

2004 ADVISORY ACTIONS

ISSUE NO. 05
from the
State Allocation
Board meetings held
on October 27 and
December 8, 2004

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REGULATIONS UPDATE

Construction Cost Index Update

STATE ALLOCATION BOARD IMPLEMENTATION COMMITTEE

OPSC REMINDERS...

► State Allocation Board Meetings*

Wednesday, January 26, 2005
Wednesday, February 23, 2005

► Implementation Committee Meetings*

Thursday, January 6, 2005
Friday, February 4, 2005

► Interest Earned Report (Form SAB 180)

Due quarterly (March 31, June 30, September 30 and December 31) from each county for all districts that have earned interest from the Leroy F. Greene Lease-Purchase Fund.

► Deferred Maintenance Basic Apportionments Certification of Deposit

Your County Office of Education must certify to OPSC by February 6, 2005 that the school districts within your county, and the County Office of Education, have deposited the required funds to their District Deferred Maintenance Fund. If the district's deposit is less than the required amount, the district will need to submit a report to the Legislature by March 1, 2005. Please refer to Education Code Section 17584.1 for the requirements of the report.

*For the latest meeting dates, times and locations, check the OPSC Web site.



from the desk of
Jacqueline R. Wilson
Deputy Executive Officer

2004: A Fantastic Year for Schools!

As we close out 2004, I'd like to take a moment to reflect on the significant accomplishments achieved during the year gone by that have benefited so many school districts throughout California.

Here are some of the highlights:

- California voters approved Proposition 55 in March resulting in \$10 billion worth of funding for new school construction, modernization, critically overcrowded schools and joint-use projects. For the first time in more than 20 years, school districts are benefiting from continuous state school facility funding.
- In November, voters approved nearly 50 local bond measures that the California Department of Education estimates will provide \$2 billion worth of local school construction matching funds.
- As of the December 8th State Allocation Board meeting, \$1.74 billion from both the Proposition 55 and Proposition 47 bond funds have been allocated for new school construction and modernization in 2004. That translates to 256,428 pupils housed, and 671 total projects.
- Governor Schwarzenegger signed several bills to carry out the settlement reached in the *Williams vs. California* lawsuit. As the governor stated, the reforms will lead to significant strides to ensure that California's children have access to a quality education. The OPSC is hard at work developing plans to implement the two bills directly impacting this office: Senate Bill 6 and Senate Bill 550. Discussions will continue at the State Allocation Board (SAB) Implementation Committee through January and final proposals will be presented to the SAB for adoption at the January 26, 2005 meeting.
- More than 400 school districts benefited from the Federal Renovation Program that provided \$103 million in federal funding to help fill a gap in a critical area of school facilities funding.

These milestones and many others have made for a fantastic year for our schools. I would like to personally thank everyone who worked so hard to make it all happen, and look forward to even greater accomplishments in the year ahead.

Congratulations! Let's keep up the good work and build those schools...

Williams Lawsuit Settlement Legislation Update

BY BEATRIZ SANDOVAL, OPSC PROJECT MANAGER

As you recall, the last issue of the Office of Public School Construction (OPSC) *Advisory Actions* contained information on the *Williams vs. California* lawsuit settlement, and the bills signed into law by Governor Schwarzenegger in September 2004 that were part of that settlement.

Beginning with this edition of the OPSC *Advisory Actions*, we will provide more details on the two bills that impact the OPSC, and the progress made in implementing Senate Bill 6 and Senate Bill 550.

Summary of Senate Bill 6

Senate Bill 6, Chapter 899, Statutes of 2004, established the School Facilities Needs Assessment Grant Program and the Emergency Repair Program. The funding is available to schools that are ranked in deciles one, two, or three based on the 2003 Academic Performance Index, and that were newly constructed prior to January 1, 2000. The list has been published by the California Department of Education and is available on the CDE Web site at www.cde.ca.gov.

