



February 12, 2025

Laurie Putnam, Superintendent
St. Cloud Public School District, ISD #0742-01
1201 2nd Street S
Waite Park, MN 56387

Dear Superintendent Putnam:

Minnesota Statutes, section 123B.71, requires a review and comment statement on the educational and economic advisability of your proposed school construction project. Information supplied by your school district and from Minnesota Department of Education sources is the basis of this review and comment. With this positive review and comment, voter and school board approval is required for St. Cloud Public School District, Independent School District #0742-01, to proceed with the proposed projects.

The district shall publish a summary of the review and comment statement (the final two pages) in the legal newspaper of the district at least 48 days, but not more than 60 days, prior to holding a referendum for bonds or soliciting any bids for the construction, expansion, or remodeling of an educational facility. The department may request a statement certifying the publication, and require the submission, review, and approval of preliminary and final construction plans.

Minnesota Statutes, section 123B.71, requires the commissioner to include comments from residents of the school district in the review and comment. As of the date of this letter, no public comments have been received. In addition, Minnesota Statutes, section 123B.71, ***requires the school board hold a public meeting to discuss the review and comment prior to the date of the bond referendum election.***

Minnesota Statutes, section 123B.71, ***requires that a school district, prior to occupying a new or renovated facility after July 1, 2002, must submit a certification prepared by a system inspector to the commissioner and the building code official that will provide an occupancy permit.*** The certification must verify that the facility's installed or modified heating, ventilation, and air conditioning system operates according to design specifications and code, a system for monitoring outdoor airflow and total airflow of ventilation systems has been installed, and any installed or modified heating, ventilation, or air conditioning system provides an indoor air quality filtration system that meets ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineers) Standard 52.1.

If you have any questions, please contact Chris Kubesh, Education Finance specialist, at 651-582-8319 or chris.kubesh@state.mn.us. Thank you for working with us to improve school facilities for Minnesota students.

Sincerely,

A handwritten signature in black ink, appearing to read 'Willie L. Jett II'.

Willie L. Jett II
Commissioner

cc: Shannon Haws, School Board Chair

Enclosure

**The Commissioner of the Department of Education
Review and Comment on the School Construction
Proposal of St. Cloud Public School District, ISD #0742-01**

A review and comment must be provided on a school district construction project proposal before the district conducts a referendum, solicits bids, or issues bonds for the project. A project proposal has been submitted for review and comment according to requirements set forth in Minnesota Statutes, section 123B.71, subdivisions 9 and 10, and Minnesota Statutes, section 123B.72. The district provides the following information:

1. The geographic area and population to be served:
 - a. preschool through grade 12 student enrollment for the past five years, and
 - b. student enrollment projections for the next five years.
2. A list of existing school facilities:
 - a. by year constructed,
 - b. their uses, and
 - c. an assessment of the extent to which alternate facilities are available within school district boundaries and in adjacent school districts.
3. A list of specific deficiencies of the facility:
 - a. demonstrating the need for a 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 the proposed projects,
 - d. a list of specific benefits that the new or renovated facility will provide to students, teachers, and community users served by the facility.
4. A description of the project, including:
 - 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 changes in facility operating costs, and
 - e. dates the project will begin and be completed.
5. A specification of the source of project financing, including:
 - 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.
6. Documentation obligating the school district and contractors to comply with the following items:
 - a. Minnesota Statutes, section 471.345 governing municipal contracts,
 - b. sustainable design,
 - c. school facility commissioning under Minnesota Statutes, section 123B.72, certifying the plans and designs for heating, ventilating, air conditioning and air filtration for an extensively renovated or new facility meet or exceed current code standards, including ASHRAE air filtration Standard 52.1,
 - d. American National Standards Institute (ANSI) acoustical performance criteria, design requirements and guidelines for schools on maximum background noise levels and reverberation times,
 - e. state fire code,
 - f. chapter 326B governing building codes, and
 - g. 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.

