Real Property. The real property in Washington County, Minnesota, located at 10158 122nd Street North in Hugo, Minnesota, Property Identification Number 36.031.21.41.0002, on the land that is legally described on the attached Exhibit A ("Land"), together with the building and other improvements constructed or located on the Land ("Building"), the parking lots located on the Land, and all easements and rights benefiting or appurtenant to the Land, including any right, title or interest in any street, road, highway or alley adjoining the Land or accruing to the Land (together with the Land and Building, the "Real Property").

(ii) Personal Property. Seller's interest in all built-ins, equipment, and fixtures used in the operation of the Real Property or that is located on the Real Property as of the Effective Date, (the "Personal Property").

(iii) Permits. Seller's interest in all governmental permits and licenses necessary or useful in operating and occupying the Real Property ("Permits").

(iv) Warranties. Seller's interest in all assignable warranties and guaranties given to, assigned to or benefiting Seller or the Property regarding the acquisition, construction, design, use, operation, management or maintenance of any components of the Property, if any ("Warranties").

(v) Plans. Originals or copies of the as-built blueprints, Seller's most current survey for the Real Property, if any (the "Existing Survey"), engineering reports, floor plans, plans and specifications regarding the Real Property in the possession or control of Seller (hard copies and electronic CAD files if available) (collectively the "Plans").

(vi) Records. Records of Seller regarding the Property, including but not limited to all records regarding repairs, capital improvements and services performed at the Property in Seller's possession or control, and all other documents in Seller's possession pertaining to Seller's ownership, operation or maintenance of the Real Property (collectively, the "Records") (the

Permits, Warranties, Plans, and Records, together with the other documents listed on the attached Schedule 1, are collectively referred to in this Agreement as the "Seller's Documents"). The defined terms in Schedule 1 are incorporated into this Agreement.

(vii) Contracts. Seller's interest in all contracts pertaining to the property (the "Contracts") which Buyer has agreed to assume by written notice to Seller prior to Closing (the "Assumed Contracts").

(b) Assumed Liabilities. At Closing Buyer shall assume only post-Closing liabilities (1) arising from ownership, operation, or maintenance of the Real Property, and (2) that accrue under the Assumed Contracts (the "Assumed Liabilities").

(c) Excluded Liabilities. Except for the Assumed Liabilities, (i) Buyer does not and shall not assume from Seller (a) any liabilities or obligations arising from ownership, operation, or maintenance of the Real Property that accrue prior to Closing, or (b) any obligations under Contracts entered into by Seller any time prior to Closing (collectively the "Excluded Liabilities"). Seller shall pay all Excluded Liabilities as the same come due, at its sole expense. This Section 1 (c) shall survive Closing.

2. **Purchase Price and Manner of Payment**. The total purchase price ("Purchase Price") to be paid by Buyer to Seller for the Property shall be One Million Four Hundred Fifteen Thousand and 00/100 U.S. Dollars (\$1,415,000.00) and shall be paid as follows:

(a) Twenty Thousand and 00/100 Dollars (\$20,000.00) of earnest money (together with accrued interest, if any, the "Earnest Money") payable to North Shore Title Insurance Company ("Title") within three (3) business days of the Effective Date and which shall be held by Title pursuant to the terms of the Escrow Receipt attached to this Agreement as Exhibit B (the "Escrow Receipt"); and

(b) One Million Three Hundred Ninety-five Thousand and 00/100 Dollars (\$1,395,000.00) in cash or by wire transfer on or before the date that is fifteen (15) days following the expiration of the Due Diligence Period (defined below), as the same may be extended (the "Closing" and "Closing Date").

The Earnest Money shall be invested by Title in accordance with the Escrow Receipt. All interest earned on the Earnest Money, if any, shall be for Buyer's account and shall be applied against the Purchase Price at Closing or paid to Buyer upon return of the Earnest Money to Buyer, provided that such income and interest, if any, shall be paid to Seller should Seller become entitled to the Earnest Money pursuant to this Agreement.

3. **Buyer's Due Diligence Contingency; Closing Conditions**. The obligation of Buyer to close under this Agreement is contingent upon satisfactory completion of Buyer's Due Diligence (defined below), in its sole and absolute discretion, prior to the expiration of the Due Diligence Period.

(a) Definitions.

(i) “Due Diligence” shall mean all of Buyer’s due diligence investigation of the Property.

(ii) “Due Diligence Period” shall mean the period commencing on the Effective Date and continuing until 5:00 PM (Central) on the date that is Sixty (60) days following the Effective Date. Buyer may extend the Due Diligence Period for up to two (2) additional thirty (30) day periods by providing written notice to Seller prior to the expiration of the originally scheduled Due Diligence Period and prior to the expiration of any additional thirty (30) day extension period for the purposes of (a) obtaining satisfactory regulatory approval for Buyer’s desired use as a school (b) obtaining satisfactory environmental reports.

(b) Due Diligence. Buyer may conduct such reviews and investigations of the Property which Buyer deems appropriate for purposes of Buyer’s Due Diligence, including, but not limited to, (i) soil tests, engineering inspections, hazardous waste and environmental reviews of the Real Property, and inspections of the Building and other improvements on the Real Property (the “Inspections”) at Buyer’s sole cost and expense, (ii) regulatory reviews of zoning, code, and governmental requirements, (iii) review of Contracts, (iv) review of Seller’s books and records with respect to the Property, (v) obtain board member approval, and (vi) any such other due diligence as may be desired in connection with Buyer’s review of the Property contemplated by this Agreement. Seller shall allow Buyer, and Buyer’s agents, access to the Real Property without charge and at all reasonable times for the purpose of conducting Buyer’s Due Diligence. If Buyer desires to enter upon the Property, Buyer shall give Seller twenty-four (24) hours’ prior notice of the time of such proposed entry and Seller (or its representative) shall be entitled to be present during such entry. In furtherance of Buyer’s Due Diligence of the Property, Buyer may contact, correspond with, and meet with any federal, state, county, city, local or other government, political subdivision or agency, and any department or instrumentality thereof, including but not limited to the Minnesota Pollution Control Agency (each a “Governmental Authority”). Buyer agrees to indemnify and hold Seller harmless from any claims, damage, costs, and liability (including, without limitation, reasonable attorneys’ fees) resulting from the entering upon the Real Property or the performing of any of the Inspections, but excluding any claims, damage, costs, and liability arising from conditions revealed by such Inspections. Buyer shall repair, at Buyer’s sole expense, any damage to the Real Property resulting from Buyer’s performance of Inspections. This Section 3(b) shall survive the Closing or earlier termination of this Agreement.

(c) Due Diligence Contingency. This Agreement is contingent upon satisfactory completion of Buyer’s Due Diligence in Buyer’s sole discretion. If, upon the expiration of the Due Diligence Period, as the same may be extended, Buyer has not given written notice to Seller and Title that Buyer is satisfied with its Due Diligence, or if at any time prior to the expiration of the Due Diligence Period Buyer gives written notice to Seller and Title that Buyer is not satisfied with its Due Diligence, then this Agreement shall automatically terminate and shall be void and of no further force or effect. Upon termination of this Agreement pursuant to this Section 3 (c), the Earnest Money shall be immediately refunded to Buyer without any further notice to or the consent of Seller.

(d) Closing Conditions. The following conditions must be satisfied on or before the Closing Date (the “Closing Conditions”):

(i) Representations and Warranties. The representations and warranties of Seller which are contained in this Agreement must be true as of the Acceptance Date and the Closing Date and Seller shall have delivered to Buyer at Closing a certificate dated as of the Closing Date, signed by Seller, certifying that such representations and warranties are true as of the Closing Date and are intended to survive the Closing and not merge into the Deed to be delivered by Seller at Closing (the "Closing Certificate").

