

Seismic Safety Bond Program and Project Presentation

Board Of Education Meeting
January 13, 2010

Piedmont Unified School District
Seismic Safety Bond Program

Current Financial Status

- Current cash demand shows the District needs \$59.0 million to complete the program through Wildwood construction and Beach construction documents.
 - This includes \$4.0 million in contingencies
 - Assumes no State funding is received
- A current (Dec. 09) shortfall of up to \$1.8 million will exist if no State funding is received and all \$4m in contingencies are spent.
- This shortfall will change, up or down, as the current construction projects progress toward completion.
- We will have much better data over the next several months regarding changes to the shortfall. The number will be less speculative.

Issues for Decision

- Shall the District proceed with the construction critical path for the Wildwood project?
 - Requires commitment to EUSD
 - Signing the construction contract is the key milestone (no earlier than June 2010)
- Shall the District authorize the construction document phase of the Beach project now?
 - \$538k commitment
 - \$2m in State Prop. 1D funds at risk

Bridging the Shortfall

- Adjust/eliminate budget line items that are no longer necessary, can be deferred, or can be reduced:
 - \$921,959 identified as of January 12, 2010
 - Examples
- Unspent Project Contingencies:
 - PHS
 - Driscoll
- Pursue a financing component of the Wildwood Lease-Leaseback agreement.
- Closely monitor and report construction progress changes to the budgets.

Critical Path

- Commitment to EUSD
- Wildwood Construction
 - Begin Lease/Leaseback contractor selection process
 - GMP can be identified soon after DSA approval of plans (June 2010)
 - Ready to sign contracts after acceptance of GMP (key milestone)
 - Target construction to begin late-summer 2010
 - Construction start prior to Wildwood move to EUSD would be problematic. Can't move until Havens vacates EUSD.
- Beach Construction Documents
 - \$538k commitment
 - \$2m in State funding at risk
 - Time is of the essence
- Guard contingencies and monitor budget progress

Recommendation

- Authorize the Beach Construction Document phase.
- Secure EUSD for the 2010-2011 School Year.
- Authorize staff to begin the Wildwood Lease-Leaseback selection process.
- Continue Wildwood move logistics planning.
- Provide comprehensive budget presentations in March and May.