Capital Project Referendum Presentation

Upsala Area Schools – ISD #487

August, 2023

Introduction



Ballot Question #1

Shall the school board of Independent School District No. 487 (Upsala Area Schools) be authorized to issue its general obligation school building bonds in an amount not to exceed $4,675,000 to provide funds for the acquisition and betterment of school sites and facilities, including including improvements and upgrades to HVAC, electrical systems and roofing, the installation of dehumidification improvements, and the acquisition and installation of replacement boilers?

Ballot Question #2

If School District Question 1 is approved, shall the school board of Independent School District No. 487 (Upsala Area Schools) also be authorized to issue its general obligation school building bonds in an amount not to exceed $4,060,000 to provide funds for the acquisition and betterment of school sites and facilities, including the construction, remodeling and equipping of early childhood classroom spaces and a career and technical education classroom addition; the construction and equipping of fitness classrooms, storage facilities, and district support spaces; and the completion of accessibility improvements?

Our Facility Maintenance Challenges

Based on facility assessment conducting in the Fall of 2019:	HVAC equipment is beyond expected life expectancy and does not comply with current Indoor Air Quality (IAQ) standards.
	Existing boilers and heat exchanger have had ongoing maintenance issues and are beyond their useful life.
	Several areas of the building are difficult to climate control and do not have dehumidification.
	Several areas of roofing are beyond their warranty period or are nearing the end of their service life. Ongoing maintenance is necessary to prevent water infiltration.

Our Facility Space Challenges

Based on facility assessment conducting in the Fall of 2019:	Working space is the agricultural career and technical (CTE) shop is limited and insufficient for current curriculum and student needs.
	Early childhood education/preschool space is limited for the expanding programming.
	Elementary music room is located away from existing educational spaces.
	Insufficient space for student support programming.
	Areas of the facility do not meet accessibility standards.
	Lack of general storage.

Benefits of Deferred Maintenance Projects (Ballot Question #1)

- New/upgraded HVAC equipment will comply with new IAQ requirements, reduce maintenance and costs to operate.
- New/upgraded HVAC equipment will allow more consistent climate control of classroom temperatures.
- Replacement of boilers will be more reliable and energy efficient.
- Roof replacement will eliminate water infiltration and reduce maintenance.

Benefits of Deferred Maintenance Projects (Ballot Question #2)

Addition and remodeling of the current CTE shop will provide adequate space for desired Ag/Vocational Ed equipment and allow for expansion of the curriculum/course offerings.

Addition and remodeling of the current fitness room will provide adequate space for our expanding early childhood/preschool programming.

Addition and remodeling of the office space will provide additional space for student support.

Relocations of the elementary music classroom will eliminate circulation conflict issues between the high school and elementary students.

Accessibility issues addressed in the facility assessment will be addressed.

