

Northfield Public Schools Board of Education

May 21, 2018 Work Session

Northfield High School Media Center

Agenda

1. Welcome and Overview
2. Master Facilities Plan Review
3. Facilities Action Team recommendations
 - a. Review
 - b. Discussion
4. Potential Tax Impact - Elementary Projects
5. Capital Projects Levy - Review and Discussion
6. Next Steps - Discussion

Pathway 2:

2A = Sibley Elem. Media Ctr. addition

**2B = Sibley Elem. Cafeteria / kitchen /
receiving / building stor. addition**

Bridgewater Elem. School

Northfield
ISD #659



Greenvale Park – Conversion to E.C. / Community Center New Elementary School

Northfield
ISD #659

NEW ELEMENTARY SCHOOL

90,000 s.f.

600 Stud. (K-5)

150 sf / student

21 Acres

Estimated cost
\$ 26.2 M



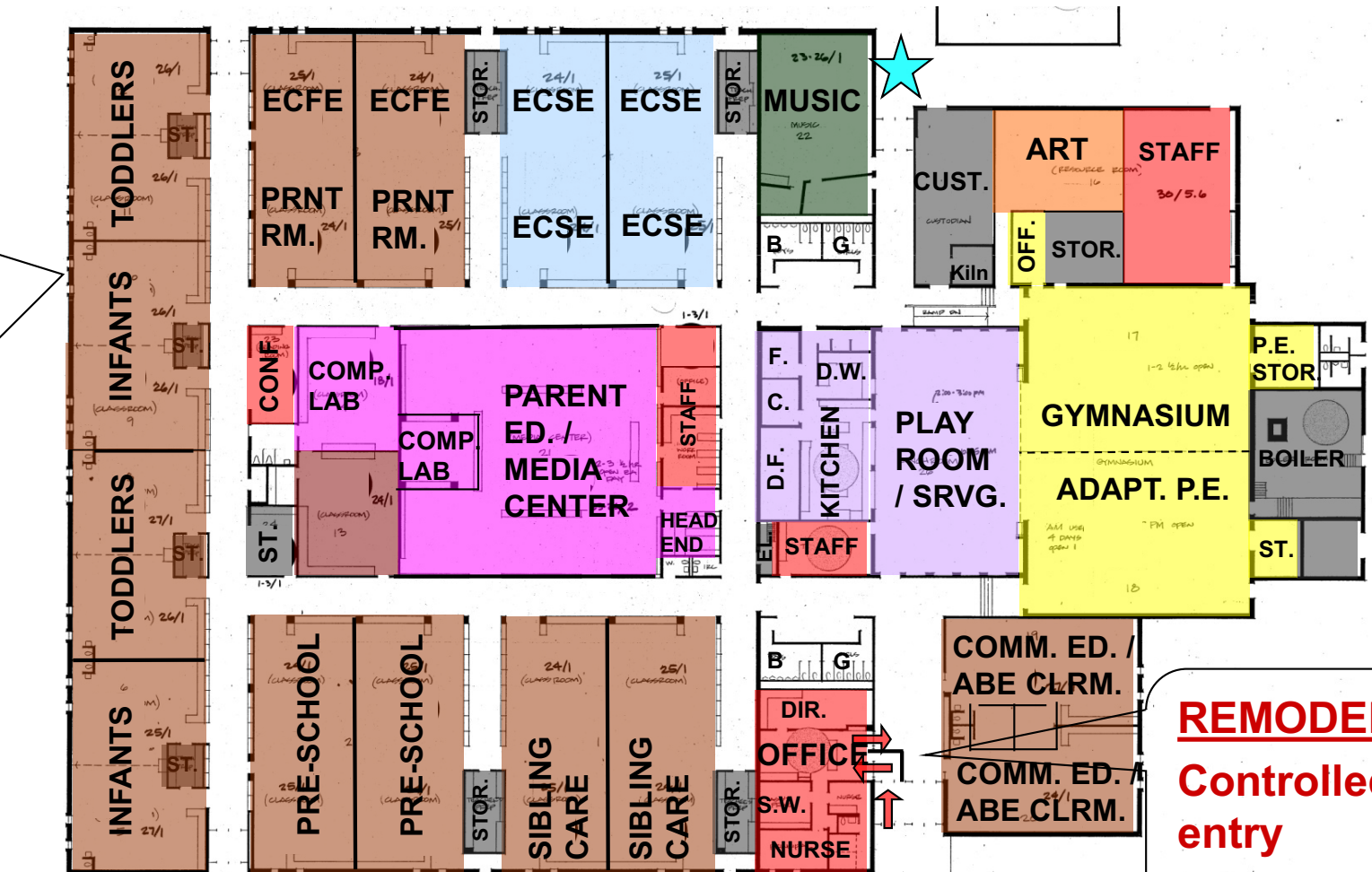
Greenvale Park – Conversion to E.C. / Community Center

Northfield
ISD #659

+/- \$0.83 M
Project Cost

REMODEL

Building-
wide age
appropriate
& ADA
upgrades



DAY CARE
ENTRY

REMODEL
Controlled
entry

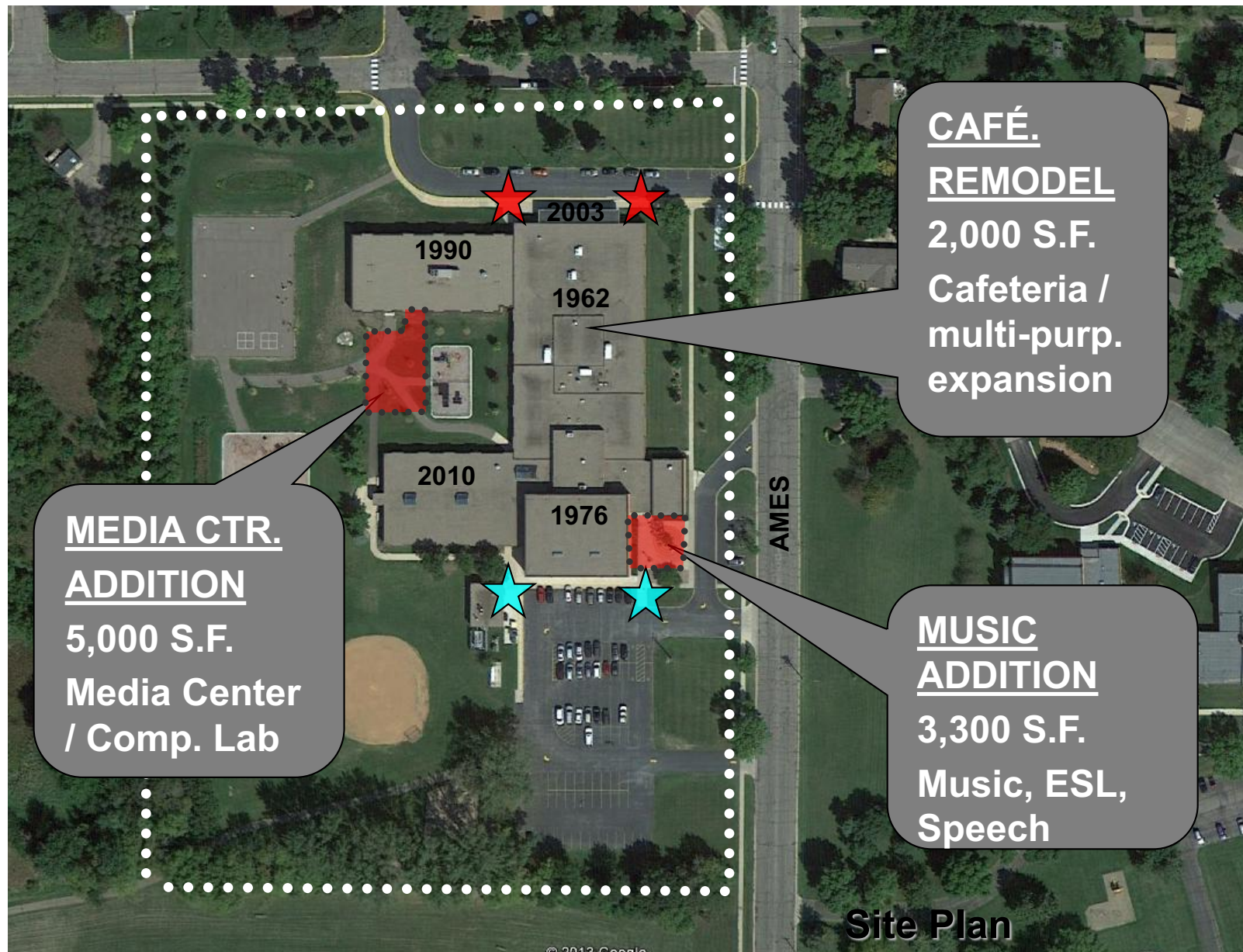
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Floor Plan
Mar. 27, 2018

