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BOARD OF EDUCATION

Special Meeting - May 24, 2021 - 4:00 PM
Wayzata Public Schools District Office
210 County Road 101 North
Plymouth, Minnesota 55447

AGENDA

1. **CALL TO ORDER/ROLL CALL**

2



Board of Education
Special Meeting – May 24, 2021

AGENDA SECTION: Roll Call

ITEM: Roll Call

COMMENTS BY: Andrea Cuene, Board Chair

	PRESENT	ABSENT
Linda Cohen	_____	_____
Seanne Falconer	_____	_____
Sarah Johansen	_____	_____
Chris McCullough	_____	_____
Cheryl Polzin	_____	_____
Bonita Lucky	_____	_____
Andrea Cuene	_____	_____
Chace Anderson, ex-officio	_____	_____

2. **Finance and Business Services**
A. Sale of Taxable Advanced Refunding Bonds



BOARD OF EDUCATION
Special Meeting – May 24, 2021

AGENDA SECTION: Administrative Reports and Recommendations

ITEM: Finance and Business Services Recommendations

COMMENTS BY: Jim Westrum, Executive Director of Finance and Business

Taxable Advanced Refunding of Bonds

In 2014 the District issued two series of General Obligation Bonds, Series 2014A and Series 2014B (“the bonds”), to finance the construction and betterment of school buildings and equipment. Due to a more favorable interest rate environment in 2021 than in 2014 when the bonds were originally issued, the District is able to advanced refund or refinance the bonds by issuing new bonds at a lower interest rate, saving money for the taxpayers of the District. In order to refund the bonds now and in advance of the call date of February 1, 2023, the District must issue taxable bonds instead of tax-exempt bonds. The proceeds of the new bonds will be held in escrow until February 1, 2023, when they will be used to repay the 2014A and 2014B bonds.

Recommended Actions: Adopt a resolution authorizing the Superintendent or Executive Director of Finance and Business to execute any applicable Minnesota Department of Education forms relating to the State of Minnesota Credit Enhancement Program.

Adopt a resolution authorizing District Administration and its Municipal Advisors to take proposals and execute the sale of bonds in the estimated amount of \$135,755,000, refunding all maturities of the Series 2014A and Series 2014B General Obligation Bonds. The accepted proposal(s) will be ratified by the School Board at a Special Meeting on June 28, 2021.

Motion by: _____

ROLL CALL

Passed: _____

Second by: _____

Failed: _____

Abstentions: _____ **4** _____

May 24, 2021

Pre-Sale Report for

Independent School District No. 284 (Wayzata Public Schools), Minnesota

\$135,755,000 General Obligation Taxable
School Building and Alternative Facilities
Refunding Bonds, Series 2021A



Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, MN 55113

Advisors:

Jeff Seeley, Senior Municipal Advisor
Greg Crowe, Senior Municipal Advisor
Matthew Hammer, Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$135,755,000 General Obligation Taxable School Building and Alternative Facilities Refunding Bonds, Series 2021A

Purposes:

The proposed issue will finance the advance refunding of the 2024 through 2035 maturities of the District's \$109,645,000 General Obligation School Building Bonds, Series 2014A and the 2024 through 2036 maturities of the District's \$27,160,000 General Obligation Alternative Facilities Bonds, Series 2014B.

The callable maturities of the 2014A Bonds have interest rates of 3.00% to 4.00% and an average coupon rate of 3.63% and the callable maturities of the 2014B Bonds have interest rates of 3.00% to 4.00% and an average coupon rate of 3.49% (see pages 8 and 9). Based on current market conditions, we estimate that the new refunding bond maturities will have interest rates of 1.50% to 2.10% with a true interest cost of 1.75% (see page 10). We also expect that the underwriter of the bonds will pay a premium (a price in excess of the par amount of the bonds) as shown on page 7, which will be used to reduce the par amount of the new issue. We are estimating that the reduction in interest rates, along with the estimated premium, will reduce future debt service payments by \$14,250,046 over fiscal years 2025 through 2036, resulting in reductions in debt service levies in taxes payable 2024 through taxes payable 2035 (see page 12). The Net Present Value Benefit of the refunding is estimated to be \$12,423,985, equal to 8.27% of the refunded debt service. Actual results will be determined based on market conditions on the day of sale.