Referendum Election Day

August 8, 2023

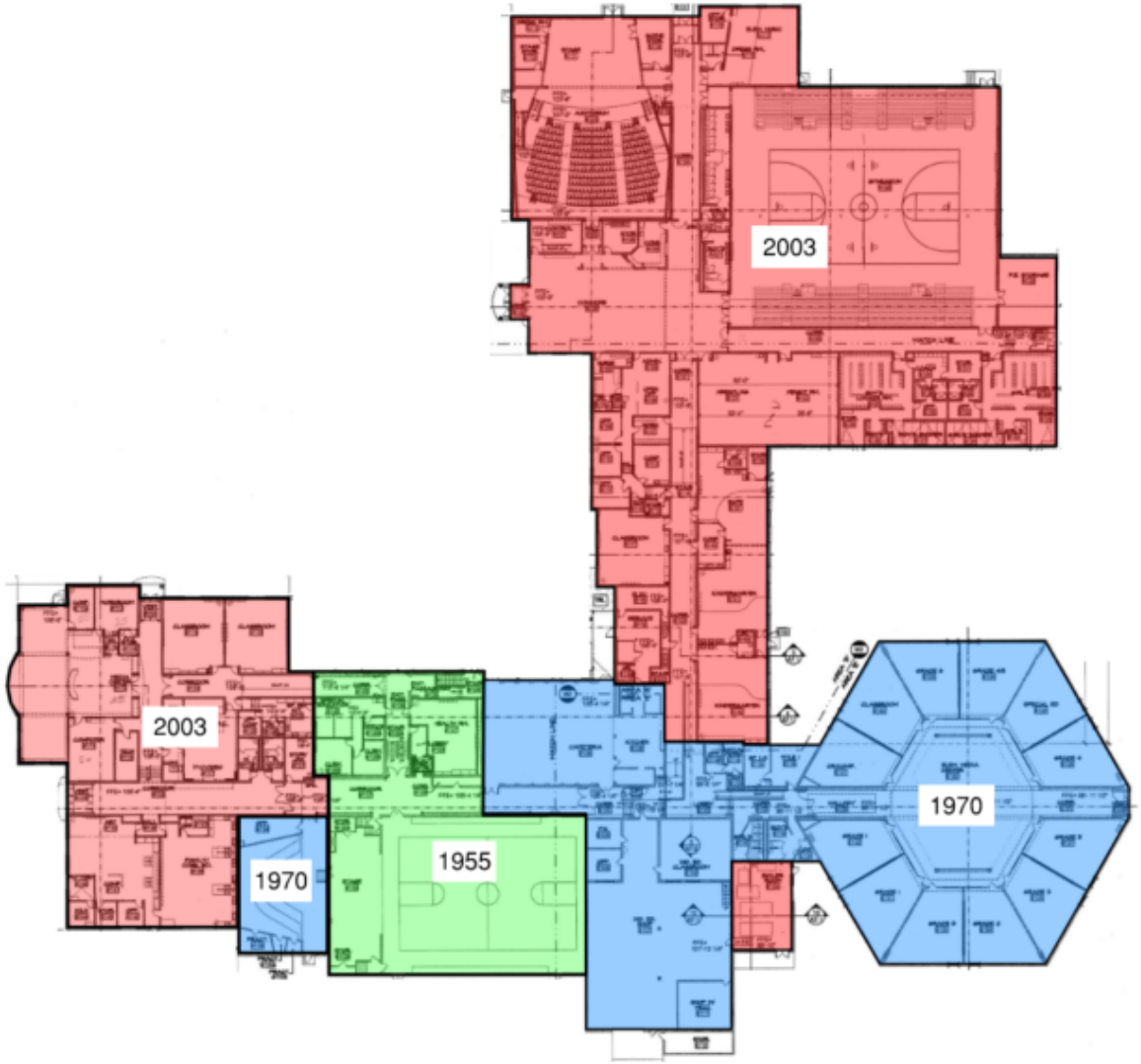
Polls Open: 10:00 AM to 8:00 PM

Combine Polling Place: Upsala Recreation Building

320 Walnut Avenue

Upsala, MN 56384

Existing School Facilities/Space



Project Description



Upsala Area Schools Building Programs

Question 1: Deferred Maintenance (areas are not additive)

• HVAC replacement		33,523 SF
• Dehumidification / Cooling		47,750 SF
• Roof replacement		18,762 SF