Sibley Elem. School: Option 2A

Northfield
ISD #659



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Nov. 27, 2017

Sibley Elem. School: Option 2A

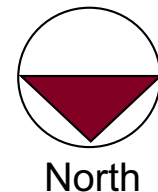
Northfield
ISD #659

+/- \$4.1 M
Project Cost

**MUSIC
ADDITION**
3,300 S.F.
Music,
ESL,
Speech

**CAFETERIA
REMODEL**
2,000 S.F.
Cafeteria
expansion /
Multipurpose
space

**MEDIA CTR.
ADDITION**
5,000 S.F.
Media
Center /
Computer
Lab



Floor Plan

Mar. 27, 2018

Sibley Elem. School: Option 2B

Northfield
ISD #659

Modify
paved
play area

CAFÉTERIA/ KITCHEN/ RECEIVING ADDITION

6,300 S.F.
(3,150 SF
cafeteria/
1,500 SF
rcvg./stor.)

MEDIA CENTER REMODEL

5,600 S.F.
Expand
media ctr.,
repurpose
kitchen to
classrooms

MUSIC ADDITION

3,300 S.F.
Music, ESL,
Speech

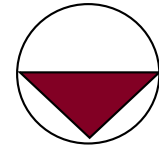


Site Plan

Sibley Elem. School: Option 2B

Northfield
ISD #659

+/- \$7.04 M
Project Cost



North

Floor Plan

MUSIC ADDITION

3,300 S.F.

Music,
ESL,
Speech

MEDIA CENTER REMODEL

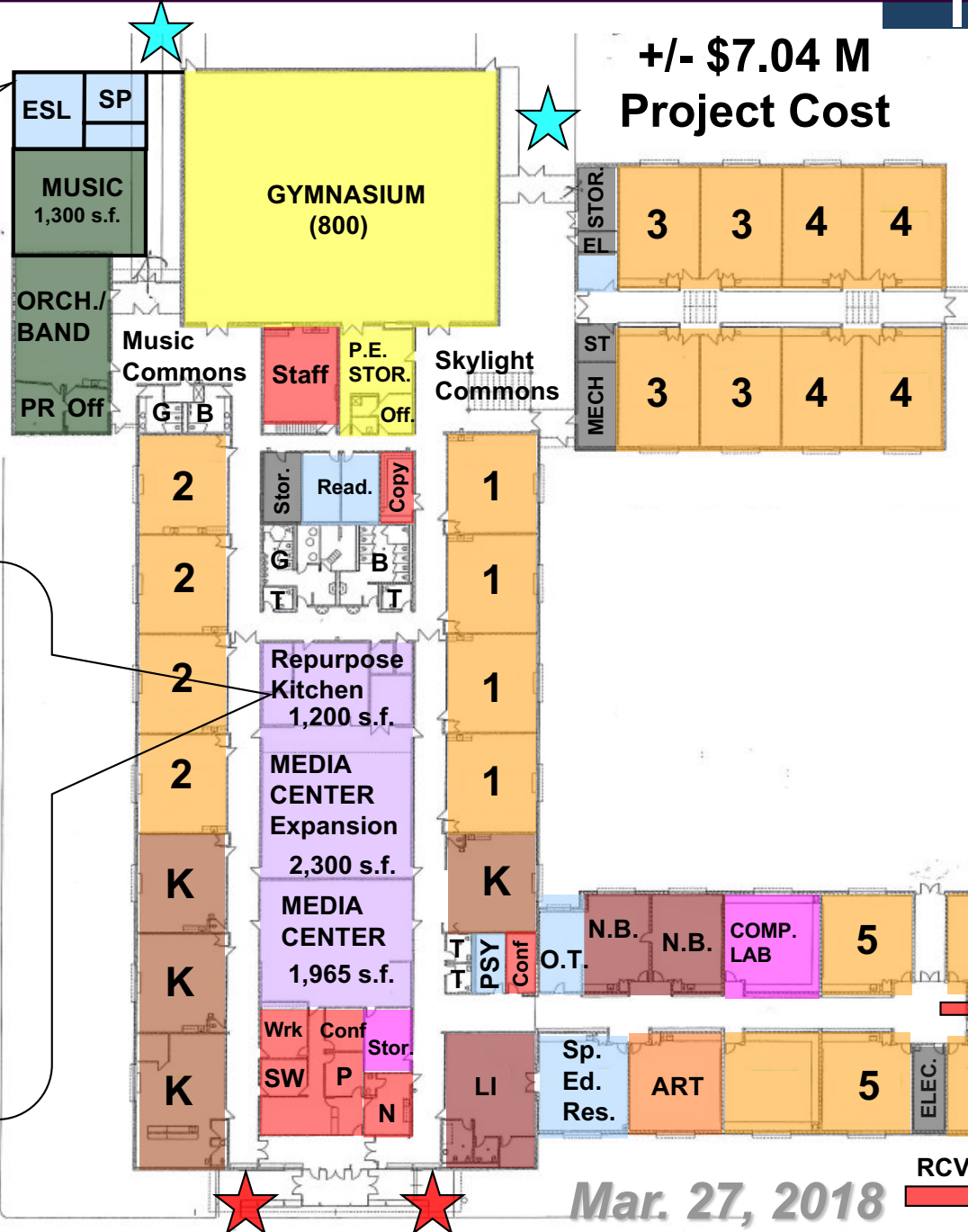
Expand
media ctr. /
repurpose
kitchen to
classroom
space

CAFETERIA/ KITCHEN/RCVG. ADDITION

9,750 SF

(3,150 s.f. Café.,
2,400 s.f. kitchen,
1,500 s.f. stor.)

CAFETERIA
/ KITCHEN /
RECEIVING/
STORAGE
9,750 s.f.



