

SCHOOL BOARD MEETING

Wednesday, March 2, 2016

The School Board of the Sioux Falls School District 49-5 of Minnehaha County, South Dakota, was called into regular session, pursuant to due notice, on Wednesday, March 2, 2016 at 4:00 pm in the Instructional Planning Center, 201 East 38th Street, Sioux Falls, South Dakota, with the following members present: Douglas C. Morrison, Kate Parker, Carly Reiter, Vice President Todd Thaelke and President Kent Alberty. Absent: None. Jeffrey Holcomb, President of Southeast Tech, and Rich Kluin, Vice President of Finance and Operations, were also present.

Action ST00109

A motion was made by Kate Parker and seconded by Todd Thaelke, five (5) votes “yes” on roll call, **approving the minutes of a meeting** held on February 3, 2016, which were furnished to the Sioux Falls Argus Leader for publication, in unapproved form, all in accordance with SDCL §13-8-35.

Action ST00110

A motion was made by Doug Morrison and seconded by Carly Reiter, five (5) votes “yes” on roll call, **approving the agenda** as presented.

Action ST00111

A motion was made by Carly Reiter and seconded by Kate Parker, five (5) votes “yes” on roll call, **approving Item A through D on the consent agenda**, as follows:

- A. Accepting the **Consolidated Report of Trust and Agency Funds** of March 2, 2016 and stating for the record that as of January 31, 2016, receipts total \$31,229,118.38 and disbursements total \$23,003,303.68 (see MRF #ST93).
- B. Approving the **Vice President of Finance and Operation’s Report** of March 2, 2016 in accordance with the SDCL §13-8-35 (see MRF #ST94) and directing that detailed statement of receipts and balances on hand, as of January 31, 2016, be published as part of these minutes, in accordance with SDCL §13-8-3.
- C. **Approving financial transactions** of Southeast Tech – January 2016 (see MRF #ST95).
- D. **Accepting the Southeast Tech Personnel Report**, as follows:

- D1. **Change in Employment Status.** Accepting the change in employment status, as of the effective date indicated, of the personnel identified below who were previously employed by Board Action:

<u>Name</u>	<u>Effective Date</u>
Instructor, full-time Suhr, Lori	06/30/16
Instructor, adjunct Stuefen, David	12/11/15
Other Help, part-time Fox, Denise	01/29/16
Student Help, part-time Hofer, Jacob	02/12/16
Student Tutor, part-time Walkins, Curtis	01/26/16

- D2. **Salary Adjustment**

<u>Name</u>	<u>Current</u>	<u>Proposed</u>
Instructor, Adjunct, Spring 2016 Session, Addendum to Budget, lump sum Dvanajscak, Amanda	LPN, Orig Budget, \$0.00	LPN, Add Courses, \$2,160.00 Eff. 03/14/16
Peterson, Anne	Health Core, Orig Budget, \$0.00	Health Core, Add Courses \$1,440.00 Eff. 1/11/16

- D3. **Employment Recommendations**

<u>Name</u>	<u>Effective Date</u>	<u>Pay</u>
Instructor, part-time, curriculum development, per hour Poppenga, Jalanni	04/01/16	\$35.00/\$20.90
Stainbrook, Amy	04/01/16	\$35.00/\$20.90
Van Vliet, Jamie	04/01/16	\$35.00/\$20.90
Lab Assistant, part-time, per hour Knutson, David	04/01/16	\$30.00
Other Help, part-time, per hour Zinnel, Brenda	02/15/16	\$15.00

D3. **Employment Recommendations** (continued)

<u>Name</u>	<u>Effective Date</u>	<u>Pay</u>
Student Help, part-time, per hour		
Eldridge, Keenan	02/22/16	\$10.00
Harrington, Riley	02/15/16	\$10.00
Peters, Joseph	02/22/16	\$10.00
Student Tutor, part-time, per hour		
McComish, Michael	02/16/16	\$10.00

Action ST00112

Rich Kluin, Vice President of Finance/Operations, presented a report on the Southeast Technical Housing Foundation's bond refinancing and to request amendments to the ground leases necessary to complete the refinancing. (see MRF #ST96)

The Southeast Technical Institute Housing Foundation was incorporated in 2001 as the organizational mechanism to provide housing for students attending Southeast Technical Institute. Financing in the form of bonds was secured through the South Dakota Housing Development Authority in 2002 to construct a 27 unit apartment complex on the western edge of the Southeast Tech campus to house approximately 100 students. Additional bonds were issued in 2004 to construct a second 27 unit apartment complex and connecting commons area between the two facilities. The facilities are owned by the Foundation on ground leased to the Foundation by the Sioux Falls School District. The facilities are managed by Southeast Tech.

