

MEMO TO: Board of Education
TOPIC: Regular School Board Meeting
FROM: Steve D. Cairns, Superintendent
DATE: March 28, 2019

A Regular School Board Meeting of the Board of Education will be held April 1, 2019 at 7:30 PM in the High School Room 101.

Agenda

1. CALL TO ORDER

A. Pledge

2. PREVIEW OF AGENDA

During this time any board member may pull any item(s) from the Consent Agenda

3. ADDITIONS TO THE AGENDA

4. CONSENT AGENDA

A. Minutes 3
 March 15 - Special
 March 18 - Special & Regular Meeting
 March 19 - Special
 March 26 - Special

B. Christianson Construction Invoice - \$27,760.00 11

5. COMMUNICATIONS

A. Enrollment 12

6. STUDENT INPUT AND RECOGNITION

7. PUBLIC AGENDA ITEM

8. INFORMATION ITEMS

A. BES Principal Report 14

B. BHS Principal Report 16

C. Community Education

D. Superintendent Report

E. Committee Reports

1) Athletics

2) District Advisory

- 3) Meet and Confer
- 4) Negotiations
- 5) Security
- 6) Transportation
- 7) Wellness
- 8) Other

9. SCHOOL BOARD ACTION ITEMS

- A. Purchase Agreement between the City of Bagley and Bagley School District 17
- B. Staffing
 - 1) Personal Unpaid Leave Request - Employee A. Employee A is requesting 2 additional unpaid days off.
 - 2) Medical Unpaid Leave Request - Employee B. Employee B is requesting 1 additional unpaid day off.
 - 3) Resignation - Colleen Mayer as a Special Education Teacher effective May 31, 2019.
- C. 2019-20 Health Insurance Bid 48

10. NEXT MEETING'S AGENDA ITEMS

11. FUTURE MEETINGS

School Board Meeting – April 15, 2019, at 7:30 p.m. in BHS Room 101

12. ADJOURNMENT

**BAGLEY PUBLIC SCHOOLS
SPECIAL SCHOOL BOARD MEETING
MARCH 15, 2019
MINUTES**

The special meeting of the School Board, Independent School District #162 was held on March 15, 2019, at 3:30 p.m. at High School Room 100. Members present: Adam Broden, Jamie Grover, Amy Fontaine, Renee Benson, Wendy Fultz, Jeremy Davies, Don Nordlund and Superintendent Cairns. Members absent: None.

Clerk Grover called the meeting to order and opened with the Pledge of Allegiance to the Flag.

1. A motion was made by Jeremy Davies, seconded by Don Nordlund to approve the special meeting agenda. Motion carried 5-0.
2. Chairman Broden and Director Benson entered the meeting at 3:42 p.m.
3. A motion was made by Amy Fontaine, seconded by Renee Benson to authorize the submission of the Integration and Achievement grant application and budget as presented. Staffing would be contingent upon available funding. Motion passed 7-0.
4. A motion was made by Amy Fontaine to adjourn the meeting at 3:56 p.m.

Adam Broden, Chairman
School Board
Ind. School District #162

Jamie Grover, Clerk
School Board
Ind. School District #162

**BAGLEY PUBLIC SCHOOLS
SPECIAL SCHOOL BOARD MEETING
MARCH 15, 2019
MINUTES**

The special meeting of the School Board, Independent School District #162 was held on March 15, 2019, at 4:00 p.m. at High School Room 101. Members present: Adam Broden, Jamie Grover, Amy Fontaine, Renee Benson, Wendy Fultz, Jeremy Davies, Don Nordlund and Superintendent Cairns. Members absent: None.

Chairman Broden called the meeting to order and opened with the Pledge of Allegiance to the Flag.

1. First round interviews were held for the superintendent's position. The finalists are: Terri Anderson Mann, Sue Richards Chase, Bryan Hackbarth, and Erich Heise.
2. A motion was made by Wendy Fultz, seconded by Jeremy Davies, to approve second round interview questions. Motion passed 7-0.
3. A motion was made by Amy Fontaine, seconded by Jeremy Davies to approve the second round interview schedule. Motion passed 7-0.
4. A motion was made by Jamie Grover, seconded by Renee Benson to invite Erich Heise and Sue Richards Chase for final interviews on Tuesday, March 19, 2019, in BHS Room 100. Motion passed 7-0.
5. A motion was made by Amy Fontaine to adjourn the meeting at 8:59 p.m.

Adam Broden, Chairman
School Board
Ind. School District #162

Jamie Grover, Clerk
School Board
Ind. School District #162

**BAGLEY PUBLIC SCHOOLS
SPECIAL SCHOOL BOARD MEETING
MARCH 18, 2019
MINUTES**

The special meeting of the School Board, Independent School District #162 was held on March 18, 2019, at 6:00 p.m. at High School Room 101. Members present: Amy Fontaine, Jamie Grover, Renee Benson, Wendy Fultz, Don Nordlund and Superintendent Cairns. Members absent: Adam Broden and Jeremy Davies.

Clerk Grover called the meeting to order and opened with the Pledge of Allegiance to the Flag.

1. Superintendent Cairns review "Progress Report" on the status of the Strategic Plan priorities.
2. Jeff Olson, MSBA Consultant, provided a one-year follow-up for the Bagley Board Strategic Plan and provided guidance on monitoring and adjusting the plan on an annual basis.
3. A motion was made by Amy Fontaine to adjourn the meeting at 7:22 p.m. Motion passed 5-0.

Adam Broden, Chairman
School Board
Ind. School District #162

Jamie Grover, Clerk
School Board
Ind. School District #162

**BAGLEY PUBLIC SCHOOLS
REGULAR SCHOOL BOARD MEETING
MARCH 18, 2019
MINUTES**

The regular meeting of the School Board, Independent School District #162 was held on March 18, 2019, at 7:30 p.m. in High School Room 101. Members present: Adam Broden, Jamie Grover, Amy Fontaine, Renee Benson, Wendy Fultz, Don Nordlund, and Superintendent Cairns. Members absent: Jeremy Davies

Chairman Broden called the meeting to order and opened with the Pledge of Allegiance to the Flag.

