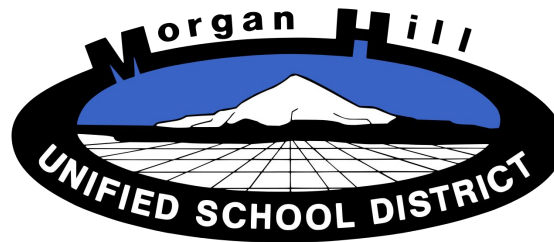


FACILITIES STUDY SESSION: PART II



Kirsten Perez

Deputy Superintendent and Chief Financial Officer
and the Construction Department

PRESENTED TO THE BOARD OF EDUCATION:
October 20, 2020

AGENDA FOR FACILITIES STUDY SESSIONS

Part I: Overview (October 6th)

- Facilities Program Overview including Program Budget and Expenditures
- Virtual Tour
- Series A and Series B Achievements
- Challenges/Lessons Learned
- Facilities Funding (five-year forecast)

Part II: Future Project Discussion

- Current Projects
 - Jackson Academy of Math and Music
 - Nordstrom Elementary
 - Britton Middle School
- Future Projects



MEASURE G PROJECT PRIORITIES

The Board has previously approved seven categories for project priorities:

- Repair/modernization/renovation*
- Ability to leverage state funding
- Health/safety/code compliance issues
- Educational program innovation goals
- Student enrollment growth
- Equity between sites/focus on the most needy communities
- Overall District stakeholder and community priorities

* (Includes deferred maintenance/repair projects)

FACILITIES RESOURCES AND FUNDING

Facilities Funds Five Year Projection

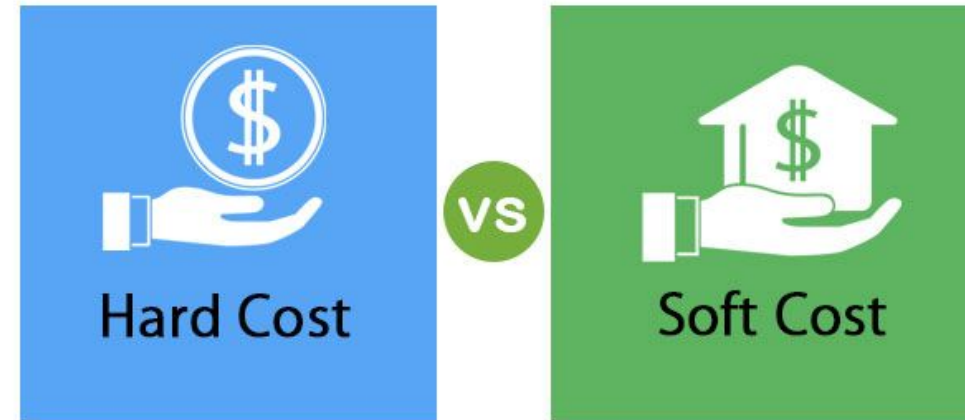
As of October 15, 2020

	Fund 140	Fund 212	Fund 212	Fund 250	Fund 300	Fund 492	
	Deferred Maintenance	Measure G- Series B	Measure G- Series C	Capital Facilities	State School Building Fund	Mello Roos	TOTAL
Unaudited Actuals Fund Balance 6/30/2020	\$420,857	\$34,648,920	\$0	\$9,432,167	\$0	\$1,398,003	\$45,899,947
Projected Revenues (7/1/2020 - 6/30/2025)	\$10,000		\$63,250,000	\$5,000,000	\$8,929,624	\$2,750,000	\$79,939,624
Available Resources	\$430,857	\$34,648,920	\$63,250,000	\$14,432,167	\$8,929,624	\$4,148,003	\$125,839,571

**Careful monitoring of projected revenues is needed especially prior to beginning any capital project, given cash flow considerations.

COMPONENTS OF CONSTRUCTION PROJECT BUDGET

- Hard costs “Hammer and Nails”
 - Construction
 - Construction contract(s)
 - Change orders
- Furniture and equipment
- Soft costs (construction-related costs)
 - Everything that allow the “Hammer and Nails” to occur such as architect and engineer fees, plan check fees, testing labs, inspectors, construction managers, surveys, utility and agency fees
- Escalation (inflation)
- Contingencies



TYPES OF CONTINGENCIES INCLUDED IN EVERY PROJECT BUDGET

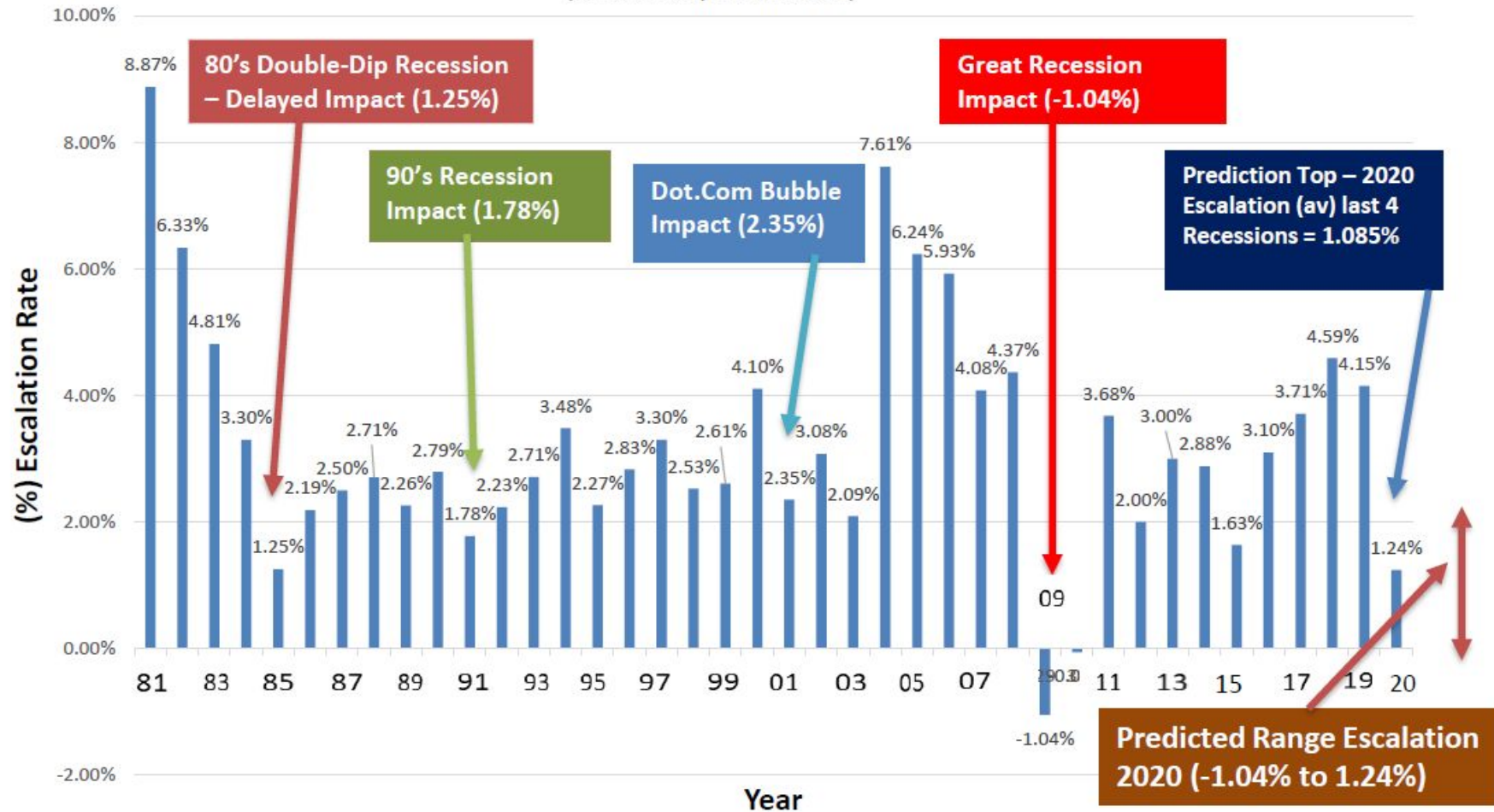
- Construction contingency
 - Typically 10% of the hard cost (owner controlled change orders)
 - Division of State Architect (DSA) allowance
- Project contingency
 - Typically 15% of the construction contingency above
 - For the soft costs (increased architect fees, inspector fees) that come with the construction changes
- Program contingency
 - Typically 3-5%
 - Not assigned to any project, but available for catastrophic costs such as remediation of asbestos or structural upgrades that was beyond what was reasonable expected and budgeted for in each project.