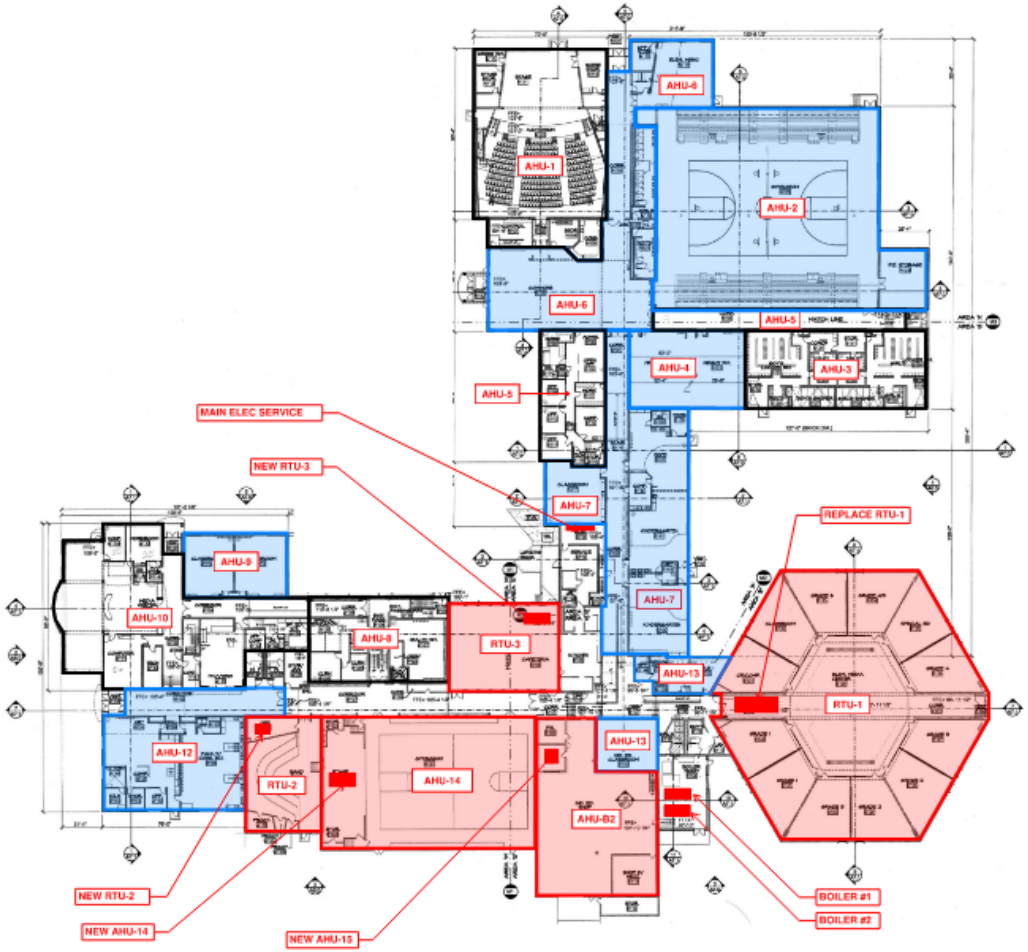
Question 2: Addition / Remodeling

Building Area	Addition	Remodeling
• Secure Entry / Administration	1,240 SF	1,000 SF
• ECFE / Music	300 SF	2,600 SF
• Fitness	1,400 SF	1,200 SF
• Storage	1,650 SF	0 SF
• Career Tech Education	1,840 SF	600 SF
Totals	**7,230 SF**	**5,700 SF**

