

Consent Item D.3.1. Ratification of the Lease-Leaseback Contract
 Prepared by Bill Clark Amendments #2 - #6: Five School Modernizations
 June 3, 2008 (SC, CP, CH, CO, RS)

BACKGROUND:

On February 2, 2008, the Board of Education of the District (the "Board") adopted Resolution No. 0708-16, approving and authorizing the execution of a Site Lease, Sublease Agreement, and Lease-Leaseback Construction agreement between the District and Douglas E. Barnhart, Inc., in order to provide for the modernization of existing school facilities, at nine school sites within the District (the "Project"). On April 1, 2008, the Board approved Amendment #1 for the Guaranteed Maximum Price (GMP) of the Cajon Park classroom addition. Amendments numbers 2, 3, 4, 5, and 6 will establish the final GMP for the next phase of the project for Cajon Park, Sycamore Canyon, Carlton Hills, Rio Seco, and Carlton Oaks, and will also add a five percent (5%) Owner's contingency within the GMP to be used with District approval, with the remainder reverting to the District at the end of the project phase.

Amendment	School	Project	Final GMP
#2	Cajon Park	Modernization & Library/Technology & Kitchen Alternate	\$6,744,897
#3	Sycamore Canyon	Modernization	\$6,043,409
#4	Carlton Hills	Modernization & Library/Technology	\$7,331,432
#5	Rio Seco	Modernization & Library/Technology	\$8,518,545
#6	Carlton Oaks	Modernization & Library/Technology	\$8,542,887

A copy of Amendments numbers 2, 3, 4, 5, and 6 to the Lease-Leaseback Agreement are available in the District's Business Services department for public review. Additionally, a copy will be available for public review at the Board meeting.

RECOMMENDATION:

It is recommended that the Board of Education ratify and approve the Amendments numbers 2, 3, 4, 5, and 6 to the Lease-Leaseback Agreement in order to accomplish the objectives set forth above since the final Guaranteed Maximum Price (GMP) is within the Board-approved Capital Improvement Program budget for these projects.

This recommendation supports the following District goals:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

The fiscal impact of the final GMP per the table above totals \$37,181,170 and will be funded from the District's Capital Improvement Program budget as attached.

STUDENT ACHIEVEMENT IMPACT:

Strong, positive relationships exist between overall building conditions, a positive learning environment, and student achievement.

Motion:		Second:		Vote:		Agenda Item D.3.1.
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BACKGROUND:

At the May 10, 2008 Capital Improvement Program Workshop, the Board gave direction to refine the District's modernization financing plan. The workshop financing plan projected the need to borrow approximately \$83.2 million. Construction cost savings reduced the projected expenditure total to \$76.8 million. Tonight, Cathy Dominico will present the revised plan. The plan includes three financing methods:

- 1) General obligation bond issuance,
- 2) Certificates of Participation (COPS), and
- 3) Bridge financing.

Under the provisions of voter approved Proposition R, the Board of Education has legal authority to issue bonds for a maximum term of 40 years.

RECOMMENDATION:

It is recommended that the Board of Education authorize/approve the following items:

- 1) Approve the proposed modernization funding plan,
- 2) Authorize administration to proceed with the general obligation bond issuance, and
- 3) Authorize administration to prepare and return to the Board of Education for final approval of Certificates of Participation (COPS).

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.
- Purse actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

