

PROPOSAL FOR REVIEW AND COMMENT

May 8, 2018

SUBMITTED TO:

MINNESOTA DEPARTMENT OF EDUCATION

SUBMITTED BY:

INDEPENDENT SCHOOL DISTRICT #518
WORTHINGTON SCHOOL DISTRICT
1117 MARINE AVENUE
WORTHINGTON, MN 56187

Contact:

Mr. John Landgaard
Superintendent
Ph: 507-372-2172

PREPARED BY:

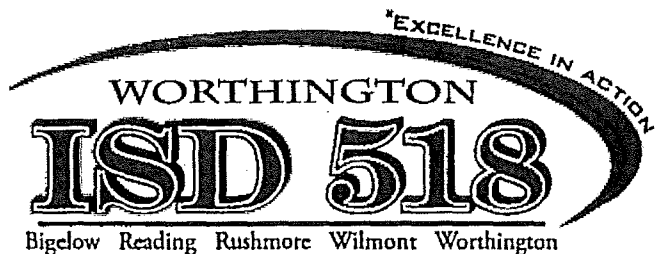
ICS CONSULTING, INC
3890 Pheasant Ridge Drive NE
Blaine, MN 55449

Contact:

Mr. Pat Overom, P.E.
Ph: (763) 354-2670

John Landgaard
Superintendent

David Skog
Director of Management Services



1117 Marine Avenue
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May 8, 2018

Dr. Brenda Cassellius
Commissioner of Education
Minnesota Department of Education
1500 Highway 36 West
Roseville, MN 55101

Subject: Proposal for Review and Comment
Worthington Public Schools, ISD #518

Dear Commissioner Cassellius:

In accordance with Minnesota Statute 123B.71, Worthington Public Schools, ISD #518, hereby submits this proposal for facility improvements for your review and comment.

The School Board of ISD #518 has directed administration to prepare and submit to the Department of Education, this project proposal for review and comment, in preparation for bringing a bond referendum to the voters for approval on August 14, 2018.

The proposed facility improvements include the following major components:

Question #1:

- New Intermediate School (900 student capacity) on District-owned land south of the existing Middle School.
- Current High School continues current use for grades 9-12.
- Current Middle School transitions from a grades 5-8 to a grades 6-8 Middle School.
- Current Prairie Elementary becomes Grades PK-2 and Community Education.
- Discontinue Use of West Learning Center Facility.

Question #2:

- Athletic fields and facilities improvements

As detailed in the attached project proposal, it is the intent of the District to present a two question ballot with a total amount for question #1 not to exceed \$35,000,000 and a total amount for question #2 not to exceed \$4,000,000 to the voters for approval. Upon approval, the District intends to issue general obligation bonds to finance the improvements.

Specific details regarding the District, the facility needs, the project scope and cost, and the plan of finance, are included in the enclosed proposal for your review and comment.

For additional information or for any questions, please contact me at your earliest convenience. We thank you in advance for your cooperation and consideration of this proposal, and we look forward to your response.

Sincerely,

Mr. John Landgaard
Superintendent of Schools

"YOUR PUBLIC SCHOOLS...THERE'S NO BETTER PLACE TO LEARN"
A K-12 NORTH CENTRAL ACCREDITED SCHOOL DISTRICT

AN EQUAL OPPORTUNITY EMPLOYER

Worthington School District No. 518

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APPENDICES

- A. District Boundary Map
- B. New Intermediate School - Preliminary Space Program
- C. Detailed Referendum Budget Breakdown
- D. R&C Attachment 1 – Signed Compliance Document

Worthington School District No. 518

INTRODUCTION & SUMMARY DESCRIPTION

In accordance with Minnesota Statute 123B.71, Independent School District No. 742 submits the following educational facilities proposal for review and comment. The proposed facilities improvements will allow Worthington Schools to address current programmatic space needs within the District facilities. Major components of the proposed improvements include:

Question #1:

- New Intermediate School (900 student capacity) on District-owned land south of the existing Middle School.
- Current High School continues current use for grades 9-12.
- Current Middle School transitions from a grades 5-8 to a grades 6-8 Middle School.
- Current Prairie Elementary becomes Grades PK-2 and Community Education.
- Discontinue Use of West Learning Center Facility.

Question #2:

- Athletic fields and facilities improvements

DISTRICT CONTACT:

John Landgaard, Superintendent
Independent School District #518
Worthington Public Schools
1117 Marine Avenue
Worthington, MN 56187
Ph: 507-372-2172

SCHOOL BOARD:

Lori Dudley, Chair
Scott Rosenberg, Vice-Chair
Brad Shaffer, Treasurer
Joel Lorenz, Clerk
Linden Olson, Member
Steve Schnieder, Member
Mike Harberts, Member

TOTAL PROJECT COST: Question #1 Total (not-to-exceed): \$35,000,000
Question #2 Total (not to exceed): \$ 4,000,000
Both amounts include bond issuance and financing costs
Method of Financing: General Obligation Bonds

MILESTONE DATES: Referendum: August 14, 2018
Design & Pre-Construction: September 2018 thru March 2019
Project Bid/Award: Spring 2019
Construction Phase: Spring 2019 thru Fall/Winter 2021*
*Tentative Pending Design & Approvals

PROJECT TEAM:

Architect of Record: Wold Architects and Engineers
Contact: Vaughn Dierks, AIA
PH: 651-227-7773

Worthington School District No. 518

Owner's Representative:

ICS Consulting, Inc.
Contact: Pat Overom, P.E.
PH: 763-354-2670

Fiscal Consultant:

R.W. Baird
Contact: Mike Hoheisel
PH: 651-260-6451

Worthington School District No. 518

1. GEOGRAPHIC AREA AND POPULATION TO BE SERVED

Worthington Public School, ISD 518 consists of approximately 262 square miles and is home to approximately 2,700 pre-K through grade 12 students and their families. The District is located approximately 185 miles southwest of the Minneapolis-St. Paul metro area. The communities represented in the District are Bigelow, Rushmore, Reading, Wilmont and Worthington. Neighboring districts include Round Lake, Brewster, Fulda, Adrian and Ellsworth.

A map of the school district boundaries is included in **Appendix A** of this document.

