

GUSTINE
UNIFIED SCHOOL DISTRICT

Facilities Needs Presentation

April 15, 2014



District Needs

District Overview

Over 100 years of educating students

Gustine Unified School District

- Gustine Unified School District was established in 1914.
- The District has six schools:
 - Gustine High School
 - Gustine Middle School
 - Gustine Elementary School
 - Gustine Adult School
 - Romero Elementary School
 - Pioneer High School
- The District has approximately 1,725 students, grades K through 12.



**While Our
Schools
Looks
Good ...**



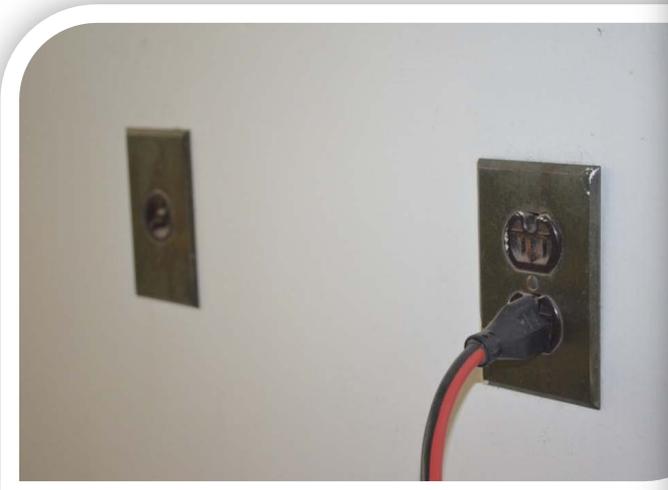
**...Some Were
First Built in
1914, almost
100 Years Ago.**



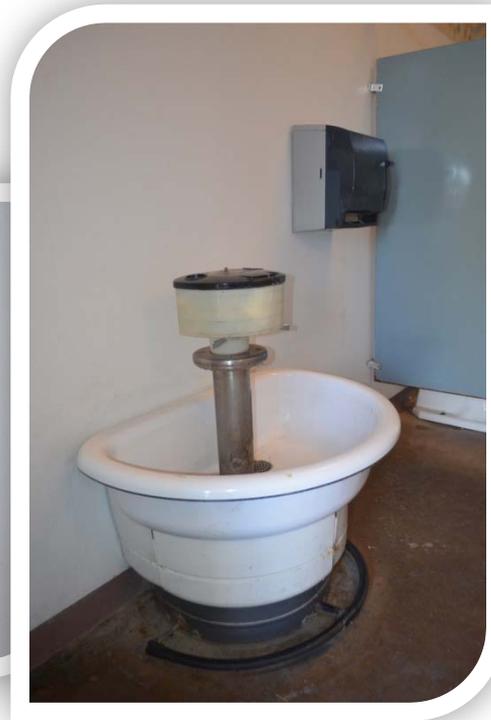
Antiques Road Show

Antique fixtures show just how old the site is.

Gustine Unified School District



Outdated electrical systems



Antiquated facilities
and fixtures

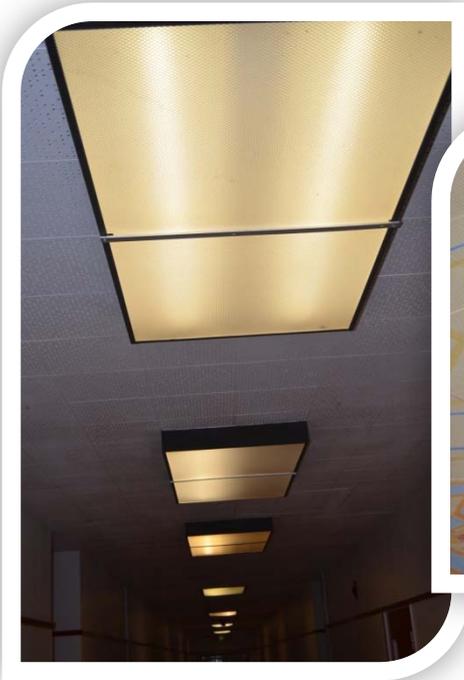


Plumbing systems from
another era

Antiques Road Show

Antique fixtures show just how old the site is.