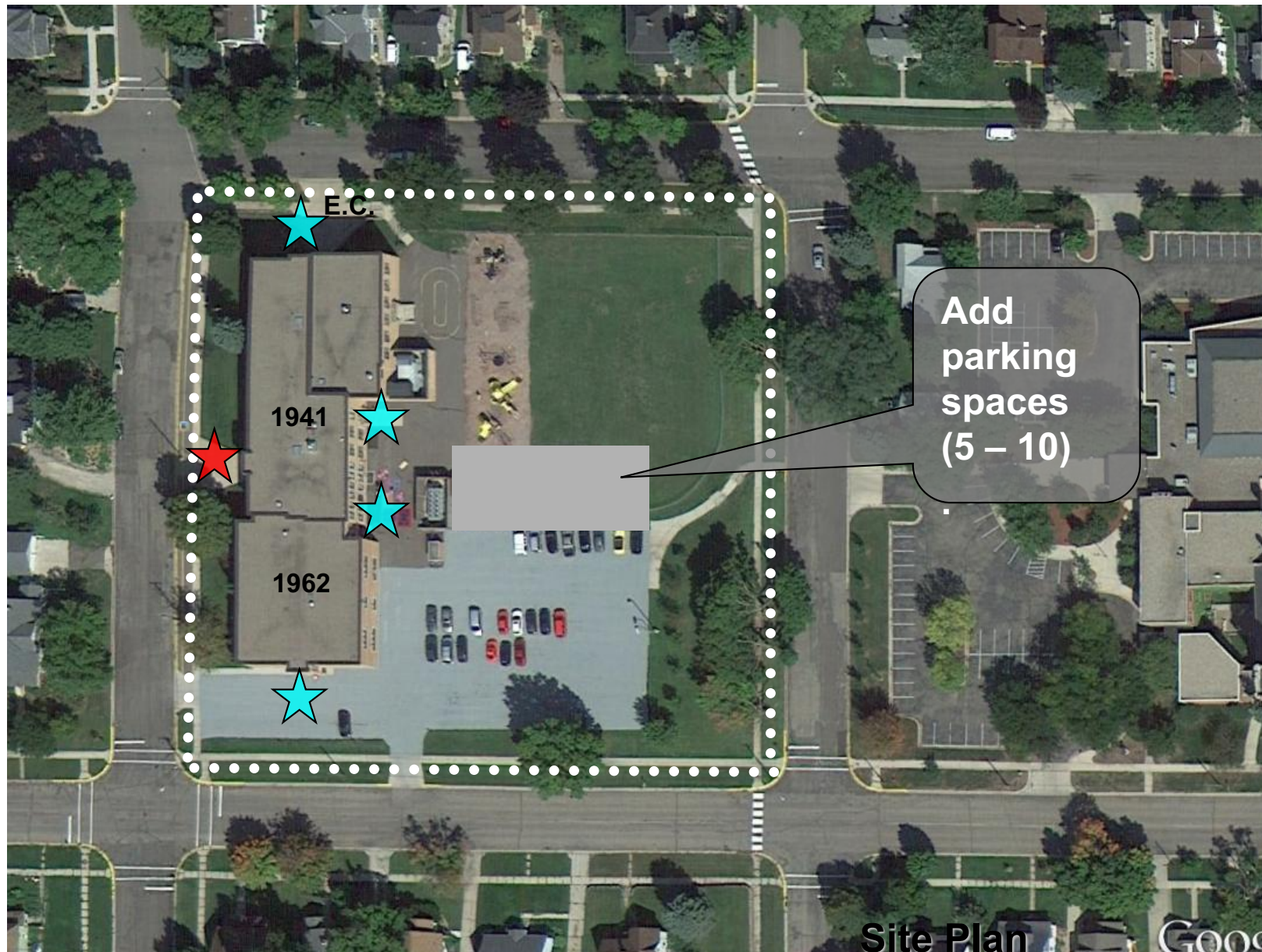
Mar. 27, 2018

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Longfellow - District Office / ALC