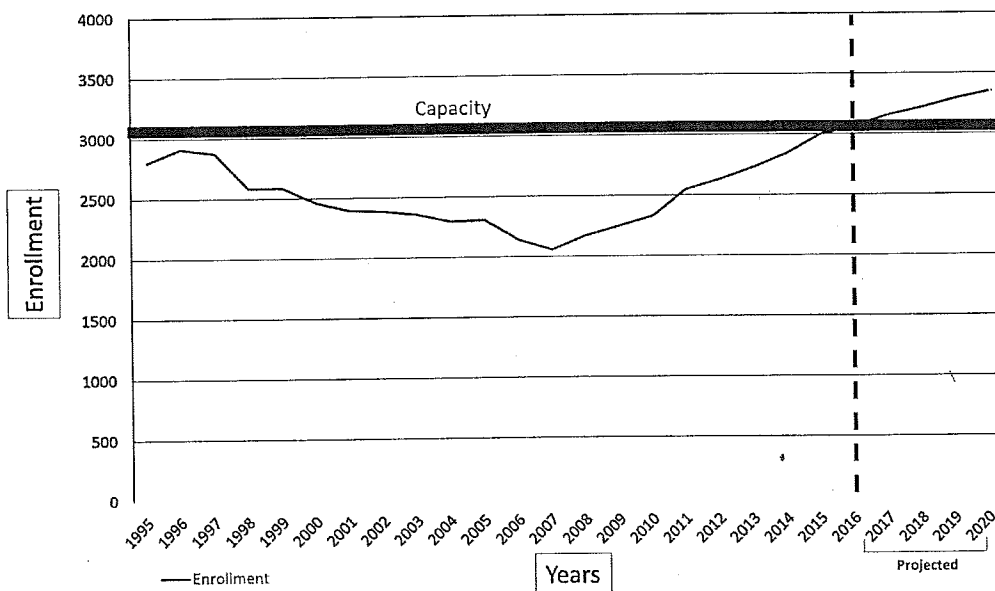
According to current demographic information, Worthington School District is projected to continue to experience a steady increase in student enrollment over the next 5 or more years. Enrollment history and enrollment projections for the district are as follows:

<u>Grade</u>	<u>15-16</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>	<u>19-20</u>	<u>20-21</u>
EC	-	40	35	30	30	30
K	242	265	248	210	225	260
1	254	232	257	248	210	225
2	240	250	237	257	248	210
3	231	243	250	237	257	248
4	<u>240</u>	<u>230</u>	<u>250</u>	<u>250</u>	<u>237</u>	<u>257</u>
Total	1,207	1,260	1,277	1,232	1,207	1,230
5	238	243	241	250	250	237
6	248	231	235	241	250	263
7	210	241	232	249	255	262
8	<u>221</u>	<u>205</u>	<u>237</u>	<u>232</u>	<u>249</u>	<u>255</u>
Total	917	919	945	972	1004	1,017
9	242	291	241	255	260	281
10	212	216	256	241	255	260
11	196	189	208	256	241	255
12	<u>176</u>	<u>190</u>	<u>176</u>	<u>208</u>	<u>256</u>	<u>241</u>
Total	826	886	881	960	1,012	1,037
<u>ALC</u>						
7	4	7	6	5	5	5
8	6	7	6	5	5	5
9	27	15	6	10	10	10
10	32	23	16	15	15	15
11	24	30	19	25	25	25
12	<u>24</u>	<u>18</u>	<u>28</u>	<u>25</u>	<u>25</u>	<u>25</u>
Total	117	100	81	85	85	85
Grand Total	3,067	3,165	3,184	3,249	3,308	3,369

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Grade	18-19	19-20	20-21	21-22	22-23	23-24	24-25
EC	30	30	30	30	30	30	30
K	210	225	260	260	265	265	270
1	248	210	225	260	260	265	265
2	257	248	210	225	260	260	265
3	237	257	248	210	225	260	260
4	250	237	257	248	210	225	260
Total	1232	1207	1230	1233	1250	1275	1350
5	250	250	237	257	248	210	225
6	241	250	263	237	257	248	210
7	249	255	262	263	245	265	259
8	232	249	255	262	263	245	265
Total	972	1004	1017	1019	1013	968	959
9	255	260	281	263	274	274	262
10	241	255	260	281	263	274	274
11	256	241	255	260	281	263	274
12	208	256	241	255	260	281	263
Total	960	1012	1037	1059	1078	1092	1073
ALC							
7	5	5	5	6	6	6	6
8	5	5	5	6	6	6	6
9	10	10	10	12	12	12	12
10	15	15	15	18	18	18	18
11	25	25	25	30	30	30	30
12	25	25	25	30	30	30	30
Total	85	85	85	102	102	102	102
Grand Total	3,249	3,308	3,369	3,413	3,443	3,437	3,484

The following graph depicts the summary of a capacity analysis that was conducted for current District facilities in relationship to projected enrollments. As indicated, existing facilities within the District are currently at or exceeding calculated capacities.



Worthington School District No. 518

2. LIST OF EXISTING SCHOOL FACILITIES

Worthington School District facilities currently consist of one K-4 school, one 5-8 Middle School, one 9-12 High School, and an Area Learning Center/Community Education facility. The District is proud of its tradition of excellence in academics, fine arts, community education and extra-curricular activities.

The District is currently taking full advantage of several available alternatives related to facilities in an effort to provide adequate space for its programs and services. With a steady increase in enrollment, the some existing district facilities have reached or exceeded their capacity.

The following is a breakdown of District facilities including sizes, year constructed, and current use:

Facility Name:	Size (sq.ft.):	Year Constructed:	Grades Served:
Prairie Elementary	148,000	2001	K-4
Worthington Middle School	134,796	1980, 2000, 2010	5-8
Worthington High School	180,919	1956, 1964, 2000, 2015	9-12
West Learning Center	56,344	1956, 1964, 1986	PK thru Adult
Administrative Building	4,160	1970	Administrative
Transportation Building	31,390	2014	Transportation

Worthington School District No. 518

3. LIST OF SPECIFIC DEFICIENCIES

Study and Planning Process:

Over the past several years, Worthington Schools has made great strides in improving their facilities in an effort to meet the needs of educational programs and activities. A classroom expansion was constructed at the existing Middle School facility. In addition, the District recently invested in infra-structure and HVAC improvements within the existing Middle School and High School facilities. Finally, in 2015, the District completed an addition at their current High School facility which included additional classroom and music/band space. However, continued student enrollment growth and evolution in instructional programs have reached a point where creation of additional space at all grade levels across the District is necessary to enable the District to appropriately serve its students.

