

Bond Update – Board Report
General Information
August 23, 2017

Prop 39 General Obligation Bonds

A Prop 39 general obligation bond, approved by 55% local vote, authorizes bonds for repair, construction or replacement of school facilities addressing safety, class size, and information technology needs.

Bond proceeds will be repaid from a tax to be levied on the taxable property within the boundaries of the High School District and Elementary School District respectively. Costs of issuing the bonds will be paid from the proceeds of the bonds and not from the general fund of Santa Rosa City Schools.

Measure I and L

In November of 2014, the Santa Rosa Community approved two Prop 39 General Obligation Bonds for Santa Rosa City Schools: Measure I (\$175,000,000 - Santa Rosa High School District) and Measure L (\$54,000,000 - Santa Rosa Elementary School District).

Santa Rosa City Schools Bond Program is committed to:

- Providing a Safe and Modern Learning Environment
- Current and Reliable Technology and Labs
- School Repair Measures to Support Student Success

The Bond Measures can be used at our school sites to:

- Repair or replace leaky roofs
- Provide updated technology to prepare students for college and careers
- Repair or replace deteriorating plumbing, sewer, and electrical systems
- Repair or replace outdated heating, ventilation and air-conditioning systems
- Improve access to classrooms and labs for students with disabilities
- Upgrade campus security, safety, and fire systems at all schools
- Renovate aging classrooms, science labs, restrooms and other educational facilities
- Modernize or replace aging facilities based on programmatic need

Bond Program Progress

Facilities Master Plan

To align our overall need and to create a process for identifying areas for bond fund expenditures, in January 2015, SRCS elected to create a comprehensive Facilities Master Plan (FMP). The FMP helps to identify and prioritize the facilities needs throughout our school sites. The FMP is a long range plan, 10-20 years, that identifies needs beyond the current bond funding capacities.

Through Facilities Assessments and Site Committee Meetings across Santa Rosa City Schools, a broad range of needs by facility were identified. Like many Districts in the Bay Area

and across California, Santa Rosa City Schools faces a significant need for investment in its school facilities. This need stems from three different circumstances:

First, the majority of the District's facilities were constructed in the 1950's and 1960's and are now 50-60 years old. Many of these facilities were well designed and constructed and can have many years of useful life into the future. However, they require a significant investment in modernization to make sure that they continue to serve the District.

Second, there is a significant need across the District to address what we would normally call Deferred Maintenance issues. These are periodic improvements that are needed to replace the equipment, materials and systems within buildings. This includes items like roofing, heating and cooling equipment, lighting, finish materials, paint, paving and similar items. Due to the severe budget cuts over the past decade, the state funding for Deferred Maintenance was cut as well as operation budgets. This combination of funding cuts resulted in a backlog of deferred maintenance issues.

Third, there are also a number of facilities improvements needed to address the needs of educational programs. This includes remodeling classrooms and other spaces to make more dynamic, flexible, high performance learning environments to support the changing pedagogy of education in the twenty first century. It also includes facilities to meet the needs of specific educational programs such as Full Service Community Schools, Career Technical Education, Next Generation Science Standards and many others. These needs have been evaluated and addressed through the Facilities Master Plan process.

Through the FMP process over \$1,200,000,000 of need was identified to fulfill the plan. As noted above, the authorization for Measure I and L is \$229,000,000.

The Facilities Master Plan was started in January 2015 by Quattrocci Kwok Architects (QKA). A completed FMP was presented to and approved by the Board on April 27, 2016. At the May 11, 2016 Board Meeting, the **Measure I and L prioritization plan** was approved. Both the FMP and prioritization plan can be found at www.srcsbond.news.

Measure I and L Bond Sales

In February 2016, SRCS successfully sold Series A Bonds for Measure I and Series A and B for Measure L.

Amount of Bonds:

- Measure I Series A: High School District - \$12,165,000*
- Measure L Series A: Elementary School District - \$5,700,000^
- Measure L Series B: Elementary School District - \$3,800,000*

*Series A (HS) and Series B (ELEM) – Short term bonds (3-year maturity) for technology projects

^Series A (ELEM) – Conventional Bond (19-year maturity) for facilities projects

In December 2016, SRCS successfully sold Series B Bonds for Measure I and Series C for Measure L.

Amount of Bonds:

- Measure I Series B: High School District - \$50,000,000
- Measure L Series C: Elementary School District - \$15,000,000

Total Bond Sales:

- Measure I: High School District - \$62,165,000
- Measure L: Elementary School District - \$24,500,000

Bond proceeds must be spent within three years of sale.

Resources to Supplement Bond Funding

- Prop 39 (The Other One!) Clean Energy Jobs Act – Provides funding for energy efficiency projects
 - Level II Audits Complete – Elementary, Middle, High Schools & Charters
 - Energy Conservation Measures Identified
 - Energy Expenditure Plan (EEP) Process being developed
- PG&E Rebate and Special Programs Initiative
 - Applying for and receiving Advance Technology Rebates
- State Emergency Repair Program (ERP)
 - Ensure funds are used appropriately to off-set bond expenditures