

**Recommendation for Architectural, Construction Management, and Investment Services  
Northfield Public Schools | Matt Hillmann, Ed.D. | December 10, 2018**

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Northfield Public Schools developed and distributed architectural, construction management, and investment services Request for Proposals (RFPs) for projects related to the successful November 6, 2018, bond referendum election from November 19 through November 30, 2018. The RFPs were sent directly to leading firms and published on the District's website. The District was under no legal obligation to seek RFPs for these contracted services but did so to ensure fiduciary stewardship and to secure the highest service value for our taxpayers.

The District received two proposals for architectural services, five for construction management, and three for investment services. A committee conducted interviews with both architectural firms and three construction management firms. Committee members included Board of Education Chairperson Julie Pritchard, Board of Education Clerk Noel Stratmoen, Director of Finance Val Mertesdorf, Director of Buildings and Grounds Jim Kulseth, Director of Community Services Erin Bailey, Greenvale Park Elementary Principal Sam Richardson, and Superintendent of Schools Dr. Matt Hillmann.

**Architectural Services**

Architectural services firms were asked to:

1. Provide a brief profile of your firm including the number of personnel by discipline. Include a resume of the partner and senior architect that will be assigned responsibility for the school district's account. If you subcontract for specific engineering or other required services provide a similar profile for the contract firms.
2. Provide a brief summary of your firm's experience in the planning and design of K-12 schools and the remodeling of existing facilities.
3. Provide specifics on the three most recent school projects including at least one new facility. Include the following for each project:
  - a. Owner
  - b. School name and location
  - c. Grade configuration
  - d. Square footage
  - e. Enrollment capacity
  - f. Construction cost
  - g. The number of owner-initiated change orders and their cost
  - h. The number of architect-initiated change orders and their cost
  - i. The name of the general contractor or construction management firm responsible for construction and the name of their field supervisor assigned to the project.
4. Describe in detail your proposed fee arrangement for both new construction and remodeling of existing facilities.
5. Describe the methods you use to manage a project from concept through completion. Include:

- a. A statement of your design philosophy and how you would incorporate that philosophy into the district's planning process,
  - b. How you develop project budget estimates,
  - c. How you would control project costs and the role of life cycle cost analysis, value engineering, energy conservation and environmental concerns in the design and construction process, and
  - d. How you determine and maintain a project's schedule.
6. Provide a typical timeline, based on your firm's experiences, that illustrates the total time involved in the design and delivery process for a new educational facility project. Support the timeline with an actual example project. Specifically, note your firm's turnaround time requirements from the point of approval of the final design documents until the construction bid documents are issued.
  7. Detail the firm's current schedule of work and provide assurances that the firm has the resources to take on the District's project.
  8. Provide the District with the typical reporting tools used by the firm in its reporting to District Facility Committees and School Boards. Provide examples.
  9. Describe the firm's experience and willingness to work with construction management firms in the design and completing educational facility projects. Give examples if possible.
  10. Discuss what distinguishes your firm from others that might be considered for this project.
  11. Detail the firm's position and experience in designing and providing "Sustainable Designs", Green Buildings, and high-efficiency facilities.
  12. Define your knowledge and experience in educational technology planning and design.
  13. Describe your budget/cost control methods.
  14. Include information regarding your ability to handle all ADA requirements and building code compliance for the District.

### **Construction Management**

Firms were instructed to prepare for a one-hour interview. Guidance for the presentation and accompanying proposal were provided.

Construction management firms were asked to provide details surrounding the following criteria:

1. Ability to foster strong, positive communications and public relations.
2. Ability to work cooperatively with district employees and architects.
3. Ability to bring a project in on time and on budget.
4. Ability to attract and work successfully with a diverse workforce.
5. Examples of estimating ability, especially with early conceptual and preliminary drawing phases.
6. Describe the experience of specific personnel who will be assigned to staff the project: office manager, project manager, field superintendent.

## **Investment Services**

Investment services firms submitted their proposals directly to Director of Finance Mertesdorf. Criteria for selection included previous investment performance and relationship with the school district on previous projects. This process involves a narrower scope of criteria than the other two RFPs.

## **Reference Review**

Superintendent Hillmann conducted in-depth reference reviews of the architectural and construction management firms, speaking with multiple school districts that have worked with the recommended firms. References were reviewed for the specific personnel the firm has designated for our projects.

## **Financial Review**

All proposals are within the District's anticipated project costs for the services. All recommended partners provided the lowest cost proposal, though the cost was not the deciding factor in the recommendations.

## **Recommendations**

### Architectural Services

Wold Architects and Engineering; Saint Paul, Minnesota. *Vaughn Dierks, Principal in Charge.*

### Construction Management Services

Knutson Construction; Rochester, Minnesota. *Tom Leimer, Vice-President and General Manager.*

### Investment Services

Prudent Man Advisors (PMA); Naperville, IL (Minnesota Office) *Steven R. Pumper, Vice-President.*

*Proposals for all three of the recommended firms follow this executive summary.*

## **Summary**

A competitive process was conducted to provide the District with high-quality services for the best price. Committee members are excited to make these recommendations and have tremendous confidence these firms will help Northfield Public Schools complete the construction projects on-time, within the budget, and engage the community in the process.

NORTHFIELD PUBLIC SCHOOLS  
Request for Proposal — Architectural & Engineering Services

*November 27, 2018*

**Wold**

**LEARN**

**WOLD  
ARCHITECTS  
& ENGINEERS**



November 27, 2018

Jim Kulseth, Director of Building & Grounds  
Northfield Public Schools  
1400 Division St. S.  
Northfield, MN 55057

**Dear Members of the Selection Committee,**

On behalf of Wold Architects and Engineers we would like to personally thank you for the opportunity to present our qualifications as you select the design team you would like to assist you in realizing the goals of your referendum campaign. Passing a referendum is never an easy thing to do – congratulations are in order! We know that you will take the decision of your design professional for this challenge very seriously. We want to assure you that we will treat your projects with the same level of commitment and passion as you did to get to this point.

We pride ourselves on being a firm that listens. We believe that how a building functions is first and foremost the highest priority. You will see in our proposal that our entire approach to working with you is built on processes to gain input, insight and feedback from your community, stakeholders, and building users to ensure that these buildings are custom designed to meet your needs. These are your buildings – not ours. Our job is to work with you not as experts who tell you what should be done, but as experts who bring a depth of knowledge and experiences to help facilitate a conversation about what is possible. Together we will formulate criteria the project must achieve and design accordingly. With this as the foundation of the design, we know that when all is finished and you are moving into your schools you will say “This is exactly what we wanted and more!”

We are confident that our responses to the information you have requested demonstrates our experience and capability to help you successfully implement your work. Beyond that, I would like to stress the importance we put on all projects – not just the new ones - no matter the scope or size. In particular, we feel that renovations are a critical focus for any District, and that the meaningful outcomes you can achieve in a renovation can often outshine new construction as it gives an existing and known asset a new focus to carry it into the coming decades. We are excited about having those experiences with you. We trust that you have already talked with many of your neighboring Districts about their experience with Wold, and we hope you contact all of our references to hear first-hand about their satisfaction and happiness.

We know that choosing your design partner is a decision not to be taken lightly. Our approach is unique and built on you; real designs can't start until we have a chance to listen to you and understand your goals. We know that this is the most important part of starting our relationship together. We look forward to the opportunity to discuss this with you greater in an interview setting. Thank you again for your consideration. We hope that you find our proposal aligned with your criteria for selection, and look forward to talking with you soon.

**Sincerely,**  
Wold Architects and Engineers

Vaughn Dierks, AIA, LEED AP  
Partner-in-Charge

**Wold Architects and Engineers**  
332 Minnesota Street, Suite W2000  
Saint Paul, Minnesota 55101  
t 651 227 7773

**PLANNERS  
ARCHITECTS  
ENGINEERS**

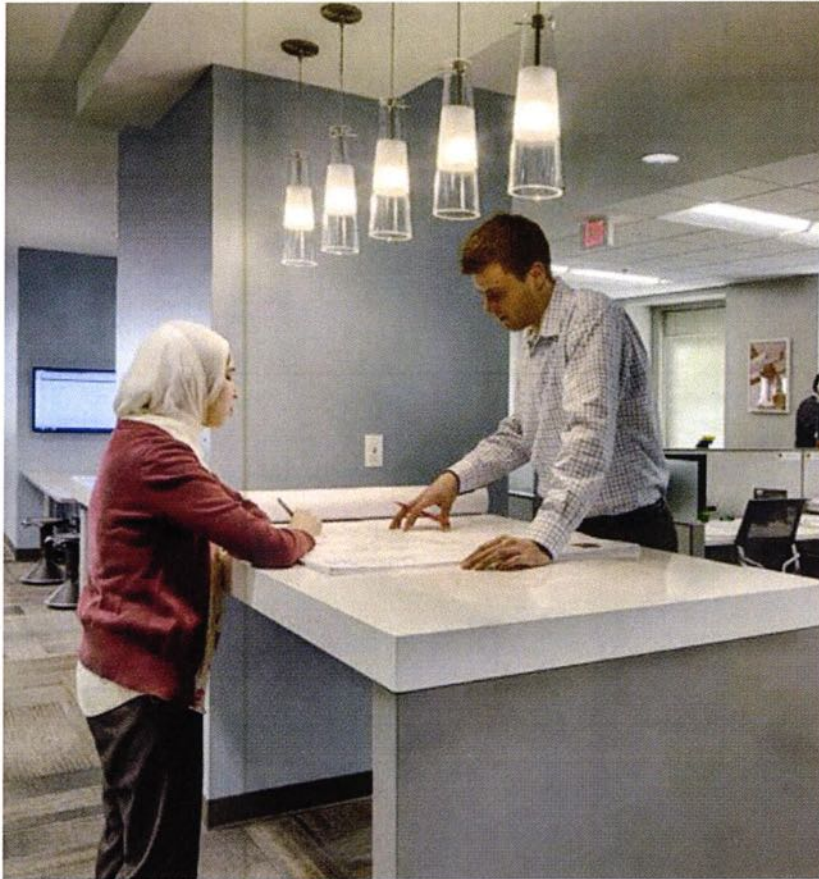
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**FIRM  
INFORMATION &  
RESUMES**



## FIRM BACKGROUND

WOLD ARCHITECTS AND ENGINEERS

**services we offer** | Long-Range Planning, Strategic Facility Planning, Pre-Design Program & Verification, Space Adequacy Evaluation, Site & Facility Analysis, Interior Design & Space Planning, Architectural Design, Historic Renovation, Contract Documents, Security Analysis, Color & Material Selection, Sustainable Design, Mechanical & Electrical Engineering, Cost Estimating & Management, Quality Review, Bidding & Contract Review, Best Value Procurement, Comprehensive Construction Administration, Project Close Out & Archiving, Continuous Post-Occupancy Follow-Through, Utility Tracking & Analysis

**name & address**

Wold Architects and Engineers  
 332 Minnesota Street, Suite W2000  
 St. Paul, MN 55101  
**t** 651 227 7773 | **f** 651 223 5646  
 www.woldae.com

**primary contact**

Vaughn Dierks, AIA, LEED AP  
 Partner-in-Charge  
**c** 612 382 8984  
 vdierks@woldae.com

**org. structure** | Corporation

**brief company history**

With client service as a focus, we take a long-term posture of keeping our clients' interests as our goal. We believe our role is much more than just a facility designer. Because facility issues are ongoing, we offer our continuing support from initial space needs analysis, through design and construction project, continuing through post-occupancy.

Our 200+ person, multi-disciplinary staff provides you with an unparalleled level of service. We have the experience and capabilities to address any facility need that you have

**date founded** | 1968

**years in business** | 50 years

**ownership** | Privately Owned

staff counts	NAT'L
Registered Architects	38
Graduate Architects	107
Registered Engineers	15
Graduate Engineers	43
Interior Designers	8
Administrative Support	28
<b>Total</b>	<b>239</b>





## PARTNER-IN-CHARGE

VAUGHN DIERKS, AIA, LEED AP

**university of minnesota** | Master of Architecture  
**washington university, st. louis** | BA, Architecture

Vaughn's responsibility is to ensure all of your project goals are incorporated and exceeded throughout the design and construction process. As one of the leaders of Wold's Educational Planning Group, he will bring over 25 years of design educational experience and expertise to your district. Vaughn's passion is school planning, and he serves as a corporate resource to all educational design teams.

### **ssd 6 south st. paul public schools**

New Elementary School  
 Multiple Major Renovations/Additions  
 Long Range & \$28M Referendum Planning

### **isd 15 st. francis schools**

Multiple Major Renovations/Additions  
 Long Range & \$80M Referendum Planning

### **isd 194 lakeville area public schools**

(4) New Schools  
 Multiple Major Renovations/Additions  
 \$4m Annual Alt Facilities Projects  
 Long Range & Referendum Planning

### **isd 273 edina schools**

Multiple Renovations/Additions  
 \$15M Annual Alt Facilities Projects  
 Long Range & \$125M Referendum Planning

### **isd 278 orono public schools**

New Middle School  
 Multiple Major Renovations/Additions  
 Long Range & Referendum Planning

### **isd 282 st. anthony – new brighton schools**

Major Renovations/Additions  
 Long Range & \$28M Referendum Planning

### **isd 280 richfield schools**

Multiple Renovations/Additions  
 Long Range & \$88M Referendum Planning

### **isd 477 princeton public schools**

Long Range & \$30M Referendum Planning

### **isd 535 rochester public schools**

Major Renovation (ALC)  
 All-Day Kindergarten Study  
 Multiple Alternative Facilities Projects  
 New Elementary School (Gibbs)

### **isd 623 roseville**

Long Range & \$145 M  
 Referendum Planning

### **isd 721 new prague area schools**

(2) New Schools  
 Multiple Major Renovations/Additions  
 Long Range & \$65M Referendum Planning

### **isd 728 elk river area schools**

Multiple Major Renovations/Additions  
 \$7m Annual Alt Facilities Projects  
 Long Range & \$98M Referendum Planning

### **isd 879 delano public schools**

Long Range & \$65M Referendum Planning

### **isd 882 monticello schools**

Long Range & \$60M Referendum Planning



## EDUCATIONAL PLANNER

SAL BAGLEY, AIA, LEED AP BD+C

**university of oregon** | MA, Architecture, advanced studies in ecological design

**university of minnesota** | BS, Architecture

Sal will be responsible for translating and implementing the project goals. She will serve as a primary contact, coordinating with the Design Team to ensure relevant details are being included throughout, and facilitate the Construction Administration process. She has experience working with many clients on planning, design, and implementation of facilities projects.

### **isd 318 grand rapids public schools**

New East ES  
New West ES  
Cohasset Elementary Additions  
Renovations

### **isd 761 owatonna public schools**

Long Range & \$78M Referendum  
Planning  
Bond Planning and Support  
Capacity Studies  
Lincoln ES Additions & Renovations  
McKinley ES Additions & Renovations  
Wilson ES Renovations  
Washington ES Renovations  
Willow Creek Additions & Renovations  
Owatonna MS Additions & Renovations  
District-wide Facility Analysis

### **isd 656 faribault public schools**

Long Range Planning  
Bond Planning and Support  
Capacity Studies

### **isd 273 edina public schools**

Edina HS Additions & Renovations  
Cornelia ES Additions & Renovations

### **isd 700 hermantown community schools**

Hermantown Elementary Additions  
& Renovations  
Hermantown MS/HS Additions &  
Renovations  
Early Childhood Facility  
District-Wide Facility Analysis

### **isd 861 winona area public schools**

Long Range Planning  
Bond Planning & Support  
Capacity Study  
District-wide Facility Analysis

### **isd 720 shakopee public schools**

Jackson ES Addition  
Eagle Creek ES Addition  
Red Oak ES Addition  
Sun Path ES Additions and Renovations

### **isd 518 worthington public schools**

Long Range Planning  
Bond Planning & Support  
Capacity Studies  
ALC/Gymnastics Facility

### **isd 624 white bear lake area schools**

Long Range Planning

### **ssd 001 minneapolis public schools**

Marcy Open School Additions &  
Renovations



## PROJECT MANAGER

SEAN KELLY, AIA

**university of minnesota** | Master of Architecture  
**university of minnesota** | BA – Architecture

Sean's responsibility is to ensure that all of your project requirements are translated through quality construction documents and successful execution of construction projects. Staying within budget and on schedule is the top priority for Sean.

**isd 192 farmington area public schools** | Long Range and Referendum Planning

**isd 194 lakeville area public schools** | District-wide Deferred Maintenance projects 2013-2015, District-wide Facility Inventory Information System database (FIIS), 016 Master Facilities Planning

**isd 195 randolph public schools** | 2016 Deferred Maintenance and Indoor Air Quality Building Upgrades, Long Range and Referendum Planning

**isd 728 elk river area school district** | Elk River High School Addition and Renovations, Parker Elementary School Remodel

**isd 281 robbinsdale area school district** | District-wide Deferred Maintenance Projects 2013-2015, New Hope Learning Center Additions and Renovations



## PROGRAMMING & INTERIOR DESIGN

LYNAE SCHOEN, IIDA, LEED AP

**north dakota state university** | BS – Interior Design

Lynae works with clients to define their needs by planning with functional relationships as a guide. Her interior architecture background provides a strong basis for developing educational facility program space needs, educational specifications and space utilization analysis. Lynae will be responsible for understanding, documenting, and communicating the needs throughout your district.

**isd 279 osseo area schools** | Osseo District-Wide Facilities Study, May 2017 - Present

**isd 761 owatonna public schools** | McKinley ES Additions and Renovations, Owatonna MS Additions and Renovations

**isd 273 edina public schools** | Edina HS Additions and Renovations, Cornelia ES 2016 Renovations, ECC/ Normandale 2016 Renovations, Southview MS, Countryside ES Addition and Renovations, Highlands ES, Creek Valley ES, Concord ES

**isd 16 spring lake park school district** | Spring Lake Park HS Addition and Renovation, Spring Lake Park District Office Conversion Phase I & II, New Northpoint ES,

# TEAM OVERVIEW & SUB-CONSULTANTS

Our team includes all disciplines needed to successfully complete your projects. We are proposing utilizing our in-house Mechanical and Electrical Engineering team to not only design the proposed work but assist with future planning decisions you might have and help you build a sustainable Long-Range approach to all of your work. We maintain long standing relationships with BKBM Engineers for our Structural work, and AJA Associates for Civil Engineering. All of our consultants understand our commitment to service and have a similar focus. Additionally, our experience together means better coordinated documents and less chance for error. Our team is further rounded out with every specialty consultant that would be needed for food service, acoustics, or similar needs. This is all part of our fixed fee approach, and has no limit on the number of meetings or visits needed.



## EDUCATIONAL TEAM LEADERSHIP

**vaughn dierks** | Partner-in-Charge  
**sal bagley** | Educational Planner

## PROJECT TEAM: WOLD ARCHITECTS & ENGINEERS

**sean kelly** | Project Manager  
**lynae schoen** | Programmer/Interior Designer  
**eric lineer** | Quality Control  
**maria kennedy** | Project Designer  
**kevin marshall** | Mechanical Engineer  
**brad johannsen** | Electrical Engineer  
**michelle klien** | Low Voltage Design

## SUB-CONSULTANTS / RESOURCES

**bkbm** | Structural Engineering  
**aja** | Civil Engineering  
**acoustical design** | Kvernstoen, Rönholm & Associates  
**rippe associates** | Food Service Design  
**paulson & clark engineering** | Security Design  
**loeffler construction & consulting** | Cost Estimating

# K-12 EXPERTISE

# K-12 EDUCATION IN MINNESOTA

EXPERTISE IN PLANNING, DESIGN, & ENGINEERING OF EDUCATIONAL FACILITIES

As the region's premier educational planners and architects, no other firm has the depth of knowledge about working with Minnesota Public School districts that we do. Over 75% of all of our work is in K-12 Public education. What this focus gives us is a deep understanding of your organization, your needs, and your opportunities. Our true specialty is understanding the thousands of stakeholders you have invested in your buildings and how to include them in the process appropriately. Whether it's a concerned taxpayer, an educator, a parent, or a member of the school board, we have a process that will get their input and facilitate decision making.



With this focus comes a profound understanding of education. We are at a pivotal time in public education. Educators are slowly pulling us out of the century of teaching paradigms based on the industrial revolution. New methods of teaching and a renewed focus on personalized learning are demanding new spaces and processes. We will bring our collaborative skills to the conversation to not only help design new spaces suited for the 21st century, at the same time we will help facilitate new thinking and creativity in your teaching staff. Our collaborative workshops have proven time and again to bring new insights and new inspiration to educators. We often hear that these conversations have given them ideas that they can start incorporating in their classroom right away.

What is often overlooked by some firms is the importance of renovation, revitalization and maintenance. We believe that this needs to remain a critical part of our approach. These buildings need to last for decades, and need to have proven and durable materials, finishes, and operating systems. More Districts renovate than build new, and the same attention to outstanding functional educational design needs to be applied to create spaces that can accommodate the future. During design we challenge the thought process of "that can't be done" to consider how a building can adapt to meet new conditions. Our commitment is to provide every District with facilities that are designed to their values, that are functionally high quality, are easy to operate, and are flexible to tomorrow's educational demands.

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# RECENT SCHOOL PROJECTS

# ELEMENTARY SCHOOL DESIGN

Our beliefs on innovative elementary design are founded on the idea that learning opportunities also occur outside of the typical classroom, and when captured you can build a richer environment for both students and staff. This opportunity exists no matter if it is new construction or renovation. During the design process we work with the established planning groups to explore ideas related to classroom shape and organization, small group areas and breakout learning spaces, and the relationship of support learning spaces and labs. In addition, ideas regarding safety and security, acoustics, community use, and larger district goals are incorporated to provide a cohesive plan to meet all established criteria. We do not take a “cookie-cutter” approach to the design of new buildings, and the result is buildings that are appropriate for each community.

## new elementary schools

New East & West Elementaries– ISD #318  
 Chisago Lakes Elementary – ISD #2144  
 East Lake Elementary – ISD #196  
 Centerview Elementary K-4 – ISD #16  
 Princeton K-2 – ISD #477  
 Otsego New PK-8 – ISD #728  
 Delano New Elementary – ISD #879  
 Fort Logan Northgate School – CO  
 Charles Hay Elementary – CO  
 Clayton Elementary – CO  
 Dakota Valley Learning Center – ISD #196  
 Meadow Ridge Elementary – ISD #284  
 Edgewood School – ISD #719  
 Jeffers Pond Elementary – ISD #719  
 Montgomery-Lonsdale Elementary E.– ISD #394  
 NorthPoint Elementary – ISD #16  
 North Woods Elementary – WI  
 Cuyuna Range Elementary – ISD #182  
 Lincoln Piedmont, Lincoln Park Elementaries– ISD #709\*\*  
 Hidden Valley Elementary – ISD #191

Harriet Bishop Elementary – ISD #191  
 Eastview, Oak Hills Elementary – ISD #194  
 Lake Marion Elementary – ISD #194  
 Lakeview, Cherry View Elementary– ISD #194  
 Jackson Elementary – ISD #720  
 Rosa Parks Elementary – ISD #77\*  
 George W. Gibbs Jr. Elementary – ISD #535  
 Oak Ridge, Glacier Hills, Red Pine, Pinewood, &  
 Shannon Park Elementaries – ISD #196  
 Red Oak, Sunpath, & Eagle Creek Elementaries – ISD #720  
 Kaposia Education Center – SSD #006  
 Redtail Ridge Elementary – ISD #719  
 Randolph K-12– ISD #195  
 Rothsay K-12– ISD #850  
 Prescott Elementary– Dubuque, IA  
 Valentine Elementary– Dubuque, IA  
 St. Croix Falls Elementary– St. Croix Falls, WI

*\*Paulsen Architects- Local Project Architects*  
*\*\*SJA- Local Project Architect*

## additions, renovations and upgrades

The majority of our clients have adapted their schools to meet the needs of the future through renovations and/or additions to their buildings, sometimes more than once over the years in the same building. The following represents our experience with Districts on Elementary renovations and additions alone

SSD 1- Minneapolis (2)	ISD 277 Westonka (3)	ISD 719 Prior Lake (5)
SSD 6- South Saint Paul (5)	ISD 278 Orono (5)	ISD 720 Shakopee (6)
ISD 12- Centennial (2)	ISD 280 Richfield (3)	ISD 721 New Prague (3)
ISD 15- St. Francis (4)	ISD 281 Robbinsdale	ISD 727 Big Lake (2)
ISD 16- Spring Lake Park (10)	ISD 282 St. Anthony New Brighton (2)	ISD 728 Elk River (6)
ISD 95- Cromwell Wright (1)	ISD 283 St. Louis Park (4)	ISD 740 Melrose (1)
ISD 186- Pequot Lakes (1)	ISD 284 Wayzata (5)	ISD 756 Blooming Prairie (2)
ISD 191- Burnsville (14)	ISD 314 Braham (1)	ISD 761 Owatonna (3)
ISD 192- Farmington	ISD 332 Mora (2)	ISD 876 Annandale (2)
ISD 194- Lakeville (32)	ISD 394 Montgomery Lonsdale (6)	ISD 879 Delano (2)
ISD 195-Randolph (3)	ISD 465 Litchfield (2)	ISD 881 Maple Lake (2)
ISD 196- Rosemount Apple Valley/ Eagan (30)	ISD 477 Princeton (4)	ISD 882 Monticello (3)
ISD 197- West Saint Paul (6)	ISD 535 Rochester (4)	ISD 2144 Chisago Lakes (3)
ISD 200- Hastings (8)	ISD 548 Pelican Rapids (1)	ISD 2859 Glencoe Silverlake (1)
ISD 271 Bloomington (9)	ISD 621 Moundsview (7)	ISD 2897 Redwood Falls (2)
ISD 272 Eden Prairie (2)	ISD 625 Saint Paul Public Schools (4)	Glenwood City, WI (1)
ISD 273 Edina (8)	ISD 700 Hermantown (2)	St. Croix Central, WI (2)
	ISD 709 Duluth (2)	River Falls, WI (2)





## ISD #16 CENTERVIEW ELEMENTARY

BLAINE, MINNESOTA

**project type** | New Facility

**completed** | August 2018

**total sf** | 98,000 sf

**enrollment capacity** | 750 students

**grade configuration** | PK-4

**construction cost** | \$26.8 M

**owner initiated change orders & cost** | \$504,403 / 1.8%

**architect initiated change orders & cost** | \$664,994 / 2.4%

**unforeseen conditions** | contaminated soils, \$252,813 / 0.94%

**cm firm & field supervisor** | CM Firm: Kraus Anderson, field supervisor:

Brandon Larkin

### owner references

Jeff Ronneberg, Superintendent  
763 600 5020

Amy Schultz, Director of Business Services  
763 600 5033

*The newest elementary for Spring Lake Park School District was designed based on a studio delivery model in lieu of typical classrooms. The overall goal focused on:*

- Create spaces that celebrate the learning process and put it on display
- Create flexible, adaptable spaces
- Design learning environments that support multiple styles of learning
- Provide a facility that encourages the use of shared resources

The school features a Learning Commons as the core. Made up of a learning area, small group spaces, a learning stair and performance platform, the Learning Commons is a shared, social space for performing, reading, and project based learning. Arranged around the Learning Commons are five Learning Studios, each of which contains flexible spaces that serve small, medium and large groups of students. Operable glass walls give the ability to create learning environments that are tailored to the curriculum. Each Learning Studio contains a dedicated STEM lab with mobile resources to allow easy access to all students. Learning Studios are separated by centralized Applied Lab spaces that function as the centers for Art and Music exploration.