Floor Plans – HVAC Upgrades and Boiler Replacement

33,523 sq. ft HVAC/Boiler Replacement

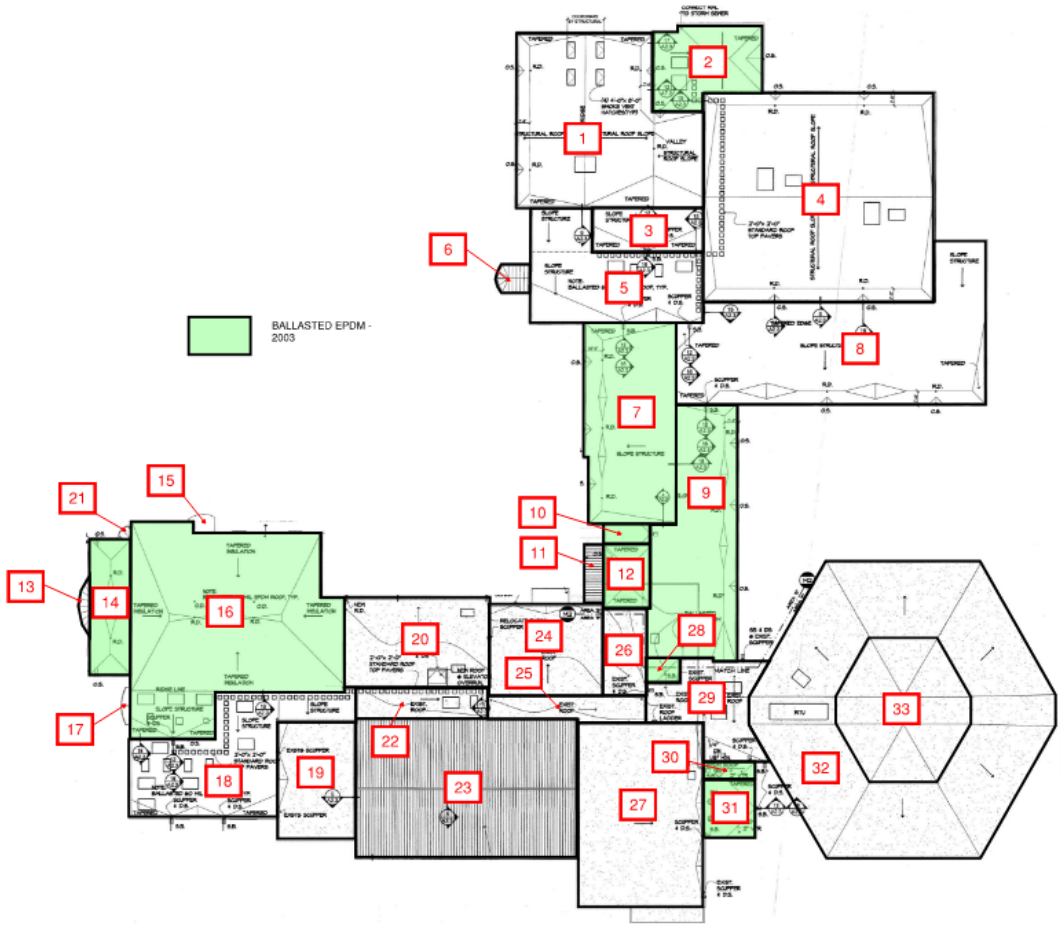
47, 750 sq. ft HVAC Upgrades



MAIN LEVEL HVAC PLAN

Floor Plans – Roof Replacement

18,762 sq. ft

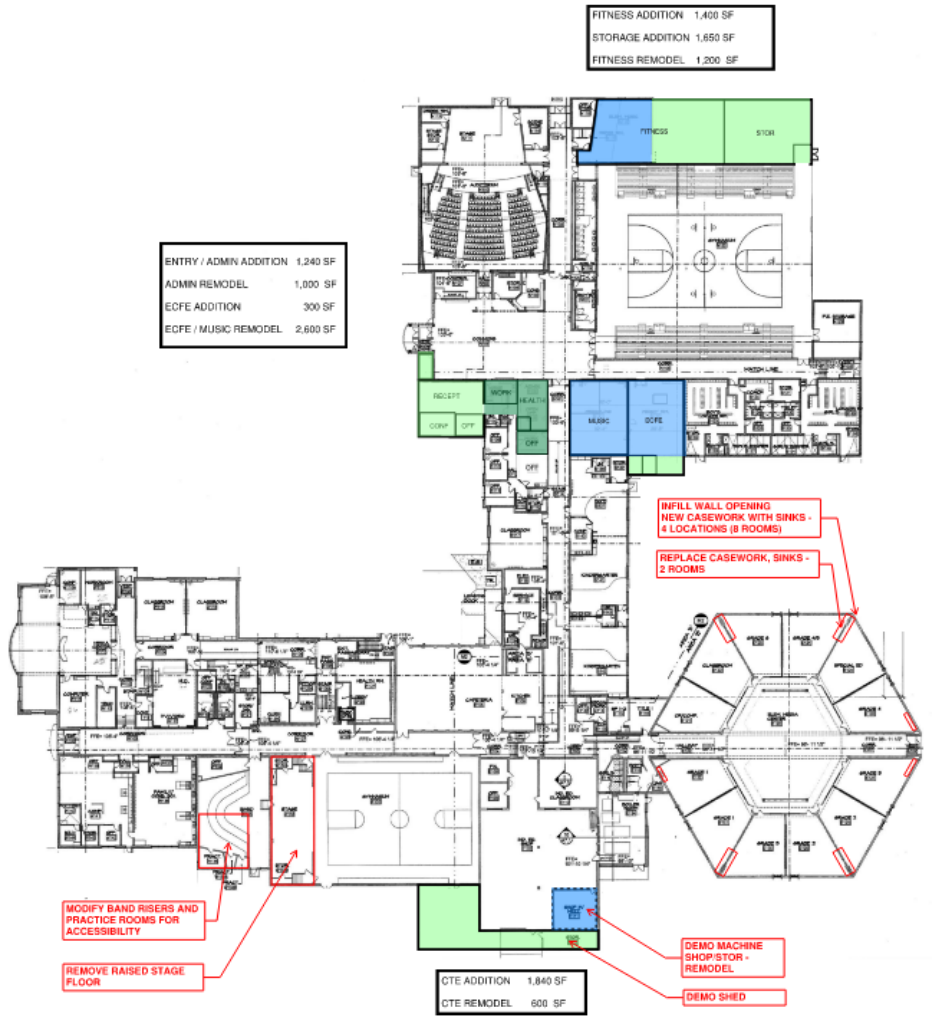


ROOF REPLACEMENT PLAN

Addition/Remodel Plans

7,230 sq. ft – Additions

5,700 sq. ft - Remodel



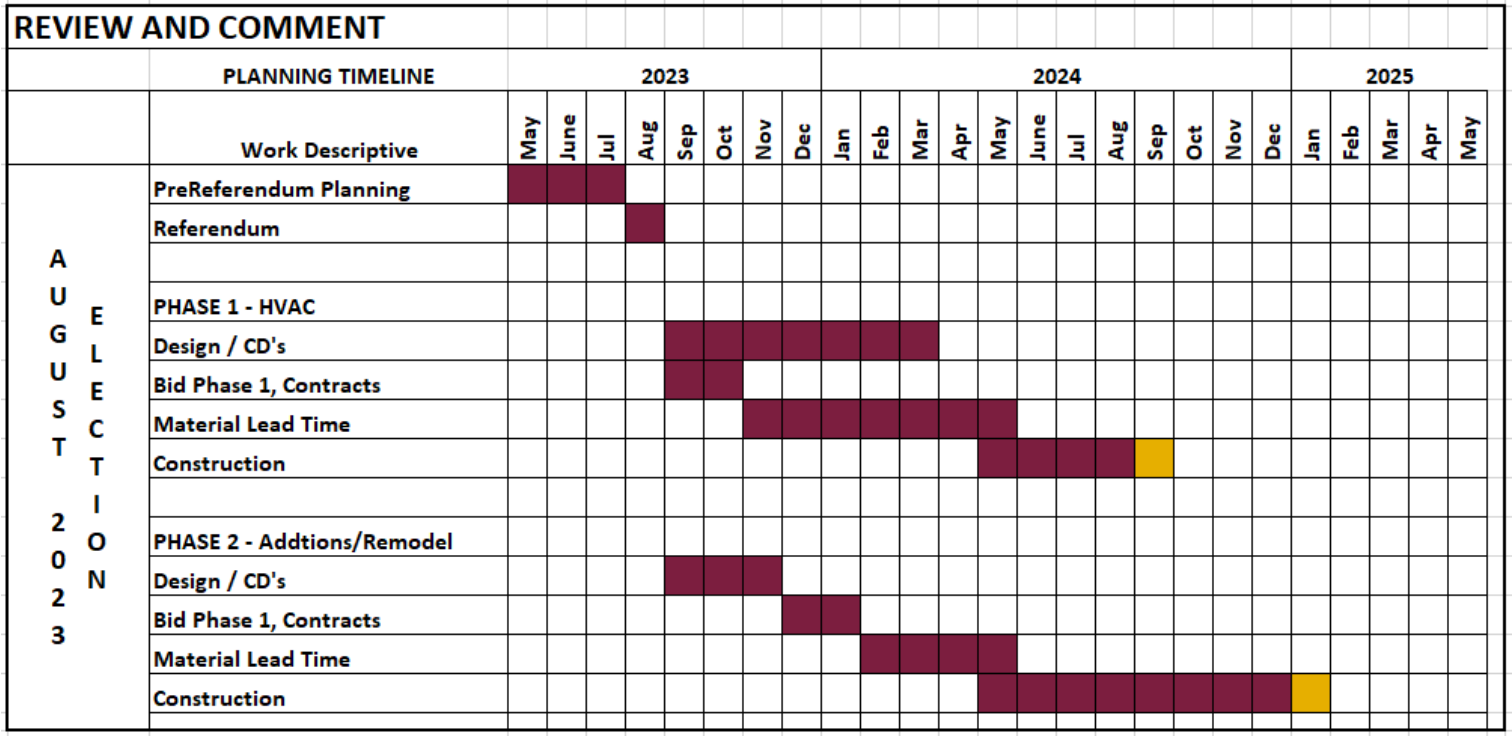
ADDITION / REMODELING PLAN

Project Cost Analysis

Upsala Review and Comment Budget				
QUESTION 1		QUESTION 2		Total Both Questions
Accessibility & Building Code Updates	$ -	Accessibility & Building Code Updates	$ 118,125	$ 118,125
HVAC & Electrical Updates	$ 2,957,500	HVAC & Electrical Updates	$ 31,250	$ 2,988,750
Maintenance Updates (Roofing)	$ 289,164	Maintenance Updates	$ 26,200	$ 315,364
Additions		Additions	$ 2,046,000	$ 2,046,000
Renovations		Renovations	$ 626,000	$ 626,000
FF&E		FF&E		$ -
Fees, Permits & Testing	$ 577,257	Fees, Permits & Testing	$ 506,299	$ 1,083,556
Contingency	$ 454,533	Contingency	$ 398,661	$ 853,193
Escalation	$ 129,867	Escalation	$ 113,903	$ 243,770
	$ 4,408,320		**$ 3,866,437**	**$ 8,274,758**
Other Costs		**Other Costs**		
Capitalized Interest	$ 151,800	Capitalized Interest	$ 133,600	$ 285,400
Finance Costs	$ 123,130	Finance Costs	$ 67,199	$ 190,329
	$ (8,250)	Investment Earnings	$ (7,236)	$ (15,486)