(ii) Title. Seller must perform its obligation to convey to Buyer good and marketable title to the Property and Buyer must be able to obtain an Owner's Pro Forma or a Marked-Up Commitment for the Title Policy in form and substance satisfactory to Buyer at Closing in accordance with the requirements of Section 8 below.

(iii) Zoning. Buyer intends to use the Property as school. Seller shall, to the extent required by applicable governmental authorities, but at no cost or expense to Seller, reasonably participate and cooperate with Buyer in obtaining all necessary zoning approvals for Buyer's intended use of the Property as a school and Buyer has obtained satisfactory zoning.

(iii) Performance of Seller's Obligations. Seller shall have performed all of Seller's obligations under this Agreement, as and when required by this Agreement. Seller's obligations under this Agreement include, but are not limited to, the following:

a. Seller shall allow Buyer, and Buyer's agents, access to the Real Property without charge and at all reasonable times for the purpose of Buyer's investigation and testing the same including, without limitation, the right to perform soil boring tests. Buyer shall pay all costs and expenses of such investigation and testing and shall hold Seller and the Real Property harmless from all costs and liabilities relating thereto (except for such costs and liabilities that may arise in connection with the remediation of any pre-existing hazardous waste or pollution problem that is discovered as a result of such investigation and testing). Buyer shall further repair and restore any damage to the Property caused by or occurring during Buyer's testing and return the Property to substantially the same condition as existed prior to such entry.

b. Within three (3) business days after the Effective Date, Seller shall have delivered to Buyer true and correct copies of all of the Seller's Documents.

c. Seller shall have delivered Seller's Closing Documents to Buyer in accordance with Section 5.

d. No Change in Condition of Property. There shall be no material change in the condition of the Property between the Acceptance Date and the Closing Date.

e. The Real Property is vacant on the Effective Date and remains vacant through Closing.

Any and all of the foregoing conditions are for the sole benefit of Buyer and may be waived, in writing, by Buyer. If any of the foregoing conditions are not fulfilled, this Agreement shall be null

and void at Buyer's option, and the Earnest Money and all interest accrued thereon shall be returned to Buyer. Seller, however, shall remain liable to Buyer for the breach of any representation or warranties contained in herein.

4. **Closing.** The Closing of the purchase and sale contemplated by this Agreement (the "Sale") shall occur no later than the Closing Date, unless extended as mutually agreed upon by the Parties, and shall take place at the offices of Title. Seller agrees to deliver possession of the Property to Buyer on the Closing Date.

5. **Seller's Closing Documents.** On the Closing Date, Seller shall execute and/or deliver to Buyer the following documents (collectively, "Seller's Closing Documents");

(a) a General Warranty Deed (the "Deed"), in form satisfactory to Buyer, conveying title to the Real Property subject to matters listed as exceptions to coverage in the Title Commitment (defined below) that are Permitted Exceptions (defined below), and (ii) all matters disclosed on the Survey (defined below) that are Permitted Exceptions;

(b) a Bill of Sale and Assignment in the form attached to this Agreement as Exhibit C;

(c) an Assignment and Assumption Assumed Contracts in the form attached to this Agreement as Exhibit D (the "Assignment and Assumption Assumed Contracts");

(d) a customary affidavit of Seller regarding no judgments, bankruptcies or mechanic's liens;

(e) any Certificates of Occupancy in Seller's possession or control;

(f) a FIRPTA Affidavit;

(g) any required disclosure documents regarding locations of wells and tanks;

(h) a combined Seller's and Buyer's closing statement (the "Closing Statement");

(i)

(i) a certificate from Seller, dated effective as of the Closing Date, in form and substance reasonably satisfactory to Buyer, certifying (i) that all of the representations and warranties of Seller contained in this Agreement are true and complete as of the Closing Date, (ii) that Seller has performed all of the covenants and agreements required to be performed by Seller under this Agreement, and (iii) the resolution of the School Board authorizing the execution and

performance of this Agreement and the Sale and the same have not been modified, replaced or rescinded; and

(j) other documents reasonably determined by Buyer and/or Title to be necessary to transfer the Property to Buyer in accordance with this Agreement.

6. **Buyer's Closing Documents.** On the Closing Date, Buyer will execute and/or deliver to Seller the following (collectively, "Buyer's Closing Documents"):

(a) Payment of the portion of the Purchase Price payable at Closing;

(b) The Assignment and Assumption of Assumed Contracts;

(c) The Closing Statement;

(d) a certificate from Buyer, dated effective as of the Closing Date, in form and substance reasonably satisfactory to Seller, certifying (i) that all of the representations and warranties of Buyer contained in this Agreement are true and complete as of the Closing Date, (ii) that Buyer has performed all of the covenants and agreements required to be performed by Seller under this Agreement, and (iii) the resolutions of the Board of Governors or Members of Buyer authorizing the execution and performance of this Agreement and the Sale and the same have not been modified, replaced or rescinded; and

(e) such documents reasonably requested by Title as may be reasonably required in order to record the Deed and issue an ALTA owner's policy of title insurance required by this Agreement (the "Owners' Policy");

7. **Prorations.** Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement:

(a) **Title Insurance and Closing Fee:** Seller will pay all costs of all Title's charges for title searches and preparation of the Title Commitment (as defined in Section 8 below). Buyer shall pay for its Owner's Policy and any endorsements it requires, and any lender's policy required by Buyer's lender. Seller and Buyer will each pay one-half (1/2) of any reasonable and customary closing fee or charge imposed by Title.

(b) **Transfer Taxes:** Seller shall pay the Minnesota deed tax imposed as a result of the recording of the Deed.

(c) **Real Estate Taxes and Special Assessments:** General real estate taxes and installments of special assessments payable in the year of Closing shall be prorated by Seller and Buyer as of the Closing Date based upon a calendar year. Seller shall pay all real estate taxes and special assessments due and payable prior to the year of Closing.

(d) Operating Expenses: Seller shall be solely responsible for operating expenses and all other charges with respect to the use, operation or maintenance of the Real Property that accrue prior to Closing. Buyer shall be solely responsible for operating expenses and all other charges with respect to the use, operation or maintenance of the Real Property that accrue from and after the Closing Date, and Buyer shall indemnify, defend and hold Seller harmless in connection with the same.

(e) Assumed Contracts. Obligations under the Assumed Contracts shall be prorated as of the Closing Date.

(f) Recording Costs: Seller will pay the costs of recording all documents necessary to place record title in the condition warranted by Seller in this Agreement. Buyer shall pay the costs of recording all financing documents required by Buyer's lender.

(g) Attorneys' Fees: Each Party will pay its own attorneys' fees, except that if either Party commences a lawsuit with respect to this Agreement or any closing document, the non-prevailing Party in any the lawsuit will pay the reasonable attorneys' fees and court costs incurred by the prevailing Party in such lawsuit.

For purposes of all prorations under this Agreement, Seller shall be deemed to be the owner of the Property up to 11:59 P.M. on the day preceding the Closing Date (the "Proration Date") and Buyer shall be deemed to be the owner of the Property as of 12:00 A.M. on the Closing Date.

This Section 7 shall survive the Closing.

