

MINUTES OF REGULAR MEETING

Following are the unapproved minutes of the regular meeting of the Board of Education, Andes Central School District #11-1, Lake Andes, South Dakota, Monday, April 13, 2020 at 6:03 p.m.

President Houseman called the meeting to order.

Members Present: Debbra Houseman, Tammy Swanson, Terry Svatos, William Bennett, Nicole Gray, Kristin Dvorak (6:07 p.m.) and Mike Dangel (via teleconference, 6:09 p.m.)

Members Absent:

Administrative Personnel Present: Superintendent Debera Lucas, Elementary Principal Bill Kitchenmaster, Secondary Principal Bill Hummel, Network Coordinator Darryl Deurmier and Business Manager Susan Johnson

Others present: Keith Stroh via teleconference

Motion by Svatos, seconded by Swanson to approve the agenda with the following additions: New Business Item n. Offer Employment to Julie Rysavy and New Business item o. Drivers Education. Voting Aye: Houseman, Svatos, Swanson, Gray and Bennett. Motion carried. (5-0) (20-04-01)

Member Dvorak entered the meeting at 6:07 p.m.

Member Dangel joined the meeting via teleconference at 6:09 p.m.

Only one bid was submitted for the Athletic Complex/Surface Parking project. Rexwinkle Concrete, Inc. submitted the following bid: Base Bid = \$406,711.64; Alternate No. 1 = Add \$125,000.00; Alternate No. 2: Deduct \$23,066.30.

Motion by Bennett, seconded by Svatos to accept the base bid of \$406,711.64 and the Alternate No. 1 at \$125,000.00 and the Alternate No. 2 at (\$23,066.30) for a total of \$508,645.34. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray and Dvorak. Voting Nay: Mike Dangel. Motion carried. (6-1) (20-04-02)

Motion by Dvorak, seconded by Swanson to continue action on the quote received to move the wind turbine. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-03)

Motion by Svatos, seconded by Swanson to accept the quote from Muth Electric in the amount of \$24,331.00 to install three new parking lot lights. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-04)

Motion by Dvorak, seconded by Svatos to accept the quote from Kirwan Landscape and Design in the amount of \$2,188.33 for seed/fertilizing the ground just north of the service road behind the school and to accept the quote in the amount of \$1,323.83 to repair the drainage area of the football field. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-05)

Motion by Dangel, seconded by Gray to accept the quote from Lawns Unlimited for weed control as follows for each application (Spring, Summer, Fall, Late Fall) as needed: Football Stadium \$800 flat rate, Playground Area - \$7.00 rate; Back/West of School - \$7.00 rate; South of School - \$7.00 rate. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-06)

Second reading of policies DIC – Financial Reports and Statements and DIB – Types of Funds was conducted.

The administration provided the school board with updates on the impact of the school closure due to COVID19. There was discussion about the modifications and procedures that have been implemented and food service, the

upcoming school board election, graduation and prom.

No action was taken on the Hay Bid agenda item.

Motion by Dvorak, seconded by Swanson to approve the e-rate funding request application as submitted. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-07)

Motion by Dvorak, seconded by Bennett to approve the Comprehensive Plan for FY2021 presented. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-08)

Motion by Svatos, seconded by Swanson to cast a vote for Terrance Crandall for ASBSD Southeast Region representative. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-09)

Motion by Swanson, seconded by Dvorak to authorize membership in SDHSAA for the 2020-2021 school year. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-10)

Motion by Dangel, seconded by Svatos to award Tyler Swanson the 2020 School Board Scholarship in the amount of \$250.00. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-11)

Motion by Bennett, seconded by Svatos to close off the playground equipment from public access. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-12)

Motion by Svatos, seconded by Dvorak to continue action on the appointment of election officials. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. Motion carried. (7-0) (20-04-13)

Motion by Dangel, seconded by Bennett to continue action on the decision to pursue a general fund opt out. Voting Aye: Houseman, Swanson, Svatos, Bennett, Gray, Dvorak and Dangel. All. Motion carried. (7-0) (20-04-14)

Member Dvorak introduced the following resolution and moved its adoption, which motion was seconded by Member Swanson:

RESOLUTION AUTHORIZING REFINANCING OF SCHOOL BUILDING PROJECT AND SOLICITATION OF BIDS ON LEASE FINANCING

WHEREAS, in 2017, Andes Central School District No. 11-1 (the "District") undertook a project consisting of the renovation and remodeling of, and construction of one or more building additions to, the District's K-12 public school facility (the "Project"); and

WHEREAS, in connection with the Project, the District entered into interim lease-purchase financing with respect thereto (the "Interim Financing"); and

WHEREAS, to retire the Interim Financing and provide permanent financing for the Project, the District and Rural Electric Economic Development, Inc. ("REED") entered into a Ground Lease Agreement dated May 6, 2019 (the "2019 Ground Lease"), under which the District leased to REED the real property included in the Project (the "Leased Property"); and

WHEREAS, with respect to the Leased Property, REED and the District also entered into a Lease-Purchase Agreement dated May 6, 2019 (the "2019 Lease"), under which the District agreed to operate and maintain the Leased Property and make lease payments thereunder, subject to annual appropriation, all as further provided in the 2019 Lease (the 2019 Ground Lease and the 2019 Lease referred to together as the "2019 Lease Financing"); and

WHEREAS, the District has determined to refinance the Project through the prepayment and termination of the 2019 Lease Financing and the consummation of a new annual appropriation lease financing transaction (the "2020 Lease Financing"), all in order to achieve to achieve interest and debt service savings; and

WHEREAS, pursuant to the 2020 Lease Financing, the District will, coincident with the termination of the 2019 Lease Financing, lease the Leased Property to a new third party financier (the "Financier"), pursuant to a Ground Lease (the "2020 Ground Lease"), under which the Financier will make a lease payment to the District (the "Financing Proceeds")

sufficient, together with such other funds as may be contributed by the District from its internal sources, to provide for the prepayment and termination of the 2019 Lease Financing; and

WHEREAS, the District will then lease back from the Financier the Leased Property, pursuant to a sublease (the "2020 Lease"), under which the District will agree to operate and maintain the Leased Property and make lease payments thereunder, subject to annual appropriation, and which lease payments will be specifically divided as to principal and interest components, with interest to be borne at such rate or rates as shall be approved by the School Board in connection therewith (the "2020 Lease Payments"), all to be more fully described in such sublease; and

WHEREAS, pursuant to South Dakota Codified Laws, Section 13-16-6.1, as amended, and Section 5-18A-14, as amended (the "Public Bidding Statutes"), the District is required to advertise for bids or proposals with respect to lease-purchase agreements. The advertisement shall appear as a legal notice in the official newspaper of the District and be printed twice, with the first publication having been made at least 10 days before opening of bids or the deadline for the submission of proposals; and

WHEREAS, pursuant to SDCL Section 13-19-27 and SDCL Section 1-16A-97, and in connection with the 2020 Lease, the District has also determined to enter into a State Aid Pledge Agreement with the South Dakota Health and Educational Facilities Authority (the "Authority"), the South Dakota Department of Education ("DOE") and the Financier, as payee (referred to in such capacity as the "Payee"), in order to provide additional security for amounts due under the 2020 Lease, out of state aid to education appropriated by the Legislature from time to time and payable to the District ("Pledged State Aid"); and

WHEREAS, in connection with the proposed financing, the District has determined to formally engage Dougherty & Company, LLC ("Dougherty") as the District's exclusive whole lease placement agent;

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

1. Authorization of Financing.

(a) The District hereby approves the engagement of Dougherty & Company LLC, to serve as its exclusive whole lease placement agent (the "Placement Agent") in connection with the financing transaction described herein, and of Dorsey & Whitney, LLP, to serve as Bond Counsel to the Placement Agent ("Bond Counsel") in such connection.

(b) The District hereby authorizes the Superintendent, the Business Manager, and other officers and employees of the District, as appropriate, and in consultation with the Placement Agent, to proceed to advertise for bids pursuant to SDCL Section 13-19-27 and SDCL Section 1-16A-97, and (a) to prepare a corresponding legal notice in connection therewith and arrange for publication thereof as required by law; (b) in connection therewith, to establish an appropriate time frame for submission of bids, and (c) further, to establish a date and time for opening bids and awarding the proposed financing lease arrangements to one or more successful bidders. All related actions in connection therewith by the Board may be taken at either a regular or special meeting, as circumstances may require.

