Northfield Public Schools Board of Education

March 19, 2019 Work Session 5:00 pm – 7:00 pm Northfield High School Media Center Updated Agenda 03.19.2019

- 1. Welcome and Overview
- 2. Student Device Lease

Director of Technology Services Kim Briske will further review feedback from the recent parent survey and explain how it will be used to foster continuous improvement. She will also present options for student device leases.

- a. Parent Feedback Survey Deeper Dive
- b. Lease Options
- 3. Construction Projects
 - a. Change order limits for building level administrators, superintendent, and project oversight committee.
 - b. Knutson Construction Contractor "Meet and Greet".
- 4. Land Purchase Update
- 5. Gymnastics
 - a. 2019-20 options

School Board Work Session | Change Order Limit Examples provided by Wold Architects March 19, 2019

Example 1:

\$50,000 for Facilities Director and/or Superintendent and/or Finance Director Higher than \$50,000 requires POC (Project Oversight Committee) and Board approval

Example 2:

\$50,000 for Facilities Director and/or Superintendent and/or Finance Director \$100K for Facilities Committee (w/Board member presence) Higher than \$100K requires Board approval

Example 3: (Delano)

\$100K for Superintendent \$300K for POC Higher than \$300K requires Board approval

Example 4: (St. Francis)

\$100K for Facilities Director or Business Manager \$250K for Superintendent \$350K for POC Higher than \$350K requires Board approval



TOGETHER WE MAKE **DREAMS** REAL

Knutson Construction Contractor Meet & Greet

Informational Project Presentations at 4:30pm and 5:30pm

- Introductions
- Who is Knutson
- Project Overviews
- Bidding Process & Procedures
- Q&A

At Knutson, we know that our services are not just a means to an end, but an important journey we are about to embark on together. Since 1911, we have brought this philosophy to our team of construction professionals who have become known for their monumental work ethic and integrity. More than a century later, Knutson has grown into a regional company that provides preconstruction, general contracting, construction management, and design-build services.



March 13, 2019

NORTHFIELD GYMNASTICS LEASE PROPOSAL

404 SCHILLING DRIVE NORTH DUNDAS, MN 55019

Base Rent 22,694 square feet x \$4.50 psf. = \$102,123.00 per year \$8,510.25 per month

CAM x \$1.75 psf. = 39,714.50 3,309.54

Real Estate Taxes x \$1.59 psf. + 36,083.46 3,006.96

TOTALS \$177,920.06 \$14,826.75

LEASE NOTES:

- Base rent would be a savings of \$70,000.00 to \$80,000.00 per year over what would be charged to an average "retail" tenant.

Proposed lease term of five (5) years.

Build out funds available, to be amortized over the term of the lease agreement, for example-\$75,000.00 over 60 months at 3.9% interest would be a "buildout" payment of \$1,377.86 per month. Space available immediately.

ALTERNATE RENT STRUCTURE-

Base Rent 14,194 square feet x \$5.00 psf. = \$70,970.00 per year \$5,914.17 per month

CAM x \$1.75 psf. = 24,839.50 2,069.96

Real Estate Taxes x \$1.59 psf. = 22,568.46 1,880.71

TOTALS \$ 118,377.96 \$ 9,864.84

Val, if you or anyone else has any questions on this please feel free to contact me. We appreciate having the opportunity to present you with this option.

PRELIMINARY INFORMATION - FOR DISCUSSION ONLY

Northfield School District No. 659
Estimated Impact of \$180,000 Annual Lease Levy

Estimated Tax Impact Schedule

Type of Property	Estimated Market Value	Estimated Annual Taxes*				
	\$100,000	\$4				
	150,000	8				
Residential	200,000	11				
Homestead	300,000	17				
	400,000	24				
	500,000	30				
	600,000	38				
Commercial/	\$250,000	\$26				
Industrial ⁺	1,000,000	116				
	2,000,000	236				
Ag Homestead**	\$4,000	\$0.12				
(average value per acre	5,000	0.15				
of land and buildings)	6,000	0.18				
	8,000	0.24				
Ag Non-Homestead**	\$4,000	\$0.24				
(average value per acre	5,000	0.30				
of land and buildings)	6,000	0.36				
	8,000	0.48				



To: Northfield Board of Education

From: Val Mertesdorf, Director of Finance

Date: March 19, 2019

RE: Future Gymnastics Considerations

As you are aware we are in need of a long term solution for the Northfield High School gymnastics program. Tonight, I will discuss two options for your consideration.

