

Discussion and/or Action Item C.
Prepared by Bill Clark
February 2, 2008

Discussion About Roles of the Independent
Citizens Oversight Committee and the Board of
Education in the Modernization/Capital
Improvement Program

BACKGROUND:

The Board of Education members provided direction to administration at the August 21, 2007, Board meeting to schedule a meeting with the Independent Citizens Oversight Committee (ICOC) to discuss the roles of the Board and the ICOC.

RECOMMENDATION:

It is recommended that the Board of Education discuss roles and responsibilities in the Modernization/Capital Improvement Program with the ICOC. Action is at the discretion of the Board.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

There is no fiscal impact related to this discussion. The budget of the Capital Improvement Program is \$128.7 million for nine (9) school modernizations, and will be funded from CIP funds, Prop R bond proceeds, and State modernization matching funds.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item C.
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Discussion and/or Action Item G.1.
Prepared by Bill Clark
February 2, 2008

Review and Discuss Projects for Bid for
Phase I Schools: Cajon Park, Carlton Hills,
Carlton Oaks, Rio Seco, and Sycamore
Canyon

BACKGROUND:

Administration, District Architect Sprotte-Watson, and Douglas E. Barnhart representatives will present the final scope designs, elevations, modified checklist, and GANT construction schedules for Phase I schools (Cajon Park, Carlton Hills, Carlton Oaks, Rio Seco, and Sycamore Canyon) for Board of Education discussion and review.

RECOMMENDATION:

It is recommended that the Board of Education discuss and review projects for bid for Phase I schools (Cajon Park, Carlton Hills, Carlton Oaks, Rio Seco, and Sycamore Canyon); however, action will be requested at the end of the Board workshop so the Board may consider all details about the modernization/Capital Improvement Program Plans.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

The total budget for Phase I schools is \$85.7 million. The budget of the Capital Improvement Program is \$128.7 million, and will be funded from CIP funds, Prop R bond proceeds, and State modernization matching funds.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item G.1.
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Discussion and/or Action Item G.2.
Prepared by Bill Clark
February 2, 2008

Recommendation for Project Design and
Scope for Phase II Schools: Prospect Avenue
Hill Creek, Chet F. Harritt, and Pepper Drive

BACKGROUND:

The Board of Education will consider administration's recommendation for the scope and design for Phase II schools (Prospect Avenue, Hill Creek, Chet F. Harritt, and Pepper Drive) realizing that complete details of the construction are not finalized since this project is a year away. Administration will also review additional funding opportunities available to support their recommendations. Items for this section will be inserted after closed session.

RECOMMENDATION:

It is recommended that the Board of Education discuss and review projects for bid for Phase II schools (Prospect Avenue, Hill Creek, Chet F. Harritt, and Pepper Drive); however, action will be requested at the end of the Board workshop so the Board may consider all details about the modernization/Capital Improvement Program Plans.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

The total budget for Phase II schools is \$43.0 million budget of the Capital Improvement Program is \$128.7 million, and will be funded from CIP funds, Prop R bond proceeds, and State modernization matching funds, with a plan to access additional funding sources of \$24.8 million.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item G.2.
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Discussion and/or Action Item G.3. Review Program Budget for all (9) Schools
Prepared by Bill Clark
February 2, 2008

BACKGROUND:

Administration will present the program budget for the entire Capital Improvement Program for all nine (9) schools based on the planning of Bond priorities and current funding.

RECOMMENDATION:

It is recommended that the Board of Education discuss the funding plan and budget; however, however, action will be requested at the end of the Board workshop so the Board may consider all details about the modernization/Capital Improvement Program Plans.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

The total funding goal was set at \$165 million and firm funding is estimated \$124.6 million as of February 2, 2008. Additional targeted funding totals \$24.8 million. The budget of the Capital Improvement Program expenditure estimate is \$128.7 million for nine (9) school modernizations, and will be funded from CIP funds, Prop R bond proceeds, and State modernization matching funds.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item G.3.
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Discussion and/or Action Item G.4.
Prepared by Bill Clark
February 2, 2008

Review and Discuss Project Cash Flow
Analysis & Logistics

BACKGROUND:

Administration will present a bridge financing proposal that meets the Capital Improvement Program (CIP). Ms. Cathy Dominico of Capitol Public Finance Group, will present financial analysis and recommendations.

