

Seismic Renovation Program and Project Budgets & Cash Flow Analysis

Board Of Education Meeting
March 25, 2009

Piedmont Unified School District
Seismic Renovation Program

Overview of Presentation

- Project Budgets
- Impact of the Interruption of State School Facilities Funding on the Measure E Program
- Bond Financing Presentation
- Program Contingency Plan
- Cash Flow Analysis
- Questions

Budgets

- Comprehensive and Consistent Format
- Project Budgets
 - Each site
 - Provides for expenditures to date and all anticipated project costs
 - Will include all contractual commitments
 - Includes project level contingencies
- Program Budget
 - Costs that cannot be assigned to a specific project
 - Program level contingency as a “safety net” for project contingencies

PUSD Measure E Seismic Renovation Program

Full Project Budgets (2009 Dollars)

Project	Site Costs	District/Agency Costs	Professional Services	Bid Costs	Construction Costs	Construction Support	Furniture/Equipment	Misc. Project Costs	Project Contingencies	Total
Havens	\$ 23,959	\$ 151,400	\$ 2,048,454	\$ 7,500	\$ 17,722,054	\$ 690,257	\$ 50,000	\$ 2,762,353	\$ 2,044,023	\$ 25,500,000
Driscoll	\$ -	\$ 17,872	\$ 492,534	\$ 3,750	\$ 1,929,364	\$ 186,000	\$ 15,000	\$ 26,500	\$ 228,980	\$ 2,900,000
PHS	\$ -	\$ 31,823	\$ 2,238,284	\$ 7,500	\$ 5,144,734	\$ 420,000	\$ 179,000	\$ 551,748	\$ 1,226,911	\$ 9,800,000
Wildwood	\$ -	\$ 28,220	\$ 985,087	\$ 7,500	\$ 4,956,875	\$ 249,000	\$ 56,000	\$ 1,362,706	\$ 1,754,613	\$ 9,400,000
Beach	\$ -	\$ 181,010	\$ 1,332,802	\$ 7,500	\$ 7,280,175	\$ 538,000	\$ 77,000	\$ 1,637,914	\$ 1,145,599	\$ 12,200,000
PMS	\$ -	\$ 14,000	\$ 155,155	\$ 3,750	\$ 1,295,838	\$ 105,000	\$ -	\$ 10,374	\$ 168,459	\$ 1,752,575
Maintenance	\$ 44,944	\$ 12,924	\$ 323,892	\$ -	\$ 1,333,554	\$ 74,000	\$ 80,000	\$ 75,214	\$ 55,472	\$ 2,000,000
District	\$ 134,700	\$ 1,000	\$ 3,934,706	\$ 21,581	\$ -	\$ -	\$ -	\$ 18,144	\$ 1,489,869	\$ 5,600,000
Program Total	\$ 203,603	\$ 438,249	\$ 11,510,914	\$ 59,081	\$ 39,662,594	\$ 2,262,257	\$ 457,000	\$ 6,444,952	\$ 8,113,927	\$ 69,152,576

Expenditures (Inception through December 31, 2008)

Project	Site Costs	District/Agency Costs	Professional Services	Bid Costs	Construction Costs	Construction Support	Furniture/Equipment	Misc. Project Costs	Project Contingencies	Total
Havens	\$ 23,959	\$ 101,906	\$ 1,163,951	\$ -	\$ 9	\$ 38,757	\$ 45,741	\$ 1,260,139	\$ -	\$ 2,634,462
Driscoll	\$ -	\$ 16,372	\$ 296,879	\$ -	\$ -	\$ 1,555	\$ -	\$ -	\$ -	\$ 314,806
PHS	\$ -	\$ -	\$ 1,644,081	\$ -	\$ 85,234	\$ 16,165	\$ 1,591	\$ 13,075	\$ -	\$ 1,760,146
Wildwood	\$ -	\$ -	\$ 208,441	\$ -	\$ -	\$ -	\$ -	\$ 7,468	\$ -	\$ 215,909
Beach	\$ -	\$ -	\$ 142,353	\$ -	\$ -	\$ -	\$ -	\$ 20,756	\$ -	\$ 163,109
PMS	\$ -	\$ -	\$ 2,221	\$ -	\$ -	\$ 2,517	\$ -	\$ 10,374	\$ -	\$ 15,112
Maintenance	\$ 24,620	\$ 5,724	\$ 316,439	\$ -	\$ 10,000	\$ 21,210	\$ -	\$ 29,940	\$ -	\$ 407,933
District	\$ 17,300	\$ 1,000	\$ 2,436,612	\$ 21,581	\$ -	\$ -	\$ -	\$ 18,144	\$ -	\$ 2,494,637
Program Total	\$ 65,879	\$ 125,002	\$ 6,210,977	\$ 21,581	\$ 95,243	\$ 80,204	\$ 47,332	\$ 1,359,896	\$ -	\$ 8,006,114

