



Independent School Dist. No. 857
100 County Road 25
Lewiston, MN 55952
(507) 523-2191

Gwen Carman, Superintendent
Cory Hanson, High School Principal • Dave Riebel, Elementary / Intermediate Principal

Educating A Caring, Adaptable, Respectful, Determined, Successful Community of Learners

June 24, 2024

Commissioner Willie Jett
Minnesota Department of Education
1500 West Highway 36
Roseville, MN 55113-4266

RE: ISD #857 Review & Comment Submittal

Dear Commissioner Jett:

I'm writing on behalf of Lewiston-Altura Public Schools to officially submit the necessary documents as required by the Minnesota Department of Education (MDE) for facility projects with costs in excess of \$500,000 per site. The Lewiston-Altura Board of Education unanimously approved the submission of this Review and Comment at their regular board meeting on Monday, June 10, 2024.

Since the spring of 2021 the district has explored options to balance the budget, improve operating efficiencies, and address school facility needs. District needs were identified from a comprehensive facility assessment developed by industry experts in their respective fields and prioritized by our administration and board. The district also held community engagement sessions and met with a facility task Force made up of parents, staff, and community members to gather ideas and feedback on how best to address these needs.

Through this process the district developed a plan for an operating and bond election that would address operational budget shortcomings, improve school safety, security, and accessibility, replace aging and failing building systems, renovate spaces and finishes that are more than 40 years old and update and expand classrooms to meet state guidelines.

On November 7, 2023, the district proposed a three-question ballot to voters: question one proposed to increase the operating levy from \$52 per pupil unit to \$760 per pupil unit; question two proposed \$26M to address high-priority building and security needs at both the elementary and high school and question three proposed \$12.6M for an auditorium and replacement gymnasium. The proposed projects were part of an overall strategic planning process for our district which included a unanimous board decision on November 14, 2022, to close the Altura Intermediate School effective fiscal year 2024. Unfortunately, all three questions were unsuccessful. Question one and two failed by slim margins, 12 votes and 8 percentage points respectively, while question three failed by 20 percentage points.

In January 2024, while identifying over \$750K in budget cuts, the Lewiston-Altura School District conducted a post-election survey to gather feedback on the unsuccessful operating levy and bond referendum proposed on November 7, 2023.

Based on the data received, the community indicated that the district should consider re-running an election with an operating levy at \$760 per pupil unit and a bond referendum under \$20M, \$19.2M less than what was proposed in 2023. Those who voted no cited the economy, cost, and "unnecessary big-ticket items" such as an auditorium and bus garage as reasons for their lack of support. Considering this information, the district in March, reconvened with a community task force and conducted additional engagement meetings to revise a plan for a two-question ballot on November 5, 2024:

Question One, will propose to renew the district's current referendum revenue authorization of \$52 per pupil unit and increase revenue by \$708 for a total referendum amount of \$760 per pupil unit. This authorization would be applicable for ten years and include an inflation factor.

Question Two, totaling \$19,950,000 including bonding costs, will propose classroom upgrades, HVAC, and safety and security improvements as explained within this document.

The *MDE Guide for Planning School Construction Projects in Minnesota* was used as a measure for both evaluating deficiencies and developing project options. The enclosed provides details of the proposed project and addresses requirements outlined in the Minnesota Department of Education Review and Comments Checklist.

Please contact me directly at 507-523-2191 or gcarman@lewalt.k12.mn.us, if you require additional information or have further questions. Our project consultants listed on the following page may be contacted as well. We anticipate approving proposed ballot questions at our July 8 board meeting and will submit those board-approved questions to you at that time, prior to the August 13 deadline. Thank you.

Sincerely,



Gwen Carman
Superintendent of Schools

INTRODUCTION

In accordance with Minnesota Statute 123B.71, the School Board of ISD #857 submits the following information to the Commissioner of Education for Review and Comment. The information is organized in the outline format as shown in the Department of Education’s “Review and Comment Checklist”.

Basic Information:

Address: **Independent School District #857**
Lewiston-Altura Public School District
100 County Road 25
Lewiston, MN 55952
Contact: Ms. Gwen Carman, Superintendent of Schools
gcarman@lewalt.k12.mn.us
Phone: 507-523-2191

School Board: Ms. Brein Maki - Chair
Ms. Sarah Sommer - Vice-Chair
Mr. David Baer - Treasurer
Mr. Dave Pringle - Board Clerk
Mr. Jenny Koverman - Board Director
Mr. Sara Daley - Board Director
Mr. Daniel Kreidermacher - Board Director

Financing: Question 2: **\$19,950,000** 20-year Building Bonds

Fiscal Consultant: **Ehlers & Associates Inc.**
3060 Centre Pointe Dr.
Roseville, MN 55113-1105
Contact: Shelby McQuay
SMcQuay@ehlers-inc.com
Phone: (651) 697-8548

