



SAN DIEGO UNIFIED SCHOOL DISTRICT

Ad Hoc Task Force on the Bond

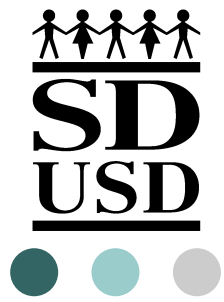
Meeting #3

June 2, 2008



Meeting #3 -- Agenda

- Welcome
- Approval of Meeting #2 (May 31) minutes
- Debrief of Meeting #2 bus tour
- Address “Parking Lot” issues from Meeting #1
 - Bond financing
 - Prop. MM lessons learned
- Long-Range Facilities Master Plan timeline
- Major Repair & Replacement Plan
- Public comment
- Next Steps & closing



Bond Financing

- Mark Young, SDUSD financial counsel



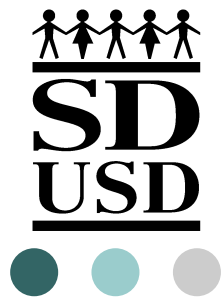
Prop. MM Lessons Learned

- From the *beginning*, focus on the goal of keeping our promises to the voters and the schools.
- Ensure that the implementation program has quality leadership.
- Continue to solicit stakeholder input and participation.
 - Augment Design Task Force membership.
 - Expand neighbor noticing.
 - Send courtesy letters to neighbors adjacent to sites, providing advance notice on scope and duration of work, and possible impacts.
- Be fiscally responsible, ensuring the budget is well managed.
 - Design to the budget.
 - Use up-to-date construction estimates that reflect the San Diego marketplace.
 - Ensure that all of the scope is in the budget, and include a contingency for the unknown.



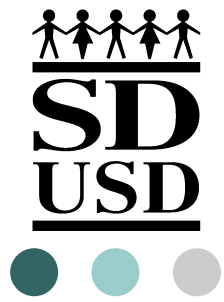
Prop. MM Lessons Learned (continued)

- Strategically and tactically manage the project tasks.
 - Have some projects ready to begin construction phase soon after the bond passes.
 - Compose core district team, and supplement with contracted staff for peak periods.
 - Speeding up the work can add cost and increase risk.
 - Only add work if there is a compelling requirement (regulatory or code).
 - Include all of the work on the project schedule for better coordination and to avoid rework.



Prop. MM Lessons Learned (continued)

- Leverage technology to provide management reporting and analysis.
 - Optimize database and accounting software systems.
 - Reconcile project costs and payments to contractors in a timely manner.
 - Obtain comprehensive software to provide monthly updates on project/program budget and scheduling.
 - Develop a bridge to other software programs, e.g., Physical Plant Operations and PeopleSoft.
 - Use exception-based reporting to flag the data that is out of the norm.



