Description of Proposed School Construction Project

Red Wing Public School District, ISD #0256-01, is proposing a single question referendum on November 3, 2026, that would authorize two funding sources, including $12.86 million in bonding authority and an annual capital projects levy for a ten-year period. The $12.86 million in bonding authority would finance facility improvements at Sunnyside Elementary and the high school. A majority of the proposed projects are renovations at Sunnyside Elementary to the following building areas: early childhood, kindergarten, the central corridor and restrooms. Other proposed projects at Sunnyside include building system improvements, window replacement, miscellaneous interior renovations, furnishings and equipment upgrades. At the high school, minor restroom and administrative office area renovations are proposed.

The proposed projects would be scheduled for completion in calendar year 2027. Cost estimates by location/project component are as follows:

High School		**Sunnyside Elementary**	
Restroom Renovations	$106,016	Renovations:	
Admin Office Renovations	$273,162	Early Childhood Area	$1,215,205
FF&E	$37,918	Kindergarten Area	$1,222,835
Fees, Permits & Testing	$91,875	Central Corridor	$1,362,188
Contingency	$18,947	Restrooms	$411,693
	$527,918		**$4,211,921**
Districtwide		Other Project Costs:	
Bond Issuance	$283,554	Early Childhood Playground Area	$575,736
		FF&E	$952,400
		HVAC Upgrades	$1,628,124
		Fire Alarm Upgrades	$823,338
Total Project Costs	**$12,964,804**	Window Replacement	$476,932
		Misc. Interior Renovations	$876,758
		Fees, Permits & Testing	$2,162,859
		Contingency	$445,264
			$7,941,411
		Total - Sunnyside Elementary	**$12,153,332**

The capital projects levy component would authorize a tax rate of 2.881% on the district's net tax capacity (NTC). If approved by voters, the district would annually levy $1.5 million, beginning with the Payable 2027 levy for a ten-year period. The annual levy amount in the nine subsequent years would be computed by multiplying 2.881% times the preceding year's NTC and would be authorized for annual certification by the school board. The estimated total cost of the capital projects to be funded over the ten-year levy period is $15 million.

The school board is aware that capital projects levy proceeds are only authorized to fund the capital projects proposed in this review and comment submission and eligible for funding under Minnesota Statutes, section 126C.10, subdivision 14. It is also worth noting that the proposed capital projects levy would fund an estimated $250,000 - $400,000 in annual utility costs. Proposed capital projects include:

- student / staff devices
- software & textbooks
- technology personnel
- deferred maintenance
- ongoing districtwide utility expenses

The district currently serves around 2,100 K-12 students. Enrollment has declined by 16% over the previous five years. The district is projecting further enrollment reductions to around 1,900 K-12 students over the next five years. Since the bond referendum projects focus on renovating existing space and also include more efficient building system upgrades at Sunnyside, the districts does not anticipate an increase in operational costs as a result of the proposed projects. In addition, the proposed projects appear to be in the long-term interest of the district.

If the 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

July 23, 2026