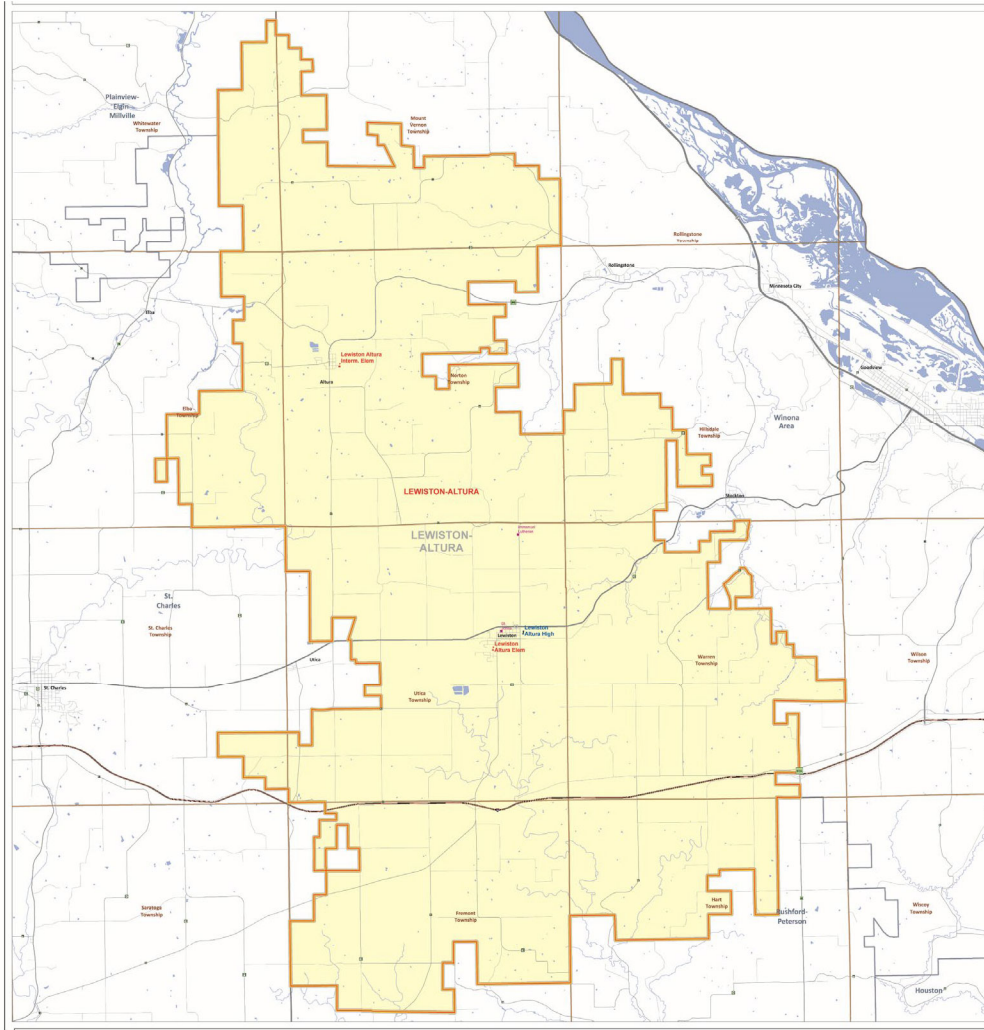
Project Consultant: **InGensa, Inc.**
18215 45th Ave. N, Suite C
Plymouth, MN 55446
Contact: Jacqui Coleman
jcoleman@ingensainc.com
Phone: (952) 237-3708

1) GEOGRAPHIC AREA AND ENROLLMENT PROJECTIONS

The Geographic area and population to be served:

- a. *Grade-specific preschool through grade 12 student enrollments for the past five years, and*
- b. *Student enrollment projections for the next five years.*

Lewiston-Altura ISD #857 serves the towns of Lewiston, Altura, Utica, Stockton, and Rollingstone. The following map shows the geographic region of District #857.



Lewiston-Altura Public Schools is currently a 2-building school district. Due to declining enrollment and increased operating costs, the school board, in a unanimous decision, voted to close the Altura Intermediate School effective with the district's 2024 fiscal year. The district is projecting 533 K-12 students for fiscal year 2025, down from 559 in fiscal year 2024. Enrollment has been declining over the past 5 years, however, is expected to level off by fiscal year 2030. This is reflective of the decrease in birth rates in Lewiston, Altura, and surrounding communities. In 2023, the birth-to-4-year-olds census reported 201 children, down 93 children from 1994 when 294 children were reported. Unfortunately, Lewiston-Altura Public Schools are not alone in experiencing this loss as 65 percent of MN Public Schools had declining enrollment in 2022 compared to 2019.

The district also serves as a feeder school starting at ninth grade to two parochial schools: St. John's Lutheran and Immanuel Lutheran (Silo). The following chart shows past, current and projected enrollment for the district:

ISD 857 K-12 ENROLLMENT																	
SCHOOL YEAR																	
GRADES	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30
K	54	54	43	44	35	40	38	28	36	39	32	36	36	36	37	36	37
1	46	57	51	43	42	34	41	41	30	36	38	32	36	36	36	37	36
2	60	44	54	54	43	41	34	41	41	30	36	38	32	36	36	36	37
3	44	58	44	58	54	46	44	35	35	39	26	36	38	32	36	36	36
4	66	44	58	48	58	51	49	42	35	34	35	26	36	38	32	36	36
5	41	68	44	57	50	58	52	49	39	38	37	35	26	36	38	32	36
6	54	41	68	49	59	49	61	51	48	38	37	37	35	26	36	38	32
7	59	55	45	69	48	60	51	69	54	52	36	37	37	35	26	36	38
8	55	59	55	48	67	48	64	55	60	56	51	36	37	37	35	26	36
9	58	58	76	63	65	83	58	77	62	61	58	51	36	37	37	35	26
10	75	61	63	78	63	62	85	61	73	63	53	58	51	36	37	37	35
11	45	76	63	58	74	68	55	88	57	72	58	53	58	51	36	37	37
12	72	44	74	60	62	69	61	57	86	60	62	58	53	58	51	36	37
K-5 Total	311	325	294	304	282	270	258	236	216	216	204	203	204	214	215	213	218
K-6 Total	365	366	362	353	341	319	319	287	264	254	241	240	239	240	251	251	250
6-12 Total	418	394	444	425	438	439	435	458	440	402	355	330	307	280	258	245	241
7-12 Total	364	353	376	376	379	390	374	407	392	364	318	293	272	254	222	207	209
K-12 Total	729	719	738	729	720	709	693	694	656	618	559	533	511	494	473	458	459

2) **EXISTING FACILITY BY YEAR**

Lewiston-Altura Elementary: 115 Fremont Street South, Lewiston, MN 55952

Site Size: 11.55 acres

Year Built:

- 1974 original construction: 40,100 sq. ft.
- 1997 classroom addition: 5,100 sq. ft.
- 2010 early childhood addition: 5,600 sq. ft.
50,800 sq. ft.

Uses: Grades: Pre-K through 5

- 5th Grade will be moved to the elementary for the 2023/2024 school year
- Cardinal Club Pre-K (3-5 year) Early Childhood programming, including ECFE and ECSE
- All day every day Kindergarten
- Before and after school care
- Student tutoring, Credit Recovery
- Gym: Physical education; school and community sports
- Numerous after school activities; Community meetings
- Community Education; Youth Sports and Summer Recreation

Lewiston-Altura High School: 100 County Road 25, Lewiston, MN 55952

Site Size: 39.9 acres

Year Built:

- 1965 original construction: 69,786 sq. ft.
- 1997 classroom/gym addition: 20,500 sq. ft.
90,286 sq. ft.

Uses: Grades: 6 through 12

- 6th Grade will be moved to the high school for the 2023/2024 school year
- Student tutoring, Credit Recovery
- College in the Schools
- Gym: Physical education; school and community sports
- Numerous after school activities; Community meetings; School Board Meetings
- District Office- Administration, HR, Business office
- Community Education
- Youth Sports and Summer Recreation

Lewiston-Altura Bus Garage: 115 Fremont Street South, Lewiston, MN 55952

Site Size: Located on Elementary site

Year Built:

- 1979 original construction: 2,400 sq. ft.
2,400 sq. ft.

