

Review & Comment

BUFFALO-HANOVER- MONTROSE PUBLIC SCHOOLS

PARKSIDE ELEMENTARY SCHOOL – BUFFALO, MN

August 22, 2012

Submitted by



PROPOSAL FOR REVIEW AND COMMENT

August 22, 2012

SUBMITTED TO: MINNESOTA DEPARTMENT OF EDUCATION

SUBMITTED BY: INDEPENDENT SCHOOL DISTRICT #877
BUFFALO-HANOVER-MONTROSE PUBLIC SCHOOLS
214 FIRST AVENUE NE
BUFFALO, MN 55313

Contact: Scott Thielman, Ed.D., Superintendent
Phone: 763-682-8707

PREPARED BY: Hallberg Engineering, Inc.
1750 Commerce Court
White Bear Lake, MN 55110

Contact: Mr. Richard L. Lucio
Phone: 651-748-1100

Buffalo-Hanover-Montrose Public Schools, ISD 877

| Table of Contents | Page |
|---|-------------|
| Introduction and Summary Description | 2 |
| 1. Geographic Area and Student Population | 3 |
| 2. Existing Facilities..... | 3 |
| 3. Anticipated Needs for Facilities..... | 4 |
| 4. Relationship to Other Priorities..... | 4 |
| 5. Construction Project Description | 5 |
| 6. Financing/Tax Impact..... | 6 |
| 7. District Operating Budget Impact..... | 6 |
| 8. Indoor Air Quality /Professional Liability Insurance | 7 |
| 9. Ventilation/Indoor Air Quality Filtration System..... | 8 |
| 10. Desegregation Requirements..... | 9 |
| 11. Sustainability Concepts | 9 |
| 12. Accoustical Design Concepts | 10 |
| 13. Local Infra-Structure Considerations | 10 |

Appendices

- A. District Boundary Map
- B. District Enrollment Projections (Current & 5-Year)
- C. Existing Facilities
- D. District Budget Cost Summary
- E. Insurance Certificates
- F. Financial Data and Tax Impact Projections and Supporting Data

3. ANTICIPATED NEEDS FOR FACILITIES

SPECIFIC DEFICIENCIES:

The following are key deficiencies that we discovered when analyzing the existing Parkside Elementary School:

- The equipment cannot meet current ventilation standards/Codes.
- The existing air handling equipment is original to the building, making it 45 plus years old. It has become difficult to maintain and obtain replacement parts.
- The existing relief for the building is undersized. It will not be able to meet the requirements of the upgraded air handling systems proposed.

SPECIFIC BENEFITS:

The proposed project scope will result in a direct benefit to students and staff in the following ways:

- The new air handling systems will have the ability to provide outdoor air to meet current ventilation standards/Codes. Indoor air quality will improve.
- The new air handling systems will improve air distribution. This will improve comfort throughout each space.
- The new relief systems will work with the new air handling systems to allow proper balance of air distribution/pressure in the building.
- The upgraded heating plant and new chilled water plant will improve building humidity control and be cost effective.
- The upgraded DDC controls will allow better control of every aspect of the building ventilation system and help each system operate at peak efficiency.

4. RELATIONSHIP TO OTHER PRIORITIES

This project will allow the District to continue to meet its core values, which includes making a difference by preparing all students for a successful future in a changing world.

5. CONSTRUCTION PROJECT DESCRIPTION

PROPOSED SCOPE OF WORK

The project work consists of upgrading the ventilation systems of the existing Parkside Elementary School.