The Southeast Technical Institute Housing Foundation Board of Directors authorized the refinancing of the Series 2002A and Series 2004A bonds to obtain more favorable interest rates and to consolidate the outstanding debt of the Foundation into a single issuance. In order to refinance the debt, the Housing Foundation must secure written consent of the Sioux Falls School District to assign the lease and to sublet the leased Premises in whole or in part and to pledge the Lease. Under the terms of the original ground lease(s) such consent shall not be unreasonably withheld.

Counsel at Davenport Evans Hurwitz Smith, LLP, has drafted the amendments to the ground leases necessary for the Foundation to assign/mortgage its interests in said leases in favor of any lender providing refinancing of the debt incurred in the construction of the student housing project. The Housing Foundation has obtained a commercial mortgage from Home Federal Saving Bank.

Following general discussion, a motion was made by Todd Thaelke and seconded by Kate Parker, five (5) votes "yes" on roll call, **acknowledging the Housing Foundation Refinance Report**

Action ST00113

Rich Kluin, Vice President of Finance/Operations, presented a report on progress of the new building project. (see MRF #ST97)

Construction on the Southeast Tech new Laboratory Building is underway. The project when completed will provide for expanded auto, Diesel, and Collision Repair/Refinish programs. The project also provides for improved services offerings including a 500 seat auditorium, consolidated administrative office, and food service space.

Golden Rule Construction was awarded the base bid along with alternates for the administrative suite and Ed Wood renovation. The total project construction costs were \$20,733,000. Funding for the project is being provided by bond proceeds from the Health and Education Facility Authority in the amount of \$18,372,057 and Post-Secondary Funds in the amount of \$2,360,943. Pay requests through the end of January total \$10,854,157. Total disbursements (reimbursements) issued by the trustee through the end of January have totaled \$10,671,615. The \$182,542 differential will be reimbursed as the investments of the idle funds mature.

The project budget included a contingency of \$397,416 (approximately 2% of the project bid) for unforeseen conditions that could arise during the course of the project. The project architect is currently working through approximately thirty-five proposal requests that will culminate in the first project change order. The estimated cost of all proposals and the change order is approximately \$17,500. A change order will be brought forth for approval a future meeting.

Following general discussion, a motion was made by Doug Morrison and seconded by Carly Reiter, five (5) votes "yes" on roll call, **acknowledging Building Project Report.**

Action ST00114

Jeff Holcomb, Southeast Tech President, presented the Ballot Amendment R Report. (see MRF #ST98) Amendment R establishes the technical institutes in the South Dakota Constitution as separate institutes from the Board of Regents. It also allows the legislature to organize the institutes through future action as they see fit. The amendment and process was explained in the presentation as well as the ballot campaign for the amendment.

Following general discussion, a motion was made by Kate Parker and seconded by Carly Reiter, five (5) votes "yes" on roll call, acknowledging **Ballot Amendment R Report.**

Action ST00115

Jeff Holcomb, Southeast Tech President, reviewed the institute's recommended positions on 2016 pending legislation that is currently before the South Dakota legislature and would impact Southeast Technical Institute if enacted into law. (MRF #ST99) President Holcomb stated that the administration is working closely with legislators to let them know Southeast Tech's position on each of the bills.

Following general discussion, a motion was made by Kate Parker and seconded by Carly Reiter, five (5) votes "yes" on roll call, approving the positions on 2016 pending legislation, as presented.

continued

Wednesday, March 2, 2016

Action ST00116

On motion by Carly Reiter and seconded by Kate Parker, five (5) votes “yes” on roll call, the School board **adjourned** at 4:25 pm.

KENT ALBERTY
Presiding Officer

TODD VIK
Business Manager