This refunding is considered a Taxable Advanced Refunding as the new Bonds will be issued more than 90 days prior to the call date of February 1, 2023 on the 2014A and the 2014B bonds. Debt service on the Bonds will be paid from the District's annual debt service property tax levy.

Authority:

The Bonds are being issued pursuant to Minnesota Statutes, Section 475.67. The Bonds will be general obligations of the District for which its full faith, credit and taxing powers are pledged.

Term/Call Feature:

The Bonds are being issued for a term of 14 years, 6 months. Principal on the Bonds will be due on February 1 in the years 2022 through 2036. Interest is payable every six months beginning February 1, 2022.

The Bonds will be subject to prepayment at the discretion of the District on February 1, 2029 or any date thereafter.

Bank Qualification:

Because the Bonds are taxable obligations, they are not eligible to be designated as “bank qualified” obligations.

State Credit Enhancement:

By resolution the District will covenant and obligate itself to be bound by the provisions of Minnesota Statutes, Section 126C.55, which provides for payment by the State of Minnesota in the event of a potential default of a school district obligation.

To qualify for the credit enhancement, the District must submit an application to the State. Ehlers will coordinate the application process to the State on your behalf.

Rating:

Under current bond ratings, State credit enhancement would bring a Moody's "Aa2" rating.

The District's most recent bond issues were rated by Moody's Investors Service. The current ratings on those bonds are "Aaa" (underlying rating) and "Aa2" (credit-enhanced rating). The District will request a new rating for the Bonds.

Basis for Recommendation:

Based on our knowledge of your situation and characteristics of various municipal financing options, we are recommending the issuance of General Obligation Refunding Bonds as a suitable option to meet the District's objective of reducing future debt service payments. General Obligation Bonds will result in lower interest rates than some other financing options.

Method of Sale/Placement:

We will solicit competitive bids for the purchase of the Bonds from underwriters and banks.

We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered “reoffering premium.” The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or “discount”) but will pay the remainder of the premium to the District. Any net premium received will be used to reduce the principal amount of the Bonds.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the District and find that, other than the obligations proposed to be refunded by the Bonds, there are no other refunding opportunities at this time.

We will continue to monitor the market and the call dates for the District's outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

The District will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The District is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

Arbitrage Monitoring:

The Bonds are taxable obligations and are therefore subject only to IRS arbitrage yield restriction requirements, which will be verified by the CPA Escrow Verification Agent.

Escrow Account:

The proceeds of the Bonds will be deposited into an escrow account and invested in open market securities (U.S. Treasury securities) chosen with the assistance of a bidding agent or State and Local Government Series (SLGS) securities. Investment earnings on the Bond proceeds in the escrow account are subject to yield restriction based on the yield of the 2014A and 2014B bonds.

The escrow account will pay the interest due on the refunded maturities of the 2014A and 2014B bonds through the call date of February 1, 2023 and will redeem the callable maturities of the 2014A and 2014B bonds on this date. On the day of sale, an independent CPA will verify that the funds in the escrow account will be sufficient and the yield meets regulatory restrictions.

The District will continue to pay the principal and the interest due on the non-callable maturities on the 2014A bonds through the call date of February 1, 2023. The District will also begin paying principal and interest on the 2021A refunding bonds on February 1, 2022.

Other Considerations:

The Bonds are structured so the annual savings begin in fiscal 2025 (taxes payable in 2024), allowing for additional flexibility for any future debt considerations.

Risk Factors:

The Bonds are being issued for the purpose of financing a taxable advance refunding of the 2014A and 2014B bonds. This refunding is being undertaken based in part on the assumption that refunding at this time is likely to provide an overall lower debt cost as compared to waiting to refund the issues until their call date.

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

Bond Counsel: Kennedy & Graven, Chartered

Paying Agent: Bond Trust Services Corporation

Rating Agency: Moody's Investors Service, Inc.

CPA Escrow Verification Agent: Robert Thomas CPA

Escrow Agent: Zions Bancorporation, National Association

Bidding Agent: Ehlers Investment Partners

This presale report summarizes our understanding of the District's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the District's objectives.