Upgrades will be comprised of:

- New air handling units and distribution ductwork
- New building relief system
- Upgraded heating system
 - Maintain existing boilers (steam)
 - New steam-to-water heat exchanger
 - New pumps and heating water distribution
- New chilled water plant, pumps and distribution piping
- New DDC controls

PRELIMINARY PROJECT SCHEDULE MILESTONE DATES:

| | |
|------------------------|--------------------------------------|
| Planning: | April 2012 to May 2012 |
| Review and Comment: | August, 2012 Submittal |
| Design Phase: | September 2012 to November 2012 |
| Bidding: | November 2012 |
| Construction Phases: | May 2013 to August 2013 (summer) |
| Project Commissioning: | August 2013 |
| Completion: | September 2013(start of school year) |

Buffalo-Hanover-Montrose Public Schools, ISD 877

6. FINANCING/TAX IMPACT

Pursuant to State approval, the District proposes to seek funding as soon as possible in 2012, in order to finance the proposed project scope.

| | | |
|----------------------|-------|----------------|
| AMOUNT OF FINANCING: | | \$3,679,455.00 |
| TOTAL PROJECT COST: | | \$3,911,855.00 |

Details of the funding are included in **Appendix F** of this document.

Any revenue shortfall will be funded via a general fund appropriation.

7. DISTRICT OPERATING BUDGET IMPACT

Current (2011) annual utility costs for this building average \$0.87 per square foot. We would anticipate the proposed infrastructure operating cost to increase by 3.0% in electrical cost and 6.0% in natural gas consumption.

Estimated annual operating costs would be: \$41,000 natural gas and \$46,000 electrical.

Buffalo-Hanover-Montrose Public Schools, ISD 877

8. INDOOR AIR QUALITY /PROFESSIONAL LIABILITY INSURANCE

As required under Minn. Stat 123B.71, Hallberg Engineering, Inc. is providing review and comment documentation for the upcoming Buffalo-Hanover-Montrose Public School building renovation and replacement projects.

Indoor air quality is of the utmost concern to the School District and the respective building occupants. The only mechanical ventilations system that will be considered are those which provide the ability to properly introduce appropriate amounts of outdoor air into the building, adequately heat all spaces and where air conditioning is provided, provide proper temperature and humidity control.

As mechanical and electrical engineers for the project, Hallberg Engineering, Inc. does carry professional liability insurance as evidenced by the insurance certificate included in **Appendix E**.

All mechanical ventilation options considered for the projects will meet or exceed current ventilation codes and applicable standards. In addition, the selected design will facilitate the ability to allow appropriate tools and devices to measure and monitor total supply air and outdoor air quantities. The designed units will be furnished with air filters that meet or exceed the mechanical code and/or appropriate standards.

Should you have any questions please feel free to contact me at 651-748-1100.

Sincerely,



Richard L. Lucio, P.E.
Vice President
Hallberg Engineering, Inc.

Buffalo-Hanover-Montrose Public Schools, ISD 877

9. VENTILATION/INDOOR AIR QUALITY FILTRATION SYSTEM

As required under MINN. STAT. 123B72 (2002), provide a written certification signed by the project architect that the plans and designs for the extensively renovated or new facility's heating, ventilation, and air conditions systems will meet or exceed code standards, will provide for the monitoring of outdoor airflow and total airflow of ventilation systems, and will provide an indoor air quality filtration system that meets codes.

Although the system design for this project have not been finalized, Buffalo-Hanover-Montrose Public Schools and its Consultant, Hallberg Engineering, Inc. will ensure that the selected systems will meet or exceed current building code requirements and ASHRAE standards for indoor air quality as well as filtration. Project design will also incorporate a method for monitoring outdoor air and total airflow of all ventilation systems. In addition, all systems will be commissioned as required under M.S. 123B.72 School Facility Commissioning.

Buffalo-Hanover-Montrose Public Schools



Hallberg Engineering, Inc.

10. DESEGREGATION REQUIREMENTS

Desegregation requirements for this community have not been identified as a problem. Buffalo-Hanover-Montrose Public Schools is an equal opportunity school district and is in compliance with all requirements pertaining to human and civil rights. Independent School District 877 is not operating under any court ordered segregation plan.