## ISD #761 MCKINLEY ELEMENTARY

OWATONNA, MINNESOTA

**project type** | Addition/Renovation

**completed** | August 2017

**total sf** | 34,000 SF (addition), 52,000 SF (renovation)

**enrollment capacity** | 625 students

**grade configuration** | K-5

**construction cost** | \$11.2 M

**owner initiated change orders & cost** | \$326,400 / 2.91%

*Includes significant added maintenance and site work*

**architect initiated change orders & cost** | \$108,500 / 0.97%

**unforeseen conditions** | soil corrections, weather delays, \$456,900 / 4.0%

**cm firm & field supervisor** | CM Firm: Donlar Construction; Field Supervisor: Paul Notch

### owner references

Bob Olson, Director of Facilities, Infrastructure and Security  
507 444 8606

*McKinley's culture is rooted in collaboration and learning through project-based inquiry (STEM).*

The additions and renovations celebrate the culture of McKinley through the creation of a continuous learning commons: a flexible learning area shared by all to support personalized learning, team-teaching, and collaboration. The Core Group valued ample transparency and access to natural daylight as well as providing opportunities to put learning on display. A new main office with a secure vestibule and revised parking and traffic layout improved safety.

This project blended capacity improvements with deferred maintenance upgrades to several building systems. The material palette is inspired by the wetland on the expansive site, which is used as an outdoor learning area.



## ISD #196 EAST LAKE ELEMENTARY SCHOOL

LAKEVILLE, MINNESOTA

**project type** | New Facility  
**completed** | August 2017  
**total sf** | 84,600 sf  
**enrollment capacity** | 638 students  
**grade configuration** | PK-5  
**construction cost** | \$18.4 M  
**owner initiated change orders & cost** | \$31,400 / 0.17%  
**architect initiated change orders & cost** | \$316,072 / 1.7%  
**cm firm & field supervisor** | CM Firm: Wenck, field supervisor: Paul Osterhus / Luke Nelson

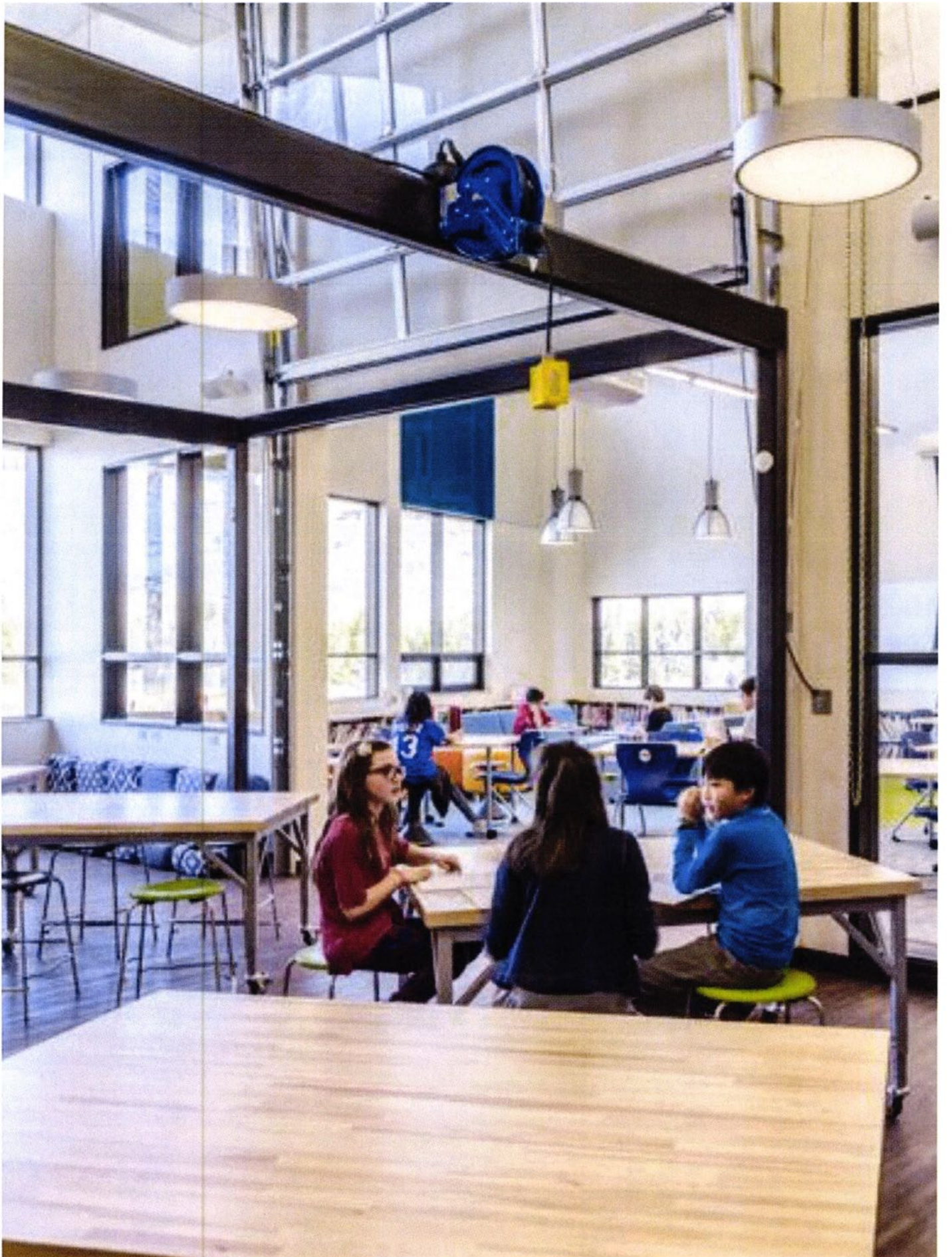
### owner references

Jeff Solomon, Director of Finance and Operations  
 651 423 7713

*As ISD 196 began design for the newest elementary in the past 20 years, it needed to be cognizant of equity with other schools while at the same time meeting challenges of today's educational needs.*

The school is arranged around a centralized, open-concept media center that serves as a collaboration space for all. This was a core design element of previous elementary schools in the District, along with classrooms arranged in clusters that opened to the media.

The new school deviates slightly from the approach of the past in designing each cluster of classrooms was designed as individual learning communities comprised of five classrooms around a flexible learning area, with a variety of small group collaboration areas throughout the building. The design also includes a dedicated preschool to enhance the District's approach to including Pre-K as part of the Elementary experience.



PROPOSED FEE

# BASIS OF COMPENSATION

## structure of fee

Wold provides a comprehensive package of professional design and management services for each of our clients. All noted consultant services are included in our basic fee. We look at each business relationship as long term and, therefore, strive to earn our commissions through sustained performance and client satisfaction.

Our firm has been serving the educational community for 50 years. We understand what it takes to provide the service you deserve. We understand the effort needed for project success. Our fee structure represents Wold's commitment to exceeding your expectations. We do not deliver our services à la carte, nor do we nickel and dime our clients for assistance calls. You will not receive surprise invoices for the extra site visit or the additional user group meeting. Our fee is fixed, and we are consistent with the fees we present to our client base. We owe it to our clients to provide full-service success; the price for success shouldn't change, and our efforts to succeed don't either.

## project fees

Our fee proposal is based on a percentage of the construction budget. Our fixed fee would include all services to execute architecture and engineering for your project within the agreed upon scope. We do not charge additional fees for construction change orders. These are part of our basic services.

## fee schedule

<b>New Building</b> .....	<b>6.0% x Fee Basis</b>
Simple Additions.....	7.0% x Fee Basis
<b>Remodeling &amp; Additions</b> .....	<b>7.5% x Fee Basis</b>
"Gut Job" Renovations.....	8.5% x Fee Basis

## included consultants

- Architectural
- Interior Design
- Electrical
- Mechanical
- Cost Estimating
- Civil
- Landscape Architect
- Structural
- Food Service Specialist
- Acoustician

## reimbursables

Wold estimates reimbursables are at \$4,500 per million of construction. Reimbursables include mileage, miscellaneous printing, telephone, fax, etc. These are billed as they are accrued with no additional markup. Plan Review Fees, Testing Services, and Bid Set Printing are tax-free, and as such would be direct pass-through costs as incurred and are not included in the above. We would be happy to fix reimbursable costs as part of our fee once the project scope is determined if you would prefer.

## additional scope or services

Our belief is that project scope in the best design may evolve, change, and develop as you go through the process. In most cases we incorporate this as part of the process at no additional cost. We do not charge for change orders or other work affiliated with the project we are already working on. If the District decides to incorporate a significant change to the original project that is unrelated, particularly if it involves incorporating additional funding from the District to implement, we would request appropriate additional services to accommodate our staffing and design effort, and this would be accompanied by an agreement in writing. This would all be done in conversations with the District and an agreement to move forward with the scope prior to us implementing. We will never send you a surprise invoice for work you are unaware of.

## fee negotiation

As always, we are happy to meet and discuss our presumptions and fee proposal to make sure we are aligning our fee with your expectations. We are excited about this opportunity and believe a fee arrangement can be established which will provide the appropriate level of service and commitment to achieve success for Northfield Public Schools.

# PROJECT MANAGEMENT



## OUR APPROACH & PHILOSOPHY

### WOLD ARCHITECTS AND ENGINEERS

#### summary

Northfield Public Schools is about to embark on another chapter in your history. There is unprecedented change happening in Minnesota's public schools. The pace of change in both educational programming and the facilities that houses them is astounding. The last three years are critical to any school architects' expertise right now, and nobody has helped transform more educational space in the last three years than Wold. We are not only on the pulse of new school paradigms, we are helping to lead the charge.

#### our approach

Design will not start until we can listen to you, discuss and identify your goals, functional issues, and expectations, and determine appropriate criteria first.

We will establish Core Planning Groups for each component to develop a collaborative consensus-based approach, so the plan has your community's ownership.

We will work with the Board of Education throughout the process to ensure the direction is aligned with their vision.

We will solicit staff input related to detail at multiple times during the process to plan accurately to their functional needs.

We will use our experience in educational design to bring creative solutions and insights to the table for your consideration and discussion, not as experts dictating what you should do.

We will remain actively involved through all aspects of the planning and projects, including construction, occupancy and post-occupancy to ensure your satisfaction with all outcomes.

We will be available for any questions you have that are beyond the project scope to assist in future decisions, planning efforts, or other aspects where we can bring additional insight.

We will work to incorporate the unique and diverse sensibilities of your constituents into a facility plan to help ensure your success.

#### our philosophy

***We listen to what you say.*** When we begin any educational project, we always start with one simple question: what do you want your school to be? It sounds simple, but it is a basic tenet for everything we do in our designs and it guides our entire process.

***Aesthetics don't come first.*** The primary goal of any project is never the architectural design. While we know that a building's appearance is important, it should not come at the expense of the function of the school or at an added cost to the tax payers. As you look through our recent projects, you will see projects that are not only attractive, but ones where clients can specifically tell you how it was designed to meet particular goals and represent their community.

***It starts with collaboration.*** Through our participatory planning process, we bring multiple stakeholders together to represent the various views and beliefs within your community. We facilitate planning discussions to define criteria specific to your project goals and base our designs directly upon those criteria. From meeting to meeting, we will show and explain to the planning group how their input directly impacted and modified the plans.

***Your goals and needs—not ours.*** At the end of each phase, the process is formally presented to the school board for review and approval to ensure that the direction is meeting the district's goals. As each phase progresses, we continue meeting with your staff to work through the details; this process achieves stakeholder ownership and allows constant dialogue, especially when there are difficult decisions to be made.

***Our unique process results in a unique outcome.*** We do not have a cookie cutter approach to any projects we do. Needs, wants, goals, and decisions are never the same from one client to the next, so we start every project with a fresh set of eyes and a blank piece of paper. By seeking to first understand you as a unique client, there is certainty in having your goals, expectations, and values reflected in the final design.



# INCLUSIVE PLANNING

## schematic design: core planning groups

### who are they?

A Core Planning Group typically consists of 20-30 members that are selected from a cross-section of the users of the facility and community. Typically this includes parents, select community members, select staff, students, other local officials (e.g. city, county) and other local groups who may use the facility.

### what do they do?

The Core Planning Group (CPG) is a vital part of participatory planning. The group is charged with the task of seeking input from the broader pool of Input Givers/Input Resources and to bring input back to the group. Representatives on the CPG could also gather supporting input from their contacts in the District and community to develop the planning criteria. The criteria is a set of rules that to guide a master plan, site, or building design.

### why does this work?

We believe this participatory process works because the eventual design is truly that of the entire community and school district, never a “cookie cutter” plan placed on a site near you.

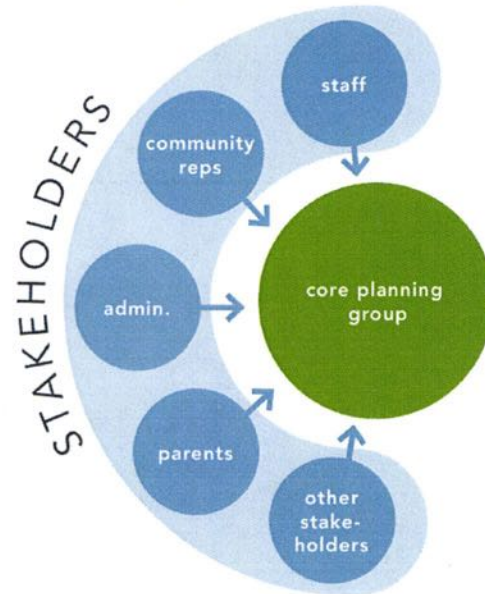
## design development: user groups

Communication between all project participants is the most important key to a successful project. We make a point of involving users from the beginning. No other firm dedicates the time and energy we do to this important communication. These documents, which no other firm produces, also help us communicate exactly what was discussed with our consultants. We believe this investment is critical to gaining your stakeholders support of the decisions that are made, and results in less communication and coordination problems.

### user-group input

The user input phase is vitally important in obtaining critical information necessary to coordinate room arrangements, equipment, furnishings and building services with the building. It is an opportunity to gain ownership of building users in two areas: ownership of the process and ultimately the layout of spaces in the building. The purpose is to obtain input (not decisions) on specific room arrangements, without affecting the overall building organization or building philosophy that was developed by the Core Planning Group.

The value is that at move-in, building users “own the plan,” resulting in fewer issues and happy staff. We are experts at designing public buildings and we respect the differences that exist in each community, which ultimately make every building unique in design and functionality. Open-mindedness and listening are key to this process. Challenge users when



### detail user group input



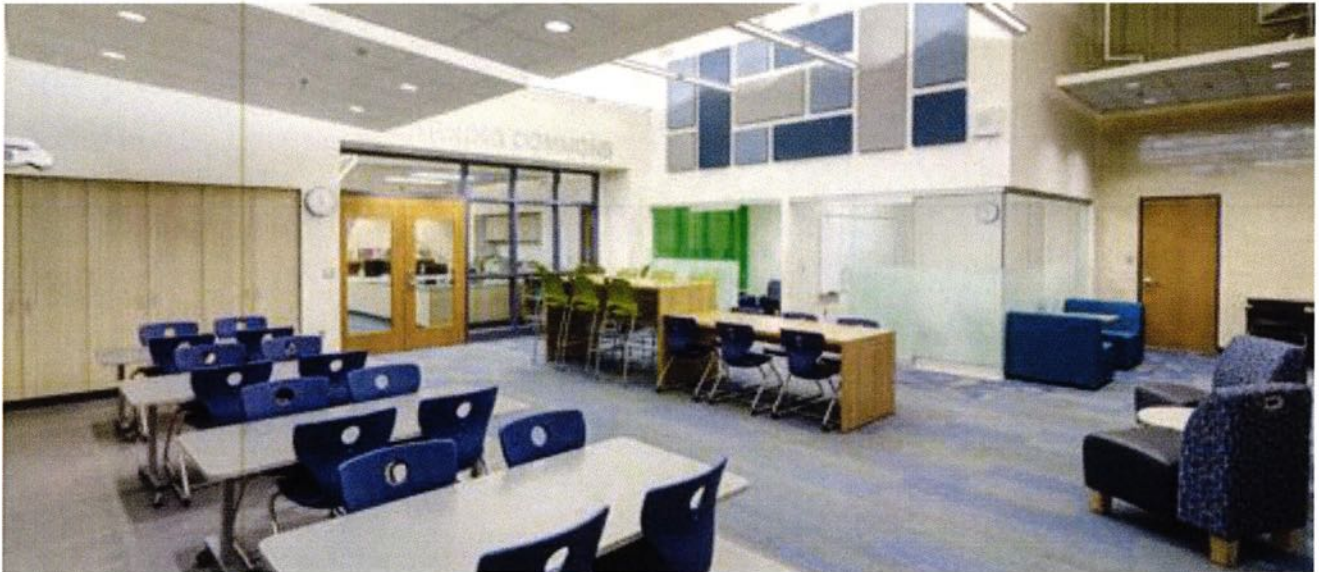
### check sets



needed but know when to back off and explain why you are challenging them when needed. It is our job to help people think beyond where they are today because public buildings have to be flexible to last well beyond our life spans.

# BUDGET MANAGEMENT TOOLS

## COST ESTIMATION AND MANAGEMENT



A fixed budget means a fixed budget. This is built around three factors: **quantity, quality and schedule**. These are determined early in the planning process and managed throughout the design. Wold has molded our project cost estimating around these principles. Our philosophy is to confirm the budget early and verify through multiple estimates that at any moment the design is within the fixed budget.

Construction managers will develop estimates at key milestones. Wold also creates parallel construction cost estimates to cross-reference with the CM. Within our fixed fee, we include the services of an independent cost estimating consultant, Loeffler Construction and Cost Estimating, to perform cost evaluations at design development and construction document phases. This effort is completed in alignment with the CM's estimates, so collaboration on an agreed cost estimate can occur, and the district can be confident in their team moving forward.

### establishing budgets

Your Review & Comment provides a certain amount of detail for the established budgets for each project, which is a great place to start. Our first step would be to meet with the District and Construction Manager to review assumptions made to date, project scope, and established budgets for each to ensure all are aligned in how we view the work. If there are any additional clarifications at that time, we would work towards a common resolution as the design proceeds. At that time it would also be important to determine which party will be responsible for tracking and reporting costs. Typically the CM would provide that role as a direct extension to the construction phase. Our role would continue to manage costs during design and work with all parties to adhere to budget.

### life cycle cost analysis

We believe life cycle cost analysis to be a tool in analyzing the quality of a building with an owner. We use this tool to help determine the building materials and finishes, mechanical and electrical systems, etc. Once a level of quality is established, we work diligently to manage that quality level to maintain a project's budget.

### value engineering

During design it will be important to continuously review the approach with available solutions to ensure that the intent matches the budget. As needed, we may need to review and consider options with a lower first cost for implementation. This would be part of our on-going discussions with the District, and no changes in quality would occur from agreed upon solutions without District understanding and agreement. First costs are also considered alongside operational expenses. If there is a cost benefit applied over time, that would be part of our discussions.

### energy performance

In addition to Life Cycle Analysis, our design process incorporates energy modeling to provide projections and considerations of the operational impact. If needed, this can also lead to considerations of alternative funding approaches in order to balance environmental and operations goals within established budgets for implementation. We work with Districts to pursue available rebates and incentive programs to assist with first costs. All of these approaches are part of a strong approach to sustainable design (see pages 22-23 for additional information).

# COST CONTROL

## BUDGET MANAGEMENT DURING PLANNING AND BEYOND

### managing costs during construction

Changes during construction are almost inevitable on projects. However, the ability to control costs related to these changes is something we will be heavily focused on. This will require an active presence on site to understand the issues, as well as thorough construction documents to ensure as many possible scenarios as we can anticipate. For changes during construction, we have a number of strategies we may choose to employ including alternative low-cost or no-cost solutions to achieve the same results, adjustment of scope in other less critical areas to accommodate the budget, or proceeding based on your input as owner for true, value-added items. No matter the approach, we review all submitted costs and work directly with the contractors until we feel the costs represent fair value to the district for work performed.



### early planning process: quantity

- Budgeted SF is utilized as the project guide
- Project is managed to established SF
- Review with CM for construction and engineering approaches

### design process: quality

- Established project quality and District Standards are utilized as the guide
- Quality requests are reviewed with Board/Facilities Committee to confirm they align with expectations
- Independent Estimates performed by Wold and CM
- Estimates based on detailed drawing take-offs

### budget updates at:

- Schematic design
- Design development
- Contract documents
- Bi-weekly during construction

### bid process: proactive planning

- Maximize project interest in the construction community to create a successful bid day
- Assist CM with attracting bidders
- Minimize size of Addendum through quality documents

### construction process: proactive response

- Thorough review of all submitted costs for fair value
- Exploration of alternative low or no-cost options
- Change order history of 1% or less on new construction, 3% or less on renovations
- Timely communications keeps cost at fair value

### construction process: schedule

- Timely construction start-up, proper project management and proactive construction meetings ensure schedule maintenance
- Timely communications on construction issues keeps cost at fair value

# SCHEDULE MANAGEMENT

## DETERMINING AND MAINTAINING YOUR SCHEDULE

We understand that your facility's doors need to open come start of school no matter what. We have translated this belief to all other aspects of our work as well. Schedule delays not only cause strain on the budget, they also strain political relations between the Administration and staff, and the taxpayers who supported the project.

The key to successful schedule management is the whole-hearted partnering of the entire Project Team including your CM. Our team has a proven record of serving and listening to clients and responding to their needs.

### design

- Build a project milestone schedule to manage all disciplines from the onset
- monitor the performance and input of all participants to assure that information is available and tasks are completed in a timely manner
- Weekly coordination meetings
- Weekly updated drawings to FTP
- Checklist for typical coordination issues
- Established/tested detailing for contract documents
- Peer review of Contract Documents
- All-day team coordination prior to documents being issued
- Utilize only Addendum #1 to elevate document's quality

### bidding

- Proactive contact of potential bidders to generate interest
- Minimize addenda
- Assist in bid openings and contract preparations as needed

### construction

- Review submittal requirements, schedule of values, and owner expectations with contractors
- Pre-construction forum
- Shop drawing review
- Mandatory Contractor pre-installation conferences for critical areas

- Job site presence with observation reports
- On-site involvement to review compliance of critical aspects
- Attendance at all construction meetings/ review of construction schedules
- Proactive tracking of Contractors (weekly progress schedules)
- Availability to contractors to review specific conditions in field where needed
- Begin commissioning process to ensure design compliance

### substantial completion

- Goal: Have contractor complete the punch list in 60 days
- Continue construction meetings to keep contractor focused
- Monitor punch list issues and redevelop punch lists as needed to simplify process
- Identify user issues and sort out responsibility through regular meetings with District Staff
- Keep the pressure on the contractor to complete the task at hand

### post occupancy

- Attend first-day opening to assist where helpful
- 11-month walk through to review warranty items
- Post-occupancy evaluation with Owner to review strategies
- Ongoing availability to coordinate and resolve issues

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CONSTANT MONITORING OF THE SCHEDULE IS CRITICAL. WHEN THE SCHEDULE BEGINS TO SLIP, TIMELY ACTION TO IMMEDIATELY GET BACK ON TRACK IS OUR #1 GOAL

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# TIMELINE

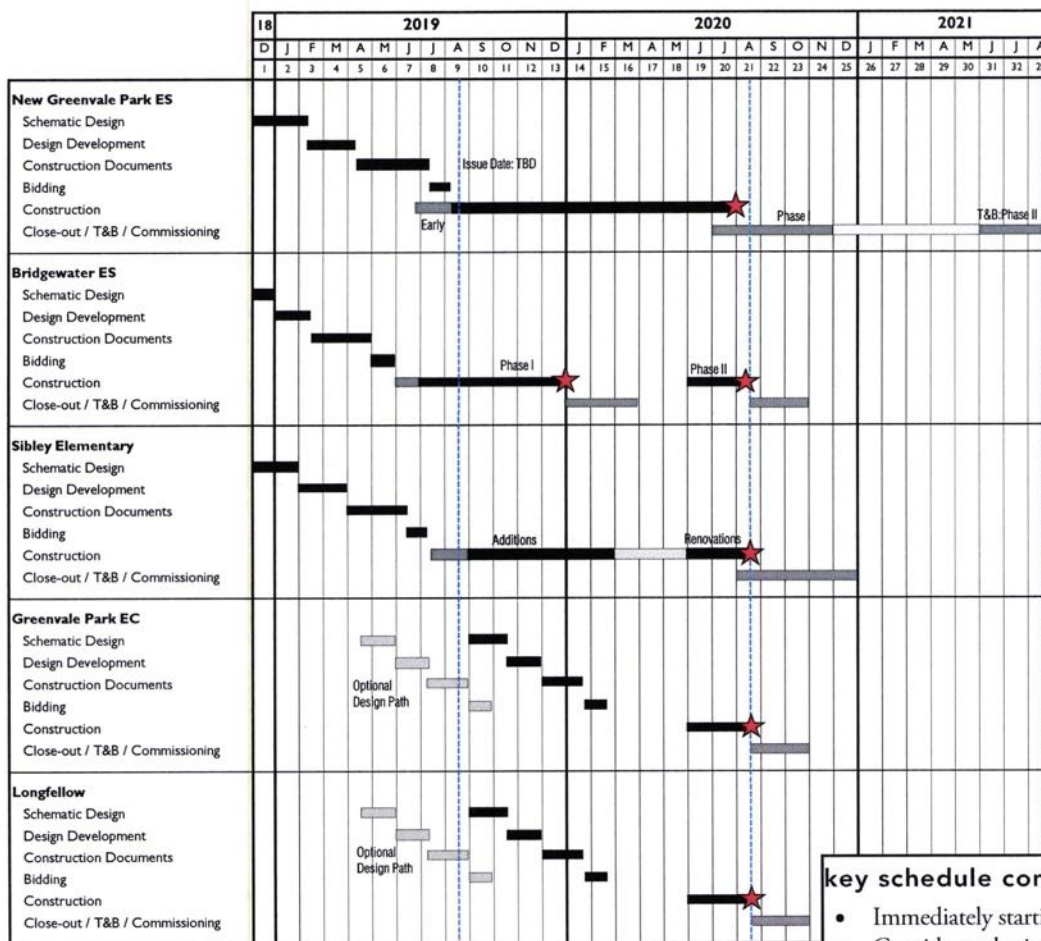
# TYPICAL TIMELINE FOR THE WORK

We have had an opportunity to review and discuss the schedule outlined for the projects in the R&C. In order to build a more comprehensive schedule we would want to discuss your expectations and needs further to make sure we are incorporating specific details while at the same time looking for opportunities. We know that certain factors are inevitable – it will take 12 months+/- to construct the new elementary, for example. Beyond that, the biggest factor on design is the availability of your staff to be involved in the design process and decisions. That may mean some level of involvement from them over summer months. We believe that determining schedule needs to be collaborative discussion between you, the design team and the CM. A draft timeline for the work is shown below and we would be happy to discuss this in greater detail as part of an interview.