1. A motion was made by Wendy Fultz, seconded by Amy Fontaine to approve the following consent agenda items:
 - A. March 4 Minutes – Closed & Regular Board Meeting
 - B. March 13 Minutes – Special Board Meeting
 - C. March 2019 Invoices - \$129,840.55 – Ck #59806-59875
 - D. February 2019 Hand Payables - \$79,785.21 – Ck #32904-32947
 - E. February 2019 Statement of Cash Balances – \$3,812,520.56
 - F. February 2019 Budget Comparison
 - G. February 2019 Wires Payments - \$335,449.43
 - H. Elementary & High School Auxiliary AccountMotion passed 6-0.
2. MSBA Phase III training in Thief River Fall on April 24 with advanced registration closing on April 16 and MSBA Phase IV training in Thief River Falls on April 11 with advanced registration closing on April 3.
3. Chairman Broden announced that James Hvezda is the February Senior of the Month.
4. Chairman Broden announced that Ava Evans, Hunter Dahlke, Oliver Huschle, Grey Gamber, Olivia Kortan, Jonathan Thomas, Alaina Erickson, Easton Burgoon, Eliya Elgersma, Ida Larson, Audrey Shongo, Madison Mullan, Jackson Moen, CharLee Benson, Jodi Neeland, Reid Gerbracht, Lily Sandretzky, Mason Mudge, Cathryn Mondt, Dani Skarison, Emma Crist, Abbi Christianson, Aliyaa Stevens, Ava Phrakonkham, and Brooke Erickson were the January Elementary Students of the Month.
5. Congratulations to Jorgen Hamel on being selected as a KRJB Broadcasting Good Student Award winner for the week of March 11th.
6. Director Benson entered the meeting.
7. Willa Olson requested that the Board reconsider the direct deposit policy to allow pay check be delivered via internal mail instead of US mail. The Board agreed to have the district office look into the possibility of internal delivery and notify and respond to the request.
8. Principal Moritz presented elementary principal report:
 - Literacy Night/Book fair was a huge success. We had around 600 people attend.
 - Bagley Elementary participated in Read Across America.
 - The High School Band will be performing for the Elementary on Friday.
 - We conducted a technology bandwidth test at the Elementary. We will be all set for MCA testing.
 - Bagley Elementary Staff did a wonderful job coming together with all our recent challenges with our building.
 - The DARE program in the 6th grade is going well. It is taught by our school resource officer, Neil Dolan.

- Our Pee Wee hockey team advanced to state.
- The volleyball camp for 3-6 grade had 27 students attend and the coaches did a great job.
- Elementary Basketball's season wrapped up. All the teams did a fantastic job.
- Elementary Wrestling is still underway. Their next meet is on Tuesday in Fosston.

Items on the Horizon

- We will be holding Parent Teacher conference the first week in April.

9. Principal Kerr presented BHS Principal Report:

- Food shelf donations for February- \$991.87 and 131 items of food.
- CIS team presented our School Improvement Plan to the leadership team, we have consulted with the Regional Center of Excellence and will be constructing our communication plan.
- Clearwater county and the Epilepsy Foundation presented a training on Seizures to the high school staff Wednesday.
- Band and Choir Carnival fundraiser went very well, and many attended.
- Positive phone calls for the high school have exceeded 1000 calls with a total of 1169 positive calls to families in our school community. This has earned the staff a reward- at 500 calls they received a brat feed.
- We ran technology tests for our broadband internet in the high school. We have the bandwidth to take the MCA exams all at one time, and on time. We were able to learn of weaknesses in the infrastructure, and as reported, we are in great shape.
- I would like to thank our custodians and maintenance workers for their flexibility and prompt response to requests and repairs. They seem happy to do the work and are easy to work with. Thank You!
- Spring Practices are getting underway. With the weather this year we will be expecting abbreviated and condensed competition schedules.
- Carol Bliss-Quinn will report on History Day and the Science Fair.

Items on the horizon

- We will be researching and exploring ideas for e-learning for snow days.
- We will be looking at in house on-line learning opportunities for students who are leaving the district for these options, we want to keep these kids.
- Student handbook review-tardies, bus and handbook referrals for severe behaviors.

10. A motion was made by Amy Fontaine, seconded by Don Nordlund to approve the BES School Improvement Plan and the curriculum purchase. Motion passed 6-0.

11. A motion was made by Don Nordlund, seconded by Jamie Grover to approve the BES Parent Survey. Motion passed 6-0.

12. A motion was made by Don Nordlund, seconded by Wendy Fultz to approve the History Day Overnight Trip Request on May 3-4, 2019 as presented by Carol Bliss Quinn. The district will provide transportation and the cost four hotel rooms. Motion passed 6-0.

A motion was made by Don Nordlund, seconded by Wendy Fultz to amend motion to include payment of meals. Motion passed 6-0.

13. A motion was made by Amy Fontaine, seconded by Renee Benson to approve the AIEA Annual Compliance Documents and authorize the submission of the report to MDE. Motion passed 6-0.
14. A motion was made by Amy Fontaine, seconded by Renee Benson to approve the personal unpaid leave request for Employee A. Employee A is requesting one additional unpaid day off. Motion passed 6-0.
15. A motion was made by Amy Fontaine, seconded Jamie Grover to approve the personal unpaid leave request for Employee B. Employee B is requesting one additional day unpaid day off. Motion passed 6-0.
16. A motion was made by Wendy Fultz, seconded by Don Nordlund to accept the resignation of Jenny Fraley, School Counselor, effective at the end of the 2018-2019 SY. Motion passed 6-0.
17. A motion was made by Renee Benson, seconded by Jamie Grover to approve the personal unpaid leave request for Employee C. Employee C is requesting four additional day unpaid days off. Motion passed 6-0.
18. A motion was made by Jamie Grover, seconded by Don Nordlund to approve the following insurance claim:
 - A. Payment of Dyr Dahl Construction’s snow removal invoice in the amount of \$4,680.
 - B. EAPC elementary roof design and authorize the design sent to the State for approval
 - C. Payment of Christiansen Construction Co invoice in the amount of \$153,237.00
 Motion passed 6-0.
19. Items for the Next Agenda:
20. Future Meetings:
 - A. School Board Meeting for Second Round of Superintendent Interviews – March 19, 2019, at 4:30 p.m. in BHS Room 100.
 - B. School Board Meeting for approval of Superintendent Contract – March 26, 2019, in High School Room 101.
 - C. School Board Meeting – April 1, 2019, at 7:30 p.m. in BHS Room 101
21. A motion was made by Amy Fontaine to adjourn the meeting at 9:09 p.m. Motion passed 6-0.

Adam Broden, Chairman
 School Board
 Ind. School District #162

Jamie Grover, Clerk
 School Board
 Ind. School District #162

**BAGLEY PUBLIC SCHOOLS
SPECIAL SCHOOL BOARD MEETING
MARCH 19, 2019
MINUTES**

The special meeting of the School Board, Independent School District #162 was held on March 19, 2019, at 4:30 p.m. at High School Room 100. Members present: Adam Broden, Amy Fontaine, Jamie Grover, Renee Benson, Wendy Fultz, Don Nordlund and Superintendent Cairns. Members absent: Jeremy Davies.

Chairman Broden called the meeting to order and opened with the Pledge of Allegiance to the Flag.

1. Interviews were held for the two Superintendent finalists.
2. A motion was made by Don Nordlund, seconded by Wendy Fultz to hire Erich Heise as the Bagley Superintendent, effective July 1, 2019, contingent upon negotiation of a contract, receipt of a satisfactory background check and current Minnesota superintendent licensure. Motion passed 6-0.
3. A motion was made by Amy Fontaine to adjourn the meeting at 6:41 p.m.

Adam Broden, Chairman
School Board
Ind. School District #162

Jamie Grover, Clerk
School Board
Ind. School District #162

**BAGLEY PUBLIC SCHOOLS
SPECIAL SCHOOL BOARD MEETING
MARCH 26, 2019
MINUTES**

The special meeting of the School Board, Independent School District #162 was held on March 26, 2019, at 7:00 p.m. at High School Room 101. Members present: Adam Broden, Amy Fontaine, Renee Benson, Wendy Fultz, Jeremy Davies, and Don Nordlund. Members absent: Jamie Grover Superintendent Cairns.