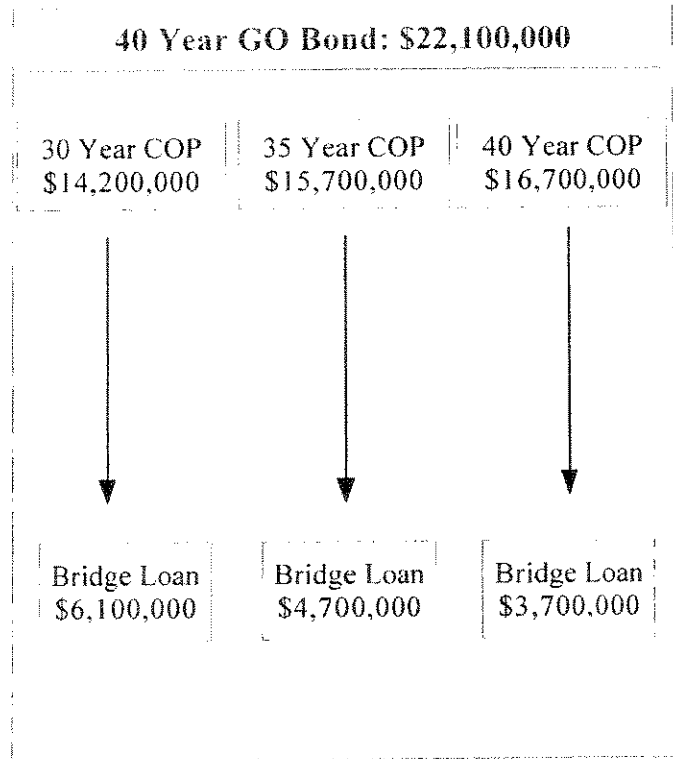
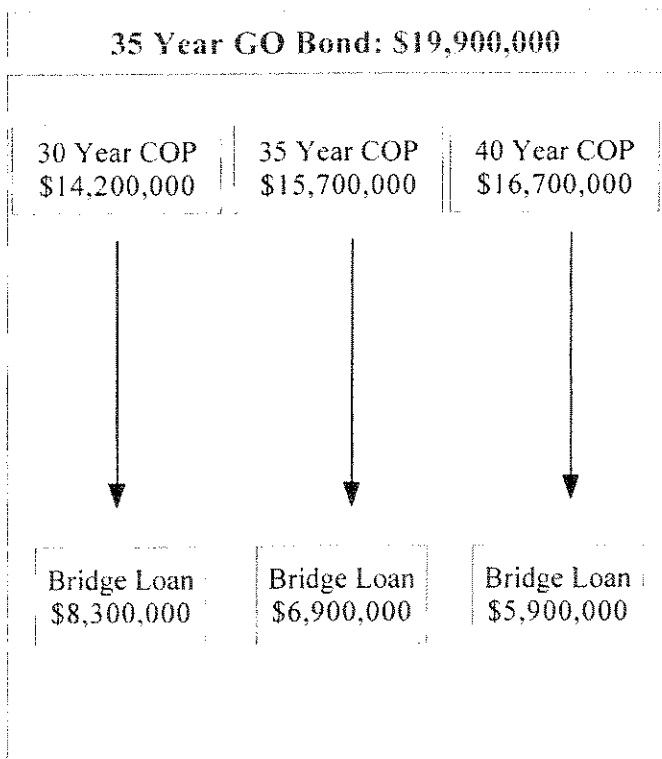
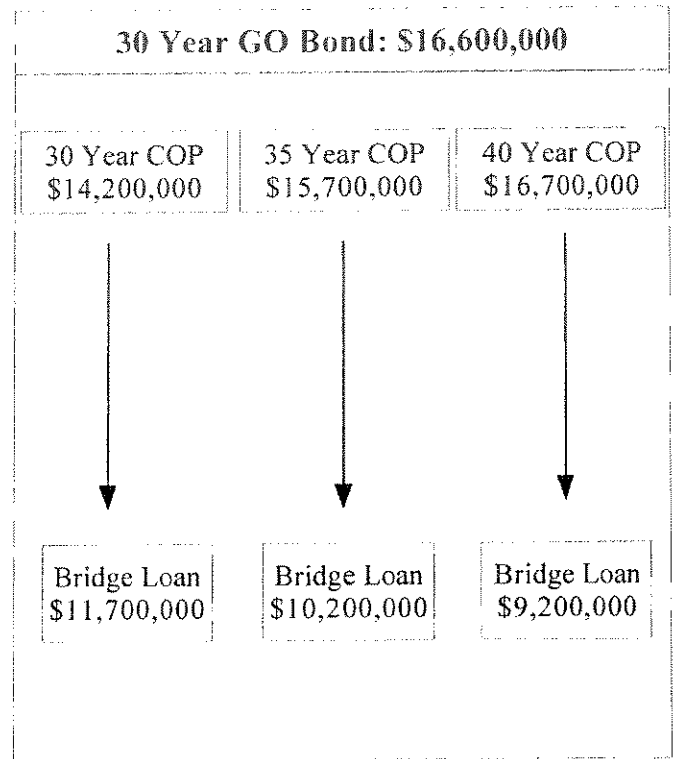
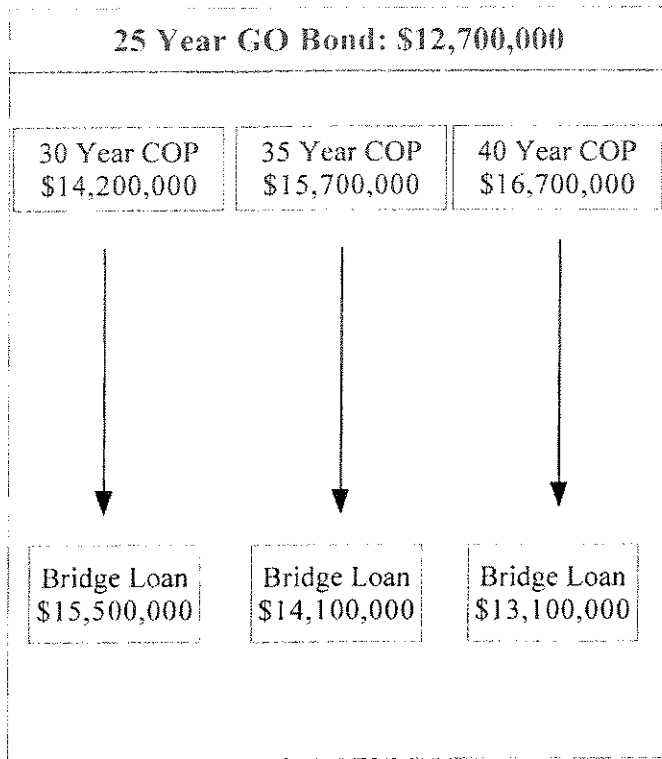
The fiscal impact for the financing plan supports the \$128.7 million Capital Improvement Program. Phase One construction is estimated to total approximately \$76.8 million for the 12 months ending June 2009.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda Item E.2.1.
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Santee School District: Financing Options



