

Description of Proposed School Construction Project

Elk River Public School District, ISD #0728-01 is proposing a single question referendum on November 3, 2026, that would authorize two funding sources, including \$350 million in bonding authority to finance facility improvements and a capital projects levy.

The \$350 million bonding authority would finance: two new schools in Otsego, an educational center to house administrative offices and specialized programming space, as well as upgrades to several other existing school facilities. The two new schools include a high school and an EC – 8th grade school. Both of the new schools would be built on district-owned building sites that exceed MDE site-size guidelines. The education center would be built on the Ivan Sand site which currently houses ALC programming in Elk River. Other proposed projects include: Career Technical Education (CTE) classroom additions at Rogers High School and the middle/high school in Zimmerman, CTE space renovations at Elk River High School, secure entrance/administrative office additions at Rogers Middle School and a secure entrance/administrative addition at Rogers Middle School.

The proposed, bond-funded projects would be scheduled for completion in calendar years 2027 through 2030. Project cost estimates by location/cost component are as follows:

New High School		New Elementary School (EC-8th Grade)	
Construction	\$145,000,000	Construction	\$64,400,000
Site Improvements	\$13,500,000	Site Improvements	\$5,500,000
Fees / Permits / Services	\$22,365,000	Fees / Permits / Services	\$9,100,000
FF&E / Technology	\$6,500,000	FF&E / Technology	\$2,800,000
Contingency	\$7,250,000	Contingency	\$3,200,000
	\$194,615,000		\$85,000,000
Rogers High School		Hassan Elementary School	
CTE Space Addition	\$5,000,000	Early Childhood / SPED Space Addition	\$9,500,000
Site Improvements	\$100,000	Site Improvements	\$1,250,000
Fees / Permits / Services	\$550,000	Fees / Permits / Services	\$1,300,000
FF&E / Technology	\$600,000	FF&E / Technology	\$450,000
Contingency	\$250,000	Contingency	\$500,000
	\$6,500,000		\$13,000,000
Rogers Middle School		Zimmerman MS/HS	
Admin Offices / Secure Entry Addition	\$4,100,000	CTE Space Addition & Renovations	\$6,000,000
Site Improvements	\$250,000	Admin Offices / Secure Entrance Addition	\$4,400,000
Fees / Permits / Services	\$450,000	Site Improvements	\$700,000
FF&E / Technology	\$225,000	Fees / Permits / Services	\$1,200,000
Contingency	\$225,000	FF&E / Technology	\$900,000
	\$5,250,000	Contingency	\$550,000
			\$13,750,000
New Admin Offices / Specialized Programs Building		Elk River High School	
Construction	\$23,500,000	CTE Space Renovations	\$1,000,000
Site Improvements	\$1,500,000	Fees / Permits / Services	\$120,000
Fees / Permits / Services	\$2,750,000	FF&E / Technology	\$325,000
FF&E / Technology	\$1,000,000	Contingency	\$55,000
Contingency	\$1,250,000		\$1,500,000
	\$30,000,000		
Districtwide		Total Project Costs	
Bond Issuance	\$3,765,289		\$353,380,289

The capital projects levy component would authorize a tax rate of 5.579% on the district's net tax capacity (NTC). If approved by voters, the district would annually levy \$9 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 5.579% 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 \$90 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 \$4 million a year in annual, utility costs. Proposed capital projects include:

- technology upgrades (classrooms, infrastructure)
- student / staff devices
- software & textbooks
- technology personnel
- ongoing districtwide utility expenses (natural gas, water, electricity and garbage removal)

The district currently has approximately 14,300 students enrolled in K-12 programming and is projecting significant enrollment growth in the southern portion of the district, around Otsego, the location of the two new schools being proposed.

Beyond an increase in utility costs, which would be covered by the proposed capital projects levy, the district is projecting an operational cost increase of roughly \$8 million for the two new schools proposed in Otsego. The district believes that existing revenues and new revenues resulting from increased enrollment will be sufficient to fund the operational costs of the proposed new schools and enhancements to the existing structures. 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