Gustine Unified School District



50-year-old lighting while neat, is not energy efficient



Mid 20th century HVAC systems have outlived their useful lives

**So if our
fixtures and
equipment are
antiques, how
about our
infrastructure?**



Outdated Facilities

Aging facilities need to be modernized

Gustine Unified School District



Restrooms need to be modernized



Windows need to be upgraded

Aging Infrastructure

Improvements throughout the District need to be made

Gustine Unified School District



Dry rot damage needs to be addressed



Heating and cooling systems must be upgraded

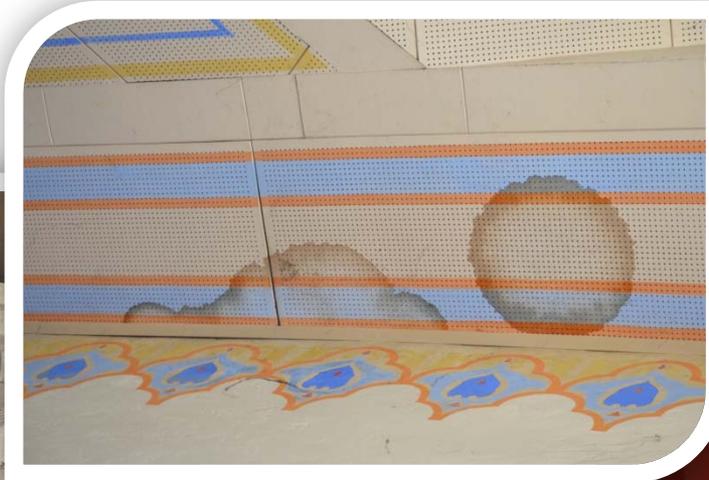


Deteriorating plumbing systems need to be replaced

Health and Safety

Health and safety improvements must be made

Gustine Unified School District



Leaky roofs to be repaired or replaced



Broken surfaces need to be repaired

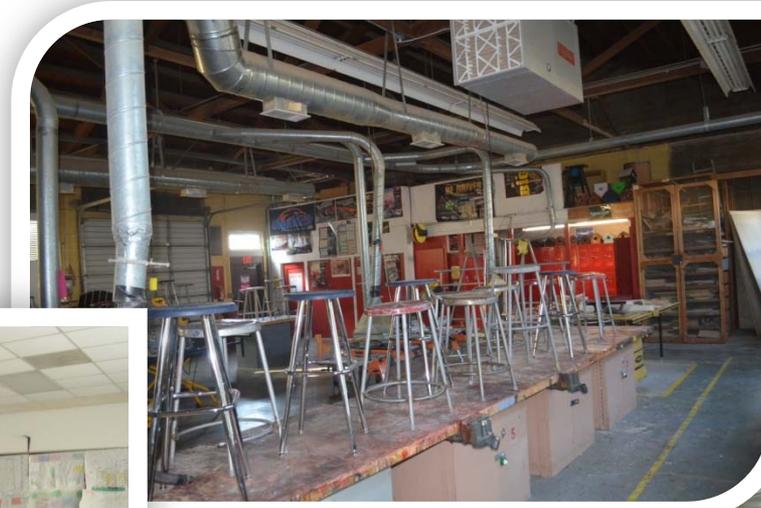


Fire alarms need to be updated

Classrooms and Labs

21st century students need 21st century classrooms

Gustine Unified School District



Vocational and Ag
classrooms



Science labs



Outdated technology
needs to be updated

Grounds

Grounds, playfields, and portable classrooms

Gustine Unified School District



Drainage at the football field/track



Outdated portable classrooms need replacing



Middle school playfields need to be upgraded

Facilities Needs Costs

FINDINGS –Gustine Elementary School

Gustine Unified School District

Proposed Project List - Gustine Elementary School			
Priority	Description	Proposed Budget	Sub Total
PC	Provide new bell/public address system	\$113,394	
C	Provide new phone system with caller I.D. Function	\$226,786	
C	Replace playground sofffall material	\$92,121	
PC	Provide intrusion/security system with site cameras	\$75,595	
N	Provide EMS System Office/Library/MP room	\$75,712	
	Sub Total		\$583,608

Source: FB2 Solutions

FINDINGS – Romero Elementary School

Gustine Unified School District

Proposed Project List - Romero Elementary School			
Priority		Proposed Budget	Sub Total
C	Replace Portables	\$499,200	
PC	Asbestos Abatement	\$99,008	
N	Flooring	\$111,687	
N	Window Replacement	\$84,064	
N	Painting	\$50,310	
C	Replace Restroom Fixtures/Partitions	\$75,596	
PC	Exterior Doors & Hardware	\$46,675	
N	Kitchen Casework & Shelving	\$36,858	
PC	Kitchen Hood and Duct	\$51,600	
PC	Lighting	\$47,390	
PC	Fencing	\$101,088	
C	Replace Fire Alarm System	\$191,958	
C	Replace Phone System	\$164,535	
PC	Campus Security Intrusion Alarms and Cameras	\$137,130	
N	Update Data System	\$219,382	
C	Replace Playground Softfall Material/Drainage & Enclosure	\$57,321	
PC	HVAC	\$89,856	
Sub Total			

