

Lindsay



Unified School District

Measure “L” Construction Program Update on Phase I Projects

October 2014



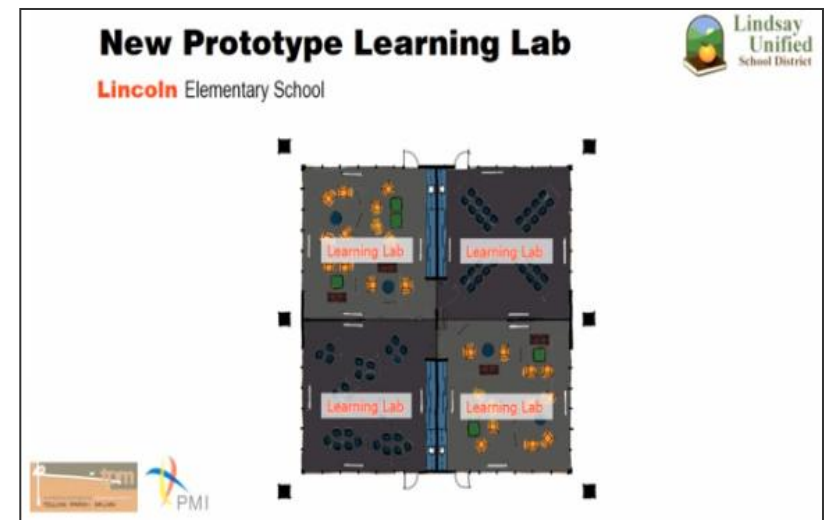
 Presented By:
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Background

- The District has successfully implemented three General Obligation (GO) bond programs in 2002 (Measure “C”), 2008 (Measure “B”), and 2012 (Measure “L”) in conjunction with State Aid to modernize existing schools and construct new schools
- All of the Measure “C” 2002 GO Bonds have been sold. Approximately \$12.9 million of the Measure “B” 2008 bonds remain unissued, and future issuances are subject to adequate growth in assessed valuation
- On the basis of the District’s needs and community support, the District prepared and adopted the Facilities Assessment and Implementation Plan in 2012. The plan developed a strategy to fund and sequence the construction of required improvements and garner additional State modernization funding for the District’s older schools
- In November 2012, voters approved Measure “L”, a \$16 million GO bond authorization. Measure “L”, in conjunction with State Aid, is intended to continue the District’s construction and school modernization program pursuant to the facilities plan
- Approximately \$6.7 million of Measure “L” bonds have been issued, and \$9.3 million remains unissued

Phase I Measure “L” Program Overview and Progress to Date

- The Phase I Measure “L” program includes modernizing existing permanent classrooms and support facilities at Jefferson, Lincoln, Washington, and Reagan Elementary Schools
- Design efforts for the Jefferson, Lincoln, Washington, and Reagan Elementary modernization projects are completed and have received approval from the Division of the State Architect and the California Department of Education (CDE)
- The project team has submitted modernization funding applications for the projects to the State Office of Public School Construction
- The District anticipates receiving a portion of the required construction costs to complete the projects from the State
- In the interim, the District issued approximately \$1.5 million in general obligation bonds to fund the modernization of some classrooms at Lincoln Elementary School to provide a model learning lab



Phase I Measure “L” Program Overview and Progress to Date (continued)

- The Board approved a Lease Leaseback Agreement for the Lincoln project on October 13th. Construction has commenced with an anticipated duration of four months
- After completion, the classrooms will be outfitted with furniture from various manufactures for evaluation from the district staff and students
- The findings will be incorporated into the final design for improvements at other schools in the District



Sample Learning Lab Areas

Phase I Measure “L” Program Funding

- The Phase I projects are anticipated to be funded from multiple sources including bond monies, State grants, and other District funds
- Alternate plans were established to address varying availability of State funds
- One plan was to use the District funds and bond monies to leverage State grants of approximately \$9.0 million under the hardship program
- An alternate plan also incorporated State grants but assumed a 50/50 or 60/40 matching program
- The District has successfully participated in both the hardship grant program as well as the matching program in the past
- The ability for the District to receive State grants is dependent on a new statewide bond or additional funds being made available to the program
- In the absence of any State grants, the District is still expected to have the funds to complete all improvements, however, the scope of the projects would need to be reduced and the improvements will have to be phased with final completion expected beyond 2020

Status of State Funding

- Assembly Bill (AB) 2235 calling for an Education Facilities Bond was proposed for November 2014, however did not receive support from the Governor
- The next opportunity for a statewide bond which would provide additional funding for such grants would be in 2016
- While a new statewide school bond will not be on the November 2014 ballot, the Governor plans to transfer approximately \$381 million in current State funds to provide funding for new construction and modernization grants
- The \$381 million in current State funds will not provide for financial hardship applications; however, applications seeking matching State grants are being considered
- The District has submitted modernization applications for the projects and is eligible to receive these matching funds

Proposed Funding for Phase I Projects

Estimated Sources

| | |
|------------------------------------|---------------------|
| State (60/40) Modernization Grants | \$5,482,684 |
| Prop 39 Grant | \$203,445 |
| Measure "L" G.O. Bonds | \$7,706,389 |
| Existing District Funds | \$1,336,893 |
| <hr/> | |
| Total Sources: | \$14,729,411 |

Estimated Uses

| | |
|------------------------------|---------------------|
| Phase I Modernization | |
| Jefferson Elementary School | \$3,982,208 |
| Lincoln Elementary School | \$3,644,888 |
| Reagan Elementary School | \$3,137,800 |
| Washington Elementary School | \$3,964,514 |
| <hr/> | |
| Total Uses: | \$14,729,411 |

The Look Ahead

- Monitor Lincoln Elementary School construction progress
- Review and select furniture vendors for learning labs
- Provide furniture demonstration at Lincoln Elementary for District evaluation
- Monitor State modernization application approval