

ATTACHMENT A

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, January 22, 1997

NORTHRIDGE EARTHQUAKE FUNDS AND
STATE RELOCATABLE CLASSROOM PROGRAM

PURPOSE OF REPORT

To request funding for relocatable classrooms, identify the anticipated need for those relocatable classrooms and to request authorization to contract with an Architect for the development of standard plans for the State Relocatable Classroom Program.

DESCRIPTION

The Office of Emergency Services has provided a report on their funding needs for the Northridge Earthquake Program, and it has been determined that there is \$20.2 million available from this Program. These funds could be redirected to the State Relocatable Classroom Program.

On June 26, 1996, the SAB set aside \$21.6 million for the purchase of up to 400 buildings and the relocation of existing buildings. To date, 200 buildings have been purchased by the Office of Public School Construction (OPSC) at a cost of \$8.4 million. An additional \$3.6 million has been committed for relocation. Therefore, of the amount previously set aside, there is \$9.6 million available to purchase the remaining 200 buildings and relocation costs authorized by the SAB.

In addition to the buildings already authorized, the anticipated need for additional buildings for the next year is as follows:

Current requests not yet under contract	240*
Anticipated requests for calendar year 1997	160
Prudent inventory	<u>150</u>
Total estimated need through calendar year 1997	550

*Includes 195 requests for Priority C (hire a teacher-get a building). Priority A is based on Lease-Purchase Program entitlement and Priority B is based on community day pupil entitlement.

To guarantee the lowest possible bid when acquiring State relocatables, the OPSC is recommending that the SAB contract with an architect to develop a standard set of plans that may be used by any manufacturer when constructing portables for SAB use. Cost to utilize the services of an architect for this purpose is approximately \$50,000.

The purchase of an additional 550 buildings would require approximately \$23.1 million, assuming an estimated cost per unit of \$42,000. There is anticipated savings of approximately \$2.5 million from previous allocations that can be utilized to augment the \$20.2 million for a total of \$22.7 million. Therefore, it is requested that \$20.2 million and any savings be redirected to the State Relocatable Classroom Program for the purchase of at least 550 buildings or more, if funds permit, and to contract with an architect to develop standard plans.

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RECOMMENDATIONS

1. Approve the transfer of \$20.2 million from Northridge Earthquake funds to the State Relocatable Classroom Program and authorize the use of any available savings from the Program.
2. Authorize the OPSC to purchase additional buildings (approximately 550 buildings) as needed to the extent funds are available.
3. Authorize the OPSC to contract with an architect for the development of standard plans in the State Relocatable Classroom Program of approximately \$50,000.
4. Direct the OPSC to process and recommend for approval all eligible State Relocatable Classroom Program applications in Priorities A, B and C.

BOARD ACTION

In considering this Item, the Board adopted Attachment A with the following modifications:

Recommendation No. 1 - In lieu of transferring the \$20.2 million from the Northridge Earthquake Program, the Board transferred \$6 million from the Northridge Earthquake Program to the State Relocatable Classroom Program.

Recommendation No. 3 - The Board authorized \$100,000 instead of \$50,000.

The OPSC was directed to go out with a "Request for Proposal" in order to solicit proposals that will provide several models of relocatable classrooms from which districts can select classrooms that meet their needs. The OPSC is to advertise for a competition and at least three architectural firms are to be selected.

The following funds are to be placed in the "Contingency Reserve" until the OPSC and the SAB Implementation Committee can recommend funding options to the Board at its next meeting. These options shall include categories such as: 1) Joint Use; 2) Education Technology; 3) Child Care Programs; 4) Air Conditioning Program and/or any other Program outlined in Proposition 203.

\$10.0 million from the "Modernization" Education Technology
\$14.2 million from the Northridge Earthquake Program
\$95.0 million from the Class Size Reduction Program

A total of \$119.2 million is to be transferred into the "Contingency Reserve."