Northfield
ISD #659

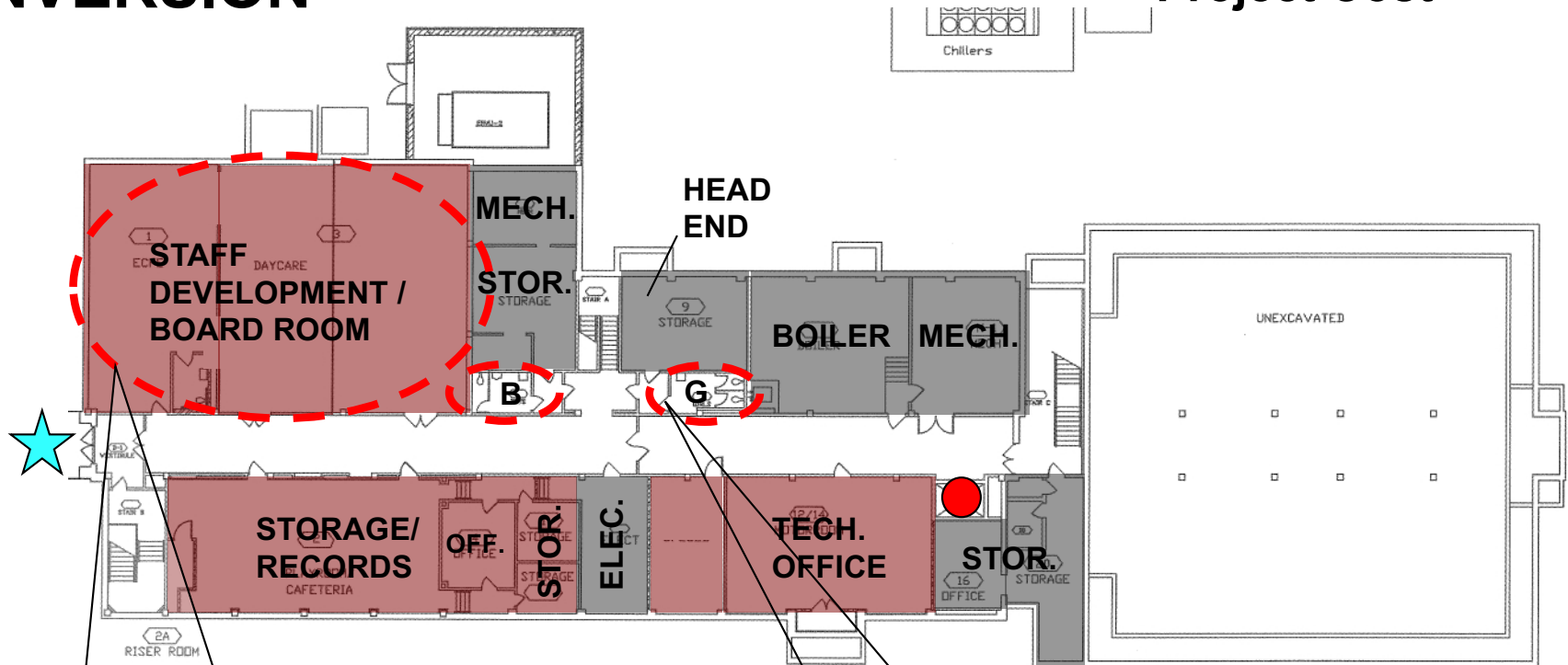


Longfellow – District Office / ALC

Northfield
ISD #659

DISTRICT OFFICE CONVERSION

+/- \$0.825 M
Project Cost



REMODEL to create
staff development /
Board Room

REMODEL
Create ADA
student toilet
rooms

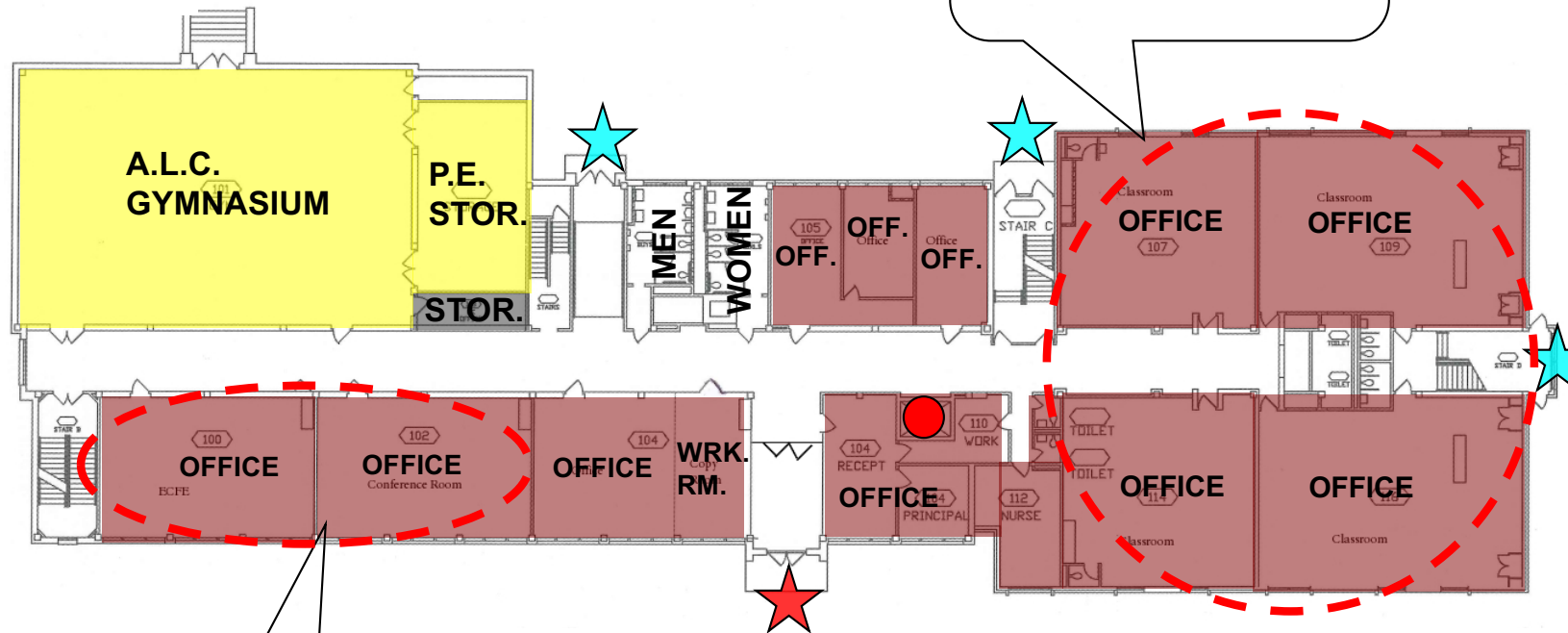


Lower Level Plan

Longfellow – District Office / ALC

Northfield
ISD #659

DISTRICT OFFICE CONVERSION



**REMODEL to
provide open &
private offices**



Ground Level Plan

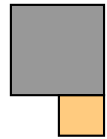
Nov. 27, 2017

Pathway 2A: District-wide Ed. Adequacy New Greenvale Elem.

Northfield
ISD #659

Grades K-5

Bridgewater Elem.



- Main Office Addition
- Special Needs Alterations

\$2.0 M**

New Greenvale Park Elem.



- Construct new Elementary School on Greenvale Park site

\$26.2 M*

Sibley Elem.



- Music Adtn.
- Café. Exp. / Media Ctr. Addition

\$4.1 M**

Grades 6-8

Northfield Middle School



- No work

Grades 9-12

Northfield High School



- No work

District

Longfellow D.O. / A.L.C.



- Add parking
 - Office / ADA Alts.
- \$0.825 M****

Greenvale Park E.C / Comm. Ctr.

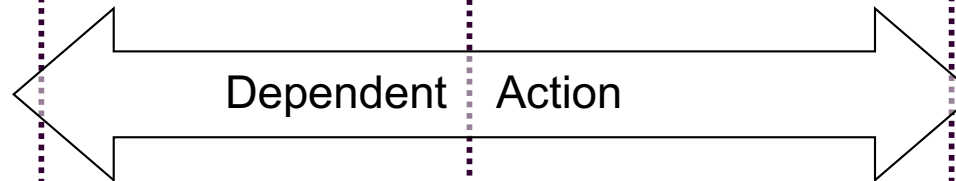


- Repurpose to E.C. / A.B.E. / Community Services
- \$0.83 M****

Northfield Comm. Resource Center



- No longer leased



Est. Costs: \$ 32.3 M

\$0.0 M

\$0.0 M

\$1.655 M

Total Est. Project Costs: \$33.955 M
(project costs based on bid date of 6/2019*;11/2019**)

ATS&R

Mar. 27, 2018

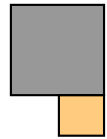
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Pathway 2B: District-wide Ed. Adequacy New Greenvale Elem.

Northfield
ISD #659

Grades K-5

Bridgewater Elem.



- Main Office Addition
- Special Needs Alterations

\$2.0 M**

New Greenvale Park Elem.



- Construct new Elementary School on Greenvale Park site

\$26.2 M*

Sibley Elem.



- Music Adtn.
- Media. Exp. / Cafeteria Addition

\$7.04 M**

Grades 6-8

Northfield Middle School



- No work

Grades 9-12

Northfield High School



- No work

District

Longfellow D.O. / A.L.C.



- Add parking
 - Office / ADA Alts.
- \$0.825 M****

Greenvale Park E.C / Comm. Ctr.

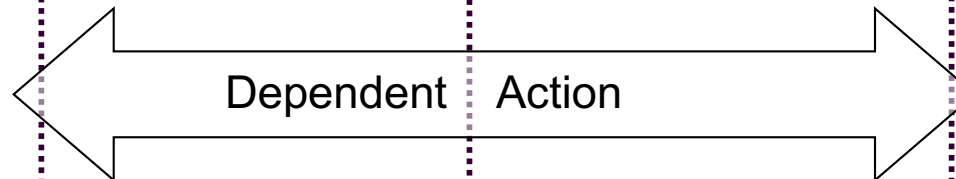


- Repurpose to E.C. / A.B.E. / Community Services
- \$0.83 M****

Northfield Comm. Resource Center



- No longer leased



Est. Costs: \$ 35.24 M

\$0.0 M

\$0.0 M

\$1.655 M

Total Est. Project Costs: \$36.895 M
(project costs based on bid date of 6/2019*;11/2019**)

ATS&R

Mar. 27, 2018

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New Proposed Northfield High School

Northfield
ISD #659

NEW HIGH SCHOOL

255,000 sf

1,500 Stud. (9-12)

170 sf / student

36 Acres

No Synthetic turf field

Demolish existing high school

Estimated Project Cost
\$85.5 M

(anticipated bid date – Aug. 2019
Occupancy – Fall 2021)



Concept Site Plan

Mar. 27, 2018

ATS&R

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Introduction

The Facilities Action Team met on April 16th, 24th, and 30th, 2018. The meetings were held at Greenvale Park Elementary School and Northfield High School. The purpose of the meetings were to review the current Master Facilities Plan and make recommendations to the Board of Education regarding the next steps in addressing the District's facilities needs. The meetings were facilitated by Superintendent Hillmann. The following individuals participated on the team. Four additional individuals had agreed to participate but were not able to attend any of the three meetings.

