

**Education, Department of**

**Projects Summary**  
(\$ in Thousands)

Project Title	2012 Agency Priority Ranking	Agency Project Request for State Funds (\$ by Session)				Governor's Recommendations	Governor's Planning Estimate	
		2012	2014	2016	Total		2012	2014
Red Lake ISD #38 Capital Loan	1	\$32,517	\$0	\$0	\$32,517	\$0	\$0	\$0
Rushford-Peterson ISD#239 Coop. Fac. Grant	2	20,000	0	0	20,000	0	0	0
Library Accessibility and Improvement Grants	3	3,000	0	0	3,000	0	0	0
<b>Total Project Requests</b>		\$55,517	\$0	\$0	\$55,517	\$0	\$0	\$0

## Red Lake ISD #38 Capital Loan

**2012 STATE APPROPRIATION REQUEST:** \$32,517,000

**AGENCY PROJECT PRIORITY:** 1 of 3

**PROJECT LOCATION:** Red Lake, Minnesota

#### Project At A Glance

- \$32.517 million under the capital loan provisions of M.S. Sec. 126C.69 to complete all remaining facility projects at three sites based on facility and education program planning begun in 2002, as modified based on revised basic needs.
- Renovate and replace substandard facilities to provide space that will promote student success.

#### Project Description

The Department of Education requests \$32,516,656 in funding through the maximum effort capital loan program to support the Red Lake Independent School District 38 in bringing district facilities to current education standards. These funds will be used by the district for the following projects:

- Continued renovation of and addition to the Red Lake High School and Red Lake Middle School, including demolition of the original elementary school and the adjacent portable building currently used for administrative offices. Construction includes new district/student services areas, a high school media center, technology labs, physical education/fitness space, replacement of locker rooms, and completion of a common kitchen and cafeteria. The proposed construction will replace the small, outdated vocational facility with a new self-contained vocational center that would also be used by alternative, adult, and community education programs. A fifth grade wing will be added to the middle school to reduce construction costs at the Red Lake Elementary School by reconfiguring the middle school program. Old vocational spaces will be converted to a middle school hands-on learning lab including shop, technology, fitness and nutrition. The heating/ventilation

system serving the entire building will be completed. The project also includes parking lots, sidewalks, water management, landscaping and an environmental studies area. Total cost of this portion of the project is \$22.769 million.

- At the Red Lake Elementary School, the planned project will expand and renovate areas supporting core programs such as music, art, special education, physical education, and food service area. Administrative space will be reconfigured to provide visibility to the main entrance and greater building security. Six classrooms will be added to accommodate increased enrollment in early grades and an addition will connect the elementary school to the Red Lake Early Learning Center. This will enable shared food service, physical education spaces, and media center. The estimated cost for this portion of the project is \$7.973 million.
- At the Ponemah Elementary School, the current media center will be renovated and expanded to provide appropriate space for technology for educational and student support. The current media center is small and lacks technology. Site improvements will be completed to provide safe bus and parent drop-offs and improve parking, playgrounds and fields. This project is estimated to cost \$1.844 million.

The project has been approved based on review and comment criteria in M.S. Secs. 123B.71 and 126C.69. District voters will be asked to approve the borrowing of funds through the capital loan program in an election prior to January 1, 2012.

The total project cost that qualifies for funding under the capital loan provisions is \$32,586,000. The local district contribution calculated according to M.S. Sec. 126C.69, subd. 9, is approximately \$69,344 and the capital loan request is estimated at \$32,516,656.

The district completed long-term facilities planning prior to the 2004 legislative session, developing a plan to bring all district facilities to current education standards. The plan was reviewed and modified in the spring of 2010 resulting in a 40% reduction in estimated costs. Funding was unsuccessfully sought in the 2006-2010 legislative sessions.

**Red Lake ISD # 38 Capital Loan**

**Impact on Agency Operating Budgets (Facilities Notes)**

There is no effect on the Department of Education operating budget resulting from this request.

The effect on the school district operating budget is expected to be minimal.