Uses:

- Bus maintenance

At this time, no suitable alternative facilities are available within the district or in adjacent districts.

3) **SPECIFIC FACILITIES DEFICIENCIES & BENEFITS**

A list of the Specific deficiencies of the facility:

- a. *Demonstrating the need for new or renovated facility to be provided,*
- b. *The process used to determine the deficiencies,*
- c. *A list of those deficiencies that will and will not be addressed by proposed projects,*
- d. *A list of specific benefits that the new or renovated facility will provide to students, teachers, and the community users served by the facility*

THE PROCESS AND NEED

The Lewiston-Altura School district has been experiencing budget challenges impacted by declining enrollment and aging facilities. The district is projecting 533 PreK-12 students for FY25. Total enrollment is projected to decline to 459 students over the next 5 years, however expected to stabilize by FY30. The district's operating levy of \$52 per pupil unit also expires in FY26.

At the start of the planning process in 2021, the board and administration investigated potential opportunities to alleviate budget challenges including consolidating buildings to reduce operational costs, increasing class sizes, eliminating low participation activities, offering fewer electives at the high school, and reducing support staff and administration full-time employees.

Recognizing the need to uncover all factors impacting the district's general fund budget, the Lewiston-Altura School Board started a strategic and comprehensive planning process to both identify needs and better understand how to "right-size" the district for the future. During this process the administration and board analyzed the educational adequacy of existing spaces, the current physical conditions of district facilities and past and future student population. Administrators, students, teachers and staff were surveyed and asked about their current spaces.

The district also worked with its financial advisors, Ehlers Inc., to analyze the district's operating needs and conducted a community strategic planning survey to solicit feedback on district operations from all district stakeholders. The strategic planning results indicated support for continued facility planning and consolidation of buildings. On November 14, 2022, the Board in a unanimous decision voted to close the Altura Intermediate School which was effective in FY24. This closure resulted in approximately \$255,000 in operational savings for the district.

The facility planning process also involved engaging all district stakeholders through four engagement meetings and a community scientific survey, to prioritize improvements and determine the best plan for the district.

The planning process included:

- conducting a facilities infrastructure and educational adequacy assessment conducted by professional firms with expertise in education and educational infrastructure (Firms include: ISG Architects, Hallberg Engineering, InSpec, and Larson Engineering)
- obtaining input from students, staff, administration and the community through facilitated small-group and public engagement meetings;
- working with the board and administration to review all deficiencies;
- engaging community through community engagement meetings to review facility and educational deficiencies and potential solutions;
- working with a community task force to review identified needs and proposed solutions;
- a scientific survey soliciting community feedback on proposed solutions.

The buildings were well constructed and in overall good shape. The district has maintained the buildings the best it can with funds available, including significant HVAC work in much of the elementary and high school; roofing the majority of the elementary and upgrading many areas to LED lighting. The average square footage of both the elementary and high school is over forty years of age, there are many infrastructure systems that are original and at the end of design life and need attention to ensure the building can be functional for many decades to come. The district does not have funding to address these larger remaining facility needs.

Given both the subjective and objective data collected during the process, the administration and school board

1. prioritized deficiencies;
2. evaluated options that included differing levels of investment;
3. conducted and reviewed the results of a scientific survey, which tested potential options with the community.

After considering input from the scientific survey and stakeholder groups throughout the process, on June 12, 2023, the Lewiston-Altura Board of Education voted unanimously to authorize the administration of the district to submit a Review and Comment to the Minnesota Department of Education outlining the required information for a plan to ask two questions to address deferred maintenance, safety and security, and educational spaces needs.

Unfortunately, this vote was unsuccessful. Question 1 (operating levy) failed by 8 votes, Question 2 (bond: highest priority facilities needs, including mechanical, HVAC, plumbing and electrical infrastructure improvements, safety and security upgrades, and improvements to existing classrooms) failed by 8 percentage points, and Question 3 (bond: performing arts space and replacement gym) failed by 20 percentage points.

In January 2024, the district proactively conducted a post-election survey to gain community feedback on why the election was unsuccessful as well as re-engaged a stakeholder task force to assist the district in determining next steps. Based on the data received, the community indicated that the district should consider re-running the election with an operating levy at \$760 per pupil unit and a bond referendum under \$20M, \$19.2M less than what was proposed in November 2023. Considering this information, the district in March, reconvened with a community task force and conducted additional community engagement meetings to revise a plan for a two-question ballot on November 5, 2024, with a bond that focuses only on the highest prioritized building needs.

DEFICIENCY LIST

The comprehensive facilities assessment analyzed both the district's building **Infrastructure**, looking at the physical condition of the existing structure and **Educational Adequacy**, which assesses how conducive spaces are for teaching and learning today as well as in the future. The following outlines identified both infrastructure and educational deficiencies from both categories:

ELEMENTARY INFRASTRUCTURE NEEDS:

Overall, the elementary is in good shape, the district has made investments in its upkeep. It received a mechanical retrofit in 2017 that included new HVAC, boiler plant, and lighting systems in the 1975 section. Those systems still have many years of life remaining. The following is a list of identified deficiencies:

Needs Being Addressed in the Proposed Project:

- Galvanized domestic piping needs to be replaced to address lead in water levels above new limits.
- Deteriorated mortar and joint sealants as well as wing walls in the back of the building have pulled away from the main building allowing moisture to enter exterior wall assembly.
- Windows have broken seals, are problematic, and beyond designed service life.
- The pavement at the back of the building is in poor condition and is pulling away from the building.
- There are areas of concrete that need to be replaced as well as some drainage issues at the north end of the building.
- The playground is at the end of its designed service life and ready for replacement.
- Some internal doors and frames are in poor condition and require replacement.
- Hardware throughout the building needs upgrading.
- Gym basketball hoops and floor need replacement.

Needs Not Being Addressed at this Time:

- Lighting upgrades in the 1997 and 2010 additions.
- Low priority roofing replacements.
- Hard surface playground area reconstruction.
- **Electrical panelboards that have been identified as being past their designed service life.**

Items in **BLUE** were removed from the November 2023 referendum project to get under the \$20M support threshold indicated in the post-election survey

ELEMENTARY EDUCATIONAL ADEQUACY NEEDS:

The Educational Adequacy report identified a number of deficient areas and issues based on the Minnesota Department of Education Guidelines.