Under the provisions of the School Facilities Needs Assessment Grant Program, each eligible school will be provided with a minimum grant amount of \$7,500 or \$10 per pupil to complete a one-time assessment of facilities. In addition, up to \$800 million dollars will be made available for the Emergency Repair Program. This program provides reimbursement of eligible costs for emergency repairs to mitigate specific conditions at facilities that pose a threat to the health and safety of pupils and staff.

Continue on page 2

Bessie Carmichael Elementary School Dedication

BY KAREN SIMS, OPSC PROJECT MANAGER

Amid the deafening cheers from students, parents, and the community, the San Francisco Unified School District dedicated the long-awaited Bessie Carmichael Elementary School on November 10, 2004, fulfilling its promise of a new school for the city's South of Market neighborhood.

Originally approved for abandonment and replacement under the Lease-Purchase Program in 1996, the project was converted to a School Facility Program facility hardship project and, in 2003, was awarded approximately six million dollars in state funds.

The new school is located across the street from the old Bessie Carmichael Elementary School. This is the third site in the history of the school—the original site was located under what is now the 101 freeway. The site that was just abandoned started out as a city park. Through a joint-use agreement with the city, the site will be turned back into a park where the students can play.



THE NEW ENTRANCE – PHOTO BY KAREN SIMS



THE "OLD" BESSIE CARMICHAEL – PHOTO BY LORI MORGAN



NEW PLAYGROUND AND CLASSROOMS – PHOTO BY KAREN SIMS

Clean School Restrooms Update

BY ERIN MOORE, OPSC PROJECT MANAGER

In January 2004, Senate Bill 892 took effect requiring school districts to keep restrooms clean, maintained and stocked at all times.

The Office of Public School Construction (OPSC) has developed a procedure for concerned parties to file complaints regarding the condition of public school restrooms. A Restroom Maintenance Complaint form (Form SAB 892) can be found on our Web site at www.opsc.dgs.ca.gov/SAB+Forms/Default.htm, or can be requested by calling our toll free hotline at 866.869.5063.

Concerned parties are being encouraged to share the details of restroom deficiencies with the school's principal, the school district, and the school board before filing a complaint with the OPSC. We are also encouraging districts to inform parents of internal complaint procedures that parents can use at the school or district level. In addition, districts are strongly encouraged to share information about OPSC's restroom maintenance complaint process and complaint form with parents and staff.

For additional information, please contact Bill Johnstone, OPSC Project Manager, at bill.johnstone@dgs.ca.gov or 916.323.8176.

Williams Lawsuit Settlement... *from front page*

Summary of Senate Bill 550

Another part of the Williams settlement legislation is Senate Bill 550, Chapter 900, Statutes 2004, which introduces the Interim Evaluation Instrument to be developed by the OPSC. This tool will be available for all schools and will measure whether a facility is in "good repair" as defined by clean, safe, and functional.

The OPSC is continuing to work on the development of these programs and will also be presenting the items for discussion at the January 6, 2005 State Allocation Board (SAB) Implementation Committee meeting. The SAB will be adopting the regulations for the Needs Assessment Grant Program and Emergency Repair Program, as well as approving the Interim Evaluation Instrument, at its January 26, 2005 meeting.

For more information on the Williams lawsuit settlement legislation, please refer to the SAB Implementation Committee section of the OPSC Web site where discussion items and minutes are posted under Agenda History. You may also wish to view the Implementation Committee insert in this edition of the OPSC *Advisory Actions*.

2004 Legislation Update

BY ELIZABETH DEARSTYNE, OPSC PROJECT MANAGER

The 2004 legislative cycle brought us numerous bills related to school facilities.

The following table summarizes pertinent sections of the most significant chaptered bills that impact the programs administered by the State Allocation Board. It is by no means a comprehensive study of their ramifications and program implications. Deeper scrutiny and program-specific evaluation is underway.

