Agenda

- Background: Review CA standard school facilities funding process (10 slides) ● 20 minutes
- Process: Review the BOE approved 2017 MHUSD Facilities Master Plan (10 slides) ● 20 minutes
- Activity #1: Educational concept “Dot Polling” exercise ● 15 minutes
- Summary: Forecast projects delivered through FMP (6 slides) ● 15 minutes
- Activity #2: Thermometer exercise ● 15 minutes
- "Next Steps” discussion ● 35 minutes
potential funding overview
**types of funding / where does our funding come from?**

*California K-12 Funds by Source, 2016-17*

- State Funds: 60%
- Local Taxes: 25%
- Federal Funds: 9%
- Other: 6%
- Local Misc Funds: 5%
- Lottery: 1%

Source: LAO
types of funding / distribution of general funds

Most School Spending Is for Instruction
2015-16

*School construction and maintenance are funded mainly by state and local general obligation funds
### Table 7. Sources of School Facility Revenues

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>Total Revenue ($) Billion</td>
<td>Percentage</td>
<td>Total Revenue ($) Billion</td>
<td>Percentage</td>
</tr>
<tr>
<td>Local G.O. Bonds</td>
<td>$46.47</td>
<td>50</td>
<td>$44.28</td>
<td>65</td>
</tr>
<tr>
<td>State Aid (State Bond Apportionments)</td>
<td>29.94</td>
<td>32</td>
<td>13.04</td>
<td>19</td>
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<tr>
<td>Developer Fees</td>
<td>10.12</td>
<td>11</td>
<td>3.6</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>7.06</td>
<td>7</td>
<td>7.28</td>
<td>11</td>
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<tr>
<td>Total</td>
<td>$93.72</td>
<td>100</td>
<td>$68.22</td>
<td>100</td>
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</table>

**Notes:** Data on school facility revenue comes from the J200 and SACS accounting records maintained by the California Department of Education. Revenue figures represent sum of revenue over relevant time period. Revenues are adjusted for inflation and reported in real 2016 dollars.
### Table 3. Local K-12 Education General Obligations Bonds, 1986-2016 (Millions USD)

<table>
<thead>
<tr>
<th>Years</th>
<th>No. proposed</th>
<th>No. passed</th>
<th>Percent passed</th>
<th>Amount proposed</th>
<th>Amount passed</th>
<th>Real amount passed (2016 $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986-90</td>
<td>124</td>
<td>65</td>
<td>52%</td>
<td>$2,730</td>
<td>$1,334</td>
<td>$2,584</td>
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<tr>
<td>1991-95</td>
<td>291</td>
<td>127</td>
<td>44%</td>
<td>8,499</td>
<td>3,603</td>
<td>6,210</td>
</tr>
<tr>
<td>1996-00</td>
<td>444</td>
<td>282</td>
<td>64%</td>
<td>23,039</td>
<td>14,127</td>
<td>21,938</td>
</tr>
<tr>
<td>2001-05</td>
<td>355</td>
<td>285</td>
<td>80%</td>
<td>28,621</td>
<td>26,091</td>
<td>37,234</td>
</tr>
<tr>
<td>2006-10</td>
<td>379</td>
<td>290</td>
<td>77%</td>
<td>37,408</td>
<td>33,825</td>
<td>38,401</td>
</tr>
<tr>
<td>2011-16</td>
<td>563</td>
<td>483</td>
<td>86%</td>
<td>51,228</td>
<td>45,608</td>
<td>46,397</td>
</tr>
<tr>
<td>Total 1986-2016</td>
<td>2,156</td>
<td>1,532</td>
<td>71%</td>
<td>$151,526</td>
<td>$124,588</td>
<td>$152,765</td>
</tr>
<tr>
<td>Total 1998-2016</td>
<td>1,581</td>
<td>1,235</td>
<td>78%</td>
<td>$129,424</td>
<td>$113,626</td>
<td>$134,528</td>
</tr>
<tr>
<td>Total 2001-2016</td>
<td>1,296</td>
<td>1,058</td>
<td>82%</td>
<td>$117,257</td>
<td>$105,524</td>
<td>$122,033</td>
</tr>
</tbody>
</table>

*Notes: Data on local bond elections from 1986 - 2016 comes from EdSource and the Coalition for Adequate School Housing (CASH). Real amounts are reported in constant 2016 dollars and adjusted using the producer price index.*
types of funding / general obligation bonds

In 2016, a large number of local bond measures were proposed and the passage rate was especially high.