PROPOSED DEBT ISSUANCE SCHEDULE

Ehlers Presents Presale Report to School Board and Board Approves Resolution Authorizing Sale of the Bonds:	May 24, 2021
Due Diligence Call to review Official Statement:	Week of June 14, 2021
Distribute Preliminary Official Statement:	Week of June 14, 2021
Conference with Rating Agency:	Week of June 14, 2021
Ehlers Receives and Evaluates Proposals for Purchase of Bonds:	June 28, 2021
School Board Approves Resolution to Award the Sale of the Bonds:	June 28, 2021
Estimated Closing Date:	July 22, 2021
Redemption Date for the Obligations Being Refunded:	February 1, 2023

Attachments

- Estimated Sources and Uses of Funds
- Existing Debt Service Schedules - Callable Portion of 2014A and 2014B Bonds
- Estimated Proposed Debt Service Schedule for 2021A Refunding Bonds
- Estimated Escrow Cashflow Schedule
- Estimated Debt Service Comparison and Refunding Savings
- Resolution Authorizing Ehlers to Proceed with Bond Sale/Credit Enhancement Resolution (provided separately)

EHLERS' CONTACTS

Jeff Seeley, Senior Municipal Advisor	(651) 697-8585
Greg Crowe, Senior Municipal Advisor	(651) 697-8522
Matthew Hammer, Municipal Advisor	(651) 697-8592
Silvia Johnson, Public Finance Analyst	(651) 697-8580
Brian Shannon, Manager, Senior Financial Analyst	(651) 697-8515

The Preliminary Official Statement for this financing will be sent to the School Board at their home or email address for review prior to the sale date.

Wayzata School District No. 284

\$135,755,000 G.O. Taxable Sch Bld and Alternative Facilities Refunding Bds, 2021A
Issue Summary

Dated: July 22, 2021 - Taxable Advance Refunding of Series 2014A & 2014B

Total Issue Sources And Uses

Dated 07/22/2021 | Delivered 07/22/2021

	Taxable Net Cash Refunding 2014A Portion	Taxable Net Cash Refunding 2014B Portion	Issue Summary
Sources Of Funds			
Par Amount	\$106,900,000.00	\$28,855,000.00	\$135,755,000.00
Original Issue Premium	1,706,802.00	366,408.35	2,073,210.35
Total Sources	\$108,606,802.00	\$29,221,408.35	\$137,828,210.35
Uses Of Funds			
Total Underwriter's Discount (0.400%)	427,600.00	115,420.00	543,020.00
Costs of Issuance	289,540.68	78,154.32	367,695.00
Deposit to Net Cash Escrow Fund	107,887,164.17	29,027,008.04	136,914,172.21
Rounding Amount	2,497.15	825.99	3,323.14
Total Uses	\$108,606,802.00	\$29,221,408.35	\$137,828,210.35

Wayzata School District No. 284

\$109,645,000 G.O. School Building Bonds, Series 2014A

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
02/01/2022	-	3,562,675.00	3,562,675.00	-	3.000%	3,562,675.00	3,562,675.00
02/01/2023	100,990,000.00	3,562,675.00	104,552,675.00	-	3.000%	3,562,675.00	3,562,675.00
02/01/2024	-	-	-	3,770,000.00	3.000%	3,562,675.00	7,332,675.00
02/01/2025	-	-	-	6,825,000.00	3.000%	3,449,575.00	10,274,575.00
02/01/2026	-	-	-	7,150,000.00	3.000%	3,244,825.00	10,394,825.00
02/01/2027	-	-	-	7,365,000.00	3.000%	3,030,325.00	10,395,325.00
02/01/2028	-	-	-	7,610,000.00	3.000%	2,809,375.00	10,419,375.00
02/01/2029	-	-	-	8,700,000.00	4.000%	2,581,075.00	11,281,075.00
02/01/2030	-	-	-	9,030,000.00	4.000%	2,233,075.00	11,263,075.00
02/01/2031	-	-	-	9,350,000.00	3.500%	1,871,875.00	11,221,875.00
02/01/2032	-	-	-	9,695,000.00	3.750%	1,544,625.00	11,239,625.00
02/01/2033	-	-	-	10,085,000.00	3.750%	1,181,062.50	11,266,062.50
02/01/2034	-	-	-	10,495,000.00	3.750%	802,875.00	11,297,875.00
02/01/2035	-	-	-	10,915,000.00	3.750%	409,312.50	11,324,312.50
Total	\$100,990,000.00	\$7,125,350.00	\$108,115,350.00	\$100,990,000.00	-	\$33,846,025.00	\$134,836,025.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	7/22/2021
Average Life	8.765 Years
Average Coupon	3.6326600%
Weighted Average Maturity (Par Basis)	8.765 Years
Weighted Average Maturity (Original Price Basis)	8.742 Years