8. **Title Examination**. Within three (3) days following the Effective Date, Buyer shall cause Title to prepare a current title commitment to issue an Owner's Policy in the amount of the Purchase Price (the "Title Commitment") issued by the Title, together with copies of all title exception documents referenced in the Title Commitment. Buyer may order, at its cost, a new ALTA survey in form required by Buyer (the "Updated Survey"). Buyer shall have until 5:00 P.M. on the date that is ten (10) business days from Buyer's receipt of the Updated Survey (the "Title Review Period"), to determine that it is satisfied, in Buyer's sole discretion, with its examination of the Title Commitment and the Survey; provided that if an Updated Survey is not ordered within five (5) days following Buyer's receipt of the Existing Survey, the Title Review Period shall end on the date that is ten (10) business days following Buyer's receipt of the Existing Survey and the Title Commitment, whichever occurs last. Any conditions in the Title Commitment or Survey not objected to prior to expiration of the Title Review Period, and any objections otherwise subsequently waived by Buyer in writing, shall be deemed permitted exceptions to title (the "Permitted Exceptions"). Seller shall have thirty (30) days after receipt of Buyer's title objections ("Buyer's Title Objections") to have Buyer's Title Objections removed or satisfied. If Seller shall fail to have Buyer's Title Objections removed or satisfied within such thirty (30) day period, Buyer may, at its election: (i) terminate this Agreement without any liability on its part in which event the Earnest Money shall be promptly paid over to Buyer; (ii) if the Buyer's Title Objections are liens that may be removed by the payment of sums of money, take title to the Real Property pursuant to the terms of this Agreement, and cause Title to discharge any such liens and deduct the same from the cash due and payable to Seller at Closing; or (iii) waive the uncured

Buyer's Title Objections in writing and proceed to Closing with the understanding that such uncured Buyer's Title Objections shall be deemed Permitted Exceptions at Closing.

9. **Operation Prior to Closing.** During the period from the Effective Date to the Closing Date:

(a) Seller will continue to operate, maintain and repair (or cause to be operated, maintained and repaired) the Real Property and Personal Property in the ordinary course of business, ordinary wear and tear excepted. Seller will continue to maintain such amounts, levels and deductibles for insurance that it maintains on the Effective Date.

(b) Seller will not (i) modify its property management practices, suspend or cancel existing service agreements, defer maintenance or otherwise discontinue the delivery of services (ii) subject the Real Property or Personal Property to any new liabilities other than liabilities in the ordinary course of business; (iii) solicit or respond to offers from other buyers for all or any part of the Real Property, engage in negotiations with others for the sale of all or any part of the Real Property, or agree to sell, assign or transfer all or any part of the Real Property to any other person or entity; or (iv) enter into any new contract or lease affecting the Real Property, or amend, modify, terminate or extend any existing Contracts.

10. **Representations and Warranties by Seller.** Seller represents and warrants to Buyer as follows:

(a) **Organization, Standing and Authority.** Seller is a Minnesota public corporation duly organized, validly existing and in good standing under the laws of the State of Minnesota. Seller has all necessary lawful authority to enter into this Agreement and to sell and convey the Property to Buyer as provided in this Agreement and to carry out Seller's obligations hereunder and no other person or entity other than Seller will be necessary to convey the Property fully and completely to Buyer on Closing.

(b) **Violation of Laws.** There are no pending or uncured Governmental Notices (defined below). Seller has received no written notice from any Governmental Authority within the last eighteen (18) months that the current use of the Property or the conveyance of the Property under this Agreement violates or will violate any applicable statute, ordinance, governmental restriction or regulation, or any private restriction or agreement.

(c) **Compliance with Agreements.** The execution and delivery of this Agreement, the consummation of the Sale and the compliance with the terms of this Agreement will not conflict with and will not, with or without notice or the passage of time, or both, result in a breach of any of the terms or provisions of, or constitute a default under, any mortgage, loan agreement or instrument, judgment, order or decree applicable to Seller or the Property.

(d) **Not used.**

(e) **Utilities.** Seller has received no written notice of actual or threatened reduction or curtailment of any utility service now supplied to the Real Property.

(f) Certificate of Occupancy. Seller has received no written notice and Seller has no actual knowledge of actual or threatened cancellation or suspension of any certificates of occupancy for any portion of the Real Property, or of any order or requirement for repair, replacement or alteration of the Real Property from or of any Governmental Authority.

(g) Assessments. Seller has received no written notice of actual or threatened special assessments or reassessments against the Real Property.

(h) Environmental Reports; Absence of Recognized Environmental Conditions. The Environmental Reports (defined in Schedule 1) are the only reports or studies with respect to Hazardous Substances (defined below) used, stored, discharged, disposed of or released at the Real Property that are in Seller's possession or control. To Seller's knowledge, but subject to all matters described or referred to in the Environmental Reports, (i) there is no present "recognized environmental condition," as that term is used in ASTM E 1527-05, at the Property, and (ii) there are no hazardous substances, hazardous materials, or other contaminants, including, without limitation, asbestos, urea formaldehyde, polychlorinated biphenyls, gasoline, fuel oil, crude oil, or other petroleum products (collectively, "Hazardous Substances") that have been used, stored, discharged, disposed of, or released at the Real Property except as routinely used in normal cleaning products.

(i) Condition of Real Property. To the best of the Seller's knowledge (i) the Real Property complies with all current building and zoning codes, and (ii) the Real Property is not located in a flood plain.

(j) Proceedings. There is no action, litigation, investigation or proceeding of any kind pending or, to Seller's actual knowledge, threatened, against Seller or any portion of the Property (including but not limited to condemnation proceedings).

(k) Storage Tanks. Except as disclosed by the Environmental Reports, to the Seller's knowledge, no above ground or underground tanks are located in or about the Real Property, or have been located under, in or about the Real Property and have subsequently been removed or filled.

(l) Title. Seller has fee title to the Property free and clear of any liens or encumbrances.

(m) Tax Impositions. Seller has timely paid all taxes and assessments owed by Seller or with respect to the Real Property, and the Real Property is not subject to a pending tax appeal.

(n) Rights of Others to Purchase Property. Aside from this Agreement, Seller has not entered into any contracts (whether oral or written) for the sale, assignment or transfer of all or any portion of the Property, nor are there any rights of first refusal or options to purchase the Property or any other rights of others that might prevent the consummation of this Agreement.

(o) Wells, Sewage Treatment Systems, Methamphetamine. Except as disclosed by the Environmental Reports, to Seller's actual knowledge, there are no operating or abandoned wells on or under the Real Estate, no individual sewage treatment systems on or serving the Property, and no methamphetamine production has occurred on the Property.

(p) Seller's Documents; Records. Seller has delivered to Buyer copies of all known Seller's Documents in Seller's possession or control. All Records created by Seller and delivered by Seller to Buyer in connection with this Agreement have been created, used, and relied upon by Seller in the ordinary course of owning, operating, maintaining, and repairing the Property. Seller is not actually aware that the Records, taken as a whole, are materially untrue or materially misleading.

(q) Leases; Vacant Building. The Real Property is NOT subject to any leases. The Real Property is now and shall remain vacant until and through Closing.

(r) Foreign Ownership. Neither Seller nor any person or entity having any interest in Seller is a "foreign person" (as defined in Section 1445(f)(3) of the Internal Revenue Code and regulations issued thereunder).

(s) Accurateness of Representations and Warranties; Survival. To the best of Seller's knowledge, no representation or warranty by Seller in this Agreement contains or will contain any untrue statement of a material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading. All representations, warranties and covenants of Seller contained in this Agreement shall be true as of the Closing Date and survive the Closing Date as well as any investigation made by or on behalf of Buyer for a period of twelve (12) months following the Closing Date, except that to the extent Buyer is actually aware, before Closing, that any representation or warranty by Seller in this Agreement is not accurate or complete, Buyer's election to close waives any claim based on such known inaccuracy or incompleteness.