As information develops, we will communicate the various ways in which the following legislation may affect your school district with regard to the State Allocation Board's (SAB) and Office of Public School Construction's (OPSC) programs.

2004 Legislative Overview

ASSEMBLY BILL NUMBER SUMMARY

**AB 1465 (Chan)
Chapter 894**

Small High School Pilot Program
Creates a new program within the School Facility Program, and allocates \$20 million of new construction funding and \$5 million of modernization funding, for the purpose of promoting small high schools. The program will be operational from January 1, 2006 until January 1, 2008. The new construction grant will be adjusted for small high schools—the definition of which is contained in the bill—to be 120 percent of the regular new construction grant. The new construction local district match has also been modified. For purposes of modernization, the bill will allow a high school with enrollment of 1,000 or more pupils to receive additional modernization funding to reconfigure into two or more small high schools.

**AB 1550 (Daucher)
Chapter 901**

Williams Settlement: Concept 6
The bill requires school districts that are operating on a Concept 6 multi-track year-round schedule to develop a plan to remove themselves from the Concept 6 calendar by July 1, 2012. Requires the OPSC to provide assistance to the California Department of Education and State Board of Education to meet this goal.

**AB 2727 (Daucher)
Chapter 903**

Williams Settlement: Uniform Complaint Process
The bill requires the implementation of a Uniform Complaint Process to be instituted at the local level for students, parents or teachers to use as a means to address several items, including the condition of school facilities.

**AB 2950 (Goldberg)
Chapter 898**

Critically Overcrowded School Final Apportionment Eligibility
Develops alternative methods for an applicant in the Critically Overcrowded Schools Program to calculate enrollment for purposes of determining eligibility for the final apportionment. The applicant may use one of the following methods as an alternative:

- Current year enrollment for the year in which the application for final apportionment was submitted; or
- If the preliminary apportionment was calculated on a high school attendance area (HSAA) basis, the current year or five-year projected enrollment that uses pupil residence in the HSAA.

SENATE BILL NUMBER SUMMARY

**SB 6 (Alpert)
Chapter 899**

Williams Settlement: Establishes the Needs Assessment Grant Program and Emergency Repair Account
Provides funding to schools that are ranked in deciles one, two, or three based on the 2003 Academic Performance Index, and that were newly constructed prior to January 1, 2000. Under the provisions of the School Facilities Needs Assessment Grant Program, each eligible school will be provided with a minimum grant amount of \$7,500 or \$10 per pupil to complete a one time assessment of facilities. In addition, up to \$800 million dollars will be made available for the School Facilities Emergency Repair Program. This program provides reimbursement of eligible costs for emergency repairs to mitigate specific conditions of facilities that pose a threat to the health and safety of pupils and staff.

**SB 409 (Hollingsworth)
Chapter 195**

Routine Restricted Maintenance Account Deposit
For the 2004/05 Fiscal Year only, reduces the amount required to be deposited into the restricted account to two percent of a district's general fund expenditures, including other financing uses. The bill would provide that for that fiscal year, the annual deposit into the restricted account in excess of 1½ percent of the district's general fund budget may count towards the amount that a school district is required to contribute in order to receive an apportionment from the State School Deferred Maintenance Fund.

**SB 550 (Vasconcellos)
Chapter 900**

Williams Settlement: Standards of Good Repair
Requires the OPSC to develop an Interim Evaluation Instrument. This tool will be available for all schools and will measure whether a facility is in "good repair" as defined by clean, safe, and functional.

Please stay tuned! We would like to encourage you to take an active role in the changes being made to the various programs administered by our office. The most effective way would be to attend the SAB Implementation Committee meetings that are held monthly in Sacramento and are open to the public. Visit our Web site at www.opsc.dgs.ca.gov for information on upcoming agenda items, meeting dates and locations.



UNLOCKING THE MYSTERIES TO SCHOOL CONSTRUCTION COSTS

Type of Construction

BY KAREN SIMS, OPSC PROJECT MANAGER

This issue's feature article on the *Public School Cost Reduction Guidelines* features information on the types of construction and considerations that school districts must think of while they are planning their new construction or modernization projects.

