

**Nova Classical Academy
Board of Directors Meeting Minutes
Special Meeting
August 30, 2011**

Directors Present: Jason Belter, John Bujan, Tom Corrigan, Brandon Foat, Damon Fraser, Karen Groppe, Becky Lund, Teresa Taggart

Directors Absent: Andrea Johnson, Dianne Krizan

Advisors Present: Brian Bloomfield, Miranda Morton, Dawn Ellerd (NPTO Representative), Karl Jentoft

Others in Attendance: Nova parents

I. Call to Order

The meeting was called to order at 6:31 PM. Damon Fraser led the meeting.

II. Approval of Agenda

Ms. Lund moved to approve the agenda. Mrs. Groppe seconded. The motion passed unanimously.

III. Board Chair Comments

There were no comments.

IV. Reports Received by the Board

Karl Jentoft gave an update of our facilities process, stating that there is currently a lot of moving pieces, but they are all moving in the right direction. RJM gave us updated budget numbers and their estimate came in \$500,000 over budget and a revised estimate came in \$100,000 over budget, due to the increase in square footage of the building plans. Mr. Jentoft is working with RJM to get it in line with our budget. He spoke further about some of the costs related to the 3 largest sub-contractors. RLM should have a fixed-price budget ready by the middle of September (around the 15th).

Mr. Jentoft also spoke about the design process and the architect plans from Rivera. The main items are done, though there may be some minor tweaks. He also said that we have a lot of support for our design from the neighborhood. Mr. Jentoft gave a brief update about the design for the parking lot, the work the city of St. Paul needs to do with the streets (Mercer and Madson) and the easements Nova will have with the city's land.

Mr. Jentoft introduced the development agreement with St. Paul and said that there have been some verbal developments that have not yet been included in the agreement, but that it also continues to move forward. The major change was the easement language which is being worked on right now. Mr. Fraser explained why we want an easement rather than a license to use. Mr. Jentoft walked us through the Other Project Covenants (section 23). Mr. Bloomfield explained that this agreement is complicated because of the

different groups that connected to this project, including Nova, Friends of Nova, the city of St. Paul, St. Paul Parks and Rec., etc. Mr. Jentoft said that it is improved by the fact that all parties involved want our building to happen. There was further discussion of the agreement.

Mr. Jentoft also spoke about the issue of our line of credit with Anchor Bank and the difficulties with reaching an agreement with Piper Jaffray when we secure bonding as to who has first right to our assets. It's in everyone's best interest to allow us to have the line of credit to help with our cash flow, so this issue should be worked out soon.

Mr. Bloomfield and Mr. Jentoft also spoke about furniture, fixtures and equipment financing. Some of that is included in our bond financing (bleachers), but we are not getting new furniture for every room. There are other pieces that will be purchased from our operating budget, but not through the bond financing. There was discussion.

Mr. Bloomfield and Mr. Jentoft spoke about the draft of our forecasted five-year budget. A bonus for Nova is that we can service our debt with our lease aid plus our money in savings, even if we are not able to increase our enrollment. This is important to show investors that we have financial options. There was discussion.

Our building permits are all on track right now.

There was additional discussion.

V. Action Items

a. Approve \$18,000 for the RAP

Mr. Belter, "Resolved that the Board authorizes Friends of Nova to authorize the work related to the RAP proposal from PEER in an amount not to exceed \$20,000." Mr. Foat seconded. There was discussion. The motion passed unanimously.

b. Approve Purchase and Development Agreement

Mr. Belter, "Resolved, that the Board authorize the Executive Director to finalize the Purchase and Development Agreement with the City of Saint Paul and instructs the Friends of Nova to sign and execute that agreement." Mr. Corrigan seconded. There was discussion. The motion passed unanimously.

c. Approve \$120,000 in Mechanical and Pre-Cast Work Expenses

Mr. Belter, "Resolved, that the Board authorizes Friends of Nova to authorize mechanical and pre-cast contractors per the Project Manager's recommendation. Further resolved that this authorization is retroactive to 8/23/11." Mr. Corrigan seconded. There was discussion. The motion passed unanimously.

VI. Public Comment

There was no public comment.

VII. Next Meeting Date/Agenda Items

Our next meeting should be our regular September (9/17) meeting, although there may be an additional meeting to sign our agreement with RJM. Mr. Fraser said that he and Mr. Bloomfield are working on creating a calendar to identify what major pieces will occur at each monthly meeting. Committee chairs are asked to notify Mr. Fraser about their major upcoming deliverables to be added to the calendar. Mr. Bloomfield will also have staff members present, beginning with Ms. Danforth at our September meeting. There was discussion.

The State of the School Address has been moved to the October meeting.

VIII. Adjournment

Ms. Lund moved to adjourn. Mr. Belter seconded. The motion passed unanimously.

The meeting adjourned at 8:02 PM.

Minutes submitted by Becky Lund.