	$ 266,680		**$ 193,563**	**$ 460,243**
Rounding		Rounding		$ (1)
Total Bond Par Amount	**$ 4,675,000**	**Total Question 2 Bond**	**$ 4,060,000**	**$ 8,735,000**

Project Timeline

- Preliminary Schedule for election, planning, design, and construction.



Property Tax Impact Analysis
Prepared by Ehlers

*More detail on tax impact can be found on the District webpage.

	Question 1	Question 2	Total, Q1 & Q2
Bond Issue Amount	**$4,675,000**	**$4,060,000**	**$8,735,000**
Project Cost Amount	**$4,408,320**	**$3,866,437**	**$8,274,757**
Dated Date	**11/1/2023**	**11/1/2023**	**11/1/2023**
Number of Years	**20**	**20**	**20**
Sources of Funds			
Par Amount of Bonds	$4,675,000	$4,060,000	$8,735,000
Investment Earnings [1]	5,504	4,827	10,331
Total Sources	$4,680,504	$4,064,827	$8,745,331
Uses of Funds			
Allowance for Discount Bidding [2]	$84,150	$50,750	$134,900
Capitalized Interest [3]	117,800	134,300	252,100
Legal and Fiscal Costs [4]	70,234	13,340	83,574
Net Available for Project Costs	**4,408,320**	**3,866,437**	**8,274,757**
Total Uses	$4,680,504	$4,064,827	$8,745,331
Deposit to Construction Fund	**$4,402,816**	**$3,861,610**	**$8,264,426**

Property Tax Impact Analysis
Prepared by Ehlers

*More detail on tax impact can be found on the District webpage.

