

Education, Department of

Projects Summary
(\$ in Thousands)

Project Title	2014 Agency Priority Ranking	Agency Project Request for State Funds (\$ by Session)				Governor's Recommendations 2014	Governor's Planning Estimate	
		2014	2016	2018	Total		2016	2018
Red Lake ISD #38 Capital Loan	1	\$32,516	\$0	\$0	\$32,516	\$0	\$0	\$0
Library Accessibility and Improvement Grants	2	3,000	0	0	3,000	0	0	0
Total Project Requests		\$35,516	\$0	\$0	\$35,516	\$0	\$0	\$0

Red Lake ISD #38 Capital Loan

2014 STATE APPROPRIATION REQUEST: \$32,516,000

AGENCY PROJECT PRIORITY: 1 of 2

Project At A Glance

- \$32.516 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 \$32,516,000 in funding, not including inflationary costs, 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 renovation of the original elementary school and demolition of the adjacent portable building currently used for administrative offices. Construction includes new 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 The proposed construction will replace the small, outdated vocational facility with a new self-contained vocational center that would also be used by alternative, adult, and community education programs. 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 district has submitted a plan for commissioner's review and comment per 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, 2014.

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 \$70,000 and the capital loan request is estimated at \$32,516,000, prior to inflationary costs.

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 2006-2013 legislative sessions.

Since the project was last submitted to the Legislature for consideration, the district as completed the following projects.

1. 2010: The District received a Federal ARRA Energy Grant (\$459,000) to replace the oldest steam boiler plant in the middle/high school. This project was completed in December 2011.

Red Lake ISD # 38 Capital Loan

- 2. 2011: The District received an Federal ARRA Construction Grant (\$507,000) to renovate the Alternative Learning Center wing of the High School. This project was completed in August 2011.
- 3. 2012-2014: The District began a three (3) phase re-roofing project at the middle/high school to address major leaking issues that caused major repairs to ceiling and walls. Phase 1 (\$497,000) of the project replaced the roof on the oldest part of the high school. Phase 2 (\$454,000) of the re-roofing project replaces the roof on the oldest part of the middle school. Phase 3 (\$300,000) of the re-roofing project will replace the roof on the Alternative Learning Center wing that was renovated in 2011.

The District paid for these projects by transferring general education funding to capital improvement. The funding transfer required increasing class sizes in the elementary, middle and high schools and decreasing two (2) bus routes.

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	Renovation and addition to high school and middle

Line-Item school
Vetoed

2010 \$5.780 Million Renovation and construction of a single kitchen and cafeteria for high school and middle school.
Line-Item
Vetoed

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 2011 ANTC per FY 2012 adjusted pupil unit was \$7.54. Statewide, the average school district ANTC per adjusted pupil unit was \$6,332.

Between FY 2002 and FY 2011, the district has experienced Pre K-6 enrollment growth. At the same time, in aftermath of the 2005 school shooting incident, secondary enrollment decreased and has not rebounded.

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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Library Accessibility and Improvement Grants

2014 STATE APPROPRIATION REQUEST: \$3,000,000

AGENCY PROJECT PRIORITY: 2 of 2

Project At A Glance

- \$3.0 million in the 2014 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.

The Americans with Disabilities Act (ADA) mandates that buildings newly constructed or remodeled after January 26, 1992 must be accessible to all citizens. This program provides state competitive grant funding to enable public libraries to remove architectural barriers, including renewing or replacing deteriorated and deficient facilities with the goal of providing improved services to the public. For purposes of this grant program, public libraries include regional public library systems and cities and counties operating libraries that are members of their designated regional public library systems.

Public libraries respond to community needs by providing online and print resources, programs and services for lifelong learning, and space for community interaction. There is an increasing demand for high-speed broadband internet access for e-government, workforce development and job seeking resources, health and medical information, homework help and other programs for students and distance learners. Construction funding allows buildings to be modified to respond to changing community needs, including making libraries accessible to Minnesotans regardless of ability.

The applications submitted by eligible applicants are reviewed by a grant review committee coordinated by the Division of State Library Services,

Minnesota Department of Education. As a competitive grant program, this allows for a more equitable distribution of funds based upon objective criteria. If requests for funding exceed the funds available, those libraries with the most critical needs are given higher priority through a rating process.

M.S. 134.45 outlines the requirements for the accessibility, renovation and construction projects for public library improvements. The program requires a 1:1 local match. 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. Having state funds available for public library building construction projects encourages cities and counties to invest in infrastructure and also provide employment for local contractors and building trades.

Building improvements have a demonstrated impact on library building usage. For example, the annual percentage change for libraries receiving public library improvement funds from the year prior to construction to 2012 averages an increase of 23% for visits, 104% for computer sessions, 79% for programs offered, and 527% in attendance at programs. This analysis is based upon the annual reports submitted to the Division of State Library Services by public libraries to meet M.S. 134.13 requirements.

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

Library Accessibility and Improvement Grants

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.

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