

WUSD EXECUTIVE SUMMARY

To: Linda Luna
From: Chris Mount-Benites, CBO
Date: 9/28/2018
Re: **Status of facilities planning with contextual data and some proposed next steps**

CONTEXT/BACKGROUND

As we continue to prepare for our October 17, 2018 Board Study Session on Facilities, we want to continue to provide the BOE and cabinet with pertinent information to inform the discussion. We need to begin to discuss a plan and direction in earnest this fall. This Executive summary is meant to provide context, history and a bit of narrative to past facilities planning, current status and need, "If only the buildings could talk."

CURRENT STATUS

To date we have provided the results of the bond survey as well as current and past enrollment data, future projections and site capacities. This week's update is largely a narrative and summary with some data tables provided to help provide context.

History & Context:

The current district facilities follow the history of the district and various residential expansions since 1940. The entire district was served by one campus from 1940 – 1950, a facility which now serves as the District Office. The current Bryte, Elkhorn and Middle College campuses were added beginning in 1950 to serve as elementary schools for their small residential communities focused on early elementary grades. Westfield, Yolo and Alyce Norman were built for the same purpose (early elementary) through the 1950's each serving small residential developments with two separate high schools added in 1953 (current Westmore Oaks) and 1960 (current Riverbank). From 1960 – 2000 there was little construction or growth in the district with population largely centered in what is now referred to as the "north end". When the south end began developing in the late 1990's and early 2000's a flurry of construction occurred building three K-8 sites; Southport, Bridgeway and Stonegate, as well as a district-wide comprehensive high school (River City).

The history of construction largely follows that of residential development in West Sacramento. The majority of facilities (10 of 14) exist in the development/population center in the north with the remaining four in the growth centers to the south. The early elementary (K-3) facilities that were built in the north were largely constructed and sited to accommodate the early grades for their associated development. However, since their construction, sites have been modified to accommodate large numbers of portable classrooms with lifespans initially estimated at 20-

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25 years (intended for temporary expansion). While many sites are aging, they are in average to good structural and maintenance condition with the notable exceptions being those in fair or poor condition (Westmore Oaks (F/P), District Office (P), Yolo (F), MOT Yard (P)) and those in above average and excellent condition (RCHS (E), Bryte (E), Riverbank (AA)). There are also campuses that are extremely well laid out or of an architectural style that enables their maintenance and lasting qualities as educational settings (RCHS, Riverbank, Elkhorn, Westfield, Bryte, Stonegate, Southport, MCHS).

Site locations and expansions have somewhat of an ad hoc appearance in the district largely due to uneven growth and construction over the course of 60 years as well as repurposing existing sites to suit purposes that did not align with the intent of their construction. This well-intentioned reuse contained construction costs for 40 years in the district but has led to some re-purposing beyond what is useful to the district. This can be illustrated with large swaths of older or poorly maintained campuses being shut down or “mothballed”, being closed off over the years or reused in a manner that, while sensitive to the emotional attachment we have to various sites, did not meet the intent of the program(s) placed there with the needed integrity. Examples of these “mis-matches” of site to intent include Yolo, the District Office, Westmore Oaks, MOT and Alyce Norman.

The last Capital Facilities Plan – 2013

The last master facilities planning process accomplished an updated site inventory and assessment. However, the plan attempted to “be everything to everyone” and laid out an ambitious scope of updating, upgrading and modernizing **all** 14 existing district facilities regardless of location, use, purpose or development and growth of the district. Most importantly, the plan did not reflect an educational or strategic plan that echoed the district’s values – it simply illustrates the costs of modernizing, renovating and expanding all district campuses. Note that this plan was to bring campuses up to current standards with aging infrastructure (roofs, HVAC, fire alarms, ADA, technology, drainage, etc.) The chart in Attachment A at the end of this summary illustrates the estimated costs from the 2013 plan and then adjusts those costs to 2018 dollars based on national CPI (CA CPI for Sacramento is significantly higher). The study also failed to include any contingency costs which are essential to any construction or modernization project and should be generous given the age of the buildings considered. We have included a 10% contingency here but it is not unusual to have a 15, 20 or even 25% contingency on public education construction. In reviewing Attachment A, please note that the estimates to modernize and renovate exceeded **\$225 million dollars** for the district in 2013 dollars. The district began to plan to address the needs of the 2013 plan by passing Measure V for approximately **\$49.8 million dollars** to begin addressing critical infrastructure needs (failing roofs, fire alarms, ADA and HVAC) as well as fully renovating the BRYTE campus as the new RCHS CTE campus and beginning the modernization of Riverbank Elementary, expanding Bridgeway Island, providing some marquees to sites that did not have them, providing new furniture to our K-8 schools district wide, completion of fencing and cabling for RCHS, some refurbished parking lots, shade structures for preschool/TK/K playgrounds that did not have them. Measure V is approximately 70% expended or encumbered as of October 2018. (Next week’s update will be all projects completed since 2014).

While the 2013 Capital Facilities Plan was well intended and grand in scope, it failed to address the serious issues that it essentially surfaced:

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1. Beyond the initial Measure V funds raised, there was no vehicle to raise the funds to accomplish its goals.
2. The majority of the district's existing facilities are sited in the north end of the district and largely underused and many are in poor repair while the greatest needs are developing in the south.
3. The plan did not address the growth in the south other than adding portables to the existing K-8 sites to accommodate growth and giving an estimate to build a conceptual school in the proposed Liberty Development at the cost of **\$38 million** which, inflated for CPI would cost approximately **\$42 million** – costs that were not included in the estimates to complete the 2013 capital facilities plan
4. In attempting to save and modernize *all* district sites, the plan did nothing to recognize that the infrastructure and revenue of the district was in no way able to maintain and serve the existing 14 sites that it already had. The prudent and responsible plan would have called for the closure of 3-5 sites on the north end of the district and focused staff on maintaining the remaining sites in good repair.