Specific major deficiencies that are planned to be addressed as part of this project include:

- Insufficient size/capacity of spaces within the existing Middle School facility.
- Over-crowding and insufficient space at the elementary grade levels.
- Lack of appropriate spaces within the existing West Elementary School facility.
- Extensive deferred maintenance and infra-structure needs at the existing West Elementary School facility.

In 2013, the District developed a plan to address space needs within the District which was ultimately not supported by the voters. Since that time, the District has been very intentional and careful in its planning for these proposed facility improvements. The District spent the following 3 plus years studying District-wide facility needs, space requirements, program needs and other input affecting the future needs of the District. The District also considered current data on enrollment, recent facilities studies and associated recommendations, and financial data pertinent to District operations.

In addition, the community task force reviewed current deferred maintenance needs, educational and programmatic needs, and the financial status of the District in order to formulate their recommendations for the future of the District and its facilities. During its planning efforts, and after options were developed and costs of implementation were estimated, the proposed recommendations were presented for the Board's consideration.

At that time, the District embarked on a process of gathering stakeholder input from numerous community leaders and organizations, as well as numerous community members thru outreach and public listening sessions and forums.

The Board provided input and reaction which resulted in refined scopes, costs, timelines and articulating proposed solutions. Ultimately, after carefully considering the project scope and its long-term benefits, as well as its cost, the Board voted unanimously to proceed with a referendum in November of 2016 that included a new 9-12 High School facility, transitioning uses of the existing facilities, a new facility to accommodate ALC and gymnastics programming, and a new stadium to be located at the site of the new high School. Although closer, this referendum was also defeated.

Worthington School District No. 518

After the defeat in November of 2016, the District held public forums, listening sessions, and sought and received input from numerous individuals and stakeholder groups throughout the District.

The culmination of these efforts resulted in what the School Board believed to be a very reasonable referendum proposal which consisted of a very stream-lined version of the 2016 plan. This February of 2018 referendum attempt of \$68,495,000 did not include a stadium for the new High School facility, and did not include the previously sought ALC/gymnastics facility. Unfortunately, this latest referendum attempt was also met with strong opposition and was ultimately turned down by the voters.

Feedback following the most recent referendum attempt was plentiful from both community supporters and organized opposition groups. It has become clear to the District that although there is little argument that the need for additional space exists within the community, the cost and tax impact associated with any solution must be significantly reduced.

Over the past few months, the district completed a process to proactively seek feedback in an effort to clearly understand what it might take to have a reasonable chance to make some amount of forward progress with their continued space needs. This time the process involved seeking alternative proposals directly from community groups who had previously supported and opposed past referendum efforts. Ultimately the two groups presented their concepts and thoughts to the School Board.

Although the **current proposal** could be considered to be a **shorter term solution** by providing capacity for an additional 900 students in the form of a new intermediate facility instead of the previous 1100 student high School attempts, it is the belief of the School Board that the current plan being proposed meets the **general direction** and cost tolerance of both the group **of past supporters** and the group of the past opposition.

Benefits to Students, Staff and District Communities:

Thru completion of the proposed improvements, and creation of additional space to accommodate the continued enrollment growth, the District will be enhancing its ability to continue to provide excellent educational programs and community use access to sites and facilities for many years to come. The proposed project scopes will result in several direct benefits to students, staff, and the surrounding community in a number of ways:

- Provide capacity for an additional 900 students
- Re-Organize current grade configurations to better align with space available within the existing Prairie Elementary and Middle School facilities.
- Create flexible spaces for personalized learning and a wider variety of instructional delivery

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4. DESCRIPTION OF THE PROJECT

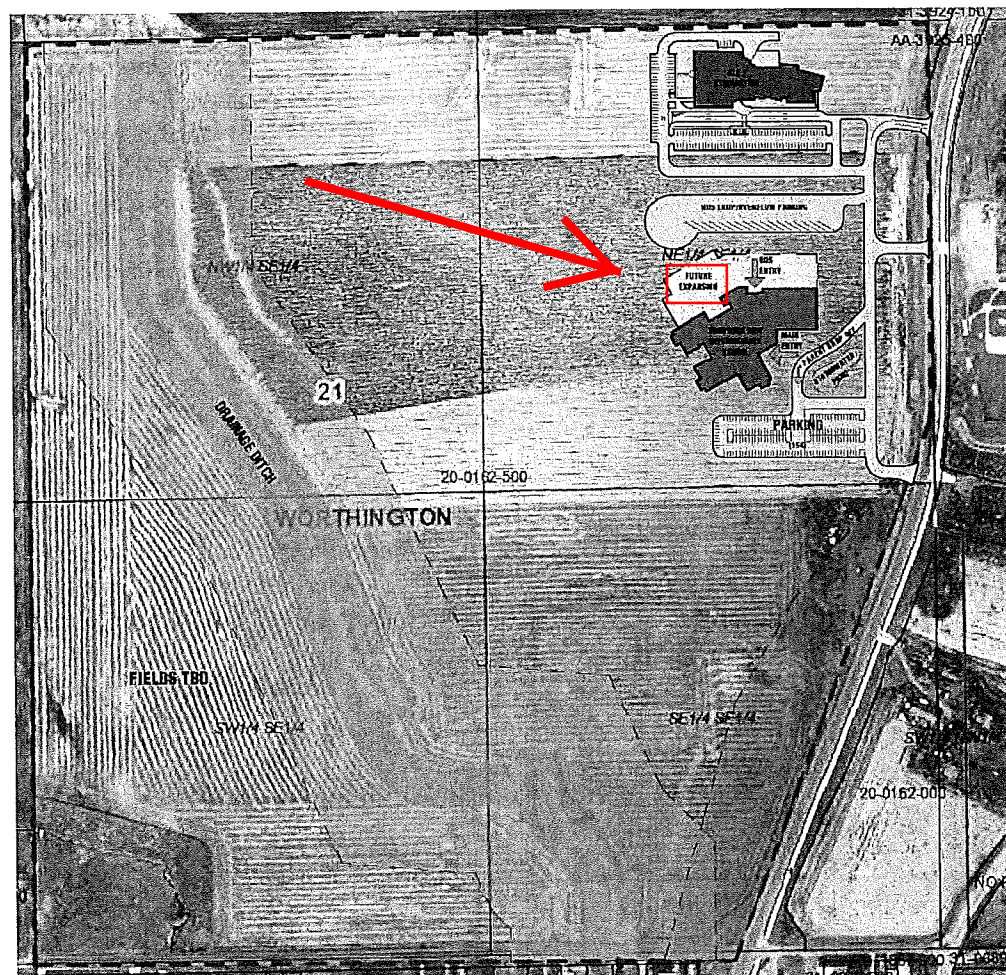
The following is an outline of the improvements to be completed as part of this project proposal:

- Construct a new Intermediate School facility to serve grades 3 through 5 on district-owned 140 acre site south of the existing Middle School.
- Transition use of the current Middle School facility to serve grades 6-8.
- Transition use of the current Prairie Elementary facility to serve grades PK-2 programming.
- Discontinue Use of the original West Learning Center Facility.

