

October 16, 2017

A special meeting of the Wessington Springs School District Board of Education was held at 7:00 pm in the HS Learning Center on October 16, 2017 with the following members present: Tonya Aldrich, Jeff Assman, Jim Burg, Todd Grohs, Amber Kolousek, Gerry Orth and Dustin Weber. The purpose of the meeting was for Board discussion and action to conduct a bond election for the middle school/high school renovation project and elementary auxiliary gymnasium.

Motion by Burg, seconded by Aldrich to approve the agenda as amended, adding 4a discussion/possible motion on gross maximum project fees. All ayes, 0 nays. Carried.

The BOE building committee would like to have Johnson Controls as the lead in the project and HKG will serve as the architect on the project. Johnson Controls will send a FIM (Facility Improvement Measures) pack which will show a breakdown of various projects within the scope of the project. Shane Christensen of JCI said the drawings should be available in December or January. The Board Building Committee recommends conducting a bond election for both projects, up to \$4.5 million for the middle school/high school renovation and up to \$1.0 million for the auxiliary gymnasium. The renovation includes but would not be limited to new windows, heating, cooling, plumbing, electrical upgrades, elevator, room renovations and fire/sprinkler system. The auxiliary gym would be attached to the existing elementary school/gym.

Jerry Spethman of D. A. Davidson was present to discuss General Obligation Bonds. Typically bonds are purchased by local banks or interested investors which could be someone in the community. Based on current valuations, the levy per \$1,000.00 would be \$.62. He explained that schools most often finance renovations either through bonds or capital outlay certificates. Business Manager Julie Kraft said because of the continued need to use capital outlay for General Fund expenditures and the per student cap of \$2,800.00 on Capital Outlay beginning in FY21, the Board would need to go to a bond election to fund a majority of these projects. \$500,000.00-\$600,000.00 of Capital Outlay funds could be spent on the gymnasium project if needed.

President Todd Grohs reminded those present that tonight is not the night we decide whether or not we do these projects. That is the public's decision at the bond election. Tonight the Board needs to set the date and place of the election.

President Todd Grohs corrected agenda item 4a, which should have been placed after the resolution.

Motion by Burg seconded by Kolousek to adopt the following #2017-9 RESOLUTION DECLARING NECESSITY AND EXPEDIENCY FOR ISSUANCE OF GENERAL OBLIGATION SCHOOL BONDS, CALLING AN ELECTION THEREFORE AND HIRING PROFESSIONALS IN CONNECTION THEREWITH.

BE IT RESOLVED by the School Board of Wessington Springs School District 36-2, Aurora, Beadle, Brule, Buffalo, Jerauld and Sanborn Counties, South Dakota, as follows:

1. Declaration of Necessity. It is hereby found, determined and declared that it is necessary and expedient for this School District to borrow money by issuing its general obligation school bonds, issued in one or more series, payable from 1 and not to exceed 20 years from date of issuance, bearing interest payable at such times and at such rate or rates as may be determined by the School Board, to fund the full renovation of the Middle School/High School building, construction of an auxiliary gymnasium at the Elementary School site, other school district improvements, furnishing and equipping same and financing costs of issuance, if so approved by the voters.
2. Election. The questions of authorizing the issuance of such bonds shall be submitted to the qualified electors of the District at a bond election which is to be held on the 28th day of November, 2017, between the hours of 7:00 o'clock a.m. and 7:00 o'clock p.m. The questions shall be in substantially the following form:

SHALL THE WESSINGTON SPRINGS SCHOOL DISTRICT 36-2, AURORA, BEADLE, BRULE, BUFFALO, JERAULD AND SANBORN COUNTIES, SOUTH DAKOTA, ISSUE ITS NEGOTIABLE GENERAL OBLIGATION SCHOOL BONDS IN A PRINCIPAL AMOUNT NOT EXCEEDING \$4,500,000, ISSUED IN ONE OR MORE SERIES, BEARING INTEREST AT SUCH RATES AS MAY BE DETERMINED BY THE SCHOOL BOARD, PAYABLE AND MATURING FROM 1 AND NOT TO EXCEED 20 YEARS AFTER THE DATE OF ISSUANCE, FOR THE PURPOSE OF FINANCING THE FULL RENOVATION OF THE MIDDLE SCHOOL/HIGH SCHOOL BUILDING, OTHER SCHOOL DISTRICT IMPROVEMENTS, FURNISHING AND EQUIPPING SAME AND PAYMENT OF COSTS FOR THE ISSUANCE OF THE BONDS?

