



SAN DIEGO CITY SCHOOLS

EUGENE BRUCKER EDUCATION CENTER
4100 Normal Street, San Diego, CA 92103-2682

Phone: (619) 725-5578
Fax: (619) 725-5576

NEWS RELEASE

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Cost management recommendations approved for Proposition MM

Recommendations are in response to rising land, construction costs

SAN DIEGO – The Board of Education has unanimously approved a package of recommendations to proactively manage cost growth in the Proposition MM new schools program. Proposition MM is a \$1.51 billion bond measure passed by 78 percent of San Diego voters in 1998. It has two program components: construction of 13 new and three rebuilt schools, and modernization of 165 existing schools.

The rising costs of land and construction in San Diego fueled the need for the recommendations. Since initial planning for Proposition MM in 1998, land costs have nearly doubled from \$2 million to \$4 million per acre. Construction costs (labor and materials) have increased 20 percent.

The Independent Citizens' Oversight Committee, a watchdog group, along with district staff, developed \$201 million of cost management recommendations to ensure that bond obligations are fulfilled as promised in the ballot. The recommendations, to be implemented as necessary, are as follows:

Resource Enhancement Actions:

- Include interest earned on Proposition MM bond funds.
- Include additional State School Facilities Program funds.
- Include proceeds from the exchange or lease of the vacated Mead Elementary School site.

Cost Reduction Actions:

- Use combination of modular (factory-built) and steel frame and masonry (site-built) construction for new/expanded schools.
- Increase the cost-effectiveness of district design standards.
- Build "twin" schools at the existing Sherman and Kennedy Elementary School sites, build the new Mason/Hage Area Elementary School on existing district property, and replace/expand Mead Elementary School at the existing Chollas Elementary School site.
- Reduce operating costs through programmatic economies and efficiencies.

Scope Reduction Actions:

- Reduce project scope for Scripps Ranch Middle School (if committed community contribution is not available).
- Reduce size of some new school sites to six and a half acres.
- Reduce size of joint use fields in new schools by about half an acre.

Additional Information

Board Report: Go to www.sandi.net/board/reports/2003/0204/br030204.html, then go to Report E.6.o.
Fact Sheet: Go to www.sandi.net/comm/factsheets/propmm_cost_mgmt.pdf