Needs Being Addressed in the Proposed Project:

- Visitors enter directly into the school without needing to physically check-in to the office prior to entering the school.
- Casework in the classrooms was identified as a high priority for upgrading as well as extending corridor walls all the way to the roof deck to keep sound from transferring through the building.
- Kindergarten classrooms are undersized.
- Main office area and nurse's area are undersized and lack storage space.
- The staff workroom is undersized and lacks workspace.
- There is no family restroom in the building.
- There are no break-out or flexible learning spaces in the building, limiting group work and one-on-one instruction.
- Student group restrooms are undersized and do not meet ADA requirements.
- The bus and parent drop-off area is congested and a major safety concern. Buses and student traffic are commingled.

Needs Not Being Addressed at this Time:

- Additional Cardinal Club Storage.
- New flexible furniture throughout the building.
- The general music room is slightly undersized and has low ceilings resulting in acoustic issues. There is a lack of instrument storage.

HIGH SCHOOL INFRASTRUCTURE NEEDS:

The High School has received upgrades in recent years, mostly to the heating plant and HVAC upgrades to the majority of the building. The superstructure is sound but there are a number of improvements required to protect the building and keep it in good shape for many years to come. The following is a list of identified deficiencies:

Needs Being Addressed in the Proposed Project:

- Galvanized domestic piping needs to be replaced.
- 1965 windows are original to construction, have broken seals and are in need of replacement.
- B-Gym, C-Gym, weight room, and shop ventilation systems need upgrading to meet code. All other areas have been upgraded. The B-Gym (main gym) floor is original and needs replacement.
- The kitchen exhaust fan does not have enough capacity to properly exhaust the space.
- Valves serving terminal units that were installed in 2010 have been failing and remaining valves need replacement.
- Most exterior doors are in poor condition and require replacement.
- Brick, mortar and joint sealant are generally in acceptable condition except for the B-Gym walls.
- Roofing on the majority of the 1965 academic wing, 1996 addition, locker rooms, cafeteria and kitchen needs replacement.
- The fire alarm system, which is original to the 1996 addition, is obsolete and needs replacement.
- Many internal doors and frames are in poor condition and require replacement; hardware throughout the building needs upgrading.

The original wood bleachers in the C-Gym are past service life and need to be replaced.

- 1965 science and art classrooms casework including sinks are worn and in poor condition; 1965 locker rooms are outdated and in poor condition; general classroom casework is also original to construction and in poor condition.

Needs Not Being Addressed at this Time:

- Baseball field lighting.
- The PA/Intercom system is original to the 1996 addition and is past service life.
- New furniture throughout the facility.
- [Electrical panelboards that are original to the 1965 construction are past design service life.](#)
- [Recommissioning of the 2010 airside and waterside equipment](#)
- Lighting upgrades in the gyms.
- Various seating and trail/sidewalk upgrades for the softball/baseball fields and field events.

Items in **BLUE** were removed from the November 2023 referendum project to get under the \$20M support threshold indicated in the post-election survey.

HIGH SCHOOL EDUCATIONAL ADEQUACY NEEDS:

The Educational Adequacy report identified a number of deficient areas and issues based on the Minnesota Department of Education Guidelines.

Needs Being Addressed in the Proposed Project:

- Visitors enter directly into the school without needing to physically check-in to the office prior to entering the school.
- Main office area and nurse's area are undersized and lack storage space.
- The office is not integrated into the main entrance, this is not optimal for security and visitor management.
- 1965 Locker Rooms are outdated and in poor condition; The Weight Room is undersized.
- The building does not have a private family restroom near the B-Gym, which is an assembly area.
- There is no maintenance office, receiving area, and the building does not have adequate general storage.
- Casework in the classrooms was identified as a high priority for replacement.
- The staff workroom is undersized and lacks workspace, the restrooms do not meet ADA requirements.
- The 1965 Science and Art Classrooms are undersized and outdated.
- The bus and parent drop-off area is congested and a safety concern.
- The building does not have a flexible space that can be used for wrestling, dance, or community use.
 - *This item was originally addressed with a new addition to the High School in the November 2023 Referendum; existing space within the High School is currently being proposed to address this need.*
- The CTE area lacks storage space and a flexible area to be used as an innovation lab.
 - *The November 2023 Referendum included an addition to add additional storage and an area for an automotive area with a lift, this addition was removed with the current proposal. The existing space will be renovated to make some increases to storage and improve shop and classroom layouts.*

Needs Not Being Addressed at this Time:

- Enlarging existing general classrooms to make them closer to guidelines.
- The cafeteria is slightly undersized.
- *The Band Room is undersized, and Choir is in a space that is not designed for music use.*
- *The Media Center has unused space that could be renovated into small group or student breakout space.*
- *The building does not have a receiving area or a maintenance office.*
- *General storage in the building does not meet standards.*
- Group Restrooms are overall in good condition, but most do not meet ADA requirements.

Bus Garage Needs:

The Infrastructure and Educational Adequacy report identified a number of deficient areas and issues.

Needs Not Being Addressed in the Proposed Project:

- *The current bus garage has only two stalls and is primarily used for maintenance.*
- *It is well undersized and cannot store the district's buses.*
- *Buses are parked outside unsecure, so they fade quickly, freeze up in extreme cold weather conditions, and are vulnerable to vandalism.*

Items in **BLUE** were removed from the November 2023 referendum project to get under the \$20M support threshold indicated in the post-election survey.

4) DESCRIPTION OF THE PROJECT:

- a. Specifications of site and outdoor space acreage,
- b. Square footage allocations for classrooms, laboratories and support spaces,
- c. Estimated expenditures for major portions of the project,
- d. Estimated changed in facility operating costs
- e. Dates the project will begin and be completed

Question #2 of the district’s proposed project will ask for funding to address the identified infrastructure/deferred maintenance and educational adequacy needs listed in Section #3. At the elementary, improvements include upgrades to plumbing; tuckpointing; windows replacements, door and hardware upgrades, gym equipment and flooring upgrades, site improvements; new playground equipment; remodeled office space, a small addition to create a secured entry, remodel existing space into a family restroom; classroom casework and wall upgrades to address sound issues, remodeling of existing space to create larger kindergarten classrooms; remodeling of group restrooms to increases capacity and meet ADA requirements; and a new bus and parent drop-off area.