New Intermediate School Facility:

The proposed new Intermediate School facility is planned to accommodate a capacity of 900 students and is currently programmed at 120,480 total sf, and is planned to be constructed on a District-owned 140 plus acre site located just south of the existing Middle School facility. A detailed preliminary space program has been included in **Appendix B** of this submittal.

Site Concept:



Worthington School District No. 518

Transition of existing facilities:

As the District worked to explore and evaluate various ways to solve the space needs within the District stemming from rapid and consistent enrollment growth, it became clear that the need for additional space would exist at all grade levels at some point in the near future. However, through numerous unsuccessful referendum attempts over the past several years, it became clear that the District must seek the most economical way to gain additional space and capacity within the District as a whole. After careful evaluation, the proposed 900 student intermediate school accomplished this goal. Upon completion of the new 3-5 facility, the number of grade levels being served within both the existing Middle School and Prairie Elementary will be reduced by one full grade level which will ease the current pressure at those facilities. In addition, it will enable the District to discontinue the use of the existing West Learning Center facility.

Project Budget Summary:

Ballot Question #1:

Construct New Stand-Alone 3-5 Intermediate School for 900	\$27,108,000
Site Related Improvements	\$1,100,000
Off-Site Improvements	\$250,000
Professional Fees and Services	\$3,414,960
Building Permit/Fees/State Plan Review	\$711,450
Furniture, Fixtures, & Equipment	\$850,000
Technology & Security	\$600,000
Other Consultant Costs	\$237,750
Bond Issuance and Finance Costs	\$417,950
Contingency	\$1,707,480
	\$36,397,590
District Capital Contribution:	(\$1,397,590)
Total Amount for Question #1 (not to exceed):	\$35,000,000

Ballot Question #2:

Athletic Fields and Facilities Improvements	\$3,005,000
Professional Fees and Services	\$391,000
Building Permit/Fees/State Plan Review	\$85,000
Other Consultant Costs	\$125,000
Bond Issuance and Finance Costs	\$90,000
Contingency	\$300,500
	\$3,996,500
Total Amount for Question #2 (not to exceed):	\$4,000,000

*(Please refer to **Appendix C** of this submittal for a detailed breakdown)*

Worthington School District No. 518

Operating Cost Impacts:

The ongoing cost to operate and maintain facilities is a significant annual capital expenditure for Worthington School District. However, a District's facilities and sites are typically one of its most valuable physical assets, and as such, must be maintained and updated to ensure that all students and staff are accommodated in modern, safe, and healthy learning environments.

As part of this project, the existing aged West Elementary School facility will be de-commissioned. All Costs associated with on-going repair, service, and maintenance of aging systems within this facility will be eliminated. In addition, annual utility costs associated with this facility will partially offset additional utility costs associated with construction of the new Intermediate School as represented below:

Anticipated Impact on Annual Utility Costs:

Existing West Elementary to be eliminated:	(56,344 s.f.)
New High School:	<u>120,480 s.f.</u>
Net Total of New Addition Space:	64,136 s.f.

Based on the historic \$.95 / s.f. cost data for utility consumption, it is estimated that the net new square footage will result in an increase of \$60,929 annually in utility usage.

However, the proposed improvements will remedy numerous physical repair and maintenance needs that were facing the District at West Elementary which will ease pressure on annual operating dollars that are currently needing to be allocated to address such needs.

Furthermore, although no major changes in staffing are anticipated as a result of implementing the proposed improvements, the District intends to take this opportunity to analyze its current staffing structure in an effort to identify any potential efficiencies.

Due to the rapid and consistent enrollment growth that has been experienced by the District, and that will continue, the District is very well-positioned from an operating and financial reserves standpoint.

PRELIMINARY PROJECT SCHEDULE MILESTONE DATES:

Bond Referendum:	August 14, 2018
Design Phase:	September 2018 – March 2019
Bidding Process:	Spring 2019
Construction Phase 1:	Spring 2019 – Fall/Winter 2021
Anticipated Completion:	Fall / Winter 2021

Worthington School District No. 518

5. METHOD OF FINANCING / TAX IMPACT

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;

ISD 518 – Worthington Public Schools intends to ask voters to authorize two school building bond requests for a referendum to be held on Tuesday, August 14, 2018.

Voter approved bonds along with District general funds will provide the source of the financing authorized under Minnesota Statutes section 123B.02 and 475 to pay for the project improvements along with the costs of issuing the debt.

The School Board upon receiving voter approval intends to issue the bonds in October of 2018. Ballot Question #1 requests a not to exceed borrowing amount of \$35,000,000. Ballot Question #2 requests a not to exceed borrowing amount of \$4,000,000. Although the bonds will qualify for debt equalization, under the current formula the District does not anticipate it will receive any State aid.

Based on the requested data per Minnesota Statute, the District has included the following information for review by MDE which includes: 1) Sources and Uses of the Bonds; 2) Existing Debt; 3) Ballot Question #1 Debt Structure and Statistics, 4) Ballot Question #2 Debt Structure and Statistics, 5) 6) Existing Debt plus New Voter Approved Debt and; 6) Estimated Tax Impact for the remainder of Section 5 of the response.