Refunding Bond Information

Refunding Dated Date	7/22/2021
Refunding Delivery Date	7/22/2021

Wayzata School District No. 284

\$27,160,000 G.O. Alternative Facilities Bonds, Series 2014B

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
02/01/2022	-	964,193.76	964,193.76	-	-	964,193.76	964,193.76
02/01/2023	27,160,000.00	964,193.76	28,124,193.76	-	-	964,193.76	964,193.76
02/01/2024	-	-	-	855,000.00	3.000%	964,193.76	1,819,193.76
02/01/2025	-	-	-	1,525,000.00	4.000%	938,543.76	2,463,543.76
02/01/2026	-	-	-	1,595,000.00	4.000%	877,543.76	2,472,543.76
02/01/2027	-	-	-	1,635,000.00	4.000%	813,743.76	2,448,743.76
02/01/2028	-	-	-	1,700,000.00	4.000%	748,343.76	2,448,343.76
02/01/2029	-	-	-	1,945,000.00	4.000%	680,343.76	2,625,343.76
02/01/2030	-	-	-	2,030,000.00	3.125%	602,543.76	2,632,543.76
02/01/2031	-	-	-	2,110,000.00	3.250%	539,106.26	2,649,106.26
02/01/2032	-	-	-	2,185,000.00	3.250%	470,531.26	2,655,531.26
02/01/2033	-	-	-	2,270,000.00	3.375%	399,518.76	2,669,518.76
02/01/2034	-	-	-	2,355,000.00	3.375%	322,906.26	2,677,906.26
02/01/2035	-	-	-	2,445,000.00	3.500%	243,425.00	2,688,425.00
02/01/2036	-	-	-	4,510,000.00	3.500%	157,850.00	4,667,850.00
Total	\$27,160,000.00	\$1,928,387.52	\$29,088,387.52	\$27,160,000.00	-	\$9,686,981.38	\$36,846,981.38

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	7/22/2021
Average Life	9.726 Years
Average Coupon	3.4938574%
Weighted Average Maturity (Par Basis)	9.726 Years
Weighted Average Maturity (Original Price Basis)	9.553 Years

Refunding Bond Information

Refunding Dated Date	7/22/2021
Refunding Delivery Date	7/22/2021

Wayzata School District No. 284

\$135,755,000 G.O. Taxable Sch Bld and Alternative Facilities Refunding Bds, 2021A
Issue Summary

Dated: July 22, 2021 - Taxable Advance Refunding of Series 2014A & 2014B

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
07/22/2021	-	-	-	-	-
02/01/2022	3,175,000.00	2.000%	1,351,506.19	4,526,506.19	4,526,506.19
08/01/2022	-	-	1,255,398.75	1,255,398.75	-
02/01/2023	2,015,000.00	2.000%	1,255,398.75	3,270,398.75	4,525,797.50
08/01/2023	-	-	1,235,248.75	1,235,248.75	-
02/01/2024	6,680,000.00	2.000%	1,235,248.75	7,915,248.75	9,150,497.50
08/01/2024	-	-	1,168,448.75	1,168,448.75	-
02/01/2025	9,130,000.00	2.000%	1,168,448.75	10,298,448.75	11,466,897.50
08/01/2025	-	-	1,077,148.75	1,077,148.75	-
02/01/2026	9,440,000.00	2.000%	1,077,148.75	10,517,148.75	11,594,297.50
08/01/2026	-	-	982,748.75	982,748.75	-
02/01/2027	9,605,000.00	2.000%	982,748.75	10,587,748.75	11,570,497.50
08/01/2027	-	-	886,698.75	886,698.75	-
02/01/2028	9,820,000.00	2.000%	886,698.75	10,706,698.75	11,593,397.50
08/01/2028	-	-	788,498.75	788,498.75	-
02/01/2029	11,060,000.00	1.500%	788,498.75	11,848,498.75	12,636,997.50
08/01/2029	-	-	705,548.75	705,548.75	-
02/01/2030	11,210,000.00	1.600%	705,548.75	11,915,548.75	12,621,097.50
08/01/2030	-	-	615,868.75	615,868.75	-
02/01/2031	11,365,000.00	1.750%	615,868.75	11,980,868.75	12,596,737.50
08/01/2031	-	-	516,425.00	516,425.00	-
02/01/2032	11,590,000.00	1.750%	516,425.00	12,106,425.00	12,622,850.00
08/01/2032	-	-	415,012.50	415,012.50	-
02/01/2033	11,830,000.00	2.000%	415,012.50	12,245,012.50	12,660,025.00
08/01/2033	-	-	296,712.50	296,712.50	-
02/01/2034	12,110,000.00	2.000%	296,712.50	12,406,712.50	12,703,425.00
08/01/2034	-	-	175,612.50	175,612.50	-
02/01/2035	12,390,000.00	2.100%	175,612.50	12,565,612.50	12,741,225.00
08/01/2035	-	-	45,517.50	45,517.50	-
02/01/2036	4,335,000.00	2.100%	45,517.50	4,380,517.50	4,426,035.00
Total	\$135,755,000.00	-	\$21,681,283.69	\$157,436,283.69	-