Whenever a representation is qualified by the phrase "to the best of Seller's knowledge", or by words of similar import, the accuracy of such representation shall be based solely on the actual (as opposed to constructive or imputed) knowledge of Seller, without independent investigation or inquiry other than reasonable inquiry of Seller's agents (including property managers and leasing agents), officers and employees who are familiar with the development, ownership, operation and leasing of the Property and review of Seller's files; provided that so qualifying Seller's knowledge shall in no event give rise to any personal liability on the part of Seller's agents, on account of any breach of any representation or warranty made by Seller in this Agreement.

11. **Buyer's Representations and Warranties.** Buyer represents, warrants, and covenants to Seller as follows:

(a) Organization, Standing and Authority. Buyer is a limited liability company duly organized under the laws of the State of Minnesota and has authority to execute and culminate this Agreement.

(b) Compliance with Agreements. The execution and delivery of this Agreement, the consummation of the transaction contemplated by this Agreement, and the compliance with the terms of this Agreement will not conflict with and will not, with or without notice or the passage of time, or both, result in a breach of any of the terms or provisions of or constitute a default under any indenture, mortgage, loan agreement or instrument, judgment, order or decree applicable to Buyer.

(c) Proceedings. There is no action, litigation, investigation or proceeding of any kind pending or, to the best knowledge of Buyer, threatened against Buyer.

(d) Accurateness of Representations and Warranties; Survival. To Buyer's actual knowledge, no representation or warranty by Buyer in this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading. All representations, warranties and covenants of Buyer contained in this Agreement shall be true as of the Closing Date and survive the Closing Date for a period of twelve (12) months following the Closing Date, except that to the extent Seller is actually aware, before Closing, that any representation or warranty by Seller in this Agreement is not accurate or complete, Seller's election to close waives any claim based on such known inaccuracy or incompleteness.

12. Damage. If, prior to the Closing Date, all or any part of the Property is substantially damaged by fire, casualty, the elements or any other cause, Seller shall immediately give written notice to Buyer of such fact and at Buyer's option (to be exercised within ten (10) days of Buyer's receipt of written notice regarding such damage) this Agreement shall terminate, in which event neither party will have any further obligations under this Agreement and the Earnest Money shall be refunded to Buyer. If Buyer fails to elect to terminate despite such damage, or if the Property is damaged but not substantially, Seller shall promptly commence to repair such damage or destruction and return the Property to its condition prior to such damage. If such damage shall be completely repaired prior to the Closing Date, then there shall be no reduction in the Purchase Price and Seller shall retain the proceeds of all insurance related to such damage. If such damage shall not be completely repaired prior to the Closing Date, Seller shall assign to Buyer at Closing the right to receive the proceeds of the insurance related to such unrepaired damage and the Purchase Price shall be reduced by the amount of Seller's insurance deductible, if any, provided that if such damage is not covered by insurance, then Buyer may deduct Buyer's estimation of the reasonable cost of repair from the Purchase Price payable at Closing. For purposes of this Section, "substantially damaged" shall mean damage that would cost \$50,000.00 or more to repair.

13. Condemnation. If, prior to the Closing Date, eminent domain proceedings are commenced against all or any part of the Property, Seller shall immediately give notice to Buyer of such fact and at Buyer's option (to be exercised on or before the Closing Date) this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. If Buyer shall fail to give such notice, then there shall be no reduction in the Purchase Price and Seller shall assign to Buyer at the Closing all of Seller's right, title and interest in and to any award made or to be made in the condemnation proceedings. Prior to the Closing Date, Seller shall not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without Buyer's prior written

consent, which consent will not be unreasonably withheld or delayed.

14. **Default.**

(a) If Buyer defaults in the performance of Buyer's obligations under this Agreement due to no fault of Seller, then Seller may provide written notice of default to Buyer which shall include at least five (5) business days to cure such default. If Buyer fails to cure Buyer's default within such five (5) business day period, then Seller may elect, as its exclusive remedy to cancel this Agreement by written notice to Buyer in accordance with Minnesota Statutes Section 559.21 and upon termination the Title Company shall promptly pay the Earnest Money to Seller as liquidated damages and thereafter this Agreement shall be void and of no further effect.

(b) If Seller defaults in the performance of Seller's obligations under this Agreement due to no fault of Buyer, then Buyer may provide written notice of default to Seller which shall include at least five (5) business days to cure such default. If Seller fails to cure Seller's default within such five (5) business day period, then Buyer shall have the option to (i) terminate this Agreement by written notice to Seller and Buyer shall be entitled to receive the Earnest Money from Title or (ii) seek specific performance of this Agreement by Buyer, provided that no such action for specific performance shall be commenced more than ninety (90) days after the date on which Seller defaults.

15. **Broker's Commission.** Seller has retained Steve Ogren and Brian Zeller (with Telus) as its broker for the Sale ("Seller's Broker"); Buyer has retained Jay Chmielecki (with Newmark) as its broker ("Buyer's Broker") The commission shall be split equally between Seller's Broker and Buyer's Broker and shall be paid by Seller at Closing. Seller and Buyer represent and warrant to each other that they have dealt with no other brokers, finders or the like in connection with this transaction, and agree to indemnify each other and to hold each other harmless against all claims, damages, costs or expenses of or for other such fees or commissions resulting from their actions or agreements regarding the execution or performance of this Agreement, and will pay all costs of defending any action or lawsuit brought to recover any such fees or commissions incurred by the other party, including reasonable attorney's fees. This Section 15 shall survive the Closing or the earlier termination of this Agreement

16. Not used.

17. **Assignment.** Buyer may assign its rights and interests in this Agreement without the consent of Seller to an affiliated entity. Buyer shall provide written evidence of any such assignment to Seller no later than five (5) days prior to Closing.

18. **Entire Agreement; Enforcement.** This Agreement constitutes the complete agreement between the Parties and supersedes any previous oral or written agreements between them or any affiliated party regarding the Property. No waiver of any of its terms or any verbal agreement will be effective unless in writing and signed by both Parties. This Agreement shall inure to the benefit of and shall be binding upon the Parties and their successors and assigns. This Agreement shall be construed according to the laws of the State of Minnesota, and the State District Court in Washington County shall have exclusive jurisdiction to resolve any disputes regarding

the intent, meaning or enforcement of this Agreement. Any provision of this Agreement which is void or unenforceable may be severed from the remaining provisions, without affecting the enforceability of the remaining provisions. This Agreement may not be amended except by a written agreement executed by the party to be charged with the amendment. If this Agreement is terminated for any reason, neither Party will have any further rights or obligations under this Agreement or with respect to the Property except those rights and obligations that survive termination of this Agreement.

19. **Notices.** All notices and other documents of similar legal import from either Party to the other shall be in writing and considered to have been duly given by email, if also sent by first class certified mail, or delivered to the return address as set forth below by reputable overnight delivery service or local messenger, or to such other address as such party may hereafter designate by written notice to the other party. Notices given by certified mail shall be effective two (2) business days after their post mark; notices delivered by overnight delivery service or local messenger shall be effective upon receipt or refusal of receipt; and notices by email shall be effective upon delivery, provided that if an email notice is delivered after 5:00 PM or on a non-business day, then such email notice shall be effective on the next business day. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified, ten (10) days prior to the effective date of such change. Notice by or to a Party shall be effective if delivered by or to such Party's attorney set forth below.