Tax Impact on a residential homestead valued at $200,000 is projected to be $195 annually - $16.25 per month – if both questions pass.

Upsala Area Schools, ISD 487 April 20, 2023

Analysis of Tax Impact for Potential Bond Issue
August 8, 2023 Election

	Question 1	Question 2	Total
Bond Issue Amount	$4,675,000	$4,060,000	$8,735,000
Average Interest Rate	5.00%	5.00%	5.00%
Number of Tax Levies	20	20	20

Type of Property	Estimated Market Value	Estimated Change in Annual Taxes from 2023 to 2024*		
Residential Homestead	$50,000	$18	$15	$32
	75,000	27	22	49
	100,000	43	35	78
	125,000	59	48	107
	150,000	75	61	136
	175,000	91	74	165
	200,000	107	88	195
	250,000	140	114	254
	300,000	172	141	313
	400,000	236	193	429
	500,000	297	243	540
Commercial/ Industrial	$50,000	$44	$36	$81
	100,000	89	73	162
	250,000	252	206	458
	500,000	549	449	997
Agricultural Homestead** (average value per acre of land & buildings)	$1,000	$0.09	$0.07	$0.16
	2,000	0.18	0.15	0.33
	3,000	0.27	0.22	0.49
	4,000	0.36	0.29	0.65
	5,000	0.44	0.36	0.80
	6,000	0.53	0.44	0.97
Agricultural Non-Homestead** (average value per acre of land & buildings)	$1,000	$0.18	$0.15	$0.33
	2,000	0.36	0.29	0.65
	3,000	0.53	0.44	0.97
	4,000	0.71	0.58	1.29
	5,000	0.89	0.73	1.62
	6,000	1.07	0.87	1.94
Seasonal Recreational Residential	$50,000	$30	$24	$54
	75,000	44	36	81
	100,000	59	49	108
	150,000	89	73	162
	250,000	148	121	270
	500,000	297	243	539