Discussion and/or Action E.2.2.
Prepared by Bill Clark
June 3, 2008

Review and Discuss Modernization Classroom
Cabinetry Scope of Work and Countertops

BACKGROUND:

Due to time constraints at the May 10, 2008 Capital Improvement Workshop, this item is being brought back to the Board of Education for discussion.

Teachers have concerns with the changes of casework/cabinetry in their classrooms. The current typical classroom has a base cabinet, upper cabinets, and limited tall storage cabinets with storage capacity of 208 cubic feet per classroom on average.

Teacher needs requested and addressed were more storage space with deep map and paper drawers. The new typical 20' long teaching wall storage system and 6' sink base cabinet will hold 335 cubic feet of storage, almost a 160% increase in classroom storage; however, the old casework system had a 16' countertop at the sink. New classrooms will only have a 6' countertop at the sink. Concern is the loss of 10' of counter space to accommodate easy student access of primary educational materials.

In Kindergarten classes only, there currently is typically a 16' low base sink cabinet and new modernized kindergarten classes will have a new 16' base sink cabinet, in addition to a new 16' long teaching wall storage system. There will be no loss in countertop space at the kindergarten classrooms. A prototype Kindergarten and standard teaching wall is in place at Cajon Park for teachers to review.

In various meetings with the school administration, teachers, and staff have been discussing alternatives that can meet the needs for the loss of countertop spaces. Currently, many classrooms have supplemental furniture such as book cases, student tables and desks, and various low cabinets and files that provide and supplement these countertop needs. Also, the cost to purchase book cases at approximately \$65.00 each as funds become realized for new furnishings is much more cost efficient than built-in-place cabinetry that runs \$300 per linear foot.

RECOMMENDATION:

It is recommended that the Board of Education consider in the future as Capital Improvement Program funds are realized beyond funding the 10-classroom additions to fund new needed bookcases to accommodate additional storage/display needs as a long range goal for facilities. As funding is realized, a capital improvement furniture & equipment (F & E) replacement program can be initiated on an annual basis as developer fee income comes in as anticipated in later years. Any action taken is always at the discretion of the Board.

This recommendation supports the following District goals:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

Typically a new school construction building program would budget 1% of construction for new classroom furnishings and 2% of construction for technology equipment for a total of 3% of construction for F & E. The current \$128 million program has approximately \$100 million for construction and thus an additional \$1 to \$3 million should be allocated towards new F & E when it can. Since the goal of \$165 million is not realized yet, funds are not currently allocated for F & E at this time, but should be in the future.

STUDENT ACHIEVEMENT IMPACT:

The modernization/Capital Improvement Program plans will positively impact student learning environments.