**Northfield Public Schools**  
 2018 Referendum Projects  
 Conceptual Working Schedule

**Wold Architects and Engineers**  
 November 27, 2018



- key schedule considerations:**
- Immediately starting SD for New ES
  - Consider early site package for New ES
  - Bridgewater may allow for fall start of construction (tentative office/entry occupancy by January)
  - Sibley and Bridgewater additions should start fall of '19 for best schedule
  - Greenvale and Longfellow construction dependent on New ES schedule
  - Option to design / bid all projects by fall '19 to confirm budgets and better pricing

# CURRENT WORK SCHEDULE



## CURRENT SCHEDULE OF WORK

OUR ABILITY TO MEET YOUR DEADLINES

staff counts	NAT'L
Registered Architects	38
Graduate Architects	107
Registered Engineers	15
Graduate Engineers	43
Interior Designers	8
Administrative Support	28
<b>Total</b>	<b>239</b>

We are fortunate to work with many school districts throughout the state. This provides dividends to all our clients. Our network of educators will provide you with unparalleled insight into best practices in educational facilities.

Sometimes this can prompt the question, “are you too busy to handle our work?”. We can not only handle your work, but we can do so with more resources and focus than any of our competition. Some firms have very limited resources. This can severely compromise their ability to work with you effectively. Others have a track record of a heavy ‘sales’ approach up front, but then they apply limited resources where it matters.

The Wold team we are proposing understands how to do major projects while still upholding all of the values of communication and quality that you should expect. We have recently completed the majority of design and production work for the District’s that passed major initiatives in 2016 and 2017, giving us the ability to allocate our team resources to newer initiatives. We not only have the resources to do your work, but we have the best, most qualified and experienced staff. None of our competition has as many and as many experienced staff in Minnesota K-12 facilities. We will be looking for projects to put our best and brightest on just as you are ready to begin.

**We are fully committed to providing the staff and resources needed for any of your projects. The planners and project managers proposed are committed to not just the projects but also on-going planning and work with your District to assist you into the future. We have the staff to perform the work that won’t jeopardize your schedules and will assure you of a high quality process and outcome. Our firm is prepared to start your projects immediately.**



# REPORTING TOOLS

# OUR COMMUNICATION APPROACH

## participatory planning

The Wold team believes that successful facility planning includes the participation of building users, staff and community. We have developed a “Participatory Planning Process” to make programming efforts come to life. We know that each participant’s specific needs and objectives must be understood and every attempt must be made to meet those needs and objectives. Wold specializes in facilitating the site-based team process. We understand how to bring groups together and gain consensus.

- Open-mindedness and listening are key to our process.
- Communication is essential to avoid misunderstanding and to ensure all parties are moving forward together towards the successful completion of each project.
- It is our job to help people think beyond where they are today, because public buildings have to be flexible enough to last well beyond our life spans.

Throughout the process, we address issues, answer questions, and be the communication link between the Wold team and to the Owner and users/staff. This single point of contact process is the best way to control information coming to the team and communication back

to the schools. We will work with you to define the frequency and methods of communication that are right for you and your community. The following are some of the tools we typically use:

## community meetings

Beyond a community based Core Planning Group (CPG), town-hall type community meetings are useful in some communities. When broad-based community ownership is desired, we will work in preparing the CPG members as ambassadors for your District. We will also prepare them for presentations so that community members present design criteria and design decisions to the overall community.

## meeting minutes

We will formally publish complete minutes from all the meetings we attend. Minutes are sent to all attendees, and any other team members who need to be kept informed.

## user group coordination meetings/user group book

The user input phase of the planning is vitally important because this is the time to obtain critical information necessary to coordinate room arrangements, equipment, furnishings and building services with the building.

The user group process is an important

opportunity to gain ownership of building users in two areas: ownership of the process and ultimately the layout of spaces in the building. The purpose is to obtain input (not decisions) on specific room arrangements, without affecting the overall building organization or building philosophy that was developed by the CPG. The value is that at move-in, building users “own the plan,” resulting in fewer issues at move-in and happy clients. At the conclusion of Design Development, a book of drawings documenting decisions made during user group meetings will be published.

## board updates

Typically at the end of each design phase we prepare a presentation for the board including diagrams and supporting images to communicate the progress and development of the project up to that point.

## social media

We have successfully utilized social media as a community engagement tool. If the District or other community groups already uses some form of social media as a communication tool, we could easily link our message to those followers to keep them informed as the designs of your new schools progress.

*We have included examples of each of these electronically with our proposal.*



# CONSTRUCTION MANAGEMENT

# PHILOSOPHY OF OWNER, CONSTRUCTION MANAGER, AND ARCHITECT

RELATED TO THE TEAM APPROACH OF PROJECT ORGANIZATION



## experience

Collaborations with construction managers in the last 2 years:

- ISD 16 - Spring Lake Park Schools, \$49.9 M (*Kraus-Anderson*)
- ISD 196 - Rosemount Apple Valley Eagan Public Schools, \$180 M (*Wenck*)
- ISD 271 - Bloomington Public Schools, \$6.8 M (*Kraus-Anderson*)
- ISD 273 - Edina Public Schools, \$124.9 M (*Kraus-Anderson*)
- ISD 277 - Westonka Public Schools, \$22.9 M (*Kraus-Anderson*)
- ISD 278 - Orono Public Schools, \$27.4 M (*Kraus-Anderson*)
- ISD 284 - Wayzata Public Schools, \$109.6 M (2014), \$70 M (2017) (*Kraus-Anderson*)
- ISD 621 - Mounds View Public Schools, \$164.9 M (*Kraus-Anderson*)
- ISD 624 - White Bear Lake Area Schools TBD (*Kraus-Anderson*)
- ISD 700 - Hermantown Community Schools, \$49.8 M (*Kraus-Anderson*)
- ISD 719 - Prior Lake-Savage Area Schools, \$70 M (*Wenck*)
- ISD 761 - Owatonna Public Schools, \$77.9 M (*Donlar Construction*)
- ISD 829 - Waseca Public Schools, \$30 M (*Kraus-Anderson*)
- ISD 728 - Elk River Area (*Stahl Construction, Terra Construction*)

In the recent past, we have also worked on major projects with:

- RA Morton
- Miron Construction

## working as a team

The best project experiences are ones where every team member is able to not only contribute based on their own expertise but as part of the whole as well. We are working towards a common goal of providing the most value for you as our mutual client. By building your team early in the process we all can contribute from the beginning to provide a collaborative and critical perspective in evaluating options for facility solutions, schedules, and budgets. As opposed to the traditional Design-Bid-Build model, where a General Contractor is typically put in an adversarial relationship with the Owner, Architect and Engineers, the CM model allows for greater dialogue and discussion during critical early design decisions.

## our approach

Even with a CM partner, our approach remains the same: work diligently to add value during all aspects of the project. We remain an active collaborator, engage in accurate and timely communication, and take a proactive approach to resolving issues. Our fixed fee includes any and all things that we can do to make projects successful. For our public school clients we do more than 50% of our work with construction managers. We have extensive experience with the leading CM's in our region.

## another set of eyes

A collaborative process involves different voices in the conversation. In working with CM's we have been able to discuss different design strategies, estimates and proposals, construction

issues and other topics to gain an industry perspective and another point of view. Together we can review options before implementing a course of action.

## enhanced communication

In our experiences with CM's we know that communication is effectively doubled with you as a client. While we believe in real and frequent communication with you, we also discuss ideas with the CM, who in turn is able to give you additional feedback. This is also true for your staff and faculty for everything from detailed questions through big picture areas like schedule and occupancy.

## efficiency during construction

There are very few things as challenging as the construction process. Summer construction windows are tight, and often there is simply no time in the schedule for unnecessary delays. We have worked proactively with CM's to get real time input in the field on pertinent issues and needed decisions to keep the project moving forward. These efforts can minimize both time disruption and additional costs.

## a common message

A big part of the process is updating your District during important milestones to give everyone a sense of where the project is at. We work with the CM to build a common message for communications and presentations to ensure consistency and political accuracy on all topics, no matter the size of the group.

10

UNIQUE  
QUALIFICATIONS

# UNIQUE QUALITIES THAT DISTINGUISH OUR FIRM

What distinguishes our firm from others? There is a basic approach to marketing that says, what distinguishes you from your competitors is not the things you share in common (Value Neutral), but the things unique to you (Value Positive). All the firms you will receive proposals from will show you qualified people with educational experience who want to do your work. However, we believe the following features show real Positive Value for your District, and are tangible assets in your decision making process.

## we are focused on you – not us

We believe our job is to ask the right questions, not take anything for granted, and bring innovative solutions to solve your challenges. No other firm has as many tools and processes focused specifically on gaining feedback and input to guarantee your involvement and ownership at every stage of the process.

Our services are not limited to a set number of meetings or hours for a given phase or task. They are full service and inclusive of anything necessary to make these projects as well as future ones a successful experience for you.

## our approach considers the big picture

We understand how decisions you make now may limit future opportunities to adapt and change, as well as how critical it will be that every decision considers potential referendum work and the required phasing approach to make that happen. Our process focuses on asking questions not just for today, but for

the future. We bring the experience of multiple office locations, and work with dozens of educational clients – specifically ones working on the exact same type of work as you - to give you greater insight on how others are handling similar situations to inform your decision making process.

we are motivated by a long-term commitment  
When we develop a relationship, we expect it to last for many years to come. With this in mind we take a more cautious approach in considering the implications of every design step we take and its impact on

your schools, community and future stakeholders. We don't disappear when the project is over. For some firms the final goal is a pretty building to take photos for a portfolio and then they leave. We intend to be around long after the buildings are occupied to help with any ongoing issues, future planning initiatives, warranty issues, minor questions - whatever you might need.

## we are motivated by a long-term commitment

When we develop a relationship, we expect it to last for many years to come. With this in mind we take a more cautious approach in considering the implications of every design step we take and its impact on your schools, community and future stakeholders. We don't disappear when the project is over. For some firms the final goal is a pretty building to take photos for a portfolio and then they leave. We intend to be around long after the buildings are occupied to help with any ongoing issues, future planning initiatives, warranty issues, minor questions - whatever you might need.

- 1 Overall firm philosophy of **listening before designing** – all design is based on your criteria.
- 2 Specific, **relevant experience to what you are doing** – not just new educational projects, but complicated phased and occupied projects with integrated LTFM planning to prepare you for the future
- 3 The **most comprehensive user group process** to solicit, confirm, and document the smallest details of how you want to function.
- 4 A **collaborative approach** unlike any other firm focused on understanding you, seeing the bigger picture, and designing to meet your culture.
- 5 The **lowest change order history** Of our industry peers – less than 3% on renovations, less than 1% on new construction and additions.
- 6 Fixed fees without additional hidden costs for extra meeting or verification time and no extras at bidding or construction there are **no surprises!**
- 7 Dedicated **in-house quality review** from every associate to minimize construction **issues before your project goes out to bid.**
- 8 A **focus on public sector clients** and the political needs and agendas that accompany those projects.
- 9 Multiple office locations, and therefore different experiences from other states to bring **new ideas** for your consideration
- 10 The **most extensive list of references from educational clients** in the area – call any of them to find out first hand what sets us apart from our competitors.

**SUSTAINABLE  
DESIGN**

# WOLD'S SUSTAINABLE DESIGN

## GREEN BUILDING PHILOSOPHY



Sustainable design is an extremely wide spectrum, and we believe that each client has their own goals for what they want to achieve. Just as we would not come in and tell you how to be better educators, neither will we come to you and tell you this is what you absolutely must do to be sustainable! We see our role as facilitators of a dialogue to understand what you want to achieve first and then design appropriately to help you meet or exceed those expectations. We don't bring any preconceptions, nor do we expect you to be experts. To help with this process we have developed a Sustainable Planning Guide as a tool to help walk you through possible strategies, discuss the benefits and incentives, and determine which may be appropriate for you. These may range from simple common sense approaches to more intensive implementations to meet your goals. Whatever the case, it is a functional approach that is built off your needs – not our desires.

Some of our clients choose to have us follow a benchmark approach for achieving prescribed strategies or goals through a point based system. The LEED system is probably the most widely used. If this is your goal, we will help you determine the level of implementation you desire and suggest strategies to meet that. An example of that is the Gibbs Elementary School we designed for Rochester Public Schools. Their goal was to have a LEED certified building, and in working with them to understand which strategies to employ we were able to help them achieve LEED Silver Certification. This is only the fifth school to achieve LEED certification in the state.

Another benchmark approach closely related to operational performance is Energy Star. This focuses on high performing building strategies measured in real data related to on-going operational and utility costs. We were able to achieve this standard on Shakopee Public School's recent Elementary. Other clients have had us implement different measurement approaches, including Minnesota's own B3 guidelines (required for all state funded projects) or their own guidelines, such as a Dakota County's aggressive sustainable requirements. If a benchmark approach is desired to demonstrate your commitment, we will make sure you achieve the level to align with your goals.



### CASE STUDY: FORT LOGAN NORTHGATE SCHOOL SHERIDAN, CO

The systems at Sheridan 3-8 school focus on low energy consumption, great user comfort and controllability, and simplicity in maintenance and operations. This has been accomplished through a water-to-air heat pump heating and cooling system. This system couples with a geo-exchange well field, which saves significant energy. This system also utilizes an energy recovery ventilator (ERV) to provide ventilation. The gymnasium and cafeteria use CO2 monitoring and variable speed fans so that heating, cooling and ventilation can be turned down when the space is partially occupied. Each high-occupancy space have LED lights that are connected to occupancy sensors so that lights can be shut off when not in use. This school is certified LEED Gold.



# YOUR GOALS ARE THE DRIVER- NOT OURS

## monitoring goals with progress

In order to fully realize your own sustainable goals it is important to be able to monitor and track results. If you can't measure performance you have no way of evaluating how to improve. We have helped clients develop different dashboards and similar tools for evaluating on-going performance and making needed adjustments as necessary. This may involve a more automated approach free of user variation or one where authorized District staff are able to adjust appropriately.

## a community approach

As part of a high profile College town, you are uniquely positioned to work with other institutions in your community to better understand what has worked well for them, and where you might be able to work together to maximize your approaches. We will facilitate meetings with other entities for a wider dialogue and understanding to make sure your approach is aligned where applicable, while still maintaining your project goals and budgets.

## common sense

Even if you choose not to define your sustainable goals along a prescribed path, we can still take a common sense approach to how we design with you. As Sustainable Design and Green Approaches have become recent buzz words, many of our clients have asked "how can we be more sustainable?" Often, they are surprised when we discuss how many straight forward ideas are built into our design basics that meet the tenants of a sustainable approach. It doesn't need to be difficult. These may include:

## leed

LEED GOLD – Fort Logan Northgate 3-8  
 LEED GOLD – Scott Co. Emergency Communications Center  
 LEED GOLD – Rosa Parks Elementary – in collaboration with Paulsen Architects  
 LEED GOLD – Idalia PK-12 School  
 LEED GOLD – Brown County (WI) Community Treatment Center  
 LEED SILVER – George W. Gibbs Jr. Elementary  
 LEED CERTIFIED – Gordon Parks High School

## b3 projects

911 Emergency Communication Facility  
 Emergency Operations Training Facility Apparatus Bay  
 City of St. Paul PS Training Facility  
 Centennial Office Building



## site design

Locating building components to passively take advantage of daylighting and solar gain strategies, and minimize site run water runoff.

## operational and maintenance efficiency

New technologies and systems allow us to enhance any chosen design to maximize the use of renewable resources in both mechanical and electrical approaches which is directly related to on-going expenses.

## resource efficient materials

Over the past decade biodegradable and environmentally friendly materials have become more available, including recycled paints, carpeting, linoleum, rubbers, vinyl products and even furniture.

## indoor environmental quality

This is really about being comfortable in the spaces you use, and our design team keeps this focus through all functional dialogues and decisions to make sure these choices fit within your overall strategies.

## minimizing waste

Our specifications can include multiple strategies to help contractors utilize available refuse and demolition resources, as well as minimizing the impact of the construction process on the surrounding neighborhood and area.

## energy star

ISD 197 – West St. Paul – Heritage MS, Mendota ES  
 ISD 273 – Concord and Creek Valley Elementary Schools  
 ISD 719 – Redtail Ridge Elementary  
 ISD 273 – Edina Public Schools  
 Dakota County – Northern Service Center

## in process

LEED GOLD – Otis PK-12 School  
 LEED GOLD – South Conejos PK-12  
 LEED GOLD – Fort Morgan MS  
 LEED SILVER – St. Cloud VA Health Care System  
 LEED SILVER – Knoxville CBOC VA (Iowa)  
 LEED CERTIFIED – Sauk County Health Care Center  
 LEED CERTIFIED – Carlton CO Health and Human Services

rick ellington, superintendent  
redwood area school district

"WORLD  
CONTINUES  
TO... PLACE  
A VERY HIGH  
PRIORITY ON  
RELATIONSHIPS  
AND IS GREATLY  
APPRECIATED BY  
ALL CONNECTED  
WITH OUR  
CONSTRUCTION  
PROJECTS."

12

# EDUCATIONAL TECHNOLOGY

# 21ST CENTURY INSTRUCTIONAL SPACES

TECHNOLOGY USE | ANYTIME, ANYWHERE LEARNING

Technology has changed almost every aspect of contemporary educational thinking, just as it has almost every aspect of our day-to-day lives. It is a tool that is always rapidly changing and has the chance to change the layout of a typical classroom forever as it allows students more opportunity to rethink fixed block learning and teacher instruction / assistance through flipped classrooms and engaged real-time feedback. It has also greatly changed how we need to think about the incorporation of technology into designs

## educational incorporation

First, we consider how it may be utilized by both the instructor and the learner in the educational process, and look for ways that this can be incorporated in every space. Just as education has shifted from lecture driven to personalized learning at anytime-anywhere, the infrastructure needs to be in place to allow that to happen. Previously designers would look for engagement locations. Now, we look at the building and site as a technology 'blanket' that allows for power, data, and streaming locations no matter the situation. The biggest impact to design is considering rooms or spaces that may not be on the User's radar. When we talk with students today, we regularly hear requests for increased access to video-editing and multi-media production space. This is a logical response considering the movement of educators toward the "flipped classroom" model, podcasts for online delivery, and video-based curricula and projects. Armed with camera phones and tablets, as well as appropriate connectivity and display capabilities, today's learners are able to capture and produce high quality video content with relative ease. Providing digital lab space with green screen and enhanced editing capabilities will empower students to elevate their production projects to even higher levels.

## district IT involvement

In order for the design to integrate the technology goals of the District seamlessly, we bring the IT groups into the design process much like one of our own consultants. Our in-house specialists work with them during coordination meeting to build an infrastructure that can easily be modified and updated as needed to remain flexible and relevant. Wired runs are made easily accessible for change. Router points are located with minimal obstructions. Power requirements are reviewed with redundancy approaches to avoid lost data or information during interruption. District backbones are also reviewed in regards to connectivity to District data centers, and if needed master-planned for future enhancements. Like all other aspects of the planning process, meetings are documented and diagrams and notes are distributed to all parties for review ahead of implementation to ensure goals are met.

*Wold has in-house expertise in technology design, led by Michelle Klein, RCDD, WD. Our team will actively involved your IT group in all planning decisions.*



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# BUDGET/COST CONTROL

PLEASE SEE PAGES 14-15 FOR  
INFORMATION ABOUT WOLD'S COST  
MANAGEMENT APPROACH

14

# ADA & BUILDING CODE COMPLIANCE



# ADA AND CODE REQUIREMENTS

## ENSURING DISTRICT PROCEDURES

Adherence to applicable code requirements is a critical part of our design process. Without a proactive approach a project can lose valuable time in the review process or suffer from unneeded costs, delays and changes during construction. We have built a solid reputation with the State offices for code review as well as 3rd party plan review agencies many local jurisdictions utilize as part of their review process. This approach, combined with the volume of work we perform, keeps us on top of regulatory compliance. Our successful approach utilizes the following strategies.

### **ada compliance assessment**

We utilize internally developed checklists based on ADA requirements and associated diagrams to ensure nothing is missed. This approach ensures that even if different individuals are conducting the survey, they will be looking at the issues in the same manner. These checklists are updated regularly to ensure that any new provisions or requirements are incorporated into the guidelines.

### **conformance with all applicable code requirements**

As much as you would think that building codes are black & white, they are fairly subjective in their interpretation. Understanding this makes it extremely important to work proactively from the start of design and document all discussions to provide a reference for later review and interpretation.

- File for preliminary plan review from the start of the project to determine if the State or Local code office will conduct the final review
- Establish preliminary plan review meetings at multiple phases during design to review project approach and how we are meeting code. These meetings are documented with meeting minutes for all participants to review at later times and ensure consistency.
- Internal review process before issuing Construction Documents
- Meeting with Building Inspector as part of pre-construction process to review plan approach and code review interpretations from code office. If any discrepancies arise, work towards a solution for resolution that meets inspector's interpretation before construction begins.
- Meet periodically with inspector during construction to monitor any pending issues and resolve immediately



Proposal for Construction  
Management Services

Together we see a way

NORTHFIELD  
PUBLIC SCHOOLS

Proposal: Tuesday, November 27, 2018

 **Knutson** Construction

November 30, 2018



Mr. Jim Kulseth  
Director of Buildings & Grounds  
Northfield Public Schools  
1400 Division St. South  
Northfield, MN 55057

5985 Bandel Road NW  
Rochester, MN 55901  
knutsonconstruction.com



RE: Proposal for Construction Management Services

Dear Mr. Jim Kulseth,

Thank you for the opportunity to provide our qualifications for Construction Manager as Advisor for the Northfield School District's new elementary school and additions / renovations to four facilities that were approved in November's referendum. There are two critical aspects required for this project to be successful; a strong preconstruction team with the ability to provide updated budget estimates in a timely fashion to ensure the voter approved budget is maintained, and a proven construction team who can execute the volume of work that needs to be completed within a short duration.

We are proposing a cohesive, intact team that has successfully worked together on schools throughout southeastern Minnesota for the last five years. Within the last 2 years this team has completed a new \$26 million PreK-2 Primary School for Byron Public Schools and a \$12.5 million project at Hoover Elementary School for Rochester Public Schools that consisted of a major addition to the existing 1970's era building that occurred during the school year, along with a complete Indoor Air Quality (IAQ) renovation project completed over the 10-week summer break.

#### **PRECONSTRUCTION EXPERTISE**

Knutson's preconstruction team utilizes our Real-Time Estimating processes to update project costs throughout each iteration of the schematic design phase. We will attend each design meeting with your future design professional and Northfield Public Schools to provide immediate input on cost, schedule, and constructability. The preconstruction and design process require the project team to be collaborative and forward thinking. We will collaborate with the project designers and the school district to ensure the decisions made early in the project are the best solutions for the longevity of the building. Phasing and sequencing of work must be reviewed during the design phase to ensure there are no major disruptions to day-to-day operations within the school. Our team will carefully coordinate with the school to ensure there is a safe construction environment for the students, staff, and the community.

#### **COHESIVE, INTACT PROJECT TEAM**

The team we have proposed on this project has successfully completed over 8 Construction Manager as Advisor projects and over 14 Indoor Air Quality projects over the last seven years. Our team's proven qualifications supplied in this document illustrates our collective school project successes. By leveraging our experience, technology, lessons learned and by instituting our continual monitoring and process controls, Knutson's team of highly skilled construction professionals have consistently delivered with a 0% cost deviation and -1% schedule deviation performance history.

Thank you for your consideration. We look forward to sharing ideas and strategies to successfully collaborate on this project.

Sincerely,

A handwritten signature in blue ink that reads "Thomas Leimer".

