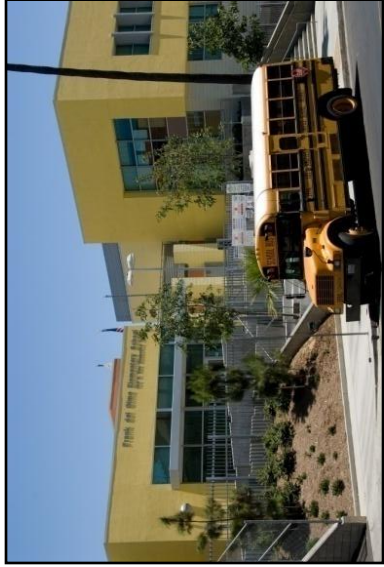


---

## **Agenda Item #2**


---

# Prioritization And Next Steps




## Facilities Services Division Facilities Committee

January 15, 2009



---



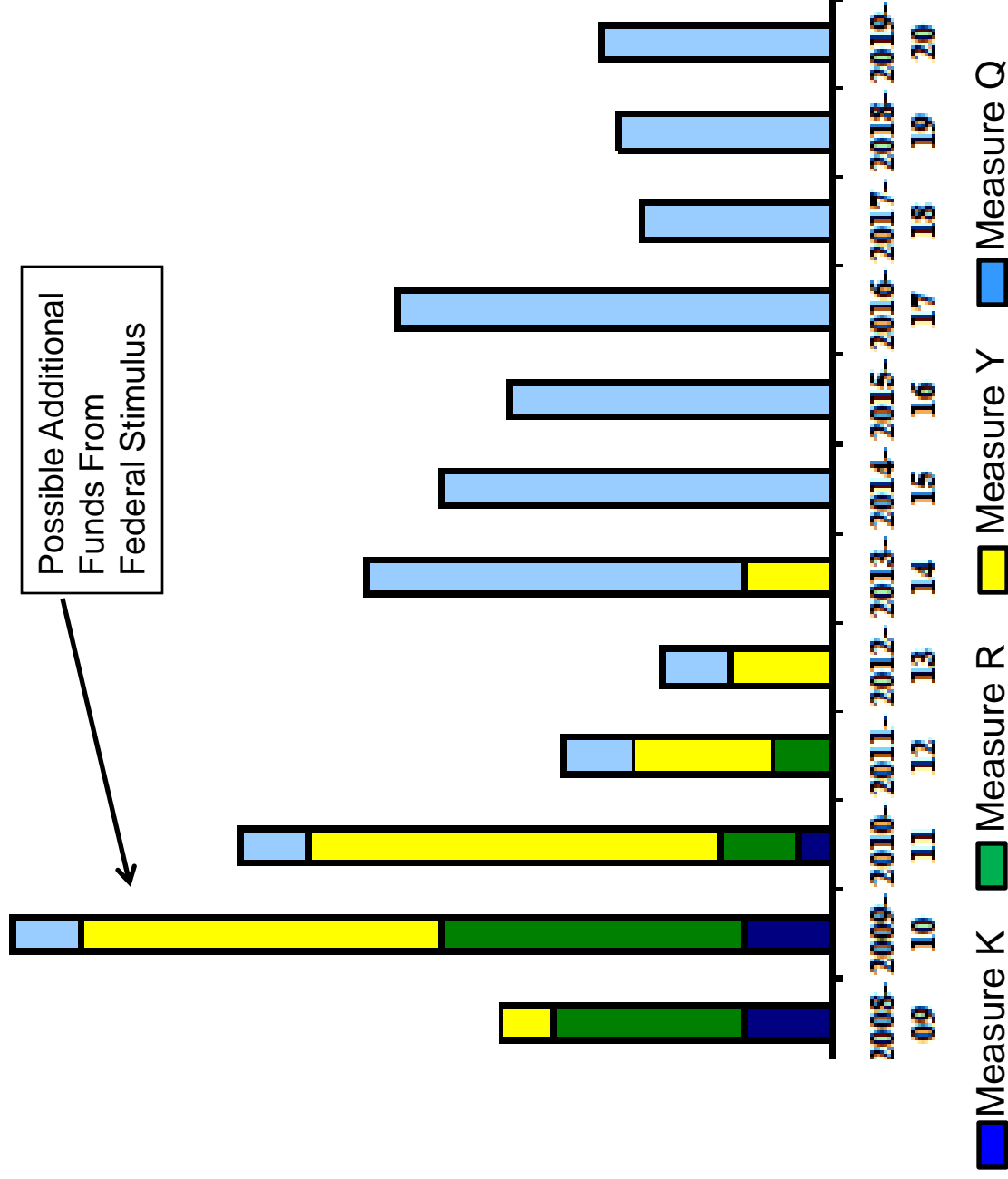
# measure Q

---

**November 4, 2008**  
**69.11% Approved**  
**\$7 Billion**

# 10 More Years Of Work

*As Current Program Completes Measure Q Begins*



# New Construction

*Projected Work - 2009*

## Major Projects Bidding

<b>Quarter</b>	<b>Projects</b>	<b>Contract Value</b>
1 <sup>st</sup> Qtr 2009	4 Projects	\$285 Million
2 <sup>nd</sup> Qtr 2009	4 Projects	\$310 Million
3 <sup>rd</sup> Qtr 2009	1 Projects	\$45 Million
4 <sup>th</sup> Qtr 2009	8 Projects	\$295 Million
	<b>17 Projects</b>	<b>\$935 Million</b>

# New Construction

*Projected Work - 2010*

## Major Projects Bidding

<b>Quarter</b>	<b>Projects</b>	<b>Contract Value</b>
1 <sup>st</sup> Qtr 2010	3 Projects	\$100 Million
2 <sup>nd</sup> Qtr 2010	1 Projects	\$50 Million
3 <sup>rd</sup> Qtr 2010	1 Projects	\$65 Million
	<b>5 Projects</b>	<b>\$215 Million</b>