Motion:		Second:		Vote:		Agenda E.2.2.
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Discussion and/or Action Item E.2.3. Authorization to Award Bid for Solar Energy
 Prepared by Bill Clark
 June 3, 2008

BACKGROUND:

The Board of Education has shown support for the implementation of energy efficient, climate friendly technology design to save costs and improve operating performance. The Board authorized administration to seek proposals from qualified providers of turnkey solar solutions. The District received three highly competitive proposals on May 27, 2008. The respondents were evaluated and ranked as follows:

- 1) Borrego Solar
- 2) Envision Solar
- 3) Independent Energy Solutions

Company	Partners	Project Management (10%)	Team Prev Exp (10%)	Tech Aspects (10%)	Prij Cost (70%)	Total Score	# of sites	System KW Size (DC)	System KW Size (AC)	Solar Generated kWh 5 yr Guarantee	Total Project Cost	AC Cost per KW
Envision	Baker Elec	9	7	8	55	79	Ten	1,995	1,536	2,512,206	\$19,361,810	\$12,602
IES	Pargen, S+W, Turpin & Rattan, Delta	10	8	8	35	61	Six	1,535	1,138	11,009,213	\$14,183,986	\$12,464
Borrego	Tanner, Dynalectric, Baja	10	8	9	70	97	Ten	2,894	2,454	17,797,513	\$22,946,746	\$9,352

Each respondent exhibited strengths and weaknesses in their proposal. Administration met with the respondents and determined that the needs of the District would best be achieved by dividing the project based on the strengths of the three respondents. This approach reduces risk, saves cost, and produces the most complete solar solution for the District.

RECOMMENDATION:

It is recommended that the Board of Education provide authorization to complete the following:

- 1) Conduct an independent audit of energy savings based on revised San Diego Gas & Electric rates,
- 2) Award contingent contract to Borrego Solar, who will partner with Envision Solar and Sprotte+Watson Planning and Architecture, before June 15, 2008 to meet requirements to retain and utilize approximately \$6.8 million in solar credits,

- 3) Apply for additional solar credits for all remaining schools,
- 4) Prepare financing plan and formal cost analysis, and
- 5) Return to the Board with formal plan to include a detailed analysis of actual energy savings, detailed project costs by school site, site design plans, and formal financing proposal and final contracts with all related costs.

This recommendation supports the following District goals:

- Provide facilities that optimize the learning environment for all students.
- Pursue actively the funding and resources to fulfill our mission and maintain fiscal solvency.

FISCAL IMPACT:

If fully utilized, the solar incentives have a value of approximately \$6.9 million. If the District installed a solar system design and utilized all available incentives, the project would cost approximately \$23 million. The net cost to the District after deducting solar incentives brings the total project cost to approximately \$16.1 million, which will be offset by the annual cost savings of \$687,000 for electric power to operate these sites.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources affect student achievement.

Motion:		Second:		Vote:		Agenda E.2.3.
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SOLAR RFP EVALUATION CRITERIA		SCORING
Project Management/Firms(s) Strengths & Qualifications		10
<ul style="list-style-type: none"> • Team management qualifications and strengths; identify lead entity for the overall proposal; • Organized approach to work assignments; identify key staff including their professional history (attach resumes) and their respective roles and responsibilities in the program. Include a description of roles and how organizations work together as well as an organization chart; • Clear, effective organization chart; • Thorough discussion of project management, sub-contractor coordination, and quality controls; and • Demonstrated familiarity with SDG&E & State permitting, financing, and regulatory requirements. 		
Project Team/Previous Experience		10
<ul style="list-style-type: none"> • Recent and significant experience and strong technical background in the field of expertise including prior experience in developing, designing, and installation of solar and other renewable energy projects; • Depth and breadth of experience; • Demonstrated capability on projects of similar size and scope; • Integrated use of team members; and • Past relevant project and outcomes. • Use of local labor trained and certified in Solar PV system installation. • Provide 3 (three) references for projects of similar type and scope within last 5 (five) years. 		
Project Technical Aspects		10
<ul style="list-style-type: none"> • Description of proposed technologies for the SEP; • Clearly explain a reasonable conceptual design that is implemented in a timely manner; • Commercial acceptance and availability of technologies proposed, specifically: <ul style="list-style-type: none"> ○ Modules ○ Power electricity & integration ○ Installation ○ Roof and building impacts ○ Operations & Maintenance ○ Monitoring & Reporting • Implementation schedule is reasonable and responsive to HHWP needs; • Length of design, installation, and commissioning of solar component; • Length of design, installation, and commissioning of other renewable and energy-efficient components. 		
Project Costs		70
<ul style="list-style-type: none"> ○ Total cost per kilowatt-hour per Exhibit C (includes 5 (five) year performance per kWh). (Points are proportional to lowest proposer). 		
Proposal Score		100%