Source: FB2 Solutions

FINDINGS – Gustine Middle School

Gustine Unified School District

Proposed Project List - Gustine Middle School			
Priority	Description	Proposed Budget	Sub Total
PC	Remodel Portables	\$159,744	
C	Athletic Field Remediation	\$377,978	
C	Extend Fire, Data, Phone & Intrusion to Portables	\$104,099	
PC	Replace/Upgrade Fire Alarm	\$236,104	
C	Replace/Upgrade Telephone System	\$202,375	
PC	Replace/Upgrade Intercom/Bell System	\$101,186	
PC	Replace/Upgrade Data System	\$269,833	
PC	Install Cameras and Surveillance System	\$81,080	
N	New Multi Use Room/Locker Room/Stage	\$6,522,880	
	Sub Total		

Source: FB2 Solutions

FINDINGS – Gustine High School

Gustine Unified School District

Proposed Project List - Gustine High School						
Priority	Description	Proposed Budget	Priority	Description	Proposed Budget	Sub Total
PC	Flooring	\$494,714	R	All Weather Track	\$856,627	
C	Plumbing	\$566,334	R	Football Field Turf	\$1,845,043	
C	Electrical	\$187,415	PC	Windows/Skylights	\$75,879	
N	Painting	\$161,002	N	Ceiling Repair & Paint/Gym Sound Dampening	\$892,166	
C	HVAC/Mechanical	\$504,556	PC	Doors/Hardware/Threshold	\$184,851	
N	Kitchen Equipment	\$332,800	N	Casework/Shelving/Countertops	\$347,249	
N	Energy Management System	\$614,466	N	Storage Areas	\$241,280	
PC	Lockers	\$209,274	R	Football Field Athletic House	\$624,650	
N	Bleachers	\$688,976	C	Asbestos/Lead Paint Abatement	\$54,326	
PC	Tile & FRP Wall Finishes	\$214,453	N	Paving Including Athletic Courts/Fixed Equip	\$388,892	
C	Intercom/Bell/Public Address	\$184,340	R	Renovate Quad Area	\$249,600	
C	Fire Alarm	\$430,126	N	Renovate Portables	\$93,193	
PC	Intrusion Alarm/Cameras	\$245,786	PC	Replace Deteriorated Soffits	\$118,936	
R	Sod Playfield	\$275,184	PC	Replace/Add Fencing	\$184,704	
				Sub Total		

Source: FB2 Solutions

FINDINGS – Old Gustine Middle School

Gustine Unified School District

Proposed Project List - Old Gustine Middle School

Priority	Description	Proposed Budget	Sub Total
C	Remodel Classrooms (Per 10 Classroom Block) ¹	\$1,220,270	
PC	Remodel Gym/Locker Rooms ¹	\$1,142,193	
PC	Remodel Cafeteria/Kitchen ¹	\$761,695	
C	Replace/Upgrade Fire Alarm	\$241,114	
C	Replace/Upgrade Telephone System	\$206,669	
C	Replace/Upgrade Intercom Bell System	\$103,334	
C	Replace/Upgrade Data System	\$275,558	
C	Replace/Upgrade Intrusion Alarms	\$68,890	
PC	Asphalt Replacement	\$1,085,760	
	Sub Total		

1. See Old Gustine Middle School Detail Sheet for more specific information

Source: FB2 Solutions

FINDINGS – Ranking Summary

Gustine Unified School District

PRIORITY RANKING	ALL SITES					GRAND TOTALS (ALL RANKINGS)
	GUSTINE ELEMENTARY	ROMERO ELEMENTARY	GUSTINE MIDDLE	GUSTINE HIGH	OLD GUSTINE MIDDLE	
CRITICAL	\$318,907	\$988,610	\$684,452	\$1,927,097	\$2,115,835	\$6,034,901
POTENTIALLY CRITICAL	\$188,989	\$572,747	\$847,947	\$1,728,597	\$2,989,648	\$6,327,928
NECESSARY	\$75,712	\$502,301	\$6,522,880	\$3,760,024	\$0	\$10,860,917
RECOMMENDED	\$0	\$0	\$0	\$3,851,104	\$0	\$3,851,104
SITE TOTALS	\$583,608	\$2,063,658	\$7,123,439	\$11,266,822	\$5,105,483	\$27,074,850

