

# Central High School



Home of the Eagles



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# 1.0 Program Summary

## PROGRAM NARRATIVE

### Measure G Passes

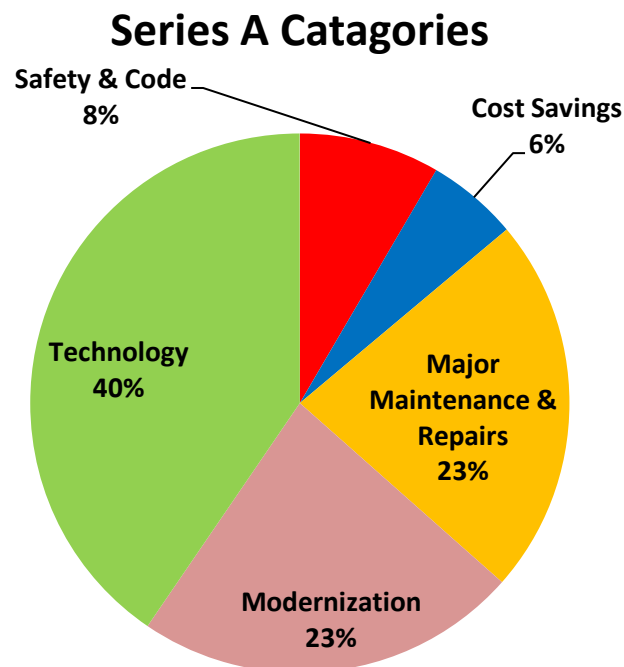
In November of 2012, the voters of the Morgan Hill Unified School Districts community passed a \$198.25 million General Obligation bond, Measure G, with 66% approval, to fund improvements for District facilities. The Measure G bond funds are planned to improve classroom technology, modernize buildings and infrastructure, improve energy efficiency, ADA access, and increase in classroom capacity. The District will leverage the Measure G funds and seek supplemental funding from other sources including the State of California, PG&E, and Federal Agencies.

Series A for Measure G will be paid off in 2042. The intent is to structure the issuance of Measure G bonds so that the cost to taxpayers does not exceed \$59.00 per \$100,000 of assessed valuation.

The District has committed to control of the bond program internally with support from industry professionals acting at their direction in a consulting role. The District will retain professionals with proven experience in the K-12 construction market for planning, design, program and construction management and quality assurance & controls. This allows the District to blend the benefit of lessons learned at peer institutions and industry trends with the District's historical knowledge base, local considerations and stakeholder input.

### Series A Bond Issuance & Project List

The Morgan Hill Unified School District sold the first series of bonds in February 2013 for \$55,000,000. At the August 26, 2013 Board meeting the Board of Trustees approved the Series A Expenditure Plan – Option #2, with the following project list with five categories.



## 1.0 Program Summary

Major Maintenance & Repairs	School Site	\$12,399,995
Roofing	Paradise V.	\$850,000
Roofing	Jackson	\$850,000
Roofing	PA Walsh	\$850,000
Roofing	Murphy	\$850,000
Roofing	Nordstrom	\$850,000
Roofing	SMG	\$0
Roofing	Los Paseos	\$399,999
HVAC	Jackson	\$1,499,999
HVAC	Nordstrom	\$1,499,999
HVAC	Paradise V.	\$1,499,999
HVAC	SMG	\$0
Utilities	PA Walsh	\$350,000
Utilities	Burnett	\$2,900,000
Cost Savings	School Site	\$3,000,000
Purchase	Transp. Site	\$3,000,000
Modernization	School Site	\$12,599,999
	Charter	\$5,000,000
	Burnett	\$2,600,000
	Britton	\$1,000,000
	SMG	\$2,000,000
	PA Walsh	\$2,000,000
Safety & Code	School Site	\$4,615,178
	Burnett	\$1,100,000
Fencing	Britton	\$300,000
Fencing	M. Murphy	\$65,184
Fire Alarm	Jackson	\$249,999
Fire Alarm	Paradise V.	\$249,999
Fire Alarm	Nordstrom	\$249,999
Restroom	Jackson	\$249,999
Restroom	Paradise V.	\$249,999
Restroom	PA Walsh	\$399,999
Restroom	Britton	\$1,499,999
Technology	School Site	\$22,163,379
Infrastructure	Burnett	\$500,000
Implementation	District	\$13,831,200
Implementation	Contractor	\$7,832,179