BACKGROUND:

San Diego Gas & Electric Company (SDG&E) offers incentive monies for construction projects utilizing energy-efficient lighting and mechanical equipment. District staff and architects have worked closely with SDG&E representatives on our school modernization designs and the final plans have been submitted to SDG&E for an energy design audit and review. The incentive amount for Carlton Hills modernization is \$45,873. Upon construction completion and operation of the Carlton Hills School modernization, SDG&E representatives will verify that the equipment has been installed as designed and the District will receive an incentive check that will be used to offset utility expenses. An additional incentive savings may be achieved with a duct leakage testing option being analyzed which may increase the incentive at Carlton Hills to \$61,658.

Additionally, SDG&E is in the process of completing their Energy by Design incentive reviews for all Phase I school modernizations at Cajon Park, Sycamore Canyon, Rio Seco, and Carlton Oaks. It is anticipated that similar incentive savings will be achieved and those incentives will be brought forth at future meetings for Board approval.

RECOMMENDATION:

It is recommended that the Board of Education approve the energy-saving incentive funding from SDG&E relating to the construction and design of the project as proposed and authorize administration to execute the necessary documents.

This recommendation supports the following District goal:

- Provide facilities that optimize the learning environment for all students.

FISCAL IMPACT:

The energy-saving incentive amount from San Diego Gas & Electric for the Carlton Hills modernization is \$45,873, payable at the completion of the project once the installed design work is verified by representatives of SDG&E. Funds can be used to offset utility expenses.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item related to facilities modernization. All fiscal resources impact student achievement.

Motion:		Second:		Vote:		Agenda Item D.3.2.
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May 5, 2008

San Diego Gas & Electric
8335 Century Park Court
San Diego, CA 92123

Attention: Craig Bullock

Subject: Savings By Design **Systems Project**
Carlton Hills Modernization **Revised**
Contract: #63341

Craig:

Overview: The project consists of tenant improvements at five existing one story school buildings.

Lighting: The base case results for lighting are:

Building	Bldg. SF	Allowed		Actual		% < T24
		Watts	W/sf	Watts	W/sf	
Bldg. A	8,405	10,086	1.200	5,440	0.647	46.1%
Bldg. B	8,696	10,435	1.200	5,869	0.675	43.8%
Bldg. C	9,321	11,185	1.200	5,736	0.615	48.7%
Bldg. D	3,082	3,390	1.100	2,514	0.816	25.8%
Bldg. E	6,717	8,506	1.266	6,338	0.944	25.5%

This information was obtained from plans dated 3/24/08. The project includes primarily of Sylvania Xtreme F32T8 lamps/ballasts, compact fluorescents and occupancy sensors at nearly all rooms. There are no recommendations for the lighting design.

Mechanical: The project includes 39 high efficiency rooftop package units that exceed the program EER thresholds. There are no higher efficiency units available from the manufacturer.

Glazing: There are negligible changes to the exterior glazing. Most of the existing glazing will remain. The new glass is insulated PPG Solarban 60 clear with an SHGC of 0.38 to match the existing glass. Glazing with an SHGC of 0.34 to 0.31 is required in order to receive incentives.

Please give me a call if you have any questions.

Sincerely,

Ken Moss, CEM

Carlton Hills School
Bldg A
Job #63341
7,860 SF

RESULTS ARE PRELIMINARY SUBJECT TO CHANGE BASED UPON FINAL DESIGN.