1) Sources and Uses of the Bonds

	BALLOT QUESTION #1	BALLOT QUESTION #2	TOTAL
Sources Of Funds			
Par Amount of Bonds	\$35,000,000.00	\$4,000,000.00	\$39,000,000.00
Planned Issuer Equity contribution	1,397,590.00	-	1,397,590.00
Total Sources	\$36,397,590.00	\$4,000,000.00	\$40,397,590.00
Uses Of Funds			
Deposit to Project Construction Fund	35,979,640.00	3,910,000.00	39,889,640.00
Total Underwriter's Discount	350,000.00	60,000.00	410,000.00
Bond Counsel (Estimated)	30,250.00	8,000.00	38,250.00
Standard & Poor's Rating Agency Fee (Quote)	26,000.00	10,800.00	36,800.00
Financial Advisory Fee	6,000.00	3,000.00	9,000.00
Miscellaneous	4,350.00	3,000.00	7,350.00
Rounding Amount	-	3,850.00	3,850.00
US Bank Fiscal Agent Fee (Quote)	1,350.00	1,350.00	2,700.00
Total Uses	\$36,397,590.00	\$4,000,000.00	\$40,397,590.00

Worthington School District No. 518

2) Existing Debt

The District's existing General Obligation Debt and Certificates of Participation obligations are shown below:

Taxes Payable Year	Fiscal Year	Series 2010A - Certificates of Participation (Energy Savings) at 100%	Series 2010B - GO Alternative Facilities Bonds at 100%	Series 2010C - GO Capital Facilities Bonds at 100%	Series 2010D - Certificates of Participation (Building Addition - Lease Levy) at 100%	Series 2013A - GO Refunding (Voter Approved) Bonds at 100%	Series 2016A - GO Alternative Facilities Refunding Bonds at 100%
2018	2019	171,645.00	388,125.00	97,660.00	211,665.00	1,377,325.00	97,837.50
2019	2020	171,900.00		95,180.00	210,825.00	1,373,200.00	482,837.50
2020	2021	171,770.00		92,700.00	214,555.00	1,378,450.00	480,137.50
2021	2022	171,170.00		99,900.00	212,555.00	1,376,700.00	477,337.50
2022	2023	170,225.00		96,750.00	210,175.00	1,373,900.00	479,437.50
2023	2024	168,925.00		93,375.00	212,405.00	1,375,050.00	486,337.50
2024	2025	172,260.00			214,020.00		482,937.50
2025	2026						479,437.50
2026	2027						480,837.50
2027	2028						480,937.50
2028	2029						480,812.50
2029	2030						475,462.50

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Worthington School District No. 518

3) Ballot Question #1 Debt Structure and Statistics

Debt Service Schedule				
Date	Principal	Coupon	Interest	Total P+I
02/01/2019	-	-	-	-
02/01/2020	490,000.00	2.300%	1,603,260.00	2,093,260.00
02/01/2021	900,000.00	2.430%	1,191,175.00	2,091,175.00
02/01/2022	920,000.00	2.550%	1,169,305.00	2,089,305.00
02/01/2023	950,000.00	2.670%	1,145,845.00	2,095,845.00
02/01/2024	970,000.00	2.770%	1,120,480.00	2,090,480.00
02/01/2025	1,755,000.00	3.240%	1,093,611.00	2,848,611.00
02/01/2026	1,810,000.00	3.570%	1,036,749.00	2,846,749.00
02/01/2027	1,875,000.00	3.030%	972,132.00	2,847,132.00
02/01/2028	1,930,000.00	3.090%	915,319.50	2,845,319.50
02/01/2029	1,990,000.00	3.320%	855,682.50	2,845,682.50
02/01/2030	2,060,000.00	3.450%	789,614.50	2,849,614.50
02/01/2031	2,130,000.00	3.550%	718,544.50	2,848,544.50
02/01/2032	2,205,000.00	3.610%	642,929.50	2,847,929.50
02/01/2033	2,280,000.00	3.660%	563,329.00	2,843,329.00
02/01/2034	2,365,000.00	3.700%	479,881.00	2,844,881.00
02/01/2035	2,450,000.00	3.740%	392,376.00	2,842,376.00
02/01/2036	2,540,000.00	3.770%	300,746.00	2,840,746.00
02/01/2037	2,640,000.00	3.800%	204,988.00	2,844,988.00
02/01/2038	2,740,000.00	3.820%	104,668.00	2,844,668.00
Total	\$35,000,000.00	-	\$15,300,635.50	\$50,300,635.50
Yield Statistics				
Bond Year Dollars				\$427,076.67
Average Life				12.202 Years
Average Coupon				3.5826437%
Net Interest Cost (NIC)				3.6645962%
True Interest Cost (TIC)				3.6677984%

Note: Illustration purposes only. Significant changes in market conditions will require adjustments to current illustration.

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Worthington School District No. 518

4) Ballot Question #2 Debt Structure and Statistics

Debt Service Schedule				
Date	Principal	Coupon	Interest	Total P+I
02/01/2019	-	-	-	-
02/01/2020	60,000.00	2.300%	182,970.00	242,970.00
02/01/2021	105,000.00	2.430%	135,847.50	240,847.50
02/01/2022	110,000.00	2.550%	133,296.00	243,296.00
02/01/2023	115,000.00	2.670%	130,491.00	245,491.00
02/01/2024	115,000.00	2.770%	127,420.50	242,420.50
02/01/2025	200,000.00	3.240%	124,235.00	324,235.00
02/01/2026	205,000.00	3.570%	117,755.00	322,755.00
02/01/2027	210,000.00	3.030%	110,436.50	320,436.50
02/01/2028	220,000.00	3.090%	104,073.50	324,073.50
02/01/2029	225,000.00	3.320%	97,275.50	322,275.50
02/01/2030	235,000.00	3.450%	89,805.50	324,805.50
02/01/2031	240,000.00	3.550%	81,698.00	321,698.00
02/01/2032	250,000.00	3.610%	73,178.00	323,178.00
02/01/2033	260,000.00	3.660%	64,153.00	324,153.00
02/01/2034	270,000.00	3.700%	54,637.00	324,637.00
02/01/2035	280,000.00	3.740%	44,647.00	324,647.00
02/01/2036	290,000.00	3.770%	34,175.00	324,175.00
02/01/2037	300,000.00	3.800%	23,242.00	323,242.00
02/01/2038	310,000.00	3.820%	11,842.00	321,842.00
Total	\$4,000,000.00	-	\$1,741,178.00	\$5,741,178.00
Yield Statistics				
Bond Year Dollars				\$48,618.33
Average Life				12.155 Years
Average Coupon				3.5813198%
Net Interest Cost (NIC)				3.7047300%
True Interest Cost (TIC)				3.7198173%

Note: Illustration purposes only. Significant changes in market conditions will require adjustments to current illustration.

