

School Board Briefing/Proposed Action Report

Informational (no action required by Board) **Action Report** (Board will be required to take action)



DATE: October 12, 2012
FROM: José Banda, Superintendent
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I. TITLE

Building Excellence (BEX) IV Capital Levy Program and Authorizing Resolution 2012/13-3.

For Introduction: October 17, 2012
For Action: November 7, 2012

II. WHY BOARD ACTION IS NECESSARY

Under District Policy 6100, the Board must authorize excess levies for capital fund purposes.

III. FISCAL IMPACT/REVENUE SOURCE

Fiscal impact to this action will be approximately \$694.9 million to fully implement the Building Excellence Program, Phase IV (“BEX IV”).

The revenue source for this action is a six-year property tax levy that by this action will be placed before the voters in an election on February 12, 2013.

Expenditure: One-time Annual Other Source

IV. POLICY IMPLICATION

This action complies with Policy No. 6100, specifically the section referencing revenues from local, state and federal funding sources, and Policy No. 6901, describing the process for selection of projects.

V. RECOMMENDED MOTION

I move that the Board adopt Resolution No. 2012/13-3, which places a six-year capital levy totaling \$694.9 million on the February 12, 2013 ballot for voter approval to fund the Building Excellence Program, Phase IV, and provide funding for renovation, new construction and additions to 13 schools, safety and seismic improvements at 37 schools, construction of capacity improvements and building condition and infrastructure measures and major preventive maintenance at 20 schools, and technology improvements and other measures throughout the district.

VI. BOARD COMMITTEE RECOMMENDATION

This motion to approve a BEX IV Capital Improvement Program and authorizing resolution ~~will be discussed at the Operations Committee meeting on October 16, 2012.~~ was reviewed at the

October 16, 2012 Operations Committee meeting and unanimously recommended to the full Board for approval.

VII. BACKGROUND INFORMATION

This proposed levy replaces the expiring Building Excellence Program, Phase III levy.

Planning for BEX IV began in January 2012, with Board adoption of the Facilities Master Plan and guiding principles for capital levy planning. Since then, the BEX IV program has been developed and refined through Board work sessions on February 15, March 28, May 9, September 12 and October 10; two sets of three regional community engagement meetings (a total of six meetings) in April and September 2012; periodic feedback from the Facilities and Capacity Advisory Committee (FACMAC), the Classroom and Business Technology Advisory Committee (CABTAC), the BEX Oversight Committee, and feedback from individual citizens. A Final Environmental Impact Statement (FEIS) for BEX IV has been developed and vetted with the community through two public hearings and an appeals hearing process.

Approval by the voters would allow the levy of taxes over a six year period to pay for construction measures to address building seismic and safety requirements, capacity needs to respond to enrollment increases, building condition and infrastructure improvements and major preventive maintenance needs throughout the district. Projects funded by this levy would include renovation, construction, replacement or additions to 13 schools, seismic and safety improvements at 37 schools, construction of building condition, infrastructure improvements and major preventive maintenance at 20 schools, and acquisition and installation of technology improvements. Additionally, within the BEX IV levy are other projects including, but not limited to, middle school science labs, athletic fields and tracks, wireless for every school, enhanced security monitoring for secondary schools, and elementary lunchrooms.

The projects to be funded by the BEX IV levy follow the Board-adopted guiding principles to address building safety and security; address capacity needed to accommodate projected enrollment growth and placement of academic and student support programs; and address building condition. Further, the BEX IV program scope and project details flow from the data and recommendations included in the Board-adopted 2012 Facilities Master Plan and Educational Specifications. The project list is designed to build overall grade level capacity which will enable the district to reduce over-crowding of schools and use of portables.

The current construction timelines have been developed to be responsive to capacity needs, cash flow and building condition status. As enrollment projections are updated, the district will review scheduling and projects to ensure that the most appropriate schedule is maintained within available budget. Because of the district commitment and community's input requesting that schools with poor building condition scores be replaced as early as possible, the district will also examine and recommend (depending upon cost and market conditions) alternative funding strategies that could accelerate certain projects.

Transition planning, including the use of interim sites and portables, will continue to be reviewed to maximize the learning and teaching environment for school communities.

VIII. STATEMENT OF ISSUE

Whether to approve submittal of a six year levy totaling \$694,900,000 to the voters in February 2013, to fund phase IV of the Building Excellence Program.

IX. ALTERNATIVES

No Levy Alternative: This alternative is not recommended for the following reasons.

- Without the projects funded by the BEX IV levy, capacity shortfalls that are already significant in some schools/areas of the District will become a District-wide issue at all grade levels in the near future. With very limited General Fund support available for capital projects the District would have to resort to non-capital actions (such as staggered sessions and converting remaining academic support spaces to General Education classrooms) to accommodate projected increases in enrollment.
- Without the projects funded by the BEX IV levy, building system conditions will continue to deteriorate and the current maintenance backlog of \$515M will increase. The projects in the BEX IV levy will reduce the current backlog by approximately 22%, to \$400M.

X. RESEARCH AND DATA SOURCES / BENCHMARKS

Data and recommendations contained in the Board-adopted 2012 Facilities Master Plan are the basis for the project mix and specific project scopes included in the BEX IV levy.

Following is a summary of the public process surrounding the development and refinement of the BEX IV levy.

- Board work sessions: February 15th, March 28th, May 9th, September 12th and October 10th.
- Regional community engagement meetings: April 3rd, 5th and 10th; September 20th, 24th and 27th.
- Periodic review and feedback from FACMAC, CABTAC and the BEX IV Oversight Committee.
- Ongoing citizen/stakeholder feedback via the BEX website.

XI. TIMELINE FOR IMPLEMENTATION / COMMUNITY ENGAGEMENT

Upon approval of this motion, the BEX IV levy will be put before the voters in a special election on February 12, 2013. If the levy is passed, taxes will be levied in years 2013-2018 for collection in 2014 through 2019. The revenue collected will support the execution of the BEX IV capital program in the 2014-2020 timeframe.

XII. ATTACHMENTS

1. [Resolution 2012/13-3](#)
2. [Exhibit "A" – List of BEX IV projects](#) (attachment edited)