SOURCES: California Office of the State Treasury; California Debt and Investment Advisory Commission; Debt Issuance and Election Data.
NOTE: Yearly numbers of local state bond measures include general, primary, and special elections.
project cost summary / state bond vs. local bond funds

State funding is more evenly distributed and much lower than local bond funding

SOURCE: California Department of Education; Office of Public School Construction; California Debt and Investment Advisory Commission.

NOTES: State bond funding includes only funding from Proposition 55 (2004) and Proposition 1D (2006). State bond funding was exhausted in 2012.
potential funding / summary

Local Funding Sources

- **Fund 25 - Developer Fees**
  $2 million/year x 10 years = $ 20,000,000*

- **Fund 14 - LCAP Deferred Maintenance**
  $300,000/year from General Fund
  (Used for Ongoing Maintenance)

- **Fund 01 - LCAP Routine Maintenance**
  3% / $2.7 million/year from General Fund
  (Used for Staff Salaries and Benefits)

- **Fund 492 - Mello Roos**
  $500,000/year x 10 years = $ 5,000,000

State School Facilities Program

- **State SFP Eligibility**
  (Too Many Variables to Confidently Include in Current FMP Budget)
  Modernization:  $31,408,334 $ -0-
  New Construction:  $ 7,732,959 $ -0-
  CTE:  $ TBD (Future Grant Applications) $ -0-

Fund 25 Developer Fees can be used to accommodate new students only. This funding stream may be allocated to a potential future elementary school.
Voter Approved

• Measure G - General Obligation Bond

  Remaining Issuance Balance Available for FMP Projects = $143,000,000
  Allocated Funds (Britton MS) = (- $50,000,000)

  Potential Available Program Funding: $93,000,000

Other Costs Allowance

  Escalation 4%/Year x 10 Years = 40% x .5 = 20%
  Program Contingency = 5%
  Offsite/Utility Connection Costs = 5%
  Interim Housing = 3%

  Total Contingency Allowance: 33%

Total Project Funding in 2017

(75% Hard Construction / 25% Soft Costs)

$62,310,000

Total FMP Program Need in 2017:

$699,841,000

Note

$30M has been allocated to Series B projects:

- Nordstrom Elementary ($10.5M)
- Jackson Academy ($12M)
- Technology ($5.5M)
- Programming/Management ($2.5M)
fmp process overview
facilities master plan components

Educational Vision & Goals
- District Mission Statements
- Guiding Principals
- Student Learning Methodologies
- Program Standards
- Technology Integration
- Increased Student Outcomes & Achievement

Demographics Review
- Enrollment Trends
- Site Capacities
- Student Loading Standards
- Attendance Boundaries
- New Development

Facilities Condition Assessments
- Campus Overview
- Existing Conditions
- Health/Life Safety Issues
- Code/ADA Compliance
- Building Systems
- Visual Observations

Collaboration
- Community Stakeholders
- District Staff & Teachers
- Parents & Students
- Communicate Needs
- Campus Master Plan Concepts
- Build Support for District Goals

Cost Estimates & Prioritization

Financial Analysis
- Local Revenue
- State Eligibility
- Voter Approved Options
- Funding Plan Scenarios

Final Facilities Master Plan Recommendations

Enrollment Trends
Site Capacities
Student Loading Standards
Attendance Boundaries
New Development

Local Revenue
State Eligibility
Voter Approved Options
Funding Plan Scenarios

Community Stakeholders
District Staff & Teachers
Parents & Students
Communicate Needs
Campus Master Plan Concepts
Build Support for District Goals

Demographics Review

District Mission Statements
Guiding Principals
Student Learning Methodologies
Program Standards
Technology Integration
Increased Student Outcomes & Achievement

Facilities Condition Assessments

Cost Estimates & Prioritization

Financial Analysis

Dedicated Financial Assistance
Mandatory Uniform Expenditure
Operations & Maintenance
Construction & Renovation
Ergonomics & Technology
Energy Conservation & Efficiency