# Existing Facilities

*Projected Work – 2009*

## Major Projects Bidding

<b>Quarter</b>	<b>Projects</b>	<b>Contract Value</b>
1 <sup>st</sup> Qtr 2009	349 Projects	\$156.36 Million
2 <sup>nd</sup> Qtr 2009	323 Projects	\$144.53 Million
3 <sup>rd</sup> Qtr 2009	143 Projects	\$64.08 Million
4 <sup>th</sup> Qtr 2009	135 Projects	\$60.56 Million
	<b>950 Projects</b>	<b>\$425.53 Million</b>

# Existing Facilities

*Projected Work – 2010*

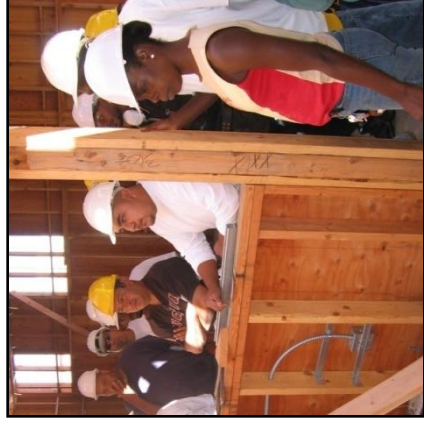
## Major Projects Bidding

<b>Quarter</b>	<b>Projects</b>	<b>Contract Value</b>
1 <sup>st</sup> Qtr 2010	56 Projects	\$24.89 Million
2 <sup>nd</sup> Qtr 2010	74 Projects	\$32.99 Million
3 <sup>rd</sup> Qtr 2010	4 Projects	\$1.9 Million
4 <sup>th</sup> Qtr 2010	3 Projects	\$1.37 Million
	<b>137 Projects</b>	<b>\$61.15 Million</b>

# Economic Stimulus

## *Local Impact*

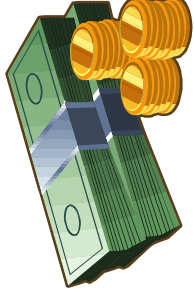
- Current Program
  - 239,000 Jobs
  - \$12B In Wages
  - \$1.2B In Local And State Taxes
  - \$2.5B Awarded To Small Businesses
  - 10,000 Workers Daily