RECOMMENDATION:

It is recommended that the Board of Education review and discuss the bridge financing proposal; however, action will be requested at the end of the Board workshop so the Board may consider all details about the modernization/Capital Improvement Program Plans.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

The fiscal impact for the financing plan supports the \$128.7 million Capital Improvement Program, at a fixed price not to exceed \$2,000.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item G.4.
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Discussion and/or Action Item G.5.a. Approval of Program Budget for Nine (9) Schools

Prepared by Bill Clark
February 2, 2008

BACKGROUND:

Administration presented the program budget for the entire Capital Improvement Program for all nine (9) schools based on the planning of Bond priorities and current funding.

RECOMMENDATION:

It is recommended that the Board of Education approve the attached program budget dated February 2, 2008.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

The budget of the Capital Improvement Program is \$128.7 million for nine (9) school modernizations, and will be funded from CIP funds, Prop R bond proceeds, and State modernization matching funds.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item G.5.a.
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Discussion and/or Action Item G.5.b.
Prepared by Bill Clark
February 2, 2008

Approval of Bridge Financing Consultant
Services

BACKGROUND:

Ms. Cathy Dominico of Capitol Public Finance Group presented a bridge financing proposal that meets the Capital Improvement Program (CIP). Board consideration of this financial analysis and recommendation is requested.

RECOMMENDATION:

It is recommended that the Board of Education approve the bridge financing proposal and authorize administration to execute the necessary documents.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

The fiscal impact for the financing plan supports the \$128.7 million Capital Improvement Program, at a fixed price not to exceed \$2,000.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item G.5.b.
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Discussion and/or Action Item G.5.c.
Prepared by Bill Clark
February 2, 2008

Approval of Projects for Bid:
Phase I Schools Final Design, Scope, and
GANT Schedules and Colors (Cajon Park,
Carlton Oaks, Carlton Hills, Rio Seco, and
Sycamore Canyon)

BACKGROUND:

Administration presented Phase I schools (Cajon Park, Carlton Hills, Carlton Oaks, Rio Seco, and Sycamore Canyon) Capital Improvement Program final project scope meeting the Bond promises.

RECOMMENDATION:

It is recommended that the Board of Education approve Phase I final design, scope, colors, and construction schedules for five schools (Cajon Park, Carlton Hills, Carlton Oaks, Rio Seco, and Sycamore Canyon), and authorize administration to execute the necessary documents and receive bids.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

Board authorization to proceed with work that is within or under budget per the Capital Improvement Program approved budget of \$128.7 million, and will be funded from CIP funds, Prop R bond proceeds, and State modernization matching funds.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item G.5.c.
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Discussion and/or Action Item G.5.d. Approval of Phase II Current Design and Scope of Work for Four Schools

Prepared by Bill Clark
February 2, 2008

BACKGROUND:

Administration presented current design and scope of work being proposed for Phase II schools (Hill Creek, Prospect Avenue, Pepper Drive, and Chet F. Harritt).

RECOMMENDATION:

It is recommended that the Board of Education approve and provide direction to administration regarding the proposed design and scope as presented for Phase II, Four Schools (Hill Creek, Prospect Avenue, Pepper Drive, and Chet F. Harritt) noting that these plans are not finalized since construction will not begin until 2009.

This recommendation supports the following District goals:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

The Phase II design and scope is part of the approved budget of the Capital Improvement Program of \$128.7 million, and will be funded from CIP funds, Prop R bond proceeds, and State modernization matching funds, as well as other targeted funds the District is seeking.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item G.5.d.
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Discussion and/or Action Item G.5.f.
Prepared by Bill Clark
February 2, 2008

Authorization to Proceed with Blueprinting and
Reprographics Services

BACKGROUND:

Once DSA approval and building construction permits are received, the plans and specifications for construction need to be printed as part of the bidding and distribution process. Typically 55 sets of plans and specs are needed per project bid to allow for good bid coverage and adequate documents needed for construction by the multitude of subcontractors and bidders. There are two firms in San Diego County that provide electronic plan file sharing which is the industry standard for school district capital improvement programs (CIP). Pricing was submitted from OCB Reprographics and Mayer Reprographics. Attached are spreadsheets of the estimated printing costs.