Baraniak, Tom	Fried, Juan	Larson, John	McBroom, Amy	Runzheimer, Lee
Berthlesen, Mike	Green, Craig	Lehmkuhl, Anne	McGovern, Anne	Sandberg, Pete
Bornhauser, Todd	Hager Dee, Jane	Liebenstein, Paul	McWilliams, Jane	Santos, Alejandra
Cox, Tristan	Jennings, Randy	Ludescher, David	Pokorney, Jim	Scheffert, Peter
Estensen, Rick	Kell, Bob	Lyman, Bruce	Pruitt, Zach	Staab, Geoff
Falck, Rich	Knutson, Nathan	Malecha, Al	Quaas, Pasha	Stets, Justin

The following District administrators served as resources on the team: Director of Buildings and Grounds Jim Kulseth, Director of Community Services Erin Bailey, Director of Finance Val Mertesdorf, and Greenvale Park Elementary Principal Sam Richardson. Elias Lawler served as the representative from the District Youth Council.

The three-meeting process is intended to support ample opportunity for discussion while creating an appropriate amount of structural pressure that transcends “problem admiration.”

Meeting No. 1 (Monday, April 16, Greenvale Park Media Center)

Reflection and Analysis

1. Introductions
2. Overview of process
3. Brief review of the current Master Facilities Plan
4. Brief Review: What has changed with facilities?
5. Master Facilities Plan Analysis: World Café activity
 - a. What components of the Master Facilities Plan resonated with the public?
 - b. What components of the Master Facilities Plan were misunderstood by the public?
 - c. What components of the Master Facilities Plan were deal-breakers for the public?
6. Follow-up and next steps

While the agendas for the second and third meetings were conceptualized, they were left open to further development after the first meeting concluded.

Meeting No. 2 (Tuesday, April 24, Northfield High School Media Center)

Looking Forward: Review of World Café data, discussion, and distillation activity.

1. Introductions
2. Review of survey data/burning questions
3. Review of World Café activity data - elbow partner activity
4. Brief overview: educational priorities
 - a. Strategic Plan
 - b. Northfield Promise (cradle to career)
 - c. World's Best Workforce
5. Carousel Discussion
 - a. What parts (projects) of the Master Facilities Plan that resonated with the public should still be considered? (Why?)
 - b. What parts (projects) of the Master Facilities Plan that were “dealbreakers” should not be considered at this time? (Why)
 - c. What items should be considered that are not part of the current Master Facilities plan?
 - d. What issues should be addressed that could become deal-breakers for any potential projects that “move forward?”
 - e. What data (quantitative, qualitative, or narrative) could be used to help you (and the public) better understand the educational needs of the District and how facilities relate to those needs.

Meeting No. 3 (Monday, April 30, Greenvale Park Elementary Media Center)

Moving toward action: Review of distillation activity, discussion, potential recommendations and prioritization activity.

1. Introductions
2. Review of survey data/burning questions
3. Review of Carousel activity data
4. Rotating Discussion: Possible Recommendations
5. Recommendation activity
6. Follow-up and next steps

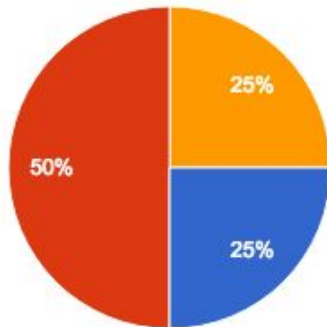
Follow-up surveys were conducted after each session. Those survey results, as well as the work products of each meeting, are included in this report.

At the end of the final meeting, participants were asked to make recommendations to the School Board. Each of the following 15 recommendations were “moved” by one of the team members and received a “second” from another team member. There were three voting options: (1) I support the recommendation, (2) I can live with the recommendation, or (3) I cannot support the recommendation.

Facilities Action Team Recommendations

Commit to a board planning process that would measure student performance outcomes compared to capital expenditures.

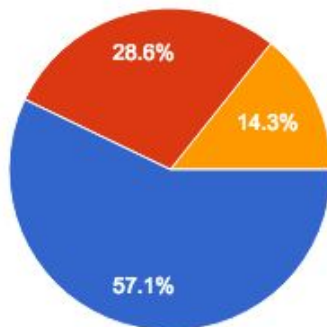
28 responses



- I support this recommendation
- I can live with this recommendation
- I cannot support this recommendation

Re-do the demographic study.

28 responses

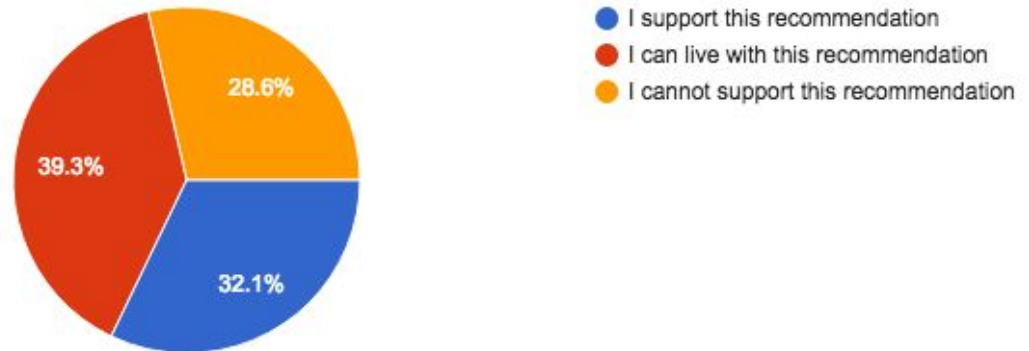


- I support this recommendation
- I can live with this recommendation
- I cannot support this recommendation

Facilities Action Team Recommendations

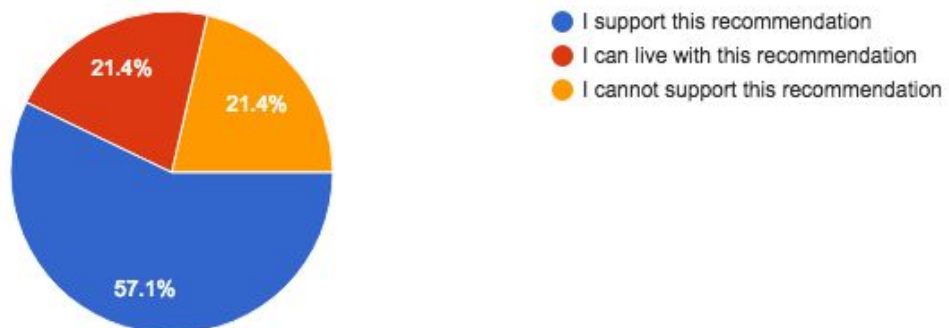
School Board will focus its attention on increasing revenue through engagement of the colleges, partnershi...il to change their development model.