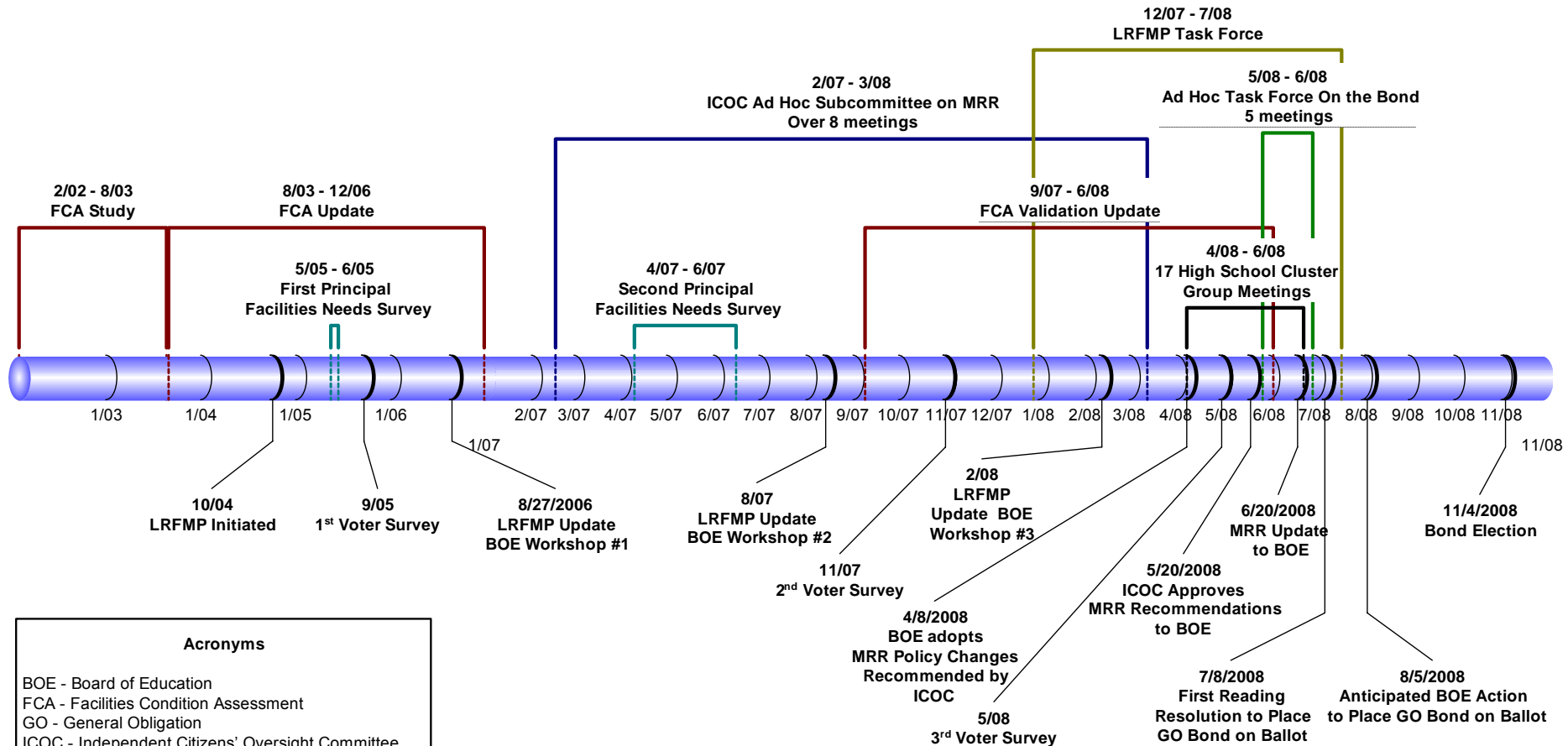
Prop. MM Lessons Learned

- Coordinate work at a school to minimize classroom disruptions.
- Make sure the scope is completed, contracts are closed, costs are reconciled, and records are updated and submitted to the Division of the State Architect.
- Continually evaluate and improve performance – replicate successful Prop. MM implementation practices and improve practices that weren't effective/successful.



Long-Range Facilities Master Plan Timeline

San Diego Unified School District Long Range Facilities Master Plan Timeline



Acronyms

- BOE - Board of Education
- FCA - Facilities Condition Assessment
- GO - General Obligation
- ICOC - Independent Citizens' Oversight Committee
- LRFMP - Long Range Facilities Master Plan
- MRR - Major Repair and Replacement



San Diego Unified School District

**Ten-Year Major Repair & Replacement Plan;
2008-09 Repair & Replacement Plan**

Board of Education Presentation

June 20, 2008

Draft

Facilities Management

Drew Rowlands, Physical Plant Operations Director

Chuck Brown, Facilities Planning and Construction Director

Tom Wright, Support Services Director, Physical Plant Operations

Evan Leslie, Facilities Development Project Coordinator, Project Management Dept.