(c) The District hereby authorizes the Placement Agent, Bond Counsel, the Superintendent, the Business Manager and other officers and employees of the District to take such actions as may be necessary or desirable to prepare related documents and effectuate the refinancing for the Project, as described herein; and the District further ratifies and confirms all actions heretofore taken by the Superintendent, the Business Manager and other officers of the District to effectuate the transactions described herein; provided, however, that the final terms of the financing transaction and forms of legal documents to be entered into by the District in connection therewith shall be subject to final approval by the Board.

2. Effectiveness of Resolution. This Resolution shall take effect immediately upon its adoption.

Upon vote being taken thereon, the following voted in favor thereof: Houseman, Svatos, Dvorak, Gray, Dangel, Swanson and Bennett and the following voted against the same: none; whereupon the resolution was declared duly passed and adopted. (7-0) (20-04-15)

Motion by Svatos, seconded by Dvorak to accept the resignations submitted by Savanna Haire and Phillip Raysby, both effective at the end of the 2019-2020 school year, with appreciation for their service to the district. Voting Aye: Houseman, Svatos, Dvorak, Gray, Dangel, Swanson and Bennett. Motion carried. (7-0) (20-04-16)

Motion by Bennett, seconded by Swanson to hire Julie Rysavy as a teacher for the 2020-2021 school year. Voting Aye: Houseman, Svatos, Dvorak, Gray, Dangel, Swanson and Bennett. Motion carried. (7-0) (20-04-17)

Motion by Svatos, seconded by Dvorak to continue action on Driver's Education. Voting Aye: Houseman, Svatos, Dvorak, Gray, Dangel, Swanson and Bennett. Motion carried. (7-0) (20-04-18)

Motion by Swanson, seconded by Dvorak to approve the minutes of the regular board meeting held on March 9, 2020 and the minutes of the special board meetings held on March 20, 2020 and March 30, 2020 as presented. Voting Aye: Houseman, Svatos, Dvorak, Gray, Dangel, Swanson and Bennett. Motion carried. (7-0) (20-04-19)

Motion by Bennett, seconded by Svatos to approve the financial reports as presented. Voting Aye: All. Motion carried. (7-0) (20-04-20)

GENERAL: 3/1/2020 UNAPPROPRIATED, 245664.62; RECEIPTS: TAXES, 56398.71; INTEREST, 1094.64; LAPTOP ADMISSIONS, 397.72; LAPTOP FEES, 75.00; MEDICAID ADM, 1759.99; REIMBURSEMENT, 4.08; MISC., 315; FITNESS CENTER, 385; SCCD, INC., 11111.03; STATE AID, 114839.00; FEDERAL PROGRAMS, 2762.84; TOTAL RECEIPTS: 189143.01; TOTAL DISBURSEMENTS: 419695.01; 3/31/2020 TOTAL UNAPPROPRIATED, 15112.62;

CAPITAL OUTLAY: 3/1/2020, UNAPPROPRIATED, 227780.37; TOTAL RECEIPTS: 0.00; TOTAL DISBURSEMENTS: 54693.66; 3/31/2020, TOTAL UNAPPROPRIATED, 173086.71;

SPECIAL EDUCATION: 3/1/2020, UNAPPROPRIATED, 458523.40; RECEIPTS: TAXES, 11411.28; MEDICAID ADM., 279.00; TOTAL RECEIPTS: 11690.28; TOTAL DISBURSEMENTS: 33631.02; 3/31/2020, TOTAL UNAPPROPRIATED, 436582.66;

3/1/2020 IMPACT AID: 563635.16; RECEIPTS: INTEREST, 21242.45; IMPACT AID, 311910.29; TOTAL RECEIPTS: 333152.74; 3/31/2020, TOTAL UNAPPROPRIATED, 6775499.53;

CAPITAL PROJECTS: 3/1/2020, UNAPPROPRIATED, 563365.16; TOTAL RECEIPTS: 0.00; TOTAL DISBURSEMENTS: 4889.00; 3/31/2020, TOTAL UNAPPROPRIATED, 558746.16;

FOOD SERVICE: 3/1/2020, UNAPPROPRIATED, 8903.32; RECEIPTS: FOOD SERVICE RECEIPTS, 1101.15; FEDERAL PROGRAMS, 21812.69; TOTAL RECEIPTS: 22913.84; TOTAL DISBURSEMENTS: 24543.77; 3/31/2020, TOTAL UNAPPROPRIATED, 7273.39;