Source: FB2 Solutions

Funding Options

School Facilities Needs for California

The state has roughly 6 million students enrolled in its 10,000 schools

Gustine Unified School District

- ❖ A Jan. 22 report from the State Allocation Board estimated that between \$19.8 billion and \$31.8 billion is needed by school districts for new construction and modernization



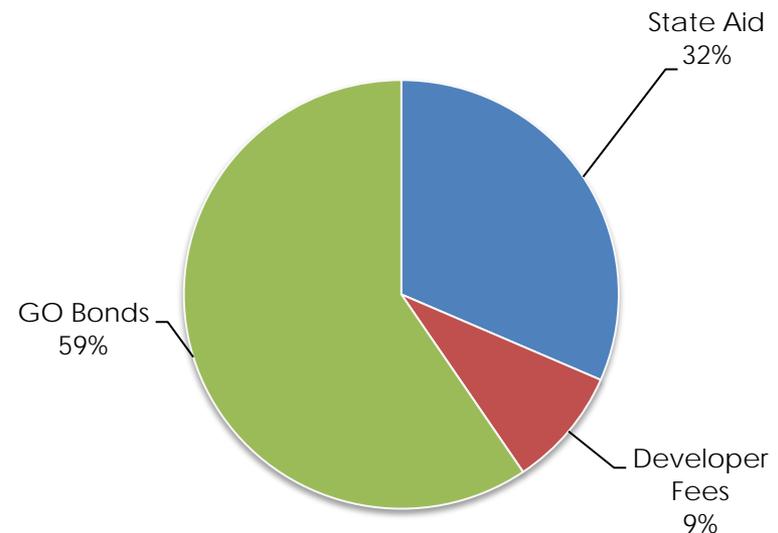
Facility Funding Sources for Schools

Majority of funding comes from G.O. Bonds

Gustine Unified School District

- ❖ State of California
- ❖ Developer Fees
- ❖ Mello Roos (Community Facilities Districts)
- ❖ Parcel Taxes
- ❖ **General Obligation (G.O.) Bonds**

- ❖ Over the past 14 or 15 years, school districts have spent \$66 billion in local bonds on school building projects, local development impact fees have provided \$10 billion, and the state has issued \$35 billion in bonds for school projects



Why a G.O. Bond?

A school improvement bond measure has benefits for all

Gustine Unified School District

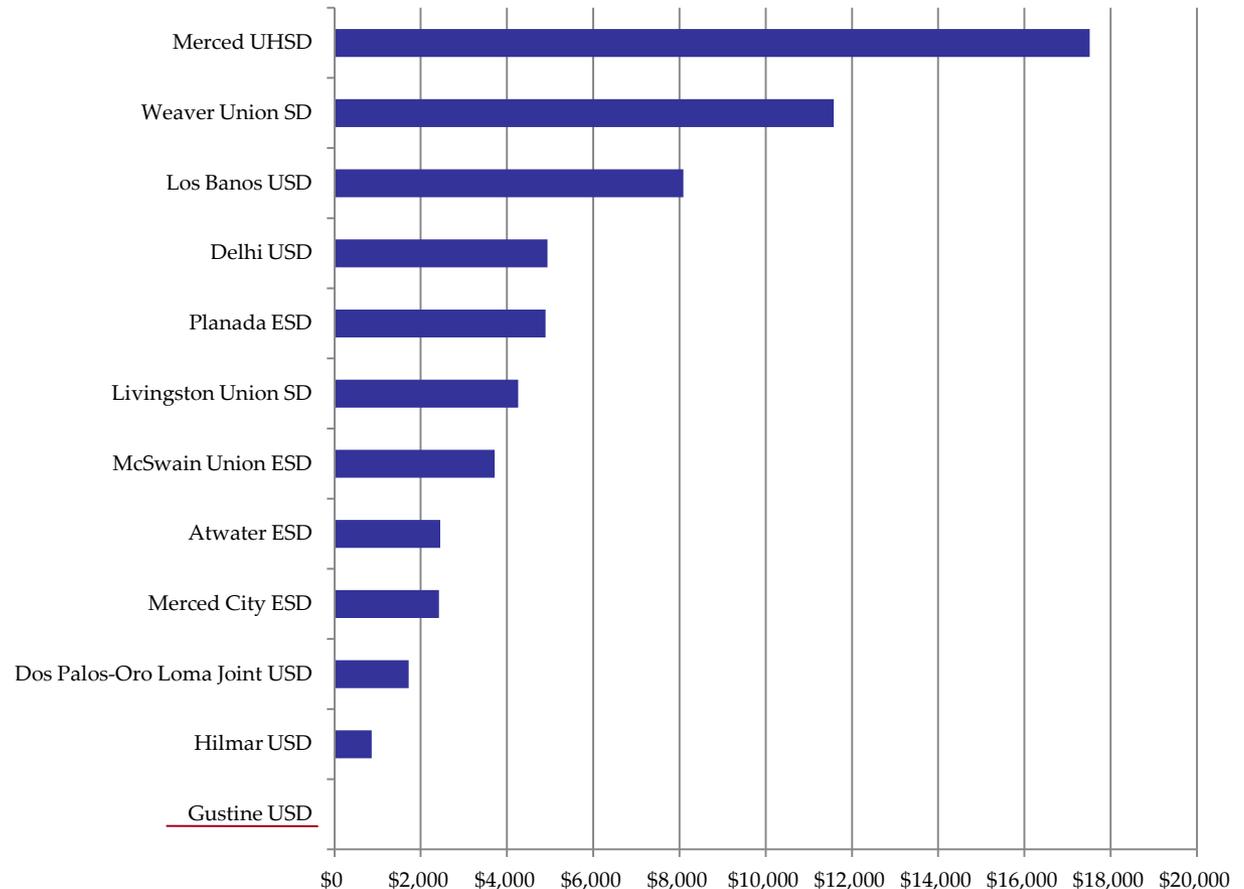
- **Better learning environment for local students** – Good schools contribute to increased community safety, higher property values, and provide education and job training for tomorrow's community members.
- **Economic boost** – By law, funds from the proposed measure must be spent on local school facility improvements, thus creating additional jobs and boosting the area economy.
- **Keeping money in the classrooms** – Energy efficiency improvements (windows, HVAC, solar, etc.) and critical facility repairs that can be paid for by a G.O. bond will provide more funding for instruction.
- **Taxpayer safeguards are in place** – Funds raised cannot be taken by the State and must be spent locally; in addition, expenditures must be annually reviewed by an independent citizens' oversight committee