Report on Study Results

● ● ● Facility Condition Assessment (FCA)

●
Major Repair & Replacement (MRR)
10-Year Plan

●
Major Repair & Replacement and
Repair & Replacement (MRR/RR)
2008-09 Implementation Plan



Major Repair & Replacement

Contents

- Definitions, Notes and Assumptions
- Facility Condition Assessment (FCA)
 - DMJM Report
- Major Repair & Replacement
 - 10-Year Plan
 - 2008-09 Implementation Plan
- Recommendations



Facility Condition Assessment

Definitions *(ICOC BOE Presentation 2/12/08)*

TERMS

Capital Improvements (CI):

Major Repair/Replacement (MRR):

Repair/Replacement (RR):

Regular Maintenance (RM):

Preventive Maintenance (PM):

DEFINITIONS

Programmatic upgrades to meet educational needs, district programs and curriculum, and significant change of systems technology (i.e. replacement of heating units with package air conditioning systems, and associated new energy efficient windows and building insulation, etc.).

Replacements and upgrades of systems, such as new roof system, building enclosures, etc. Often considered a part of modernization or renovation of a building, generally with a life expectancy of 20 or more years.

Repair and/or replacement of items generally with a life expectancy of less than 20 years.

Minor repairs, as reported from sites, resulting from normal wear and tear on buildings such as toilets, locks, light switches, etc.

Maintenance such as inspections and lubrications of systems designed to prevent deterioration into disrepair.



Facility Condition Assessment

Definitions (continued)

TERMS

DEFINITIONS

Facility Condition Assessment (FCA)

A Facility Condition Assessment (FCA) is an identification and quantification of any real time building systems deficiencies that will impact the building's operational performance.

Total Facility Needs:

The total maintenance requirements to replace, repair or fix any ASTM Uniformat systems used to categorize the district's buildings. This includes terms such as backlog, deferred maintenance and work classified as Capital Improvements (CI), Major Repair/Replacement (MRR), Repair/Replacements (RR), Regular Maintenance (RM) or Preventive Maintenance (PM).

Facility Condition Index (FCI):

A national standard that uses the ratio (as %) of the total cost of facility repair needs to current replacement value. FCI less than 5% is good; between 5% and 10% is fair; greater than 10% is poor.

ASTM Uniformat II:

A recognized national standard (American Society for Testing and Materials) that establishes a classification of building elements and related site work elements delineated into major components common to most buildings.



Facility Condition Assessment

District

- 1,488 permanent building
 - 12.3 million square feet
- 2,350 portable buildings
 - 2.4 million square feet
- 2003 3DI FCA
 - \$500 Million in identified deficiencies
- 2006 Adjusted 3DI FCA
 - \$670 Million in identified deficiencies

Facility Condition Assessment

Assumptions

Facility Condition Assessment (FCA):

- 2006 Adjusted 3DI FCA used as source data
- Categorized into five “*buckets*”
- Categorization aligned with funding sources
- 16 representative detailed sites surveyed
- Added items excluded in 3DI FCA
- Normal operating maintenance and services not included in the FCA



Facility Condition Assessment

Assumptions (Continued)

- Data presented is based on field observations
- Systems replacement costs projected over the next 10 years
- Costs escalated over 10 years
- Preventive Maintenance (PM) estimated
- Non-construction costs (design) from 3DI FCA
- Categorized using ASTM Uniformat II





Clarifying Questions on the Facility Condition Assessment

MRR 10-Year Plan

Priorities



Priority 1 - Items that should be addressed in year 1
(Mission critical concerns, immediate)



Priority 2 – Items that can be addressed in year 2
(Indirect impact to educational mission)



Priority 3 - Items that can be addressed by years 3 to 5
(Short-term conditions)



Priority 4 - Items that can be addressed in years 6 to 10
(Long-term requirements)



Priority 5 - Items to be addressed beyond the next 10 years
(Enhancements)



MRR 10-Year Plan

Findings *(DMJM study to be available online)*

The total prioritized FCA 10-year needs:

Estimated 10-Year Cost*

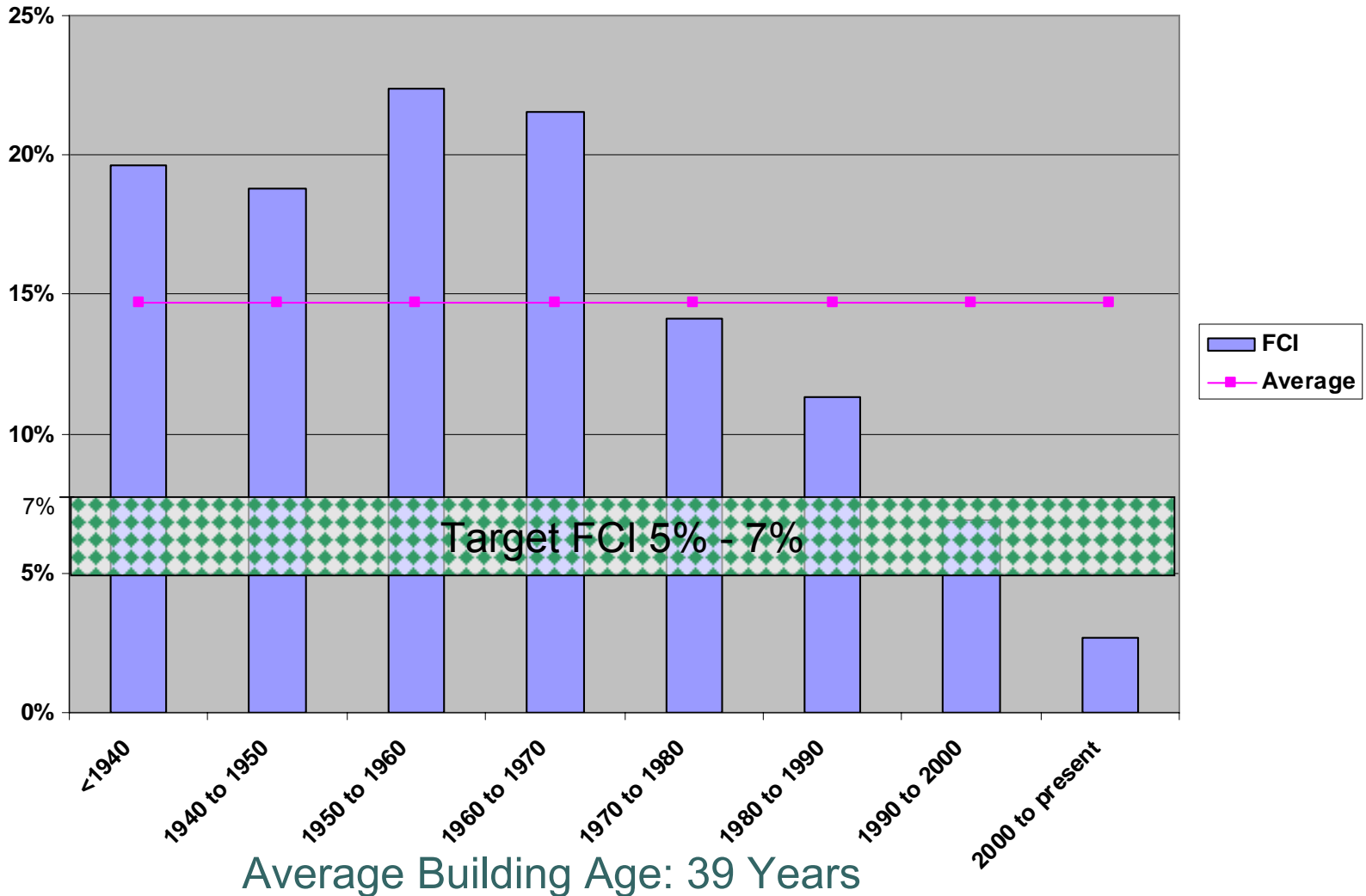
CI	\$285M
MRR	\$280M
<u>Subtotal</u>	<u>\$565M</u>
RR	\$115M
RM	\$ 75M
<u>Subtotal</u>	<u>\$190M</u>
Total	\$755M

Capital Improvements (CI), Major Repair/Replacement (MRR), Repair/Replacements (RR), Regular Maintenance (RM), Preventive Maintenance (PM). *An estimate of probable cost based on 20% accuracy as per the DMJM Harris 95% submission of the Facility Condition Assessment & Major Repair and Replacement 10-year plan.