OCB Reprographics will print the bid plans at .045 / sq. ft. and specification copies at .04 per impression. **Total CIP estimate \$107,452.**

Mayer Reprographics will print the bid plans at .07 / sq. ft. and specification copies at .06 per impression. **Total CIP estimate \$163,641.** Mayer reprographics provides many services at no charge as part of the reprographics charge for plan distribution, addenda distribution, and collection of plan deposits and accounting. Our lease-leaseback contractor Douglas E. Barnhart does these services as part of their construction management services.

Santee School District print services will print specification copies at .01 per impression. Depending upon the Santee School District print shops availability, specification printing will be done in house and OCP Reprographics could be the backup printer.

RECOMMENDATION:

It is recommended that the Board of Education approve OCB Reprographics as the lowest, responsive and responsible bidder for the District's reprographic needs for CIP projects with Douglas E. Barnhart. Additionally it is recommended that the Board authorize the use of Santee School District print services when possible.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.

FISCAL IMPACT:

The fiscal Impact for reprographic expenses for construction bids are estimated at \$163,641, funded from Capital Improvement Program funds, Prop R bond proceeds, and matching State grant funds.

STUDENT ACHIEVEMENT IMPACT:

Strong, positive relationships exist between overall building conditions, a positive learning environment, and student achievement.

Motion:		Second:		Vote:		Agenda Item G.5.f.
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Discussion and/or Action Item G.5.g.
Prepared by Bill Clark
February 2, 2008

Approval of Hazardous Materials Consultant
Services with Western Environmental and
Safety Technologies, Inc. (WEST)

BACKGROUND:

The District has used Western Environmental and Safety Technologies, Inc. (WEST) to provide hazardous materials consultation services for several years. This company has continuously provided excellent services and is very familiar with the District's facilities and has completed all past Hazmat reports and clearances. The Services necessary for the District as part of the Capital Improvement Program (CIP) for Modernization at all 9 schools are:

- (Phase 1) testing and sampling which was approved by the Board on July 31, 2007 and has been completed to date;
- (Phase 2) preparation of hazardous material removal specifications are necessary now that all Hazmat materials have been determined from sampling;
- (Phase 3) removal monitoring services will be necessary during construction.

Now that sampling is complete, WEST has provided a proposal for the removal/abatement specifications for all 9 schools and the estimated construction monitoring cost for the 2008-09 construction at five (5) schools.

RECOMMENDATION:

It is recommended that the Board of Education approve WEST for services described above not to exceed \$22,370 for specifications for all 9 school modernizations and an estimated \$92,225 in construction monitoring for five (5) schools and authorize staff to execute the necessary documents.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.

FISCAL IMPACT:

The fiscal impact for consultant services of approximately \$114,595 will be funded from CIP funds, Prop R bond proceeds, and State modernization matching funds.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item G.5.g.
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Discussion and/or Action Item G.6.
Prepared by Bill Clark
February 2, 2008

Discussion Process for Reviewing Project
Alternatives

BACKGROUND:

As part of good school planning, school construction bids are issued with bid alternates with a typical goal of 5% to 10% of the construction budget to allow districts the flexibility to award projects within a budget.

RECOMMENDATION:

It is recommended that the Board of Education understand the scope of the alternate options, discuss the various alternates, and be prepared to provide direction and priorities for alternates for when supplemental funds may be realized.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.

FISCAL IMPACT:

The estimated cost of the various alternates are not currently part of the Capital Improvement Program of \$128.7 million.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item G.6.
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Discussion and/or Action Item G.7.
Prepared by Bill Clark
February 2, 2008

Communication to Community and Next Steps

BACKGROUND:

Dr. Lisbeth A. Johnson will ask the Board of Education for direction regarding communication with the public about the Board workshop modernization/Capital Improvement Program project decisions.