Some important issues a school district should take into consideration include: the configuration of the buildings, the project's life expectancy, the methods and materials to be used, how much time a district has to complete the project, and whether or not to use standardized components and features.

Configuration: A building's shape and its components directly impact the cost of a project, as does "over-designing" the project to make the buildings unique.

Life Expectancy: Buildings need to be able to meet the long range needs of the school district. One question you must answer is where and when do you want to spend construction funding? If you paid a little more up front, is it going to save you more money over time, or do you spend less money now knowing you may have to replace or repair in the future. Value engineering—an independent, professional analysis of the initial and long term costs of maintaining and operating a structure along with the costs of a building's function, and the aesthetics of the proposed design—may be one way to determine what would work best for your school district.

Methods and Materials: Most of the time the construction method used is determined by the contractor but is dependent on the design. Using County Office of Education standards or regional standards may provide significant cost-savings.

Time: As the old saying goes, "Time is money," and it especially applies to school construction. A school district must be able to balance between taking the time to do the project correctly, but not taking so much time that dollars are wasted. Some tips include: Establish a reasonable project master schedule with key milestones clearly identified; work closely with the designer and contractor to ensure compliance; use repetitive elements of the building (i.e., building components, classroom clusters, or complete buildings); and begin site work in the spring and have the work completed by fall.

Field-Built Standardization: Everything from the light fixtures to a whole building can be standardized. Standardization, as opposed to customizing, will reduce costs. For example, the use of fewer different types of materials gains economies of scale and saves money. Standardization also provides a consistency throughout a project, as well as ease of ongoing maintenance, repair, and replacement when necessary.

For valuable details and more suggestions on the various types of construction available to school districts, please refer to the *Public School Construction Cost Reductions Guidelines* as part of the *Best Practices Report* on the OPSC's Web site located at www.documents.dgs.ca.gov/opsc/pdf-handbooks/Cost_Rdt.pdf.

If you have any questions, please be sure to contact your OPSC Project Manager.

COMING SOON:

New and Improved OPSC Web Site

BY ANDREW NAVE, OPSC PROJECT MANAGER

In a continuing effort to provide our customers with the best service possible, the Office of Public School Construction is redesigning our existing Web site.

In the near future you will see several improvements including the following:

- Conversion to a more uniform and consistent layout
- Reorganization of information for ease of access by specific programs
- Updating date-sensitive information for all programs
- More detailed descriptions of programs, resources and forms

Please check our current Web site's "What's New" section, as well as future editions of *Advisory Actions*, for updates on when our "new and improved" site will be going online.

In addition, be aware that once the revised Web site is released, you will need to revise your bookmarks and "favorite site" links for specific pages or documents.

As always, should you have any questions regarding the OPSC, or any of the programs it administers, please do not hesitate to contact your project manager.

School District Outreach Survey

BY VALERIE LANE, OPSC PROJECT MANAGER

How can the Office of Public School Construction better assist school districts with the School Facility Program funding application process?

That's the question the OPSC posed in a short survey recently mailed to all school districts with available New Construction or Modernization eligibility.

Based upon the responses we receive from the survey, the OPSC anticipates holding several workshops throughout the state in spring of 2005. These workshops will be tailored to meet districts' specific needs, as well as offer up-to-date information regarding various school facilities funding programs and regulations.

In addition to the workshops that will be scheduled, you currently have many other resources at your disposal, such as your friendly OPSC project manager to help with questions or provide personal "one-on-one" assistance.

The names and telephone numbers of your project manager are listed, by county, on our Web site at <http://www.applications.dgs.ca.gov/OPSC/Employee/PMassign.asp>.

If you haven't yet returned your survey, please do so as soon as possible so that we can obtain as much input as possible.