Thomas Leimer  
Vice President/General Manager  
Knutson Construction

**TOGETHER  
WE SEE A WAY**

P 507.280.9788

F 507.280.9797



# TABLE OF CONTENTS:

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Building isn't  
just what we do -  
it's who we are.

# A. BUSINESS ORGANIZATION

## FIRM HISTORY

Knutson Construction was founded in 1911 and has grown into a regionally strong company providing preconstruction, general contracting, construction management and design-build services for the communities we serve.

In 1997, after 40 years of managing Rochester construction projects through our Minneapolis office, Knutson extended its commitment to the city and opened our Rochester location. The Rochester team has woven itself into the core of its community, while setting the highest standards for service and excellence, and helping clients realize their dreams.

Our employees are proud to have played a key role in the construction of Mayo Clinic's landmark Gonda Building to construction of schools, religious institutions, banks, community buildings, parking ramps, healthcare facilities and even the City Hall.

## NORTHFIELD PUBLIC SCHOOLS TEAM

EMPLOYEES	DISCIPLINE
1	Principals
2	Project Managers
1	Project/Field Superintendents
2	Support and Administrative

## SERVICES

- Real-time estimating
- Constructability analysis
- Building information modeling
- MEP planning and review
- Construction sequencing
- Site assessment
- Coordination with governing agencies
- Value analysis
- Subcontractor prequalification
- Bidding & procurement
- Cost control
- Warranty management
- Reporting and project administration
- Self-perform demolition, carpentry, concrete, masonry, and specialty material installation
- Marketing and Communications
- Project close-out





## ROCHESTER'S EDUCATION TEAM AT A GLANCE

**8** Number of Construction Manager as Advisor projects our team has completed for southern Minnesota school districts since 2010. Each project was completed ahead of schedule and on budget.

**14** Number of Indoor Air Quality projects completed for southern Minnesota school districts. Each project was completed ahead of schedule and under budget.

**4** Number of Construction Manager As Advisor projects recently completed for the nearby Byron School District. Each project was completed on schedule and under budget.

**10** Number of ADA upgrade projects completed by this team ahead of schedule and under budget.

**11** Number of secured entrances completed by this team. Each project was completed ahead of schedule and under budget.

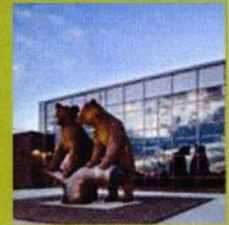
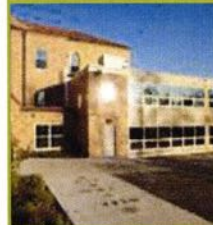
**6** Number of Best Value projects Knutson has initiated and assisted the district with procuring the selection of MEP contractors utilizing the Best Value process.

**10** Number of projects Tom Leimer, Keane McWaters, Todd Graner, and Marv Stafford have completed together at Knutson.

## LARGE SOUTHERN MINNESOTA SCHOOL PROJECTS SINCE 2011:

- Bamber Valley IAQ (in progress)
- Hoover Elementary Addition and IAQ
- Byron Middle School IAQ
- Byron Pre K-2 Elementary School
- Willow Creek Junior High School IAQ (Phase 2)
- Longfellow Elementary School IAQ
- George W. Gibbs Jr. Elementary School
- Washington Elementary School IAQ
- Folwell Elementary School IAQ
- Kellogg Elementary School Kitchen Remodel
- Jefferson Elementary School IAQ
- Gage Elementary School IAQ
- Ben Franklin Elementary School IAQ
- Elton Hills Elementary School IAQ
- Churchill Elementary School IAQ
- Pinewood Elementary School IAQ
- Rochester Alternative Learning Center
- Mankato East High School IAQ
- Facilities Service Center Remodel

This project team has completed over 17 major school successful additions & renovations over a span of seven years throughout southern Minnesota.



# TOM LEIMER

Principal-In-Charge, LEED® AP

B.S. Construction Management – Minnesota State University, Moorhead

Years of Experience: **18**

## RELEVANT EXPERIENCE

- RCTC CTECH Building/STEM Renovation; Rochester, MN
- RCTC Workforce Center; Rochester, MN
- Hoover Elementary School ECSE Addition and IAQ; Rochester, MN
- Byron ISD #531, Byron Primary School; Byron, MN
- Gage Elementary School Indoor Air Quality; Rochester, MN
- Ben Franklin Elementary School Indoor Air Quality; Rochester, MN

Tom has personally managed \$225 million in construction projects, including \$152 million in educational construction projects. Tom's cost deviation on projects recorded is currently -2%, meaning, on average, Knutson finds 2% of the total budget in savings, to be either returned to the owner or put back into the project. His schedule deviation on projects recorded is -0.5%, proving his ability to get things done, not just on time, but ahead of schedule. As a result, these metrics have resulted in a customer satisfaction rating of 98%. During the course of your project, Tom will be committed to ensuring Knutson provides you with the right resources to exceed your expectations. Tom is a true leader and consistently displays energy and passion on all of his projects.

## REFERENCES

### Jason Woodhouse

Principal  
CRW Architects  
507.272.8690

### Jeff Elsted

Superintendent  
Owatanna Public Schools  
507.676.0411

### Tim Schneider

Director of Facilities  
Mayo Clinic Health Systems - Austin  
507.438.6487

# JOSHUA COOPER

Senior Project Manager, LEED® AP

B.S. Building Construction – University of Florida

Years of Experience: **16**

## RELEVANT EXPERIENCE

- University of Minnesota, Recreation and Wellness Field Complex; Minneapolis, MN
- University of Northwestern Sports Complex; St. Paul, MN
- Dodgers Stadium Upgrades; Los Angeles, CA
- University of Northwestern Knight Hall Lobby Renovation; Roseville, MN
- University of Northwestern Maranatha Hall Renovation; Roseville, MN
- University of Minnesota Track & Recreation Sports Bubble; Minneapolis, MN

Josh brings extensive knowledge in managing detailed large-scale projects and renovations. His expertise in preconstruction allows him to guide the design in order to have the best constructability and budget conscience outcomes. He will develop bid packages that allow for early procurement of materials and complete scopes of work to ensure a high quality project is achieved. As senior project manager, Josh will be responsible for managing the construction phase, developing and monitoring the schedule, controlling costs, and be the main communication pipeline between the construction team, design team, and owner. He will provide detailed monthly reports stating the status of the project and projections to the end. Josh has been a key solution provider on many projects to ensure no surprises are brought to the owner, giving them assurance that the project is in good hands.

## REFERENCES

### Brian Humphries

Assoc. Vice President of Facility Operations  
University of Northwestern - St. Paul  
612.306.1118

### Trevor Dickie

Project Manager  
University of Minnesota - CPPM  
612.743.9224

### Scott Ellison

Associate Director  
University of Minnesota Athletics  
612.625.8860



# KEANE MCWATERS

## Project Manager

B.S. Construction Management - Minnesota State University, Mankato | PIPS Certified | 30- Hour OSHA  
Years of Experience: **10**

### RELEVANT EXPERIENCE

- Hoover Elementary School ECSE Addition and IAQ; Rochester, MN
- Byron ISD#531, Byron Primary School; Byron, MN
- Elton Hills Elementary School IAQ; Rochester, MN
- Churchill Elementary School IAQ; Rochester, MN
- Pinewood Elementary School IAQ; Rochester, MN
- Sunset Terrace Elementary School Brick Replacement and Tuckpointing; Rochester, MN

As project manager, Keane is responsible for managing the overall project budget and schedule, mitigating risk throughout the construction process, Assisting Josh Cooper with trade contract bids and awards, contract administration, change management, and project reporting. In addition, he will be responsible for submittal registration, request for information (RFI) submissions, scheduling on-site meetings and first work inspections, processing change orders, and will work closely with Josh Cooper as your day-to-day point of contact throughout the duration of your project. Keane will also keep the community informed of the progress through look-ahead schedules, project newsletters, and site tours.

### REFERENCES

#### Brian Haskin

Building and Grounds Manager  
Byron Public Schools  
507.624.0346

#### Jennifer Walsh

Director of Business Operations  
Byron Public Schools  
507.624.0395

#### Cole Nelson

Construction Services  
Rochester Public Schools  
507.328.4508

# DELBERT FEENSTRA

## Senior Estimator LEED® AP

A.S. Mechanical Engineering Technology – Rochester Community & Technical College  
Performance Information Procurement System - B Certified | Years of Experience: **17**

### RELEVANT EXPERIENCE

- Hoover Elementary School ECSE Addition and IAQ; Rochester, MN
- Byron Public Schools, Community Education Remodel; Byron, MN
- Rochester ISD#535, Alternative Learning Center; Rochester, MN
- Rochester ISD# 535, George W. Gibbs Jr. Elementary School; Rochester, MN
- Rochester ISD# 535, Longfellow Elementary School Alterations and HVAC Replacement; Rochester, MN

With over 17 years of experience in construction estimating and preconstruction, Delbert has the knowledge and subcontractor relationships needed to create an accurate and on-budget estimate for Northfield Public Schools' upcoming renovations and additions. He is a firm believer that a collaborative team-based environment creates an enjoyable construction experience and fosters strong relationships. Delbert has prepared bids and conceptual estimates for every size and type of construction project. As senior Estimator, Delbert will lead estimating, value engineering, life-cycle cost analysis, cost control, and green building initiatives. His exceptional skill and accuracy in construction estimating is one reason why Knutson has been a dominant player in the Upper Midwest.

### REFERENCES

#### Al Hiniker

Managing Principal  
Meyer Borgman Johnson  
507.529.5310

#### Jason Woodhouse

Principal  
CRW Architects  
507.272.8690

#### Bill Burt

Construction Services Coordinator  
Rochester Area Public Schools  
507.328.4505

# MARV STAFFORD

## General Superintendent

Degree in Education from Bemidji State University | 30- Hour OSHA | U of M Erosion & Stormwater Management and Site Management Certification | STI Firestop Certified | Years of Experience: **42**

### RELEVANT EXPERIENCE

- Hoover Elementary School ECSE Addition and IAQ; Rochester, MN
- Folwell Elementary School Indoor Air Quality; Rochester, MN
- Byron ISD#531, Byron Primary School; Byron, MN
- Byron Community Education Center; Byron, MN
- George W. Gibbs Jr. Elementary School; Rochester, MN
- Boys & Girls Club/Headstart Remodel and Addition; Rochester, MN
- CTECH STEM Remodel/Addition; Rochester, MN

Marv has built in and around Rochester for over 42 years, 39 of which have been with Knutson. He has successfully worked on nearly every Knutson educational facility project, from K-12 to higher education and brings extensive construction and renovation expertise to the team. Along with educational projects, Marv has experience leading more than \$1 billion in complex construction projects. Marv will work closely with the entire team to analyze constructability and offer valuable suggestions to ensure the project stays within budget and on schedule. During construction, Marv will be responsible for oversight of the entire project, delegating responsibilities to the site superintendent, Todd Graner, ensuring Knutson is exceeding the district's expectations. Marv will also assist with developing the project schedule, minimizing any potential disruption to surrounding facilities. .

### REFERENCES

**Larry Volkman**  
Architect/Designer  
HDR  
402.399.1112

**Jeff Schwalback**  
Structural Engineer  
Structural Connections  
507.529.5398

**Darrell Breuer**  
Support Services Director  
Treasure Island Resort & Casino  
651.385.2735

# TODD GRANER

## Superintendent

STI Firestopping | PIPS Best Value Certified | U of M Erosion & Stormwater Management and Site Management Certification | Years of Experience: **26**

### RELEVANT EXPERIENCE

- Byron Community Ed Kindergarten Fit-up; Byron, MN
- Byron New Pre K-2 School; Byron, MN
- Folwell Elementary School; Rochester, MN
- Kellogg Middle School; Rochester, MN
- Jefferson Elementary School; Rochester, MN
- Alternative Learning Center; Rochester, MN
- Willow Creek Middle School Phase II Alterations and HVAC Replacement; Rochester, MN
- Schaeffer Academy Science Lab & Classroom Addition; Rochester, MN

Todd is a valuable member of the Knutson team and provides exceptional customer service as a project leader. For the last 26 years, Todd has worked on projects across Southern Minnesota, totaling over \$400 million. He strives for perfection with his attention to detail on all of his projects. As superintendent, Todd will provide oversight and leadership supporting the entire project team throughout the duration of construction. During the preconstruction phase, Todd will assist in constructability review, project risk identification, and project scheduling issues as they relate to long-lead items and review lessons learned with the preconstruction team to reduce risk. During the construction phase Todd will manage the entire construction process, communicating to stakeholders, conducting inspections, and insuring project safety is carried out throughout the project. He will also be responsible to maintaining the project schedule and insuring conformance and quality standards are maintained and measured against the project specifications.

### REFERENCES

**Shawn Brenny**  
Project Manager  
HDR Architects  
612.296.4688

**John Dubiel**  
Head of Facilities  
Marshfield Clinic  
715.559.2100

**Jeff Elstad**  
Superintendent  
Owatonna School District  
507.444.8601



# CHRIS BENSON

## Safety Manager

B.S. in Business Administration & Risk Control, University of Wisconsin, Stout | OSHA 500 Construction Outreach Trainer | Years of Experience: **19**

### RELEVANT EXPERIENCE

- RCTC CTECH/STEM Addition; Rochester, MN
- Boys & Girls Club Head Start Facility; Rochester, MN
- RCTC Workforce Center; Rochester, MN
- Mayo Clinic Gonda Building, Rochester, MN
- Mayo Civic Center Expansion & Renovation; Rochester, MN
- Mayo Clinic Health System Mankato MRI Building Expansion; Mankato, MN
- Mayo Civic Center Expansion & Renovation; Rochester, MN

Chris has more than 19 years of experience in implementing loss prevention programs for large construction projects and is an experienced safety trainer. Chris successfully applies his expertise and knowledge to ensure that Knutson's construction projects are accident free. He is responsible for developing and overseeing the implementation of Knutson's corporate safety plan. Chris works directly with Knutson's field staff to ensure every member of our organization is properly trained and knows how to run a safe project site. On the Northfield Public Schools CM projects, Chris will work with the project team to analyze risks and develop a project specific safety plan to control these risks. Chris will make sure the safety of students, staff, and visitors is always a top priority.

### REFERENCES

**Jeff Steinert**  
Senior Risk Control Consultant  
Holmes Murphy  
720.458.5743

**Michael Sturgesleski**  
Safety Director/Employment Coordination  
Olympic Companies  
952.546.8166

**Daniel Kent**  
Safety Director  
Harris Companies  
651.602.6500

# RAMONA WILSON

## Diversity Director

B.A. Marketing Management, Concordia University | Certifications: Project Management | Community Relations | Creativity Certificate | Leadership Training  
Years of Experience: **13**

### RELEVANT EXPERIENCE

- St. Paul College Health & Science Alliance Center; St. Paul, MN
- Rochester Community & Technical College CTECH STEM; Rochester, MN
- Rochester Community & Technical College Workforce Center Addition; Rochester, MN
- Hennepin County Human Services Center-North Hub; Minneapolis, MN
- Heritage Park Senior Services Center & Thomas T. Feeney Manor Care Facility; Minneapolis, MN
- University of Minnesota Veterinary Isolation Laboratory; St. Paul, MN

Ramona brings a compelling track record of developing effective and award-winning supplier diversity programs. Dedicated to increasing diversity in the region, Ramona has received numerous awards for her efforts, including: 2006-Top 100 Women Impacting Supplier Diversity, 2016- Advocate of the Year, and under Ramona's leadership Knutson recently received the "Affiliate of the Year for Profit" award from the National Association of Minority Contractors. As diversity director for Knutson, Ramona works collaboratively with project teams to achieve or exceed diversity goals, build relationships with disadvantaged subcontractor firms, and develop, implement, and monitor business inclusion plans. Ramona is excited to work with Northfield Public Schools to meet their goals and ensure diversity is incorporated into their upcoming projects.

### REFERENCES

**Gary Cunningham**  
President  
MEDA  
612.259.6568

**Barb Lau**  
Executive Director  
AWC  
651.489.2221

**James Reason**  
Senior Business Developer  
HIRED  
763.210.6215



# KATIE MONTAG

Virtual Design and Construction Director, AIA

Master of Architecture – North Dakota State University | B.S. in Environmental Design | Registered Architect, Minnesota: #51864 AIA #38324942 | Revit Certified Professional | Years of Experience: 8

## RELEVANT EXPERIENCE

- Hoover Elementary School Addition & IAQ; Rochester, MN
- Annandale Elementary School; Annandale, MN
- Master Planning, Loras College; Dubuque, IA
- Health Sciences Building, St. Cloud Technical & Community College; St. Cloud, MN
- Garvey Commons Remodel, St. Cloud State University; St. Cloud, MN
- LifeTime Athletic + Parking Garage; Gaithersburg, MA
- Mayo Clinic Joseph Building, Infrastructure Improvements; Rochester, MN

Katie has a diverse technical background—including experience as a BIM manager, architect, and contractor—that contributes to her comprehensive knowledge of the project delivery process. Her unique, holistic perspective gives her a solution-based and deadline-drive approach. As VDC Director, she seeks out ways to utilize virtual design and construction for all aspects of project management, contractor coordination, and visualization to reduce and mitigate unforeseen issues, which ultimately results in a more efficient workflow for decision making and a reduction in errors and unforeseen conditions. During the course of the Northfield Public Schools projects, Katie will lead BIM coordination of subcontractors, generate 3D models for graphic communication of the schedule, provide support for project teams on complex building components and construction, and create visualizations for all stakeholders.

## REFERENCES

### Tony Johnson

Technical Production Leader  
Obermiller Nelson Engineering  
701.280.0500

### Nicole Washburn, AIA, LEED AP BD+C

Director of Operations  
JLG Architects  
612.436.4006

### Paul Eisenbacher, AIA

Senior Project Manager  
Life Time Fitness  
612.999.8235



## BUILDING HIGHLY EFFECTIVE LEARNING ENVIRONMENTS

Successful learning environments are based on flexibility. Together, with your chosen architect and project stakeholders, we will create space that is flexible and can adjust accordingly to your staff and students' growing needs. Working in full collaboration, we will discover what learners truly "need." Utilizing lessons learned from our past experience, we are able to approach complex ideas from new angles, to find even better solutions, and create a truly unique construction experience for the Northfield Public Schools and your surrounding community.

Collaboration  
means not just  
working together  
but standing  
together.

# CM EXPERIENCE FOR EDUCATIONAL FACILITIES

# B. EXPERIENCE

● Construction Manager as Advisory delivery

● Best Value delivery

● Completed by our Education Construction Team

## Elementary

- Byron ISD  
New PreK-2 Primary School  
Byron, MN
- Byron ISD  
Community Ed Remodel  
Byron, MN
- Rochester ISD 2017 IAQ Project/  
Expansion Hoover Elementary School  
Community Ed Remodel  
Byron, MN
- Rochester ISD  
2012-2014 Bonded Projects Folwell  
Elementary School IAQ  
Rochester, MN
- Rochester ISD  
2012-2014 Bonded Projects Jefferson  
Elementary School IAQ  
Rochester, MN
- Rochester ISD  
2012-2014 Bonded Projects Gage  
Elementary School IAQ  
Rochester, MN
- Rochester ISD  
2012-2014 Bonded Projects Gage E.S.  
Security Upgrades  
Rochester, MN
- Rochester ISD  
2012-2014 Bonded Projects  
Ben Franklin E.S. Security Upgrades  
Rochester, MN
- Rochester ISD  
2012-2014 Bonded Projects  
Ben Franklin Elem School IAQ  
Rochester, MN
- Rochester ISD  
2013 IAQ Project  
Longfellow Elem School IAQ  
Rochester, MN
- Rochester ISD  
Washington Elem School IAQ  
Rochester, MN

- Rochester ISD  
Facilities Service Center  
Conversion and IAQ  
Rochester, MN

- Rochester ISD  
Pinewood E.S. IAQ  
Rochester, MN

- Rochester ISD  
Sunset Terrace IAQ  
Rochester, MN

- Rochester ISD (WOLD)  
New George W. Gibbs  
Elementary School  
Rochester, MN

## Middle School

- Rochester ISD  
2012-2014 Bonded Project  
Kellogg M.S. Kitchen Renovation  
Rochester, MN
- Rochester ISD  
2012-2014 Bonded Project  
Kellogg M.S. Security Upgrades  
Rochester, MN
- Rochester ISD  
2013 IAQ Projects  
Willow Creek M.S. IAQ  
Rochester, MN
- Rochester ISD  
John Adams M.S. IAQ  
Rochester, MN
- Mankato ISD  
Prairie Winds Middle School  
Mankato, MN

## Jr. High/High School

- Rochester ISD  
Mayo H.S. Elevator Upgrade  
Rochester, MN
- Rochester ISD  
Mayo H.S. Gym Wall Divider  
Rochester, MN
- Rochester ISD  
John Marshall H.S. Re-Roof Link  
Rochester, MN

- Rochester ISD  
Century H.S. Door #8 Masonry  
Restoration  
Rochester, MN

- Rochester ISD  
Century H.S. Science Room Renovation  
Rochester, MN

- Rochester ISD (WOLD)  
Alternative Learning Center Conversion  
Rochester, MN

## Post Secondary

- Rochester Community &  
Technical College  
Workforce Center  
Rochester, MN  
In Progress
- Rochester Community &  
Technical College / Rochester ISD  
CTECH / STEM (CM@R)  
Rochester, MN
- St. Paul College  
Health and Alliance Center (CM@R)  
St. Paul, MN

## Under Contract

- Rochester ISD  
2019 IAQ Project  
Bamber Valley Elementary School  
Rochester, MN
- Kingsland ISD  
2019 IAQ Project  
Kingsland Elementary IAQ  
Spring Valley, MN

## Public School Districts that have retained Knutson more than one time:

- Rochester ISD #535
- Byron ISD #531
- Mankato ISD #77
- College Community ISD #308
- Meskwaki Settlement School District
- Kingsland ISD #2137

# HOOVER ELEMENTARY SCHOOL ADDITION & REMODEL

Rochester Public School District #535

Rochester, MN



## TYPE

Construction Manager as Advisor

## COMPLETION DATE

09.18

## PRICING

Final Cost to Owner- \$11.4 million  
Final Bid Price - \$11.1 million



### Architect Contact:

CRW Architecture  
+ Design  
Jason Woodhouse  
507.206.6201

### Owner Contact:

John Carlson  
Executive Director of Finance  
Rochester Public Schools  
615 7th St. SW  
Rochester, MN 55902  
507.328.4210

Scott Sherden  
Executive Director of Operations  
Facilities Service Center  
3935 Hwy 14 East  
Rochester, MN 55904  
507.316.703

Knutson Construction performed preconstruction and construction services as the Construction Manager for an addition and remodel of Rochester Public Schools Hoover Elementary School. The first phase of this project was to construct a 36,720 square foot addition to the existing Elementary School. The addition will house Pre-K students and consists of a new main entrance to the school, 21 large classrooms, gym, admin meeting rooms and mechanical space. Phase 2 is a remodel of the existing school which includes upgrades to the building mechanical and electrical systems, kitchen and cafeteria remodel and updates to building finishes.

Knutson was selected as Construction Manager based upon our experience working with various school districts and our ability to manage complex projects with tight construction schedules. Knutson worked closely with CRW Architecture + Design to come up with a multi-phase bid schedule that gave CRW time to complete a thorough design and allowed contractors to maximize the already tight construction schedule.

**Specifically, what contributions to the above projects did your firm make that permitted the school districts to meet community and district expectations and remain within budget?**

The project was approved by the district in May 2017 and needed to be completed by August 2018 and design had not started. We were hired as the CMA to assist in selecting the design firm who we thought could best meet the aggressive design timelines.



We created multiple bid packages and worked with the design firm to sequence their design documents with the bid packages: Drawing Package #1 included sitework and core & shell package and Drawing Package #2 include mechanical, electrical, and all remaining finishes. This allowed the project to start earlier in order to meet the aggressive timelines.

Prior to the start of construction, we conducted a neighborhood meeting to allow the neighbors to voice any concerns they had and also ask questions about the project. Our project team handed out their business cards and as the Owner's construction advisor we wanted the community to feel they could come to our team to address any of their concerns. This process proved value, and the Hoover Principal did not receive a signal phone call in regards to the construction project.

As a way to engage the students in the project, prior to the last structural beam being installed, we moved a 12' long beam into the school and allowed all the students and staff to sign the beam as a way for everyone to feel connected to the project.

#### VALUE ENGINEERING

- **BEST VALUE PROCESS** - We procured the Roofing, Mechanical and Electrical contractors via a best value process due to the aggressive timelines. This process produced over \$200,000 of value engineering savings by getting input from the expert trades. Some saving items were: (\$-50,000) savings for removing a layer of roof sheathing that wasn't required by code, (\$-30,000) savings in switching water heaters, (\$-48,000) savings in simplifying the mechanical piping diagrams.
- **MATERIAL PROCUREMENT** - All of the large mechanical equipment was procured tax exempt which saved over \$60,000.

#### ON-SITE SERVICES

- **STAFFING** - For this project we dedicated a full-time onsite superintendent and full-time onsite project manager with oversight by a senior project manager.
- **SCHEDULE**- We maintained this aggressive schedule by completing 4 week look ahead schedules and updating the master schedule monthly.
- **BUDGET**- The budget was maintained by a weekly risk report which identifies time and cost risk on the project. The sooner you can identify risk, the less impact it has to time and cost which is a big reason this project came in \$130,000 under budget.