Option 1: Five year lease in current facility (old K-Mart)

We were approached by the owners of the facility to see if we were interested in making the lease a longer-term commitment. As a reminder, Chris Brown and family have gifted us space as an emergency solution this past winter when the Farmington Gymnastics building was not ready.

• Lease Terms: 5 years | \$177,920

Build Out: \$50,000 - 75,000 estimated

- Raise sprinkler heads for bars
- o 19' minimum for MSHSL

As a potential offset to this cost, we could run a recreation-focused gymnastics program. In Community Education, it is always our intent to supplement programming in the community and not duplicate it. We know there is an established gymnastics club in town, but we know that often their classes fill up and some families aren't able to participate because of schedules. I don't believe the Northfield Gymnastics Club currently has a boys team. Our goal would be to have more options for families. Melissa Bernhard, Recreation Coordinator put together the revenue and expenditure model. The revenue model is extremely conservative and the staffing expenditures are likely overstated. Even with these dynamics, it is projected to generate income. The estimate shows the programming could reach 600 students (duplicated count) in the community.

The gymnastics team would require approximately 14,000 square feet. This would leave 4-5,000 square feet available for additional programming. I've included a list of potential ideas. We would also use the climate controlled space for Rock-n-Roll Revival costume storage as well as the district-wide paper storage. Climate controlled storage will cost the district \$2,520 annually. Last year the district bulk purchased the majority of their paper and saved approximately \$20,000. This was a space constraint for most buildings.

There are some other items to consider. When we look at the tax impact scenario, if we levied the entire \$180,000 it would be an increase of \$11 per year for a \$200,000 home. We are not required to lease levy the full payment. We could levy a partial amount and pay the rest out of operating capital. This would reduce the flexibility we have in our operating capital for the term of the lease. In addition, we will no longer levy for NCRC after the Pay 20 cycle. This accounts for about ½ of the proposed lease cost.

Option 2: Farmington Gymnastics Club

Lynn Bauman, owner of Farmington Gymnastics and Cheer is willing to lease space to us for the 2019-20 season. They are now in their new building, so there would not be any unanticipated changes.

• Lease Term: 1-2 years | \$10-12,000

Bus Cost: \$20,000 annually out of general fund

Considerations with this option are the short-term nature. Should Farmington Gymnastics and Cheer change their mind we would be again looking for a solution. In addition, we invested \$70,000 in equipment that would be put into storage.

I am not making a recommendation for either option at this time. I feel it is my responsibility to present the Board with all the available information to make an informed decision. Based on the information provided tonight if there is additional information you desire, I would gladly provide it at the next Board meeting.