As projects progress, unused contingencies (savings) can be added back into the overall program for other projects.



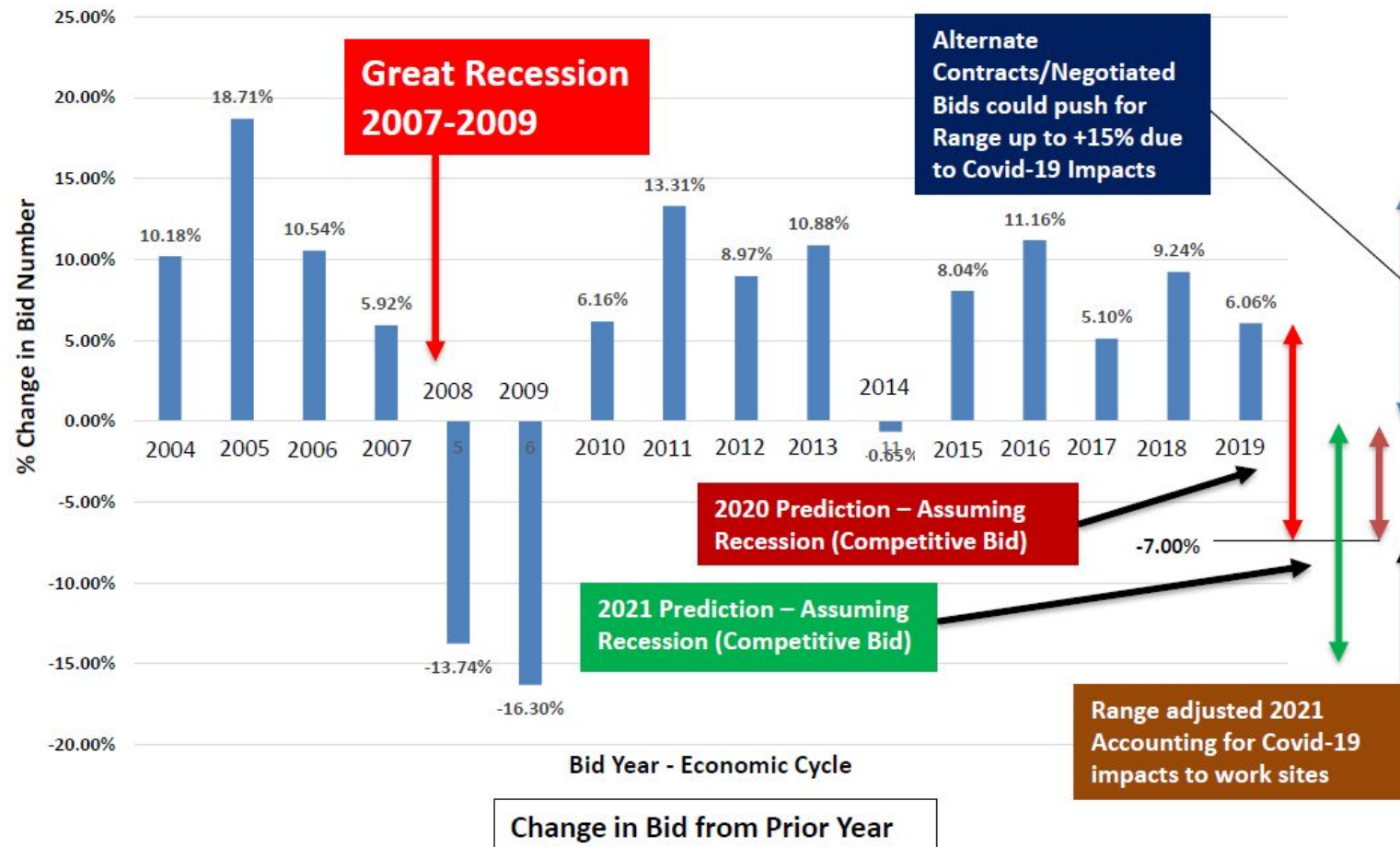
Multi-Recession Historical Escalation (1980 - 2020) 40 Years

(R.S Means, Saylor, Turner, ENR)





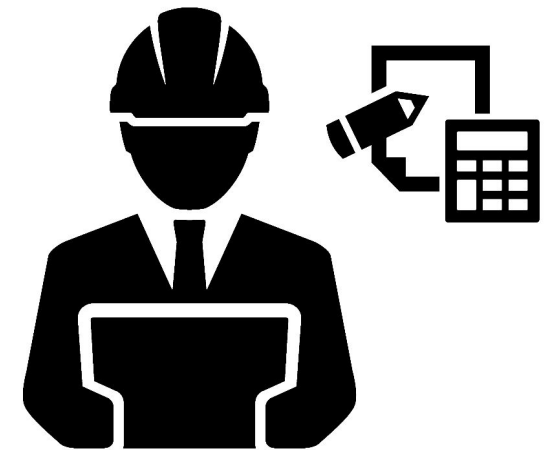
Bid Index (vs) Economic Cycle (TBD Consultants Bid Index)



HARD/SOFT COST PERCENTAGES FOR BUDGETING

Total project budget typically is:

- New construction
 - Hard cost/inflation/construction and construction contingency
 - 80% of total project budget
 - Soft costs and project contingency
 - 20% of total project budget
- Renovation of existing schools
 - Hard cost/inflation/construction and construction contingency
 - 70% of total project budget
 - Soft cost and project contingency
 - 30% of total project budget



Projects



PROPOSED PROJECT LIST

PROCESS AND PROJECTS CONSIDERED

Reviewed

- Facility Master Plan (FMP)
- 2013 Site Assessments
- Facilities Team Input



Projects Considered

- Projects from assessments and FMP
- Projects that reduce operating expenses (solar, windows, lighting, etc.)
- Opportunity projects - employee housing, District Office relocation, Sobrato stadium
- OPSC Grants
 - Prop 51 Grant - Ag Mechanics at Sobrato

Facilities Funds Five Year Projection

As of October 15, 2020

	Fund 140	Fund 212	Fund 212	Fund 250	Fund 300	Fund 492	
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<u>Projects</u>							
Renovation Projects			\$21,243,957				\$21,243,957
Jackson Classroom Buildings		\$6,966,935					\$6,966,935
Jackson MUB		\$3,046,214	\$3,453,786				\$6,500,000
Nordstrom Classroom Buildings		\$5,189,020					\$5,189,020
Nordstrom Admin		\$1,251,292	\$2,648,708				\$3,900,000
Britton Classroom Buildings/Site Work		\$2,871,641					\$2,871,641
Britton Student Union/Admin		\$8,941,014	\$24,006,050				\$32,947,064
Safety and Security		\$1,517,272					\$1,517,272
Technology		\$1,826,064	\$5,000,000				\$6,826,064
Purchase Transportation Yard						\$2,000,000	\$2,000,000
Borello Elementary Phase I				\$11,027,088			\$11,027,088
Bond Management		\$1,500,000	\$5,000,000				\$6,500,000
CTE Sobrato		\$500,000					\$500,000
Program Contingency		\$1,039,468	\$1,897,500				\$2,936,968
Remaining Balance	\$430,857	\$0	\$0	\$3,405,079	\$8,929,624	\$2,148,003	\$14,913,563

RENOVATION PROJECTS

- Site assessments completed by third-party
- \$187M in modernization needed (\$2015)
- Assessed eleven areas
 - Exterior, energy/sustainability, ADA/accessibility, code, low voltage, building other, interiors, site, infrastructure, site structures, site other

<u>Deficiency Prioritization</u>	<u>Remaining Years</u>
3 — Most Critical	0
2 — Necessary but Not Yet Critical	1 to 3
1 — Recommended	4 to 7
0 — No Improvement Required	8+

Project Cost Summary (2015\$)	
Campus	Total Project Cost (2015\$)
Barrett	\$9,170,000
Burnett (LBJ/Central)	\$6,621,000
El Toro	\$8,014,000
Jackson	\$7,890,000
Los Paseos	\$9,318,000
Nordstrom	\$9,853,000
Paradise	\$8,211,000
SMG	\$11,768,000
Walsh	\$8,921,000
Encinal Charter School	\$6,491,000
Machado Learning Center	\$1,703,000
Britton	\$18,118,000
Martin Murphy	\$13,563,000
Sobrato	\$31,769,000
Live Oak	\$33,018,000
Central	\$3,317,000
Total Project Cost (2015\$)	\$187,745,000

RENOVATION PROJECTS

- In the process of:
 - Re-assessing facility conditions
 - Updating pricing and confirming escalation rates (third-party Estimator)
- Based on this information, Staff will bring back to the Board in January 2021 a detailed plan of renovation projects and proposed timeline

Section 1.0 Exterior		(E) System/ Component	Building 1 MPR	Building 2 Admin	Building 3 Class 19-26	Building 4 Class 9-18	Building 5 Class 1-8	Other	Propose New	Notes
1.1	Exterior Skin	Plaster	1	1	1	1	1			Minor repairs, repaint
1.2	Exterior Soffits	Plaster	1	1	1	1	1			Minor repairs, repaint
1.3	Exterior Shading		N/A	N/A	N/A	N/A	N/A			
1.4	Exterior Doors (excl. Hardware)	Wood doors in HM frames	1	1	1	1	1			Minor rusting, repaint
1.5	Exterior Windows		0	0	0	0	0			

The image shows the exterior of a single-story building with a beige stucco finish and a green metal roof. The main sign on the wall reads "JACKSON ACADEMY OF MATH & MUSIC" in large, bold, black letters. Below this, the address "2700" is visible. To the left of the entrance, there are several signs, including one that says "VISITORS" and another that says "NOTICE". Above the green double doors, a sign reads "OFFICE". To the right of the entrance, there is a sign that says "JACKSON JAGUARS" with a logo. A small bush with pink flowers is in the foreground on the right. The background shows a clear blue sky and a hillside with some houses.

JACKSON ACADEMY OF MATH & MUSIC

2700

OFFICE

JACKSON JAGUARS

JACKSON ACADEMY OF MATH AND MUSIC

JACKSON ACADEMY OF MATH AND MUSIC PROJECTS

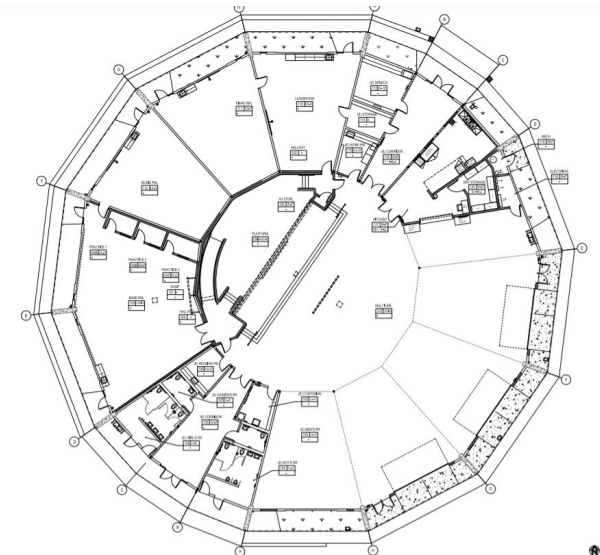
New Classroom Project Cost Overages

- Larger classrooms
- DSA requirements for:
 - Fire access road and fire sprinklers
- Escalation (budget was \$2015)



Multi Use Scope

- Larger stage for music performances
- Added acoustic elements for better sound
- New music classrooms adjacent to stage
- New band room
- New kitchen

