

ST. CLAIRSVILLE-RICHLAND CITY SCHOOL DISTRICT

MINUTES OF SPECIAL MEETING

MAY 15, 2013

The meeting convened at 7:00 a.m. at the St. Clairsville-Richland City School District Board of Education Office with President Mike Jacob presiding.

The Pledge of Allegiance was recited by all in attendance.

Roll Call:	Mike Jacob	- Present
	Pam Jones	- Present
	James Cook	- Present
	Mike Fador	- Absent
	F. William Zanders	- Present

Also present were: Dave Zeller, Nick Davis, Amy Porter and Walt Skaggs.

Approve Treasurer's Report - Resolution

Upon the recommendation of Treasurer Porter, Mrs. Jones moved and Mr. Cook seconded that the Board approve the following resolution:

AUTHORIZING THE LEASE OF SCHOOL DISTRICT LAND AND FACILITIES, AND A SUBLEASE OF SAME BACK TO THE BOARD OF EDUCATION OF THE SCHOOL DISTRICT IN CONNECTION WITH THE CONSTRUCTION, IMPROVEMENT, EQUIPPING AND FURNISHING OF SCHOOL FACILITIES, AND APPROVING EXECUTION OF A GROUND LEASE AGREEMENT, LEASE AGREEMENT, AND OTHER DOCUMENTS RELATING THERETO

WHEREAS, the St. Clairsville-Richland City School District, Belmont County, Ohio (the "School District") is in need of new school facilities and improvements; and

WHEREAS, in order to provide financing for the renovation, improvement, equipping, and furnishing of such facilities and pursuant to Ohio Revised Code Section 3313.375, it is determined to be necessary and appropriate for the Board of Education of the School District (the "Board") to undertake a lease-purchase financing program as described herein; and

WHEREAS, the estimated cost of the renovation, improvement, equipping and furnishing, of such facilities, and costs of issuance, shall not exceed \$1,500,000;

NOW THEREFORE, be it resolved by the Board of Education of the St. Clairsville-Richland City School District, Belmont County, Ohio, that:

SECTION 1. It is hereby determined to be necessary and in the best interest of the inhabitants of the School District, and the Board hereby agrees, to construct, improve, equip, and furnish, or cause to be constructed, improved, equipped, and furnished, school facilities (the "Project Facilities"), in accordance with the plan of lease-purchase financing described in this Resolution. The Project Facilities shall be constructed on tracts of land (the "Project Site" and, together with the Project Facilities, the "Project") located within the boundaries of the School District, as more particularly described on Exhibit A to the Ground Lease Agreement referred to herein.

SECTION 2. THE LESSOR The Board shall lease the Project Site to such financial institution as shall be determined by the Treasurer (the "Lessor") pursuant to a Ground Lease Agreement (the "Ground Lease"), to be executed by the Board President and Treasurer. The term of the Ground Lease shall be for a term not exceeding five years beyond the final renewal term of the Lease (as defined below), as determined by the Treasurer (the "Treasurer") and reported to this Board. Rental payments shall be in such amount as determined by the Treasurer and certified to this Board.

SECTION 3. The Board shall sublease the Project back from the Lessor pursuant to a Lease Agreement (the "Lease") dated of even date with the Ground Lease, to be executed by the Board President and Treasurer. The Lease shall require the Board to construct or cause to be constructed on the Project Site, the Project Facilities, and shall provide, among other things, for the payment of Base Rent from the Board to the Lessor. Base Rent shall be payable in periodic installments over the term of the Lease, in such amounts and at such times as shall be determined by the Treasurer and reported to this Board, provided that the actual Base

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Approve Treasurer's Report - Resolution (Cont'd)

Rent payments shall not exceed in any year the amounts that would be required if the applicable interest rate were 5.00% per annum applied on a principal amount of not to exceed \$1,500,000. The term of the Lease shall be for one initial term and not more than 30 one-year (or partial-year) renewal terms, as determined by the Treasurer and reported to this Board. The Lease shall provide for termination in the event the Board fails to appropriate funds adequate to pay rent due with respect to any renewal term.