**TYPE**

Construction Manager as Advisor

**COMPLETION DATE**

Elementary School - 08.16  
IAQ - 09.18

**PRICING**

Final Cost to Owner-  
Elementary - \$20.2 million  
IAQ - \$11 million

Final Bid Price-  
Elementary - \$19.85 million  
IAQ - \$10.2 million

**Architect Contact:**  
 Rego + Youngquist  
 Paul Youngquist  
 952.544.8941

**Owner Contact:**  
 Jeff Elstad  
 Superintendent  
 Owatonna Public Schools  
 (Former Byron Superintendent)  
 515 W. Bridge Street  
 Owatonna, MN 55060  
 507.676.0411

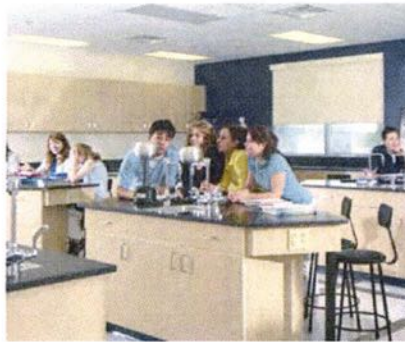
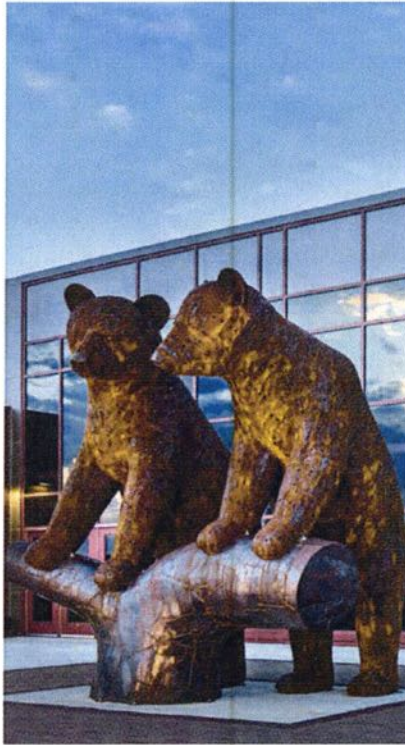
Dr. Joey Page  
 Superintendent  
 Byron Public Schools  
 630 1st Ave NW,  
 Byron, MN 55920  
 507.775.2336

The Byron Primary School serves kindergarten through second grade students living in the Byron School District. The school houses over 30 classrooms, a kitchen and cafeteria, and a gymnasium. When challenges arose, Knutson worked closely with the Byron team to avoid schedule delays, allowing move in to take place simultaneously with casework installation. Integrity allowed the team to secure the owner's trust, strengthen their relationship, and complete the project on time. Construction began in April 2015 and was completed in June 2016. This facility houses pre-kindergarten through second grade students who were previously attending classes at the Byron Community Education Center. The inaugural class had approximately 550 students.

The Byron Middle School IAQ project consisted of installing new boilers, new chiller and chilled water system, new lighting and lighting controls within 110,000 SF Facility over two summers. Construction on this project included minor earthwork, exterior concrete slabs, roof patching, wall and ceiling demolition and repair for mechanical work. The Byron Middle School Indoor Air Quality Improvement project also involved minor interior remodeling, casework, and replacement of acoustic ceilings as required.

**Specifically, what contributions to the above projects did your firm make that permitted the school districts to meet community and district expectations and remain within budget?**

Throughout design we provided estimate updates at a minimum of once per month. While the initial concept was being finalized we were updating the budget weekly based on the adjustments being requested by the owner.



During the construction of the new school it was very important to engage the local community. We involved the community in the ground-breaking, we provided quarterly neighborhood meetings, we conducted job tours to the high school students as part of their shop classes, we maintained a project web cam with a website access for the community to view, and provided monthly newsletters for students and staff.

“The care that Knutson Construction and our supporting contractors are putting into this building is extraordinary. Each person working on site is committed and proud to be constructing a building that will be home to many generations of Byron graduates”

- Jeff Elstad, Former Superintendent, Byron Schools

#### VALUE ENGINEERING

- **COMMUNICATION-** Originally the plan was to export over 100,000cy of soil which would have been 1,000 truck loads of material hauled offsite. In lieu of all the additional exporting, we worked with the civil engineer to balance the site with the existing soils which saved over \$500,000 and minimized a substantial amount of truck traffic entering and existing near the existing elementary school.
- **MATERIAL PROCUREMENT -** In addition to the site work savings, we also identified an additional \$200,000 in savings by changing the underground site piping and changing to a standard color finish on exterior doors and windows.

#### ON-SITE SERVICES

- **STAFFING -** For this project we dedicated a full-time onsite superintendent and full-time onsite project manager with oversight by a senior project manager.
- **SCHEDULE-** We maintained this aggressive schedule by completing 4 week look ahead schedules and updating the master schedule monthly.
- **BUDGET-** The budget was maintained by a weekly risk report which identifies time and cost risk on the project. The sooner you can identify risk, the less impact it has to time and cost which is a big reason this project came in under budget.



#### TYPE

General Contractor

#### COMPLETION DATE

08.15

#### PRICING

Final Cost to Owner- \$\$34.69 million  
Final Bid Price - \$\$34.69 million



#### Architect Contact:

ISG Architects  
Paul Lawton  
507.387.6651

#### Owner Contact:

Sheri Allen  
Superintendent  
Mankato Public Schools  
10 Civic Center Plaza  
Mankato, MN 56001  
507.387.1868

Scott Hogen  
Mankato Public Schools  
Director of Facilities  
10 Civic Center Plaza, Suite 1  
Mankato, Minnesota 56001  
507.345.5311

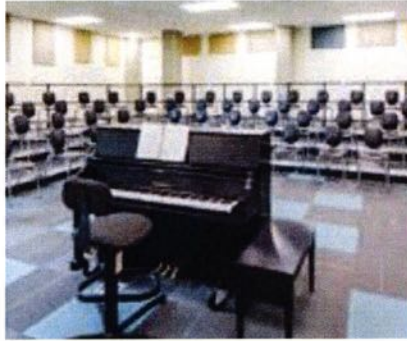
Prairie Winds Middle School has been housing over 900 sixth through eighth grade students since its opening in the fall of 2016. The new 183,000 square foot school has a capacity for 1,200 students, and plays a key role in the development of the east side of Mankato. Construction was on a green site and included multiple HVAC systems. The facility features flexible learning spaces, four educational wings, technology suite, music suite, and a large gymnasium able to divide into three sections. The school also has a “learning center,” a non-traditional library with minimal books and lots of collaborative working space. The project is seeking LEED® Certification. The facility consists of a brick veneer exterior and interior. The school also features a gymnasium for students and the community. The project helps accommodate student growth and continues to provide facilities and learning environments for students. The district projects a two percent growth in student population from 2014-2019.

The Prairie Winds Middle School project is a showstopper when it comes to masonry design. Throughout the facility, different styles of brick and stonework are featured, with the cornerstones of the project being radiused benches, trophy case, and a feature wall located in the commons area. The team utilized local stone materials and multiple brick colors to highlight other building features throughout the facility such as the metal panels and precast wall panels.

**Specifically, what contributions to the above projects did your firm make that permitted the school districts to meet community and district expectations and remain within budget?**

Choosing the best site for the project was a challenge. There were a lot of factors that needed to be considered and goals that needed to be prioritized. Mankato continues to grow toward the east, expanding into the farmland





that currently exists between Eagle Lake and Mankato. With the increased population, the Prairie Winds Middle School needed to not only meet the community's current needs but also meet its future needs. The site for the new school was strategically selected in a central location to fulfill this need with excess area surrounding the facility to allow continued growth for the future of Mankato.

Construction took place on an open green site just east of Highway 22. Due to excessive rainfall throughout the early stages of construction, the project got off to a slow start. Working in close collaboration with various subcontracting crews and Knutson's self-performing crews, the team was able to closely control and monitor the work being performed to ensure the schedule was maintained and completed on time.

#### VALUE ENGINEERING

- **CONTRACTOR RELATIONSHIPS-** Throughout the project the owner requested 75 additional pricing items for consideration. We were able to get competitive pricing and provided creative solutions with the contractors onsite to deliver the added items at a lower cost, and also get the additional work installed within the original schedule.
- **GREEN INITIATIVES-** 75% of construction waste was diverted from the landfill. The team provided diligent tracking and reporting to ensure LEED credits are achieved. Overall there was a 20.4% cost savings to the project due to incorporating sustainable construction techniques, including the usage of regional materials and the reuse of water and recycled materials. Auto shutoffs and low-flow fixtures were also installed to reduce water waste by 39%.

#### ON-SITE SERVICES

- **STAFFING -** In addition to a full-time superintendent, full-time project manager, and a senior project manager we also self-performed the concrete and masonry on the project which made up 17% of the project budget. With the excessive rains described above, since we were able to control 17% of the project we were able to work the required overtime to keep the project on schedule.

## ANNUAL VOLUME OF EDUCATION CONSTRUCTION MANAGEMENT PROJECTS

2018 thru September			
	CM	NON-CM	TOTAL
ROCHESTER OFFICE	\$12 million	\$1 million	\$13 million

2017			
	CM	NON-CM	TOTAL
ROCHESTER OFFICE	\$10 million	\$5 million	\$15 million

2016			
	CM	NON-CM	TOTAL
ROCHESTER OFFICE	\$20 million	\$5 million	\$25 million

2015			
	CM	NON-CM	TOTAL
ROCHESTER OFFICE	\$10 million	\$8 million	\$18 million

2014			
	CM	NON-CM	TOTAL
ROCHESTER OFFICE	\$7 million	\$36 million	\$43 million

### What architectural firms have you worked with on construction projects?

During our rich history we have had the opportunity to work with many top architectural firms throughout the Upper Midwest. Below are just a fraction of the firms we have collaborated with on recent projects.

- ATS&R
- WOLD Architects
- CRW Architecture & Design
- Rego & Youngquist
- ISG
- Leo A. Daly
- Nelson
- ARY
- BWBR
- Oleson + Hobbie Architects, LLC
- OPN Architects
- HGA
- Kahler-Slater
- Cuningham Group
- HDR
- DLR Group
- RSP Architects
- and many more...



Our work stands  
the test of time. Our  
relationships do, too.

# C. WORKLOAD

## PRESENT CONSTRUCTION MANAGEMENT WORKLOAD

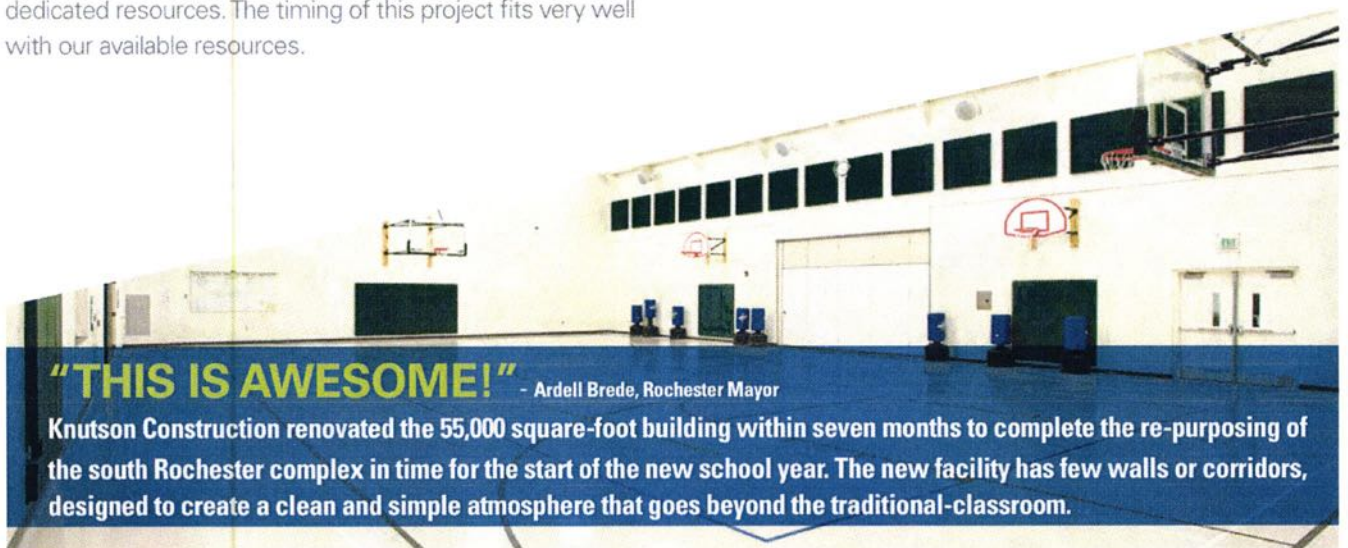
PROJECT NAME	TYPE	LOCATION	SIZE	ANTICIPATED COMPLETION DATE
Eide Bailly Center	7-story high rise office building/parking ramp	Mankato, MN	50,000 SF	June 2019
*Kingsland Public School IAQ	Indoor air quality and ADA/ classroom remodel	Spring Valley, MN	56,000 SF	Sept 2020
Ronald McDonald House Addition	New 30-room building addition	Rochester, MN	40,000 SF	Aug 2019
*Bamber Valley Elementary School Remodel and IAQ Improvements	Indoor air quality and ADA/ classroom remodel	Rochester, MN	90,000 SF	Aug 2020
St. Paul Lutheran Church School	School remodel and Expansion	New Ulm, MN	25,000 SF	Aug 2019
Faith Lutheran Winona	Remodel/expansion of church office and kitchen	Winona, MN	5,000 SF	Sept 2019

\*Denotes Construction Manager as Advisor

\*\*Contract Value is the total project value, which is actually spread across the life of the project and does not represent the actual current workload

### How can you effectively manage this project with others that you also have as part of your total business load?

On average, 20% of our annual revenue comes from the education market. Since this project will be spread over two years, it would only take up a portion of our education dedicated resources. The timing of this project fits very well with our available resources.



**"THIS IS AWESOME!"** - Ardell Brede, Rochester Mayor

Knutson Construction renovated the 55,000 square-foot building within seven months to complete the re-purposing of the south Rochester complex in time for the start of the new school year. The new facility has few walls or corridors, designed to create a clean and simple atmosphere that goes beyond the traditional-classroom.

Partners in  
progress for infinite  
possibilities.

# D. SCOPE OF SERVICES

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Our management approach will incorporate quality, value, and control through a seamless process of collaboration across all project stakeholders. Together, we will provide Northfield Public Schools with a state-of-the-art learning facility, allowing you to meet the needs of your growing community.

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## DESIGN AND DOCUMENTS PHASE:

- The first step will be establishing a kick-off meeting with the selected design team and Northfield Public Schools to establish a design milestone schedule so a cost estimating schedule can be established.
- Safety will be our number one priority making sure the students, staff, and community are always safe. At the very early stage of design, we will develop a site-specific logistics plan. This will be reviewed throughout design with the key stakeholders in each building. Once the site logistics plan is accepted, a site-specific safety plan will be developed and issued to all contractors as part of the bidding documents.
- During design, Knutson will perform real-time cost estimating at each design iteration to ensure project budget is maintained and District dollars are spent responsibly and in an informed manner. We will provide a budget check during our interview that will be built upon during Preconstruction as design progresses.
- In addition to tracking construction costs in each estimate, we will also track owner soft costs which include cost associated with design, furniture, IT, commissioning, abatement, furniture relocation and special inspections. We will manage the entire project cost not just construction cost.
- In addition to tracking construction costs in each estimate, we will also track all owner soft costs which will include, at a minimum, costs associated with design, furniture, IT, commissioning, abatement, furniture relocation, and special inspections. Additional items will be tracked as they are identified during the design phase.
- As the project design develops, we will identify certain materials and equipment that can be purchased direct to maximize Northfield Public School's tax-exempt status which we project could save at a minimum \$150,000.
- We propose to administer Best Value contracts for Mechanical and Electrical work slated for this project. We will assist with scoring and interviewing the potential contractors.

## PRE-BID, BID, AND AWARD PHASES

- Once the drawings are ready to issue, we will assist and issue the public advertisement of the project in the local paper. Concurrently with public bidding the project, we will solicit proposals from pre-selected contractors and conduct pre-bids for the following activities:
  - Abatement
  - Test & Balance
  - Special Inspections
  - Commissioning
  - Furniture Relocation for the indoor air quality project
- In conjunction with the design professional, we will lead the pre-bid activities for each Construction Issue package and assist with bidding openings.

## CONSTRUCTION PHASE

- Safety will be our number one priority as your CMA. Chris Benson will provide weekly jobsite walk-throughs and submit an I-Auditor report. In addition to the reports from Chris, superintendent Todd Graner will also complete weekly tool box talks and weekly safety audits. If there are any critical activities, such as major hoisting, a specific meeting will be scheduled to review the details and meeting notes distributed notifying the contractors and owner the proposed plan.
- A successful project is only attained by keeping the neighbors near the project informed. This project will impact the normal routine in the neighborhood, and it will be our team's responsibility to ensure we minimize disruption as much as possible. This is why we will establish a "Good Neighbor Policy" during design that we will execute during the construction phase. Some tasks we will complete to keep the neighbors informed will be:
  - Our project team will provide a written letter with our contact information to each neighbor. If there are ever any issues, they can contact our team direct.

- Installation of a project webcam to allow the neighbors to “see behind the fence”
- Monthly newsletters that will be distributed to the neighbors in the community.
- A ground-breaking ceremony that will engage the students, staff, and neighbors.

- Once the contractors are identified, we will issue all AIA contracts, gather all insurance certificates and performance and payment bonds. Once the contracts are gathered, they will be assembled and submitted as a complete package, if desired, after the last Construction Issue is awarded.
- On a weekly basis Keane McWaters will submit a Weekly Risk Report that will track any cost and schedule deviation, who is responsible to resolve the risk, and the final solution to the risk.
- Any extra costs will be reviewed by Keane prior to submitting to the owner for final approval. We propose to meet with the owner’s project team and design team on a monthly basis, or more depending on the stage of the project, to go over all open costs and review any open Weekly Risk Report items. During the monthly cost meeting, we will also review the overall budget to ensure there are no changes.

**If any change orders are issued to contractors throughout construction, Knutson will not add any additional fee’s.**

-We would request to review during the early design phase to utilize Textura Payment Software which allows contractors to invoice via an online portal. This allows the CMA, design team, and owner to approve via electronic methods rather than dozens of paper copy payment applications. In addition, Textura allows

tracking of lien waivers from each contractor.

- If prevailing wage is desired for these projects, we will collect all prevailing wage reports using our online system (LCP) which enables contractors to set-up their project and employees at the beginning of the project and enter their information monthly.

-The last major component is ensuring the materials installed are the highest quality. The steps we will take to track quality installations will be:

- During the design phase we will identify the key components that need a review by the design professional and CMA.

- Prior to the contractor starting, a pre-install meeting will be completed with our team, the design professional, and contractor prior to starting onsite.

- If applicable, a mock-up will be provided. We anticipate one exterior wall mock-up will be provided to review the wall construction and window flashing details. If additional mock-ups are required they will be identified during the design phase.

- Once the contractors begins their installations, our team will complete a First Work Inspection that reviews the information discussed at the pre-install meeting.

As construction nears completion, the Knutson team will complete a pre-punchlist that will be shared with the design team. We will manage the punchlist and track weekly until all items are complete.



## BUDGET CONSCIOUS FROM DAY ONE

On the recent Bamber Valley Renovation project bid on 11/27/18 for the Rochester School District, the original construction budget was \$12.048 million. The bids came in at \$12.080 million. The owner was carrying a \$800,000 contingency which will not be needed to “balance a budget” and will allow the district to pursue further upgrades to the existing facility.

## POST-CONSTRUCTION PHASE

- As construction is completed, we will schedule a meeting with the design team and the local power and gas company to determine what new equipment is eligible for rebates. We will gather this information and prepare the documents so the owner can submit.
- We will gather and assemble all O & M manuals and specifically we will separate the information into two projects: the new addition and the indoor air quality project.
- We will coordinate all Owner Training.
- During the construction phase we will request meetings at a minimum on a monthly basis with the commissioning agent, but once the building is occupied we will track all open commissioning items on a weekly basis.
- After the building has been occupied for 11 months we will schedule a warranty walk-thru to review any items that need to be corrected prior to the 1 year general warranty expiring. We

### **Describe the philosophy of how the owner, construction manager, owner's representative, and architect, develop a team approach. Who is to provide leadership in the project?**

The philosophy that we find has worked the best on projects is when all members of the building team put the project's interest first in front of any individual or association. This is accomplished by setting expectations up front with how disputes will be handled, how communications need to flow, and if any infrastructure needs to be created to facilitate the workflow. Often times, we as the Construction Manager will take the lead in facilitating a "partnering" session to establish the ground rules and sign a Project Charter upon completion. Everyone that signs the charter is responsible for holding each other accountable to stick to the plan that was decided during the partnering session. We recommend using this process for this project because the project will be better off because of it.

### **How will you do the expected project estimating? How will you provide full disclosure of all cost items including all quantities, unit costs, labor burdens, insurance costs, including your own? How many estimates will you provide during the pre-bid phase?**

The way that we at Knutson provide estimating services is through a collaborative approach to provide transparency and accountability throughout the process. We do this by using Building Information Modeling (BIM) through the use of 3D Revit models as the central data hub of information. Even when there is very little information, we can model a building to generate all of the quantities of building materials quickly, and then can visually represent our assumptions back to the design and owner teams. From the very start of schematic

design we will set a solid baseline estimate with full detail into every category of work to establish a starting point and to decide how this budget needs to inform the design. We can set "target values" to certain areas of work, materials, or systems to design to that target, knowing that the budget will be protected if that happens.

As the design progresses, we will update our cost models as we receive new information and will report back to the team with what impact recent decisions had to the budget. We do not wait for milestone estimates to provide this information where often the feedback is received too late to re-correct without wasting time. We call this "real-time estimating." As an owner, you can expect to receive regular updates – sometimes even weekly – so you always have a pulse on the budget. At a minimum, we will provide six complete estimates from schematic design till final construction documents.

Our estimating software is set up in a way that we can easily track and organize all of the costs on the project however it may need to be broken down for financing or other considerations. We will review a Non-Construction Cost Matrix early on to determine what cost items will fall under the construction budget, and what will be on the owner side.

### **How will you provide for sales tax refunds? The district is a tax-exempt institution and thus is entitled to receive refunds on supplies and materials used in the construction process. Please outline your process to accomplish this on the district's behalf.**

There are a few options to consider maximizing your tax exempt status which we can review in more detail during the interview. The most efficient way to maximize your tax exempt status and minimize your risk is by purchasing large mechanical and electrical equipment tax exempt. As your CMa, we will request bids for these items through the public bid process, coordinate the receiving of the units in the specific contractors bid package, and track all warranty's part of our operations & maintenance process. We estimate a savings of \$100,000 of tax savings on just these equipment items.

### **Describe your team's approach to project closeout, punch list, warranty work, and follow-up.**

## **PROJECT CLOSEOUT – O&M DOCUMENTATION**

Knutson is committed to delivering the project O&Ms on the date of Substantial Completion for the project. We understand this documentation is critical to each facilities staff in order to operate their building. Our internal process requires the close out documentation to start when construction is 75% complete. Project Manager, Keane McWaters, will be responsible for managing the O&M development process, and it starts with utilizing



# TARGET VALUE ESTIMATING

## SUCCESS STORIES



### Hoover Elementary School

Upon award of the Rochester Public School's Hoover Elementary Remodel and Expansion project, the Knutson team immediately started revising our initial estimate submitted during the RFP process. The budget at the time of the interview was approximately \$12.6 million for construction, however, the school district soon realized their project budget needed to include a new traffic light to ensure safe access to the school. This included additional site work due to a soils correction, along with the need for an additional classroom as part of this project. With these new program revisions from the Owner, the complete costs elevated to a little over \$13.4 million.

With these budget revisions and program changes our preconstruction team immediately got to work, setting up 12 different target values for each of the different program spaces and phases to show a pathway to \$12.6 million. We also set up new target values for the overall MEP cost with our subcontractor partners. With our target value estimating capabilities, we created 3D REVIT models of the project, providing the owner and architect a greater understanding of what we were able to accomplish with our real-time estimating services. For a period of 12-weeks, our team updated the estimate once a week, keeping project stakeholders in the loop at all times. Through this process, we were able to reduce the construction cost to the \$12.6 million budget which included the additional added scope changes.

Working directly with the Design Team and the Owner using the 3D software called REVIT, we were able to help the owner visualize the changes as they related to cost. Preconstruction for this project was a true team effort, understanding the importance of keeping the scope, budget, and programming in-line with the owner needs, but also relying on our relationship with the design team was paramount in reducing the construction cost to meet the owners new budget constraints and program needs.

Knutson's standardized project closeout checklist. By starting when construction is 75% complete, it ensures that the contractors are still focused on the project and will deliver the results we need. We will provide documents electronically which includes an intuitive table of contents that allows the Northfield Public Schools facility staff to find any O&M or product information needed in a matter of just a few clicks of the mouse. We can also provide this information in hard copy via 3-ring binders if desired. Northfield Public Schools has our commitment that we will provide as-built information no later than 30 days post Substantial Completion. Northfield Public Schools and the selected design team have Knutson's full commitment to deliver an efficient and rapid close out process.

### PUNCHLIST

We preplan our punchlist process, conducting pre-punch inspections prior to the design team and owner reviewing the facility. In particular, we plan for above ceiling inspections to take place at the right time and all openings have been properly sealed and fire stopped. Project Manager, Keane McWaters, and Superintendent, Todd Graner, will conduct first inspections and maintain the quality of work, ensuring there are no surprises at turnover. Our team will coordinate with Northfield Public Schools facilities staff, and any needed corrections will be made in a timely manner, in full coordination with each contractor. They will work diligently with the design team to make sure the documents and specifications are adhered to.

### WARRANTY

We will work closely with both Northfield Public Schools facilities staff and the design team to understand the warranties for all equipment, representing Northfield's best interests. Work needs to be performed in accordance with warranty requirements to avoid unintentionally voiding any warranty, including movement, installation, vendor engagement, the use of checklists, and start-up activities. We will make sure each activity is performed and well documented to preserve your warranty rights. We compile all warranty information in an easily searched manner for use when needed. We also discuss warranty as part of facilities training and turnover activities to ensure the Northfield facility team understands the O&M requirements to maintain warranties. If an issue should occur during the warranty period, Knutson will be the one stop shop to help coordinate with the vendor(s) and the installing subcontractor as needed to get the work done efficiently and avoid disruption to the facility and operations. As your long-term partner, we have repeatedly demonstrated that we are there when you need us, even long after this project is completed.