At the High School improvements include upgrades to door and hardware; fire alarm system replacement; galvanized plumbing replacements; tuckpointing; roofing replacements; windows replacements; classroom casework replacements; main gym flooring replacement; new C-Gym bleachers; site improvements; an addition to create a secured entry and provide adequate office space; repurpose existing space into a flexible student space for wrestling/dance/community use; renovations to update the science and art classrooms; renovations to update the locker rooms; CTE area remodeling for better utilization;; and a new bus drop-off area. After evaluation and consideration of operational needs and budget pressures over the last number of years, the district will be asking for an increase in the district’s operating levy.

Question #1 on the ballot will seek \$760 per pupil unit with inflationary factor over the next 10 years. The following is a summary of the **estimated operational cost changes** for both questions for the elementary and high school:

Utilities:

Overall existing annual utility costs for the district are expected to decrease slightly due to the replacement of older less efficient HVAC equipment. Updated and more efficient systems will outweigh the small increase in utilities contributed to the additional square footage. Estimated annual utility costs for each question are outlined in the table below. Electrical, natural gas, and water/sewer are included in the costs.

Supplies:

Overall, supplies are not expected to increase in a meaningful way as the result of the minor additional square footage. The table below shows the estimates for each question.

Repair Cost Avoidance:

The district has spent an average of \$341,000 annually over the years 2020 through 2023 on facility repairs and infrastructure replacements. By making the investments proposed in Question #2 the district will save approximately \$48,945 annually.

Personnel Efficiencies:

No savings are expected from any personnel efficiencies for the proposed projects. No staffing reductions are planned as part of any proposed work.

ESTIMATED OPERATIONAL IMPACTS								
Question	New Sq. Ft.	Additional Utility Costs	Maint. Supply Costs	Repair Avoidance	Personnel Costs	Utility Savings (Energy Efficiency Improvements)	Total Estimated Cost Savings	Notes
Question #2	2,350	\$ (1,607)	\$ (470)	\$ 48,945	\$ -	\$ 1,931	\$ 48,799	

PROJECT TIMELINE

We anticipate the following timeline of key events for the project, it is anticipated that there will be numerous bidding and/or quoting packages to execute the projects:

<u>Major Milestone</u>	<u>Date</u>
Referendum	November 5, 2024
Commence Design	November 2024
Bid & Award Phase	Spring 2024 - Fall 2025
Construction Phase	Summer 2025 - Fall 2026
Complete Construction	Fall 2026

ESTIMATED EXPENDITURES

The following provides a description of the major components of the project with estimated expenditures:

Question #2	
Elementary	
Additions	\$ 233,231
Renovations	\$ 1,887,055
Deferred Maintenance	\$ 1,531,058
Site Work	\$ 738,416
Technology/FF&E	\$ 184,484
Contingency & Escalation	\$ 207,393
Project Soft Costs	\$ 613,472
Total:	\$ 5,395,109
High School	
Additions	\$ 672,805
Renovations	\$ 4,704,236
Deferred Maintenance	\$ 6,297,661
Site Work	\$ 338,710
Technology/FF&E	\$ 80,100
Contingency & Escalation	\$ 548,310
Project Soft Costs	\$ 1,621,913
Total:	\$ 14,263,735
Other Costs	
Capitalized Interest	\$ -
Bond Issuance	\$ 437,500.00
Total Other Costs:	\$ 437,500.00

The following is a summary of proposed new and remodeled spaces and corresponding square footage. New square footage was significantly reduced from the November 2023 referendum while remodeled areas were slightly increased. Overall, a multipurpose addition, music addition, CTE addition, storage/receiving/maintenance addition, and a new bus garage were removed to lower the overall proposed referendum amount.

See Appendix A for concepts of additions and renovations at the Elementary and High School.

Question #2 - HIGH SCHOOL & ELEMENTARY IMPACTED AREAS - DRAFT				
Space	# of Spaces	Sq. Ft. (Gross)	Gross Sq. Ft. Total	Notes
Additions/New Sq. Ft.				
<u>High School</u>				
Secured Entry/Office Addition	1	1,750	1750	
HS New Square Footage Subtotal:			1750	
<u>Elementary</u>				
Small Addition to Support Secured Entry	1	600	600	
New Square Footage Subtotal:			600	
Renovations				
<u>Elementary</u>				
Remodel Lobby to Support Secured Entry	1	300	300	
Remodel Office to Support Secured Entry	1	2,100	2100	
Kindergarten Classrooms - Enlarge	2	1,400	2800	
Create Family Restroom	1	120	120	
Enlarge Group Restrooms	2	650	1300	
Elementary Square Footage Subtotal:			6620	
<u>High School</u>				
Office Remodel	1	1,800	1800	
Science & Art Classroom Remodel	1	5,500	5500	
Locker Room Renovation	1	4,650	4650	
Remodel Space for Student Flex/Wrestling	1	1,600	1600	
Remodel CTE Shops & Classrooms	1	6,800	6800	
HS Revovation Square Footage Subtotal:			20350	

5) SPECIFICATION OF THE SOURCE OF PROJECT FINANCING

- a. *Applicable statutory citations,*
- b. *The scheduled date for a bond issue or school board action*
- c. *A schedule of payments, including debt service equalization aid, and*
- d. *The effect of a bond issue on local property taxes by property class and valuation*

MS 123B.71 subd. 9 (5) specification of the source of financing the project, including applicable statutory citations; the scheduled date for a bond issue or school board action; a schedule of payments, including debt service equalization aid; and the effect of a bond issue on local property taxes by the property class and valuation; and...

Lewiston-Altura School District ISD #857 proposes to obtain financing from the sale of General Obligation bonds, pursuant to Minnesota Statutes Chapter 475. The School District will seek voter approval of one building bond ballot question on Tuesday, November 5, 2024. If approved, the bond question would authorize the total possible issuance of \$19,950,000. The difference between the amount requested to be authorized by the voters (plus estimated interest earnings in the construction fund) and estimated underwriter's discount and costs of issuing this debt (legal and fiscal costs) equals \$19,658,844, the amount the District expects to need for construction projects.