11. SUSTAINABILITY CONCEPTS

Buffalo-Hanover-Montrose Public Schools is committed to considering the use of renewable resources and innovative technologies as appropriate as part of this project. It is the belief of the District that integrating and implementing sustainable design concepts into a project is a process that requires innovative thought from conception through construction. Subsequently, the proposed project will include concepts that are energy efficient, environmentally responsible and economically affordable.

Over the course of the project, the following concepts and strategies will be employed as a means of ensuring sustainability and environmental goals are achieved:

A. Conserve Energy and Water Resources:

With the systems to be incorporated into the new mechanical systems, the project team will strive to enhance the indoor environment, conserve energy, and make use of renewable resources through the use of new technology. Selections of materials and systems will be based on life-cycle cost analysis methodology.

B. Minimize Project Construction Waste:

Following standards set forth by agencies, contractor for the proposed project will be encouraged to follow guidelines to minimize construction-related waste. This will include sorting and recycling appropriate materials and waste, designing toward balanced sites, and minimizing process-related environmental waste.

C. Optimized Maintenance and Operating Costs:

Through the implementation, use, and integration of new technologies and materials the project team will work to minimize the operational requirements of new system while maximizing efficiencies. Systems and material choices will be based on life-cycle payback to include evaluation of first costs, O & M costs, and life expectancy.

Buffalo-Hanover-Montrose Public Schools will strive to utilize the above strategies in order to incorporate environmentally sustainable school facility design concepts where appropriate into their project.

12. ACCOUSTICAL DESIGN CONCEPTS

The architects and engineers for this project will consider the American National Standards Institute S12.60 Classroom Acoustics Standards in the design of the new ventilation systems and selection of associated materials and components for maximum background and noise levels and reverberation times. The following concepts will be employed:

- A. Design enclosures, chases, and partition systems to provide appropriate sound isolation from both exterior and adjacent spaces.
- B. Design and install mechanical and electrical systems to ensure that recommended ambient noise levels are not exceeded throughout frequency ranges.
- C. Design and install interior finishes and acoustical treatments as appropriate to ensure low sound reverberation levels and to increase speech clarity.