<u>Energy Efficiency Measures</u>	<u>% below Title 24</u>	<u>Annual kWh</u>	<u>Gas Therms Savings over Base</u>	<u>Annual Energy Savings*</u>	<u>Owner Incentive \$</u>	<u>Design Team Incentive \$\$</u>
1. As designed (v4.403) CBullock (EnergyPro model designed by Merrick+Associates)	32.2%	-----	-----	-----	\$13,078 <u>\$485</u> \$13,563	\$4,342 <u>\$162</u> \$4,504 Total
<p>Walls (R-2.8, U=0.356, JAIV 09-A1), Roof (R-21, U=0.048, JAIV 01-A14), Light power density 0.692 W/sf average for whole bldg. (42% better than Title 24, 1.200 W/sf), PPG Solarban 60 glazing U=0.290, SHGC=0.380, single metal clear glass U=1.280, SHGC=0.800 (652 sf, 17% of total wall area), seven 4-ton Carrier 48PG05 packaged DX unit w/economizer and demand control ventilation, 12.0 EER, one 2-ton Carrier 48XPN024 packaged DX unit, 11.0 EER, one 1.5-ton Carrier 38HDR018 split DX unit, 11.0 EER.</p>						
2. Duct leakage testing (under the appropriate rules of Title 24)	40.5%	11,431	64	\$1,779	\$15,935 <u>\$549</u> \$16,484	\$5,291 <u>\$183</u> \$5,474 Total
				\$ 0	\$0 <u>\$0</u> \$ 0	\$0 <u>\$0</u> \$ 0 Total
				\$ 0	\$0 <u>\$0</u> \$ 0	\$0 <u>\$0</u> \$ 0 Total

*at average \$0.15/kWh, at average \$1.00/therm
 ✓ 1. Ken to review lighting LPD.

5/15/2008 10:40 AM

Carlton Hills School
 Bldg D
 Job #63341
 2,928 SF

RESULTS ARE PRELIMINARY SUBJECT TO CHANGE BASED UPON FINAL DESIGN.

Energy Efficiency Measures	% below Title 24	Annual kWh Savings over Base	Gas Therms	Annual Energy Savings*	Owner Incentive \$	Design Team Incentive \$\$
1. As designed (v4.403) CBullock (EnergyPro model designed by Merrick+Associates)	22.8%	-----	-----	-----	\$3,082 \$380 \$3,462	\$1,027 \$127 \$1,154 Total
Walls (R-2.8, U=0.356, JAIV 09-A1), Roof (R-21, U=0.048, JAIV 01-A14), Light power density 0.816 W/sf average for whole bldg. (26% better than Title 24, 1.100 W/sf), PPG Solarban 60 glazing U=0.290, SHGC=0.380, single metal clear glass U=1.280, SHGC=0.800 (305 sf, 10% of total wall area), one 4-ton Carrier 48PG05 packaged DX unit w/economizer and demand control ventilation, 12.0 EER, one 3-ton Carrier 48PG04 packaged DX unit w/economizer and demand control ventilation, 11.7 EER one 2.5-ton Carrier 48XPN030 packaged DX unit, 11.0 EER, one 1.5-ton Carrier 38HDR018 split DX unit, 11.0 EER.						
2. Duct leakage testing (under the appropriate rules of Title 24)	30.5%	4,071	37	\$ 648	\$4,397 \$458 \$4,855	\$1,460 \$153 \$1,613 Total
				\$ 0	\$0 \$0 \$ 0	\$0 \$0 \$ 0 Total
				\$ 0	\$0 \$0 \$ 0	\$0 \$0 \$ 0 Total

*at average \$0.15/kWh, at average \$1.00/therm
 ✓1. Ken to review lighting LPD.

**Carlton Hills School
Bldg C
Job #63341
7,964 SF**

RESULTS ARE PRELIMINARY SUBJECT TO CHANGE BASED UPON FINAL DESIGN.

<u>Energy Efficiency Measures</u>	% below Title 24	Annual kWh <u>Savings over Base</u>	Gas Therms <u>Savings*</u>	Annual Energy Savings*	Owner Incentive \$	Design Team Incentive \$
1. As designed (v4.403) CBullock (EnergyPro model designed by Merrick+Associates)	30.3%	-----	-----	-----	\$12,978 \$515 \$13,493	\$4,309 \$171 \$4,480 elec gas Total
<p>Walls (R-2.8, U=0.356, JAIV 09-A1), Roof (R-21, U=0.048, JAIV 01-A14), Light power density 0.660 W/sf average for whole bldg. (45% better than Title 24, 1.200 W/sf), PPG Solarban 60 glazing U=0.290, SHGC=0.380, single metal clear glass U=1.280, SHGC=0.800 (448 sf, 11% of total wall area), six 4-ton Carrier 48PG05 packaged DX unit w/economizer and demand control ventilation, 12.0 EER, one 5-ton Carrier 48PG06 packaged DX unit w/economizer and demand control ventilation, 12.0 EER, one 2-ton Carrier 48XPN024 packaged DX unit, 11.0 EER, one 1.5-ton Carrier 38HDR018 split DX unit, 11.0 EER.</p>						
2. Duct leakage testing (under the appropriate rules of Title 24)	37.9%	11,252	9	\$1,697	\$15,791 \$524 \$16,315	\$5,243 \$174 \$5,417 elec gas Total
				\$ 0	\$0 \$0 \$ 0	\$0 \$0 \$ 0 elec gas Total
				\$ 0	\$0 \$0 \$ 0	\$0 \$0 \$ 0 elec gas Total