Motion:		Second:		Vote:		Agenda Item G.7.
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Discussion and/or Action Item G.5.e.
Prepared by Bill Clark
February 2, 2008

Adoption of Resolution #0708-16 to Create a
Lease-Leaseback Contract with
Douglas E. Barnhart

BACKGROUND:

The Santee School District is using a lease-lease/back (LLB) transaction for the construction and modernization of school facilities at one or more of the District's sites. For some time now, many school districts have been completing school and other construction projects through the LLB construction delivery process on the basis of Education Code Section 17406. In concept, the LLB delivery method is relatively simple: (i) a school district leases property to a leasing entity ("Contractor") for as little as a dollar a year, (ii) the Contractor constructs facilities and leases them back to the school district, (iii) and at the end of the lease term, the school district retains the facility without future lease terms. The school district maintains property ownership over the property at all times. Due to the Board's direction that administration should fast track implementation of the Construction Improvement Program (CIP) for cost savings and protections from construction inflation, the lease-leaseback contract method was determined to be the best value for the District CIP.

The Board of Education authorized administration to prepare and issue a RFP for LLB contractors. The RFP was sent to approximately 40 firms. The District received eight (8) proposals for the lease-leaseback modernization and new construction projects, interviewed the top 3 candidates, and ultimately selected the firm of Douglas E. Barnhart as the top candidate.

District administration entered into the process of contract negotiations specifically regarding price and terms. Laura Romano, District counsel for lease-leaseback contracts, will be present to answer any questions of the Board of Education in regards to the LLB process. Eric Steadman, Vice President of Douglas E. Barnhart, will also be present to answer any questions on behalf of the LLB contractor.

Due to the timing required to validate the lease-leaseback contract, Board adoption of Resolution No. 0708-16, which creates a lease-leaseback contract with Douglas E. Barnhart, is needed relating to the lease, sublease and the construction contract. This contract will be amended to include a final guaranteed maximum price (GMP) for the 2-story classroom project and an estimated GMP for the remaining phases of work. Since the District would like to start the building construction by Spring break 2008, validation of the contracts ensures that the District's construction schedule is met.

After a Resolution of this type is approved by the Board, the next step is to take this to a court of law for validation. The Code of Civil Procedure section 860 et seq. authorizes a public agency such as a school district to bring an action in the superior court to determine the validity of its bonds, warrants, contracts, obligations, or evidences of indebtedness.

RECOMMENDATION:

It is requested that the Board of Education adopt Resolution No. 0708-16 which creates a Lease-leaseback contract with Douglas E. Barnhart to:

- a. Lease 9 District school sites for their construction to Douglas E. Barnhart,
- b. Sub-lease all 9 District school sites back to Santee School District during construction,
- c. Contract for a CIP, Capital Improvement program through a lease-leaseback contract of which the first interval will be the construction of the Cajon Park 2-story classroom addition. The CIP includes the Junior High facilities, Library/Technology facilities and Modernization infrastructure at all schools.
- d. Approve the estimated GMP for Cajon Park Junior High addition as defined in the lease-leaseback agreement. The actual award will not be until March 2008 when a Notice to Proceed and final GMP is agreed upon. Staff to issue a notice to proceed (NTP) as long as the final GMP is within the preliminary GMP per the approved Capital Project Financial Summary. Final GMP and NTP contract amendment will be brought to the Board for approval or ratification.

These recommendations support the following District goal:

- Provide facilities that optimize the learning environment for all students.

FISCAL IMPACT:

The fiscal impact at this time is the cost of validation estimated at less than \$2,000 for court costs and/or legal fees to be funded from Fund 21-39, Bond Proceeds. Once the final GMP and a NTP are completed, the fiscal impact of the cost of construction is not to exceed the preliminary GMP. All phases and all schools construction is estimated and budgeted from current funding and not to exceed \$128.7 million as delineated in the Capital Project Financial Summary.

STUDENT ACHIEVEMENT IMPACT:

Strong positive relationships exist between overall building conditions, a positive learning environment, and student achievement.

Motion:		Second:		Vote:		Agenda Item G.5.e.
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