

# Framing the Next Steps – Bond Program

*Facilities Subcommittee – 2/26/15*



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# Overview

- There is currently \$457M in bond authority remaining under Measures D (2010), Measure E (2012) and Measure J (2005)
- Bond program currently has approximately 14 major construction projects underway
- The buildings on Pinole Valley HS will be under construction this year
- Planning and sequencing of the remaining projects is needed

# Bond Measure Background

<u>Bonds</u>	<u>Date</u>	<u>Amount</u>	<u>Issued</u>	<u>Authority Remaining</u>
Measure E	1988	\$40M	\$40M	\$0
Measure M	2000	\$150M	\$150M	\$0
Measure D	2002	\$300M	\$300M	\$0
Measure J	2005	\$400M	\$323M	\$77M
Measure D	2010	\$380M	\$190M	\$190M
Measure E	2012	\$360M	\$170M	\$190M
Remaining Authority				\$457M

*Note: The BOE approved the sale of \$135M on February 11, 2015  
(Measure D (2010) \$50M and Measure E (2012) \$85M)*

# Bond Authority Targeted Issuance Schedule

<u>Year</u>	<u>Measure D</u>	<u>Measure E</u>	<u>Measure J</u>	<u>Total</u>	
2016/17	\$60M	\$65M		\$125M	
2018/19	\$65M	\$60M		\$125M	
2020/21	\$45M	\$57M		<u>\$102M</u>	\$352M
2035/36			\$77M	\$77M	
2045	\$20M	\$8M		\$28M	<u>\$105M</u>
					\$457M

*Note: assumes \$48 tax rate per \$100,000 of assessed value, 40-year maturity structure and 4% AV growth*

# Estimated Revenue and Current Project Expenditures

## REVENUE:

Cash balance as of 7/1/2014

Recently Issued D/E Bonds

Available bond authority thru 2021

## AMOUNT:

\$104M

\$135M

\$352M

\$591M

## EXPENDITURES:

Expenditures and estimated expenditures for current projects

*(Includes Valley View Temp/Dover Field/Does not include PVHS estimate reconciliation)*

Estimated bond funds available 2019-2021 for upcoming projects to be planned

\$347M

\$244M

*Note: available authority assumes \$48 tax rate per \$100,000 of assessed value, 40-year maturity structure and 4% AV growth*