Deferred Maintenance Annual Apportionment Approved

BY ERIN MOORE, OPSC PROJECT MANAGER

On December 8, 2004, the State Allocation Board (SAB) approved the 2003–2004 Fiscal Year funding for the Deferred Maintenance Program (DMP).

More than 1,000 school districts shared approximately \$267 million in available state DMP funding, provided primarily by the Governor’s Budget and other funding sources, to perform maintenance work on school facilities. Of the \$267 million available for the DMP, the SAB set aside \$10 million for extreme hardship projects.

Non-extreme hardship districts received a pro-rated basic apportionment of 97.97 percent of the maximum basic apportionment allowed. There were 27 school districts that received a maximum basic apportionment along with their extreme hardship apportionment.

How does the district receive its basic apportionment funds?

Your County Office of Education must certify to the Office of Public School Construction (OPSC) by February 6, 2005 that the school districts within your county, and the County Office of Education, have deposited the required funds to their District Deferred Maintenance Fund (DDMF). The Certification of Deposits, Form SAB 40-21, should be mailed to the following address:

Office of Public School Construction
 Attention: Accounting Unit
 1130 K Street, Suite 400
 Sacramento, CA 95814

What happens if our district does not deposit the required amount?

If the district does not deposit any matching funds in the DDMF, or if the Certification of Deposits is not received by the required timeline, the basic grant will be rescinded. If the district’s deposit is less than the state’s apportionment, the state will reduce its apportionment to match the district’s contribution, and the district is required to submit a report to the Legislature by March 1, 2005. Please refer to Education Code Section 17584.1 for the requirements of the report.

How does the district receive the extreme hardship funds?

The district has up to one year from the date of apportionment to complete the project and request a fund release. However, if the district has not requested a fund release within six months of the date of apportionment, the district is required to submit a progress report to the OPSC. To request a fund release, complete the Fund Release Authorization, Form SAB 40-23, and attach the supporting documentation listed on the form. The OPSC must receive the districts’ Fund Release Authorization by December 9, 2005.

Our district received an extreme hardship apportionment, what’s next?

The district is encouraged to proceed with the project immediately in order to ensure the health and safety of students and staff, and to prevent further damage to the facilities. Please keep in mind that the project must comply with all applicable laws, and all work must be contracted in accordance with the Public Contract Code (PCC). Additionally, all contracts must comply with the related Education Codes, Government Codes, California Code of Regulations (Title 24), and any local legal requirements.

If the district is considering an “emergency” contract, written approval must be obtained by a unanimous vote of the district’s governing board, and from the County Superintendent of Schools. The district should also obtain a written opinion from the district’s legal counsel on all proposals. Emergency contracts are subject to the provisions of the PCC Section 20113.

For additional information about the DMP, please contact Bill Johnstone, Project Manager, at 916.323.8176. For information regarding the fiscal requirements, please contact Lien Hoang, Fiscal Services Supervisor, at 916.322.0315.

The following chart provides a summary of available state funding:

DEFERRED MAINTENANCE PROGRAM FUNDS

TYPE OF REQUEST	VALUE OF REQUESTS	STATE FUNDS AVAILABLE	STATE APPORTIONMENT
Basic	\$ 262,521,749	\$ 257,224,199	\$ 257,218,412
Extreme Hardship	4,991,327	10,000,000	4,991,327
TOTAL	\$ 267,513,076	\$ 267,224,199	\$ 262,209,739

Updated Facilities Program Handbook Now Available

The most recent version of OPSC’s School Facility Program Handbook is now available online. The guidebook includes updated information on several items including:

- Adjustment to the New Construction Grant for Hazardous Waste Removal
- Charter School Facility Program Regulation Amendments
- Senate Bill 15 Amendments

This valuable resource is available to you at a click of your computer mouse. For more information, please visit the OPSC Web site at: www.documents.dgs.ca.gov/opsc/PDF-Handbooks/SFP_Hdbk.pdf.