Chairman Broden called the meeting to order and opened with the Pledge of Allegiance to the Flag.

1. A motion was made by Don Nordlund, seconded by Renee Benson to approve the superintendent contract and to authorize the appropriate officers to sign the contract for the period July 1, 2019 through June 30, 2022.

2. A motion was made by Amy Fontaine to adjourn the meeting at 7:08 p.m.

Adam Broden, Chairman
School Board
Ind. School District #162

Jamie Grover, Clerk
School Board
Ind. School District #162



Christiansen Construction Co, Inc.
 2805 Washington Avenue South
 PO Box 456
 Bemidji, MN 56601

Invoice

Date	Invoice #
3/25/2019	3.62

Bill To
Bagley ISD #162-Bagley Elementary School c/o Steve Cairns, Superintendent 202 Bagley Ave NW Bagley, MN 56621

P.O. No.	Terms	Project	Job Description
	Net 30	Roof Damage Repairs	Progress Billing #1

Item	Description	Est Amt	Prior Amt	Qty	Rate	Total %	Amount
02.10 Demo	Collapsed Roof (Demo Damage) - Work From 2/25/19 - 2/29/19	27,760.00		1	27,760.00	100.00%	27,760.00
	Removed Snow On Roof. Removed Collapsed Roof, Including Ceiling Tile, 12 x 12 Tile, Wood Lath, 4 x 4 Cedar From Hallway To Gym Wall, 4 x 4 Steel Angle, Rubber Membrane, Ballast, Roof Insulation, & Down Spouts. Removed Variable Air Volume (VAV) Units And Associated Duct Work. Removed Piping To The VAV Boxes, Including The Rooms To The South. Removed Sprinkler System In Hallway. Removed ALL Electrical Systems Through The Hallway. Re-Fed Systems Needed For Normal School Function. Re-Secured The Sprinkler Main Line And Electrical Conduit To Wall.						
New Constr...	Repair Plans: EAPC Project # 20191830 S201 Dated 3-7-19 Includes Labor & Material For Build-Back	125,477.00		0	125,477.00	0.00%	0.00

Thank you for your business! Chris Christiansen	Total	\$27,760.00
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Bagley School											
Enrollment K -12											
SY 2018-2019											
	4/1/19	3/1/19	2/1/19	1/2/19	12/3/18	11/1/18	10/1/18	9/18/18	5/31/18	9/19/17	
HK	16	15	15	15	15	15	15	15	11	10	
K	57	59	59	60	62	59	64	64	61	64	
1	64	63	64	62	61	61	62	62	83	84	
2	85	85	86	86	84	84	82	83	74	71	
3	70	71	71	70	70	70	70	70	91	87	
4	93	93	93	92	91	90	89	89	74	75	
5	76	77	75	76	75	73	73	73	95	98	
6	90	93	92	93	94	93	93	93	78	82	
Total K-6	551	556	555	554	552	545	548	549	567	571	
7	76	76	77	77	78	79	79	78	82	80	
8	83	83	83	84	84	85	85	85	71	75	
9	66	65	67	67	68	69	69	69	73	74	
10	73	73	73	74	74	76	74	74	55	63	
11	53	53	52	50	51	52	53	53	68	81	
12	64	65	64	66	65	67	67	66	67	74	
Total 7-12	415	415	416	418	420	428	427	425	416	447	
Total K-12	966	971	971	972	972	973	975	974	983	1,018	

Bagley School														
Enrollment K -12														
Comparison 05/06 - 18/19 SY														
	4/1/19	4/2/18	4/3/17	4/1/16	4/1/15	4/1/14	4/2/13	4/1/12	4/1/11	4/1/10	4/1/09	4/1/08	4/2/07	4/3/06
HK	16	11	12	16	11	4	15	19	14	14	14	18	5	9
K	57	60	70	57	79	76	90	72	76	72	68	59	75	73
1	64	84	71	89	74	101	87	79	75	73	70	66	80	76
2	85	73	90	71	98	80	86	72	71	68	68	85	80	65
3	70	88	76	98	82	88	76	70	66	73	76	75	66	69
4	93	72	105	79	83	77	77	65	79	79	74	64	64	87
5	76	95	81	82	76	70	66	77	83	76	65	67	92	78
6	90	78	79	78	71	66	75	83	82	69	72	91	79	73
Total K-6	551	561	584	570	574	562	572	537	546	524	507	525	541	530
7	76	83	75	71	66	74	89	85	72	69	90	80	73	97
8	83	71	69	67	75	82	81	66	75	86	72	74	96	71
9	66	73	72	74	81	82	66	73	80	75	70	97	68	95
10	73	57	72	81	79	61	65	75	71	78	89	62	88	90
11	53	69	78	61	58	61	70	63	65	91	62	83	78	64
12	64	68	60	48	58	68	64	64	80	65	77	80	58	77
Total 7-12	415	421	426	402	417	428	435	426	443	464	460	476	461	494
Total K-12	966	982	1,010	972	991	990	1,007	963	989	988	967	1,001	1,002	1,024

April 1, 2019 Board Meeting
Elementary Principal Report
Kristi Moritz

- 6th grade Girls Basketball will be participating in Pacesetter tournaments the next two weekends in Grand Rapids and Bemidji



- 6th grade Zach Thompson: NYWA region champ- advances to state.



- 30 students were screened for the Early Childhood Spring Screening.
- ECFE had a great turnout for Daddy and Me: evening of bonding, exercising and reading.



- We had a successful parent meeting for ADSIS/Title I/Early Childhood.
- Our ADSIS application is ready for submission.

Items on the Horizon

- We will be holding Parent Teacher conferences April 4-5
- We are meeting with potential companies for school pictures and hope to being a proposal to the next board meeting.
- We will be presenting on KEP at our next board meeting.

APRIL 1ST School Board Meeting

High School Principals Report

Tony Kerr

- Attendance Percentage-91.31%
- ❖ Held the senior meeting on Wednesday 3/27/19 to go over graduation and all the expectations that go with it. Baccalaureate presented as well.
- ❖ We are holding speech auditions for graduations for student speeches for graduation.
- ❖ We attended our first track meet and did very well. Our Media Crew was there to also represent BHS.
- ❖ Brent Colligan will be here Wednesday April 3rd to go over positive classroom interventions to help with student behaviors.
- ❖ Master Schedule is about complete, Special Education has revamped a bit, but will be in compliance and successful.
- ❖ Student News broadcast

https://www.youtube.com/watch?v=opqri_GWoK0

- ❖ Tentative agenda for Fridays In-service day:

8:00-Coffee/ Rolls

8:30-MCA training- Amy Kent, Room 100

9:30-SIP/ CNA presentation from Mr. Kerr and The Leadership/ SIP team, Room 100

11:00- Lunch- on your own

11:30-Title Services/ Pow Wow/ Cultural – Carol Vik, Room 100

12:30- Brenda Dukek- Synergy and Google classroom integration, Room 100

2:30- Concussion Training- Anders Lindstrom, Room 100

Items on the horizon

- We will be researching and exploring ideas for e-learning for snow days.
- We will be looking at in house on-line learning opportunities for students who are leaving the district for these options, we want to keep these kids.
- Student handbook review- tardies, bus and handbook referrals for severe behaviors.
- PLC structure and philosophy
- Special Education Processing room protocol

PURCHASE AGREEMENT

This Purchase Agreement (“Agreement”) is made this _____ day of _____, 2019, by and between Bagley School Dist. #162, 202 Bagley Ave. NW, Bagley, MN 56621 (“Buyer”), and the City of Bagley, a municipal corporation under the laws of the State of Minnesota (“Seller”); (collectively the “Parties”).