A hard day's  
work. Straight  
forward answers.  
A job well done.

# E. COMPENSATION

## Total Basis of Compensation

Design and Documents Phase	Lump Sum	\$22,000
Pre-Bid, Bid, and Award Phase		In above cost
Fee- Construction and Post Construction Phases	1.65%	\$503,102
Site Services Including Personnel	1.52%	\$464,170
Estimated Total Fee		<b>\$989,272</b>

## Reimbursable Items

The following reimbursables are an initial list of potential items we may need per month at each school. Once the final scope of services is defined the following reimbursable costs will be applied.

Office Trailer	\$ 1,000
Office Trailer Supplies	\$ 100
Temp Toilet	\$ 200
Mileage	\$ 2,000
Phone / Internet	\$ 200
Postage	\$ 250
Drawings	\$ 100

\*\*The fees and supervision above are negotiable and will be adjusted as the project scope is defined.

## Notes

1. The Design and Document Phase will occur from December 2018 thru September 2019.
2. The Projected Total Fee is based on the owner estimated final construction costs of a \$30,491,000 as outlined in the Review & Comment Document. If the overall construction costs are less our Construction Fee will be adjusted. We will not be adding any fee to any Owner's soft costs.
3. The Projected Supervision costs are based on a construction schedule outlined in the Review & Comment Document which is 12 months. If the schedule is adjusted the supervision costs will be adjusted accordingly.
4. All Supervision will be tracked monthly and all savings will be returned to the Owner.
5. No fee will be added to contractor change orders.

## Staffing Breakdown

	PRECONSTRUCTION						CONSTRUCTION						TOTAL HOURS	HOURLY RATE	PROJECTED COST												
	2018	2019					2020																				
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.				Dec.	Jan.	Feb.	Mar.	Apr.	May	June					
PX Tom Leimer	Preconstruction Phase						IN FEE																				
Senior Estimator Delbert Feenstra							IN FEE																				
Gen. Superintendent Marv Stafford							IN FEE																				
Diversity Director Ramona Wilson							IN FEE																				
Sr. Project Manager Josh Cooper							50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	600	\$105	\$61,727
Project Manager Keane McWaters							173	173	173	173	173	173	173	173	173	173	173	173	173	173	173	173	173	173	2076	\$85	\$175,187
Superintendent Todd Graner							173	173	173	173	173	173	173	173	173	173	173	173	173	173	173	173	173	173	2076	\$98	\$175,187
Safety Chris Benson							16	16	16	16	16	16	16	16	16	16	16	16	24	16	16	16	16	16	192	\$124	\$23,808
<b>Total Supervision Cost</b>																						<b>\$464,170</b>					

**What is your fixed fee for basic construction management services? Provide this information in accordance with the phases identified in the scope of services.**

See charts and figures above on the previous page.

**The contract for services with the construction manager will be in accordance with the AIA C132/ CMA2009. Describe how you will work with the architect to identify areas of duplicate responsibility in the standard AIA document to mutually eliminate the overlap and adjust fees accordingly.**

Based on two projects where we assisted in the selection of the design team we created a design scope of work which is listed below for each phase of the project which we will review with the design team at the initial kick-off meeting to ensure there are no overlap's in scope of work. The following are a list of items to confirm:

### PRECONSTRUCTION PHASE

1. The construction specifications may be assembled for multiple Construction Issue packages with multiple prime contractor's part of each Construction Issue.
2. Lead all design meetings, take meeting minutes, and issue design meeting minutes within 48 hours.
3. All design drawings should be completed in REVIT and shared with the CMA at a minimum once a month during design (more often as necessary) in order for the CMA to provide real-time estimate updates.

4. In conjunction with the CMA, provide value analysis on all construction systems to maintain the budget.
5. The design should be completed per the agreed upon schedule included in this proposal.
6. Understand and comply with the Northfield Public School's design standards.
7. Coordinate and provide comments to the CMA for issuing the Commissioning Agent proposal
8. Identify materials with long procurement timeline and issue as part of early Construction Issue packages.
9. Coordinate with State and Local Building officials to ensure building codes are met.
10. Facilitate material finish and color selection with the owner during the design phase. An approved color board must be provided to the owner at the end of the design phase.

### CONSTRUCTION PHASE

1. Collaborate with local utilities to maximize and complete rebate incentive applications.
2. Coordinate with the Commissioning Agent
3. Provide response to all submittal's within 14 days (or sooner if needed to maintain the project schedule).
4. Provide a written response to all RFI's within seven days (or sooner if needed to maintain the project schedule).
5. The CMA will provide a summarized payment application summary for all contractors to the Architect for approval prior to submitting to the owner. The Architect will be directed to provide comments to the CMA within five days.

6. As the CMA, we would propose utilizing the online payment software Textura as the tool to approve monthly payment applications. The design firm would be required to utilize this software for the approval process.
7. Provide monthly site observation report (or more often if needed to document specific site conditions).
8. Participate in CMA initiated Pre-Installation and First Work Inspections.

**CLOSEOUT PHASE**

1. The CMA will provide an initial punchlist utilizing PlanGrid software. The Designer should provided added comments in the same format or Excel.
2. Provide timely response to all Commissioning Agent comments. At a minimum, a conference call will be completed on a bi-weekly basis in order to complete commissioning activities in a timely manner.
3. Participate and inspect the new addition and renovated building with the owner and CMA 11 months after substantial completion.
4. Review final O & M manuals provided by CMA prior to submission to the Owner.
5. The CMA will document all record conditions and submit a final "as-built" to the design professional to input all record conditions into electronic format for submission to the Owner.

**What is your fixed fee for basic construction management services? Provide this information in accordance with the phases identified in the scope of services.**

See charts and figures above on the previous page.

**The following costs are generally considered reimbursable: field office trailer, trailer sanitation, mileage/vehicles, telephone, office equipment, postage, fax, courier, supplies, and miscellaneous equipment rental. Should your firm have additional reimbursements as part of your fee structure, these should be clearly listed and their costs. Estimate the amount of reimbursables for this project.**

See our projected costs per month for each item that may be required at all five locations. These will be allocated once the final scope is known.

**It is the intent of the school district to obtain an approximate value of fee at this early phase, and the district reserves the right to negotiate with the selected firm(s) to finalize and refine the fee and project scope.**

At this time we matched the 12 month construction schedule outlined in the Review and Comment Document and are willing to negotiate once the final scope of work is determined. In fact, some additional supervision time may be required on the multiple sites depending on how aggressive the schedule's become and the overall complexity.

**What additional services do you feel the district may be interested in but which are not included in the basic fee above? What is your estimate of the fee for these additional services?**

Our in-house virtual design team is focused on expanding the logical and efficient use of modeling for Knutson and our partners. Building information modeling may be useful in the following ways on this project, in particular:

- Laser scanning for the purpose of documentation of existing conditions and/or verification of concrete asbuilts conditions.
- Coordination and clash detection of mechanical and electrical systems with subcontractors.
- Virtual mock-ups for room finishes and/or construction details

\*Virtual design services provided by Katie Montag may incur additional charges of \$110 per hour.

At Knutson, we believe strongly in engaging students, staff, and the community on these exciting projects for Northfield Public Schools. We plan to do this with the use of jobsite webcams, distributing project updates and newsletters, utilizing good neighbor policies, and conducting jobsite tours. These services will come at no additional fee.

Churchill Elementary School  
2240 7<sup>th</sup> Ave. NE  
Rochester, MN 55906  
507-328-3150



Hoover Elementary School  
369 Elton Hills Dr. NW  
Rochester, MN 55901  
507-328-3450

To whom it may concern,

I am writing this letter expressing my sincere thanks, support, and trust with the Knutson construction team involved in the 2017-2018 Hoover Elementary project. As the building principal, safety was my number one priority. There wasn't a time when I felt our students or staff were not safe. The Knutson Team communicated clearly and always considered students when making decisions. It was extremely helpful to have access to Knutson on a daily basis. Throughout the project my confidence and trust continued to grow in the team.

Knutson's team demonstrated flexibility, honesty, and integrity through each phase of the project. Whether it was the design phase, construction phase, or the close-out phase, I always felt part of the team and that my concerns were considered.

Again, as the building principal, safety was my number one concern, and the Knutson team demonstrated the same belief. I recommend the same process for future projects, and for other principals.

Thank You

Ryan Eversman  
Principal  
Churchill/Hoover Elementary and Early Learning School



### **Mission Statement**

Faribault Public Schools strives to empower, energize and engage all students through its commitment to a quality education and creating an effective learning environment.

October 5, 2018

To Whom It May Concern,

It is with pleasure that I write this letter regarding my experience as a public school district Finance Director working Knutson Construction on several projects.

While employed with Byron Public Schools, I collaborated with Knutson on three major projects totaling \$35,000,000: renovating an elementary school, building a new primary school, remodeling and installing a new HVAC system in a middle school.

All of these projects were completed on time and under budget. Knutson kept the district informed throughout each project with frequent budget updates. Our project manager, Keane McWaters, met with me frequently to discuss the budget and offer suggestions for cost savings without jeopardizing quality.

Knutson's attention to detail and providing outstanding customer service is exemplary.

I would, without hesitation, highly recommend Knutson Construction to any private or public sector organization.

Sincerely,

Jennifer Walsh  
Director of Finance and Operations

716 17<sup>th</sup> Street SW, P.O. Box 608, FARIBAULT, MN 55021-0608  
(507) 333-6000 PHONE • (507) 333-6050 FAX  
AN EQUAL OPPORTUNITY EMPLOYER

The background is a solid blue color. A diagonal line runs from the top-left corner to the bottom-right corner. The area to the left of this line is filled with a fine, repeating hatched pattern of parallel lines. The area to the right of the line is a plain, solid blue color.

You have dreams,  
we have ways.





5301 Kyler Ave. NE, 2nd Floor  
Albertville, MN 55301  
763.497.1490

November 27, 2018

Val Mertesdorf, Director of Finance  
Northfield Public Schools  
1400 Division St S  
Northfield, MN 55057

Dear Ms. Mertesdorf:

PMA Financial Network, Inc. and PMA Securities, Inc. ("PMA") are pleased to present this proposal for serving as investment manager for the proceeds of the bonds from the sale of \$40.975 million on behalf of Northfield Public Schools (the "District"). PMA Securities, Inc. is a broker-dealer and municipal advisor registered with the U.S. Securities and Exchange Commission ("SEC") and Municipal Securities Rulemaking Board ("MSRB") and is a member of FINRA and SIPC. PMA, along with its affiliate, Prudent Man Advisors, Inc. (collectively "the PMA companies"), serve over 2,500 public entities in eleven (11) states, which include Florida, Illinois, Iowa, Michigan, Minnesota, Missouri, New York, Oklahoma, Pennsylvania, South Dakota and Wisconsin.

PMA's extensive experience with public entities has led us to a belief that each district's financial situation is unique and that in this economic environment, every dollar counts. We have developed investment products and services designed to maintain safety of principal, provide liquidity, and to maximize interest earnings for the District.

We believe that the District would benefit from utilizing PMA's long standing Bond Proceeds Management Program ("PMA BPM"). PMA BPM, described throughout this RFP response, was developed for public entities to invest bond proceeds in a manner that meets the Internal Revenue Service rules and regulations. We would not take discretion on this account. Instead, we will partner with the District to develop an investment schedule, and we will execute state statute allowable investments as approved by the District.

We appreciate the opportunity to be considered to provide Bond Proceeds Management Services and look forward to further discussion. Please feel free to contact me at [spumper@pmanetwork.com](mailto:spumper@pmanetwork.com), or 763.497.1490 ext. 1305, should you have any questions.

Respectfully,

Steven R. Pumper  
Vice President, Minnesota Office

Kent D. Johnson,  
Sr. Vice President, Minnesota Office

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## **FIRM'S INFORMATION & QUALIFICATIONS**

- a. **Provide general information about the firm, including a brief history, markets of operation and financial strength.**

### **Firm Background**

For nearly 35 years, the Firm has been working with public fund investors. The PMA companies work with over 2,500 public entities, primarily school districts, for which we administer over \$26.8 billion of investment assets (as of September 30, 2018). Total assets under administration include both money market pool assets for which the PMA companies serve as fund administrator/accountant, marketer/distributor, fixed income program provider (brokerage services), and/or investment advisory, or separate institutional account management. PMA is financially solvent and appropriately capitalized to be able to service the District. Please see Exhibit A for our audited financial statements.

PMA is headquartered in Naperville, IL, and works with public entities in eleven (11) states. The District's funds would be managed out of our Albertville, MN office location. We offer a unique set of products and services tailored to assist public fund clients with investment and cash management needs.

Founded by a community college CFO in 1984, PMA Financial Network, Inc. first established itself as a bank and thrift credit analysis firm. The company quickly evolved into a full service investment and cash management service provider to public fund investors. Because of our foundation in public administration and credit analysis, the Firm evolved a unique service set to meet the needs of our public clients. Today we offer a combination of competitive investment rates and value added services that are unlike our competitors. As of October 17, 2018, PMA announced that it has reached a definitive agreement to be acquired by PMA's senior management team in partnership with Estancia Capital Management, LLC and select institutional co-investors. For more information on this announcement, please visit our website: <http://www.pmanetwork.com/>.

PMA has been actively managing bond proceeds of public entities since 1995. We scrutinize every bond issue so that the proper strategy is in place, that all IRS rules and regulations are being met regarding arbitrage, that the portfolio has the proper mix of investments and that the investments are being placed in credit worthy institutions with a competitive yield.

### **PMA Financial Network, Inc.**

Incorporated in the State of Illinois in 1984, PMA Financial Network, Inc. is a financial services provider. The firm provides cash flow analysis services and deposit products to meet the investment needs of public fund clients. PMA Financial Network also provides specialized services for Local Government Investment Pools. Our office location in Albertville, MN opened in July of 1998.

**PMA Securities, Inc.**

Incorporated in the State of Illinois in 1991, PMA Securities, Inc. is a registered broker-dealer and municipal adviser. The firm is registered with the U.S. Securities and Exchange Commission (SEC), as well as the Municipal Securities Rulemaking Board (MSRB). The firm is a member of the Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC). Securities, public finance and institutional brokerage services are offered through PMA Securities, Inc. As a municipal adviser, PMA Securities owes its municipal entity clients a fiduciary duty when, among other things, providing advice on the investment of bond proceeds.

**Prudent Man Advisors, Inc.**

Incorporated in the State of Illinois in 1996, Prudent Man Advisors is an SEC registered Investment Adviser. Prudent Man Advisors provides investment advisory services to public entities and local government investment pools in four states. As a fiduciary, Prudent Man Advisors works with cities, counties, school districts and other municipalities in solving their investment challenges through separately managed accounts. Prudent Man Advisors has staff located in both its Illinois headquarters and St Louis Park, MN office locations.

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**b. Describe the firm's experience serving as an investment advisor for the proceeds of bonds.**

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Since PMA's formation in 1984, the firm has been committed to working with public entities and investing public funds. We understand the specific challenges related to investing public funds and are well-versed in the options allowed under state statute. PMA's role in this project would be to invest the Bond Proceeds according to both Minnesota State Statute and the District's investment policy, keeping safety as the top priority, providing appropriate liquidity to allow the District to pay its construction obligations, and to then maximize the return on investments to create additional funds for the District to use on the project.

PMA has over 20 years of experience investing funds for Minnesota School Districts and is very familiar with Minnesota Investment Statutes. Since 1998, PMA has managed over \$7.1 billion of Minnesota School District bond proceeds. The current amount being managed as of November 19, 2018, is \$1.1 billion, for 86 Minnesota School Districts.

PMA is also the Fund Administrator, Investment Advisor and Marketer for MNTrust, a local government investment pool founded in 2006 as a money market for Minnesota School Districts.

**c. Describe your firm's strategies for maximizing earnings potential for the projects.**

With safety of principal taking first priority, PMA BPM will construct an investment portfolio that will match investment maturities to projected expenditures. The program offers liquidity to allow for flexibility of draw schedules while maximizing interest earnings.

PMA has a standalone credit team that analyzes the credit quality of each bank depository (including local banks). Current placed investments are reviewed, and if our Credit Department believes there is a reason to liquidate any investment because of a downgrade by our department, we will inform the client and look at liquidation options. Of the 8,000+ banks and agencies across the nation, PMA is willing to bring approximately 1,000 banks into our network. We scrutinize every bank on a quarterly basis (at a minimum) for credit quality. We also work with our clients to improve collateral monitoring and reporting.

PMA does not sell investments from its own inventory; we competitively bid our clients' investments in order to obtain the best rate and execution. Our competitive bidding process, allows clients access to:

- 1,000+ banks and savings institutions (screened through our credit process)
- 20+ primary and regional broker dealers
- Local banks included in the bidding process – if desired
- Competitive investment returns, and
- One point of contact to assist you with all of your needs including securities delivery, compliance, arbitrage and statement reporting.

We will achieve the maximum return on investments by not only using a variety of investment products, but by maximizing the length of the investments by matching up the maturity dates with the expected draw dates. Working with the District and its construction team, we will obtain a draw schedule, verify from the Director of Finance the day of each month she plans on releasing construction checks, and invest to that date each month. We understand no draw schedule is ever perfect, so we will purchase an appropriate level of investments that can be liquidated easily to fund months where actual expenses exceed projected expenses. However, more frequently, the opposite is true, where districts do not realize their expenses as fast as anticipated. In these cases, PMA is extremely proactive in having conversations with District personnel regarding construction timelines, and reinvesting accordingly.

A small portion of the bond proceeds are likely to be held in MNTrust for liquidity purposes. MNTrust is an AAA rated fund by Standard and Poor's.

PMA handles all investments internally. All investments are in the client's name, and held by a third party custodian. Confirmations of each investment are posted electronically to the client's

account, which can be accessed 24/7 on PMA's online system. Monthly statements showing the district's activity, investments, yields, maturity dates, are posted online as well.

In addition, a Bond Proceeds Management Report (Exhibit B) is sent monthly to district staff. This report summarizes initial bond proceeds, projected interest earnings, total dollars spent, and remaining balance available to spend. The middle section of the report provides a monthly arbitrage calculation, so the District is always up to date where they stand in relation to a potential arbitrage rebate. If the District is in a projected rebate situation at the end of the project, a legal opinion will be obtained at no cost to the District.

### **Differentiators in Hiring PMA**

1. PMA focuses its services solely on public fund clients. It is what we know and what we specialize in.
2. The Albertville Office serves over 190 Minnesota Public School Districts, and has managed over \$7.1 billion dollar of bond proceeds since 1998. We have the experience.
3. Your bond proceeds will be managed by staff that are stationed in Minnesota, and your main contact also has 22 years of experience in being a Minnesota Business Official, so understands YOUR needs.
4. We become an extension of your business office, providing you with monthly interest, expense, investment reporting, along with a monthly bank reconciliation.
5. All of our investment trades are done in-house. We do not farm out any of our investment activity.
6. We have a standalone Credit Department that continually analyzes and approves all investment vehicles, making sure they are a safe investment for our clients.
7. We monitor all collateral behind your investments, not only making sure the collateral conforms with State Statute, but also making sure it is an appropriate type of collateral that the district could easily access in the event of a bank failure.
8. PMA has an extensive list of investment vehicles. We will utilize product that best fits YOUR needs. We do NOT inventory investment products, so the choice of investments will be made solely on the needs of the District.

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#### **d. Provide samples of investment records and reports provided to clients.**

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See Exhibits B, C, D, E for the following reports:

- Exhibit B: Bond Proceeds Management Report (emailed to client monthly)
  - o Projected Interest Earnings
  - o Spending Activity

- o Projected Draw Schedule
- o Monthly Arbitrage Calculation
- o Arbitrage Spend Down Exception Calculation
- Exhibit C: Monthly Activity Statement
- Exhibit D: Total Portfolio Report
- Exhibit E: Monthly Bank Reconciliation

PMA offers the following arbitrage reporting services:

- Determine the arbitrage/rebate status of the bonds
- On a monthly basis, monitor the rebate status of the bond issue
- Monthly reporting to client; including spend down status and projected arbitrage liability
- Monthly yield restriction calculation, if applicable
- Rebate calculation at project completion

All of PMA's arbitrage reporting is done in-house. Unlike our competitors, your dedicated portfolio advisor can run scenario analysis and provide same day feedback and advice on your portfolio. We will actively monitor and manage your cash flows to provide needed flexibility when project information changes.

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**e. Please include resumes of personnel that would be assigned to manage our investments.**

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Steve Pumper, Vice President of the Minnesota office, will be the primary contact for servicing the District. Steve will work with the District on collecting draw schedules, investing funds according to the schedule, and modifying and adjusting the portfolio throughout the project. Steve will be available to communicate with District Staff by phone, email, or in person.

Joel Hanson, PMA Securities' Quantitative Analyst, will assist Steve with placing investments, updating reports and releasing money for construction payments as directed by the client.

Laura Hamacher, PMA Senior Portfolio Advisor, will continue as your Portfolio Advisor with your Operating Funds, and will also be involved with our holistic approach to managing ALL of the District's cash proceeds.

Kent Johnson, Senior Vice President, Director of the Minnesota Office, will serve as the back-up contact.

Complete biographies for each team member are listed on the following page.



**STEVE PUMPER**

VICE PRESIDENT, MINNESOTA OFFICE

Phone: 763.497-1490 Ext. 1305

5301 Kyler Ave. NE, 2nd Floor

Albertville, MN 55301

Steve joined the firm in 2009 and helps PMA develop services to assist school district business managers. Prior to joining PMA, he worked as a school business manager in Minnesota schools for 22 years. Steve holds Series 7, 50, 63 and 66 FINRA licenses.



**KENT JOHNSON**

SENIOR VICE PRESIDENT, DIRECTOR – MINNESOTA OFFICE

Phone: 763.497-1490 Ext. 1300

5301 Kyler Ave. NE, 2nd Floor

Albertville, MN 55301

Kent joined the firm in 1998 and heads PMA's Minnesota branch office serving school districts, municipalities and local government investment pool clients throughout Minnesota. Prior to joining PMA, he served eight years as Vice President of Ehlers & Associates, Inc. working with their school and management teams. He received his Bachelor of Arts in Economics with an emphasis on Money and Banking from the University of Minnesota. He holds series 7, 24, 50 and 66 FINRA licenses and a Property and Casualty insurance license.



**JOEL HANSON**

QUANTITATIVE ANALYST

Phone: 763.497-1490 Ext. 1306

5301 Kyler Ave. NE, 2nd Floor

Albertville, MN 55301

Joel joined the firm in 2015 and is responsible for assisting school district clients in both bond proceeds management and financial advisory capacities. He joined the financial industry in 2010 and previously served as Portfolio Analyst for Ameriprise Financial. He received his Bachelor of Science in Finance from Minnesota State University, Mankato. He holds series 7, 50, and 63 FINRA licenses.



**LAURA HAMACHER**

SENIOR PORTFOLIO ADVISOR

Phone: 612.509.2563

5301 Kyler Ave. NE, 2nd Floor

Albertville, MN 55301

Laura joined the firm in 2006 and works as a Senior Portfolio Advisor in PMA's Albertville, MN office. She has over 10 years of experience serving school districts and municipalities throughout



Minnesota. She specializes in cash flow management and investing with fixed-rate investments for her clients. She received her Bachelor of Science degree in Marketing from the University of Minnesota and holds series 7, 50 and 63 FINRA licenses.

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**f. Provide three school district references the District can contact.**

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The references below are for services provided by PMA for Bond Proceeds Management. In addition to the below, Exhibit F reflects a list of tax-exempt bond proceeds similar to the District that have been managed, or is currently being managed by PMA Securities. Since 1997, we have managed \$7.1B par amount in aggregate bond proceeds for MN K-12 through PMA Securities ranging in size from \$1,246 to \$161,000,000. The referenced list does NOT include refunding, short term (AAC/TAC), or lease issues

**Julie Cink**  
Prior Lake – Savage ISD 719  
952-226-0041

**Sandy Linn**  
New Prague ISD 721  
952-758-1702

**Jane Houska**  
Farmington ISD 192  
651-463-5043

**Amanda Heilman**  
Owatonna ISD 761  
507-444-8605

**Kelly Benusa**  
Osseo ISD 279  
763-391-7022

## **ARBITRAGE COMPLIANCE**

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### **a. Describe arbitrage compliance services, if offered.**

---

PMA Securities has been assisting public entities in six states with their Bond Proceeds Management (“PMA BPM”) needs since 1995. PMA provides a comprehensive investment and arbitrage services program that maximizes interest earnings while complying with arbitrage and IRS regulations, existing policies, as well as state and federal statutes.

PMA's services include pre-bond sale analysis of projected interest earnings based on the project draw schedule and potential arbitrage scenarios related to investing the proceeds. Once bond proceeds have been received, PMA partners with clients in structuring an investment portfolio that maintains high credit quality to ensure safety of principal, is statute and policy compliant, and offers sufficient liquidity to meet the needs of changes in project timeline from initial projections, and provides the client with MONTHLY arbitrage projections.

Once the project is complete, PMA performs a final arbitrage calculation, including a third party legal opinion if necessary. All bond documents and monthly reporting is provided to the District at the end of the project.

Due to the recent increase in IRS audits on tax-exempt issuers, maintaining proper bond proceeds and arbitrage reporting is becoming even more important. Clients that have utilized our Bond Proceeds Management program have found it easy to provide the requested information.

### **ARBITRAGE COMPLIANCE SERVICES**

PMA provides all bond documents and monthly reporting to the District once project spending is complete. PMA’s vast experience and expertise has helped many clients respond to IRS Audits pertaining to tax-exempt bond proceeds. Several school district clients have recently been audited by the IRS regarding the investing of their tax-exempt bond proceeds. These districts, which utilized our Bond Proceeds Management program, found it easy to provide the requested information.

Please see Exhibit B for a sample Client Arbitrage Calculation that is updated and provided to the District on a monthly basis throughout the project. **There is no additional charge for this service.**

### **ARBITRAGE LEGAL SERVICES**

If necessary, PMA will contract with an independent third party that will perform a final arbitrage calculation and legal opinion. There is no additional charge for this service.