To Buyer:

Justin D. Bonestroo
Cummins & Bonestroo Law Office, PLLC
1851 Buerkle Road
White Bear Lake, MN 55110
AND
342 5th Ave
Suite 100
Bayport, MN, 55003
jbonestroo@cblawoffices.com

To Seller:

Supt. Melinda Lansfeldt
Independent School District No. 834

1875 Greeley Street South
Stillwater, MN 55082

with copy to:
Steve Ogren
Telus

84 St. Croix Trail South
Lakeland, MN, 55043
Sogren@telusproperties.com

20. **Cooperation.** Seller shall reasonably cooperate with Buyer in timely providing information requested by Buyer that is readily available to Seller or within Seller's control. Each Party shall execute such additional documents as may reasonably be necessary to carry out the purposes and intent of this Agreement and to fulfill the obligations of the respective Parties hereunder, but only to the extent such additional documents do not impose any material cost, obligation, or liability on either Party.

21. **Facsimile; Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by facsimile transmission or electronic transmission (e.g., "pdf" or "tif") shall be effective as delivery of an original executed counterpart of this Agreement.

22. **As-is Sale.** Except for Seller's express representations and warranties contained in this Agreement, Seller disclaims, and Buyer acknowledges that Seller has not made, any warranty or representation, express or implied, written or oral, statutory or otherwise, of any nature whatsoever with respect to the Property. Subject only to Seller's express representations and warranties in this Agreement, Seller shall sell and convey to Buyer and Buyer shall purchase the Property and accept possession of the Property on the Closing Date as-is, where is, with all faults. This Section 22 shall survive the Closing or earlier termination of this Agreement.

23. **Acceptance.** This Agreement is submitted to Seller as an offer to buy. If Buyer does not receive an original or signed counterpart by Seller on or before November 12, 2021, at 3:00 PM (Central), this offer will be deemed withdrawn as of that date.

24. **Headings.** The section and paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement.

25. **Anti-Terrorism.** Each Party represents that, to the actual knowledge of such Party, neither such Party nor any of such Party's affiliated entities, is in violation of any laws relating to terrorism or money laundering ("Anti-Terrorism Laws"), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "Executive Order"), and the United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law No. 107-56. Each Party further represents that, neither such Party, nor to the actual knowledge of such Party, any of such Party's affiliated entities, or their respective brokers or agents acting or benefiting in any capacity in connection with the purchase of the Property, is any of the following: (i) a person or entity that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (ii) a person or entity owned or controlled by, or acting for or on behalf of, any person or entity that is listed in the annex to, or is

otherwise subject to the provisions of, the Executive Order; (iii) a person or entity with which Buyer is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Laws; (iv) a person or entity that commits, threatens, or conspires to commit or supports “terrorism” as defined in the Executive Order; or (v) a person or entity that is named as a “specially designated national and blocked person” on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control at its official website or any replacement website or other replacement official publication of such list.

26. **Calculation of Time Periods.** Unless otherwise specifically provided herein, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a business day, in which event the period shall run until the end of the next business day. The final day of such period shall be deemed to end at 5:00 p.m., Central Time. The term “business day” or “business days” means every day other than Saturdays, Sundays, legal holidays observed by the governmental of the State of Minnesota, or days on which commercial banks in the State of Minnesota are required by law to be closed.

27. **Furniture.** All furniture, fixtures and equipment will remain with the property and made a part of this sale herein. All personal contents inside desks, drawers, cabinets and closets shall be removed by Seller prior to Closing. In the event the above tasks are not completed by Seller then Buyer may remove at Seller expense. This provision shall survive closing.

[signatures on the following page]

Seller and Buyer have executed this Agreement on the dates listed below.

BUYER:

SELLER:

10158, LLC

834

INDEPENDENT SCHOOL DISTRICT No.

By: _____

By: 

Its: _____

Its: Headmaster

Execution Date: _____

Execution Date: 11-4-21

SCHEDULE 1

Seller's Documents

Seller's Documents include the following, if available:

i) construction drawings, AutoCADs, scalable prints and plans of the building; (ii) environmental reports including soil tests, Phase I's, Phase II's and any MPCA letters associated with the Property; (iii) title insurance policies (or, if policies were not purchased, commitments); (iv) surveys of all or any portion of the property; (iv) contracts or other records relating to the installation, repair, or maintenance of the roof of the building, including any warranties; (vi) building and HVAC maintenance records for the past (3) years; (vii) utility billings for the past (3) years; (viii) service contracts that will not be terminated on or before the Closing date; (iv) all existing reports including but not limited to roof, mechanical, structural, plumbing, electrical, geotechnical, wetland delineation, etc. in Seller's possession.

EXHIBIT A

Legal Description

EXHIBIT B

Escrow Receipt

The undersigned, NORTH SHORE TITLE ("Escrow Agent"), acknowledges receipt of Twenty Thousand and 00/100 Dollars (\$20,000.00) (the "Earnest Money") to be held and disbursed pursuant to the Purchase Agreement to which this Escrow Receipt is attached.

If there is any dispute as to whether Escrow Agent is obligated to deliver the Earnest Money, or as to whom the Earnest Money is to be delivered, Escrow Agent may refuse to make delivery and may continue to hold the Earnest Money until receipt by Escrow Agent of an authorization, in writing, signed by Seller and Buyer, directing the disposition of the Earnest Money; in the absence of such written authorization, Escrow Agent may hold the Earnest Money until a final determination of the rights of the Parties by appropriate proceeding or may bring an appropriate action or proceeding for leave to deposit the Earnest Money in a court of competent jurisdiction pending such determination. Seller and Buyer recognize that Escrow Agent duties under this Agreement are purely ministerial in nature; and Seller and Buyer therefore agree that Escrow Agent shall, so long as it acts in good faith and in accordance with this Agreement, have no liability to either Buyer or Seller, except for its willful misconduct or gross negligence. To the extent allowed by law, Seller and Buyer further indemnify Escrow Agent against, and agree to hold, save and defend Escrow Agent harmless from, any costs, liabilities and expenses incurred by Escrow Agent in discharging its duties under this Agreement, except for willful misconduct or gross negligence.

Escrow Agent shall have no responsibility for any decision concerning performance or effectiveness of the Purchase Agreement or to resolve any disputes concerning the Purchase Agreement or with regard to the Deposit. Buyer and Seller undertake to hold Escrow Agent harmless from all claims for damages arising out of this Escrow Receipt and agree to indemnify Escrow Agent for all costs and attorney's fees except for Escrow Agent's failure to account for the funds held hereunder, or acting in conflict with the terms thereof.

IN WITNESS WHEREOF, Escrow Agent has executed this Escrow Receipt on the date listed below.

ESCROW AGENT

NORTH SHORE TITLE

By: _____

Its: _____

Executed: _____

EXHIBIT C

Bill of Sale and Assignment

This Bill of Sale and Assignment (the “Bill of Sale”) is made as of _____, 2021, by **Independent School District No. 834, a Minnesota public corporation** (“Seller”), for the benefit of **10158, LLC, a Minnesota limited liability company** (“Buyer”).

WHEREAS, pursuant to that certain Real Estate Purchase Agreement dated _____, 2021, between Seller and Buyer (the “Purchase Agreement”), Seller has agreed to sell assign, sell, transfer, convey, deliver to Buyer the (i) Personal Property, (ii) Permits, (iii) Warranties, (iv) Plans, and (v) Record (each as defined in the Purchase Agreement).