28 responses



Move forward with the Elementary Projects for Nov 2018.

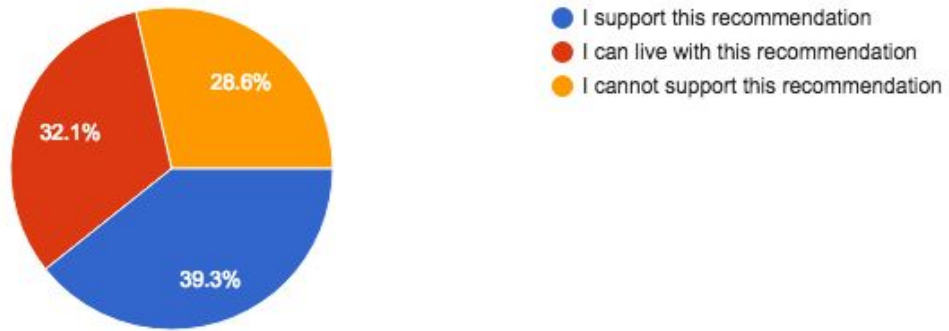
28 responses



Facilities Action Team Recommendations

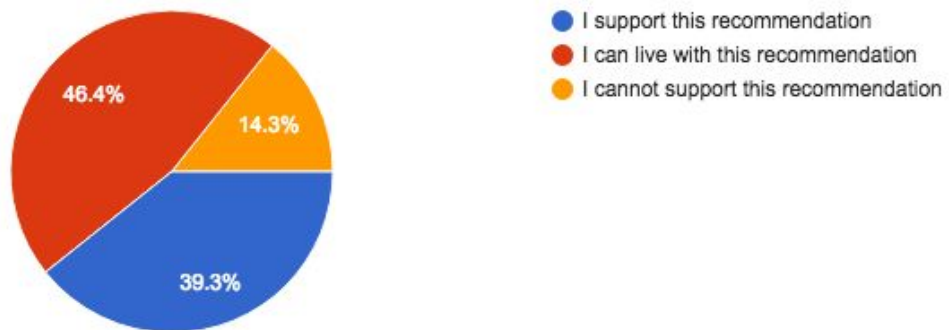
Establish a target for Nov 2020 to bring the HS project forward. Utilizing time for public engagement.

28 responses



Fall 2019 Referendum for all elementary projects with debt beginning in 20-21.

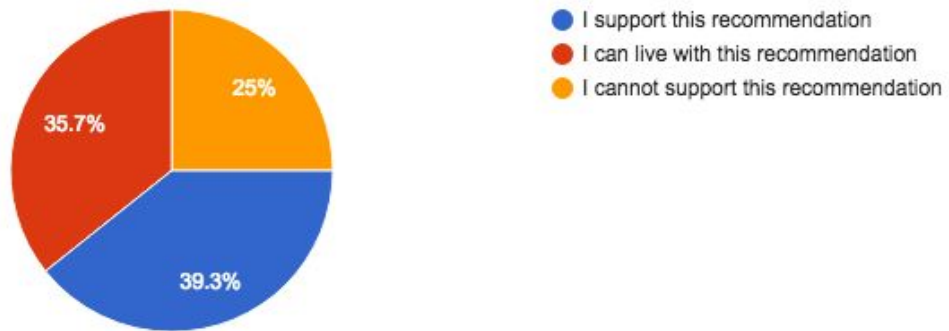
28 responses



Facilities Action Team Recommendations

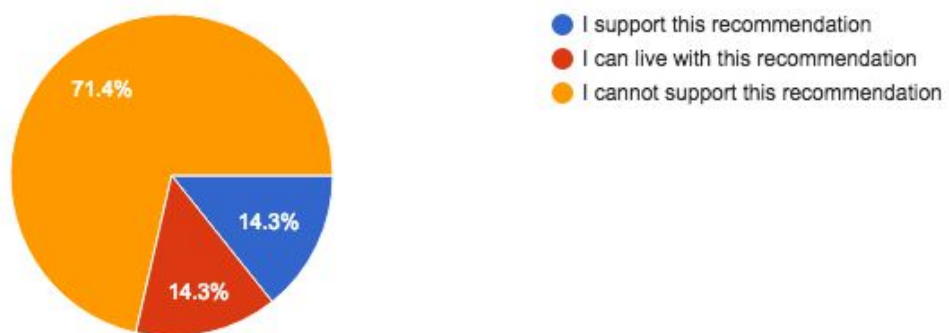
Study HS plans to balance renovation and new targeting 2025 to balance debt service.

28 responses



No new building bonds until debt falls off in 2025.

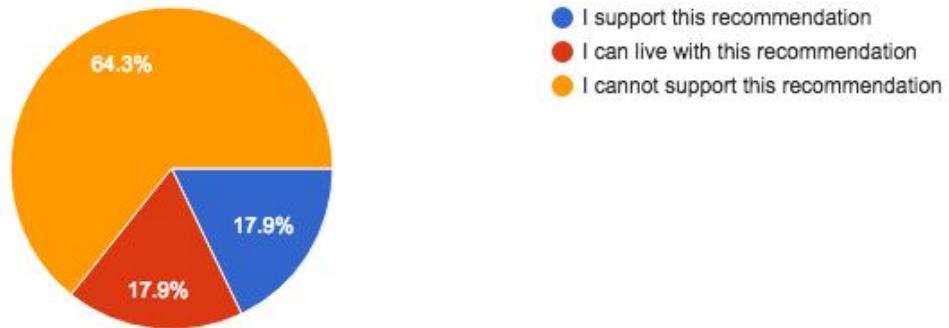
28 responses



Facilities Action Team Recommendations

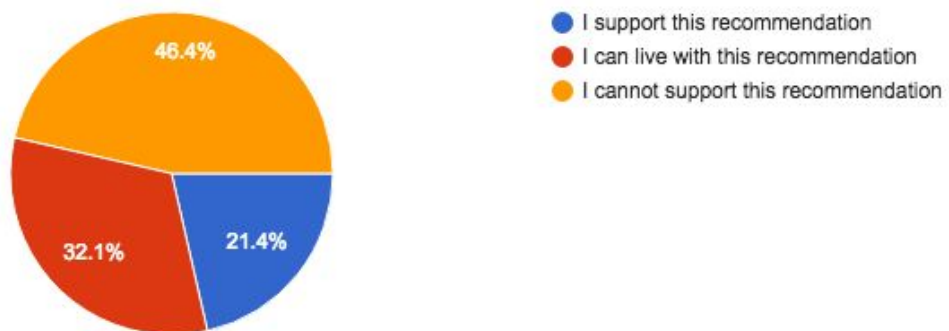
Bring same bond referendum back in Nov 2018. One question, all projects.

28 responses



Conduct a feasibility study of flipping the HS and MS.