Yield Statistics

Bond Year Dollars	\$1,141,236.38
Average Life	8.407 Years
Average Coupon	1.8998066%
Net Interest Cost (NIC)	1.7657248%
True Interest Cost (TIC)	1.7512251%
Bond Yield for Arbitrage Purposes	1.6997152%
All Inclusive Cost (AIC)	1.7862562%

IRS Form 8038

Net Interest Cost	1.7037934%
Weighted Average Maturity	8.350 Years

Wayzata School District No. 284

\$135,755,000 G.O. Taxable Sch Bld and Alternative Facilities Refunding Bds, 2021A

Issue Summary

Dated: July 22, 2021 - Taxable Advance Refunding of Series 2014A & 2014B

Escrow Fund Cashflow

Date	Principal	Rate	Zero Coupon	Reinvestment	Receipts	Disbursements	Cash Balance
07/22/2021	-	-	-	-	2,263,737.52	-	2,263,737.52
08/01/2021	-	-	-	-	-	2,263,434.38	303.14
01/31/2022	2,264,000.00	-	-	-	2,264,000.00	-	2,264,303.14
02/01/2022	-	-	-	-	-	2,263,434.38	868.76
07/31/2022	2,263,000.00	-	-	-	2,263,000.00	-	2,263,868.76
08/01/2022	-	-	-	-	-	2,263,434.38	434.38
01/15/2023	130,413,000.00	-	-	-	130,413,000.00	-	130,413,434.38
01/17/2023	-	-	(130,413,433.00)	-	(130,413,433.00)	-	1.38
02/01/2023	-	-	-	130,413,433.00	130,413,433.00	130,413,434.38	-
Total	\$134,940,000.00	-	(130,413,433.00)	\$130,413,433.00	\$137,203,737.52	\$137,203,737.52	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	2,263,737.52
Cost of Investments Purchased with Bond Proceeds	134,650,434.69
Total Cost of Investments	\$136,914,172.21
Target Cost of Investments at bond yield	\$133,820,780.10
Actual positive or (negative) arbitrage	(3,093,392.11)
Yield to Receipt	0.1437957%
Yield for Arbitrage Purposes	1.6997152%
State and Local Government Series (SLGS) rates for	5/19/2021

Wayzata School District No. 284

\$135,755,000 G.O. Taxable Sch Bld and Alternative Facilities Refunding Bds, 2021A
Issue Summary

Dated: July 22, 2021 - Taxable Advance Refunding of Series 2014A & 2014B

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
02/01/2022	4,526,506.19	2,129,200.00	6,652,383.05	6,656,068.76	3,685.71
02/01/2023	4,525,797.50	2,199,050.00	6,724,847.50	6,725,918.76	1,071.26
02/01/2024	9,150,497.50	-	9,150,497.50	9,151,868.76	1,371.26
02/01/2025	11,466,897.50	-	11,466,897.50	12,738,118.76	1,271,221.26
02/01/2026	11,594,297.50	-	11,594,297.50	12,867,368.76	1,273,071.26
02/01/2027	11,570,497.50	-	11,570,497.50	12,844,068.76	1,273,571.26
02/01/2028	11,593,397.50	-	11,593,397.50	12,867,718.76	1,274,321.26
02/01/2029	12,636,997.50	-	12,636,997.50	13,906,418.76	1,269,421.26
02/01/2030	12,621,097.50	-	12,621,097.50	13,895,618.76	1,274,521.26
02/01/2031	12,596,737.50	-	12,596,737.50	13,870,981.26	1,274,243.76
02/01/2032	12,622,850.00	-	12,622,850.00	13,895,156.26	1,272,306.26
02/01/2033	12,660,025.00	-	12,660,025.00	13,935,581.26	1,275,556.26
02/01/2034	12,703,425.00	-	12,703,425.00	13,975,781.26	1,272,356.26
02/01/2035	12,741,225.00	-	12,741,225.00	14,012,737.50	1,271,512.50
02/01/2036	4,426,035.00	-	4,426,035.00	4,667,850.00	241,815.00
Total	\$157,436,283.69	\$4,328,250.00	\$161,761,210.55	\$176,011,256.38	\$14,250,045.83