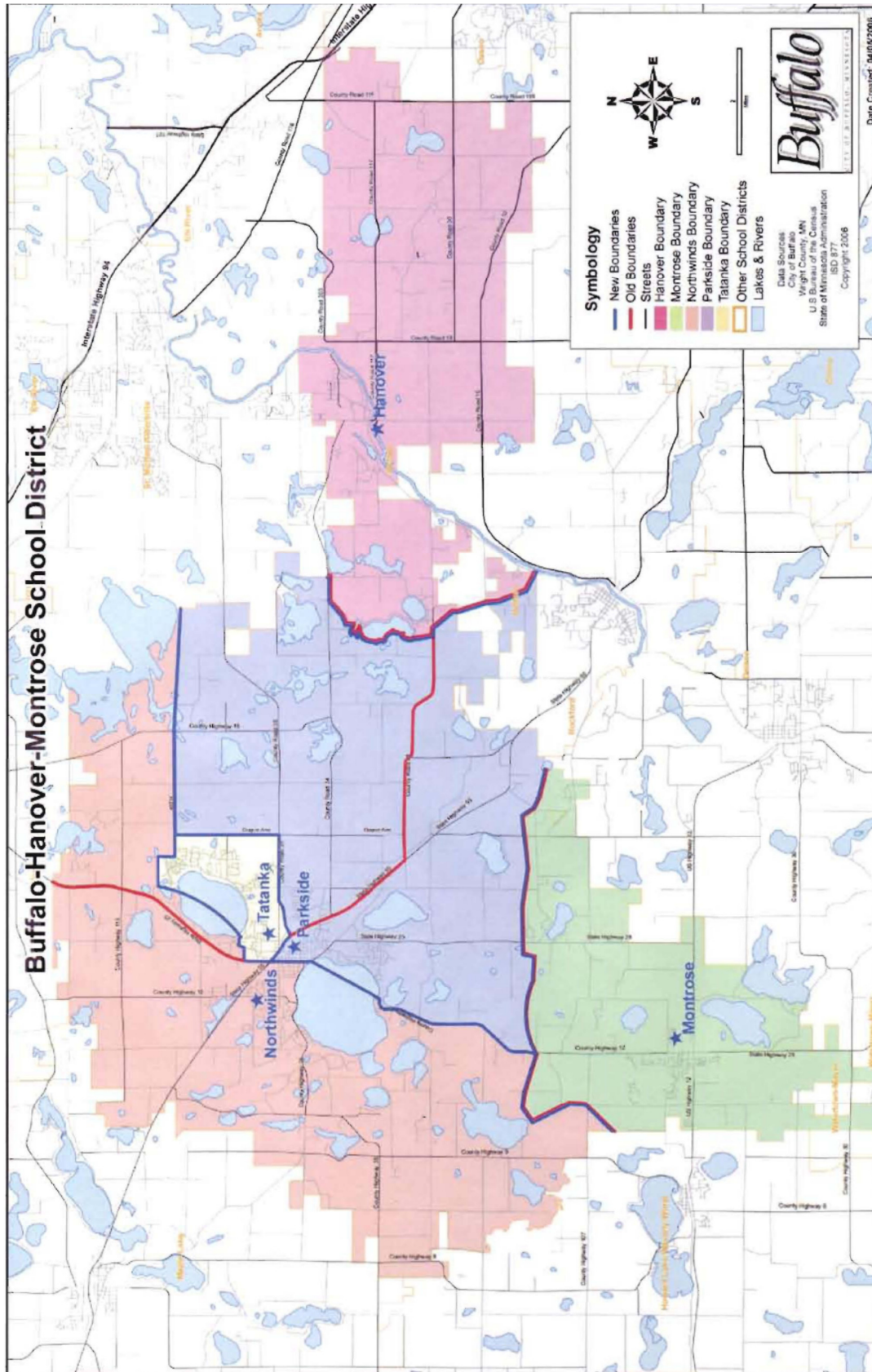
13. LOCAL INFRA-STRUCTURE CONSIDERATIONS

Due to the nature of the overall scope of the proposed projects, in that the work consists of either replacement or renovation of existing building systems, the District does not anticipate any impact or effect on costs associated with government-provided infra-structure (such as roads, sewer and water, utilities, etc.) already in place and serving these facilities.

APPENDIX A

District Boundary Map

Buffalo-Hanover-Montrose Public Schools, ISD 877



APPENDIX B

District Enrollment Projections

Buffalo-Hanover-Montrose Public Schools, ISD 877

| Current and Projected Enrollment for District 877 | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Current 2011/12 | Projected 2012/13 | Projected 2013/14 | Projected 2014/15 | Projected 2015/16 | Projected 2016/17 |
| 5,744 | 5,738 | 5,769 | 5,765 | 5,748 | 5,688 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