RECITALS

1. Seller is the owner of certain real estate located in the City of Bagley, Clearwater County, Minnesota, as legally described on the attached Exhibit A, together with all improvements thereon (the “Property”).
2. Buyer desires to acquire Seller’s interest in the Property by voluntary sale.
3. Seller is willing to sell its interest in the Property “as is” without making any representations or warranties as to the condition of the Property or its suitability to Buyer’s purposes.

AGREEMENT

In consideration of the mutual covenants and agreements of the Parties hereto contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

1. Offer/Acceptance. Buyer agrees to purchase and Seller agrees to sell the Property under the terms and conditions set forth in this Agreement.
2. Purchase Price. The purchase price for the Property shall be One Dollar (\$1.00), to be paid by certified check or wire transfer on the Closing Date.
3. No Representations or Warranties. Seller agrees to quit claim the Property to Buyer on the Closing Date without making any representations or warranties about the condition of the Property, and Buyer agrees to accept the Property “as is”, subject to the terms and conditions herein contained.
4. Closing Date. The closing shall take place at Bagley City Hall, 18 Main Avenue South, Bagley, MN 56621, or at such other place as may be agreed to mutually by the Parties, on a date mutually agreed to by the Parties, but no later than ninety (90) following the date of this Agreement, subject to extension for title curative matters pursuant to Section 9 (the “Closing Date”). Seller agrees to deliver possession of the Property to Buyer on the Closing Date.
5. Seller’s Closing Documents. On the Closing Date, Seller shall execute and/or deliver to Buyer the following (collectively, “Seller’s Closing Documents”):

- a. Quit Claim Deed. Attached hereto and made a part hereof as Exhibit B is the required Quit Claim Deed containing the terms, covenants, and conditions upon which the sale of the Property is based. The Quit Claim Deed shall contain the following restrictions, covenants, and conditions:
 1. The Property herein conveyed shall only be used by Buyer and only used for those activities associated with the operations of educational institutions and subject to applicable City of Bagley zoning requirements and City of Bagley City Code, as applicable.
 2. The Property shall be devoted to such intended use in accordance with the provisions of the Deed.
 3. Buyer shall not transfer title to the Property without the express written consent of Seller. Any transfer of title to the Property made pursuant to this paragraph shall be made only to a purchaser who demonstrates to the satisfaction of Seller that such purchaser has the ability to perform in place of Buyer.
 - b. Well Certificate. If there are wells on the Real Property, a Well Certificate in the form required by Minn. Stat. § 103I.235.
 - c. Other Affidavits. Any other affidavits or certificates that may be required under Minn. Stat. § 116.48, Subd. 6, or Sect. 115B.16 or other provisions of law.
 - d. Other. Such other documents as may reasonably be required to transfer fee title to the Property to Buyer.
6. Buyer's Closing Obligations. On the Closing Date, Buyer will deliver to Seller the Purchase Price by certified check or wire transfer. Buyer in cooperation with Seller will complete and file the Certificate of Real Estate Value, as applicable.
7. Contingencies.
- a. Buyer's Contingencies. The obligation of the Buyer to perform under this Purchase Agreement is contingent upon the timely occurrence or satisfaction of each of the following conditions:
 - i. On the Closing Date, title to the Property shall be acceptable to Buyer in accordance with the provisions of Section 9.
 - ii. Buyer has obtained financing or otherwise obtained funds sufficient to enable Buyer to pay the Purchase Price.

- iii. The contingencies in this section are solely for the benefit of, and may at any time be waived by, the Buyer.
- b. Seller's Contingencies. The obligation of the Seller to perform under this Purchase Agreement is contingent upon the timely occurrence or satisfaction of each of the following conditions:
 - i. The Parties understand and agree that the purchase of the Property is contingent upon approval by the City Council of the City of Bagley of this Agreement. In the event the City Council does not provide such approval, this transaction shall be deemed null and void and Seller shall refund the Earnest Money to the Buyer.
 - ii. Buyer shall have performed all of its obligations required to be performed by Buyer under this Agreement as and when required under this Agreement.
- 8. Prorations. Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement.
 - a. Title Insurance and Closing Fee. Buyer will pay all costs of any Title Commitment and all premiums required for the issuance of the Title Policy if Buyer seeks the same. Buyer will pay all costs relating to the title examination of the Property if the Buyer seeks the same. Buyer will pay any closing fee imposed by the Title Company. All other costs charged by the Title Company will be prorated as is normal and customary in the county in which the Property is located.
 - b. Deed Tax. Buyer shall pay the state deed tax as required in order to convey the Property to Buyer.
 - c. Sales Tax. Buyer shall pay any sales or excise tax due as a result of the closing of this transaction
 - d. Real Estate Taxes and Special Assessments. Real estate taxes due and payable in the year 2019 shall be prorated to the date of closing. The Buyer shall pay the real estate taxes due and payable in the year 2019 and any unpaid installments of special assessments payable therewith and thereafter.
 - e. Recording Costs. Buyer will pay the cost of recording Seller's quit claim deed and Well Certificate, if any. Seller shall pay the cost of recording any documents necessary to perfect its own title or which release encumbrances other than Permitted Encumbrances.

- f. Attorneys' Fees. The Buyer is responsible for payment of both Party's attorneys', accountants' and consultants' fees.

9. Title. Seller shall quit claim the entirety of its interest in the Property to Buyer, and Buyer shall have the opportunity to satisfy itself that Seller's interest in the Property is free of encumbrances other than easements and restrictions of record, and Permitted Exceptions or Encumbrances as provided herein.