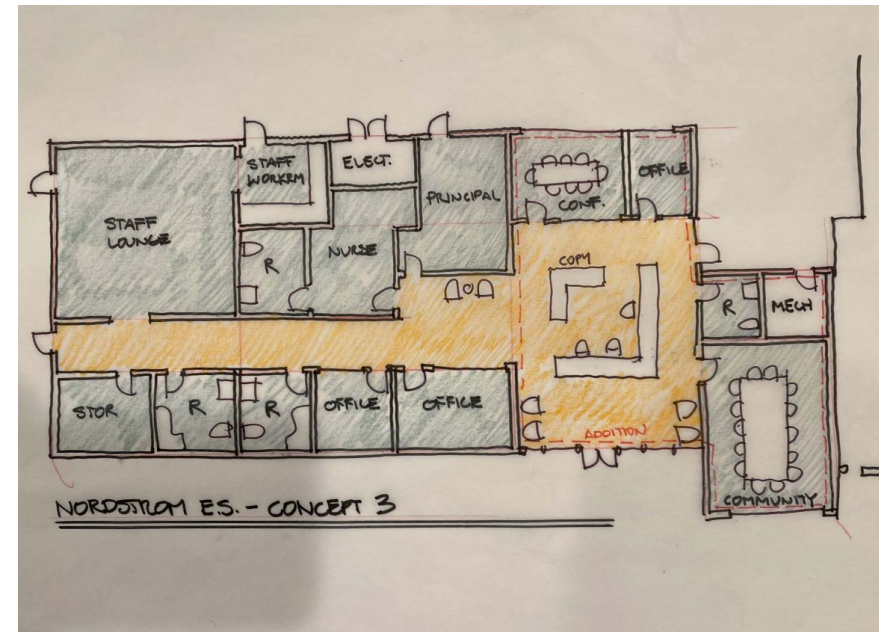
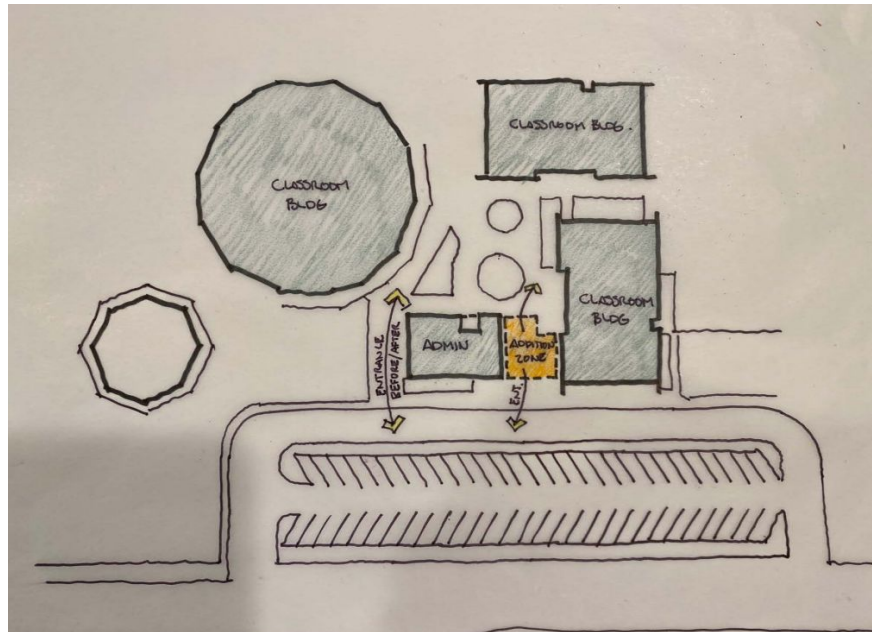




NORDSTROM ELEMENTARY

NORDSTROM ADMIN OFFICE

- Original design from 1963 which is ~2250 s/f
 - Current District Ed Specs for an elementary admin is ~3530 s/f
 - New design will add ~1500 s/f
- New design will reconfigure space for an adequate reception area, create better circulation, add a conference room, and an additional restroom





BRITTON MIDDLE SCHOOL

BRITTON HISTORY

- Escalation of 21.3% from 2014 (Board established budget) to 2020
 - The yearly escalation in labor, material and equipment is different to the bid market which fluctuates based upon the economic cycle
- Contractor missed flood zone requirements, requested change orders
 - Reduced contractors scope of work to classroom buildings
- Schedule increased from 18 months to 4+ years
 - Phasing of project with multiple contractors saved money but delayed construction
- Logistics issues
 - Portable restrooms, temp kitchen, PG&E delays

BRITTON HISTORY CONT.

Scope Changes

- Larger science classrooms (1440 s/f) plus prep areas
- Larger SDC classes
- Shade structures
- Demo B Wing and C Wing and enhance hardcourt areas
- Seat walls throughout courtyard for seating

Value Engineering

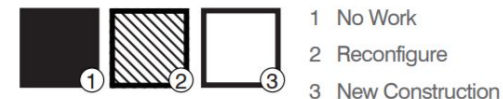
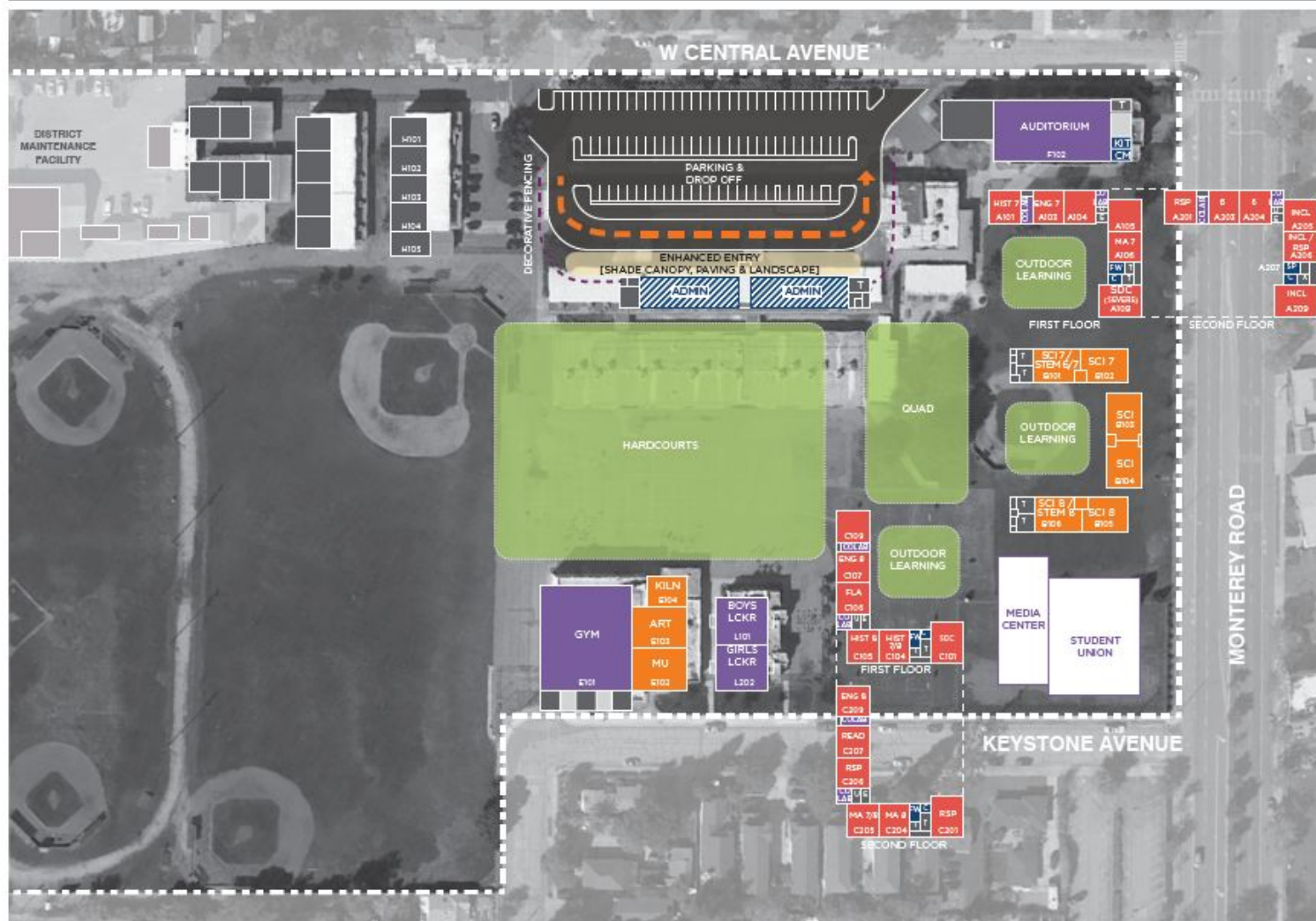
- Phased delivery and recession of contract
- Removed solar from rooftops
- Removed covered walkways
- Removed underground retention tank