Ehlers has prepared the following schedules which have been included in the **Appendix B** of this document:

- 1) Estimated sources and uses of funds for the proposed bond issue
- 2) Estimated debt payment structure for the anticipated bond issue and estimated annual debt service property tax levies (the district is not expected to receive state debt equalization aid) with the 105% levy requirement
- 3) An analysis of the estimated tax impact on various values of residential, commercial and agricultural properties for the proposed bond issue

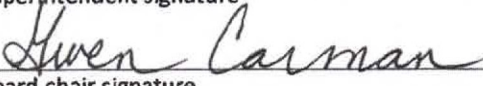

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Attachment 1
Review and Comment
Section #6 Documentation
(as amended by the 2014 Legislature)

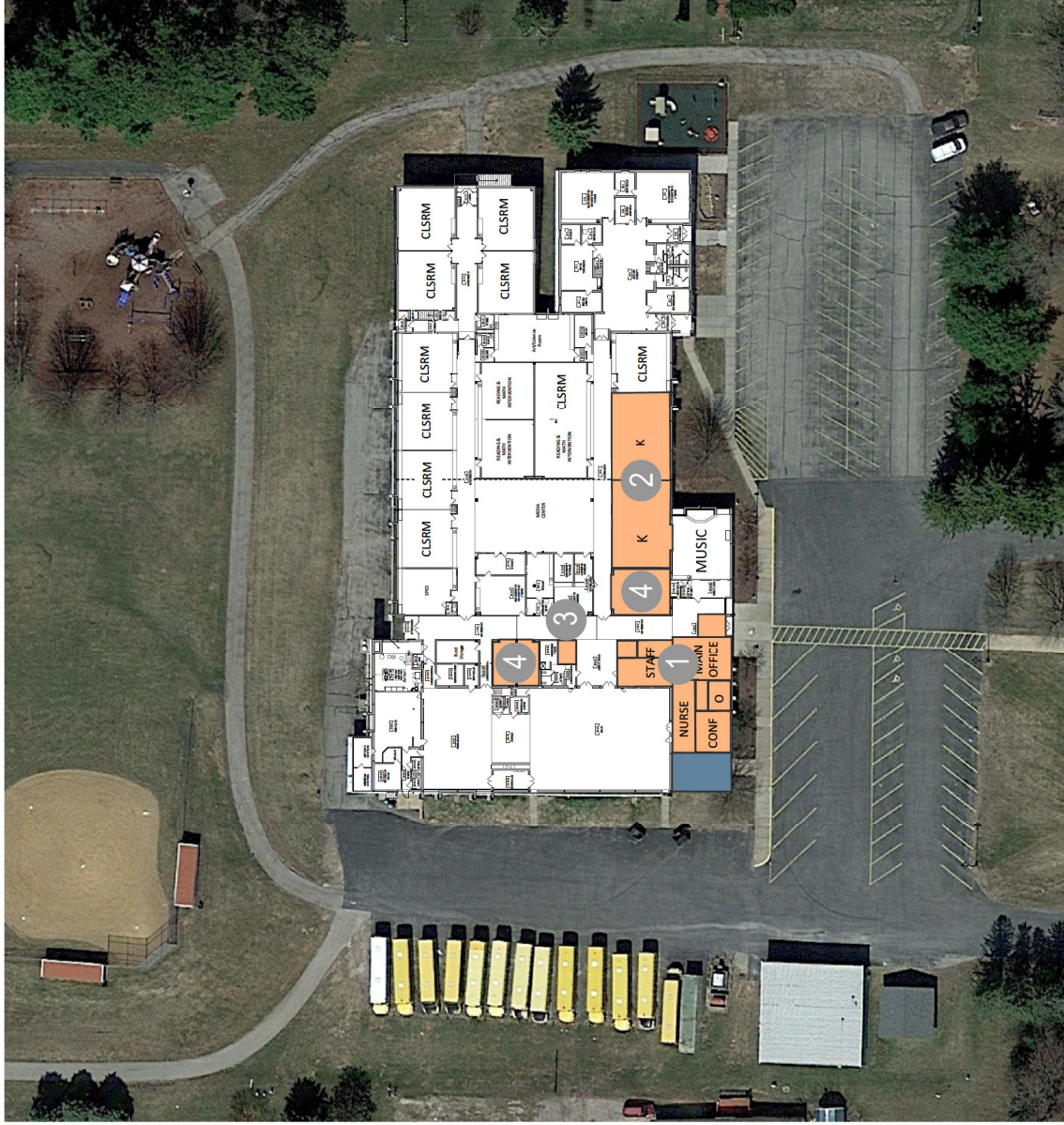
Documentation obligating the school district and contractors to comply with items (i) to (vii) in planning and executing the project:

- (i) The school district will be in compliance with Minnesota Statutes, section 471.345, governing municipal contracts issued for this project.
- (ii) The school district and the architects will include elements of sustainable design for this project.
- (iii) If the project installs or modifies facility mechanical systems, the school district, architect/engineers and contractors will be in compliance with school facility commissioning under Minnesota Statutes, section 123B.72, certifying the plans and designs for the heating, ventilating, air conditioning and air filtration for an extensively renovated or new facility meet or exceed current code standards, including the ASHRAE air filtration standard 52.1.
- (iv) If the project creates or modifies interior spaces, the district, architects/engineers and relevant contractors have considered the *American National Standards Institute Acoustical Performance Criteria, Design Requirements and Guidelines for Schools* on maximum background noise level and reverberation times.
- (v) The project will be in compliance with Minnesota State Fire Code.
- (vi) The project will be in compliance with Minnesota Statutes, chapter 326B, governing building codes.
- (vii) The school district and the architects/engineers have been in consultation with affected government units about the impact of the project on utilities, roads, sewers, sidewalks, retention ponds, school bus and automobile traffic, access to mass transit and safe access for pedestrians and cyclists.

The school district and architect/engineers will maintain documentation showing compliance with these items upon, and subsequent to, project completion.

Superintendent signature 	Date 6/24/2024
Board chair signature Bree Maki <small>Digitally signed by Bree Maki Date: 2024.06.24 18:20:42 -05'00'</small>	Date
Architect/engineer signature  MN # 45441	Date 6/21/2024

Question #2: Elementary



Legend

- 1 Secure Entry & Office Update
- 2 Larger Kindergarten Rooms
- 3 Re-purpose shower area as family toilet room
- 4 Increase restroom capacity

FLOOR PLAN

1 FLOOR PLAN
1" = 60'-0"

Question #2: High School



Legend

- 1 Secure Entry & Main Office
- 2 Science Lab Remodel
- 3 Expand Art Room
- 4 Student Flex Space Remodel
- 5 Locker Room Remodel
- 6 CTE Remodel

**VISITOR
ENTRY**

1 FLOOR PLAN
1" = 60'-0"

FLOOR PLAN

Architecture • Engineering • Environmental • Planning

LEWISTON-ALTURA HIGH SCHOOL
LEWISTON, MN - MM/DD/YY

PRELIMINARY INFORMATION - FOR REVIEW AND COMMENT

Lewiston-Altura School District, ISD No. 857

Estimated Sources and Uses of Funds

Proposed General Obligation Bonds

June 13, 2024

Bond Amount	\$19,950,000
Term	20
Dated Date	2/1/2025
Sources of Funds	
Par Amount	\$19,950,000
Investment Earnings ¹	146,344
Total Sources	\$20,096,344
Uses of Funds	
Allowance for Discount Bidding ²	\$299,250
Legal and Fiscal Costs ³	138,250
Net Available for Project Costs	19,658,844
Total Uses	\$20,096,344
Deposit to Construction Fund	\$19,512,500

¹ Estimated investment earnings are based on an average interest rate of 0.75%, and an average life of 12 months.