SHALL THE ABOVE PROPOSITION BE APPROVED AND THE BONDS ISSUED?

SHALL THE WESSINGTON SPRINGS SCHOOL DISTRICT 36-2, AURORA, BEADLE, BRULE, BUFFALO, JERAULD AND SANBORN COUNTIES, SOUTH DAKOTA, ISSUE ITS NEGOTIABLE GENERAL OBLIGATION SCHOOL BONDS IN A PRINCIPAL AMOUNT NOT EXCEEDING \$1,000,000, ISSUED IN ONE OR MORE SERIES, BEARING INTEREST AT SUCH RATES AS MAY BE DETERMINED BY THE SCHOOL BOARD, PAYABLE AND MATURING FROM 1 AND NOT TO EXCEED 20 YEARS AFTER THE DATE OF ISSUANCE, FOR THE PURPOSE OF FINANCING THE CONSTRUCTION OF AN AUXILIARY GYMNASIUM AT THE ELEMENTARY SCHOOL SITE, OTHER SCHOOL DISTRICT IMPROVEMENTS, FURNISHING AND EQUIPPING SAME

AND PAYMENT OF COSTS FOR THE ISSUANCE OF THE BONDS?
SHALL THE ABOVE PROPOSITION BE APPROVED AND THE BONDS ISSUED?

3. Polling places and Judges. Polling places and judges and clerks for said election shall be selected according to South Dakota Law.
4. Voter Registration Deadline. The Business Manager is hereby authorized and directed to give notice of voter registration and deadline therefore, as required by law. The deadline for voter registration shall not be less than fifteen (15) days prior to the election. The Business Manager shall give notice of the availability of registration officials and state when registration will be terminated and the effect of a failure to have registered. Such notice shall be published in official newspapers of the District at least once each week for (2) two consecutive weeks, the last publication to be not less than (10) ten nor more than (15) fifteen days before the deadline for registration.
5. Notice of Election. The Business Manager is hereby authorized and directed to give notice of school bond election, said notice to be published in the official newspaper for the District, once each week for two (2) successive weeks before said date of election. The second notice shall be published not less than four (4) days nor more than ten (10) days before the election.
6. Ballots. The Business Manager is authorized and directed to cause printed ballots to be prepared for use at said election in substantially the form on file with the Business Manager and to publish with the second notice of election.
7. Canvass. Said election shall be held and conducted and the votes cast thereat shall be counted, certified and canvassed according to law, and this Board shall meet at the regular meeting room in Wessington Springs, South Dakota, in the District for the purpose of canvassing the results within six (6) days of the election.
8. Hiring of Professionals. Meierhenry Sargent LLP of Sioux Falls, South Dakota is hereby designated as bond counsel for this issue and D.A. Davidson & Co., hereby designated as Underwriter for this issue. The President and Business Manager are authorized to execute such documents as are necessary to carry out the intent of this paragraph.
9. Authorization of Officers. The Superintendent and Business Manager are authorized to sign any acknowledgement, certificates or documents required by Underwriter in connection with the Bonds.

Member Burg moved for the adoption of the foregoing Resolution. Said motion was seconded by Member Kolousek and upon vote being taken the following voted AYE: Aldrich, Assman, Burg, Kolousek, Orth, and Weber.

and the following voted NAY: none

Motion by Kolousek, seconded by Assman to authorize WSS Building Committee to spend up to \$164,000 for professional design services (Engineering and Architectural) to prepare guaranteed maximum price documents. All ayes, 0 nays. Carried.

8:15 pm Motion by Kolousek, seconded by Aldrich, to adjourn. Carried.

Todd Grohs, President

Julie Kraft, Business Manager