Fall 1: September 16 - Octo	oher 26 (6 week s	ession)												_		
Fall 2: November 11 - Dec																
Winter: January 6 - Feb. 15																
Spring 1: March 2 - April 1			- bassle\													
Spring 1: March 2 - April 1 Spring 2: April 20 - May 30		- 110 class spring	g Dreak)	-									-			
Summer: June 8 - July 25 (no aloss Iuly 4th	Lucak)	+												
Camps in August (gymnast				r Ping The	Roll Into	ncive etc.)										
Camps in August (gymnasi	lics, dance, cheer	& stufft, martial	arts, parkour	i, King in	Den mice	lisive, etc.,										
Sample Session (Class Revenue)	Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Total Classes	Hours/class	Cost of Class 1X/week	Cost of Class 2X/week	Min. Participants	Max. Participants	Total Registrations Possible	Estimated Total # of Registrations	@ 1X week	Estimated Revenue @ 2X week
CO-ED								THE WAY CO.								
Tiny Tumblers	Black Sept District	X		1 - 200		X	2	0.75	\$55	\$65	2	8	16	10	\$550	\$650
Pre-School	X	ے برنے ایک افسی سے	X	n vang 1940	X	Х	4	1	\$59	\$74	2	8	32	24	\$1,416	\$1,776
GIRLS				Actions	William I	FR464 (58)										
Beginners	X	2- Mpdg 10 4-5	X	27/25/4/19	X	Х	4	1.25	\$65	\$85	2	8	32	24	\$1,560	\$2,040
Adv. Beginners		X	STELL Holden	0.00		X	2	1.5	\$69	\$94	2	8	16	10	\$690	\$940
Intermediates	N "	ditabligita , ind	植物类 同門 图	X	-	Х	2	2	\$89	\$119	2	8	16	10	\$890	\$1,190
Pre-Team	X		m Folklic Trest		X	X	3	2	\$89	\$119	6	10	10	8	\$712	\$952
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Boys Beginners	inguismal contracts about	Market Same	X		- manifest	X	2	1.25	\$65	\$85	6	8	16	8	\$520	\$680
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HIGH SCHOOL FI, S1, S2, S		NEW PROSECULA	NOTE OF THE S	1000	THE REAL PROPERTY.			ARRIED HAI	2X	3X				(Carrollon Stee	5 @ 2X @ 6 weeks	5 @ 3X @ 6 weeks
	X	X	1-1-2	X	May and the		3	3	\$25	\$35	2	15	15	10	\$750	\$1,050
OPEN GYM			A-Strain att	· (), / Bugs	1000	The Laboratory	200 PAGE 10	T SIE AVE S 100	100 mg 100 mg 100 mg	Tribay Str. H. Wall			ROLL SENDENCE		All \$5	17 & 34 @ \$10
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PM		Special Control of the Control of the	X	kininus elsik			1	2	\$5 person/\$10		1	50	300	100	\$500	\$340
BIRTHDAY PARTIES	BARR BURNER	Test Marie Ban		THE RESERVE	THE RESERVE	THE STREET	TO SALES		95 person/ 910	Turni, Triax		30	300	100	\$300	\$340
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TOTALS		<u> </u>			b' le'		28		Louis attinenes de	dilladioni in	28	156	633	269	\$8,560	\$10,540
															If all registrants came once a week	If all registrants came twice a week
															We'd land somey	vhere in the middle
Sample Month (Team Revenue)	Hours Per Week	Hours Per Month	Cost Per Practice	Cost Per Week	Cost Per Month	# Enrolled	Revenue Per Month									
Girls Team			a 4 m	DITE.												
3X/Week	9	36	\$12	\$35	\$140	4	\$560									
4X/Week	12	48	\$10	\$40	\$160	4	\$640									
Boys Team	J. St. Land St.	and the latest the same			PARTY IN	Carried	A COLUMN									
2X/Week	4	16	\$12.50	\$25	\$100	2	\$200									
3X/Week	6	24	\$10.00	\$30	\$120	2	\$240									
Total Revenue/Month			, 20.00	750	Q120	e na sejaja	\$1,640									
Total Nevende, Month							\$2,0.10									
Sample Session (Class Expenses)	# Staff needed/class	Total Classes	Class Length In Hours	Hourly Staff Time Per Class	Hourly Wage Min.	Hourly Wage Max.	Per Class Estimated Staffing Costs	Total Estimated Class Staffing Costs/week	Total Estimated Class Staffing Costs/6 week session							
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Tiny Tumblers	1	2	0.75	1.25	\$9.86	\$10.50	\$13.13	\$26.26	\$157.56			1				
Pre-School	2	4	0.75	1.5	\$9.86	\$10.50	\$30.54	\$122.16	\$732.96							
GIRLS			KON MALINEY	1.3	75.00	710.30	730.34	7122.10	\$752.50							
	3	4	1.25	1 75	¢0.00	¢10 F0	\$35.64	\$142 FC	COFF 3C							
Beginners	2			1.75	\$9.86	\$10.50		\$142.56	\$855.36			-				
Adv. Beginners	2	2	1.5	2	\$9.86	\$10.50	\$40.72	\$81.44	\$488.64		-					
Intermediates	2	2	2	2.5	\$9.86	\$10.50	\$50.90	\$101.80	\$610.80							
Pre-Team	2	3	2	2.5	\$9.86	\$10.50	\$50.90	\$152.70	\$916.20							
BOYS						SUN SERVICE			USE RAPHOUS							
	1	2	1.25	1.75	\$9.86	\$10.50	\$35.64	\$71.28	\$427.68							