² The allowance for discount bidding is an estimate of the compensation taken by the underwriter who provides the lowest true interest cost as part of the competitive bidding process and purchases the bonds. Ehlers provides independent municipal advisory services as part of the bond sale process and is not an underwriting firm.

³ Includes fees for municipal advisor, bond counsel, rating agency, paying agent and county certificates.

PRELIMINARY INFORMATION - FOR REVIEW AND COMMENT

Lewiston-Altura Public School District No. 857
Analysis of Possible Structure for Capital and Debt Levies

\$19,950,000 Bond Issue
20 Tax Levies
Wrapped Around Existing Debt

June 18, 2024

Type of Bond	Principal Amount	Dated Date	Interest Rate
Viewer-Approved Building	\$19,950,000	02/01/25	5.00%

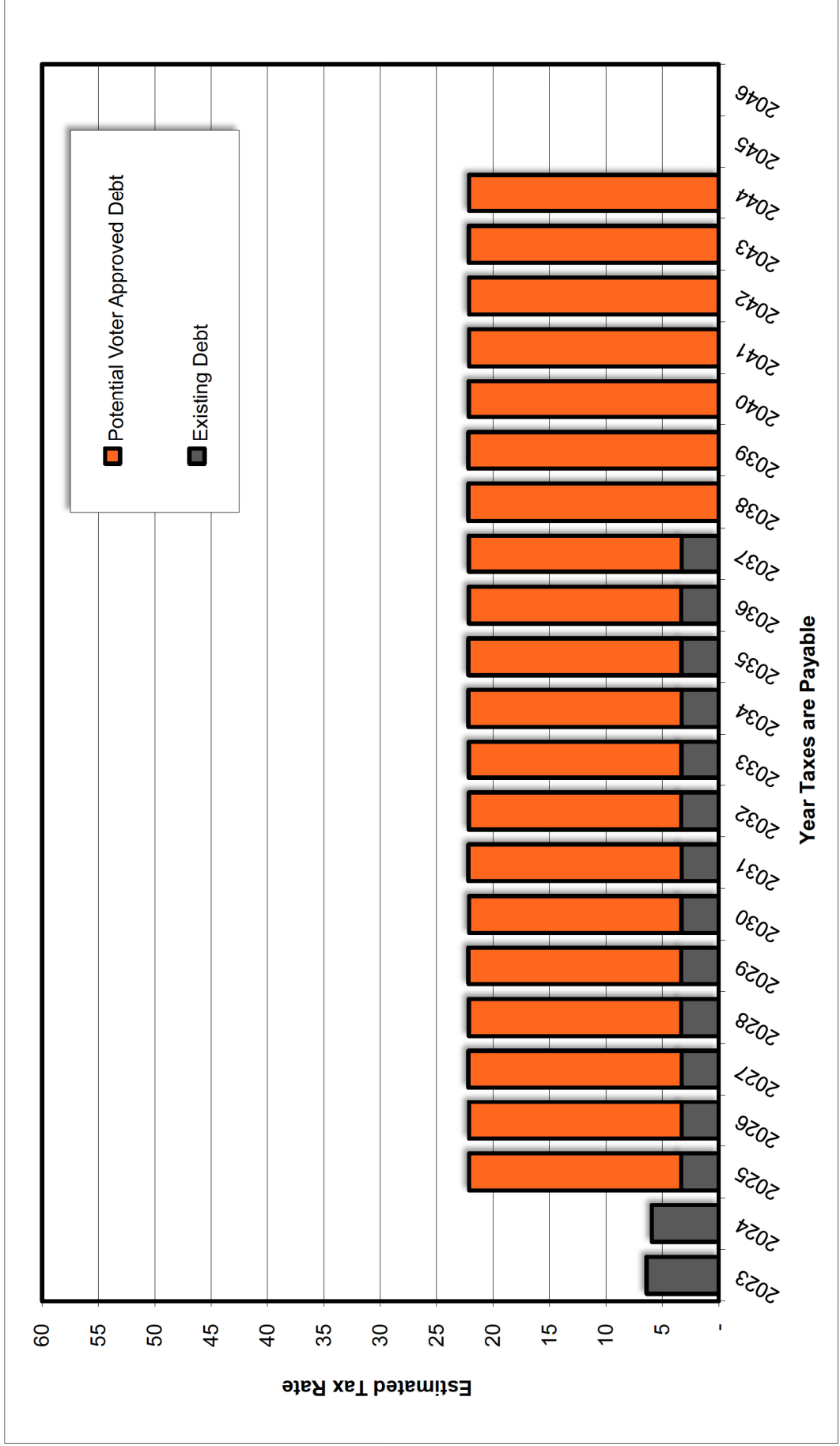
Levy Year	Fiscal Year	Tax Capacity Value ¹ (\$'000s)	% Chg	Existing Commitments			Proposed New School Building Bonds			Combined Totals						
				Alt Fac/Fac Maint H&S Bonds ²	Est. Debt Excess ³	Net Levy	Existing Tax Rate	Principal	Interest	Add'l. Debt Excess ³	Net Levy	Initial Debt Levy	State Aid	Net Levy	Tax Rate	
2023	2024	7,542	14.5%	482,765	-	482,765	6.40	-	-	-	-	482,765	6.40	-	482,765	6.40
2024	2025	8,287	9.9%	491,427	-	491,427	5.93	-	-	-	-	491,427	5.93	-	491,427	5.93
2025	2026	8,287	0.0%	283,526	(8,422)	275,105	3.32	480,000	997,500	8,422	-	1,834,901	22.14	-	1,834,901	22.14
2026	2027	8,287	0.0%	283,106	(11,341)	271,765	3.28	515,000	973,500	-	-	1,834,690	22.14	-	1,834,690	22.14
2027	2028	8,287	0.0%	282,529	(11,324)	271,205	3.27	545,000	947,750	-	-	1,838,592	22.19	-	1,838,592	22.19
2028	2029	8,287	0.0%	287,044	(11,301)	275,743	3.33	625,000	920,500	(62,696)	-	1,835,822	22.15	-	1,835,822	22.15
2029	2030	8,287	0.0%	285,994	(11,482)	274,512	3.31	660,000	889,250	(62,403)	-	1,838,821	22.19	-	1,838,821	22.19
2030	2031	8,287	0.0%	284,786	(11,440)	273,347	3.30	690,000	856,250	(62,572)	-	1,834,337	22.13	-	1,834,337	22.13
2031	2032	8,287	0.0%	283,421	(11,391)	272,030	3.28	730,000	821,750	(62,440)	-	1,838,928	22.19	-	1,838,928	22.19
2032	2033	8,287	0.0%	287,149	(11,337)	275,812	3.33	760,000	785,250	(62,676)	-	1,835,648	22.15	-	1,835,648	22.15
2033	2034	8,287	0.0%	285,311	(11,486)	273,825	3.30	800,000	747,250	(62,393)	-	1,836,044	22.16	-	1,836,044	22.16
2034	2035	8,287	0.0%	283,316	(11,412)	271,904	3.28	845,000	707,250	(62,489)	-	1,839,278	22.19	-	1,839,278	22.19
2035	2036	8,287	0.0%	285,180	(11,333)	273,847	3.30	885,000	665,000	(62,695)	-	1,838,652	22.19	-	1,838,652	22.19
2036	2037	8,287	0.0%	286,676	(11,407)	275,269	3.32	925,000	620,750	(62,592)	-	1,835,714	22.15	-	1,835,714	22.15
2037	2038	8,287	0.0%	282,555	(11,467)	271,088	3.27	975,000	574,500	(62,418)	-	1,835,645	22.15	-	1,835,645	22.15
2038	2039	8,287	0.0%	-	-	-	-	1,285,000	525,750	(62,582)	-	1,838,705	22.19	-	1,838,705	22.19
2039	2040	8,287	0.0%	-	-	-	-	1,360,000	461,500	(73,548)	-	1,839,027	22.19	-	1,839,027	22.19
2040	2041	8,287	0.0%	-	-	-	-	1,425,000	393,500	(73,561)	-	1,835,864	22.15	-	1,835,864	22.15
2041	2042	8,287	0.0%	-	-	-	-	1,495,000	322,250	(73,435)	-	1,834,678	22.14	-	1,834,678	22.14
2042	2043	8,287	0.0%	-	-	-	-	1,570,000	247,500	(73,387)	-	1,834,988	22.14	-	1,834,988	22.14
2043	2044	8,287	0.0%	-	-	-	-	1,650,000	169,000	(73,400)	-	1,836,550	22.16	-	1,836,550	22.16
2044	2045	8,287	0.0%	-	-	-	-	1,730,000	86,500	(73,462)	-	1,833,863	22.13	-	1,833,863	22.13
2045	2046	8,287	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-
2046	2047	8,287	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals						4,674,786	(145,143)	4,529,642	19,950,000	12,712,500	(1,120,327)	33,175,298	37,704,941	-	37,704,941	