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Worthington School District No. 518

5) Existing Debt plus New Voter Approved Debt

Taxes Payable Year	Fiscal Year	100% Payments Below			105% Payments Below			
		Series 2013A - GO Refunding (Voter Approved) Bonds at 100%	Question 1 - Voter Approved Bonds at 100%	Question 2 - Voter Approved Bonds at 100%	Existing Voter Approved Debt at 105%	Existing Voter Approved Debt at 105% with Question 1 Only	Existing Voter Approved Debt at 105% with Question 2 Only	Existing Voter Approved Debt at 105% with Question 1&2
2018	2019	1,377,325.00			1,446,191.25	1,446,191.25	1,446,191.25	1,446,191.25
2019	2020	1,373,200.00	2,093,260.00	242,970.00	1,441,860.00	3,639,783.00	1,696,978.50	3,894,901.50
2020	2021	1,378,450.00	2,091,175.00	240,847.50	1,447,372.50	3,643,106.25	1,700,262.38	3,895,996.13
2021	2022	1,376,700.00	2,089,305.00	243,296.00	1,445,535.00	3,639,305.25	1,700,995.80	3,894,766.05
2022	2023	1,373,900.00	2,095,845.00	245,491.00	1,442,595.00	3,643,232.25	1,700,360.55	3,900,997.80
2023	2024	1,375,050.00	2,090,480.00	242,420.50	1,443,802.50	3,638,806.50	1,698,344.03	3,893,348.03
2024	2025		2,848,611.00	324,235.00	-	2,991,041.55	340,446.75	3,331,488.30
2025	2026	\$2,092,000	2,846,749.00	322,755.00	-	2,989,086.45	338,892.75	3,327,979.20
2026	2027	-	2,847,132.00	320,436.50	-	2,989,488.60	336,458.33	3,325,946.93
2027	2028	-	2,845,319.50	324,073.50	-	2,987,585.48	340,277.18	3,327,862.65
2028	2029	-	2,845,682.50	322,275.50	-	2,987,966.63	338,389.28	3,326,355.90
2029	2030		2,849,614.50	324,805.50	-	2,992,095.23	341,045.78	3,333,141.00
2030	2031	\$2,845,800	2,848,544.50	321,698.00	-	2,990,971.73	337,782.90	3,328,754.63
2031	2032	-	2,847,929.50	323,178.00	-	2,990,325.98	339,336.90	3,329,662.88
2032	2033	-	2,843,329.00	324,153.00	-	2,985,495.45	340,360.65	3,325,856.10
2033	2034	-	2,844,881.00	324,637.00	-	2,987,125.05	340,868.85	3,327,993.90
2034	2035	-	2,842,376.00	324,647.00	-	2,984,494.80	340,879.35	3,325,374.15
2035	2036	-	2,840,746.00	324,175.00	-	2,982,783.30	340,383.75	3,323,167.05
2036	2037	-	2,844,988.00	323,242.00	-	2,987,237.40	339,404.10	3,326,641.50
2037	2038	-	2,844,668.00	321,842.00	-	2,986,901.40	337,934.10	3,324,835.50
Total		8,254,625.00	50,300,635.50	5,741,178.00	8,667,356.25	61,483,023.53	14,695,593.15	67,511,260.43

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Worthington School District No. 518

6) Estimated Tax Impact

Assumptions						
Tax impact uses Final Pay 2018 Tax Base information with no assumed increase for Pay 2019 and later						
Assumes an August 14, 2018 School Building Bond Election						
Dated/closing date is October 1, 2018						
20-Year Payment Structure						
Current Tax-Exempt Borrowing Rates as of 04/19/18 plus 50 basis points						
		Q1 - Intermediate School - Voter-Approved G.O. School Building Bonds	Q2 - Athletic Field and Facilities Improvements Voter-Approved G.O. School Building Bonds	Question 1 plus Question 2 Annual Impact	Question 1 plus Question 2 Monthly Impact	
Debt Structure		Modified Wrap	Modified Wrap			
Total Borrowing Amount		35,000,000	4,000,000			
Planned Issuer Equity Contribution		1,397,590	0			
Costs of Issuance		417,950	90,000			
Deposit to Project Fund		35,979,640	3,910,000			
Total Est. P&I		50,300,636	50,300,636			
Est. Pay 2019 Payment Amount at 105%		2,197,923	255,119			
Estimated True Interest Cost % of Borrowing		3.66780%	3.66780%			
Final Pay 2018 NTC		19,388,464	19,388,464			
Est. Tax Rate		11.3362%	1.3158%			
Types of Property	Estimated Market Value	Est. Annual Tax Impact - Taxes Payable 2019	Est. Annual Tax Impact - Taxes Payable 2019	Est. Annual Tax Impact - Taxes Payable 2019	Est. Monthly Tax Impact - Taxes Payable 2019	
Residential Homestead	\$50,000	\$34.01	\$3.95	\$37.96	\$3.16	
	75,000	51.01	5.92	56.93	4.74	
	100,000	81.39	9.45	90.84	7.57	
	125,000	112.23	13.03	125.26	10.44	
	150,000	143.18	16.62	159.80	13.32	
	175,000	174.01	20.20	194.21	16.18	
	200,000	204.96	23.79	228.75	19.06	
	225,000	235.79	27.37	263.16	21.93	
	250,000	266.74	30.96	297.70	24.81	
	275,000	297.58	34.54	332.12	27.68	
	300,000	328.52	38.13	366.65	30.55	
	400,000	452.09	52.48	504.57	42.05	
Commercial / Industrial	\$100,000	\$170.04	\$19.74	\$189.78	\$15.82	
	250,000	481.79	55.92	537.71	44.81	
	500,000	1,048.60	121.71	1,170.31	97.53	
	1,000,000	2,182.23	253.30	2,435.53	202.96	
Ag. Homestead - Total Tax Impact	40 acres	448,000	\$266.85	\$30.98	\$297.83	\$24.82
(assume dwelling value is \$175,000	80 acres	728,000	362.08	42.03	404.11	33.68
and acreage assessed at \$7,000)	160 acres	1,288,000	552.53	64.14	616.67	51.39
	320 acres	2,408,000	1,046.67	121.49	1,168.16	97.35
Ag. Homestead - Tax Impact Per Acre	5,000	\$1.70	\$0.20	\$1.90	\$0.16	
(dollars per acre)	6,000	2.04	0.24	2.28	0.19	
(assumes total EMV is less than \$1.90 million)	7,000	2.38	0.28	2.66	0.22	
	8,000	2.72	0.32	3.04	0.25	
	9,000	3.06	0.36	3.42	0.28	
Agricultural Non-Homestead	\$5,000	\$3.40	\$0.39	\$3.79	\$0.32	
(dollars per acre)	6,000	4.08	0.47	4.55	0.38	
	7,000	4.76	0.55	5.31	0.44	
	8,000	5.44	0.63	6.07	0.51	
	9,000	6.12	0.71	6.83	0.57	