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	12,420,662.10
Net PV Cashflow Savings @ 1.700%(Bond Yield).....	12,420,662.10
Contingency or Rounding Amount.....	3,323.14
Net Present Value Benefit	\$12,423,985.24
Net PV Benefit / \$150,248,872.45 PV Refunded Debt Service	8.269%
Net PV Benefit /\$128,150,000 Refunded Principal...	9.695%
Net PV Benefit /\$135,755,000 Refunding Principal..	9.152%

Refunding Bond Information

Refunding Dated Date	7/22/2021
Refunding Delivery Date	7/22/2021

EXTRACT OF MINUTES OF MEETING
OF THE SCHOOL BOARD OF INDEPENDENT SCHOOL DISTRICT NO. 284
(WAYZATA PUBLIC SCHOOLS)
HENNEPIN COUNTY, MINNESOTA

Pursuant to due call and notice thereof, a special meeting of the School Board of Independent School District No. 284 (Wayzata Public Schools), Hennepin County, Minnesota, was duly held on May 24, 2021 at 4:00 P.M. in the School District, in person or by electronic means pursuant to Minn. Stat. § 13D.021.

The following members were present:

and the following were absent:

* * *

* * *

* * *

The Board Chair announced that the next order of business was consideration of the intent to issue the District's General Obligation Taxable School Building and Alternative Facilities Refunding Bonds, Series 2021A. Member _____ introduced the following resolution, and moved its adoption:

RESOLUTION RESCINDING PRIOR RESOLUTION AND STATING THE INTENTION OF THE SCHOOL BOARD TO ISSUE GENERAL OBLIGATION TAXABLE SCHOOL BUILDING AND ALTERNATIVE FACILITIES REFUNDING BONDS, SERIES 2021A, AND TAKING OTHER ACTIONS WITH RESPECT THERETO

BE IT RESOLVED By the School Board (the “School Board”) of Independent School District No. 284 (Wayzata Public Schools), Hennepin County, Minnesota (the “District”) as follows:

1. Background. It is hereby determined that:

(a) On May 22, 2014, the District issued its General Obligation School Building Bonds, Series 2014A (the “Series 2014A Bonds”), in the original aggregate principal amount of \$109,645,000, as approved by the voters of the District at a special election held on February 24, 2014, and its General Obligation Alternative Facilities Bonds, Series 2014B (the “Series 2014B Bonds”), in the original aggregate principal amount of \$27,160,000, pursuant to Minnesota Statutes, Section 123B.59, and Minnesota Statutes, Chapter 475, as amended (the “Act”). The Series 2014A Bonds are currently outstanding in the principal amount of \$105,130,000 of which \$100,990,000 in principal amount is subject to redemption on or after February 1, 2023. Proceeds of the Series 2014A Bonds were used to finance the acquisition and betterment of school sites and facilities in the District. The Series 2014B Bonds are currently outstanding in the principal amount of \$27,160,000, of which \$27,160,000 in principal amount is subject to redemption on or after February 1, 2023. Proceeds of the Series 2014B Bonds were used to fund the acquisition and betterment of projects included in the District’s ten-year plan approved by the Commissioner of Education.

(b) The District is authorized by Section 475.67, subdivision 3, of the Act to issue and sell its general obligation bonds to refund obligations and the interest thereon before the due date of the obligations, if consistent with covenants made with the holders thereof, when determined by the School Board to be necessary or desirable for the reduction of debt service costs to the District or for the extension or adjustment of maturities in relation to the resources available for their payment.