PUSD Measure E Seismic Renovation Program

Full Project Cash Demand

Project	Expensed to Date	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013		Cash Demand Total
		Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun		
Havens	\$ 2,634,462	\$ 423,751	\$ 8,608,060	\$ 9,124,544	\$ 4,709,184	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,500,000
Driscoll	\$ 314,806	\$ 82,285	\$ 1,179,648	\$ 969,273	\$ 353,989	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,900,000
PHS	\$ 1,760,146	\$ 396,227	\$ 3,407,064	\$ 2,733,583	\$ 1,502,979	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,800,000
Wildwood	\$ 215,909	\$ 143,663	\$ 604,255	\$ 101,785	\$ 3,245,927	\$ 3,433,408	\$ 1,655,054	\$ -	\$ -	\$ -	\$ -	\$ 9,400,001
Beach	\$ 163,109	\$ 427,313	\$ 420,000	\$ 35,000	\$ 2,736,472	\$ 3,309,325	\$ 3,409,597	\$ 1,241,315	\$ 457,870	\$ -	\$ -	\$ 12,200,000
PMS	\$ 15,112	\$ 274,434	\$ -	\$ 697,097	\$ 765,931	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,752,575
Maintenance	\$ 407,933	\$ 1,592,067	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
District	\$ 2,494,637	\$ 619,207	\$ 501,938	\$ 460,413	\$ 441,938	\$ 445,213	\$ 420,338	\$ 216,313	\$ -	\$ -	\$ -	\$ 5,600,000
Program Total	\$ 8,006,114	\$ 3,958,947	\$ 14,720,965	\$ 14,121,696	\$ 13,756,421	\$ 7,187,945	\$ 5,484,989	\$ 1,457,628	\$ 457,870	\$ -	\$ -	\$ 69,152,577
Cumulative	\$ 8,006,114	\$ 11,965,061	\$ 26,686,027	\$ 40,807,723	\$ 54,564,144	\$ 61,752,090	\$ 67,237,079	\$ 68,694,707	\$ 69,152,577	\$ 69,152,577	\$ -	\$ -

State Funding

- The Seismic Renovation Program has assumed that \$11.5 million in State School Facilities Program (SFP) funding would be available.
- Up until a few months ago this was a very reasonable assumption.
- Due to current State-wide financial conditions, SFP funds are not being released.
- Any estimate of when funds will start being released is speculative.

Program Funding

- The Seismic Renovation Program was built upon a \$56 million General Obligation Bond authorization.
- The original issuance schedule was built on assumptions that need to be re-calibrated due to current State-wide financial conditions.

Now What?

- Develop an implementation plan that can proceed in absence of State funding.
- Cash demand over time must be supported solely by local funding.

“Immediate” Projects

- Havens/Driscoll through completion
- Piedmont High School through completion
- Maintenance Building through completion
- Wildwood through DSA approval
- Beach through DSA approval
- Piedmont Middle School
- Program Budget through December 2010

Rationale for “Immediate” Projects

- “Red Tag” Buildings
 - Havens/Driscoll*
 - PHS
 - Maintenance
- State Funding Critical Path
 - Wildwood Design (\$0 additional commitment)
 - Beach Design (\$565k additional commitment)

Piedmont Middle School

- Gym Lights
- Brick Facade
- Fire Alarm
 - Scope of the fire alarm project is being determined
 - Budget varies between \$100,000 and \$1,500,000 and is dependent on the final scope
- PHS Project Budget being carried at \$400,000
- State funding could contribute up to 60% of the \$1.5 million replacement scope.

**PUSD Seismic Renovation Program
Immediate Project Cash Demand**

Project	Expensed to Date	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013		Cash Demand Total
		Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun		
Havens	\$ 2,634,462	\$ 835,895	\$ 6,236,258	\$ 6,236,257	\$ 9,557,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,500,000
Driscoll	\$ 314,806	\$ 222,285	\$ 1,039,648	\$ 969,273	\$ 353,989	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,900,000
PHS	\$ 1,760,146	\$ 521,227	\$ 3,282,064	\$ 2,733,583	\$ 1,502,979	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,800,000
Wildwood*	\$ 215,909	\$ 136,997	\$ 369,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 722,206
Beach*	\$ 163,109	\$ 286,259	\$ 286,258	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 735,626
PMS	\$ 15,112	\$ -	\$ 384,888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Maintenance	\$ 407,933	\$ 1,592,067	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
District	\$ 2,494,637	\$ 619,207	\$ 501,938	\$ 460,413	\$ 220,969	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,297,166
Total	\$ 8,006,114	\$ 4,213,937	\$ 12,100,354	\$ 10,399,527	\$ 11,635,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,354,998
Cumulative	\$ 8,006,114	\$ 12,220,051	\$ 24,320,406	\$ 34,719,933	\$ 46,354,998	\$ 46,354,998	\$ 46,354,998	\$ 46,354,998	\$ 46,354,998	\$ 46,354,998	\$ 46,354,998	

Program Funding (No State Funding and \$19 Million Second Issuance)

Project	Cash Available	2008-2009		2009-2010 (3.5% AV)		2010-2011 (2% AV)		2011-2012 (3% AV)		2012-2013 (4% AV)		Funding Total
		Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun		
Measure E	\$ 14,999,934	\$ -	\$ 19,000,000	\$ -	\$ 11,635,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,634,999
City	\$ -	\$ 720,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 720,000
State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 14,999,934	\$ 720,000	\$ 19,000,000	\$ -	\$ 11,635,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,354,999
Cumulative	\$ 14,999,934	\$ 15,719,934	\$ 34,719,934	\$ 34,719,934	\$ 46,354,999	\$ 46,354,999	\$ 46,354,999	\$ 46,354,999	\$ 46,354,999	\$ 46,354,999	\$ 46,354,999	
Program Balance		\$ 3,499,883	\$ 10,399,528	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	

* Projects suspended until State funding availability is determined. Assumes 5% assessed valuation (AV) growth beyond 2012-2013

Hope for the Best, but Plan Carefully

- Maintain the critical path at Wildwood and Beach as long as possible.
- Guard Project and Program contingencies.
- Seek opportunities to move Wildwood and Beach to construction.
- Be ready to move forward as soon as the State funding situation stabilizes.

Final Thoughts

- The continued lack of State funding will have ramifications beyond the delay of Wildwood and Beach.
- We will need to address these issues appropriately.