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Worthington School District No. 518

6. REQUIRED ADDITIONAL DOCUMENTATION

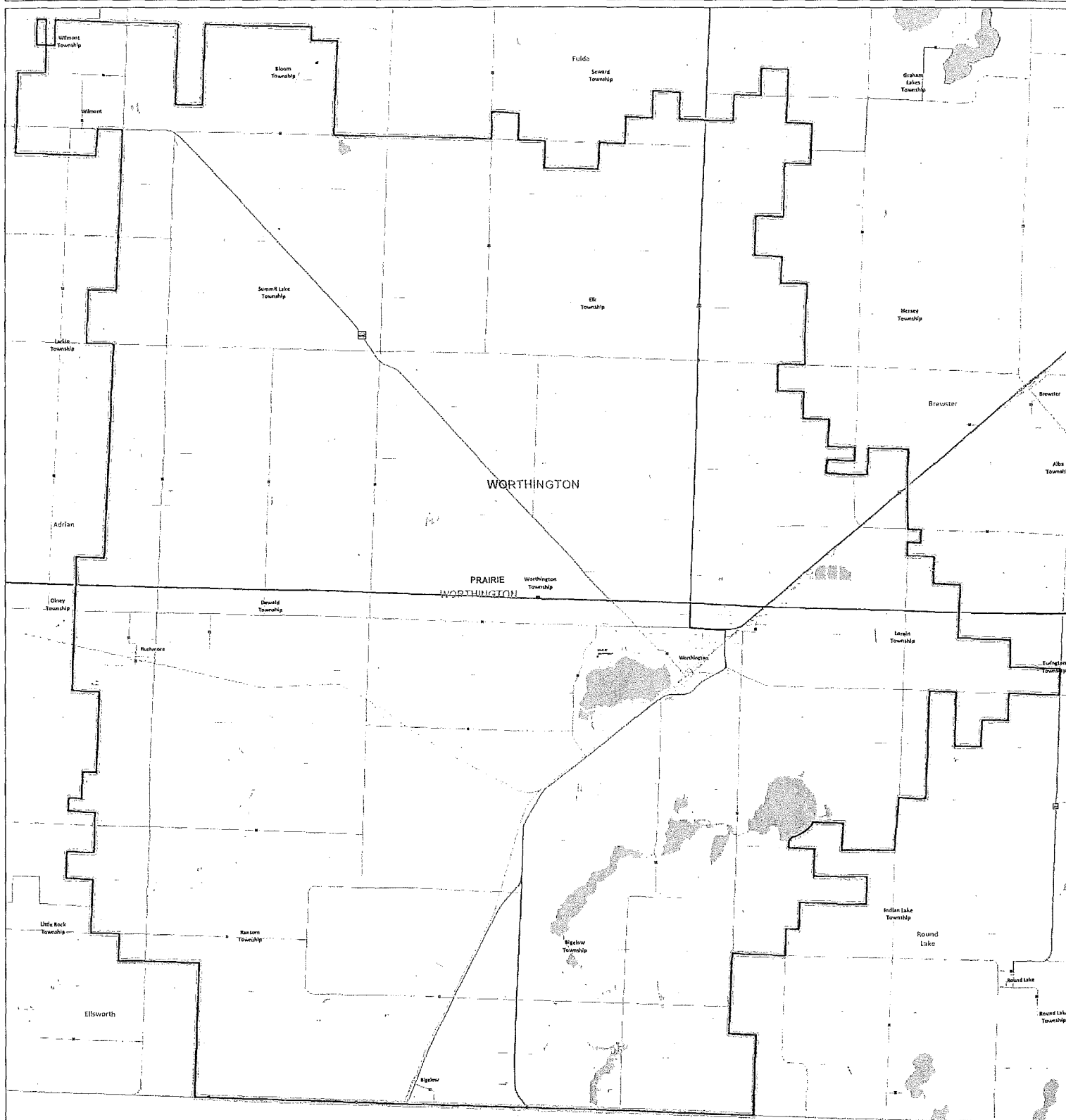
Please refer to attached "Attachment 1" certification document in ***Appendix D*** of this submittal.

APPENDIX A

Public School District Attendance Areas and Educational Facility Locations

Worthington
518

Map 1 of 1



Public Educational Facilities or Programs¹

- 2 Elementary school
- 3 Middle / Junior high school
- 4 High / Secondary school
- 5 School District Office
- 6 Non-Public school
- 7 Public Charter school
- 8 Other School Program (examples):
 - Area Learning Center (ALC)
 - Area Learning Program (ALP)
 - Targeted Services
 - College/University
 - Correctional
 - Secondary Education

Public School Attendance Areas

- Elementary School Attendance Area - ELEM
- Middle School Attendance Area - MIDDLE
- High School Attendance Area - HIGH

Public School Districts¹

- School District
- Adjacent School District
- WSET - SEE MAP 2 OF 2 (If applicable)

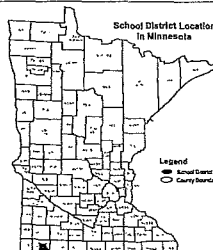
Other Features

- Interstate Highway²
- U.S. Highway²
- State Highway²
- County Highway²
- Road/Trail²
- Railroad²
- Stream²
- Lake/Pond²
- Minor Civil Division² (Cities, Townships and Unorganized areas)
- Public Land Survey Township / Range²
- Public Land Survey Section²

Data Sources:
 1. Minnesota Department of Education, IT Division, 2010
 2. Minnesota Census, 2010, Minnesota Department of Transportation, 2004
 3. Minnesota Geographic Information Office
 4. U.S. Bureau of the Census, Minnesota Legislative GIS Office (modified to include unincorporated areas with Minnesota Department of Education through May 2005)
 5. Minnesota Department of Natural Resources

Special Note:
 The school district boundary appearing on this map does not necessarily represent the legal boundary of the district. It is a generalization of boundaries from maps in the late 1990s to early 2000s and is not intended to be used for any legal purposes. For the most current and accurate boundaries, please contact your local school district or the Minnesota Department of Education.

Disclaimer:
 The Minnesota Department of Education does not warrant the quality or accuracy of the data used in this map. This map is provided without warranty or liability for any errors, omissions, or damages, including any loss of profit or loss of savings, even if the Department of Education has been advised of the possibility of such damages or any other claim by any third party.