SECTION 4. The Board agrees to execute and perform the Ground Lease and the Lease in accordance with the terms thereof. The Board agrees to comply with the terms and conditions of such additional documents and agreements relating thereto as shall be deemed, by the Treasurer or Board President, in their discretion, necessary or appropriate in connection with the financing herein described.

SECTION 5. The Board hereby covenants that it will comply with all existing and future laws applicable to the exemption of interest on the Lease from federal income taxation. The Board further covenants that it will restrict the use of the proceeds of the Lease in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Lease is executed, so that it will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations prescribed thereunder (the "Regulations"). The Treasurer or any other officer, including the Board President, having responsibility with respect to the execution of the Lease is authorized and directed to give an appropriate certificate on behalf of the Board, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to said Section 148 and the Regulations.

The Treasurer shall cause to be kept and maintained adequate records pertaining to investment of all proceeds of the Lease sufficient to permit, to the maximum extent possible and presently foreseeable, the Board to comply with any federal law or regulation now or hereafter having applicability to the Lease which limits the amount of Lease proceeds which may be invested at an unrestricted yield or requires the Board to rebate arbitrage profits to the United States Department of the Treasury. The Treasurer is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Lease requires any such reports or rebates.

SECTION 6. The Treasurer and Board President are hereby authorized and directed to execute and deliver, on behalf of the Board, the Ground Lease, the Lease, and such additional instruments, documents, agreements, certificates, and other papers as may be in their discretion necessary or appropriate in order to carry out the intent of this Resolution. Such documents shall be in the form consistent with the terms of this Resolution, as such officers in their discretion shall deem necessary or appropriate.

SECTION 7. Nothing in the Ground Lease, the Lease, or any agreements or documents relating thereto shall constitute or be construed or deemed to constitute a debt or bonded indebtedness or a general obligation of the School District or any agency of the School District. Neither the taxing power nor the full faith and credit of the School District are pledged or shall be pledged for the payment or security of the Ground Lease, the Lease, or any other related agreement or document.

SECTION 8. There is hereby appropriated from the net proceeds of the Lease, to the extent the same are available for the payment of costs of the Project, a sum not to exceed \$1,500,000, to be used for the payment of such costs, as outlined herein.

There is further appropriated, from unappropriated funds currently on deposit in the General Fund of the Board, a sum not to exceed \$100,000 to pay the cost of lease payments due or coming due under the Lease for the initial term ending June 30, 2013.

SECTION 9. It is hereby found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

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Approve Treasurer's Report - Resolution (Cont'd)

The roll call vote was:

Aye: Cook, Jones, Zanders, Jacob.
Motion carried.

Approve Personnel

Upon the recommendation of Superintendent Skaggs, Mr. Zanders moved and Mr. Cook seconded that the Board approve the following personnel items:

1. Donald Zink - Retirement resignation effective June 1, 2013.
2. Steve Verba - Retirement resignation effective June 1, 2013.
3. Kristen Schaffer - Transfer to Middle School Art Teacher for the 2013-2014 school year.
4. Chris Patrone - Involuntary transfer to Elementary Art Teacher for the 2013-2014 school year.

The roll call vote was:

Aye: Jones, Zanders, Cook, Jacob.
Motion carried.

Approve Recommendation - Hicks Roofing Co.

Upon the recommendation of Superintendent Skaggs, Mr. Cook moved and Mr. Zanders seconded that the Board award Hicks Roofing Company, New Philadelphia, Ohio the Elementary Roof Replacement Project (Alt. R-1). The roll call vote was:

Aye: Zanders, Cook, Jones, Fador.
Motion carried,

Adjournment

There being no further business brought before the Board, Mrs. Jones moved and Mr. Cook seconded that the meeting be adjourned at 7:22 A.M. The roll call vote was:

Aye: Cook, Jones, Zanders, Jacob.
Motion carried.

President

Treasurer