# 1.0 Program Summary

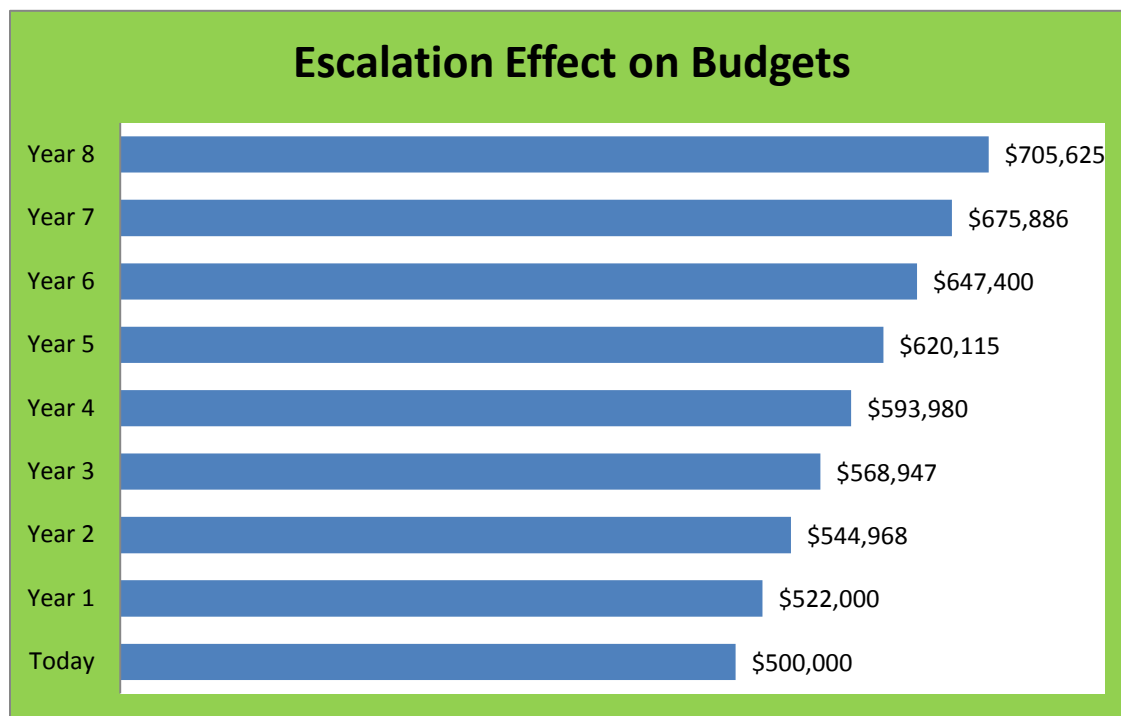
## Program & Project Budgeting

Development of Program and Project budgets contain many components including the scope of work and assumptions, application of design & delivery costs, allocation of contingencies, and projection for escalation.

Program wide budgets are developed to account for items that apply across many projects, or the entire program. This may include management fees, development of district standards, legal services, studies and similar.

A Project's construction cost is based on a general scope of work that includes assumptions and a control quantity. Design & delivery costs account for the design, permit fees and special services necessary to deliver the project. Contingencies are allocated to account for project uncertainty, level of detail for the project at different phases and to manage risk items.