Option A

PROGRAMMING STUDY | OCTOBER 8, 2020

BRITTON MIDDLE SCHOOL



- Classrooms (CR)
- Electives / Labs
- Student Services
- Shared Spaces
- Administration / Faculty
- Support Spaces

Option 9a:

Administration Reconfig	5,813	\$	4,107,000
New Student Union (225)	10,022	\$	9,455,993
New Media Center	6,015	\$	5,674,681
Additional Demo	23,160	\$	1,028,304
Site Preparation	101,660	\$	5,077,917

GSF (building area only) 21,850 \$ **25,343,895**
includes escalation to Dec 2022

Advantages:

- service access at Student Union
- sight lines from Admin to drop-off
- centralized student space
- expanded hardcourts

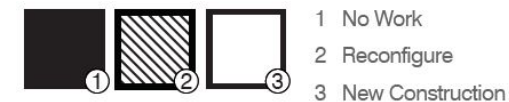
Disadvantages/Challenges:

- limits contiguous, covered student dining area

Option B

PROGRAMMING STUDY | OCTOBER 8, 2020

BRITTON MIDDLE SCHOOL



- Classrooms (CR)
- Electives / Labs
- Student Services
- Shared Spaces
- Administration / Faculty
- Support Spaces

Option 11a:

New Administration	6,185	\$	5,835,076
New Student Union (225)	11,591	\$	10,936,061
New Media Center	6,015	\$	5,674,681
Additional Demo	30,560	\$	1,356,864
Site Preparation	106,560	\$	5,322,672

GSF (building area only) 23,790 \$ **29,125,354**
includes escalation to Dec 2022

Advantages:

- service access at Student Union
- expanded hardcourts
- centralized student space
- separates public/community school entry from drop-off area

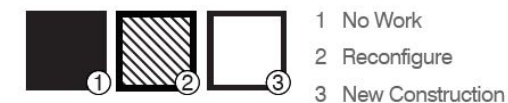
Disadvantages/Challenges:

- visitor parking at Admin
- sight lines from Admin to drop-off
- limits contiguous, covered student dining area

Option C

PROGRAMMING STUDY | OCTOBER 8, 2020

BRITTON MIDDLE SCHOOL



- Classrooms (CR)
- Electives / Labs
- Student Services
- Shared Spaces
- Administration / Faculty
- Support Spaces

Option 13:

New Student Union (225)	10,022	\$	9,455,993
New Media Center	6,015	\$	5,674,681
Additional Demo	30,560	\$	1,356,864
Site work	106,560	\$	5,322,672

GSF (building area only) 16,037 \$ **21,810,210**
includes escalation to Dec 2022

Advantages:

- service access at Student Union
- sight lines from Admin to drop-off
- centralized student space
- expanded hardcourts

Disadvantages/Challenges:

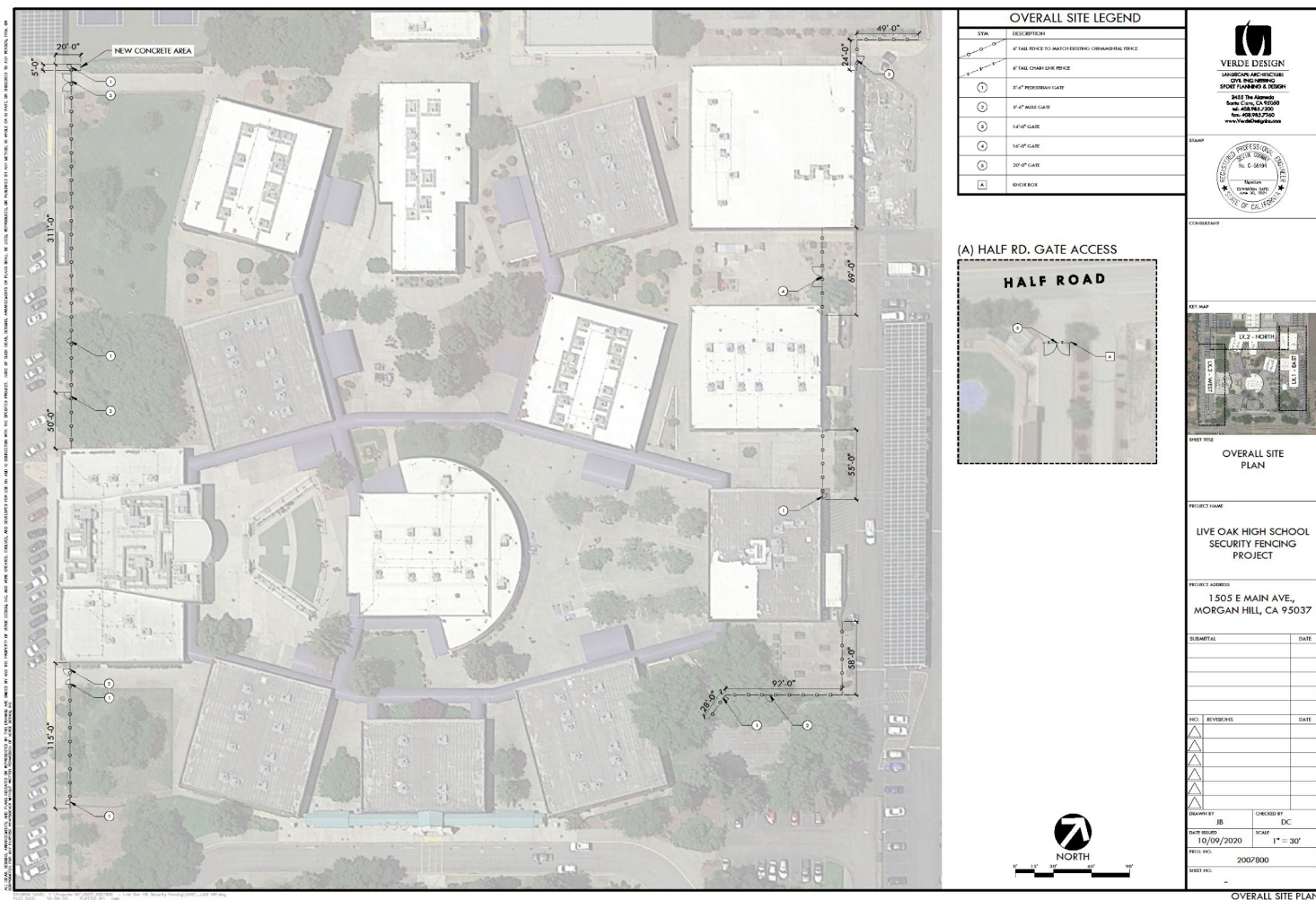
- limits contiguous, covered student dining area