1 Tax capacity value for taxes payable in 2023 is the actual value. 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 2023 and 2024 are the actual amounts. The adjustment for 2025 is an estimate using the June 30, 2023 debt service fund balance. Debt excess for future years is estimated at 4% of the prior year's initial debt service levy.

PRELIMINARY INFORMATION - FOR REVIEW AND COMMENT

Lewiston-Altura Public School District No. 857
Estimated Tax Rates for Capital and Debt Service Levies
Existing Commitments and Proposed New Debt

\$19,950,000 Bond Issue
20 Tax Levies
Wrapped Around Existing Debt



Date Prepared: June 18, 2024



Lewiston-Altura Public School District No. 857

Analysis of Tax Impact for Potential Bond Issue

June 18, 2024

	Question 1 Operating Referendum Revoke & Replace Total \$760 per pupil	Question 2 Bond Referendum	Total
School Building Bond Issue Amount		\$19,950,000	\$19,950,000
Average Interest Rate		5.00%	5.00%
Number of Years		20 Tax Levies	20 Tax Levies
Operating Referendum - Per Pupil Increase	\$708.08		\$708.08
Est. Net Increase in Annual Revenue (includes equity revenue)	\$401,694		\$401,694
Number of Years	10 Tax Levies		10 Tax Levies

Type of Property	Estimated Market Value	Estimated Annual Tax Impact Payable 2025 Compared to 2024*		
Residential Homestead	\$50,000	\$54	\$49	\$103
	75,000	81	73	154
	100,000	108	96	204
	125,000	135	140	275
	150,000	162	184	346
	175,000	189	228	417
	200,000	216	272	488
	250,000	270	361	631
	300,000	324	449	773
Commercial/ Industrial	400,000	432	626	1,058
	500,000	540	807	1,347
	\$50,000	\$54	\$141	\$195
	100,000	108	282	390
	250,000	270	800	1,070
500,000	540	1,741	2,281	
1,000,000	1,079	3,623	4,702	
Agricultural Homestead** (average value per acre of land & buildings)	\$3,000	\$0	\$0.85	\$0.85
	5,000	0	1.41	1.41
	7,000	0	1.98	1.98
	9,000	0	2.54	2.54
Agricultural Non-Homestead** (average value per acre of land & buildings)	11,000	0	3.11	3.11
	\$3,000	\$0	\$1.69	\$1.69
	5,000	0	2.82	2.82
	7,000	0	3.95	3.95
Agricultural Non-Homestead** (average value per acre of land & buildings)	9,000	0	5.08	5.08
	11,000	0	6.21	6.21

* Estimated tax impact includes principal and interest payments on the new bonds and the increase in the levy referendum, 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. Owners of homestead property may qualify for a refund, based on their income and total property taxes. This will change the net effect of the proposed bond issue for those property owners.

** For all agricultural property, includes a 70% 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. If the property includes a home, then the tax impact on the house, garage, and one acre of land will be calculated in addition to the taxes per acre, on the same basis as a residential homestead or non-homestead property. If the same property owner owns more than \$3.5 million of agricultural homestead land and buildings, a portion of the property will be taxed at the higher non-homestead rate.

NOTE: The new operating referendum revenue would start with fiscal year 2025-26 and is based on estimated adjusted pupil units (APU) of 595. Agricultural property will pay taxes for the proposed referendum based only on the value of the house, garage and one acre. Seasonal recreational residential property (i.e., cabins) will pay no taxes for the proposed referendum."