## **FEEES FOR SERVICES**

- a. Provide your detailed schedule of fees for services and how those fees will be charged. This should include commission schedules, transaction fees, and any other fees associated with the portfolio.**

PMA proposes the following fee schedule for the management of Northfield Public Schools' Bonds:

We will charge 12 basis points annualized per investment. The fee is taken at the time the investment is placed, and the District receives the net rate. The rate is the same for all investment vehicles. Because there is no monthly advisory fee taken on the value of the portfolio, all securities are marked up 12 basis points, (our fee).

There is NO additional investment advisory fee on the value of the portfolio.

The 12 basis point fee would not be charged on funds held in the MNTrust Money Market, or Term Series. All services as provided in this proposal are covered by this fee.

# AUDITED FINANCIAL STATEMENTS

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EXHIBIT A

# **English Concepts d/b/a PMA Securities, Inc.**

Statements of Financial Condition  
December 31, 2017 and 2016

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Filed as Public information pursuant to Rule 17a-5(d) under the Securities  
Exchange Act of 1934.

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: August 31, 2020  
Estimated average burden  
hours per response..... 12.00

ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

SEC FILE NUMBER  
8-44905

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/17 AND ENDING 12/31/17  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: English Concepts Inc. d/b/a PMA Securities, Inc.

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

2135 CityGate Lane, 7th Floor

(No. and Street)

Naperville

IL

60563

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

James Davis

(630) 657-6400

(Area Code -- Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

RSM US LLP

(Name - if individual, state last, first, middle name)

One South Wacker Drive, Suite 800 Chicago

IL

60606

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, James Davis, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of English Concepts Inc. d/b/a PMA Securities, Inc., as of December 31, 2017, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



Chris Marie Davidson
Notary Public

James B. Davidson
Signature

Chief Executive Officer
Title

This report \*\* contains (check all applicable boxes):

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss).
(d) Statement of Changes in Financial Condition.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
(f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
(g) Computation of Net Capital.
(h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
(i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
(j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
(k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
(l) An Oath or Affirmation.
(m) A copy of the SIPC Supplemental Report.
(n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

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RSM US LLP

## Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders  
English Concepts d/b/a PMA Securities, Inc.

### Opinion on the Financial Statements

We have audited the accompanying statements of financial condition of English Concepts d/b/a PMA Securities, Inc. (the Company) as of December 31, 2017 and 2016, and the related notes to the financial statement (collectively, the financial statement). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

*RSM US LLP*

We have served as the Company's auditor since 2010.

Chicago, Illinois  
February 20, 2018

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING

English Concepts d/b/a PMA Securities, Inc.

Statements of Financial Condition  
December 31, 2017 and 2016

	2017	2016
<b>Assets</b>		
Cash and cash equivalents	\$ 2,269,545	\$ 2,128,197
Receivable from clearing broker	1,307,594	781,355
Receivable from related party	86,573	61,553
Accounts receivable	318,875	231,694
Prepaid expenses	59,274	49,883
Other assets	23,112	17,518
	<hr/>	<hr/>
<b>Total Assets</b>	<b>\$ 4,064,973</b>	<b>\$ 3,270,200</b>
	<hr/>	<hr/>
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities</b>		
Payable to related party	\$ 1,600	\$ 120
Accounts payable and accrued expenses	15,552	61,400
<b>Total Liabilities</b>	<b>17,152</b>	<b>61,520</b>
	<hr/>	<hr/>
<b>Stockholders' Equity</b>		
Common stock, no par value; authorized 10,000 shares; 1,565 shares issued and outstanding	86,075	86,075
Retained earnings	3,961,746	3,122,605
<b>Total Liabilities and Stockholders' Equity</b>	<b>4,047,821</b>	<b>3,208,680</b>
	<hr/>	<hr/>
	<b>\$ 4,064,973</b>	<b>\$ 3,270,200</b>
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See Notes to Statements of Financial Condition.

English Concepts d/b/a PMA Securities, Inc.

Notes to Statements of Financial Condition

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**Note 1. Nature of Business and Significant Accounting Policies**

English Concepts d/b/a PMA Securities, Inc. (the Company) has been organized to provide local government investment pools, municipal securities, government securities, certificates of deposit, and money market funds as investments and financial advisory services to public-sector clients and other institutional entities. The Company is registered as a broker-dealer and municipal advisor with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board, and is a member of the Financial Industry Regulatory Authority.

The Company operates under the provisions of paragraph (k)(2)(i) and (k)(2)(ii) of Rule 15c3-3 of the Securities Exchange Act of 1934 (Exchange Act) and, accordingly, is exempt from the remaining provisions of that rule. The requirements of paragraph (k)(2)(i) provide that the Company carry no margin accounts, promptly transmit all customer funds and deliver all securities received in conjunction with its activities as a government securities broker-dealer and does not hold funds or securities for or owe money or securities to customers. The requirements of paragraph (k)(2)(ii) provide that the Company clear transactions on behalf of customers, on a fully disclosed basis with a clearing broker or dealer and promptly transmit all customer funds and securities to the clearing broker or dealer which carries all of the accounts of such customers and maintains and preserves the required books and records.

The Company follows generally accepted accounting principles (GAAP), as established by the Financial Accounting Standards Board (the FASB), to ensure consistent reporting of financial condition, results of operation, changes in stockholders' equity, and cash flows.

The following is a summary of the Company's significant accounting policies:

**Use of estimates:** The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Cash:** The Company considers highly liquid investments that have original maturities of three months or less at the date of acquisition to be cash equivalents.

**Accounts Receivable:** Receivables represent fees earned, but not yet received and are carried at original amount owed less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. At December 31, 2017 and 2016, there was no allowance for doubtful accounts.

Notes to Statements of Financial Condition

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**Note 1. Nature of Business and Significant Accounting Policies (Continued)**

**Revenue recognition:** The financial statements are presented utilizing the accrual method of accounting, which recognizes revenue as earned and expenses as incurred. Investment banking fees are recognized at the time the transaction is completed and the income is reasonably determinable. Financial advisory, commissions and remarketing fees are recognized as earned. The Company's fees for its certificates of deposit syndicate activities, included in investment banking/financial advisory revenue on the Statements of Income, are completed on a "best efforts" basis and accordingly, the positions taken and related revenue generated for those activities are conditional until settlement date. Fees from the placement of certificates of deposit and savings deposit accounts are recognized as revenue as the related services are performed and are included in commissions and fees on the Statements of Income.

**Income taxes:** The Company, with the consent of its stockholders, has elected to be taxed under sections of federal and state income tax law which provide that, in lieu of corporation income taxes, the stockholders report their pro rata shares of the Company's taxable income or loss. Therefore, these statements do not include any provision for corporate income taxes other than provisions for Illinois replacement taxes.

The FASB provides guidance for how uncertain tax positions should be recognized, measured, disclosed and presented in the financial statements. This requires the evaluation of income tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the income tax positions are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Income tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. For the years ended December 31, 2017 and December 31, 2016, management has determined that there are no material uncertain income tax positions. The Company is not subject to examination by United States federal and state tax authorities for tax years before 2014.

**Subsequent events:** The Company has evaluated subsequent events for potential recognition and/or disclosure through the date these financial statements were issued, noting none.

**Recent accounting pronouncements:** In May 2014, the FASB issued new guidance on revenue from contracts with customers. The new revenue recognition standard provides a five-step analysis of transactions to determine when and how revenue is recognized. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In July 2015, the FASB decided to defer the effective date of the new revenue guidance by one year to annual reporting periods beginning after December 15, 2017, with early adoption being permitted for annual periods beginning after December 15, 2016. The Company will adopt this guidance effective as of January 1, 2018 under the modified retrospective method, in which the cumulative effect of applying the standard will be recognized at the date of initial application. As of December 31, 2017, the Company estimates that the cumulative effect upon adoption will not require an adjustment to retained earnings.

In February 2016, the FASB issued ASU 2016-02, *Leases*, which increases transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Lessor accounting remains substantially similar to current GAAP. The new standard is effective for fiscal years beginning after December 15, 2018. The Company has not yet determined the impact of the new standards on its financial statements.

English Concepts d/b/a PMA Securities, Inc.

Notes to Statements of Financial Condition

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**Note 2. Receivable from Clearing Broker**

At December 31, 2017 and 2016, receivable from clearing broker consists of cash deposited at the Company's clearing broker totaling \$1,307,594 and \$781,355, respectively. Cash held by the clearing broker may serve as clearing deposits and be effectively restricted from use of the Company, see Note 3.

**Note 3. Concentration of Credit Risk**

As reflected in Note 1, the Company operates in part under the provision of paragraph (k)(2)(ii) of Rule 15c3-3 of the Exchange Act. Since the Company does not clear its own securities transactions for certain securities, it has established accounts with a clearing broker for this purpose. This can and does result in a concentration of credit risk with this broker. Such risk, however, is mitigated by the clearing broker's obligation to comply with the rules and regulations of the SEC. At December 31, 2017 and 2016, the Company had a clearing deposit at the clearing broker of \$100,000 and \$50,000, respectively, which is included on the Statements of Financial Condition in receivable from clearing broker. The clearing broker is a member of a nationally recognized exchange. Additional terms of the clearance agreement require the Company to maintain a minimum coverage on its broker's fidelity bond. The Company is prohibited from entering into similar agreements without prior written approval from the clearing broker. The agreement may be terminated by either party with 90 days prior written notification. In addition, if the Company terminates this agreement at any time, it may be liable for expenses incurred by the clearing broker in connection with transferring, converting or closing the accounts held at the clearing broker. The Company consistently monitors the creditworthiness of the clearing broker to mitigate the Company's exposure to credit risk.

The Company engages in dealing in government securities including those backed or guaranteed by the full faith and credit of the United States government. As part of its activities, the Company maintains an account titled *Special Account for the Exclusive Benefit of Customers* for its government securities clearing activities and operates in part under the provision of paragraph (k)(2)(i) of Rule 15c3-3 of the Exchange Act.

The Company maintains cash balances at several financial institutions. Accounts at each institution may exceed insured limits of the Federal Deposit Insurance Corporation or the Securities Investor Protection Corporation. Management believes that the Company is not exposed to any significant credit risk on cash.

**Note 4. Related-Party Transactions**

Pursuant to an agreement, the Company has been billed for salaries, benefits, promotions, rent and taxes by PMA Financial Network, Inc. in which the stockholders of the Company are also stockholders. The amounts due this related company pursuant to this agreement at December 31, 2017 and 2016 were \$1,600 and \$120, respectively, and are included in payable to related party on the Statements of Financial Condition. Amounts owed the Company by PMA Financial Network, Inc. for marketing fees and commissions at December 31, 2017 and 2016 were \$19,320 and \$0, respectively, included in receivable from related party on the Statements of Financial Condition.

PMA Financial Network, Inc., in which the stockholders of the Company are also stockholders, received cash on behalf of the Company for commissions earned from savings deposit account deposits. The amounts owed to the Company at December 31, 2017 and 2016 were \$67,253 and \$61,553, included in receivable from related party and accounts receivable, respectively, on the Statements of Financial Condition.

**English Concepts d/b/a PMA Securities, Inc.**

**Notes to Statements of Financial Condition**

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**Note 5. Net Capital Requirements**

The Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2017, the Company had net capital of \$3,559,987, which was \$3,459,987 in excess of its required net capital of \$100,000. At December 31, 2017, the Company's aggregate indebtedness to net capital ratio was 0.0048 to 1.

**SAMPLE BPM REPORT &  
ARBITRAGE CALCULATION**

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EXHIBIT B

As of 11/20/18

**Investment Earnings Detail**

\$4,250,049.99	Current Portfolio Interest Income Estimate
\$294,147.13	Potential Interest Income on Balances (2.1%)
<u>\$4,544,197.13</u>	<u>Estimated Interest Income (Not including Rebate)</u>
\$4,482,715.43	Original Portfolio Interest Income Estimate
2.472%	Total Return for Arbitrage Purposes
453	Weighted Avg Life of Future Projected Expenses

**Investment Proceeds Information**

07/12/18	Closing Date - Investment Proceeds Received
\$120,281,690.20	Investment Proceeds Received
+	\$4,544,197.13 Total Interest Income Net of Rebate
=	<u>\$124,825,887.33</u> Total Funding Available as of 11/20/18
-	\$6,691,706.42 Cumulative Expenses Through 11/20/18
=	<u>\$118,134,180.91</u> Outstanding P & I Net of Rebate after 11/20/18

**Portfolio Arbitrage Status**

**Yield Restriction:** The bond proceeds currently fall under the three year temporary period and are therefore not yield restricted.

**Arbitrage Rebate:** The proceeds are subject to arbitrage rebate; however, the district is currently investing below the arbitrage yield and currently does not expect to pay arbitrage.

\$4,544,197.13	Estimated Interest Income (Not including Rebate)	\$4,544,197.13	2.472%	Current Interest Estimate for Arbitrage Purposes
\$0.00	Anticipated Arbitrage Rebate Liability	\$6,154,437.30	3.287%	Maximum Interest Limited by Arbitrage Yield
<u>\$4,544,197.13</u>	<u>Total Interest Income Net of Rebate</u>	<u>\$0.00</u>	-0.815%	Potential Arbitrage Rebate Liability

(May not reflect annual credits for Arb. Calculation)

**Regulatory Requirement**

**Actual/Projected Portfolio Status**

**Regulatory Status as of 11/20/18**

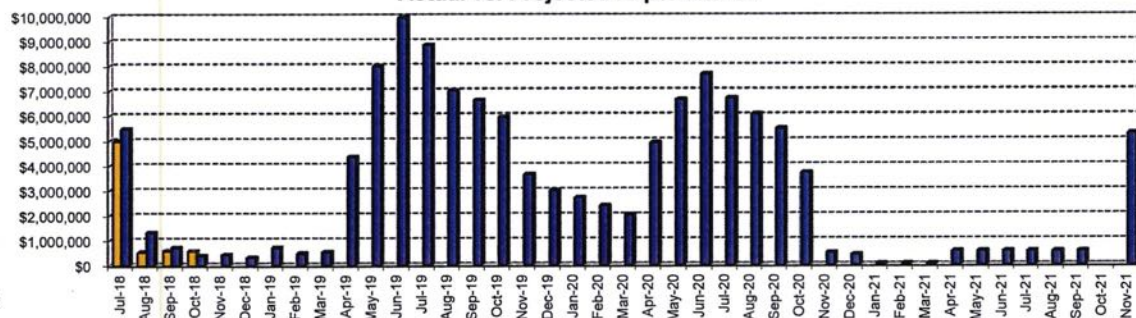
**Estimated Spend-Down Requirements**

**Cumulative Expenses**

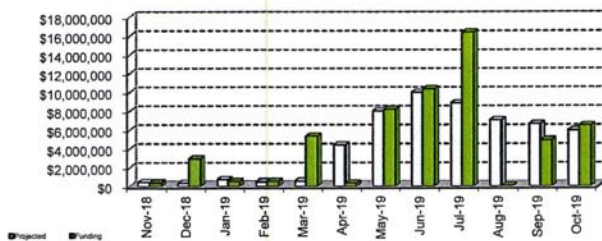
**\$6,691,706.42 Expenses to Date: 5.36%**

01/12/19	10%	\$12,482,588.73	5.96%	\$7,437,834.99	Projected Expense	Need to spend an additional \$5,790,882.31
07/12/19	45%	\$56,171,649.30	25.27%	\$31,537,553.57	Projected Expense	Need to spend an additional \$49,479,942.88
01/12/20	75%	\$93,619,415.50	53.40%	\$66,657,954.30	Projected Expense	Need to spend an additional \$86,927,709.08
07/12/20	100%	\$124,825,887.33	74.53%	\$93,037,265.09	Projected Expense	Need to spend an additional \$118,134,180.91
07/12/21						Need to spend an additional \$118,134,180.91

**Actual vs. Projected Expenditures**



**Future Maturities vs. Projected Expenditures**



**Cash Flow Focus - Payouts**

Funding Date	Projected Expenses	Portfolio Funding
11/26/18	\$423,978.01	\$383,349.54
12/23/18	\$322,150.56	\$2,923,462.97
01/25/19	\$721,209.58	\$499,935.14
02/25/19	\$484,011.42	\$542,038.85
03/25/19	\$548,103.57	\$5,330,040.47
04/25/19	\$4,377,447.96	\$334,805.42



*Disclosure Statement: Bond Portfolio Management Report*

*The information and projections on the Bond Portfolio Management Report on the reverse side of this page is derived from information that comes from various sources. PMA Financial Network, Inc. (PMA) will assume, without further research, that all information provided by you (the "Issuer") or the Issuer's staff, agents and/or other intermediaries working on the Issuer's behalf is accurate. Such items may include but are not limited to:*

- Information regarding the structure and pricing of the Issuer's bond issue and corresponding arbitrage yield limits.*
- Information regarding the projected expenditures of the project.*
- Information regarding the actual amounts and timing of disbursements on the project.*
- Information and representations made by the Issuer and/or its intermediaries in any Issuer or bond issue document.*

*This report is designed as a planning tool that should be used for informational purposes only. The methodology used in preparing the report and its corresponding projections is dependent on certain data. This data may be generated using actual data and/or "reasonable" assumptions. Such items include but are not limited to:*

- Investment/reinvestment assumptions that relate to actual dollars being invested/reinvested and/or the interest rates at which investments/reinvestments could be executed.*
- It is assumed that the speed of the expenditures will not exceed the most current projection of expenditures and that fixed term investments will not be liquidated.*

*PMA does not take responsibility for any affect that other bond issues or borrowings may have on the projections or the stated or implied investment strategies. Furthermore, PMA does not take responsibility for differences between the projections on the report and any third party calculation. PMA does not take responsibility for any changes in tax law. Finally, PMA does not take responsibility for the issuer not meeting the requirements for an exception to the arbitrage yield restriction rules.*

**SAMPLE MONTHLY ACTIVITY STATEMENT**

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EXHIBIT C



# MN TRUST Monthly Statement

Statement for the Account  
of:  
SAMPLE DISTRICT

BONDS 2016A (Municipal Advisory Account)

Statement Period  
Dec 1, 2017 to Dec 31, 2017

## ACTIVITY SUMMARY

### INVESTMENT POOL SUMMARY

	IS
Beginning Balance	\$2,557.10
Dividends	\$9.56
Credits	\$11,472.25
Checks Paid	\$0.00
Other Debits	\$0.00
Ending Balance	\$14,038.91
Average Monthly Rate	1.12%
<b>TOTAL IS</b>	<b>\$14,038.91</b>

PLEASE NOTE: THE FUND WILL BE CLOSED JANUARY 15TH IN OBSERVANCE OF THE MARTIN LUTHER KING, JR. HOLIDAY

**TOTAL FIXED INCOME** \$26,809,868.79

**ACCOUNT TOTAL** \$26,823,907.70

SAMPLE DISTRICT  
NAME  
ADDRESS 1  
ADDRESS 2



SAMPLE DISTRICT

Statement Period  
Dec 1, 2017 to Dec 31, 2017

TRANSACTION ACTIVITY

BEGINNING BALANCE

\$2,557.10

MN TRUST PORTFOLIO

Transaction	Trade Date	Settle Date	Description	Redemption/Debit	Purchase/Credit	Share Price	Shares this Transaction
562777	12/01/17	12/01/17	Fund Purchase from FRI Interest SEC - 37317 - Southeastern Community College		\$2,150.00	\$1.00	2,150.000
565504	12/15/17	12/15/17	Fund Purchase from FRI Interest SEC - 39536 - Clackamas County School District No 62		\$8,561.25	\$1.00	8,561.250
565506	12/15/17	12/15/17	Fund Purchase from FRI Interest SEC - 39541 - Clackamas County School District No 62		\$761.00	\$1.00	761.000
568437	12/31/17	12/31/17	Dividend Reinvest		\$9.56	\$1.00	9.560
<b>TOTALS FOR PERIOD</b>				<b>0.00</b>	<b>\$11,481.81</b>		<b>11,481.810</b>
<b>ENDING BALANCE</b>							<b>\$14,038.91</b>



**SAMPLE DISTRICT**

**FIXED INCOME INVESTMENTS**

**Statement Period**  
Dec 1, 2017 to Dec 31, 2017

<b>INTEREST</b>				
Type	Holding ID	Transaction Date	Description	Interest
SEC	37317	12/01/17	SEC - 37317 - Southeastern Community College	\$2,150.00
SEC	39536	12/15/17	SEC - 39536 - Clackamas County School District No 62	\$8,561.25
SEC	39541	12/15/17	SEC - 39541 - Clackamas County School District No 62	\$761.00
<b>Totals for Period:</b>				<b>\$11,472.25</b>



SAMPLE DISTRICT

Statement Period  
Dec 1, 2017 to Dec 31, 2017

**CURRENT PORTFOLIO**

Type	Code	Holding ID	Trade	Settle	Maturity	Description	Cost	Rate	Face/Par	Market Value
IS				12/31/17		IS Account Balance	\$14,038.91	1.120%	\$14,038.91	\$14,038.91
SEC	15	39003-1	01/03/17	01/06/17	03/01/18	County of Rusk WI (2.000%) 782197FQ5	\$460,196.10	1.000%	\$455,000.00	\$455,327.60
CD	N	235857-1	02/15/17	02/15/17	04/06/18	MIDDLEFIELD BANKING COMPANY	\$247,400.00	0.893%	\$249,910.52	\$247,400.00
CD	N	235858-1	02/15/17	02/15/17	04/06/18	PACIFIC ENTERPRISE BANK	\$247,400.00	0.900%	\$249,931.62	\$247,400.00
CD	N	235859-1	02/15/17	02/15/17	04/06/18	FIRST INTERNET BANK OF INDIANA	\$247,500.00	0.861%	\$249,934.83	\$247,500.00
CD	C	235860-1	02/15/17	02/15/17	04/06/18	BRIDGEWATER BANK	\$757,700.00	0.851%	\$765,035.10	\$757,700.00
CD	C	237811-1	04/03/17	04/03/17	04/06/18	BRIDGEWATER BANK	\$1,000,000.00	0.951%	\$1,009,588.16	\$1,000,000.00
CD	N	237624-1	03/28/17	03/28/17	05/04/18	CORNERSTONE BANK - YORK NEBRASKA	\$247,300.00	0.960%	\$249,927.59	\$247,300.00
CD	N	237625-1	03/28/17	03/28/17	05/04/18	ARLINGTON COMMUNITY FCU	\$247,300.00	0.955%	\$249,899.26	\$247,300.00
CD	N	237626-1	03/28/17	03/28/17	05/04/18	PRUDENTIAL SAVINGS BANK	\$247,400.00	0.950%	\$249,988.56	\$247,400.00
CD	N	237627-1	03/28/17	03/28/17	05/04/18	DRAKE BANK	\$247,400.00	0.953%	\$249,995.37	\$247,400.00
DTC	N	37324-1	05/18/16	05/26/16	05/25/18	Bmo Harris Bank Certificate of Deposit (1.050%) 05581WGE9	\$248,726.95	0.902%	\$248,000.00	\$247,552.86
SEC	15	37317-1	05/11/16	06/01/16	06/01/18	Southeastern Community College (2.000%) 841625NJ1	\$219,676.25	0.900%	\$215,000.00	\$215,156.95
CD	N	239167-1	05/22/17	05/22/17	06/08/18	FARMERS EXCHANGE BANK	\$247,100.00	1.093%	\$249,925.31	\$247,100.00
CD	N	239168-1	05/22/17	05/22/17	06/08/18	FREEPORT STATE BANK	\$247,100.00	1.093%	\$249,925.31	\$247,100.00
CD	N	239169-1	05/22/17	05/22/17	06/08/18	BANK 7	\$247,200.00	1.060%	\$249,942.36	\$247,200.00
CD	N	239170-1	05/22/17	05/22/17	06/08/18	ASSOCIATED BANK, NA (N)	\$247,200.00	1.050%	\$249,916.49	\$247,200.00
SEC	15	39536-1	05/05/17	05/10/17	06/15/18	Clackamas County School District No 62 (1.522%) 179162FB3	\$1,130,152.50	1.100%	\$1,125,000.00	\$1,124,651.25
SEC	15	39541-1	05/05/17	05/10/17	06/15/18	Clackamas County School District No 62 (1.522%) 179162FB3	\$100,458.00	1.100%	\$100,000.00	\$99,969.00
CD	N	224271-1	05/17/16	05/17/16	07/05/18	FIRST ADVANTAGE BANK	\$241,400.00	0.802%	\$245,529.81	\$241,400.00
CD	N	224272-1	05/17/16	05/17/16	07/05/18	MIDLAND STATES BANK	\$245,600.00	0.828%	\$249,940.14	\$245,600.00
CD	N	237622-1	03/28/17	03/28/17	07/06/18	CORPORATE ONE FEDERAL CREDIT UNION	\$246,800.00	1.000%	\$249,944.17	\$246,800.00
CD	N	237623-1	03/28/17	03/28/17	07/06/18	USAMERIBANK	\$247,000.00	0.953%	\$249,997.24	\$247,000.00
SEC	15	39532-1	05/05/17	05/10/17	08/01/18	Austin Independent School District (1.983%) 052430HMO	\$1,010,700.00	1.100%	\$1,000,000.00	\$1,002,020.00