APPENDIX C

Existing Facilities

Buffalo-Hanover-Montrose Public Schools, ISD 877

| Building/Addition | Date Constructed | Square Footage |
|------------------------------|------------------|----------------|
| Montrose Elementary | | |
| Original Building | 1975 | 30,620 |
| Addition 1 | 1989 | 8,000 |
| Addition 2 | 1996 | 2,280 |
| Addition 3 | 2005 | 11,731 |
| | | Total |
| | | 53,431 |
| Hanover Elementary | | |
| Original Building | 1969 | 9,620 |
| Addition 1 | 1975 | 37,300 |
| Addition 2 | 1989 | 6,738 |
| Addition 3 | 2005 | 13,995 |
| | | Total |
| | | 67,653 |
| Parkside Elementary | | |
| Original Building | 1956 | 34,369 |
| Addition 1 | 1966 | 27,955 |
| Addition 2 | 1988 | 18,700 |
| | | Total |
| | | 81,024 |
| Tatanka Elementary | | |
| Original Building | 1979 | 45,000 |
| Addition 1 | 1988 | 16,900 |
| Addition 2 | 1996 | 2,280 |
| | | Total |
| | | 64,180 |
| Discovery Elementary | | |
| Original Building | 1936 | 46,664 |
| Addition 1 | 1962 | 49,884 |
| Addition 2 | 1979 | 34,599 |
| | | Total |
| | | 131,147 |
| Northwinds Elementary | | |
| Original Building | 2006 | 103,204 |
| | | Total |
| | | 103,204 |
| Buffalo Middle School | | |
| Original Building | 1970 | 133,900 |
| Addition 1 | 1980 | 26,300 |
| Addition 2 | 1988 | 41,068 |
| Addition 3 | 1997 | 2,352 |
| Addition 4 | 2005 | 14,114 |
| | | Total |
| | | 217,734 |

Buffalo-Hanover-Montrose Public Schools, ISD 877

| Building/Addition | Date Constructed | Square Footage |
|-----------------------------------|------------------|----------------|
| Phoenix Learning Center | | |
| Original Building | 1968 | 4,428 |
| Addition 1 | 1968 | 1,288 |
| Addition 2 | 2006 | 3,992 |
| | | Total |
| | | 9,708 |
| Buffalo Senior High School | | |
| Original Building | 1996 | 331,241 |
| Addition 1 | 2005 | 97,553 |
| | | Total |
| | | 428,794 |

APPENDIX D

Project Budget Cost Summary

Buffalo-Hanover-Montrose Public Schools, ISD 877

Buffalo Hanover Montrose Public Schools, ISD 877
 Parkside Elementary School - Infrastructure Improvements
 HEI Project No. R11-1020.000

Overall Budget - HVAC Improvements
 Updated: August 22, 2012

| | <u>Alternative Bond</u> | <u>Capital Costs</u> | |
|---|---|--|--------------------|
| hydronic struct for piping | \$610,558 \$20,000 | | |
| ventilation struct for AHUs/RTUs | \$927,459 \$100,000 | | |
| fire protection revisions | \$60,450 | | |
| temperature controls | \$527,282 | | |
| new ceilings (ra plenums) patching/painting chiller install (exterior work) | \$202,332 \$50,000 \$250,000 | | |
| boiler plant swing season boiler | | \$25,000 | |
| electrical lighting (ra plenums) sub-service for chiller upgrade panels thru-out upgrade exterior transformer(serves chiller) | \$152,908 \$229,239 \$50,000 \$5,000 | \$50,000 | |
| abatement (by Owner) | \$100,000 | | |
| Owner requested items replace exhaust fans entry heating improvement replace water main misc plumbing insulate canopy canopy lighting bollard lighting | | \$40,000 \$30,000 \$20,000 \$20,000 \$10,000 \$7,500 \$5,000 | |
| Construction Total | <u>\$ 3,285,228</u> | <u>\$207,500</u> | |
| Construction total: | \$3,285,228 | \$207,500 | |
| contingency @ 3%: | \$98,557 | \$6,225 | |
| permits @ 2%: | \$65,705 | \$4,150 | |
| professional fees @ 7%: | \$229,966 | \$14,525 | |
| Project total: | <u>\$3,679,455</u> + | <u>\$232,400</u> = | \$3,911,855 |