**Previous Appropriations for this Project**

1992	\$10 million	Construction of Red Lake Elementary School and addition to Red Lake Middle School
2000	\$11.166 million	Construction of Red Lake Early Childhood Center and Additions to Ponemah Elementary and Middle School
2002	\$12.4 million	Additions and Renovations – Red Lake High School, Early Childhood Center, Red Lake and Ponemah Elementary Schools
2005	\$18 million	Begin construction of new middle school facilities and renovation of existing high school
2008	\$16 Million Line-Item Vetoed	Renovation and addition to high school and middle school
2010	\$5.780 Million Line-Item Vetoed	Renovation and construction of a single kitchen and cafeteria for high school and middle school.

**Other Considerations**

While funding for school facilities is viewed as primarily a local responsibility, the Red Lake Independent School District has extremely low property values and very little private ownership of land as most of the land is owned in common by Red Lake tribal members. A measure commonly used to compare school district ability to raise funds through property taxes is the adjusted net tax capacity (ANTC) per pupil unit. The Red Lake ANTC per FY

2010 adjusted pupil unit was \$6.33. Statewide, the median school district ANTC per adjusted pupil unit was \$7,862.

Between FY 2002 and FY 2011, the district has experienced Pre K-6 enrollment growth of approximately 10 percent. In the aftermath of the 2005 school shooting incident, secondary enrollments decreased but are slowly rebounding, and the district expects stabilization in secondary student enrollment.

The Red Lake School District management and the Red Lake community recognize the importance of a stable and healthy school environment to children in an economically and socially depressed community. The current crowded and deficient facilities do not provide a safe and healthy environment that is conducive to learning and supportive to children.

**Project Contact Person**

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**Governor’s Recommendations**

(To be completed by MMB at a later date)

## Rushford-Peterson ISD#239 Coop. Fac. Grant

**2012 STATE APPROPRIATION REQUEST:** \$20,000,000

**AGENCY PROJECT PRIORITY:** 2 of 3

**PROJECT LOCATION:**

#### Project At A Glance

\$20.0 million under the provisions of M.S. Secs. 123A.44-123A.443 for the Cooperative Facilities Grant Program for the replacement of two school facilities in Rushford-Peterson, ISD #239.

#### Project Description

The Department of Education requests \$20,000,000 in funding through the cooperative facilities grant program authorized by M.S. Secs. 123A.44-123A.443 for a grant to ISD 239, Rushford-Peterson to replace two aging school facilities in Rushford and Peterson: Elementary/High School constructed in 1906, 1936, 1957 and 1969 and sited in a flood plain on a busy highway, and the Peterson Middle School constructed in 1959, 1963, and 1974 with a new Pre K-12 school located in Rushford.

The current elementary/high school site is located on a busy street and is not large enough to provide appropriate spaces for special education, art, music, computer labs, and specialty classrooms. The site was also flooded in the spring of 2007. The current two facilities are landlocked and both facilities are in need of extensive deferred maintenance and have facility issues such as roofing, heating and ventilation, lighting, electrical, piping, and structural deficiencies. The board has determined that addressing these deficiencies along with addressing educational inadequacy issues make any investment in the facilities economically inadvisable. The proposal to replace both sites with a single Pre K-school will provide the district with operating savings and will address educational facilities deficiencies. The proposed site is on higher ground and soil borings completed on the site document appropriate support for the facility.

The funds will be used for the construction of a single Pre K-12 school facility of approximately 156,037 square feet on a 49 acre-acre site owned by the school district in Rushford, a portion which already contains the existing athletic fields for the high school. The facility will be designed for 700 Pre K-12 students. The elementary portion of the school will include instruction/classroom spaces for early childhood education, kindergarten, general classrooms, special education services, music, media center, physical education, cafeteria and related staff/administrative space. The secondary portion of the new facility will include instructional spaces for general education classes, lab sciences, business/computer labs, applied labs, media center, music and fine arts, and related support space. The new facility will include a 350 seat auditorium for school and community use. The project includes parking lots, sidewalks, and landscaping. The current/existing two school structures and sites will be decommissioned. The district is committed to the disposition of the facilities through a process of sale and repurposing in a way that benefits the community and eliminates ongoing operating costs and other financial obligations.