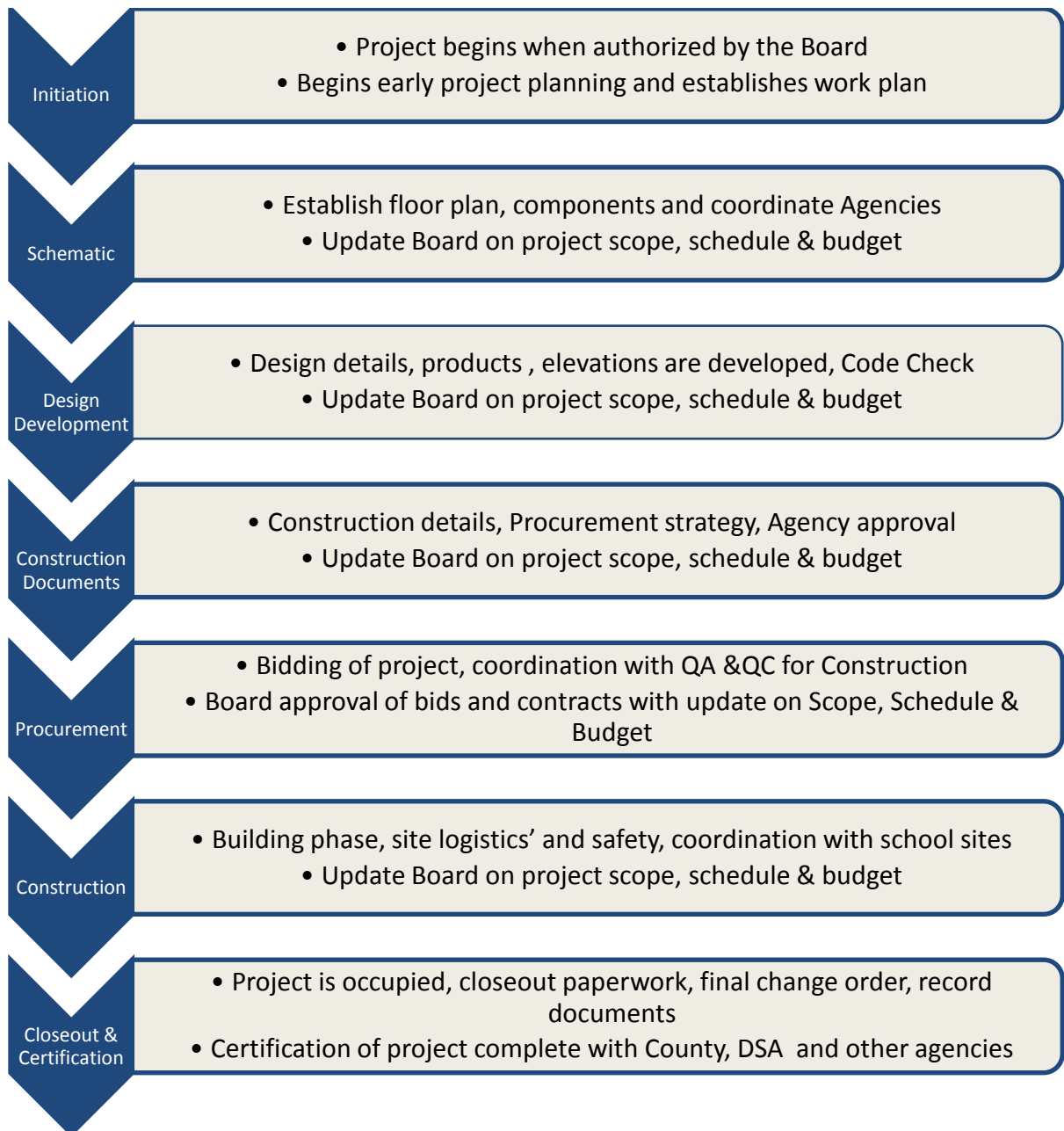
Escalation is a projection of increase to projects cost through the mid-point of construction. The rate of escalation varies over time and is affected by the general economy, construction market factors, project type and complexity. The following chart illustrates the impact that may occur to a project budget over eight years.



# 1.0 Program Summary

## Project Development

Once a project is authorized by the Board of Trustees, project development begins. The Project Development process is broken down into phases that create milestone points. Those milestones allow for review and evaluation of the development. For most of the projects under consideration for Measure G, Series A will follow this basic development milestone process.



## 2.0 Financial Summary

### FINANCIAL OVERVIEW

The voters of Morgan Hill approved Measure G with multiple bond sales supporting the need for improved facilities and 21<sup>ST</sup> century learning. The Measure G funds are planned for sale through four separate bond issuances over the next nine years from 2013 to 2022 and total \$198.25 million, subject to Board of Education approval. The first issuance, Series A included \$55 million dollars.