WHEREAS, pursuant to due authorization, Seller is executing and delivering this Bill of Sale to Buyer for the purpose of selling, assigning to, and vesting in Buyer, all of Seller’s right, title and interest in and to the (i) Personal Property, (ii) Permits, (iii) Warranties, (iv) Plans, and (v) Record.

NOW, THEREFORE, in consideration of the purchase price provided in the Purchase Agreement and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Seller sells, conveys, assigns, transfers, quitclaims, sets over to and vest in Buyer all of Seller’s right, title and interest, legal and equitable, in (i) Personal Property, (ii) Permits, (iii) Warranties, (iv) Plans, and (v) Record.

Neither the making nor the acceptance of this instrument shall enlarge, restrict or otherwise modify the terms of the Purchase Agreement, or constitute a waiver or release by Buyer or Seller of any liabilities, duties or obligations imposed on any of them by the terms of the Purchase Agreement.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be duly executed on the date first above written.

SELLER:

INDEPENDENT SCHOOL DISTRICT No. 834

By: _____

Its: _____

EXHIBIT D

Assignment and Assumption of Assumed Contracts

This Assignment and Assumption of Assumed Contracts (the "Assignment and Assumption") is entered into effective as of _____, 2021 (the "Effective Date") by and among **Independent School District No. 834, a Minnesota public corporation** ("Assignor"), and **10158, LLC, a Minnesota limited liability company** ("Assignee").

RECITALS:

- A. Assignor and Assignee are parties to that certain Purchase Agreement dated _____, 2021 (the "Agreement").
- B. Pursuant to the Agreement, Assignor has agreed to assign to Assignee, and Assignee has agreed to assume, the contracts described on the attached Schedule 1 ("Assumed Contracts").
- C. Assignor wishes to assign its interest in the Assumed Contracts to Assignee, and Assignee is willing to accept and assume the obligations of the Assignor under the Assumed Contracts in accordance with this Assignment and Assumption.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual agreements contained in this Assignment and Assumption, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

- 1. Assignment of Assumed Contracts. Assignor assigns to Assignee all of Assignor's right, title and interest in and to the Assumed Contracts. To the extent allowed by law, Assignor shall indemnify, defend and hold Assignee harmless from all loss, cost, liability, damage and expense, including, without limitation, reasonable attorneys' fees, that may be asserted against or incurred by Assignee as a result of any breach or claim of breach of any of the obligations of Assignor under the Assumed Contracts that were to be performed prior to the Effective Date.
- 2. Assumption of Assumed Contracts. Assignee assumes and agrees to perform all terms, covenants and conditions of the Assumed Contracts that are required to be performed on or after the Effective Date by Assignor. Assignee shall indemnify, defend and hold Assignor harmless from all loss, cost, liability, damage and expense, including, without limitation, reasonable attorneys' fees, that may be asserted against or incurred by Assignor as a result of any breach or claim of breach of any of such obligations that are to be performed on or after the Effective Date.
- 3. Successors and Assigns. This Assignment and Assumption shall be binding upon and benefit the parties and their respective successors and assigns.
- 4. Governing Law. This Assignment and Assumption shall be governed by and construed in accordance with the laws of the State of Minnesota.

IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption with the intent to be legally bound by its terms as of the Effective Date.

ASSIGNOR:

ASSIGNEE:

**INDEPENDENT SCHOOL DISTRICT No.
834**

10158, LLC

By: _____

By: _____

Its: _____

Its: _____

**SCHEDULE 1 TO
ASSIGNMENT AND ASSUMPTION OF ASSUMED CONTRACTS**

Contracts

11



Agenda Item X.C.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Report for Action: Combined Polling Locations 2022
Meeting Date: November 4, 2021
Contact Person: Chair Beverly Petrie

Summary:

A new election law from the 2017 legislative session (Chapter 92, Article 2) requires school districts to approve a resolution to combine polling places. This resolution must be approved by December 31 of each year and a copy of the resolution must be submitted to the County Auditor.

All school districts will need to pass a resolution annually establishing combined polling places for any potential special elections in the upcoming year, even if the polling places never change.

These are polling locations that would be used in the event of a special election.

Recommendation:

A motion and a second to approve the resolution for the 2022 Combined Polling Locations will be requested.

Motion by: _____ **Seconded by:** _____ **Vote:** _____



RESOLUTION ESTABLISHING COMBINED POLLING PLACES FOR MULTIPLE PRECINCTS AND DESIGNATING HOURS DURING WHICH THE POLLING PLACES WILL REMAIN OPEN FOR VOTING FOR SCHOOL DISTRICT ELECTIONS NOT HELD ON THE DAY OF A STATEWIDE ELECTION.

BE IT RESOLVED by the School Board of Independent School District 834, State of Minnesota, as follows:

1. Pursuant to Minnesota Statutes, Section 205A.11, the precincts and polling places for school district elections are those precincts or parts of precincts located within the boundaries of the school district which have been established by the cities or towns located in whole or in part within the school district. The board hereby confirms those precincts and polling places so established by those municipalities.
2. Pursuant to Minnesota Statutes, Section 205A.11, the board may establish a combined polling place for several precincts for school district elections not held on the day of a statewide election. **Each combined polling place must** be a polling place that has been designated by a county or municipality. The following combined polling places are established to serve the precincts specified for all school district special and general elections not held on the same day as a statewide election:

Municipal Precinct	Polling Location
Afton W1 P1, W2 P1, W1 P1, W4 P1, Denmark	Shepard of the Valley Lutheran Church, 14107 Hudson Rd, S, Afton
Bayport	Bayport Fire Department, 1012 5 th Ave, Bayport
Baytown	Baytown Community Building, 4020 McDonald Dr N, Stillwater
Grant	Woodbury Lutheran Oak Hill Campus, 9050 60m St N, Stillwater
Hugo W1 PIA, Hugo W1 PIB	Rice Lake Centre, Hugo Public Works Bldg., 6900 137th St N, Hugo
Lake Elmo P1, Lake Elmo P2	Lake Elmo City Hall, 3800 Laverne Ave N, Lake Elmo
Lakeland, Lakeland Shores, Lake St Croix Beach, St Mary's Point	Lakeland City Hall, 690 Quinnell Ave N, Lakeland
Marine on St. Croix	Marine on St Croix City Hall, 121 Judd St, Marine On St Croix
May Township & Scandia	May Town Hall, 13939 Norell Ave N, Marine
Oak Park Heights	Oak Park Heights City Hall, 14168 Oak Park Blvd N, Stillwater
Stillwater W1 P1	First United Methodist Church, 813 Myrtle St W, Stillwater
Stillwater W1 P2	St. Paul Lutheran Church, 605 5th St S, Stillwater
Stillwater W2 P3	Ascension Episcopal Church 214 North 3rd St, Stillwater
Stillwater W2 P4	Trinity Lutheran Church, 115 4th St N, Stillwater
Stillwater W3 P5	Stillwater Readiness Center (Armory), 350 Mary Knoll Dr, Stillwater
Stillwater W4 P7	Our Saviors Lutheran Church, 1616 Olive St West, Stillwater
Stillwater W4 PB	Rutherford Elementary, 115 Rutherford Rd, Stillwater
Stillwater Township	Stillwater Town Hall, 13636 90th St N, Stillwater
West Lakeland	West Lakeland Town Hall, 959 Paris Ave Circle N, West Lakeland
Woodbury P7, Woodbury PS, Woodbury P9A	Brookview Elementary, 11099 Brookview Rd, Woodbury

1. Pursuant to Minnesota Statutes, Section 205A.09, the polling place will remain open for voting for school district elections not held on the same day as a statewide election between the hours of 7:00 a.m. and 8:00 p.m.