The total cost of the project is \$28,985,000. The cooperative facility grant amount sought is 69% percent of the total project, or \$20,000,000.

The Rushford-Peterson school district has provided a review and comment under M.S. Sec. 123B.71 and received a positive commissioner's review. If the district receives a cooperative facility grant, the district will hold an election in November, 2012 for issuance of general obligation bonds to fund \$8,985,000 of the proposed project.

#### Impact on Agency Operating Budgets (Facilities Notes)

There is no effect on the Department of Education operation budget resulting from this request.

#### Previous Appropriations for this Project

There have been no previous appropriations for the Rushford Peterson, ISD # 239 under the cooperative facilities grant program.

**Rushford-Peterson ISD#239 Coop. Fac. Grant****Other Considerations**

If the district were to fund this project from local sources without the grant, based on 2010 tax data, the school district would have the highest debt tax rate in the state of Minnesota. Even with the cooperative facility grant of \$20,000,000, the local contribution of \$8,985,000 would result with the school district having a debt tax rate in the top 1/3 of the state.

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**Governor's Recommendations (To be completed by MMB at a later date)**

**Library Accessibility and Improvement Grants**

**2012 STATE APPROPRIATION REQUEST:** \$3,000,000

**AGENCY PROJECT PRIORITY:** 3 of 3

**PROJECT LOCATION:** Statewide

**Project At A Glance**

- \$3.0 million in the 2012 session to fund disabled accessibility and library renovation/construction under M.S. Sec. 134.45.

**Project Description**

The Department of Education requests \$3.0 million to fund competitive library accessibility, renovation and construction for public library improvement grants under M.S. Sec. 134.45. This statute was amended in the 2005 legislative session to expand the existing grant program from accessibility grants requiring a 50 percent local match to include grants for renovation, expansion, or construction of library facilities. The amount requested, \$3.0 million, will be matched with \$3.0 million in local funds to complete \$6.0 million in library facility construction projects. For purposes of this program, public libraries include regional public library systems, regional library districts, and cities and counties operating libraries that are members of their designated regional public library systems. The state return on investment for the 2005-2008 cycle resulted in an actual local to state dollar ratio of \$8.63 local to \$1 state.

The Americans with Disabilities Act (ADA) mandates that buildings newly constructed or remodeled after January 26, 1992 must be accessible to all citizens. Competitive grants will provide funding to enable public libraries to remove architectural barriers either as a unique project or as a part of remodeling or renovation.

Renovation, expansion and construction grants will allow local libraries to renew or replace deteriorated and deficient facilities with the goal of providing improved services to the public. Currently there are 39 cities and counties

that have expressed interest in applying for grants. This is not a comprehensive list of cities and counties that are potential applicants.

**Impact on Agency Operating Budgets (Facilities Notes)**

This request will have no impact on the Department of Education operating budget. Current staff is involved in the grant evaluation and approval process, and in traveling to grantee sites when necessary.

**Previous Appropriations for this Project**

Since the inception of the Library Accessibility Grant Program in 1994, the following amounts have been provided by the legislature.

1994	\$1 million
1996	\$1 million
1998	\$1.5 million
2000	\$1 million
2003	\$1 million
2005	\$1 million
2006	\$1 million
2008	\$1.5 million
2010	\$2.0 million line-item vetoed

**Other Considerations**

Many libraries throughout the state need to address issues of accessibility and renovation or replacement. The competitive grant process assures equitable distribution of funds based on objective criteria. Application of criteria by the state competitive grant review committee ensures the facility will meet current and future need based on national standards and coordination with regional and statewide needs. If requests for funding exceed the amount of money available, those libraries with the most critical needs are given higher priority through a rating process.

**Library Accessibility and Improvement Grants**

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