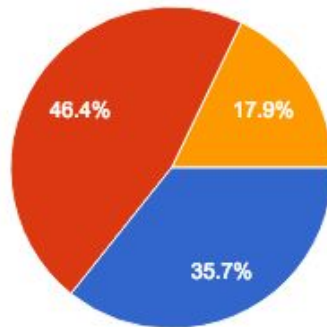
28 responses



Facilities Action Team Recommendations

Don't replace HS right now, but assure the HS is adequate for next 10 years with targeted modifications for 21st century learning needs.

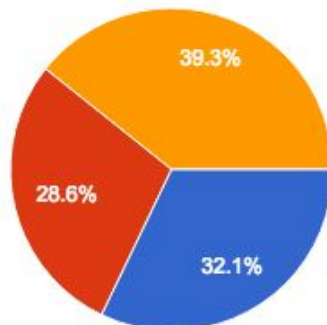
28 responses



- I support this recommendation
- I can live with this recommendation
- I cannot support this recommendation

Run the 2017 referendum in 2 questions in Nov 2018.

28 responses

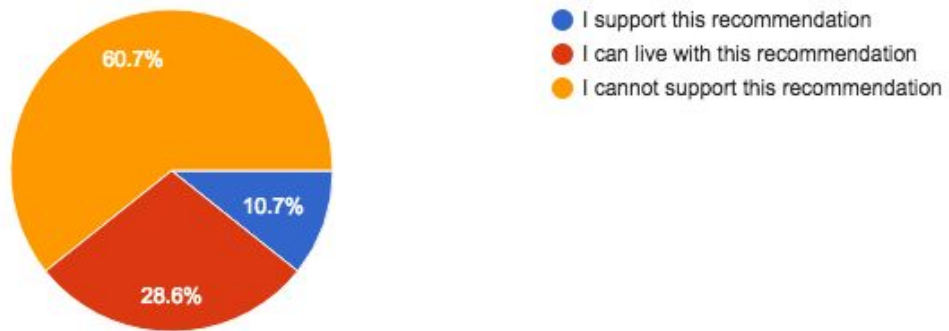


- I support this recommendation
- I can live with this recommendation
- I cannot support this recommendation

Facilities Action Team Recommendations

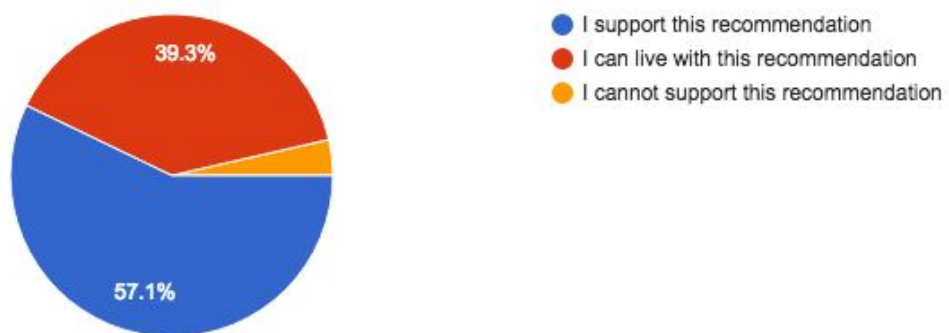
Add enough money into the next bond referendum to ensure HS lasts for 30 years.

28 responses



Explore corporate sponsorship or private donors to supplement funding.

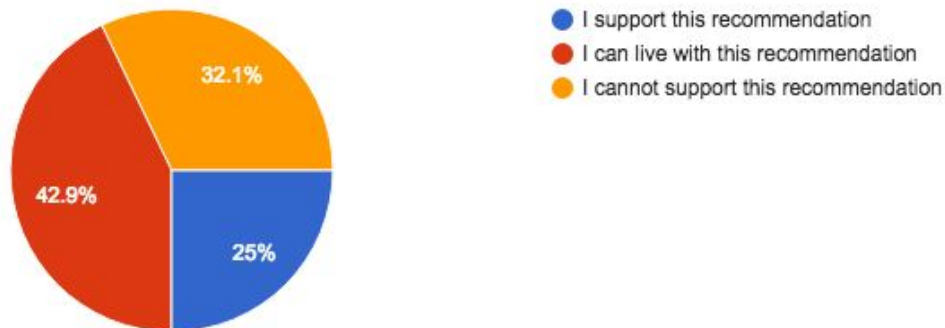
28 responses



Facilities Action Team Recommendations

Incremental building plan.

28 responses



Analysis

The Facilities Action Team represented a broad stakeholder group within the District. The discussion was dynamic and respectful. It was thrilling to observe people with equally passionate support for public education respectfully debate the District's needs for facilities and the role they can play in student learning.

Some key takeaways:

- Participants mostly supported the recommendation to consider updating the District's 2013 demographic study.
- Participants mostly supported asking the voters (57% "support" + 21% "can live with it") in November 2018 to consider the elementary school projects.
- Participants generally rejected the concept of bringing back the 2017 bond referendum in one question as previously presented (64% could not support) nor bringing it back in two different questions (32% support).
- Participants generally rejected (71% could not support) waiting until all current debt is retired in 2025.
- Participants encouraged (57% support) the School District to consider exploring corporate sponsorship or private donations to supplement funding.
- Participants generally rejected (60% could not support) adding enough dollars to any Fall referendum to renovate the High School to last 30 more years.

In summary, this Facilities Action Team generally supported a potential bond referendum to fund the District's elementary projects. The same team indicated the current High School plan should be placed on hold.

Northfield School District No. 659**Analysis of Tax Impact for Potential Bond Issue****April 30, 2018****November 6, 2018 Election**

Bond Question(s)	Question 1	Question 2	Question 1 and 2
Bond Issue Amount	\$27,845,000	\$9,040,000	\$36,885,000
Number of Years	20	20	20
Estimated Debt Service Tax Rate Payable in 2019*			
Existing Debt Only	22.54%	22.54%	22.54%
With Proposed New Issue	<u>26.37%</u>	<u>23.79%</u>	<u>27.62%</u>
Estimated Tax Capacity Rate Change	3.83%	1.25%	5.08%

Type of Property	Estimated Market Value	Estimated Annual Impact on Taxes Payable in 2019*		
Residential Homestead	\$100,000	\$27	\$9	\$36
	125,000	38	12	50
	150,000	48	16	64
	175,000	59	19	78
	200,000	69	23	92
	250,000	90	29	119
	300,000	111	36	147
	350,000	132	43	175
	400,000	153	50	203
	500,000	192	63	255
	600,000	239	78	317
Commercial/ Industrial +	\$250,000	\$163	\$53	\$216
	500,000	354	116	470
	1,000,000	737	241	978
	2,000,000	1,503	491	1,994
Agricultural Homestead** (average value per acre of land & buildings)	\$4,000	\$0.46	\$0.15	\$0.61
	5,000	0.57	0.19	0.76
	6,000	0.69	0.23	0.92
	7,000	0.80	0.26	1.06
	8,000	0.92	0.30	1.22
Agricultural Non-Homestead** (average value per acre of land & buildings)	\$4,000	\$0.92	\$0.30	\$1.22
	5,000	1.15	0.38	1.53
	6,000	1.38	0.45	1.83
	7,000	1.61	0.53	2.14
	8,000	1.84	0.60	2.44

* Estimated tax impact includes principal and interest payments on the new bonds. The figures in the table are based on school district taxes for bonded debt levies only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the homeowner's Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net effect of the proposed bond issue for many property owners.