2. The clerk is directed to file a certified copy of this resolution with the county auditors for each of the counties in which the school district is located in whole or in part, within thirty (30) days after its adoption.

3. As required by Minnesota Statutes, Section 2048.16, Subdivision 1a, the clerk is hereby authorized and directed to give written notice of new polling place locations to each affected household with at least one registered voter in the school district whose school district polling place location has been changed. The notice must be a nonforwardable notice mailed at least twenty-five (25) days before the date of the first election to which it will apply. A notice that is returned as undeliverable must be forwarded immediately to the appropriate county auditor, who shall change the registrant's status to "challenged" in the statewide registration system.

Motion for the adoption of the foregoing resolution to approve the combined polling locations for 2022 by:

Second by:

Vote: _____ Ayes _____ Nays

Signature _____.

Annie Porbeni, School Board Clerk

Date: _____.



Agenda Item XI. A.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Report: Q-Comp Update
Meeting Date: November 4, 2021
Contact Person: Dr. Jennifer Cherry

Summary:

Dr. Cherry will provide a brief history of the district's Q-Comp program (Alternative Teacher Professional Pay System) and how it is used to improve student learning by providing job-embedded professional development to teachers.

Recommendation:

This is a report for information.



Q-Comp

Presented to the School Board
November 4, 2021

What is Q-Comp?

Program Purposes:

The purpose of the Alternative Teacher Professional Pay System (commonly known as Q Comp) is for participating programs to improve student learning through:

- Encouraging highly qualified teachers to undertake challenging assignments and support teachers' roles in improving students' educational achievement
- Recruiting and retain highly qualified teachers
- Providing incentives to encourage teachers to improve their knowledge and instructional skills

[MDE QComp Guiding Document](#)

[Minnesota Statutes, section 122A.414](#)

Q-Comp History

- Began ground work in 2014
- Stillwater's plan started in 2016-2017
- Completed year five in 2020-2021



Stillwater Q-Comp Purpose

1. Improve instructional practices
2. Improve student learning
3. Improve trust and partnership between employees and administration
4. Provide additional professional opportunities and compensation

Source: Stillwater Q Comp Plan Guiding Document

*The primary purpose of teacher evaluation in ISD 834 is to foster professional growth and development, operating within a framework of collaboration and trust. The main outcome of such evaluation is **improved student learning through strengthened educator practices.***

The 4 Q-Comp Components

Stillwater's current plan

1. Career Ladder

- Instructional Coach
- Mentor
- Q-Comp Lead
- Site Professional Development Consultant
- Special Education Site Liaison

2. Job-Embedded Professional Development

- Professional Learning Communities
- Identify, Learn, Grow (coaching cycle)
- Instructional Coaching
- Mentor partnership & collaboration

3. Teacher Development Evaluation Plan (TDEP)

- Goal Setting (District, Site, Individual)
- Peer Review
- Observation/Evaluation
- Reflection

4. Performance Pay

- School-wide Achievement Goal
- Student Achievement Goal
- Completion of TDEP

What is Job-embedded PD?

*Minnesota Department of Education
Job-embedded PD model*

Definition:

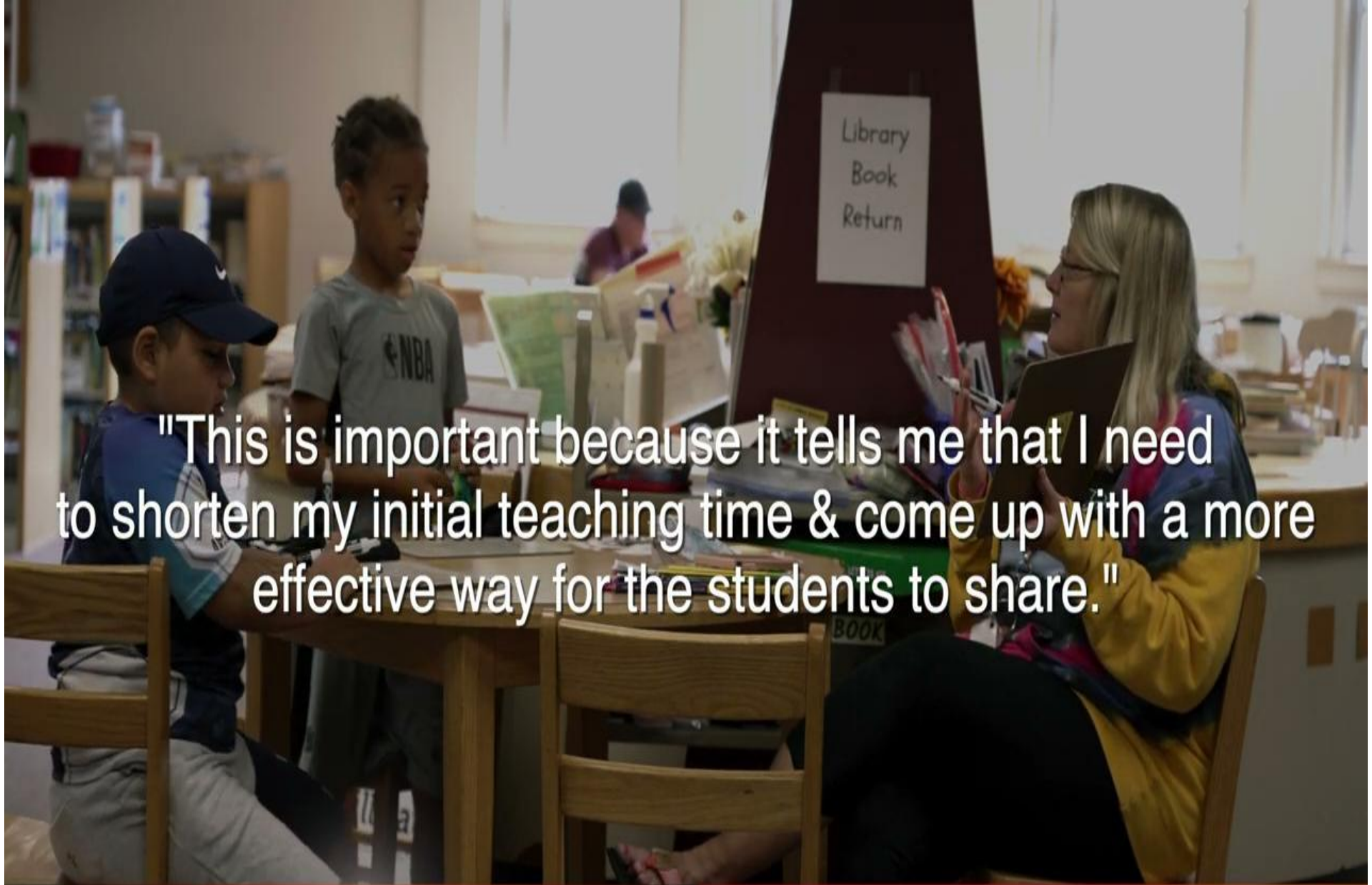


Job-embedded means the learning occurs during the workday and has a ***direct link to the goals set for students by the team and the school.*** (Hirsch and Killion, The Learning Educator, 2007). Teacher learning ***during the educator's workday*** allows access to necessary resources including materials, curriculum experts and knowledgeable assistance.

What are the results of Job-embedded PD? By MDE

Job-embedded learning grounded in six **KEY** areas

1. Developmental
2. Frequent and sustained
3. Instructional Coaching
4. Impact Cycle
5. Data informed
6. Approach rooted in brain research and adult learning theory.