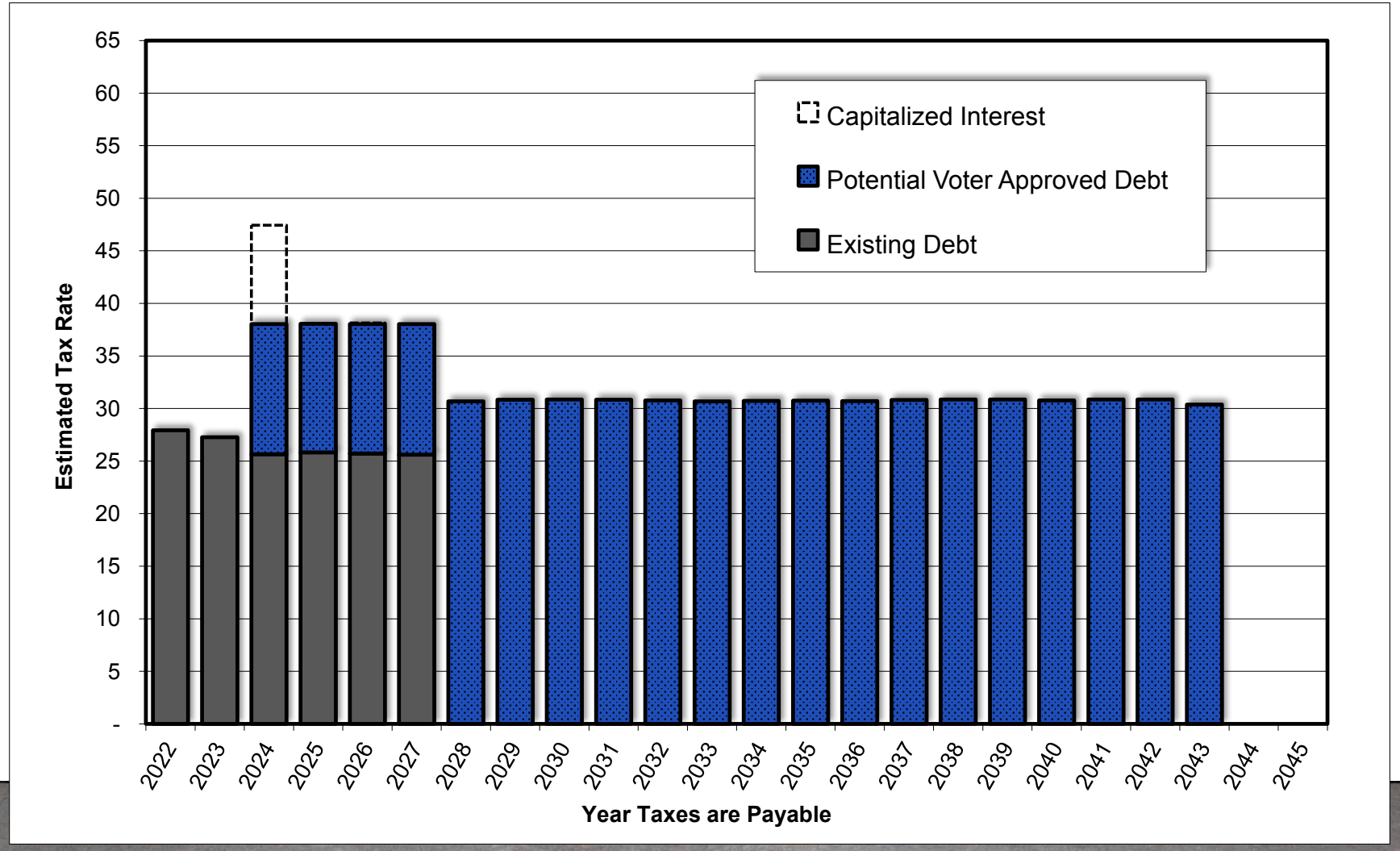
PRELIMINARY INFORMATION - FOR REVIEW AND COMMENT

Upsala Area Schools No. 487

Estimated Tax Rates for Capital and Debt Service Levies
Existing Commitments and Proposed New Debt

$8,735,000 Bond Issue
20 Tax Levies
Wrapped Around Existing Debt

Date Prepared: April 20, 2023



Questions/Comments?