(c) It is necessary and desirable for the reduction of debt service costs to the District that the District issue its General Obligation Taxable School Building and Alternative Facilities Refunding Bonds, Series 2021A (the “Bonds”), in the aggregate principal amount of approximately \$131,000,000, pursuant to the Act, specifically Section 475.67, subdivision 3, to achieve the refunding of the Series 2014A Bonds in advance of their stated maturities by refunding on February 1, 2023, the 2024 through 2035 maturities of the Series 2014A Bonds, and to achieve the refunding of the Series 2014B Bonds in advance of their stated maturities by refunding on February 1, 2023, the 2024 through 2036 maturities of the Series 2014B Bonds.

(d) On March 8, 2021, the School Board adopted a resolution authorizing the issuance and sale of the Bonds pursuant to the following parameters: (i) the principal amount of the Bonds shall be approximately \$131,000,000; and (ii) the net present value of savings as a percentage of net present value of existing debt service must be at least 10.00%. (the “Parameters Resolution”). The Board now desires to proceed with the refunding of the Series 2014A and Series 2014B Bonds without these parameters and hereby rescinds the Parameters Resolution.

(e) As set forth below, the Board has retained an independent municipal advisor and therefore is authorized by Section 475.60, subdivision 2(9), of the Act to sell the Bonds other than pursuant to a competitive sale.

2. Covenant as to State Credit Enhancement. The District hereby covenants and obligates itself to notify the Minnesota Commissioner of Education of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 (the “Credit Enhancement Act”) to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the registrar for the Bonds (the “Registrar”) or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Registrar is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Registrar. The District understands that as a result of its covenant to be bound by the provisions of the Credit Enhancement Act, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

The District further covenants to comply with all procedures now and hereafter established by the Minnesota Department of Management and Budget and by the Minnesota Department of Education pursuant to subdivision 2(c) of the Credit Enhancement Act and otherwise to take such actions as necessary to comply with that section. The Board Chair, Clerk, Superintendent, or Executive Director of Business and Finance or Director of Business Services is authorized to execute any applicable Minnesota Department of Education forms.

3. Acceptance of Proposal. The Board shall meet at the time and place specified in the Official Statement to receive and consider proposals for the purchase of the Bonds and take any other appropriate action with respect to the Bonds.

4. Authority of Municipal Advisor. Ehlers and Associates, Inc., the District’s municipal advisor (the “Municipal Advisor”), is authorized and directed to assist the District in the preparation and dissemination of a Preliminary Official Statement with respect to the Bonds and to open, read, and tabulate the proposals for presentation to the Board. The Municipal Advisor is further authorized and directed to assist the District in the award and sale of the Bonds on behalf of the District after receipt of written proposals with respect to the Bonds.

5. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered, as bond counsel for the District (“Bond Counsel”), is authorized to act as bond counsel and to assist in the preparation and review of all necessary or appropriate documents, certificates, and instruments relating to the Bonds. The officers, employees, and agents of the District are hereby authorized to assist Bond Counsel in the preparation of such documents, certificates, and instruments.

6. Official Statement. In connection with the sale of the Bonds, the officers or employees of the District are authorized and directed to cooperate with the Municipal Advisor and participate in the preparation of a final Official Statement with respect to the Bonds and to deliver the final Official Statement on behalf of the District upon its completion.

(The remainder of this page is intentionally left blank.)

The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA)
)
COUNTY OF HENNEPIN) ss.
)
INDEPENDENT SCHOOL)
DISTRICT NO. 284)

I, the undersigned, being the duly qualified and acting Clerk of Independent School District No. 284 (Wayzata Public Schools), Hennepin County, Minnesota (the “District”), do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the School Board of the District held on May 24, 2021, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the intent to issue of the District’s General Obligation Taxable School Building and Alternative Facilities Refunding Bonds, Series 2021A.

WITNESS My hand officially as such Clerk this _____ day of _____, 2021.

Clerk
Independent School District No. 284
(Wayzata Public Schools), Hennepin County, Minnesota

B. Approval of the High School to participate in the Seamless Summer Option federal meal program for the 2021-22 school year

24



BOARD OF EDUCATION
Special Meeting – May 24, 2021

AGENDA SECTION: Administrative Reports and Recommendations

ITEM: Finance and Business Services Recommendations

COMMENTS BY: Jim Westrum, Executive Director of Finance and Business

Seamless Summer Option – Wayzata High School

In April 2021 the United States Department of Agriculture announced the establishment of a waiver, pursuant to Section 2202(a) of the Families First Coronavirus Response Act, allowing the National School Lunch Program Seamless Summer Option to operate during the regular school year ending June 30, 2022.