TRUST & AGENCY, 3/1/2020, UNAPPROPRIATED, 37800.06; TOTAL RECEIPTS: 7702.59; TOTAL DISBURSEMENTS; 4783.51; 3/31/2020, TOTAL UNAPPROPRIATED, 40719.14;

SCHOLARSHIP: 3/1/2020, UNAPPROPRIATED, 101723.78; RECEIPTS: STAFF SCHOLARSHIP, 10.00; TOTAL RECEIPTS: 10.00; TOTAL DISBURSEMENTS: 0.00; 3/31/2020, TOTAL UNAPPROPRIATED, 101733.78.

GROSS SALARIES - ALL FUNDS; HOURLY WAGES, 69298.37; CONTRACTUAL WAGES, 213099.03; PAYROLL DEDUCTIONS, 80414.04; RETIREMENT, 32282.54; PAYROLL TAXES, 63779.92.

Motion by Dvorak, seconded by Gray to approve the payment of bills as presented. Voting Aye: All. Motion carried. (7-0) (20-04-21)

GENERAL FUND: A & G DIESEL INC, SERVICE, 1258.58; AMERICAN LEGION EMBLEM SALES, SUPPLIES, 67.80; ANDES CENTRAL AFTER PROM, REIMB, 868.00; ANDES CENTRAL FOOD SERVICE, REIMB, 360.75; ANDES CENTRAL, REIMB, 25.00; ANDES STATE BANK, SERVICE, 14.00; ANTELOPE-STOTZ, MARY L. , IEC MEETING, 50.00; APPEARA, TOWELS/LINENS, 87.59; B2 ENVIRONMENTAL, INSPECTION, 1446.00; BALFOUR DBA WILLSIE ARTNEEDLE, SUPPLIES, 37.87; BIRD, JACQUELINE , PRESENTER, 1500.00; BOOK SYSTEMS, INC., SERVICE, 70.00; BREWER, JEWEL , REIMB, 69.97; BULLHEAD, EARL , PRESENTER, 800.00; CAHOY'S GENERAL STORE, SUPPLIES, 349.08; CITY OF LAKE ANDES, SEWER, WATER, REFUSE, 559.81; CORE EDUCATIONAL COOPERATIVE, ONLINE COURSE, 260.00; DAKOTA INN, LODGING, 829.64; DEURMIER, DIANE , REIMB, 35.00; DVORAK, CANDACE , IEC MEETING, 50.00; ELITE BUSINESS SYSTEMS, INC., CONTRACTS, 1406.18; FOREMAN SALES AND SERVICE INC, SERVICE, 152.95; FORT RANDALL TELEPHONE CO., TELEPHONE, 865.30; GIRTON ADAMS, SERVICE, 367.00; GREEN EGGS AND RAM, SERVICE, 121.99; HARRINGTON, BETH , REIMB, 20.00; HERFF JONES, INC., SUPPLIES, 13.17; HILLYARD/SIOUX FALLS, SUPPLIES, 3380.03; HOLIDAY INN EXPRESS-SIOUX FALLS, LODGING, 96.00; HUDSON, LARRY , REIMB, 66.36; IMPREST, REIMB, 4637.61; JOHNSON, CLIFFORD , REIMB, 107.00; JONES, ROBERT , PRESENTER, 1500.00; KRANIG, DAVID , SERVICE, 271.98; L.A. FARMERS COOPERATIVE, SUPPLIES/PROPANE/FUEL, 10526.20; MEDICINE HORN SR, TIMOTHY , IEC MEETING, 50.00; MEDICINE HORN, ANNA MARIE , REIMB, 60.00; MERRICK, DIANE , REIMB, 10.00; MISSOULA CHILDREN'S THEATRE, PERFORMANCE, 2744.50; MUDDER,