SAFETY AND SECURITY

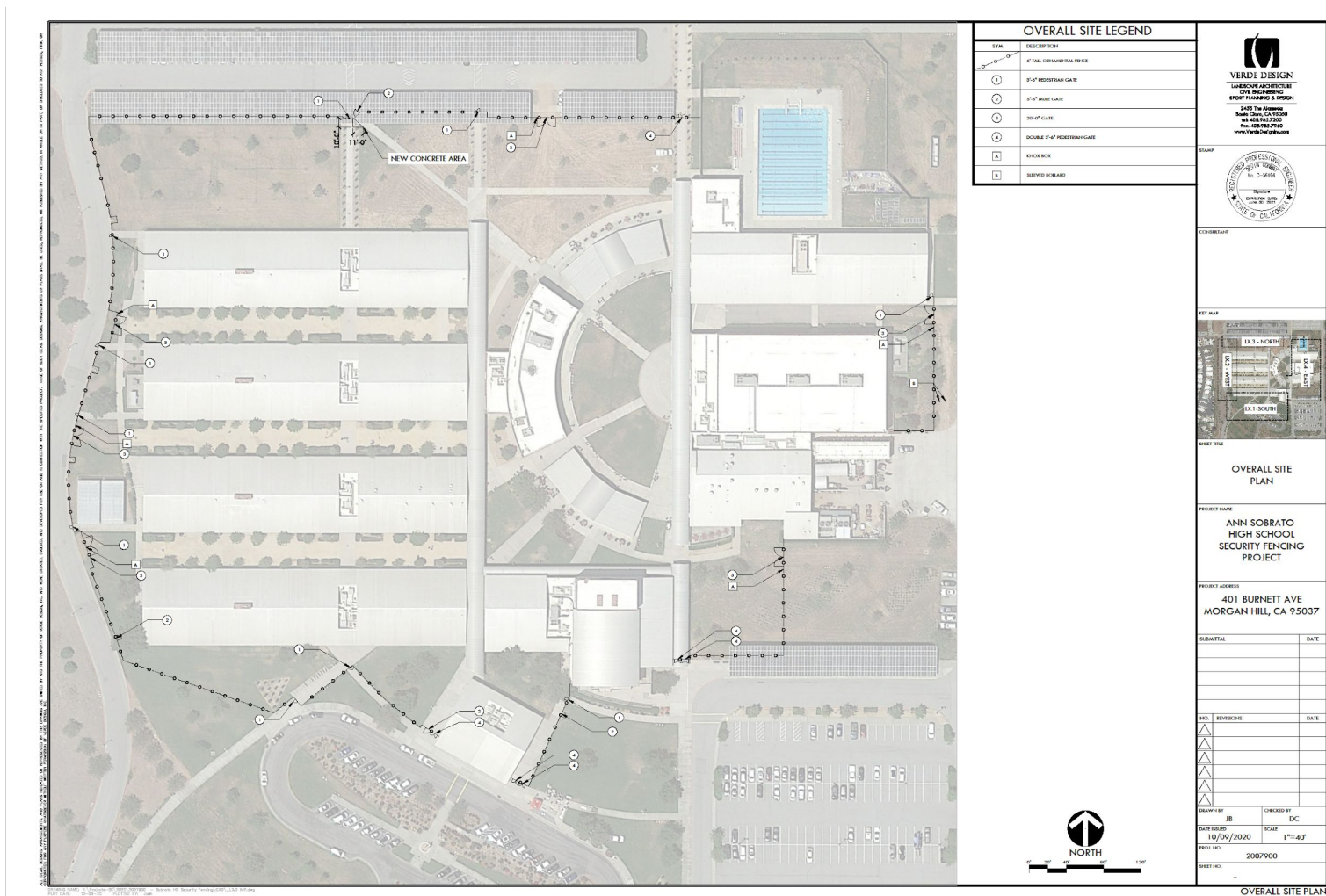
- Third-party assessment paid by insurance provided
 - Knowledge Saves Lives
- Focus on
 - Video surveillance system
 - Perimeter fencing
 - Visitor policies and procedures



Live Oak Fencing Site Plan



Sobrato Fencing Site Plan



TECHNOLOGY

Complete in 2020-21

- Paradise Valley MU AV System
- Nordstrom New Classroom Technology
- Jackson New Classroom Technology