Wayzata High School does not currently participate in the National School Lunch Program, however after careful consideration the District administration believes that the Seamless Summer Option would provide the District with several advantages. These advantages include a favorable reimbursement rate for each meal served, free meals for all students, and additional food support for free and reduced-price students if the Pandemic Electronic Benefits Transfer (PEBT) is extended for 2021-22 school year.

Recommended Action: Authorize the District administration to apply for Wayzata High School’s participation in the federal Seamless Summer Option program for the 2021-2022 school year.

Motion by: _____

ROLL CALL

Passed: _____

Second by: _____

Failed: _____

Abstentions: _____ 24 _____



BOARD OF EDUCATION
Special Meeting – May 24, 2021

AGENDA SECTION: Administrative Reports and Recommendations

ITEM: Finance and Business Services Recommendations

COMMENTS BY: Jim Westrum, Executive Director of Finance and Business

Oakwood Kitchen HVAC Replacement Project

The bid opening for the 2021 Oakwood Kitchen HVAC Replacement Project (“Project”) was held at the Wayzata Welcome Center on Tuesday, April 27, 2021 at 2:00 p.m. The scope of the project includes the replacement of mechanical equipment and related concrete and electrical work. The project is being financed by Long-Term Facilities Maintenance funding.

The enclosed document lists the lowest responsible bidders and their respective base bid amounts for the purposes of contract awards. Also enclosed is a recommendation from the District’s strategic partners, Wold Architects and Engineers.

Recommended Action: Award to the lowest responsible bidder listed in the enclosed document, Derau Construction, in the total amount of \$168,400.00, construction contracts for the project.

Motion by: _____

ROLL CALL

Passed: _____

Second by: _____

Failed: _____

Abstentions: _____



April 29, 2021

Board of Education
Wayzata Public Schools
210 County Road 101 North
Wayzata, Minnesota 553491

Re: Independent School District #284
Oakwood Elementary Kitchen HVAC Replacement
Commission No. 202147

Dear Board of Education:

On Tuesday, April 27, 2021, at 2:00 p.m., bids were received from five contractors for the Kitchen HVAC Replacement project at Wayzata Oakwood Elementary School. A bid tabulation is attached for your review. Derau Construction from Burnsville, Minnesota submitted the low base bid in the amount of \$168,400.

We recommend awarding the contract to Derau Construction as follows:

Base bid	\$168,400
TOTAL CONTRACT	\$168,400

Sincerely,

Wold Architects and Engineers

Valerie Peterson | AIA, LEED AP
Associate

Enclosures

cc: Aaron Ausing, Wold (letter only)
Contract File (letter only)

SS/ISD_284/202147/crsp/apr21



Owner: Wayzata Public Schools, ISD #284
Project Name: Oakwood Kitchen HVAC Replacement

BID TABULATION

Comm No.: 202147
 Date: April 27, 2021
 Time: 2:00 PM

Wold Architects and Engineers
 332 Minnesota Street, Suite W2000
 Saint Paul, Minnesota 55101
 651.227.7773

Bidders Name	Addendum Numbers	Bid Security	MN Responsible Contractor	Base Bid	Remarks
Derau Construction 1407 East Cliff Road Burnsville, MN 55337 952-697-5131	N/A	Y	Y	\$168,400	Apparent Low Bidder
Ebert Construction 23350 County Road 10 Corcoran, MN 55357 763-498-7844	N/A	Y	Y	\$176,300	
NAC Mechanical 1001 Labore Industries Cour Suite B Vadnais Heights, MN 55110 651-490-9868	N/A	Y	Y	\$185,700	
Northland Mechanical 9001 Science Center Dr New Hope, MN 55428 763-544-5100	N/A	Y	Y	\$178,600	
Peterson Sheet Metal 3728 Bemidji Avenue North Bemidji, MN 56601 218-751-4502	N/A	Y	Y	\$179,000	



Board of Education
Special Meeting – May 24, 2021

AGENDA SECTION: Adjourn

ITEM: Adjourn

COMMENTS BY: Andrea Cuene, Board Chair

Recommended Action: Call the meeting to a close.

Motion by: _____

ROLL CALL

Passed: _____

Second by: _____

Failed: _____

Abstentions: _____