	A	B	C	D = A-C	E
Program Funding	Current Funding	Committed	Forecast to Complete	Funding Variance	Expended
Bond Series A	\$55,000,000	\$55,000,000	\$55,000,000	(\$0.00)	\$6,519,424
Bond Series B *	\$50,000,000				
Bond Series C *	\$50,000,000				
Bond Series D *	\$43,250,000				
Supplemental Funds **					
<b>Total Funds</b>	<b>\$198,250,000</b>	<b>\$55,000,000</b>	<b>\$55,000,000</b>	<b>(\$0.00)</b>	<b>\$6,519,424</b>

\*=Proposed Bond Sale Value, subject to authorization by Board of Education

\*\*=Supplemental Funds will be adjusted as they become available

### PROGRAM FUNDING ALLOCATION

The District is currently planning the potential project list and funding allocation for Measure G, Series A and Board Authorized Projects. The Chart below identifies the authorizations for projects recently completed or currently under construction.

	A	B	C	D = A-C	E
Description	Current Funding	Committed	Forecast to Complete	Funding Variance	Expended
<b>Series A Funding</b>	<b>\$55,000,000</b>				
Program Costs	\$506,026	\$506,026			\$506,026
<b>Board Authorized Projects</b>					
Burnett Modernization **	\$6,894,492	\$6,894,492	\$6,894,492	\$0	\$5,979,073
Martin Murphy Fence **	\$65,185	\$65,185	\$34,325	\$0	\$34,325
<b>Total Allocated Funds</b>	<b>\$7,456,703</b>	<b>\$7,456,703</b>	<b>\$6,928,817</b>	<b>\$0</b>	<b>\$6,519,424</b>
<b>Remaining Series A Funding</b>	<b>\$47,534,297</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>

\*\*Hard Construction Costs

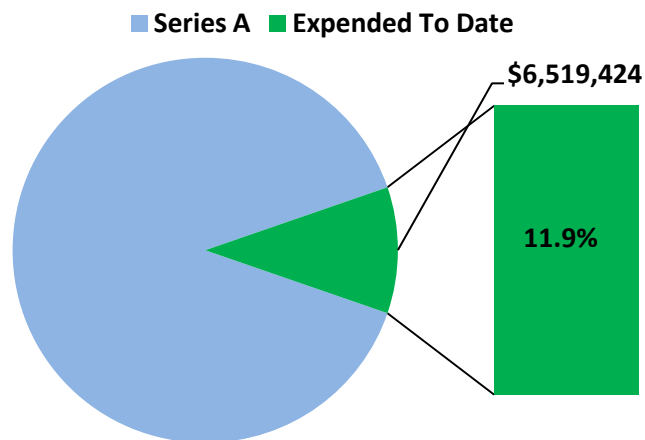


## 2.0 Financial Summary

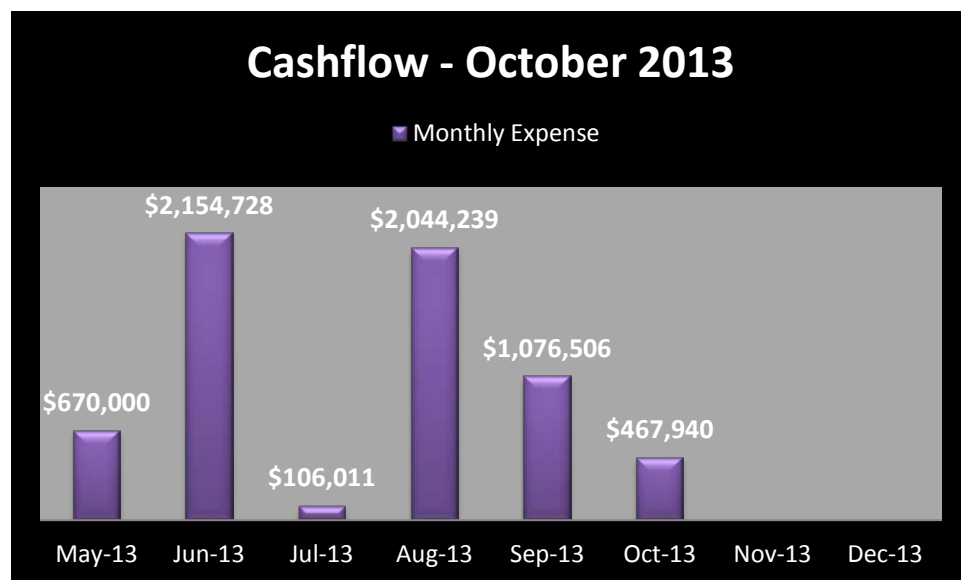
### EXPENDED TO DATE

Through October 30, 2013 the District has expended approximately \$6,519,424 since the Series A bonds were sold on February 21, 2013. The \$6,519,424 expended to date represents (11.9%) of the Series A funds and equals (3.29%) of the \$198.25 million Measure G Program funds.