# Major Projects Currently Underway

## 2014-15

Coronado

DeAnza

Downer

El Cerrito HS

Gompers/LPS

Helms

Swim Center @KHS

Korematsu

Nystrom

Ohlone

Pinole Valley HS

Pinole MS

Montalvin

Technology

## 2015-16

Coronado

DeAnza

Gompers/LPS

Swim Center @ KHS

Korematsu

Nystrom

Pinole Valley HS

Pinole MS

Technology

## 2016-17

Nystrom

Pinole Valley HS

Technology

## 2017-18

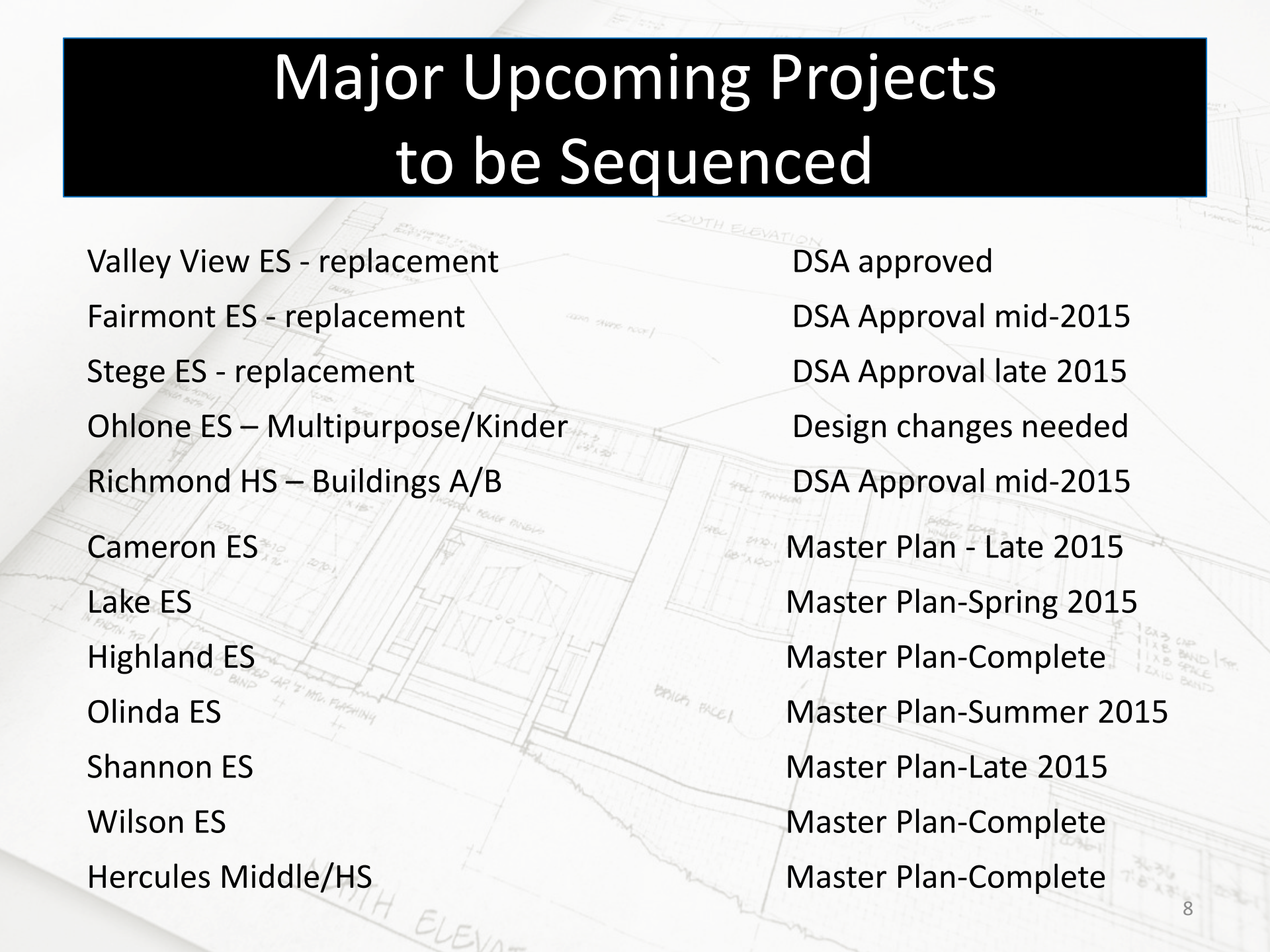
Pinole Valley HS

Technology

# Factors that Affect Cash Flow

- Availability of State Funding
- Factors affecting amount of issuances (AV, tax rate)
- Escalation rates (construction cost increases and market conditions/bid climate)
- Unforeseen conditions
- Project schedules and related cash needs
- Maintaining defined budgets
- Cost efficiencies without compromising program or quality
- Project scale (i.e. modernization vs. new construction)
- Timing of passing new General Obligation Bonds

# Major Upcoming Projects to be Sequenced



Valley View ES - replacement	DSA approved
Fairmont ES - replacement	DSA Approval mid-2015
Stege ES - replacement	DSA Approval late 2015
Ohlone ES – Multipurpose/Kinder	Design changes needed
Richmond HS – Buildings A/B	DSA Approval mid-2015
Cameron ES	Master Plan - Late 2015
Lake ES	Master Plan-Spring 2015
Highland ES	Master Plan-Complete
Olinda ES	Master Plan-Summer 2015
Shannon ES	Master Plan-Late 2015
Wilson ES	Master Plan-Complete
Hercules Middle/HS	Master Plan-Complete



# Planning Process for Consideration

## FACILITIES SUBCOMMITTEE

- Develop and recommend prioritization criteria
- Consider cost savings efficiencies recommended by CBOC and staff
- Recommend construction and construction drawing timelines based upon availability of funding and project costs
- Discuss actions and communications needed for community support if future bond measures considered

## CBOC

- CBOC to review district construction standards for cost efficiencies that might be applied to upcoming projects
- Work with staff to understand and verify current expenditures and future project estimates
- Discuss actions and communications needed for community support if future bond measures considered

# Prioritization Criteria for Consideration

- Cost of Project
- Condition of buildings (maintenance/operating expenses)
- Age of buildings
- Number of students affected
- Community considerations
- Educational suitability (special programs, etc.)
- Status of planning and/or construction drawings
- Availability of State Funding
- Geographic distribution of upcoming projects taking into consideration projects already completed in each high school family