“Piggyback Contracts” and Modular School Facilities

BY REGINA BILLS-DACONG, OPSC PROJECT MANAGER

Office of Public School Construction (OPSC) staff presented a report at the December 2004 State Allocation Board (SAB) meeting regarding “piggyback” contracts and California Building Code compliance related to modular school facilities.

The report was presented in response to concerns recently expressed by the Board regarding the legality of “piggyback” contracts used by some school districts to acquire and install factory-built modular building components that result in state-funded permanent schools and that bypass the competitive bidding requirements of the Public Contract Code (PCC). The SAB had also expressed concern with the quality of the modular school facilities, as well as concern that the facilities may lack Division of the State Architect (DSA) inspection.

The report detailed some districts’ use of this delivery method and included varying legal opinions. The report concluded that, although there was no current case law that in-

terpreted the use of piggyback contracts to acquire permanent modular school facilities, district contracts that are relying on an interpretation of law that would result in the “construction” of entire school facilities without further competitive bidding may be subject to challenge for violating the competitive bidding requirements of the PCC for public works projects.

On the question of structural quality, the DSA confirmed that inspections are required by law, and that those inspections occur for both off-site and on-site construction, and for installation of factory-built modular building components.

After hearing testimony, the SAB requested additional information from the DSA and OPSC to be presented at a future SAB meeting.

To learn more about this report, please view the December 2004 SAB report and watch for additional information presented to the Board.

Advisory Actions Online

Just a quick reminder that past editions of our *Advisory Actions* newsletter are available on OPSC’s Web site. You can find them on the “Resource Information” page.

In order to get the latest State Allocation Board news to you in the timeliest manner possible, as well as to maximize the use of state resources, the OPSC publishes *Advisory Actions* in electronic form.

You can access the most recent and archived copies by accessing our Web site at www.opsc.dgs.ca.gov/ResourceInformation/Advisory_Actions.htm.

School Openings and Groundbreakings

BY CHRISTINE SANCHEZ, OPSC PROJECT MANAGER

A safe new school contributes to the academic success of today’s youth. Due to the hard work and support of everyone involved, one common goal was achieved: a safe new facility for the students.

The Office of Public School Construction would like to congratulate the following districts on their new school openings and groundbreakings.

SCHOOL DISTRICT	COUNTY	PROJECT	GROUNDBREAKING
Cajon Valley Union School District	San Diego	Cajon Valley Middle School: Joint-Use Gymnasium	October 2004
Cajon Valley Union School District	San Diego	Los Coches Creek Middle School	November 2004
Los Angeles Unified	Los Angeles	East Valley Middle School #1	November 2004
Ontario-Montclair	San Bernardino	Montera Elementary	November 2004

SCHOOL DISTRICT	COUNTY	PROJECT	DEDICATION DATE
Lammersville Elementary	San Joaquin	Wickland Elementary School	August 2004
Los Angeles Unified	Los Angeles	Bell/Cudahy Elementary School #3 Middle School Addition	August 2004
Los Angeles Unified	Los Angeles	Valley New High School #1 (CSUN)	October 2004
Wheatland Elementary	Yuba	Bear River Middle School	October 2004
Sundance Elementary School	Riverside	Sundance Elementary School	October 2004
Los Angeles Unified	Los Angeles	Tweedy Elementary School (South Gate New Elementary School #7)	November 2004
Hemet Unified	Riverside	Cawston Elementary School	November 2004
Los Angeles Unified	Los Angeles	Aragon Elementary School Addition	November 2004
San Francisco Unified	San Francisco	Bessie Carmichael Elementary School	November 2004
Lodi Unified	San Joaquin	Millswood Middle School	November 2004
Los Angeles Unified	Los Angeles	Camellia Elementary	December 2004

To help us highlight your celebrations, please reference the above table for the necessary data, and submit the information with your project’s School Facility Program

application number to the Office of Public School Construction, attention: New School Dedications and Groundbreakings.