1:36,780

For further information with this map, contact:
 Julie Stark - jstark@doe.mn.gov
 180 Department of Education
 Division of Information Technology
 1000 University Avenue SE
 St. Paul, MN 55105

Minnesota Department of
Education

APPENDIX B

New 3-5 Intermediate School for 900

AREA	Individual Spaces	#	Addition
Classrooms			
Classrooms (12 per grade)	900	36	32,400 SF
EL Classrooms	900	3	2,700 SF
Special Education	900	6	5,400 SF
			<u>40,500 SF</u>
Specialists			
Art	1,200	2	2,400 SF
Storage / Prep			150 SF
Flexible Lab	1,200	1	1,200 SF
Music	1,200	2	2,400 SF
Storage			150 SF
			<u>6,300 SF</u>
Physical Education			
Gymnasium	6,500	2	13,000 SF
Storage			800 SF
			<u>13,800 SF</u>
Media Center			
Circulation / Distribution / Stacks / Reading			2,400 SF
Media Workroom			250 SF
Conference Room			250 SF
Storage			200 SF
Office			120 SF
			<u>3,220 SF</u>
Cafeteria			
Seating Area			6,000 SF
Storage			600 SF
			<u>6,600 SF</u>
Administration			
Reception	500	2	1,000 SF
Principal Office	200	1	200 SF
Offices	140	4	560 SF
Conference Room			200 SF
Workroom			500 SF
Staff Toilet			60 SF
Nurse/Toilet			500 SF
Faculty Dining			800 SF



Independent School District #518

DRAFT April 25, 2018

New 3-5 Intermediate School for 900

AREA	Individual Spaces	#	Addition
Records Storage			80 SF
			<u>3,900 SF</u>
Kitchen / Receiving			
<i>To Be Allocated</i>			6,000 SF
TOTAL NET SQUARE FOOTAGE			80,320 SF
NET TO GROSS FACTOR			x <u>1.50</u>
(Includes mechanical, electrical, circulation, and maintenance / janitorial spaces)			
TOTAL GROSS SQUARE FOOTAGE			120,480 SF

APPENDIX C

PROJECT: Worthington Schools - August 2018 Referendum Budget
LOCATION: Worthington, MN
PREP BY: ICS Consulting
DATE: 5-4-18

Ballot Question #1: New Intermediate School Facility (900 Student Capacity) for grades 3 through 5

<u>FACILITY / ITEM DESCRIPTION</u>	<u>SF</u>	<u>\$ / SF</u>	<u>Notes:</u>
NEW FACILITY CONSTRUCTION:			
Construct New Stand-Alone 3-5 Intermediate School for 900	120,480	\$225	Assumes 2019 Const costs - See Detailed Space Program
SITE RELATED DEVELOPMENT AND IMPROVEMENTS:			
Site Development			
New Intermediate Site		LS	
Off-Site Improvements		Allow	
Construction Total			
Professional Fees, Services, & Reimb.			Allowance
Building Permit/Fees/State Plan Review			Allowance
Furniture, Fixtures, & Equipment			
New Intermediate			
Technology & Security			Allowance
Other Consultant Costs			
Project Commissioning/Validation			Allowance
Construction Testing			Allowance
Soil Testing			Allowance
Site Survey			Allowance
Owner Costs			
Bond Issuance/Underwriter Costs			Allowance per RW Baird
Contingency			Allowance - Design and Construction
		\$302.10	
		0.278993	
Question #1 - Voter Approved Referendum:			
District Capital Contribution:			

Ballot Question #2: Athletic Fields and Facilities Improvements

<u>FACILITY / ITEM DESCRIPTION</u>	<u>SF</u>	<u>\$ / SF</u>	<u>Notes:</u>
Athletic Fields and Facilities Improvements			
Construction Costs			See Detailed Breakdown on Following Page
SITE RELATED DEVELOPMENT AND IMPROVEMENTS:			
Site Development			
Construction Total			
Professional Fees, Services, & Reimb.			Allowance
Building Permit/Fees/State Plan Review			Allowance
Other Consultant Costs			
Construction Testing			Allowance
Soil Testing			Allowance
Site Survey			Allowance
Owner Costs			
Bond Issuance/Underwriter Costs			Allowance per RW Baird
Contingency			Allowance - Design and Construction
Question #2 - Voter Approved Referendum:			

Worthington Schools - Athletic Field and Facilities Improvements

5/4/2018

		Re-Build & Improve Trojan Field Complex
Mass Excavation		
	Demolition	\$115,000
	FB Field / Track - Incl. drain tile & Average Soil Correction	\$200,000
	FB Field Average Soil Correction	\$150,000
	Buildings / Misc Earthwork	\$0
	Pond / Water Treatment	\$70,000
	Subtotal Mass Excavation:	\$535,000
Site Utilities		
	Storm Drainage	\$20,000
	Water - Dom.	\$15,000
	Sanitary	\$15,000
	Irrigation	\$0
	Subtotal Site Utilities:	\$50,000
Site Surfaces		
	Track	\$350,000
	Synthetic turf field surface	\$650,000
	Natural Surface	\$0
	Stadium concrete sidewalks / Concourse	\$40,000
	Curb & Gutter at Track	\$40,000
	Subtotal Site Surfaces:	\$1,080,000
New Buildings		
	Concessions - 1,000 SF	\$250,000
	Main Ticket Area	\$75,000
	Team room / fieldhouse - 4,000 SF	\$0
	Refurbish exstg. Fieldhouse	\$0
	Press box	\$100,000
	Subtotal New Buildings:	\$425,000
Site Lighting		
	Stadium Lighting	\$250,000
	Site Lighting Walkways / Concourse	\$25,000
	Subtotal Site Lighting:	\$275,000
Miscellaneous Site Amenities		
	New Visitor Bleachers	\$70,000
	New Home Bleachers	\$285,000
	Fencing	\$35,000
	Signage / Logo	\$50,000
	Scoreboards	\$200,000
	Subtotal Misc. Site Amenities:	\$640,000
	Construction total:	\$3,005,000
Project Fees		
	Fees, Testing, Bonding, Miscellaneous:	\$601,000
	Development Fees / SAC/WAC:	TBD
	Cost of Issuance	\$90,000
	Contingency:	\$300,500
	Subtotal Project Fees:	\$991,500
	Total Project Cost:	\$3,996,500

APPENDIX D

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 Statute 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 Statute 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 Statute chapter 326B governing building codes; and
- (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 5/8/18

Board Chair Signature:  Date 5-8-2018

Architect/Engineer Signature:  Date 5/8/18