- Measure Q
  - Additional 50,000 - 80,000 Full Time Equivalent Jobs Anticipated

# Obama Stimulus

## *Possible Additional Opportunities*



- State Of California - \$1.2 Billion
- LAUSD Facilities - \$325 Million
  - Prioritized Projects Valued At Approximately \$500 Million
    - New School Construction
    - School Repairs And Upgrades
- Department Of Energy Funding
  - Projects Valued At \$360 Million
    - Renewable Energy
    - Energy And Water Conservation



- Overall Guidelines
  - Projects Are Above And Beyond Current Spending Plan
  - Under Construction In 2009 Calendar Year

# Measure Q

## *Continued Need*

- Capital Need Of \$60 Billion
- Average School Is More Than 50 Years Old
  - **CRITICAL** 67%
  - **POOR** 21%
  - **FAIR** 1%
  - **GOOD** 11%



# Measure Q Priorities And Funding

## Overview

### ■ **Repair & Safety - \$2.68 B**

- Repair/Upgrade Deteriorating Schools
- ADA Improvements
- Replace Plumbing Systems
- Remove Hazards Of Asbestos



### ■ **Modernize Schools - \$1.925 B**

- Technology
- Science Lab Upgrades
- Campus-Wide Renovations

### ■ **Portfolio Of Pre-K Through Adult Schools - \$1.855 B**

- Build New Seats (Predominantly On District Land)
- Reconfigure Existing School Facilities
- Joint Use



### ■ **Green Technology - \$500 M**

- Install Renewable Energy
- Replace School Buses
- Improve Water & Energy Conservation

# Measure Q

## *Where Are We?*

- Creating Updated School And Local District Priority Lists
- Meeting With District Stakeholders
- Developing Prioritization Tool
  - Safety
  - Replace Failed Systems
  - Ability To Leverage Matching Funds
  - General Fund Relief
  - Instructional Impact
- Evaluating Potential Organizational Structures
- No Significant Project Planning Completed
  - 20 Percent Of Repair And Safety Projects Known



# Measure Q Prioritization Tools

## *Primary*

- **Safety**
  - Real And Present Safety Hazard
  - Impacts The Majority Of Students And Staff
  - Continual Basis
- **System Failure**
  - The System Is Necessary For The Operation Of The School
    - Improves Learning Environment
  - The System Is Not Currently Operational, Or
  - We Are Spending At Least 20% Of The Replacement Cost Per Year To Maintain The Failing System
    - Provides General Fund Relief
- **Leverage Non-District Funding**
  - Additional Funding Can Be Obtained That Exceeds 20% Of The Project Cost
  - It Is Unlikely That The Additional Funding Will Be Available In The Future
    - With Additional Funding Additional Projects Can Be Undertaken

# Measure Q Additional Qualifiers

- General Fund Relief
  - Eliminates Recurring Requirement Of Funds Actually Being Spent
  - Eliminates An Approved Future Burden Of General Funds
  - Ranked Based On Dollars Saved
- Instructional Impact
  - Tangible, Positive Impact On Learning Objectives
  - Supports Board Resolution And/Or Superintendent Objective Aimed At Improved Student Achievement