- a. Title Commitment. Buyer may at any time prior to the Closing Date, obtain at its sole cost and expense, a title commitment ("Title Commitment") covering the Property and binding the title company ("Title Company") to issue at closing a current form ALTA Owner's Policy of Title Insurance ("Title Policy") in the full amount of the purchase price hereunder. The Title Commitment shall be based upon the description of the Property provided herein and shall show fee title in the Seller, subject only to the permitted encumbrances waived in writing by Buyer, and shall provide for extended coverage risks and include special endorsements for zoning, contiguity and such other matters as Buyer may request.
- b. Objections. Within fifteen (15) business days after delivery of the Title Commitment to Buyer from its Title Company, Buyer may deliver to Seller such written objections as Buyer may have to the form and content contained therein. Seller shall make commercially reasonable efforts to satisfy such objections prior to the Closing Date.
- c. Buyer's Rights if Seller Fails to Cure Objections. If Seller delivers written notice to Buyer on or before the Closing Date that Seller is unable to satisfy any objection or if, for any reason, Seller is unable to convey title satisfactory to Buyer in accordance herewith, Buyer may, as Buyer's exclusive remedies, waive such objections and accept such title as Seller is able to convey or terminate this Agreement by written notice to Seller, provided that such termination notice must be delivered on or before the Closing Date.
- d. Permitted Exceptions. The following shall be deemed to be permitted exceptions:
- (1) Building and zoning laws, ordinances, state and federal regulations; and
 - (2) The lien of real property taxes payable in the year of Closing, which by the terms of this Agreement are to be paid or assumed by Buyer.

- (3) Matters contained in any title commitment or survey which Buyer is in possession of and for which Buyer does not make any objection to or waives any objection to and proceeds to closing on the Property.

10. Purchase “As-Is”. Buyer agrees to accept the condition of the Property, including specifically without limitation, the environmental and geological condition of the Property, in an “AS-IS” and with “ALL FAULTS” condition. Buyer’s acceptance of title to the Property shall represent Buyer’s acknowledgment and agreement that, except as expressly set forth in this Agreement: (i) Seller has not made any written or oral representation or warranty of any kind with respect to the Property (including without limitation express or implied warranties of title, merchantability, or fitness for a particular purpose), (ii) Buyer has not relied on any written or oral representation or warranty made by Seller, its agents or employees with respect to the condition or value of the Property, (iii) Buyer has had an adequate opportunity to inspect the condition of the Property, including without limitation, any environmental testing, and to inspect documents applicable thereto, and Buyer is relying solely on such inspection and testing, and (iv) the condition of the Property is fit for Buyer’s intended use. Buyer agrees to accept all risk of Claims (including without limitation all Claims under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation) whether past, present or future, existing or contingent, known or unknown, arising out of, resulting from or relating to the condition of the Property, known or unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation, the presence of any Hazardous Substance on the Property, whether such Hazardous Substance is located on or under the Property, or has migrated or will migrate from or to the Property.

For purposes of this Section, the following terms have the following meanings:

“Environmental Law” means the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. §9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. §9601 et seq. the Federal Water Pollution Control Act, 33 U.S.C. §1201 et seq., the Clean Water Act, 33 U.S.C. §1321 et seq., the Clean Air Act, 42 U.S.C. §7401 et seq., the Toxic Substances Control Act, 33 U.S.C. §1251 et seq., and the Minnesota Environmental Response and Liability Act, all as amended from time to time, and any other federal, state, local or other governmental code, statute, regulation, rule, law, permit, consent, license, order or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing and hereafter enacted; and

“Hazardous Substance” means any pollutant, contaminant, hazardous substance or waste, solid waste, petroleum product, distillate, or fraction, radioactive material, chemical known to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by any Environmental Law.

“Claim” or “Claims” means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgment, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney’s fees, consultant’s fees, costs, remedial action costs, cleanup costs and expenses which may be related to any claims).

11. Notices. Any notice required or permitted to be given by any party upon the other is given in accordance with this Agreement if it is directed to Seller by delivering it personally to a representative of Seller; or if it is directed to Buyer, by delivering to a representative of Buyer; or if mailed by United States registered or certified mail; return receipt requested, postage prepaid; or if transmitted by facsimile copy followed by mailed notice as above required, or if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Buyer:

Adam Broden
Bagley School Dist. #162
202 Bagley Ave. NW
Bagley, MN 56621

If to Seller:

Faye Jacobs
City Clerk-Treasurer
City of Bagley
18 Main Avenue South
Bagley, MN 56621

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit as aforesaid; provided, however, that if notice is given by deposit, that the time for response to any notice by the other party shall commence to run two (2) business days after any such deposit. Any party may change its address for the service of notice by giving advance written notice of such change to the other party, in any manner above specified.

12. Entire Agreement; Amendments. This Agreement represents the complete and final agreement of the parties and supersedes any prior or contemporaneous oral or written understanding between the parties. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in a writing executed by the parties. This Agreement may be amended only in writing, signed by both parties.

13. Binding Effect; Assignment. This Agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

14. Controlling Law. The Parties acknowledge and agree that each has been given the opportunity to independently review this Agreement with legal counsel, and/or has the requisite experience and sophistication to understand, interpret, and agree to the particular language of this Agreement. The Parties have equal bargaining power, and intend the plain meaning of the provisions of this Agreement. In the event of an ambiguity in or dispute regarding the interpretation of this Agreement, the ambiguity or dispute shall not be resolved by application of any rule that provides for interpretation against the drafter of the Agreement. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.

15. Remedies. If Buyer defaults under this Agreement and fails to cure such default within thirty (30) days after receipt of written notice from Seller identifying such default, then Seller has the right to immediately terminate this Agreement and retain the Earnest Money as liquidated damages, time being of the essence of this Agreement. The termination of this Agreement will be the sole remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages. If Seller defaults under this Agreement and fails to cure such default within thirty (30) days after receipt of written notice to from Buyer identifying such default, then Buyer has the right to immediately terminate this Agreement. The termination of this Agreement will be Buyer's sole remedy for default by Seller, and Seller will not be liable for damage.

16. Counterparts. This Purchase Agreement may be executed in counterparts, each of which shall be deemed an original, and which together shall constitute a single, integrated contract.

Remainder of page intentionally left blank.

EXHIBIT A

Legal Description of Property

All that part of the Northeast Quarter of the Southwest Quarter (NE1/4SW1/4) of Section Twenty (20), Township One Hundred Forty-Seven (147) North, Range Thirty-Seven (37) West, of the Fifth P.M., described and bounded as follows:

Commencing at the northeast corner of said NE1/4SW1/4, thence South along the quarter line a distance of 973.6 feet to a point, thence angle South 74°54' West a distance of 465.0 feet to the point of beginning; thence continuing South 74°54' West a distance of 400.0 feet; thence North 15°06' West a distance of 200.0 feet; thence North 74°54' East a distance of 400.0 feet; thence South 15°01' East a distance of 200.0 feet to the point of beginning.

All within Clearwater County, Minnesota.

EXHIBIT B

(Top 3 inches reserved for recording data)

QUIT CLAIM DEED

eCRV number: _____

DEED TAX DUE: \$1.65

Date: _____

FOR VALUABLE CONSIDERATION, the **City of Bagley**, a municipal corporation under the laws of the State of Minnesota ("**Grantor**"), hereby conveys and quitclaims to **Bagley School District #162** ("**Grantee**"), real property in Clearwater County, Minnesota, legally described as:

All that part of the Northeast Quarter of the Southwest Quarter (NE1/4SW1/4) of Section Twenty (20), Township One Hundred Forty-Seven (147) North, Range Thirty-Seven (37) West, of the Fifth P.M., described and bounded as follows:

Commencing at the northeast corner of said NE1/4SW1/4, thence South along the quarter line a distance of 973.6 feet to a point, thence angle South 74°54' West a distance of 465.0 feet to the point of beginning; thence continuing South 74°54' West a distance of 400.0 feet; thence North 15°06' West a distance of 200.0 feet; thence North 74°54' East a distance of 400.0 feet; thence South 15°01' East a distance of 200.0 feet to the point of beginning.

together with all hereditaments and appurtenances belonging thereto.