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AS OF DECEMBER 8, 2004

Proposition Funds Put to Work

PROGRAM	BOND ALLOCATION	APPORTIONED	RELEASED/ CONTRACTED
Proposition 55			
New Construction	\$ 4,960,000,000	\$ 0	\$ 0
Modernization	2,250,000,000	647,178,765	326,069,184
Charter School	300,000,000	0	0
Critically Overcrowded Schools	2,440,000,000	1,887,970,777	0
Joint Use	50,000,000	0	0
Total Proposition 55	\$10,000,000,000	\$ 2,535,149,542	\$ 326,069,184
Proposition 47			
New Construction	\$ 6,250,000,000	\$ 5,592,709,570	\$ 5,211,504,927
Modernization	3,300,000,000	3,279,543,704	3,198,510,016
Charter School	100,000,000	97,034,156	0
Critically Overcrowded Schools	1,700,000,000	1,681,356,272	16,324,182
Joint Use	50,000,000	37,694,166	12,847,331
Total Proposition 47	\$11,400,000,000	\$10,688,337,868	\$ 8,439,186,456
Grand Total	\$21,400,000,000	\$13,223,487,410	\$ 8,765,255,640

Status of Funds

PROGRAM	BALANCE AVAILABLE AS OF DECEMBER 8, 2004
Proposition 55	
New Construction	\$ 4,946.0
Charter School	300.0
Energy	14.0
Modernization	1,595.1
Energy	5.8
Critically Overcrowded Schools	552.0
Joint Use	50.0
Total Proposition 55	\$ 7,462.9
Proposition 47	
New Construction	\$ 587.8
Charter School	0.5
Energy	9.3
Modernization	16.6
Energy	3.9
Critically Overcrowded Schools	18.6
Joint Use	12.2
Total Proposition 47	\$ 648.9
Grand Total	\$ 8,111.8

NOTE: Amounts shown above are in millions of dollars.

REGULATIONS UPDATE

Typically, emergency regulatory tracts take approximately 30–45 days to become an effective emergency regulation after they are approved by the State Allocation Board (SAB) and prior to filing with the Office of Administrative Law. Non-emergency regulatory tracts take 120–180 days from the date the SAB approves the agenda item until the regulation(s) become effective.

The following regulation amendment was approved at the October 27, 2004 State Allocation Board meeting.

EMERGENCY

Construction Cost Index Update

BY HEATHER DOHERTY, OPSC PROJECT MANAGER

A study was recently completed on the Construction Cost Index (CCI) to determine if a change to the CCI for school construction is appropriate for the purposes of the annual adjustment in 2005.

The report's findings were presented to the State Allocation Board (SAB) in June 2004. Several options for adjusting for construction cost fluctuations were discussed at that meeting.

At several past SAB Implementation Committee meetings, the Office of Public School Construction (OPSC) looked at a number of ways to administratively assist districts experiencing a "high bid" climate. One option discussed was to evaluate the current Class B index. The OPSC staff reviewed several Class B construction cost indices and the current methodology for annually adjusting the per unhoused pupil apportionment.

Based on these meetings, staff presented an item at the October 2004 SAB to modify current regulations by deleting reference to a specific Class B Construction Cost Index. By approving this item on an emergency basis, the SAB is given the most flexibility in selecting the appropriate Class B index.

The OPSC will present an item to a future SAB meeting for the Board's consideration of several Class B Index options.

To view additional information regarding this regulatory amendments, please view the OPSC Web site at www.opsc.dgs.ca.gov.

For any of your questions, please contact your OPSC Project Manager.



STATE ALLOCATION BOARD'S

Implementation Committee

BRUCE B. HANCOCK, ASSISTANT EXECUTIVE OFFICER, STATE ALLOCATION BOARD

At the previous meetings...

The following topics were discussed at the November 5th and/or December 3rd meetings of the State Allocation Board (SAB) Implementation Committee.