Future Projects

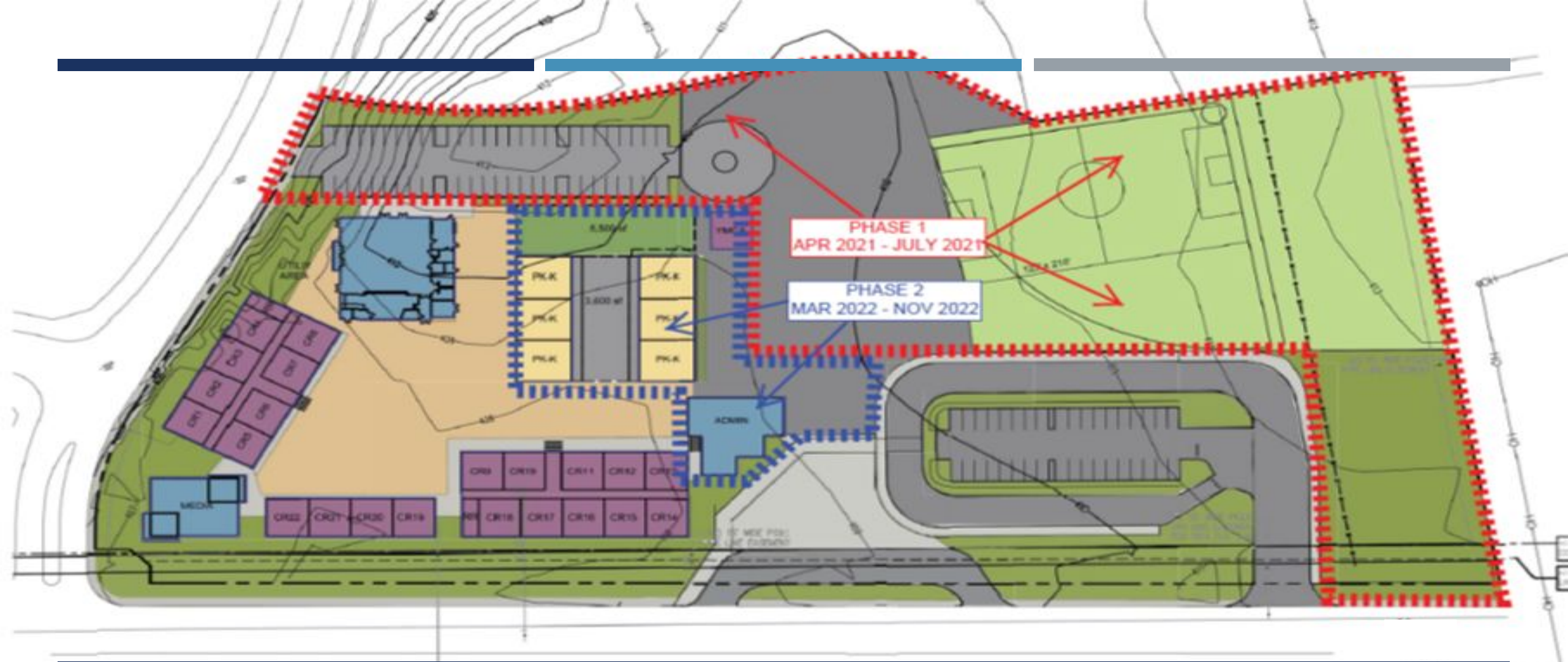
- Jackson MU Room AV System
- Nordstrom Administration Technology
- Nordstrom MU Room AV System
- Britton Student Union Technology
- Britton Administration Technology
- Phone system refresh
- Student and staff devices refresh
- Classroom audio-visual
 - Secondary sites a priority
- Distance learning needs



TRANSPORTATION YARD

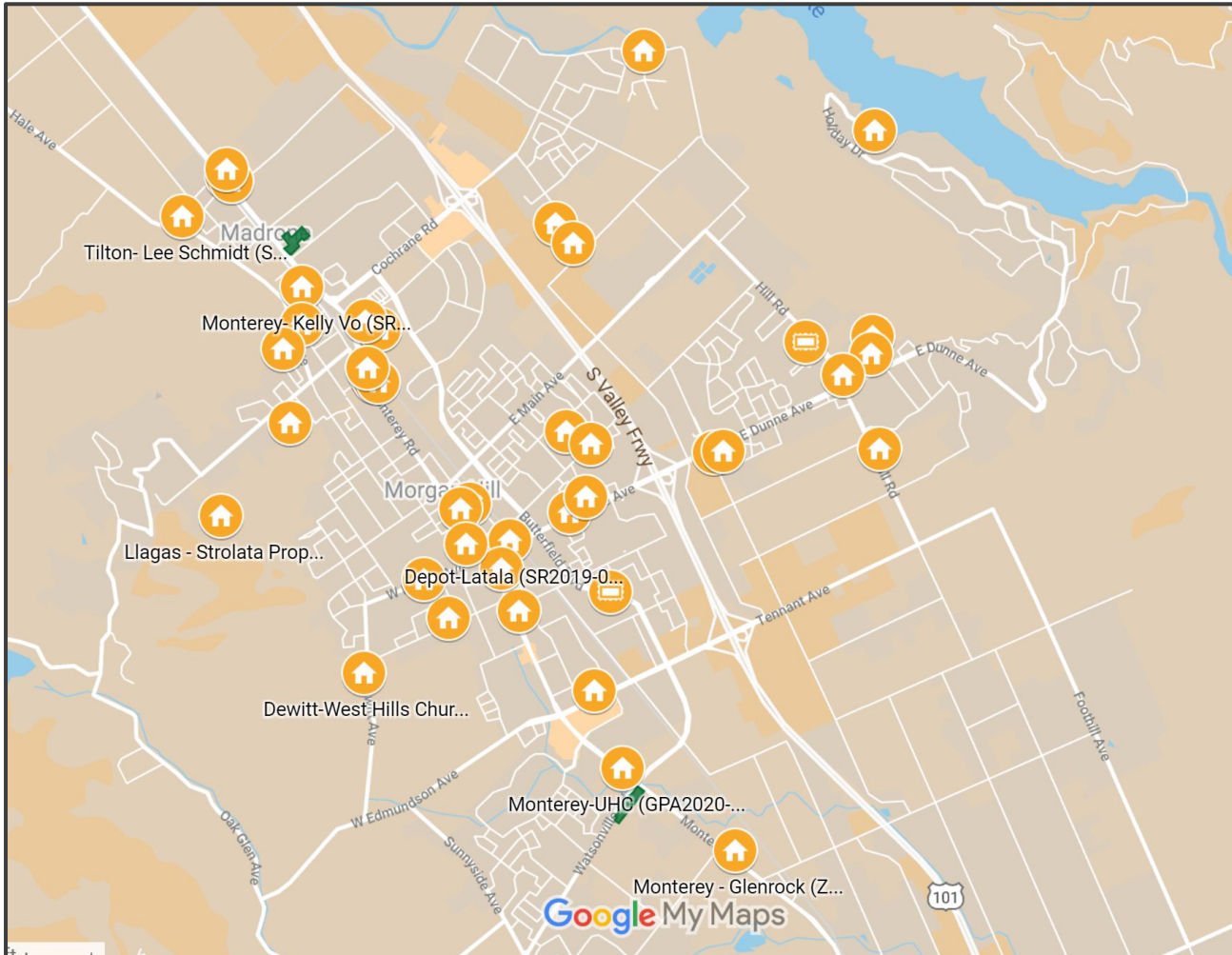
- Annual lease payment to City of \$90,255
- 2016 appraisal for purchase (land only value) = \$1,365,000
- Joint space study
 - Completed will be presented City Council and Board of Education





S.G BORELLO ELEMENTARY SCHOOL

CITY OF MORGAN HILL CURRENT RESIDENTIAL PLANNING PERMITS

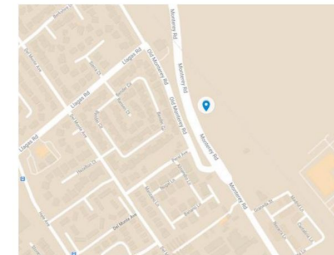


Morgan Hill Apartments (Braddock and Logan)

- 389 Apartments, including 78 very low-income
- Design Permit approved, grading underway
- <http://www.morgan-hill.ca.gov/1959/Morgan-Hill-Apartments>