# Measure Q

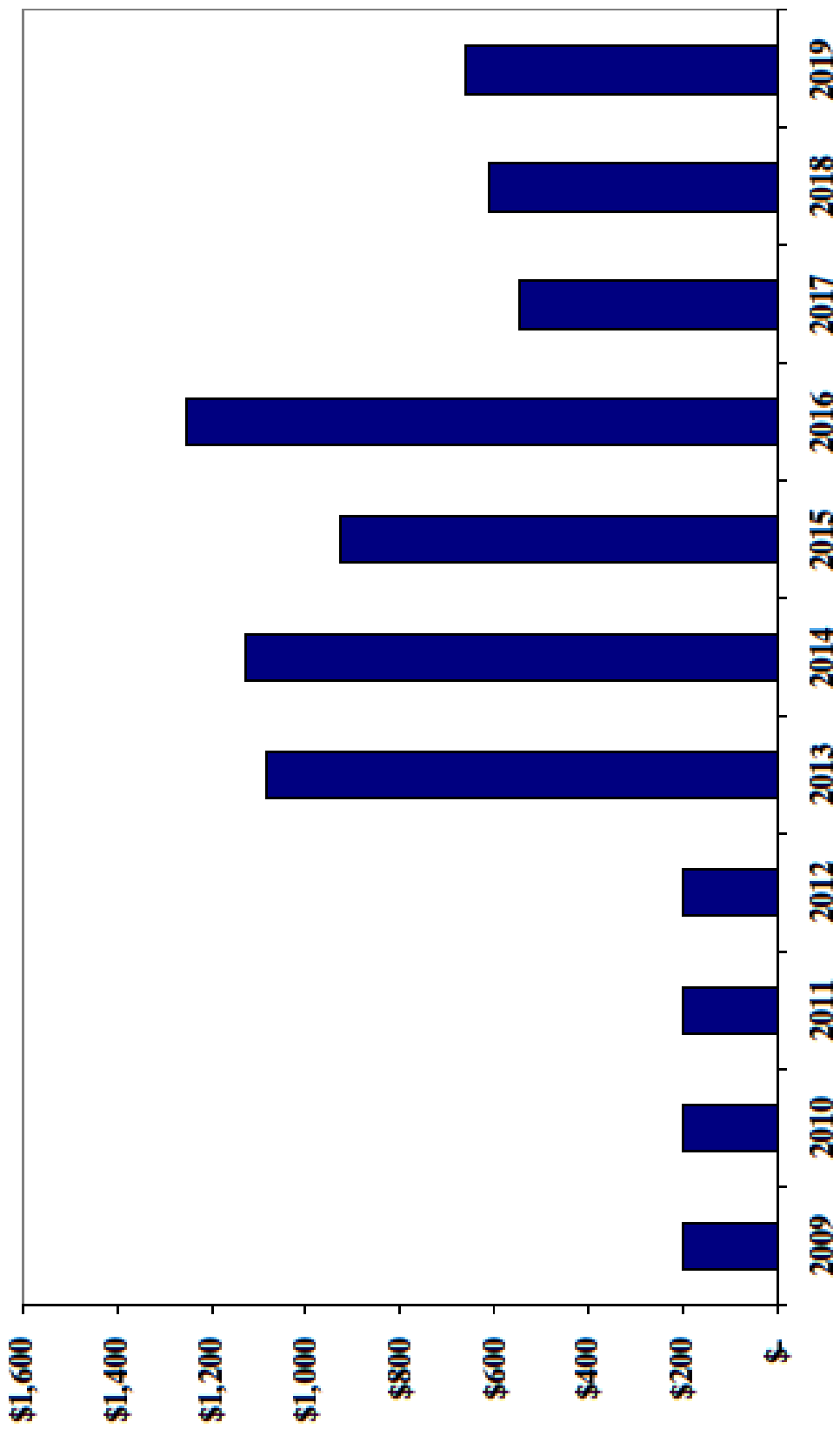
## *What's Different?*

- 10 Year Bond
- Bond Issuance Not Immediate
- Funds For Future Priorities
- Considerable Investment In Non-Facilities Managed Issues
- Renewable Energy
- Significant Charter Investment
- Re-New Our Schools
  - Global Approach To School Repairs And Upgrades
- Partnership Schools
- Special Education



# Measure Q Issuance Patterns

*Impact On Execution*



# Measure Q Program Next Steps

- 2009-2012 Prioritization Plan (Jan/Feb 09)

- Adjust Facilities Organization

- Industry Forums

- RFQs For CMs, Architects, Other Services

- Initiate Master Planning & Development

- Develop Strategic Execution Plans (Jun 09)

- Sell Bonds (Jul 09)



# Measure Q

## *Program & Project Management-What We Will Need*

- Industry Professionals
- Sustainability
- Renewable Energy
- ADA Experience
- Building Information Modeling (BIM) Technology
- Asset Management