+ For commercial-industrial property, the tax impact estimates above are for property in Rice and Goodhue counties. For commercial-industrial property in Dakota county, the tax impact would be less than shown above, due to the impact of the Twin Cities Fiscal Disparities program.

** For agricultural property, estimated tax impact includes 40% reduction due to the School Building Bond Agricultural Credit. Average value per acre is the total estimated market value of all land & buildings divided by total acres. Homestead examples exclude the house, garage, and one acre, which has the same tax impact as a residential homestead.

PRELIMINARY INFORMATION - FOR DISCUSSION ONLY

Northfield School District No. 659

Estimated Payments and Tax Levies for Existing Debt and Proposed New Debt

**Questions 1 & 2: \$36,885,000 Building Program
November 2018 Election; 20 Years
Wrapped Around Existing Debt**

Principal Amount: \$36,885,000
Dated Date: 2/1/2019
Avg. Interest Rate: 3.80%

April 30, 2018

Levy		Tax Capacity Value ¹		Existing Commitments					Other Levies		Proposed New Debt				Combined Totals				
Pay. Year	Fiscal Year			Building Bonds ²	Alt. Fac.	Est. Debt Excess ³	Net Levy	Tax Rate	Lease Levy	Capital Project Levy ⁴	Principal	Interest	Est. Debt Excess ³	Adjusted Debt Levy	Adjusted Debt Levy	Other Levies	State Debt Aid	Net Levy	Tax Rate
2018	2019	27,855	5.9%	4,661,943	1,168,703	(517,065)	5,313,581	19.08	377,805	750,000	-	-	-	-	5,313,581	1,127,805	-	6,441,386	23.12
2019	2020	28,969	4.0%	4,659,053	1,044,330	(302,689)	5,400,694	18.64	377,805	750,000	-	1,401,630	-	1,471,712	6,872,405	1,127,805	-	8,000,210	27.62
2020	2021	29,259	1.0%	4,661,468	1,089,060	(256,652)	5,493,876	18.78	377,805	750,000	-	1,401,630	-	1,471,712	6,965,588	1,127,805	-	8,093,393	27.66
2021	2022	29,551	1.0%	2,415,728	1,132,530	(258,774)	3,289,485	11.13	377,805	750,000	860,000	1,401,630	-	2,374,712	5,664,196	1,127,805	-	6,792,001	22.98
2022	2023	29,551	0.0%	2,643,664	1,179,990	(159,672)	3,663,982	12.40	377,805	750,000	640,000	1,368,950	(106,862)	2,002,535	5,666,518	1,127,805	-	6,794,323	22.99
2023	2024	29,551	0.0%	2,655,096	1,226,085	(172,064)	3,709,116	12.55	377,805	750,000	605,000	1,344,630	(90,114)	1,956,997	5,666,114	1,127,805	-	6,793,919	22.99
2024	2025	29,551	0.0%	-	1,354,815	(174,653)	1,180,162	3.99	377,805	750,000	925,000	1,321,640	(88,065)	2,270,907	3,451,069	1,127,805	-	4,578,874	15.49
2025	2026	29,551	0.0%	-	-	-	-	-	377,805	750,000	1,840,000	1,286,490	(102,191)	3,180,624	3,180,624	1,127,805	-	4,308,429	14.58
2026	2027	29,551	0.0%	-	-	-	-	-	377,805	750,000	1,950,000	1,216,570	(143,128)	3,181,770	3,181,770	1,127,805	-	4,309,575	14.58
2027	2028	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,025,000	1,142,470	(143,180)	3,182,664	3,182,664	1,127,805	-	4,310,469	14.59
2028	2029	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,100,000	1,065,520	(143,220)	3,180,576	3,180,576	1,127,805	-	4,308,381	14.58
2029	2030	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,180,000	985,720	(143,126)	3,180,880	3,180,880	1,127,805	-	4,308,685	14.58
2030	2031	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,265,000	902,880	(143,140)	3,183,134	3,183,134	1,127,805	-	4,310,939	14.59
2031	2032	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,350,000	816,810	(143,241)	3,181,909	3,181,909	1,127,805	-	4,309,714	14.58
2032	2033	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,440,000	727,510	(143,186)	3,182,700	3,182,700	1,127,805	-	4,310,505	14.59
2033	2034	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,530,000	634,790	(143,221)	3,179,808	3,179,808	1,127,805	-	4,307,613	14.58
2034	2035	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,630,000	538,650	(143,091)	3,183,991	3,183,991	1,127,805	-	4,311,796	14.59
2035	2036	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,730,000	438,710	(143,280)	3,183,866	3,183,866	1,127,805	-	4,311,671	14.59
2036	2037	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,830,000	334,970	(143,274)	3,179,945	3,179,945	1,127,805	-	4,307,750	14.58
2037	2038	29,551	0.0%	-	-	-	-	-	377,805	750,000	2,940,000	227,430	(143,098)	3,182,704	3,182,704	1,127,805	-	4,310,509	14.59
2038	2039	29,551	0.0%	-	-	-	-	-	377,805	750,000	3,045,000	115,710	(143,222)	3,175,524	3,175,524	1,127,805	-	4,303,329	14.56
2039	2040	29,551	0.0%	-	-	-	-	-	377,805	750,000	-	-	-	-	-	1,127,805	-	1,127,805	3.82
2040	2041	29,551	0.0%	-	-	-	-	-	377,805	750,000	-	-	-	-	-	1,127,805	-	1,127,805	3.82
2041	2042	29,551	0.0%	-	-	-	-	-	377,805	750,000	-	-	-	-	-	1,127,805	-	1,127,805	3.82
2042	2043	29,551	0.0%	-	-	-	-	-	377,805	750,000	-	-	-	-	-	1,127,805	-	1,127,805	3.82
2043	2044	29,551	0.0%	-	-	-	-	-	377,805	750,000	-	-	-	-	-	1,127,805	-	1,127,805	3.82
Totals				21,696,953	8,195,513	(1,841,570)	28,050,896		9,822,930	19,500,000	36,885,000	18,674,340	(2,248,638)	56,088,669	84,139,565	29,322,930	-	113,462,495	

¹ Tax capacity value for taxes payable in 2017 is the actual figure, and the value for 2018 is based on preliminary data from Rice and Dakota counties. Estimates for future years are based on the percentage changes as shown above.

² Initial debt service levies (prior to subtracting debt equalization aid) are set at 105 percent of the principal and interest payments during the next fiscal year.

³ Debt excess adjustment for taxes payable in 2017 is the actual amount and for 2018 is a preliminary estimate based on the debt service fund balance as of June 30, 2016. Debt excess for future years is estimated at 4.5% of the prior year's initial debt service levy.

⁴ Assumes that the capital project levy will be continued at the same dollar amount prior to expiring.

⁵ These estimates assume that a portion of the payments due during fiscal year 2021 on the second bond issue, estimated at \$883,000, would be made from funds on hand or bond proceeds.

PRELIMINARY INFORMATION - FOR DISCUSSION ONLY

Northfield School District No. 659

Estimated Tax Rates for Capital and Debt Service Levies
Existing Commitments and Proposed New Debt

Questions 1 & 2: \$36,885,000 Building Program

November 2018 Election; 20 Years

Wrapped Around Existing Debt

Date Prepared:

April 30, 2018