Educational Vision & Goals

District Mission Statements
Guiding Principals
Student Learning Methodologies
Program Standards
Technology Integration
Increased Student Outcomes & Achievement
fmp process-to-date

7 Executive Steering Committee Meetings
   (Establish FMP Process)

4 Facilities Master Plan Committee Meetings
   1 – Process & Ed Spec Overview | Visual Listening
   2 – Guiding Principles | Needs Assessments | Secondary Sites Charrette
   3 – Focus Groups | School Site Master Plans
   4 – Scope-of-Work Categories | Prioritization | Next Steps

59 participants
fmp process-to-date

10 Educational Vision Development
  3 – Executive Committee
  15 – Educational Planning Committee
  3 – Elementary & Secondary Education
  2 – Food Service
  4 – Transportation
  3 – Operations & Maintenance
  1 – Technology
  1 – Special Education

6 FMP Focus Groups
  36 – Student Ambassadors
  6 – Mechanical, Electrical, Plumbing & Grounds
  1 – Technology
  2 – Transportation
  1 – Food Service
  1 – CTE

79 participants
fmp process-to-date

3 Online Surveys
   15 – Principals
   214 – Teachers & Staff
   320 – Parents & Community (English & Spanish)

16 School Site Council Meetings
   (Community Members, Teachers, Parents, and Students)
   Site Master Plan Review with Principal & District Staff

1 Town Hall Meetings

600+ participants

750+ participants

47 meetings
implementation methodology & priorities
MODERNIZE / RECONFIGURE

Existing Classrooms

01

EXISTING BUILDING SYSTEMS
Toilets & Improved Energy Efficiency

02

SITE
Utilities

03

INSTRUCTIONAL
Design Furniture

15

TECHNOLOGY
Infrastructure & Equipment

16

SCOPE FAMILY / MODERNIZATION
NEW CONSTRUCTION
(Classrooms) 04

05 SCIENCE, ARTS, CTE & Electives Programs

17 TECHNOLOGY – Student Devices

06 PERFORMING ARTS Improvements
MPR, STUDENT UNION & Food Service Improvements

SCOPE FAMILY / PROGRAM SUPPORT FACILITIES

PHYSICAL EDUCATION Improvements

OUTDOOR LEARNING COURTS Quads & Landscape
09 Staff & Parent Support

11 Safety & Security

12 Parking & Drop-Off

14 Exterior Play Spaces
   Playfields & Hardcourts
workshop activity

DOT POLLING EXERCISE TO DEMONSTRATE CONCEPTS
stakeholder groups priorities
stakeholder groups priorities / summary

**global commonalities**
- new construction (classrooms)
- modernization / reconfigure existing classrooms
- existing building systems, toilets, and improved energy efficiency
- staff & parent support
- parking & drop-off
- safety & security

**site specific priorities**
- mpr, student union & food service improvements
- physical education improvements
- exterior play spaces, playfields & hardcourts
As funding beyond current Measure G is identified, project needs identified in the Facilities Master Plan will be prioritized by District leadership in consultation with the Board of Education, school site and community stakeholders for potential implementation based upon the following influences:

• Deferred Maintenance and Repair Needs
• Ability to Leverage State Funding
• Health / Safety / Code Compliance Issues
• District Educational Program Innovation Goals
• Student Enrollment Growth
• Equity Between Sites / Focus on the Most Needy Communities
• Overall District Stakeholder / Community Priorities

These criteria are not listed in a prioritized order since conditions will often change over time and are intended as a broad guideline to facilitate future Morgan Hill Unified School District decision making.
total program cost
## Project Cost Summary / School Sites