Boys Advanced	2	2	1.5	2	\$9.86	\$10.50	\$40.72	\$81.44	\$488.64					
HIGH SCHOOL FI, S1, S2, S	Miller assiste				1000		- 0.00							
	1	3	3	3.5	\$9.86	\$15	\$15.00	\$157.50	\$945.00					
OPEN GYM				WAY THE		- ST 9- 7								
AM	11	1	1	1.5	\$9.86	\$10.50	\$30.54	\$30.54	\$183.24					
PM	2	1	1	1.5	\$9.86	\$10.50	\$30.54	\$122.16	\$732.96					
BIRTHDAY PARTIES			DAY OF STREET		William Toy	No. of Con-	THE PERSON	Charles and						
Saturday Afternoons	1	2	1.5	3	\$9.86	\$10.50	\$31.50	\$31.50		W/ Benefits				
TOTALS	18	26	16.25	21.75	100			\$1,121.34	\$6,728.04	\$7,242.74				
		Section 1		Hourly			Per	Total	Total	Real Control		1		
Sample Month	# Staff	a Park Law	Class	Staff	Hourly	Hourly	Practice	Estimated	Estimated	i de la constanta				
(Team Expenses)	needed/class	Total Classes	Length In	Time	Wage	Wage	Estimated	Class Staffing	Class Staffing	Meet Fees				
(Tealli Expenses)	necucu, class		Hours	Per	Min.	Max.	Staffing	Costs/week	Costs/month					
				Class		(SIII STATES	Costs	are chica	Hales William					
GIRLS						200		and the state of	A STATE OF THE PARTY OF					
	2	4	3	3.5	\$9.86	\$10.50	\$71.26	\$285.04	\$1,140.16					
\$15/athlete/meet X 2 me	ets/month								A PORT OF	\$240.00				
BOYS						and the second								
	1	3	2	2.5		\$10.50	\$26.25	\$78.75	\$315					
\$15/athlete/1 meet/mon	th							10000000		\$60				
Total Expenses/Month				<u> </u>				\$363.79	\$1,455.16	\$300				
TOTAL EXPENSES (6 we	ek session)													
				-										
Rec. Staff	\$7,242.74													
CS \$9 Fee (127	64.443													
registrations)	\$1,143			-										
Team Staff	40.400.74													
(\$1,455.16/month)	\$2,182.74			-										
MAGA Meet Fees	\$300.00											-		
USA Membership X 1	\$10.00			-				-					 -	
Equipment/month (not	\$300													
TOTAL EXPENSES	\$11,178.48										-		-	
	-												 	
TOTAL DEVENUES (Complete	v cooriem)	Min.	Max.	1		= :								
TOTAL REVENUES (6 week	(session)	Possible	Possible											
		40.00	440.00											
General Rec.		\$8,560.00	\$10,540											
Team (\$1640/month)		\$2,460.00											 -	
TOTAL REVENUES		\$11,020.00	\$13,000											

Revenue Generation Using Additional K-Mart Space

Indoor Play Park (jungle gym, turf space, mini gym, giant block/lego area, tiny tot space, bounce house or two)

Indoor Pickleball

Ninja / Parkour (not cross-fit) (in play park)

Portable Strider bike track for youth (in play park)

Skateboarding/Scooter/Roller Blade Obstacles (in play park)

Curling

Rock climbing wall (staffed during a set time)

Batting Cages (code entry like play park)

Revenue Generation Using Gymnastics Space

Cheer and Stunt Team (youth and high school)

Home School Groups

"Child watch/drop off" in the gymnastics space/indoor play park (for up to 3 hours at a time)?

Ring The Bell Extreme – for an extra day or specialized workout

Summer camps

- Recreational Gymnastics
- Competitive Gymnastics
- High School Gymnastics
- Parkour/Ninja
- Dance
- Cheer & Stunt
- BMX (using pits)
- Snowboarding (using tramps) special protective sleeve over board
- Martial Arts
- Open gyms
- Track / Pole Vaulting (high school and college track team used to come in and use our space for pole vault training)