APPENDIX E

Insurance Certificates

Buffalo-Hanover-Montrose Public Schools, ISD 877

| | | | | | | | | | | | | | | | |
|---|---|---------------------------------|---------------|--|-------------------------|---|--|------------|--|------------|--|------------|--|------------|--|
| ACORD | CERTIFICATE OF LIABILITY INSURANCE | DATE (MM/DD/YYYY) 06/28/2012 | | | | | | | | | | | | | |
| <p>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.</p> <p>IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).</p> | | | | | | | | | | | | | | | |
| PRODUCER H. Robert Anderson & Assocs., Inc. 8201 Norman Center Drive Suite 220 Bloomington, MN 55437 | CONTACT NAME: PHONE (A/C No, Ext): 952.893.1933 FAX (A/C, No): 952.893.1819 E-MAIL: ADDRESS: | | | | | | | | | | | | | | |
| INSURED Hallberg Engineering, Inc. 1750 Commerce Court White Bear Lake, MN 55110 | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:80%;">INSURER(S) AFFORDING COVERAGE</td> <td style="width:20%;">NAIC #</td> </tr> <tr> <td>INSURER A: Hartford Casualty Insurance Co.</td> <td></td> </tr> <tr> <td>INSURER B: XL Specialty Insurance Co.</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table> | INSURER(S) AFFORDING COVERAGE | NAIC # | INSURER A: Hartford Casualty Insurance Co. | | INSURER B: XL Specialty Insurance Co. | | INSURER C: | | INSURER D: | | INSURER E: | | INSURER F: | |
| INSURER(S) AFFORDING COVERAGE | NAIC # | | | | | | | | | | | | | | |
| INSURER A: Hartford Casualty Insurance Co. | | | | | | | | | | | | | | | |
| INSURER B: XL Specialty Insurance Co. | | | | | | | | | | | | | | | |
| INSURER C: | | | | | | | | | | | | | | | |
| INSURER D: | | | | | | | | | | | | | | | |
| INSURER E: | | | | | | | | | | | | | | | |
| INSURER F: | | | | | | | | | | | | | | | |
| COVERAGES CERTIFICATE NUMBER: 6/12-13 Updated PL REVISION NUMBER: | | | | | | | | | | | | | | | |
| <p>THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.</p> | | | | | | | | | | | | | | | |
| INSR LTR | TYPE OF INSURANCE | ADOL/INSR/ WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | | | | | | | | | |
| A | GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | | 41 SBA II2561 | 09/25/2011 | 09/25/2012 | EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPIOP AGG \$ 2,000,000 | | | | | | | | | |
| A | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS | | 41 SBA II2561 | 09/25/2011 | 09/25/2012 | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ | | | | | | | | | |
| A | <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$ | | 41 SBA II2561 | 09/25/2011 | 09/25/2012 | EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 | | | | | | | | | |
| A | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | N/A | 41 WEC R07634 | 04/25/2012 | 04/25/2013 | <input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000 | | | | | | | | | |
| B | Professional Liability | | DPR9699840 | 06/22/2012 | 06/22/2013 | Each Claim/ \$2,000,000 Annual Aggregate \$2,000,000 | | | | | | | | | |
| DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required) | | | | | | | | | | | | | | | |
| This certificate or memorandum of insurance does not affirmatively or negatively amend, extend, or alter the coverages afforded by the insurance policies. | | | | | | | | | | | | | | | |
| CERTIFICATE HOLDER | | | | CANCELLATION | | | | | | | | | | | |
| BEING ISSUED FOR INFORMATIONAL PURPOSES ONLY. | | | | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. | | | | | | | | | | | |
| | | | | AUTHORIZED REPRESENTATIVE  | | | | | | | | | | | |

ACORD 25 (2010/05)

The ACORD name and logo are registered marks of ACORD

© 1988-2010 ACORD CORPORATION. All rights reserved.