*at average \$0.15/kWh, at average \$1.00/therm
✓1. Ken to review lighting LPD. 5/15/2008 3:06 PM

**Carlton Hills School
Bldg B
Job #63341
7,964 SF**

RESULTS ARE PRELIMINARY SUBJECT TO CHANGE BASED UPON FINAL DESIGN.

<u>Energy Efficiency Measures</u>	<u>% below Title 24</u>	<u>Annual kWh</u>	<u>Gas Therms Savings over Base</u>	<u>Annual Energy Savings*</u>	<u>Owner Incentive \$</u>	<u>Design Team Incentive \$\$</u>
1. As designed (v4.403) CBullock (EnergyPro model designed by Merrick+Associates)	30.9%	-----	-----	-----	\$12,395 \$401 \$12,796	\$4,115 elec \$133 gas \$4,248 Total
<p>Walls (R-2.8, U=0.356, JAIV 09-A1), Roof (R-21, U=0.048, JAIV 01-A14), Light power density 0.737 W/sf average for whole bldg. (38.6% better than Title 24, 1.200 W/sf), PPG Solarban 60 glazing U=0.290, SHGC=0.380, single metal clear glass U=1.280, SHGC=0.800 (532 sf, 15% of total wall area), seven 4-ton Carrier 48PG05 packaged DX unit w/economizer and demand control ventilation, 12.0 EER, one 2-ton Carrier 48XPN024 packaged DX unit, 11.0 EER, one 1.5-ton Carrier 38HDR018 split DX unit, 11.0 EER.</p>						
2. Duct leakage testing (under the appropriate rules of Title 24)	39.2%	11,197	29	\$1,709	\$15,195 \$429 \$15,624	\$5,045 elec \$143 gas \$5,188 Total
				\$ 0	\$0 \$0 \$ 0	\$0 elec \$0 gas \$ 0 Total
				\$ 0	\$0 \$0 \$ 0	\$0 elec \$0 gas \$ 0 Total

*at average \$0.15/kWh, at average \$1.00/therm
✓1. Kes to review lighting LFD.

**Carlton Hills School
Bldg E
Job #63341
6,788 SF**

RESULTS ARE PRELIMINARY SUBJECT TO CHANGE BASED UPON FINAL DESIGN.

<u>Energy Efficiency Measures</u>	% below Title 24	Annual kWh	Gas Therms Savings over Base	Annual Energy Savings*	Owner Incentive \$	Design Team Incentive \$
1. As designed (v4.403) CBullock (EnergyPro model designed by Merrick+Associates)	12.9%	-----	-----	-----	\$2,491 \$68 \$2,559	\$0 \$0 \$ 0
<p>Walls (R-2.8, U=0.356, JAIV 09-A1), Roof (R-21, U=0.048, JAIV 01-A14), Light power density 0.816 W/sf average for whole bldg. (26% better than Title 24, 1.100 W/sf), single metal clear glass U=1.280, SHGC=0.800 (184 sf, 4% of total wall area), two 10-ton Carrier 48PGLC12 packaged DX unit w/economizer and demand control ventilation, 12.0 EER, one 3-ton Carrier 48PG04 packaged DX unit w/economizer and demand control ventilation, 11.7 EER, four 2-ton Carrier 48XPN024 packaged DX unit, 11.0 EER, one 1.5-ton Carrier 38HDR018 split DX unit, 11.0 EER, one A.O. Smith BTH-199 gas water heater, 0.94 thermal efficiency.</p>						
2. Duct leakage testing (under the appropriate rules of Title 24)	24.0%	14,510	130	\$2,307	\$8,117 \$263 \$8,380	\$2,706 \$87 \$2,793
				\$ 0	\$0 \$0 \$ 0	elec gas Total
				\$ 0	\$0 \$0 \$ 0	elec gas Total

*at average \$0.15/kWh, at average \$1.00/therm
✓1. Ken to review lighting LFD.