"This is important because it tells me that I need to shorten my initial teaching time & come up with a more effective way for the students to share."

Summer Success Learning Lab

June 7 - [Professional learning in 3 areas](#) aligned to the 5D+ Teaching Instructional framework success criteria

- **Week 1:** Grade level teams chose a goal and instructional strategy to focus on
- **Week 2:** Grade level teams video recording of instruction, watch the video with partner, reflect and grow
- **Week 3:** Grade level teams video recording of instruction, watch video and ***reflect on teacher growth & student growth***

Teacher growth and student growth

	Piece of evidence	Importance	Context	Connections	Next steps:
First snapshot	During the turn and talk 5 students disengaged on and off. <i>20-25% of the students were disengaged.</i>	Our goal is to have 100% of the students engaged.	Some students were online last year, lack of school/academic exposure, lack of understanding social cues,	Modeling the circle, expectations for sharing/turn and talk, front load, private conservation with identified students, revisit behavioral expectations, use student leaders as models (give them additional responsibility)	Modeling the circle, expectations for sharing/turn and talk, front load, private conservation with identified students, revisit behavioral expectations, use student leaders as models (give them additional responsibility)
Second Snapshot	<i>During the turn and talk all students were engaged 100%</i>	Everyone is learning and the kids feel successful. Yay!	We had problem solving conferences with students, preferential seating, y chart, referred y chart, strategic placement of teachers and student leaders, variety of teaching methods to meet different styles of learning, variety of ways of sharing (thumbs up/down, tent partners, number groups, etc.)	<i>We addressed the areas of concern (disengagement) and it increased the learning and participation of our students.</i>	<i>We will incorporate these engagement strategies into our classrooms this fall.</i>

Proposed Plan 2022-2023:

1. Career Ladder

- *Instructional Coach
- *PLC lead
- *PLC building leads
- Mentor
- Q-Comp Lead
- Site Professional Development Consultant
- Special Education Site Liaison

2. Job-Embedded Professional Development

- *Professional Learning Communities
- *Formal Coaching Cycle
- *Impact Cycle Cohorts
- Instructional Coaching
- Mentor partnership & collaboration
- Snapshots

3. Teacher Development Evaluation Plan (TDEP)

- Goal setting (District, Site, Individual)
- Peer review
- Probationary learning visits
- Observation/evaluation
- Reflection

4. Performance Pay

- School-wide achievement goal
- Student achievement goal
- Completion of TDEP
- *Scaffolded stipend structure

*Items to be added with additional Q-Comp funds



Stillwater
AREA PUBLIC SCHOOLS

Additional funds will support the following:

- ❑ 3.0 FTE Instructional Coaches
- ❑ 14 PLC building lead stipend (\$750)
- ❑ 150 PLC leads stipend (\$500)
- ❑ Scaffolded stipend structure: Example
 - ❑ Goal-setting & completion of teacher evaluation (\$1,200)
 - ❑ Participate in formal coaching cycle (additional \$300)
 - OR
 - ❑ Participate in Impact Cycle cohort (additional \$300)
- ❑ \$5,000 for professional development



Questions?



Agenda Item XII.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

Agenda Item: Open Forum
Meeting Date: November 4, 2021

Background:

Those who wish to speak to the School Board will be able to do so in the beginning of the board meeting during Open Forum. You must sign up to speak. You may sign up only for yourself, not other individuals or groups, and only in person. Sign-up will be available electronically the week of a board meeting beginning at 8 a.m. on Monday and closing at 4 p.m. on Wednesday. You will receive a notification upon submitting your online form.

Due to time limitations, we will limit the number of speakers to 15, who may speak for 3 minutes each. If you spoke at the last meeting, you may sign up to speak this week, but your name will be placed on a waitlist. If speaking slots remain after the signup time ends, names from the waitlist will be added to the speaking list in order of the time that individuals signed up. You will be notified if you are scheduled to speak.

When your name is called, please be seated at the board table and state your name and address, including town, before you begin your remarks. Please pay attention to the timer, who will hold up cards indicating when you are approaching the end of your time. When time is called, you may finish your sentence. After you address the Board, please leave the board table.

Stillwater Area Public Schools, District 834, welcomes input from citizens as community involvement on the issues facing our district fosters better decision making and improved learning experiences for all students. While comments and questions are welcome during Open Forum, law prohibits the Board from discussing concerns about individual employees or students in a public meeting. We will stop the proceedings immediately if employee or student privacy issues are raised and direct the speaker to forward comments regarding individual employees or students to the superintendent. We welcome discussion of the issues but will not tolerate the targeting of individual staff or students by name, position or implication.

Because we are modeling civil discourse for our community, speakers must present their testimony in a respectful manner. Vulgarity, character attacks, or malice will not be tolerated. The Board will not deliberate, discuss, or engage in conversation with speakers during Open Forum. However, the Board may ask administration to review the concerns presented.

Recommendation:

This is for informational purposes only.



Agenda Item: Adjournment
Meeting Date: November 4, 2021
Contact Person: School Board Chair

Agenda Item XIII. A.
Date Prepared: October 25, 2021
ISD 834 Board Meeting

The meeting must formally adjourn.



Stillwater School Board
Policy Meeting Notes
October 27, 2021

Present: Katie Hockert, Bev Petrie, Annie Porbeni, Jennifer Cherry, Joan Hurley, Malinda Lansfeldt, John Perry
Agenda

- Annual Review of Policy 524 & 514
- Discuss newly prioritized list of annual reviews & 200 series
- Follow up on policy 212 onboarding manual
- Ideas for Dec 21 Work Session on public participation and community engagement

Highlights of Discussion

- Annual review of Policy 524: Student Technology and Internet Access and Acceptable Use. Reviewed and will be on the consent agenda at the next board meeting.
- Annual review of Policy 514: Bullying Prohibition.
 - After some discussion, we decided to bring it back at the next policy meeting after comparison to the latest MSBA model policy
- Jennifer shared her reorganized master document prioritizing policies for the working group.
 - Reprioritized with required annual review policies integrated with the 200 series currently in progress so we can ensure all annual reviews are kept up to date.
- Katie shared the updated Onboarding timeline in conjunction with Policy 212 which included feedback from board members and from the ISD 622 onboarding document as a reference
 - Next step is to begin planning for Part I of orientation in a couple weeks
 - Document will continue to be updated as needed
- Ideas discussed for the Dec 21 work session on Open Forum & Community Engagement
 - Request to include Crowdcity survey results, data from previous year of Open Forum lists, small survey of board members, look at policy 206, and current community engagement platform

What's next

- Policy 524 brought to the board table on Nov 4.
- Prepare to discuss the following new policies at the next meeting- 514, 201, 201.2, 208 & 722

Next Meeting: November 19, 2021 at 12-1pm

Respectfully submitted by: Katie Hockert

Date: 10/27/21



Stillwater School Board
Finance Operations Meeting Notes from
October 28th, 2021
4pm

Attendees: Mark Drummerhausen, John Thein, Malinda Lansfeldt, [Alison Sherman](#) [Chris Kunze](#)

- a. Brookview Expansion Bids Work Scope 8-D - Speciality Doors
 - The original project bid was \$310,000, which seemed high.
 - Decision was made to rebid the project.
 - Two contractors bid on the specialty storm doors required for the BV learning space expansion project.
 - The lowest responsible bidder came in at \$235,280.
 - The vendor selected was the original bidder.
 - Costs fall within the board approved project overage costs.

Respectfully submitted by Alison Sherman 10/29/21