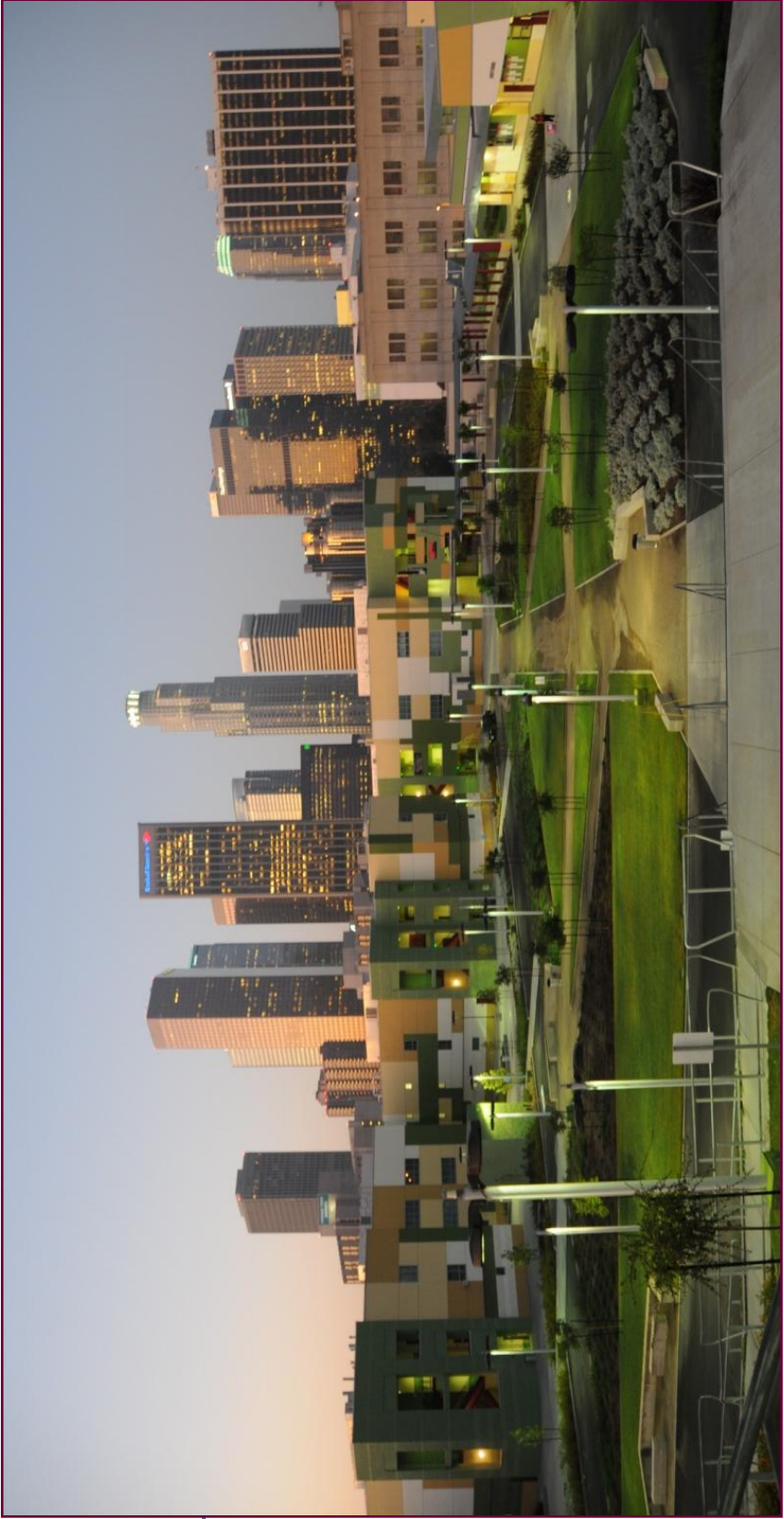


# 2009 Challenges

---

- Program Prioritization
- State Funding Freeze
- Small Issuance Patterns/Bond Cash Flow
- Operational Budget Cuts
- Job Creation
- Communications
  - Getting The Story Out
  - Managing Expectations





# Questions???