Some Positive Observations:

1. The BRYTE project will be fully completed within the year with the completion of BRYTE phase II, essentially removing BRYTE from the list (The project at completion will have cost approximately **\$20 million** of Measure V)
2. Several critical infrastructure projects have occurred over the past 5 years which can reduce projected expense to some degree

The Money Picture:

As stated previously and illustrated in the various district financial presentations, the district has neither the access to funds or the internal capacity to raise more funds for large maintenance or construction efforts.

- **COPS:** The district is well aware that it is currently paying on **\$82 million** worth of COP (certificates of participation) debt for the foreseeable future. COPS were used to complete some district solar projects and to construct the comprehensive high school rather than going the more traditional route of having the community vote a GO Bond for construction. To secure these funds, the district promised all revenues from both legally mandated developer fees as well as redevelopment successor agency revenues that come into the district. These revenue sources are typically committed to deferred maintenance or medium sized repair or construction projects for the district (not routine items). As a result, there has been no funding available for deferred maintenance projects or medium-sized projects as the funds are committed to paying the COPS. While this is a legal, legitimate strategy in place of issuing GO bonds, it has left the district without capital to do more than routine maintenance and custodial work. Further, the payment schedule on the COPS has outstripped development fees and is currently being supported by general funds dollars at the rate of \$800K per year.
- **Scale:** The size of the district and enrollment does not support the number of facilities currently online. Examples of the district being “out over its skis” in terms of facilities are not hard to find. Consider Alyce Norman Elementary. Currently, the district is lending the space to the county to run district Head Start programs and a few other classes. The 3.5 acre campus was built as a K-3 school in 1959. The district has invested heavily in keeping it open and used to some degree. However, it currently sits more than half empty with only

three district classes still located on site which will likely move over the coming summer. Yet to keep the site online will cost nearly \$11 million which does not include the hundreds of thousands spent yearly to maintain the site (utilities, maintenance, custodial, security, infrastructure costs). What is clear is that to keep everything going far outstrips the abilities and resources of the district now or in the future.

RECOMMENDATIONS

- BOE Study Session – Scheduled for October 17, 2018 – ask questions and begin to develop a plan of action
- Consider decommissioning of sites by various data considerations:
 - Demographics
 - Finance
 - Cost to modernize / develop
 - Partners in the process of decommissioning and re-use
 - Municipal organizations
 - Developers
 - County
- Forthcoming data – A checklist of projects completed since 2014
- Guided questions for October 17 study session

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Attachment A

2013 Capital Investment Program General Summary									
<u>Sites</u>	Sq Ft	Yr Built	2013 Proposed Mod/Ren Construction Costs Est.	2013 New Const Costs Est.	2013 Ttl. Construction Costs	2013 Soft Costs Est	Construction Contingency (10%)	Total Costs in 2013 dollars	Adj for CPI 2018 dollars
District Office	68,371	1949	\$10,359,796	\$0	\$10,359,796	\$3,625,929	\$1,398,572	\$15,384,297	\$16,845,805
Bryte	43,101	1950	\$14,467,801	\$0	\$14,467,801	\$5,063,730	\$1,953,153	\$21,484,684	\$23,525,730
Elkhorn	67,372	1951	\$18,263,438	\$23,783,500	\$42,046,938	\$14,716,428	\$5,676,337	\$62,439,703	\$68,371,475
Middle College (former Westmore Oaks)	41,095	1951	\$6,828,799	\$0	\$6,828,799	\$2,390,080	\$921,888	\$10,140,767	\$11,104,139
Westmore Oaks	67,372	1953	\$18,778,036	\$0	\$18,778,036	\$6,572,313	\$2,535,035	\$27,885,383	\$30,534,495
Westfield	48,588	1954	\$11,911,869	\$0	\$11,911,869	\$4,169,154	\$1,608,102	\$17,689,125	\$19,369,592
Yolo	41,185	1958	\$7,295,938	\$0	\$7,295,938	\$2,553,578	\$984,952	\$10,834,468	\$11,863,742
Alyce Norman	43,584	1959	\$6,524,320	\$0	\$6,524,320	\$2,283,512	\$880,783	\$9,688,615	\$10,609,034
Riverbank	95,662	1960	\$8,516,411	\$0	\$8,516,411	\$2,980,744	\$1,149,715	\$12,646,870	\$13,848,323
Southport	60,273	2000	\$4,758,879	\$0	\$4,758,879	\$1,665,608	\$642,449	\$7,066,935	\$7,738,294
Bridgeway	65,815	2002	\$2,189,351	\$0	\$2,189,351	\$766,273	\$295,562	\$3,251,186	\$3,560,049
Stonegate	62,709	2008	\$2,890,779	\$0	\$2,890,779	\$1,011,773	\$390,255	\$4,292,807	\$4,700,623
River City	278,747	2009	\$2,819,849	\$14,680,250	\$17,500,099	\$6,125,035	\$2,362,513	\$25,987,647	\$28,456,473
Maint/Ops/Transportation (On Westmore Oaks campus)	6,400	Portables & Containers	\$250,000	\$1,920,000	\$2,170,000	\$759,500	\$292,950	\$3,222,450	\$3,528,583
SubTotal	990,274		\$115,855,266	\$40,383,750	\$156,239,016	\$54,683,656	\$21,092,267	\$232,014,939	\$254,056,358