APPENDIX F

Financial Data and Tax Impact Projections

PRELIMINARY - FOR DISCUSSION ONLY

Buffalo-Hanover-Motrose School District No. 877

Capitalization of Potential Alternative Facilities Bonds
August 22, 2012

| | |
|---|--|
| Bond Issue Amount | \$3,760,000 Wrap Around |
| Sources of Funds | |
| Par Amount of Bonds | \$3,760,000 |
| Estimated Investment Earnings | 0 |
| Total Sources | \$3,760,000 |
| Uses of Funds | |
| Allowance for Discount Bidding | \$41,360 |
| Capitalized Interest** | 0 |
| Legal and Fiscal Costs# | 35,910 |
| Net Available for Deposit to Trust | 3,682,730 |
| Total Uses | \$3,760,000 |

Includes fees for financial advisor, bond counsel, rating agency, paying agent and county certificates.

PRELIMINARY INFORMATION - FOR DISCUSSION ONLY

Buffalo-Hanover-Montrose School District No. 877

Analysis of Possible Structure for Capital and Debt Levies

**\$3,760,000 Alternative Facilities Bonds
Issued February 2012
11 Year Repayment**

| | |
|---------------------|-------------|
| Principal Amount: | \$3,760,000 |
| Dated Date: | 2/1/2013 |
| Avg. Interest Rate: | 3.00% |

August 22, 2012

355,480

| Levy Pay. Year | Fiscal Year | Tax Capacity Value* (\$000s) | Tax Rate | Existing Commitments | | | | | Proposed New Debt | | | Combined Totals | | | | |
|----------------|-------------|------------------------------|----------|----------------------|----------------|----------------|-------------|----------|-------------------|-----------|---------------------|---------------------|----------------|----------------|-------------|----------|
| | | | | Initial Debt Levy** | State Debt Aid | OPEB Bond Levy | Net Levy | Tax Rate | Principal | Interest | Initial Debt Levy** | Initial Debt Levy** | State Debt Aid | OPEB Bond Levy | Net Levy | Tax Rate |
| 2010 | 2011 | 32,763 | -5.2% | 6,562,540 | - | 838,713 | 7,401,253 | 22.59 | - | - | - | 6,562,540 | - | 838,713 | 7,401,253 | 22.59 |
| 2011 | 2012 | 30,211 | -7.8% | 7,044,203 | - | 518,687 | 7,562,890 | 25.03 | - | - | - | 7,044,203 | - | 518,687 | 7,562,890 | 25.03 |
| 2012 | 2013 | 27,683 | -8.4% | 7,016,365 | - | 518,687 | 7,535,052 | 27.22 | - | - | - | 7,016,365 | - | 518,687 | 7,535,052 | 27.22 |
| 2013 | 2014 | 27,683 | 0.0% | 6,484,695 | - | 518,687 | 7,003,382 | 25.30 | 55,000 | 112,800 | 176,190 | 6,660,885 | - | 518,687 | 7,179,572 | 25.94 |
| 2014 | 2015 | 27,683 | 0.0% | 6,474,615 | - | 518,687 | 6,993,302 | 25.26 | 70,000 | 111,150 | 190,208 | 6,664,823 | - | 518,687 | 7,183,509 | 25.95 |
| 2015 | 2016 | 27,683 | 0.0% | 6,451,673 | - | 518,687 | 6,970,359 | 25.18 | 90,000 | 109,050 | 209,003 | 6,660,675 | - | 518,687 | 7,179,362 | 25.93 |
| 2016 | 2017 | 27,683 | 0.0% | 5,536,650 | - | 1,290,437 | 6,827,087 | 24.66 | 230,000 | 106,350 | 353,168 | 5,889,818 | - | 1,290,437 | 7,180,254 | 25.94 |
| 2017 | 2018 | 27,683 | 0.0% | 5,546,520 | - | 1,290,681 | 6,837,201 | 24.70 | 230,000 | 99,450 | 345,923 | 5,892,443 | - | 1,290,681 | 7,183,124 | 25.95 |
| 2018 | 2019 | 27,683 | 0.0% | 4,691,951 | - | 2,207,195 | 6,899,146 | 24.92 | 175,000 | 92,550 | 280,928 | 4,972,879 | - | 2,207,195 | 7,180,073 | 25.94 |
| 2019 | 2020 | 27,683 | 0.0% | 4,680,401 | - | 2,224,541 | 6,904,942 | 24.94 | 175,000 | 87,300 | 275,415 | 4,955,816 | - | 2,224,541 | 7,180,357 | 25.94 |
| 2020 | 2021 | 27,683 | 0.0% | 4,675,427 | - | 2,240,207 | 6,915,633 | 24.98 | 170,000 | 82,050 | 264,653 | 4,940,079 | - | 2,240,207 | 7,180,286 | 25.94 |
| 2021 | 2022 | 27,683 | 0.0% | 4,667,860 | - | 2,258,912 | 6,926,773 | 25.02 | 165,000 | 76,950 | 254,048 | 4,921,908 | - | 2,258,912 | 7,180,820 | 25.94 |
| 2022 | 2023 | 27,683 | 0.0% | 4,747,470 | - | 2,186,378 | 6,933,848 | 25.05 | 165,000 | 72,000 | 248,850 | 4,996,320 | - | 2,186,378 | 7,182,698 | 25.95 |
| 2023 | 2024 | 27,683 | 0.0% | 4,755,660 | - | - | 4,755,660 | 17.18 | 2,235,000 | 67,050 | 2,417,153 | 7,172,813 | - | - | 7,172,813 | 25.91 |
| 2024 | 2025 | 27,683 | 0.0% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2025 | 2026 | 27,683 | 0.0% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2026 | 2027 | 27,683 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2027 | 2028 | 27,683 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2028 | 2029 | 27,683 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2029 | 2030 | 27,683 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2030 | 2031 | 27,683 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2031 | 2032 | 27,683 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2032 | 2033 | 27,683 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2033 | 2034 | 27,683 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2034 | 2035 | 27,683 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Totals | | | | 93,045,477 | - | | 110,175,974 | | 3,760,000 | 1,016,700 | 5,015,535 | 98,061,012 | - | | 115,191,509 | |