Monterey Gateway (City Ventures)

- 101 Townhomes
- Design Permit approved
- Building Permits submitted
- <http://www.morgan-hill.ca.gov/1978/Monterey---City-Ventures>

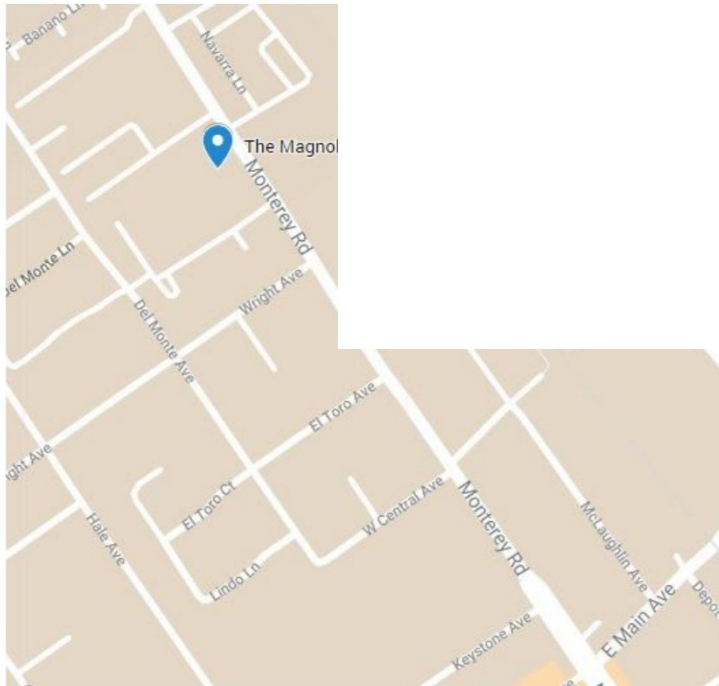


Monterey-Madrone (Jemcor)

- 249 units - 100% Affordable
- Application Pending

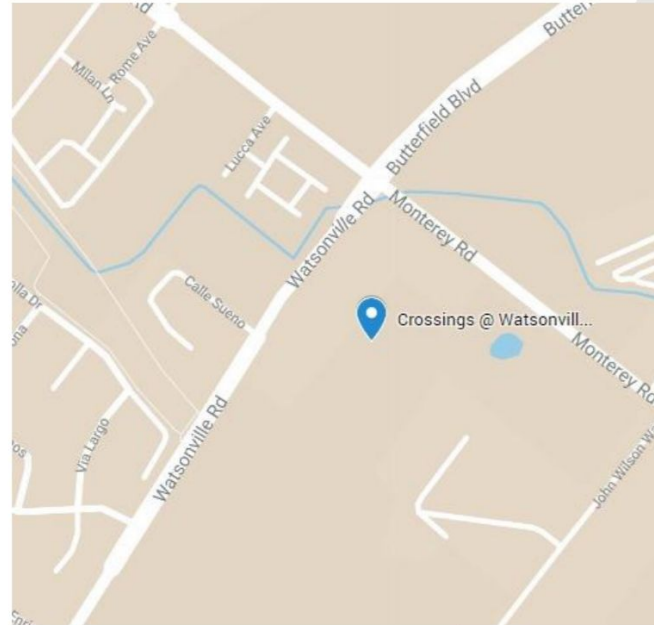
The Magnolias (First Community Housing)

- 66 units - 100% Affordable
- Application pending



Crossings at Watsonville Road (UHC)

- 73 units - 100% Affordable - SB330
- Application Pending

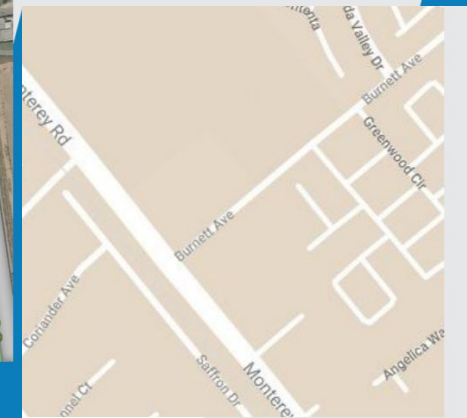


ng Center t)

Planned Development
se 2
pending



inds-



NEW DEVELOPMENT UNITS (NOT STUDENTS) BY SCHOOL

Morgan Hill Unified School District							
New Development Construction							
Housing Units per Year							
<u>School</u>	<u>20/21</u>	<u>21/22</u>	<u>22/23</u>	<u>23/24</u>	<u>24/25</u>	<u>25/26</u>	<u>Totals</u>
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	
Barrett Elem	39	0	0	0	0	0	39
El Toro Elem	127	132	106	122	120	111	718
Jackson Academy	107	118	15	14	0	0	254
Los Paseos Elem	0	0	0	0	0	0	0
Nordstrom Elem	45	47	40	40	53	55	280
Paradise Valley Elem	14	0	0	0	0	0	14
San Martin/Gwinn Elem	0	0	0	0	0	0	0
Walsh Elem	9	7	0	0	3	36	55
Elementary Totals	341	304	161	176	176	202	1,360
Britton Middle	83	37	11	5	7	95	238
Jackson Academy (6-8)	107	118	15	14	0	0	254
Murphy Middle	151	149	135	157	169	107	868
Middle Totals	341	304	161	176	176	202	1,360

ENROLLMENT PROJECTIONS AND FACILITIES UTILIZATION (MARCH 2020)

School Facility Utilization

			2019/20	2025/26	2019/20	2025/26
	Net	Net CR	Current	Projected	Current	Projected
<u>Elementary Schools</u>	<u>Classrooms</u>	<u>Capacity</u>	<u>Enrollment</u>	<u>Enrollment</u>	<u>Utilization</u>	<u>Utilization</u>
Barrett Elem	20	511	404	426	79.0%	83.3%
El Toro Elem	21	513	446	543	86.9%	105.8%
Jackson Academy	24	646	633	611	98.0%	94.6%
Los Paseos Elem	23	551	512	428	92.9%	77.6%
Nordstrom Elem	27	691	647	652	93.6%	94.4%
Paradise Valley Elem	19	477	386	325	80.9%	68.1%
San Martin/Gwinn Elem	31	824	679	608	82.4%	73.8%
Walsh Elem	27	662	379	322	57.3%	48.7%
Sub-Totals	192	4,875	4,086	3,915	83.8%	80.3%
 <u>Middle Schools</u>						
Britton Middle	38	1,068	727	595	68.1%	55.7%
Murphy Middle	31	865	760	834	87.9%	96.4%
Sub-Totals	69	1,933	1,487	1,429	76.9%	73.9%

SWOT ANALYSIS BORELLO SCHOOL



NEXT STEPS

- Study Session today is for discussion and questions
- After today, formalized direction on Facilities Projects and budgets
 - Board action item(s)
 - Timeline
- Project planning begins



Facilities Funds Five Year Projection

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QUESTION AND ANSWER