MRR 10-Year Plan

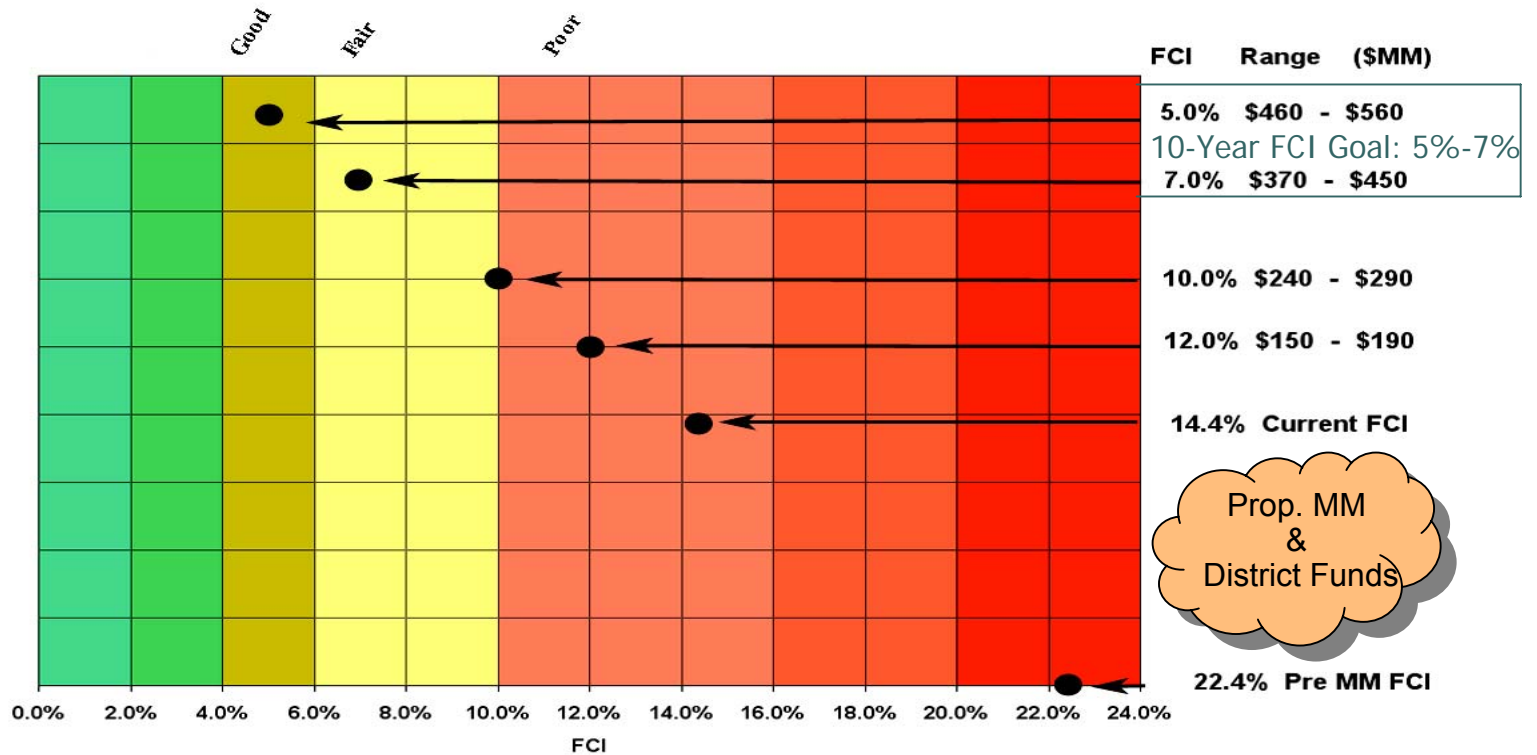
Average FCI By Year Built





MRR 10-Year Plan

Facility Condition Index (FCI)*



* Graph does not include necessary recurring funds (i.e. Preventive Maintenance)