**CURRENT PORTFOLIO**

Type	Code	Holding ID	Trade	Settle	Maturity	Description	Cost	Rate	Face/Par	Market Value
CD	C	237810-1	04/03/17	04/03/17	08/03/18	BRIDGEWATER BANK	\$1,000,000.00	1.001%	\$1,013,355.81	\$1,000,000.00
SEC	15	39533-1	05/05/17	05/10/17	08/15/18	El Paso Independent School District (3.500%) 283770FQ3	\$515,010.00	1.100%	\$500,000.00	\$505,525.00
SEC	15	37905-1	07/26/16	07/29/16	09/01/18	Johnson County Unified School District No 233 Olathe (4.650%) 478718ZU6	\$1,079,580.00	0.800%	\$1,000,000.00	\$1,018,020.00
CD	N	223942-1	05/09/16	05/09/16	10/05/18	PACIFIC WESTERN BANK	\$244,500.00	0.910%	\$249,854.24	\$244,500.00
SEC	15	37313-1	05/11/16	05/16/16	11/01/18	DuPage County Community Unit School District No 200 Wheaton-Warrenville (1.920%) 263493WL8	\$245,347.20	1.000%	\$240,000.00	\$239,462.40
SEC	15	37314-1	05/11/16	06/01/16	11/01/18	Madison-Macoupin Etc Counties Community College District No 536/IL (3.000%) 557741BB0	\$338,097.50	1.300%	\$325,000.00	\$325,965.25
CD	1	224159-1	05/13/16	05/13/16	11/02/18	EAST WEST BANK	\$750,000.00	0.857%	\$765,908.95	\$750,000.00
CD	N	229801-1	08/16/16	08/16/16	11/02/18	FARMERS & MERCHANTS UNION BANK	\$245,100.00	0.892%	\$249,939.37	\$245,100.00
CD	N	237619-1	03/28/17	03/28/17	11/02/18	CAPITAL BANK, NA	\$245,800.00	1.050%	\$249,929.44	\$245,800.00
CD	N	237620-1	03/28/17	03/28/17	11/02/18	ENERBANK USA	\$246,000.00	1.000%	\$249,936.00	\$246,000.00
CD	N	237621-1	03/28/17	03/28/17	11/02/18	COMMUNITY WEST BANK	\$246,200.00	0.943%	\$249,942.24	\$246,200.00
CD	N	238680-1	05/05/17	05/05/17	11/02/18	MAINSTREET BANK	\$245,500.00	1.197%	\$249,878.82	\$245,500.00
CD	N	238681-1	05/05/17	05/05/17	11/02/18	UNITY BANK	\$245,600.00	1.165%	\$249,880.10	\$245,600.00
CD	N	238682-1	05/05/17	05/05/17	11/02/18	BLACKRIDGEBANK	\$245,600.00	1.165%	\$249,880.10	\$245,600.00
CD	N	238683-1	05/05/17	05/05/17	11/02/18	T BANK, NA	\$245,700.00	1.161%	\$249,953.37	\$245,700.00
CD	1	224158-1	05/13/16	05/13/16	12/07/18	EAST WEST BANK	\$2,300,000.00	0.960%	\$2,356,743.42	\$2,300,000.00
CD	1	238376-1	04/24/17	04/24/17	12/07/18	PENTAGON FEDERAL CREDIT UNION (183 day and out)	\$1,000,000.00	1.109%	\$1,017,992.70	\$1,000,000.00
CD	1	224157-1	05/13/16	05/13/16	01/04/19	EAST WEST BANK	\$2,400,000.00	0.960%	\$2,461,000.25	\$2,400,000.00
CD	N	238359-1	04/21/17	04/21/17	01/04/19	UNITED BANK	\$240,800.00	1.110%	\$245,362.20	\$240,800.00
CD	N	238360-1	04/21/17	04/21/17	01/04/19	CIBC BANK USA / PRIVATE BANK - MI	\$240,700.00	1.110%	\$245,260.54	\$240,700.00
SEC	12	37318-1	05/11/16	05/12/16	01/28/19	Federal National Mortgage Association Note (1.375%) 3135G0H63	\$1,017,551.03	0.720%	\$1,000,000.00	\$995,528.00
CD	1	224156-1	05/13/16	05/13/16	02/08/19	EAST WEST BANK	\$1,000,000.00	0.961%	\$1,026,355.10	\$1,000,000.00
SEC	15	37906-1	07/26/16	07/29/16	03/01/19	Jefferson County School District No R-1 Northwest (3.250%) 473240EE5	\$1,060,260.00	0.890%	\$1,000,000.00	\$1,015,650.00
CD	1	224155-1	05/13/16	05/13/16	03/08/19	EAST WEST BANK	\$1,000,000.00	0.961%	\$1,027,096.49	\$1,000,000.00
SEC	12	37309-1	05/09/16	05/10/16	03/27/19	Federal Home Loan Mortgage Corporation Note (3.750%) 3137EACA5	\$542,513.26	0.760%	\$500,000.00	\$511,692.00
CD	N	237615-1	03/28/17	03/28/17	04/05/19	MECHANICS SAVINGS BANK	\$243,900.00	1.214%	\$249,886.89	\$243,900.00
CD	N	237616-1	03/28/17	03/28/17	04/05/19	UINTA BANK	\$243,900.00	1.212%	\$249,876.93	\$243,900.00

**CURRENT PORTFOLIO**

Type	Code	Holding ID	Trade	Settle	Maturity	Description	Cost	Rate	Face/Par	Market Value
CD	N	237617-1	03/28/17	03/28/17	04/05/19	GREAT MIDWEST BANK	\$243,900.00	1.205%	\$249,876.93	\$243,900.00
CD	N	237618-1	03/28/17	03/28/17	04/05/19	CENTRAL BANK OF OKLAHOMA / ONB BANK AND TRUST COMPANY	\$244,200.00	1.154%	\$249,889.78	\$244,200.00
SEC	17	39534-1	05/05/17	05/10/17	08/15/28	City of Cedar Park TX (6.160%) 150461VR9	\$265,400.00	1.231%	\$250,000.00	\$256,695.00
<b>Totals for Period:</b>							<b>\$26,823,907.70</b>		<b>\$26,899,170.42</b>	<b>\$26,603,454.22</b>

Weighted Average Portfolio Yield: 0.995 %  
 Weighted Average Portfolio Maturity: 319.30 Days

**Portfolio Summary:**

Type	Allocation (%)	Allocation (\$)	Description
IS	0.05%	\$14,038.91	IS Activity
CD	69.83%	\$18,576,200.00	Certificate of Deposit
DTC	0.93%	\$247,552.86	Certificate of Deposit
SEC	29.19%	\$7,765,662.45	Security (see applicable security code)

Note: Weighted Yield & Weighted Average Portfolio Maturity are calculated using "Market Value" and are only based on the fixed rate investments (excluding SDA investments).

"Cost" is comprised of the total amount you paid for the investment including any fees and commissions.

"Rate" is the Net Yield to Maturity.

"Face/Par" is the amount received at maturity.

"Market Value" reflects the market value as reported by an independent third-party pricing service. Certificates of Deposit and Commercial Paper and other assets for which market pricing is not readily available from a third-party pricing service are listed at "Cost".

**Deposit Codes:**

- 1) FHLB
- C) Collateral
- N) Single FEIN

**Security Codes:**

- 12) Agency Note
- 15) Municipal Bond
- 17) Callable Municipal Bond





# MN TRUST Monthly Statement



## About Your Account and Statement

Securities and municipal advisory brokerage services (investments purchased with proceeds from a municipal securities issuance), and investments cleared through our clearing firm, Pershing LLC, are offered through PMA Securities, Inc., a broker-dealer and municipal advisor registered with the SEC and MSRB, and a member of FINRA and SIPC. All other products and brokerage services are generally provided by PMA Financial Network, Inc. Thus, certificates of deposit ("CD"), savings deposit accounts ("SDA") and commercial paper ("CP") may be executed through either PMA entity, as applicable, depending on whether the investment was purchased with proceeds derived from municipal securities. PMA Securities, Inc. and PMA Financial Network, Inc. are operated under common ownership and are affiliated with Prudent Man Advisors, Inc.

### Fixed Rate Investment Activity

This section shows all of the fixed term investments purchased and sold, maturities, interest received, and activity. This will include all CD, SDA, CP, securities and money market funds purchased through PMA Financial Network, Inc. or PMA Securities, Inc. as applicable. It also shows the approximate market value of each security whose price is obtained from an independent source believed to be reliable. However, PMA cannot guarantee their accuracy. This data is provided for informational purposes only. Listed values should not be interpreted as an offer to buy or sell at a specific price. CD's and CP are listed at their original cost. Redemption of a CD prior to maturity may result in early withdrawal penalties. Market values are based on the last day of the month for which this report date range is ending. If the run date of this report is prior to the end of the current month, the market values are listed as equivalent to the cost values.

### MN Trust Activity

This section shows all of the activity in the MN Trust Investment Shares. The Average Rate represents the average net interest rate over the previous month which is then annualized. Income Summary represents the interest earned for the Month and Fiscal Year to Date.

Information regarding the MN Trust investment objectives, risks, charges and expenses can be found in the MN Trust information statement, which can be obtained at [www.investmtrust.com](http://www.investmtrust.com) or by calling PMA at the phone number listed.

An investment in the Investment Shares or any Term Series is not a bank deposit and it is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental or private agency. Although the Investment Shares each seeks to maintain a stable value of \$1.00 per share, it is possible to lose money by investing in a Term Series, which may impose a substantial penalty for redemption prior to the full term of the Series.

### Money Market Fund

The Rate shown for the money market fund represents the average net interest rate over the previous month which is then annualized. Information regarding the money market fund's investment objectives, risks, charges and expenses can be found in the money market fund's prospectus, which can be obtained by calling PMA at the phone numbers listed. The performance data featured represents past performance, which is no guarantee of future results. Investment returns will fluctuate. Current performance may be higher or lower than the performance data quoted. Please call PMA for the most recent performance figures.

The performance data featured represents past performance, which is no guarantee of future results. Investment returns will fluctuate. Current performance may be higher or lower than the performance data quoted. Please call PMA for the most recent performance figures.

### Additional Disclosures

All funds, and/or securities are located and safe kept in an account under the client's name at their custodial bank. Any certificates of deposit listed are located in the client's name at the respective bank. Any money market fund shares are held directly with the money market fund. It is recommended that any oral communications be re-confirmed in writing to further protect your rights, including rights under the Securities Investor Protection Act.

### Debt Securities

Some debt securities are subject to redemption prior to maturity. In the event of a partial or whole call of a security, the securities call will be automatically selected on a random basis as is customary in the securities industry. The probability that your securities will be selected is proportional to the amount of your holdings relative to the total holdings. Redemption prior to maturity could affect the yield represented. Additional information is available upon request.

A financial statement of PMA Securities, Inc. is available for inspection at its office or a copy will be mailed to you upon written request.

**PLEASE ADVISE PMA AND OUR CLEARING FIRM, PERSHING LLC, IMMEDIATELY OF ANY INACCURACY OR DISCREPANCY ON YOUR STATEMENT. FOR A CHANGE OF ADDRESS OR QUESTIONS REGARDING YOUR ACCOUNT, PLEASE NOTIFY YOUR PMA REPRESENTATIVE. ANY ORAL COMMUNICATIONS SHOULD BE RE-CONFIRMED IN WRITING.**

### How to Contact PMA

Please call (630) 657-6400 or write to us at PMA, 2135 CityGate Lane, 7<sup>th</sup> Floor, Naperville, Illinois 60563.

### How to Contact Pershing, LLC

Please call (201) 413-3330 or write to Pershing, LLC, One Pershing Plaza, Jersey City, New Jersey, 07399

In accordance with FINRA Rule 2267, PMA Securities, Inc. is providing the following information in the event you wish to contact FINRA. You may call (301) 590-6500 or write to FINRA at 1735 K Street NW, Washington, D.C. 20006-1500. In addition to the public disclosure number (800) 289-9999, FINRA provides an investor brochure which describes their Public Disclosure Program. Additional information is also available at [www.finra.org](http://www.finra.org).

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# Total Portfolio Report

As of: 01/15/18

PMA Financial Network, Inc.  
 2135 CityGate Lane  
 7th Floor  
 Naperville, Illinois 60563  
 Telephone . 630-657-6400  
 Facsimile . 630-718-8701

## SAMPLE DISTRICT / 2017A BONDS

13231

Type	Trans	SEQ	Purchase	Maturity	FDIC#	Instrument	Par-Val/Mat. Val.	Original Cost	Rate
MM						Investment Shares Portfolio	\$3,510.74	\$3,510.74	
SDA					7213	Savings Deposit Account - CITIBANK	\$350,833.70	\$350,833.70	
TS	249641	1	12/22/17	01/25/18	4	MN TRUST TERM SERIES - 20180125AA09	\$200,232.88	\$200,000.00	1.250
CD	247907	1	10/27/17	04/10/18	5296	ASSOCIATED BANK, NA - C	\$326,763.02	\$325,000.00	1.200
CD	247906	1	10/27/17	05/15/18	5296	ASSOCIATED BANK, NA - C	\$402,739.73	\$400,000.00	1.250
CD	247905	1	10/27/17	06/12/18	5296	ASSOCIATED BANK, NA - C	\$554,328.88	\$550,000.00	1.260
CD	247904	1	10/27/17	07/10/18	58427	USAMERIBANK	\$249,962.83	\$247,700.00	1.303
CD	247963	1	10/30/17	07/10/18	5296	ASSOCIATED BANK, NA - C	\$504,401.51	\$500,000.00	1.270
CD	247902	1	10/27/17	08/14/18	34982	LANDMARK COMMUNITY BANK	\$249,946.91	\$247,300.00	1.343
CD	247903	1	10/27/17	08/14/18	33653	BANK OF CHINA	\$249,964.71	\$247,300.00	1.352
CD	247962	1	10/30/17	09/11/18	30011	PRUDENTIAL SAVINGS BANK	\$202,285.60	\$200,000.00	1.320
CD	248253	1	11/07/17	09/11/18	57968	SONABANK	\$249,899.28	\$247,100.00	1.343
SEC	41062	1	11/08/17	10/15/18		0.875% - U.S. Treasury Note	\$600,000.00	\$597,234.38	1.372
CD	247961	1	10/30/17	11/13/18	58741	FIELDPOINT PRIVATE BANK & TRUST	\$249,934.95	\$246,200.00	1.461
CD	247901	1	10/27/17	12/11/18	34885	AFFILIATED BANK	\$249,932.76	\$245,900.00	1.460
CD	247900	1	10/27/17	05/14/19	5296	ASSOCIATED BANK, NA - C	\$306,814.36	\$300,000.00	1.470
CD	247896	1	10/27/17	06/11/19	34294	CFG COMMUNITY BANK	\$249,994.54	\$243,700.00	1.593
CD	247897	1	10/27/17	06/11/19	34607	FIRST INTERNET BANK OF INDIANA	\$249,983.04	\$243,900.00	1.538
CD	247898	1	10/27/17	06/11/19	57742	MAINSTREET BANK	\$121,220.37	\$118,400.00	1.469
CD	247899	1	10/27/17	06/11/19	35406	BANKVISTA	\$249,906.54	\$244,000.00	1.493
CD	247895	1	10/27/17	07/09/19	18203	UNITED BANK	\$973,561.81	\$950,000.00	1.460
SEC	41038	1	11/03/17	08/01/19		1.693% - Coast Community College District	\$200,000.00	\$200,384.00	1.580
CD	247894	1	10/27/17	08/13/19	18203	UNITED BANK	\$615,732.03	\$600,000.00	1.461
SEC	41063	1	11/08/17	09/12/19		1.75% - FANNIE MAE	\$400,000.00	\$401,732.75	1.511
SEC	41044	1	11/08/17	10/01/19		2.25% - State of California	\$400,000.00	\$405,136.00	1.560
SEC	41064	1	11/08/17	11/15/19		1.375% - FEDERAL HOME LOAN BANK	\$700,000.00	\$697,865.41	1.529
CD	247892	1	10/27/17	12/10/19	61623	KEMBA FINANCIAL FCU	\$249,984.26	\$241,900.00	1.576
CD	247893	1	10/27/17	12/10/19	57927	ROCKFORD B&TC	\$249,965.53	\$241,800.00	1.593
CD	247960	1	10/30/17	12/10/19	110	BANK OF THE OZARKS	\$249,902.71	\$242,000.00	1.540
CD	247889	1	10/27/17	01/14/20	24045	PACIFIC WESTERN BANK	\$249,990.73	\$240,900.00	1.693
CD	247890	1	10/27/17	01/14/20	20279	COMMUNITY STATE BANK - OK	\$249,973.45	\$241,000.00	1.680
CD	247891	1	10/27/17	01/14/20	57512	WESTERN ALLIANCE BANK / TORREY PINES BANK	\$122,353.05	\$118,100.00	1.616
SEC	41035	1	11/03/17	02/01/20		3% - Virginia Independent School District No 706	\$490,000.00	\$503,739.60	1.720
SEC	41065	1	11/08/17	02/28/20		1.5% - FANNIE MAE	\$500,000.00	\$499,264.66	1.565
CD	247959	1	10/30/17	05/12/20	3887	FIRST NATIONAL BANK	\$249,922.21	\$239,700.00	1.683
SEC	41036	1	11/03/17	08/01/20		2.84% - City of New York NY	\$400,000.00	\$411,084.00	1.800

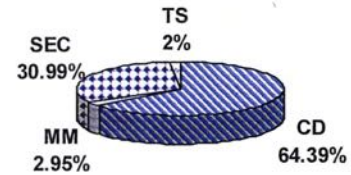
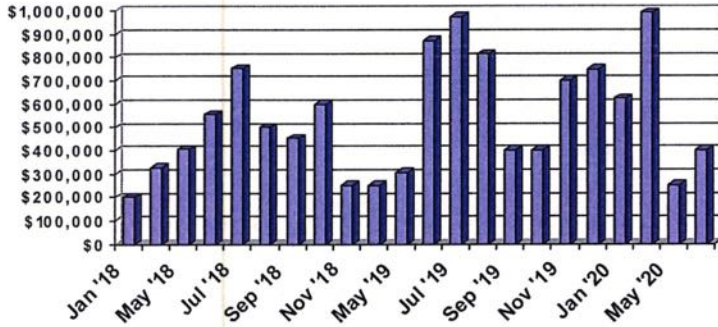
Type	Trans SEQ	Purchase	Maturity	FDIC#	Instrument	Par-Val/Mat. Val.	Original Cost	Rate
<b>Total Amount --&gt;</b>						<b>\$12,124,042.13</b>	<b>\$11,992,685.24</b>	

Note: Weighted Yield & Weighted Average Portfolio Maturity are calculated only on the CDR, CD, DTC, TS, CP, & SEC desk.

**Time and Dollar Weighted Portfolio Yield: 1.545 %**

**Weighted Average Portfolio Maturity: 483.17 Days**

**MM: 2.95%**  
**CD's: 64.39%**  
**CDR's: 0.00%**  
**DTC: 0.00%**  
**CP: 0.00%**  
**SEC: 30.99%**  
**TS: 1.67%**



Portfolio Maturity Summary - Maturing \$/Month

Portfolio Allocation by Transaction Type

Rate and Yield as labeled on this statement. For certain investment products offered by PMA, the stated Rate may be the Bond Equivalent Yield (BEY), Yield to Maturity (YTM) or other calculation of yield offered on that product ("Rate"). For all fixed income investments included on this statement (investments other than liquid LGIP, money market or SDA products), the "Rate" is stated as of the purchase date. Time and Dollar Weighted Portfolio Yield only includes fixed income investments (investments other than liquid LGIP, money market or SDA products) and is calculated based on the "Rate" at the purchase date.

# SAMPLE MONTHLY BANK RECONCILIATION

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EXHIBIT E



**Sample School District  
Month End Investment Reconciliation**

**November 2018**

**Total Portfolio Per Books on 10/31/2018:      \$62,778,470.13**

11/1/18	\$2,304.00	1.92% - DuPage County Community Unit School District No 200 Wheaton-Warrenville - 1% - Trans # 37313
11/1/18	\$4,062.50	3% - Madison-Macoupin Etc Counties Community College District No 536/IL - 1.3% - Trans # 37314
11/1/18	\$4,687.50	3% - Madison-Macoupin Etc Counties Community College District No 536/IL - 1% - Trans # 37315
11/14/18	\$1,937.54	MN TRUST TERM SERIES - CD - 0.64% - Trans # 232608
11/26/18	\$1,312.70	1.05% - Bmo Harris Bank CD - 0.901580804% - Trans # 37324
11/30/18	\$585.19	MnTrust Dividend

**(\$4,074,084.63) November Expenses**

**Total Portfolio Per Books on 11/30/2018:      \$58,719,274.93**

**Reconciliation to Bank Balances**

11/30/18	\$58,652,939.04	Fixed-Rate Investments (Lower of Cost or Par Basis)
	<u>\$66,335.89</u>	Ending Balance MN TRUST Investment Shares

**Position of Cash & Investments      \$58,719,274.93**

**\$0.00 Gross Difference between Cash and Books**

\$0.00 Total Accrued Int., Premium, & Commissions Paid in November 2018

\$14,889.43 Total Positive Interest Received in November 2018

(\$4,074,084.63) Total Wired/Transferred Out in November 2018

\$0.00 Total of Capital Gains and Losses in November 2018

*The information and data contained in this report are from sources considered reliable, but their accuracy and completeness is not guaranteed. This report has been prepared for illustrative purposes only and is not intended to be used as a substitute for monthly transaction statements you receive on a regular basis from PMA Financial Network, Inc. Please compare the data on this document carefully with your monthly statements to verify its accuracy. The Company strongly encourages you to consult with your own accountants or other advisors with respect to any tax questions.*

# REFERENCES - MN SCHOOL BOND ISSUES

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EXHIBIT F



**PMA Securities, Inc. List of References for MN School Bond Issues:**  
*(as of November 15, 2018)*

Ada-Borup Schools  
Aitkin Public Schools  
Albany Public Schools  
Albert Lea Area Schools  
Alden- Conger Public Schools  
Alexandria School District  
Annandale School District  
Ashby School District  
Austin Public Schools  
Bagley School District  
Barnum School District  
Becker School District  
Belle Plaine School District  
Bemidji Area Schools  
Bertha-Hewitt School District  
Big Lake Public Schools  
Blackduck Public Schools  
Bloomington Public Schools  
BOLD School District  
Braham School District  
Brainerd School District  
Breckenridge Public Schools  
Brooklyn Center Public Schools  
Browerville School District  
Buffalo-Hanover-Montrose Public Schools  
Burnsville Public Schools  
Caledonia Public Schools  
Canby Public Schools  
Cannon Falls Public Schools  
Carlton Public Schools  
Cass Lake-Bena Public Schools  
Cedar Mountain Public Schools  
Centennial Public Schools  
Central Public School (N.Y.A.)  
Chisholm Public Schools  
Cloquet Public Schools  
Columbia Heights Public Schools  
Cook County Public Schools  
Crosby-Ironton Public Schools  
Dawson-Boyd School District  
Deer River School District  
Delano School District  
Dilworth- Glyndon Felton School District  
Dover-Eyota School District  
Duluth School District  
Eastern Carver County Public Schools  
Eden Prairie Public Schools  
Eden Valley-Watkins Public Schools  
Edina Public Schools  
Elk River Public Schools  
Ely Public Schools  
Esko Public Schools  
Eveleth-Gilbert School District  
Fairmont School District  
Farmington School District  
Fertile-Beltrami

Forest Lake Public Schools  
Fosston Public Schools  
Fridley School District  
Gibbon-Fairfax-Winthrop School District  
Goodhue School District  
Grand Meadow School District  
Greenway-Coleraine Public Schools  
Hastings School District  
Hawley School District  
Hayfield Community Schools  
Hermantown School District  
Hibbing Public Schools  
Holdingford Public Schools  
Howard Lake-Waverly-Winsted Schools  
Hutchinson School District  
Intermediate District 287  
International Falls School District  
Inver Grove Heights School District  
Itasca Cty (Grand Rapids) School District  
Ivanhoe School District  
Jackson County Central School District  
Jordan School District  
Kasson-Mantorville School District  
Kittson Central School District  
Lac Qui Parle School District  
LaCrescent-Hokah School District  
Lake Crystal-Wellcome Memorial Schools  
Lake of the Woods School District  
Lake Superior Public Schools  
Lakeview School District  
Lakeville Public Schools  
LeRoy-Ostrander School District  
Little Falls Public Schools  
Long Prairie-Grey Eagle School District  
Mahtomedi Public Schools  
Maple Lake Public Schools  
Marshall Public Schools  
McGregor School District  
Melrose School District  
Menahga Public Schools  
Mesabi East School District  
Minnewaska School District  
Montevideo School District  
Monticello Public Schools  
Moose Lake Public Schools  
Morris School District  
Mounds View Public Schools  
Nashwauk-Keewatin School District  
New Prague Area Public Schools  
New Ulm Public Schools  
New York Mills Public Schools  
North Branch Area Public Schools  
North St. Paul-Maplewood School District  
Northfield Public Schools  
Oklee Public Schools  
Onamia Public Schools

Orono Public Schools  
Osakis Public Schools  
Osseo Area Schools  
Owatonna Public Schools  
Park Rapids Area Schools  
Paynesville Public Schools  
Pelican Rapids School District  
Pequot Lakes Public Schools  
Perham-Dent Public Schools  
Pine City Public Schools  
Pine Island Public Schools  
Plummer Public Schools  
Princeton Public Schools  
Prior Lake-Savage Public Schools  
Proctor School District  
Red Wing Public Schools  
Renville County West Schools  
Richfield Public Schools  
Robbinsdale Public Schools  
Rochester Public Schools  
Rockford Public Schools  
ROCORI Public Schools  
Rosemount-Apple Valley-Eagan Schools  
Royalton Public Schools  
Rush City School District  
Sartell School District  
Sauk Centre School District  
Sauk Rapids School District  
Sebeka Public Schools  
Shakopee School District  
Southwest Star School District  
Spring Lake Park School District  
St. Anthony-New Brighton Public Schools  
St. Cloud Public Schools  
St. Francis Area School District  
St. Louis Park Public Schools  
Staples-Motley School District  
Stewartville School District  
Stillwater School District  
Thief River Falls School District  
Tri-City United Public Schools  
Tri-County School District  
United South Central School District  
Virginia School District  
Wabasso Public Schools  
Waconia Public Schools  
Walker-Hackensack-Akeley Public Schools  
Warren Alvarado Oslo  
Watertown-Mayer School District  
Wayzata Public Schools  
West St. Paul School District  
Westonka Public Schools  
White Bear Lake Public Schools  
Win-E-Mac Public Schools  
Worthington Public Schools