### Series A \$55M - October 2013



The Series A monthly expenditures are illustrated in the chart below and reflect the Programs Cashflow through October 2013.





## 3.0 Authorized Project Updates

### Burnett Modernization – Construction Phase



**Project Number:** G1401  
**Architectural Firm** Mc Kim Design Group  
**Construction** Mc Kim Design Group  
**Manager:**  
**Contractor:** Multiple Prime – 7 Primes

#### Project Description:

Modernization of 20 Classrooms, 2 sets of Restrooms, Infrastructure, Parking lot improvements, removal of covered walkways and excess portables. Improvements to Administration and Multi-use buildings are in design.

#### Construction Contract Cost Summary:

Contract Award Amount	\$ 5,181,941	
Approved Change Order Amount	\$ 0	0%
Revised Contract Amount	\$ 5,181,941	
% Invoiced to Date	95%	
Balance Remaining	\$ 259,097	

#### Construction Schedule Summary:

Phase 1 – Complete, punchlist in Progress	
Phase 2 Original Completion	Mar 15, 2014
Estimated Completion	Mar 15, 2014
% Complete	15%
Duration Remaining	days

Project Budget Status	Soft Costs	Hard Costs	Total		Submittals	RFIs	PCO's
Approved	\$0	\$6,894,492	\$6,894,492	Total Submitted	85	84	0
Committed	\$0	\$5,181,941	\$5,181,941	Total Responded To	81	82	0
Expended to Date	\$0	\$4,922,844	\$4,922,844	Total Remaining	4	2	0
Uncommitted Bal.	\$0	\$1,712,551	\$1,712,551	Open			
				Average Turnaround	13	9	0

#### Achievements/ Key Issues:

- Excellent bidder participation helped lead to bids within budget and proactive management kept Change Orders within budgeted values.
- Offsite work was completed within the project timelines.
- Phase 1 is complete with minor punchlist work remaining.
- Phase 2 design is near completion.

#### Safety:

- No worker lost time incidents and no recordable incidents reported

## 3.0 Authorized Project Updates

### Martin Murphy Fencing – Construction Phase



**Project Number:** G1402  
**Architectural Firm** MHUSD  
**Construction Manager:** Cumming Corporation  
**Contractor:** AAA Fence

#### Project Description:

Modernization of 20 Classrooms, 2 sets of Restrooms, Infrastructure, Parking lot improvements, removal of covered walkways and excess portables. Improvements to Administration and Multi-use buildings are in design.

#### Construction Contract Cost Summary:

Contract Award Amount	\$ 35,558	
Approved Change Order Amount	(\$1,233)	0%
Revised Contract Amount	\$34,325	
% Invoiced to Date	95%	
Balance Remaining	\$ 32,609	

#### Construction Schedule Summary:

Original Completion	Sept 10, 2013
Estimated Completion	Sept 10, 2013
% Complete	95%
Duration Remaining	0 days

Project Budget Status	Soft Costs	Hard Costs	Total		Submittals	RFIs	PCO's
Approved	\$2,000	\$63,185	\$65,185	<b>Total Submitted</b>	4	0	1
Committed	\$2,000	\$34,325	\$36,325	<b>Total Responded To</b>	4	0	1
Expended to Date	\$2,000	\$32,609	\$34,609	<b>Total Remaining</b>	0	0	0
Uncommitted Bal.	\$0	\$28,860	\$26,860	<b>Open</b>			
				<b>Average</b>	5	0	7
				<b>Turnaround</b>			

#### Achievements/ Key Issues:

- AAA Fence award contract and executed work
- Work completed around school site power, gas and phone service without disruption
- Last two punchlist items being addressed

#### Safety:

- No lost time and no recordable incidents to report