BIDDING CLIMATE REPORT

A report prepared by the Division of the State Architect and a representative from the Council of Educational Facility Planners, International was distributed at the November 5th Implementation Committee meeting. The report provided information on project cost increases due to code change requirements as it relates to the Americans with Disabilities Act and technology advancements. A future discussion item may be scheduled.

WILLIAMS LAWSUIT SETTLEMENT LEGISLATION

The Office of Public School Construction (OPSC) presented draft regulations addressing the Williams lawsuit settlement legislation at the November 5th and December 3rd meetings of the Implementation Committee. There was extensive discussion about the eligible school list and the possibility that the \$25 million allocated in Senate Bill (SB) 6 may not provide sufficient funding to award grants to all eligible schools to perform the needs assessment.

The OPSC stated that the number of eligible schools has not been finalized and that the list is still under review. Other discussion items related to the implementation of SB 6 included the proposed on-line assessment submittals, the qualifications of the inspectors performing the needs assessment, the OPSC's proposed auditing process, and the types of projects eligible for the Emergency Repair Program funding.

Other items discussed included the use, and the purpose of, the Interim Evaluation Instrument as provided for in SB 550.

For more information on the Williams lawsuit settlement legislation, please view the "Williams Lawsuit Settlement Legislation Update" article on the front page of this edition of the OPSC *Advisory Actions* newsletter. You may also refer to the Implementation Committee section of the OPSC Web site where the committee discussion items and minutes are posted under Agenda History.

2005 SAB IMPLEMENTATION COMMITTEE MEETING SCHEDULE

At the December 3rd meeting, the proposed committee meeting schedule for 2005 was set as follows:

Thursday, January 6	Friday, July 8
Friday, February 4	Friday, August 5
Friday, March 4	Friday, September 9
Friday, April 8	Friday, October 7
Friday, May 6	Friday, November 4
Friday, June 3	Friday, December 2

The meetings will be held in Sacramento and are typically located at either the East End Complex at 1500 Capitol Avenue in Rooms 72.149B and 72.151A or the Legislative Office Building at 1020 N Street in Room 100. To verify the latest meeting dates, times and locations, please check the OPSC Web site.

Watch for...

The following items are pending review at a future Implementation Committee meeting. You may log onto the OPSC Web site at www.opsc.dgs.ca.gov/SAB/Imp_Calendar.htm to view the agenda for the next committee meeting and determine if items of interest are scheduled.

WILLIAMS LAWSUIT SETTLEMENT LEGISLATION

Final Implementation Committee presentation of the SAB regulations and Interim Evaluation Instrument necessary to implement SB 6 and SB 550. The SAB will be adopting the regulations for the Needs Assessment Grant Program and Emergency Repair Program, as well as approving the Interim Evaluation Instrument, at its January 26, 2005 meeting.

CRITICALLY OVERCROWDED SCHOOLS FINAL APPORTIONMENT ELIGIBILITY

Discussion on the proposed regulatory amendments necessary to implement Assembly Bill (AB) 2950 (Goldberg), Chapter 898, Statutes of 2004. For more information on this bill, please refer to the "2004 Legislation Update" article on page 3 in this edition of the OPSC *Advisory Actions* newsletter.

SMALL HIGH SCHOOL PILOT PROGRAM

Discussion on the proposed regulations necessary to implement AB 1465 (Chan), Chapter 894, Statutes of 2004. For more information on this new law, please refer to the "2004 Legislation Update" article on page 3 in this edition of the OPSC *Advisory Actions* newsletter.

SCHOOL FACILITY PROGRAM – PROJECT RESCISSION

Discussion on proposed amendments to Regulation Section 1859.107 that will clarify the parameters for project rescission.

The next meeting...

The SAB Implementation Committee meeting will be held on Thursday, January 6, 2005 (9:30 a.m. to 3:30 p.m.) at the Legislative Office Building, 1020 N Street, Room 100, Sacramento.