Subject to the following restrictions, covenants, and conditions:

1. The Real Property herein conveyed shall only be used by Grantee and only used for those activities associated with the operations of educational institutions and subject to applicable City of Bagley zoning requirements and City of Bagley City Code, as applicable.
2. The Real Property shall be devoted to such intended use in accordance with the provisions of this Deed.
3. Grantee shall not transfer title to the Real Property without the express written consent of Grantor. Any transfer of title to the Real Property made pursuant to this paragraph shall be made only to a purchaser who demonstrates to the satisfaction of Grantor that such purchaser has the ability to perform in place of Grantee.

The total consideration for this transfer is \$500.00 or less.

The Seller certifies that the Seller does not know of any wells on the described real property.

Grantor

CITY OF BAGLEY

By: [Signature]

Sidney Michel

Its: Mayor

By: [Signature]

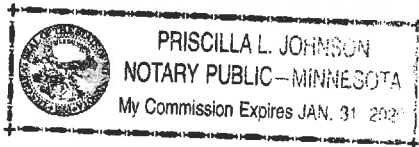
Faye Jacobs

Its: City Clerk-Treasurer

STATE OF MINNESOTA)
) ss.
COUNTY OF CLEARWEATER)

This instrument was acknowledged before me on March 26, 2019, by **Sidney Michel as Mayor** and by **Faye Jacobs as City Clerk-Treasurer of the City of Bagley**, a municipal corporation under the laws of the State of Minnesota, Grantor.

(Stamp)



[Signature]
(signature of notarial officer)

Title (and Rank): Deputy City Clerk

My commission expires: Jan 31, 2020
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT TO:

Adam Broden
Bagley School Dist. #162
202 Bagley Ave. NW
Bagley, MN 56621

(Top 3 inches reserved for recording data)

QUIT CLAIM DEED

eCRV number: _____

DEED TAX DUE: \$1.65

Date: _____

FOR VALUABLE CONSIDERATION, the **City of Bagley**, a municipal corporation under the laws of the State of Minnesota ("**Grantor**"), hereby conveys and quitclaims to **Bagley School District #162** ("**Grantee**"), real property in Clearwater County, Minnesota, legally described as:

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together with all hereditaments and appurtenances belonging thereto.

Subject to the following restrictions, covenants, and conditions:

1. The Real Property herein conveyed shall only be used by Grantee and only used for those activities associated with the operations of educational institutions and subject to applicable City of Bagley zoning requirements and City of Bagley City Code, as applicable.
2. The Real Property shall be devoted to such intended use in accordance with the provisions of this Deed.
3. Grantee shall not transfer title to the Real Property without the express written consent of Grantor. Any transfer of title to the Real Property made pursuant to this paragraph shall be made only to a purchaser who demonstrates to the satisfaction of Grantor that such purchaser has the ability to perform in place of Grantee.

The total consideration for this transfer is \$500.00 or less.

The Seller certifies that the Seller does not know of any wells on the described real property.

Grantor

CITY OF BAGLEY

By: [Signature]

Sidney Michel

Its: Mayor

By: [Signature]

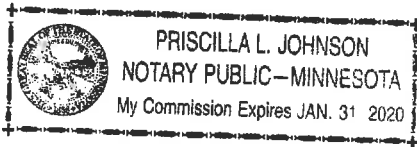
Faye Jacobs

Its: City Clerk-Treasurer

STATE OF MINNESOTA)
) ss.
COUNTY OF CLEARWEATER)

This instrument was acknowledged before me on March 26, 2019, by **Sidney Michel** as **Mayor** and by **Faye Jacobs** as **City Clerk-Treasurer** of the **City of Bagley**, a municipal corporation under the laws of the State of Minnesota, **Grantor**.

(Stamp)



[Signature]
(signature of notarial officer)

Title (and Rank): Deputy City Clerk

My commission expires: Jan. 31, 2020
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT TO:

Adam Broden
Bagley School Dist. #162
202 Bagley Ave. NW
Bagley, MN 56621



CITY OF BAGLEY • Office of City Clerk Treasurer

Main Ave., P.O. Box 178 • Bagley, MN 56621
Phone (218) 694-2865 • www.bagleymn.us

INVOICE DATE: MARCH 26, 2019

TO:
BAGLEY PUBLIC SCHOOL
ATTN: STEVE CAIRNS
202 BAGLEY AVE NW
BAGLEY, MN 56621

INVOICE DESCRIPTION
PURCHASE PROPERTY - SEE BELOW

TOTAL DUE:
\$ 1.00

Legal Description of Property

All that part of the Northeast Quarter of the Southwest Quarter (NE1/4SW1/4) of Section Twenty (20), Township One Hundred Forty-Seven (147) North, Range Thirty-Seven (37) West, of the Fifth P.M., described and bounded as follows:

Commencing at the northeast corner of said NE1/4SW1/4, thence South along the quarter line a distance of 973.6 feet to a point, thence angle South 74°54' West a distance of 465.0 feet to the point of beginning; thence continuing South 74°54' West a distance of 400.0 feet; thence North 15°06' West a distance of 200.0 feet; thence North 74°54' East a distance of 400.0 feet; thence South 15°01' East a distance of 200.0 feet to the point of beginning.

All within Clearwater County, Minnesota.

**CITY COUNCIL PROCEEDINGS
JANUARY 23, 2019**

The Bagley City Council met on January 23, 2019 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmembers John Sutherland, Chad Bonik, Jon Brovold, Dennis Merschman (via Skype) City Clerk Treasurer Faye Jacobs and Deputy Clerk Priscilla Johnson.

Also present: General Manager Bill Masterson, Police Chief Renee Benson, Liquor Store Manager Chris Arnold and Doug and Colleen Lindgren.

Motion to approve the minutes from the January 9th meeting was made by Sutherland. Seconded by Brovold, motion carried.

Colleen and Doug Lindgren were in attendance to volunteer their time to take care of the hanging flower baskets and planters that the City puts out every year. With the Councils support and thanks they were given the go ahead to take on that project.

Motion was made by Bonik to raise Police Officer Schipper pay from step 3 to step 4 as he has finished his 6 month probation period. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve Resolution 4-19 the sale of land to the Bagley School Dist. 162. Seconded by Bonik, Sutherland abstained, motion carried.

Chief Benson gave an update on the remodel of the Police Dept.

Motion was made by Sutherland giving Riverwood Bank permission to put a collection box for their food drive at City Hall. Seconded by Brovold, motion carried.

The City of Fosston has contacted the Pound Master about using his services. The Clerk will check into insurance coverage with the League of MN Cities and inform the Council at the next meeting.

