

DULUTH PUBLIC SCHOOLS ACADEMY
Meeting of the Board of Directors
DATE/LOCATION: January 15, 2019 at DECS North Star Academy

PRESENT: Hilary Hodgman, Chair; Stephen Sydow, Vice Chair; Andrew Richey, Treasurer; Katie Cronin-Anderson, Secretary; Lon Hanson, Glenda LaTour, Kristin Grill, Val Petersen, Ryan Welch, and Mike St. John

ABSENT: Neil Byce, Immediate Past President and Ryan Welch - excused

CALLED TO ORDER: 6:30 pm

Approval of Agenda

- Motion made (Hodgman), second (St. John) to approve the agenda as presented. Motion unanimously approved.

READING OF MISSION STATEMENT:

- Duluth Edison Charter Schools is dedicated to the achievement of academic and personal excellence for every student.

Approval of Minutes

- Motion made (Hodgman), second (Cronin-Anderson) to approve the annual meeting minutes for November 27, 2018, with the correction to members present. Motion unanimously present.
- Motion made (Hodgman), second (Cronin-Anderson) to approve the monthly meeting minutes for November 27, 2018 with the correction to members present. Motion unanimously approved.
- Motion made (Hodgeman), second (St. John) to approve the minutes for the December 15, 2019 board retreat with the correction to members absent and present. Motion unanimously approved.

Resignation: Board Member Neil Byce, effective January 4, 2019. Appointment of Claudia Welty to fill his term ending January 2020.

Swearing in of new board members: Amanda Bruggman, Kristin Grill, Amber Lightfeather, Chris Todd, Claudia Welty

Election of Officers:

Paul Goossens, Nominations Task Force Chair recommendation as follows:

President -- Hilary Hodgman
Vice President -- Andrew Richey
Secretary -- Glenda LaTour
Treasurer -- Kristin Grill
Vice-Treasurer -- Lon Hanson

- Motion made (Welty), second (Petersen) to approve the Executive Committee assignments as recommended. Motion unanimously approved.

DPSA Board Committee Assignments from Chair and Board Development Committee:
Executive Committee: (see above)

Finance Committee:

Kristin Grill, Chair
Lon Hanson
Amanda Bruggman
Val Petersen
Andrew Richey
Hilary Hodgman, ex officio

Board Development and Personnel Committee:

Claudia Welty, Chair
Glenda LaTour
Amber Lightfeather
Stephen Sydow
Chris Todd
Hilary Hodgman, ex officio

Liaison with DECS Legacy Fund:

Claudia Welty

Robotica Presentation:

Steve Ondrus, robotics coordinator and Duluth Krakens

Correspondence/Communication:

- none

Public Comment:

- none

****Conflict of Interest Reminder on Voting****

REPORTS:

Treasurer's Report

Andrew Richey presented the treasurer's report as of December 31, 2018.
Supporting materials provided.

Donations Received in November 30, 2018:

- \$15 Lacy Archambault
- \$1,000 Mark Myles
- \$250 Culligan Water
- \$100 Barbara & Gerald Zimny
- \$33 Maurices
- **\$1,398 Total Donations Received**

Donations Received in December 31, 2018:

- \$54 Misc Bowling Field Trip Donation
- \$300 Children's Museum Transportation Reimbursement
- **\$354 Total Donations Received**

Head of School's Report

Bonnie Jorgenson presented the Head of School's Report. Supporting materials provided.

- Motion made (Richey), second (Petersen) to approve the updated 2018-2019 staffing list as of January 15, 2019. Motion unanimously approved.

COMMITTEE REPORTS:

Executive Committee

Hilary Hodgman presented the meeting minutes from January 15, 2019 as presented. Supporting materials provided.