MRR 10-Year Plan

Recommendations

The recommended 10-year expenditure to reach the FCI goal of 5% to 7%, excluding normal maintenance and operations or preventive maintenance requirements:

Proposed GO Bond Source	DMJM Calculated Optimum		FCI 10-Year Goal	Annual District Funds
	CI			
	MRR	\$285M	\$143M***	
	MRR	\$280M	\$358M	
	Subtotal	\$565M	\$501M	
	RR/RM (FCA)	\$190M	\$190M**	
	Total	\$755M*	\$691M	

Capital Improvements (CI), Major Repair/Replacement (MRR), Repair/Replacements (RR).

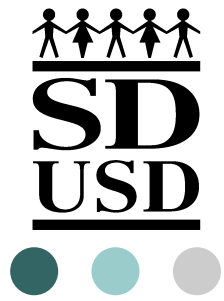
* An estimate of escalated probable cost based on 20% accuracy as per the DMJM Harris 95% submission of the Facility Condition Assessment & Major Repair and Replacement 10-year plan. Numbers rounded off.

** Based on DMJM Study results. This number will change based on the annual designated district funds allocated.

*** Estimated that 50% of Bond capital improvement expenditure will supplement CI.



Clarifying Questions on the Major Repair and Replacement 10-Year Plan



MRR/RR 2008-09 Plan

Methodology

Annual Maintenance Planning

- RR/MRR Needs
 - Review of Repair History
 - Facility Review and Inspections
 - Facility Condition Assessment
 - Site Annual Review by Planners
 - Feedback from the Sites
 - Feedback from the Repair Categories



MRR/RR 2008-09 Plan

Implementation

- The figures below are based on:
 - Historical funding of \$25 million annually
 - \$20 million in district funds
 - \$5 million in state-deferred maintenance funds
 - 510 projects at 163 district sites

2008-09 Cost

MRR \$10.3M

RR \$14.7M

Total \$25.0M



MRR/RR 2008-09 Plan

Repair Categories

Electrical	Lighting, fixture replacement and distribution systems	\$1,812,226
Grounds	Asphalt, concrete, fence, irrigation, landscape, masonry and recreational equipment	\$7,146,341
Plumbing	Fixture replacement, re-pipe, storm drainage, sewer and gas line replacement and restroom rehabilitation	\$1,983,775
General	Carpentry, flooring, doors and locks, paint, plaster and roofing	\$5,647,257
Low Voltage	Audiovisual, fire/intrusion, time/signal and voice/data	\$4,080,391
Mechanical	HVAC, sheet metal, steam systems and heating systems	\$4,202,198



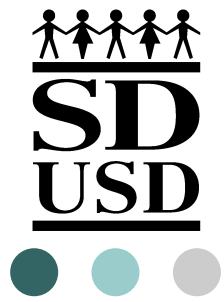
Clarifying Questions on the MRR/RR 2008-09 Implementation Plan



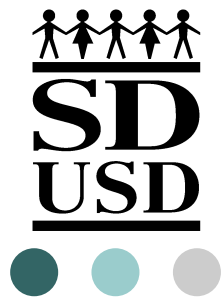
Ten-Year Major Repair & Replacement Plan and 2008-09 Repair & Replacement Plan

Recommendations to the Board of Education

- Accept the DMJM Facility Condition Assessment
- Approve the ICOC recommended Facility Condition Index (FCI) of 5% to 7% as a 10-year goal and the corresponding escalated Major Repair and Replacement (MRR) expenditure of \$358M during that time period be accepted.
- Approve the 2008-09 Repair and Replacement (RR) Plan as presented.



Public Comment



Next Steps & Closing