Motion was made by Brovold to approve a raffle fund raiser for the Fire Department. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve payment of \$153.90 to the County Treasurer for 2019 taxes on the Berry Street property. Seconded by Sutherland, motion carried.

Arnold gave Council an updated on the Liquor Store.

Being there was no further business to come before the Council, motion to adjourn was made by Brovold. Seconded by Sutherland, motion carried.


Sidney F. Michel, Mayor

ATTEST:


Faye M. Jacobs
City Clerk Treasurer


Priscilla Johnson
Deputy Clerk

CITY OF BAGLEY, MINNESOTA
CITY COUNCIL RESOLUTION # 4-19

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BAGLEY,
MINNESOTA APPROVING THE SALE OF CITY-OWNED REAL PROPERTY IN
BAGLEY, MINNESOTA, AND DISPENSING WITH REVIEW OF THE SALE BY THE
BAGLEY PLANNING COMMISSION

WHEREAS, The City of Bagley (the "City" or "Seller") desires to sell certain real property described as follows:

All that part of the Northeast Quarter of the Southwest Quarter (NE1/4SW1/4) of Section Twenty (20), Township One Hundred Forty-Seven (147) North, Range Thirty-Seven (37) West, of the Fifth P.M., described and bounded as follows:

Commencing at the northeast corner of said NE1/4SW1/4, thence South along the quarter line a distance of 973.6 feet to a point, thence angle South 74°54' West a distance of 465.0 feet to the point of beginning; thence continuing South 74°54' West a distance of 400.0 feet; thence North 15°06' West a distance of 200.0 feet; thence North 74°54' East a distance of 400.0 feet; thence South 15°01' East a distance of 200.0 feet to the point of beginning.

All within Clearwater County, Minnesota.

(the "Property"), to Bagley School District #162, (the "Buyer"); and

WHEREAS, the purchase price for the sale is One Dollar (\$1.00); and

WHEREAS, a draft purchase agreement and quitclaim deed have been prepared and are attached hereto as Exhibit A; and

WHEREAS, in accordance with the attached draft purchase agreement, the City and Buyer expressly understand and agree that the sale of the Property is contingent upon approval by the City Council of the City of Bagley and that Property shall only be used by Buyer and only used for those activities associated with the operations of educational institutions and subject to applicable City of Bagley zoning requirements and City of Bagley City Code, as applicable.; and

WHEREAS, if any transaction approval as provided in the purchase agreement is not obtained by the closing date stated in the purchase agreement, the purchase agreement shall then be null and void, without further obligation by either party; and

WHEREAS, Minnesota Statutes, Section 462.356, subdivision 2 states that no publicly owned interest in real property within a city shall be acquired or disposed of until after the planning commission has reviewed the proposed acquisition or disposal and

reported in writing to the city council its findings as to compliance of the proposed acquisition or disposal with the comprehensive plan; and

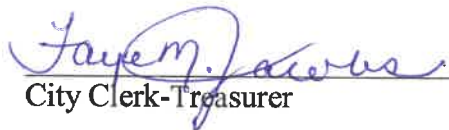
WHEREAS, the same statute further states, however, that the city council may, by resolution adopted by two-thirds vote, dispense with the requirements of this subdivision when in its judgment it finds that the acquisition or disposal of real property has no relationship to the comprehensive plan.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT: The City Council hereby finds that the proposed sale of the Property by the City of Bagley has no relationship to the City's Comprehensive Plan, and therefore review of the proposed sale by the Bagley Planning Commission is not required under Minn. Stat. § 462.356, Subd. 2, and is hereby dispensed with as allowed by that statute.

BE IT FURTHER RESOLVED THAT: The City Council hereby approves the attached purchase agreement and quitclaim deed as to form, and authorizes and directs the Mayor and City Clerk-Treasurer to (a) execute the purchase agreement substantially in the form hereby approved and allowing any necessary minor or technical changes, (b) execute such other documentation including the approved quitclaim deed upon closing as necessary to accomplish the sale of the Property by the City, and (c) require the Buyer to record such executed deed following closing and such other documentation with the Clearwater County Recorder's Office requires and pay such related fees.

PASSED by the City Council of the City of Bagley on this 23rd day of January, 2019.

ATTEST



City Clerk-Treasurer



Mayor

EXHIBIT A

PURCHASE AGREEMENT AND FORM QUITCLAIM DEED ATTACHED FOR THE FOLLOWING PROPERTY:

All that part of the Northeast Quarter of the Southwest Quarter (NE1/4SW1/4) of Section Twenty (20), Township One Hundred Forty-Seven (147) North, Range Thirty-Seven (37) West, of the Fifth P.M., described and bounded as follows:

Commencing at the northeast corner of said NE1/4SW1/4, thence South along the quarter line a distance of 973.6 feet to a point, thence angle South 74°54' West a distance of 465.0 feet to the point of beginning; thence continuing South 74°54' West a distance of 400.0 feet; thence North 15°06' West a distance of 200.0 feet; thence North 74°54' East a distance of 400.0 feet; thence South 15°01' East a distance of 200.0 feet to the point of beginning.

All within Clearwater County, Minnesota.

ALTA Commitment for Title Insurance



Issued By Old Republic National Title Insurance Company

NOTICE

IMPORTANT—READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACTIONAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and the Commitment Conditions, Old Republic National Title Insurance Company, a Florida Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.


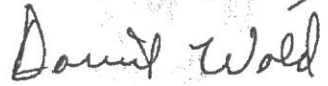
If all of the Schedule B, Part I—Requirements have not been met within 6 months after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

This page is only a part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions.

Issued through the Office of
Sathre Title & Abstract
315 5th Street NW Suite 2
Bemidji, MN 56601

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111


Sathre Title & Abstract, Inc.

By  President
Attest  Secretary

DRT Form 4690 6/06 Rev. 8-1-16
ALTA Commitment for Title Insurance

(SAI-9612.PFD/SAI-9612/3)

COMMITMENT CONDITIONS

1. DEFINITIONS

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
- (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
- (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
- (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
- (h) "Title": The estate or interest described in Schedule A.

2. If all of the Schedule B, Part I—Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

- (a) the Notice;
- (b) the Commitment to Issue Policy;
- (c) the Commitment Conditions;
- (d) Schedule A;
- (e) Schedule B, Part I—Requirements;
- (f) Schedule B, Part II—Exceptions; and
- (g) a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
 - (i) comply with the Schedule B, Part I—Requirements;
 - (ii) eliminate, with the Company's written consent, any Schedule B, Part II—Exceptions; or
 - (iii) acquire the Title or create the Mortgage covered by this Commitment.
- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I—Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

This page is only a part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I – Requirements; and Schedule B, Part II – Exceptions.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- (d) The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

9. ARBITRATION

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.