### School Sites

<table>
<thead>
<tr>
<th>SCHOOL SITE</th>
<th>MASTER PLAN COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barrett Elementary School</td>
<td>$17,723,000</td>
</tr>
<tr>
<td>El Toro Health Science Academy</td>
<td>$24,973,000</td>
</tr>
<tr>
<td>Jackson Academy of Math &amp; Music</td>
<td>$54,475,000</td>
</tr>
<tr>
<td>Los Paseos Elementary School</td>
<td>$38,582,000</td>
</tr>
<tr>
<td>Nordstrom Elementary School</td>
<td>$47,561,000</td>
</tr>
<tr>
<td>Paradise Valley Engineering Academy</td>
<td>$19,217,000</td>
</tr>
<tr>
<td>S.G. Borello Future Elementary School</td>
<td>$48,483,000</td>
</tr>
<tr>
<td>San Martin / Gwinn Environmental Science Academy</td>
<td>$32,025,000</td>
</tr>
<tr>
<td>P.A. Walsh STEAM Academy</td>
<td>$53,980,000</td>
</tr>
<tr>
<td>Encinal Site</td>
<td>$41,582,000</td>
</tr>
</tbody>
</table>

The following items are excluded from this budget:

- Utility hook-up fees & City connection fees
- Off-site work and traffic signals
- Land acquisition costs
- Hazardous material surveys, abatement, and disposal
- Escalation

### Scope Category

<table>
<thead>
<tr>
<th>SCOPE CATEGORY</th>
<th>SCHOOL SITE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Barrett Elementary School</td>
</tr>
<tr>
<td>2.</td>
<td>El Toro Health Science Academy</td>
</tr>
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<td>6.</td>
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<td>P.A. Walsh STEAM Academy</td>
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<tr>
<td>10.</td>
<td>Encinal Site</td>
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</tbody>
</table>

The total project cost is $121,870,000.
# Project Cost Summary / School Sites

## School Sites

<table>
<thead>
<tr>
<th>School Site</th>
<th>Master Plan Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Britton Middle School</td>
<td>$28,771,000</td>
</tr>
<tr>
<td>Martin Murphy Middle School</td>
<td>$28,053,000</td>
</tr>
<tr>
<td>Ann Sobrato High School</td>
<td>$59,933,000</td>
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<tr>
<td>Live Oak High School</td>
<td>$133,685,000</td>
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<tr>
<td>LBJ Education Center</td>
<td>$20,365,000</td>
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<tr>
<td>ACT Education Center</td>
<td>$31,287,000</td>
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<tr>
<td>District Office (reconfigure existing)</td>
<td>$9,146,000</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td><strong>$689,841,000</strong></td>
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<tr>
<td>Technology – Student Devices</td>
<td>$10,000,000</td>
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<tr>
<td><strong>Total Project Cost (2017$)</strong></td>
<td><strong>$699,841,000</strong></td>
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</tbody>
</table>

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**Scope Category**

The following items are excluded from this budget:

- Utility hook-up fees & City connection fees
- Off-site work and traffic signals
- Land acquisition costs
- Hazardous material surveys, abatement, and disposal
- Escalation

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**Table:**

<table>
<thead>
<tr>
<th>Scope Category</th>
<th>Britton Middle School</th>
<th>Martin Murphy Middle School</th>
<th>Ann Sobrato High School</th>
<th>Live Oak High School</th>
<th>LBJ Education Center</th>
<th>ACT Education Center</th>
<th>District Office (reconfigure existing)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIN Education Center</td>
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<td><strong>Total</strong></td>
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<td><strong>TOTAL</strong></td>
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</tbody>
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- Off-site work and traffic signals
- Land acquisition costs
- Hazardous material surveys, abatement, and disposal
- Escalation

### ALTERNATES

<table>
<thead>
<tr>
<th>ALTERNATE</th>
<th>MASTER PLAN COST</th>
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<tbody>
<tr>
<td>New MOTT Yard</td>
<td>$ 23,068,000</td>
</tr>
<tr>
<td>New District Office</td>
<td>$ 16,368,000</td>
</tr>
<tr>
<td>New Central Kitchen</td>
<td>$ 14,269,000</td>
</tr>
<tr>
<td>Machado School</td>
<td>$ 3,423,000</td>
</tr>
</tbody>
</table>

### SCOPE CATEGORY

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**Total Project Cost A (2017):**

- New MOTT Yard: $ 23,068,000
- New District Office: $ 16,368,000
- New Central Kitchen: $ 14,269,000
- Machado School: $ 3,423,000

**Total: $ 56,030,000**
workshop activity

THERMOMETER
EXERCISE
Next Steps

- Prioritize Measure G, Series C projects
- Identify resources / opportunities to accomplish the Facilities Master Plan