- Motion made (Richey), second (Hanson) to approve revised Board Policy 500-1 Admission and Lottery Procedures as presented. Motion unanimously approved.
- Motion made (Richey), second (Welty) to approve updated Board Policy 500-17 Documentation Control and Retention Policy as presented. Motion unanimously approved.
- Executive committee proposed the following resolution, second (Hanson):

BE IT RESOLVED, by the governing body (the "Board") of Duluth Public Schools Academy, a Minnesota nonprofit corporation (this "Corporation"), as follows:

1. Description of the Transaction.

A. This Board previously authorized an Amended and Restated Lease Agreement dated as of November 1, 2018 as amended through the date hereof (the "Lease") with Tischer Creek Duluth Building Company (the "Landlord") pursuant to which this Corporation leases land and the approximately 85,000 square foot, multi-story, kindergarten through eighth grade charter school facility and adjoining green-space land located at 3301 Technology Drive in Duluth, Minnesota, and the approximately 37,000 square foot kindergarten through fifth grade charter school facility located at and adjacent to 5905 Raleigh Street in Duluth, Minnesota (the "Project").

B. The Landlord financed the Project, in part, by borrowing money from the Housing and Redevelopment Authority of Duluth, Minnesota (the "Issuer") realized by the Issuer through the issuance

and sale of the Issuer's \$18,655,000 Lease Revenue Bonds (Duluth Public Schools Academy Project), Series 2018A (the "Bonds").

C. Under the Lease, this Corporation makes rental payments at the times and in the amounts necessary to pay principal of and interest on the Bonds.

D. As security for its obligations under the Lease, this Corporation entered into a Pledge and Covenant Agreement dated as of November 1, 2018 with US Bank National Association Bank, National Association, the trustee for the Bonds (the "Trustee"), which was acknowledged by the Landlord (the "Pledge Agreement") under which this Corporation granted the Trustee a security interest in certain of its accounts and personal property (the "Collateral").

E. In addition, this Corporation is entering into a transaction with the North Shore Bank of Commerce ("Bank") in which the Bank renews the Corporation's \$1,500,000 line of credit and \$800,000 line of credit (the "Loans").

2. Documents. The following documents in customary format are expected to be required subject to review and approval by the Corporation's counsel and/or officers (the "Corporation Documents"):

A. an Agreement to Provide Insurance between this Corporation and the Bank; B. a Commercial Loan Agreement between this Corporation and the Bank setting forth certain terms regarding the Loans;

C. a Security Agreement from this Corporation to the Bank in which the Corporation grants a security interest in the Collateral to the Bank (the "Security Agreement"); Corporation providing for the Trustee's first and prior interest in the Collateral; and

D. this Corporation's Promissory Notes evidencing the Loans.

3. Authorized Officers. This Corporation appoints the President/CEO, Vice President, Secretary, Treasurer or any other officer of this Corporation as authorized officers (the "Authorized Officers").

4. Approval and Execution of Documents.

A. This Board approves the terms of the Loans, the security interest granted in the Security Agreement and the Corporation Documents, the final forms of which will be reviewed, negotiated and approved by the Authorized Officers in consultation with counsel to this Corporation.

B. The Authorized Officers are authorized to review, negotiate and approve the all other documents and certificates necessary to evidence the transactions described in paragraphs 1 and 2 above and such additional documents as may be required by the Bank or its counsel, subject to approval by counsel to this Corporation (collectively with the Corporation Documents, the "Documents").

C. This Corporation further empowers any one of such Authorized Officers to execute the Documents, approve changes to the Documents as may be necessary in consultation with corporate counsel and/or bond counsel and take such further action as is required to comply with the terms and conditions and the transaction referred to herein, and acknowledges that the execution of the Documents pursuant to this authorization shall be deemed conclusive evidence of the approval and sufficiency thereof.

D. The Authorized Officers are further authorized and directed to do such things and to execute such documents and certificates as to them may seem necessary and desirable in the performance of or relating to any of the foregoing matters.

- Motion unanimously approved.

Finance Committee

Andrew Richey presented the Finance Committee minutes from January 14, 2019.
Supporting materials provided.

- Motion made (Richey), second (Hanson) to approve updated board policy 600-4 Wellness Policy as presented. Motion unanimously approved.

Board Development/Personnel Committee

Stephan Sydow presented the committee minutes from January 10, 2019.
Supporting materials provided.

Other Business:

Board Members review and sign the conflict of interest policy.

Reminder - February meeting date has been changed to Tuesday, February 12, 2019 due to February break.

Hilary Hodgman adjourned meeting at 7:46 pm.

Respectfully Submitted,

Aundrea Kinziger

Aundrea Kinziger, DPSA Recorder