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Schedule A
ALTA COMMITMENT

1. Commitment Date: February 28, 2019 at 08:00 AM
2. Policy to be issued:
 - (a) ALTA Own. Policy
Proposed Insured: Independent School District #162
Proposed Policy Amount: \$ 1.00
3. The estate or interest in the Land described or referred to in this Commitment is Fee Simple.
4. The Title is, at the Commitment Date, vested in:
City of Bagley, a Municipal Corporation
5. The Land is described as follows:
CLEARWATER COUNTY, MINNESOTA:

All that part of the NE¼ of the SW¼,
Section 20, Township 147, Range 37,
Described and bounded as follows;
Commencing at the northeast corner of said NE¼ of SW¼, thence South along the quarterline a distance of 973.6 feet to a point, thence angle South 74°54' West a distance of 400.0 feet; thence North 15°06' West a distance of 200.0 feet; thence North 74°54' East a distance of 400.0 feet; thence South 15°06' East a distance of 200.0 feet to the point of beginning. Said tract contains 1.84 acres, more or less.

Old Republic National Title Insurance Company



Sathre Title & Abstract, Inc.

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Schedule B-I
ALTA COMMITMENT

Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.

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Schedule B-II
ALTA COMMITMENT

Exceptions

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I - Requirements are met.
1. Upon payment of the full consideration to, or for the account of, the grantors or mortgagors, and recording of the deeds and/or mortgages, the form and execution of which is satisfactory to the Company, the policy or policies to be issued containing exceptions is Schedule B thereof to the following matters (unless the same are disposed of to the satisfaction of the Company):
 - A. If an owner's policy is to be issued, the mortgage encumbrance, if any, created as part of the purchase transaction.
 - B. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this commitment.
 - C. Rights or claims of parties in possession not shown by the public records.
 - D. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the premises.
 - E. Easements, or claims of easements not shown by the public records.
 - F. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
2. Real Estate taxes and special assessments not yet due and payable.
Real Estate taxes payable in 2017 and prior years are paid.
Real Estate taxes in the amount of \$0.00 for 2018 are paid.
Real Estate taxes and special assessments for 2019 are not available.
There are no special assessments levied against the insured premises.
Tax identification number is 23-020-0600
3. Any charges for municipal services (i.e., water, sewer correction of nuisance conditions, etc.) are the responsibility of the parties to this transaction. For information regarding the existence of any such bills, contact the appropriate municipal office.
4. Terms and conditions of Lease by and between the City of Bagley and Independent School District #162 dated April 1, 1994 and recorded May 17, 1994 in Book PP of Misc., page 283.
5. LACK OF ACCESS TO A PUBLIC OR DEEDED ROAD.
6. The dollar amount of the Owner's Policy to be issued will be determined prior to the closing and recordation of the transfer document for the subject property.

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Schedule B-II
(Continued)

7. We require evidence that City of Bagley has approved the sale/Mortgage of the subject property and evidence of authority to sign on behalf of City of Bagley. We reserve the right to raise additional requirements after review of the evidence.
8. We require evidence that Independent School District No.162 has approved the sale/Mortgage of the subject property and evidence of authority to sign on behalf of Independent School District No.162. We reserve the right to raise additional requirements after review of the evidence.
9. THE FOLLOWING NOTE IS FOR INFORMATIONAL PURPOSES ONLY:

The following is the most recent deed or transfer affecting said land:

Quit Claim Deed dated December 9, 1977 and recorded March 17, 1978 as Document No. 101153, conveyed by Delbert Darst and Arlene Darst, husband and wife, Grantors, to City of Bagley, a Municipal Corporation, Grantee.

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**EXTRACT OF MINUTES
OF THE MEETING OF THE SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO. 162
BAGLEY, MINNESOTA**

Pursuant to due call and notice thereof, a regular meeting of the School Board of Independent School District No. 162, Bagley, Minnesota, was held on the 1st day of April, 2019, at 7:30 p.m.

The following Board Members were present:

and the following were absent:

Board Member _____ introduced the following resolution and moved its adoption:

**RESOLUTION TO APPROVE THE PURCHASE OF PROPERTY OWNED BY THE
CITY OF BAGLEY AND APPROVING THE PURCHASE AGREEMENT WITH THE
CITY OF BAGLEY**

WHEREAS, a portion of the Bagley High School, located at: 1130 Main Avenue N, Bagley, Minnesota was constructed on property owned by the City of Bagley, said property being legally described on the attached Exhibit A (the "Property"); and

WHEREAS, at the time of construction of the Bagley High School, the District and the City of Bagley (the "City") signed a 100 year lease agreement with the City for the Property; and

WHEREAS, the District requested and the City has agreed to convey the Property to the District; and

WHEREAS, the Board has been presented with the Purchase Agreement between the District and the City which sets forth the terms and conditions of the sale of the Property to the District; and

NOW, THEREFORE, be it hereby resolved by the School Board of Independent School District No. 162 as follows:

1. The Board hereby approves the Purchase Agreement in substantially the form presented to the Board, together with any related documents necessary in connection with the purchase of the Property, including without limitation, all documents referenced in or attached to

the Purchase Agreement, and any deed or other documents necessary to carry out the Purchase Agreement, all as described in the Purchase Agreement (collectively, the “Purchase Documents”) and the Board Chair and Superintendent are hereby authorized and directed to execute the Purchase Documents on behalf of the District and to carry out, on behalf of the District, the District’s obligations thereunder.

2. District staff and officials are authorized to take all actions necessary to perform the District’s obligations under the Purchase Documents as a whole, including, without limitation, execution of any documents or certifications to which the District is a party referenced in or attached to the Purchase Documents, and any other documents necessary

The motion for the adoption of the foregoing resolution was duly seconded by Board 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.

EXHIBIT A

Legal Description of the Property

All that part of the Northeast Quarter of the Southwest Quarter (NE ¼ SW ¼) of Section Twenty (20), Township One Hundred Forty-Seven (147) North, Range Thirty-Seven (37) West, of the Fifth P.M., Clearwater County, Minnesota, described and bounded as follows:

Commencing at the northeast corner of said NE ¼ of SW ¼ , thence South along the quarter line a distance of 973.6 feet to a point, thence angle South 74 Degrees, 54' West a distance of 466.0 feet to the point of beginning; thence continuing South 74 Degrees, 54' West a distance of 400.0 feet; thence North 15 Degrees, 06' West a distance of 200.0 feet; thence North 74 Degrees, 54' East a distance of 400.0 feet, thence South 15 Degrees 01' East a Distance of 200.0 feet to the point of beginning.

The Superintendent's office is recommending that Bagley Public Schools award the 2019 health insurance bid to Northwest Service Cooperative – Blue Cross Blue Shield due to the following:

- The District saw 0% increase the last two years and this year it's only a 2.5% increase with no changes to the current plans.
- 4th Quarter carryover on all plans except for the minimum value plan.
- Embedded family deductible.
- Employees can decide which doctor to see and which pharmacy to use.
- Offer Wellness and Cost Saving Programs:
 - ShareCare – online tool for fitness incentive and receive Target gift cards.
 - Omada – online program to help people lose weight to reduce the risk of diabetes and heart disease.
 - Vitals Smart Shopper – helps members to shop for lower-cost health facilities/treatments.
 - Learn to Live – online mental health support program.
 - Dr. On Demand – allows members to connect with a doctor online instead of going to a clinic.