Description of Proposed School Construction Project

St. Cloud Public School District, ISD #0742-01 is proposing a two-question bond referendum on April 8, 2025. The first ballot question would authorize \$50 million in bonding authority to finance substantial facility upgrades for Apollo High School. The first ballot question includes building additions at Apollo to house: a secure entrance/administrative office, a gymnasium/storm shelter and kitchen/receiving space. Other proposed projects include renovations to existing building spaces and athletic field upgrades. The second ballot question would authorize \$15 million in bonding authority to finance an 85,000 square foot field house with an artificial turf surface. The proposed facility would also provide batting cages, golf simulators and a walking track. Passage of the second ballot question is contingent upon passage of the first ballot question.

The projects proposed would be scheduled for completion in calendar years 2025 and 2026. Cost estimates by location/project type are as follows:

Ballot Question #1 - Apollo Projects		Ballot Question #2 - New Athletic Center	
<u>Building Additions:</u>		Building Construction	\$11,606,578
Secure Entrance / Administrative Offices	\$2,928,353	Sitework	\$746,854
Gymnasium / Storm Shelter	\$6,508,246	FF&E	\$394,521
Receiving Area	\$545,548	Fees, Permits & Testing	\$1,430,133
Food Service Area	\$3,357,428	Contingencies	\$821,914
	\$13,339,575	Bond Issuance	\$392,126
<u>Building Renovations:</u>		Total Project Costs	\$15,392,126
Exterior Building Improvements	\$1,364,585		
Firewall Construction	\$1,562,182		
Science Area Renovations	\$2,206,093		
CTE Area Renovations / Equipment	\$4,908,455		
Classroom Renovations	\$10,175,125		
Administrative Office Renovations	\$1,289,527		
Pool Area Upgrades	\$3,121,509		
	\$24,627,476		
<u>Site Improvements:</u>			
Ballfield Upgrades	\$1,511,867		
Earthwork - Building Additions	\$747,285		
Landscaping / Athletic Path Upgrades	\$764,699		
	\$3,023,851		
<u>Other Project Costs:</u>			
FF&E / Technology	\$3,404,813		
Fees, Permits & Testing	\$3,398,154		
Contingencies	\$2,206,131		
Bond Issuance	\$1,333,662		
	\$10,342,760		
Total Project Costs			\$51,333,662

Apollo High School was originally constructed in 1970, with additions in 1984 and 1990 currently measuring 352,400 square feet. The building addition proposed under question 1 would add 18,600 square feet, and 129,800 square feet identified for renovation would focus primarily on classroom renovations, with specific career and technical education and science classroom improvements. The focus of question 2 is to provide indoor space for recreational and athletic opportunities for the district and community.

The district is planning to issue capital appreciation bonds to fund the proposed projects. This is a common approach to structure new bond payments until other current debt is retired to keep the debt service levy consistent. This type of debt schedule includes the probability of higher annual interest based on timing and structure of the debt.

Though student enrollment is expected to remain stable at around 9,300 ADM over the next five years, the district October 1 fall child count has increased in the past three years, from 9,286 for fall 2022, to 9,543 in fall 2023, and 9,905 for fall 2024. Due to its proximity to other districts and many charter schools, there are approximately 2,700 students living in the St. Cloud boundary that attend other districts, charters or cooperatives.

The district has supplied operational cost estimates for the proposed projects. For question 1, the operational costs include \$22,500 in estimated utilities costs and \$25,000 for extra custodial services. For question 2, utilities are expected add around \$107,000 in costs and \$25,000 for extra custodial services. The district anticipates rental income may offset some of these costs, but those are not included in this estimate.

Though the additional recreational space provided by the field house will also serve non-student members of the local community, the proposed projects in questions 1 and 2 appear to be in the long-term interest of the school district.

If the bond referendum is successful and bonds are sold, the debt service on the bonds will be eligible for debt service equalization under Minnesota Statutes, section 123B.53, subdivision 3, if the bond schedule is approved. The amount of debt service equalization aid, if any, the district receives is determined annually and is dependent upon property wealth, student population, and other statutory requirements

Review and Comment Statement

Based on the department's analysis of the school district's required documentation and other pertinent information from sources of the Minnesota Department of Education, the Commissioner of Education provides a positive review and comment.

Additional Information is Available

Persons desiring additional information regarding this proposal should contact the school district superintendent's office.



Willie L. Jett II
Commissioner

February 12, 2025