MEGAN , REIMB, 10.00;NORTHWESTERN ENERGY, UTILITIES, 8504.08;PATTERSON, AMBER , IEC MEETING, 50.00;PECHOUS PUBLICATIONS LLC, ADVERTISING, 541.36;POWERS PORT A POT, SERVICE, 978.09;PREMIER PEST CONTROL LLC, SERVICE, 375.00;PRORATE SERVICES LLC, SERVICE, 80.00;RAMKOTA HOTEL-PIERRE, LODGING, 154.00;REINHART FOOD SERVICE, SUPPLIES, 661.93;SCHOOL FIX/DECKER EQUIPMENT, SUPPLIES, 108.77;SDIAAA, REGISTRATION, 180.00;SEON SYSTEM SALES INC, SUPPLIES, 275.00;SORLIEN PLUMBING, SERVICE, 112.25;SOUTH DAKOTA DEPARTMENT OF PUBLIC SAFETY, INSPECTION, 220.00;TIE, ONLINE COURSES, 620.00;UNIVERSAL ATHLETIC, SUPPLIES, 383.95;VERNON'S REPAIR, SUPPLIES, 33.98;VISA - COMMERCIAL STATE BANK, REGISTRATION/SUPPLIES, 2338.43;VOYAGER FLEET SYSTEMS INC., FUEL, 631.71;CAPITAL OUTLAY FUND: RURAL ELECTRIC ECONOMIC DEVELOPMENT , INC., PAYMENT, 54693.66;SPECIAL EDUCATION FUND: PARENT #044980471 , REIMB, 285.60;PARENT #10980007 , REIMB, 57.12;MITCHELL SCHOOL DISTRICT, SERVICES, 880.00;SOUTH CENTRAL COOPERATIVE, PROLONGED SERVICES, 12000.00;CAPITAL PROJECTS FUND: AL'S ENGRAVING, SIGNS, 32.75;KMS ENGINEERING, STRUCTURAL ENGINEERING SERVICES, 4856.25;FOOD SERVICE FUND: APPEARA, TOWELS/LINENS, 161.20;BERNARD FOOD INDUSTRIES, INC., FOOD SERVICE, 583.08;CAHOY'S GENERAL STORE, FOOD SERVICE, 88.97;CASH-WA DISTRIBUTING, FOOD SERVICE, 4089.47;DEAN DAIRY HOLDINGS LLC, MILK, 1466.67;HILLYARD/SIOUX FALLS, SUPPLIES, 344.04;IMPREST, REIMB, 223.86;REINHART FOOD SERVICE, FOOD SERVICE, 1942.81;SOUTH DAKOTA DEPT OF EDUCATION, FOOD SERVICE, 681.82;ROBERT JONES, TRAVEL EXPENSES, 500.00;AT&T MOBILITY, MONTHLY SERVICE, 535.78;MCI, MONTHLY SERVICE, 74.87;CHS, SUPPLIES, 1161.86;J&J SANITATION, SERVICE, 671.56;SODAK TRACK CLINIC, VOID-REISSUE CHECK, - 256.00;SODAK TRACK CLINIC, TRACK CLINIC, 120.00;LA GUS STOP-GF BUCHE CO, FUEL, 18.34;

Administrative Reports were presented.

Motion by Swanson, seconded by Svatos to accept the minutes of the SCC as presented. Voting Aye: Houseman, Svatos, Dvorak, Gray, Dangel, Swanson and Bennett. Motion carried. (7-0) (20-04-22)

Buildings and Grounds met to discuss the Athletic Complex Bids, lawn care quotes, signage, trophy cases installation, and the class composite display location.

Transportation met to determine specs for a new bus, discussed the need to purchase a pay loader for snow removal and the condition of the lawn mower and plans for mowing the properties.

Finance and Negotiations met to discuss certified staff negotiations, discussed impact aid funding, general fund opt out and options to refinance the building loan.

Activities Advisory board met to discuss starting competitive cheer in cooperation with Platte/Geddes.

Motion by Svatos, seconded by Swanson to authorize an executive session to consider personnel issues, all in accordance with SDCL 1-25-2 (1). The School Board, thereupon, went into executive session at 9:34 p.m. Voting Aye Houseman, Svatos, Dvorak, Gray, Dangel, Swanson and Bennett. Motion carried. (7-0) (20-04-23) The School Board resumed in regular session at 9:42 p.m.

Motion by Dvorak, seconded by Dangel to adjourn at 9:46 p.m. Voting Aye: Houseman, Svatos, Dvorak, Gray, Dangel, Swanson and Bennett. Motion carried. (7-0) (20-04-24)

Debbra J. Houseman
President

Susan M. Johnson
Business Manager

For any public notice that is published one time; Published once at the total approximate cost of_____.