* Tax capacity estimates are based on estimated percentage increases shown above.

** 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.

Buffalo-Hanover-Montrose School District No. 877

Analysis of Tax Impact for Potential Bond Issue

August 22, 2012

| | |
|--|--------------------|
| Bond Issue Amount | \$3,760,000 |
| Number of Years | 11 |
| Est. Tax Capacity Rate | |
| Payable 2013 - Without Proposed Bonds | 25.30% |
| Payable 2013 - With Proposed Bonds | 25.94% |
| Estimated Tax Capacity Rate Payable in 2013 | 0.64% |

| Type of Property | Taxable Market Value | Estimated Taxes Payable 2013 for Debt Service Only* |
|---|-----------------------------|--|
| Residential Homestead | \$100,000 | \$5 |
| | 125,000 | 6 |
| | 150,000 | 8 |
| | 175,000 | 10 |
| | 200,000 | 12 |
| | 225,000 | 13 |
| | 250,000 | 15 |
| | 275,000 | 17 |
| | 300,000 | 19 |
| | 400,000 | 26 |
| Commercial/Industrial | 500,000 | 32 |
| | \$100,000 | \$10 |
| | 250,000 | 27 |
| | 500,000 | 59 |
| | 750,000 | 91 |
| 1,000,000 | 123 | |
| Agricultural Homestead ** | \$300,000 | \$13 |
| | 500,000 | 19 |
| | 600,000 | 22 |
| | 800,000 | 29 |
| 1,000,000 | 35 | |
| Agricultural Non-Homestead (dollars per acre) | \$2,500 | \$0.16 |
| | 3,000 | 0.19 |
| | 3,500 | 0.22 |
| | 4,000 | 0.26 |
| | 4,500 | 0.29 |

* The figures in the table are based on school district taxes for bonded debt only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax 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 agricultural homestead property, a value of \$150,000 was assumed for the house, garage and one acre.