Bond Dollars Passed Per Student

Merced County districts have been very supportive of schools

Gustine Unified School District

- Since 1997, 17 bond programs have been passed by school districts in Merced County
- The average bond dollar passed per student for Merced County K-12 school districts is \$5,676; Gustine USD is \$0
- Gustine USD is the only unified district in the County to not have passed a bond measure



Source: Ed-Data

District Analysis & Funding Options

District Bond & Assessed Value History

District's tax base has grown by 32% since 2004

Gustine Unified School District

Gustine USD Historical Assessed Value

Fiscal Year Ending	Total Value	% Change
2004	\$635,317,891	
2005	\$673,043,073	5.94%
2006	\$753,848,023	12.01%
2007	\$831,232,422	10.27%
2008	\$889,873,957	7.05%
2009	\$900,765,627	1.22%
2010	\$821,188,197	-8.83%
2011	\$778,056,067	-5.25%
2012	\$765,161,876	-1.66%
2013	\$786,022,495	2.73%
2014	\$840,039,787	6.87%
	Average	3.03%

➤ District has not attempted a G.O. bond measure

Source: Merced County

- District's 2013-14 assessed value is approximately \$840.0 million; ten-year average assessed value growth rate is 3.03%
- District's gross bonding capacity is \$21.0 million (2.50% x assessed value); District does not have any outstanding G.O. bond debt

General Obligation Bond Proceeds

District can generate between \$9.0 million and \$16.0 million

Gustine Unified School District

- With projected annual assessed value growth of 3.50%, the District can generate up to \$16.0 million
- At more aggressive growth rates or a longer bond program, the District could garner up to \$17.5 million
- Depending on tax rate selected and assessed value assumptions, District can generate significant proceeds

Gustine USD Bond Proceeds at Varying Tax Rates

Tax Rate per \$100,000	Series A 2015	Series B 2017	Series C 2020	Series D 2023	Total Bond Proceeds
\$45.00	\$3,048,220	\$2,558,802	\$2,737,323	\$3,682,915	\$12,027,261
\$50.00	\$3,386,776	\$2,843,000	\$3,041,348	\$4,091,964	\$13,363,089
\$60.00	\$4,064,294	\$3,411,736	\$3,649,764	\$4,910,554	\$16,036,348

* Assumes AV growth of: 3.50%
Source: Isom Advisors

Survey Results Summary

Methodology

There are 3,079 registered voters in the District

Gustine Unified School District

- ❖ The Gustine Unified School District is currently assessing the feasibility of placing a general obligation bond measure on an upcoming ballot.
- ❖ A survey was conducted from Monday January 20th through Wednesday January 22nd to assess support for the proposed bond measure.
- ❖ The survey tested voter attitudes regarding the District, projects to be funded by the proposed measure, and tax tolerances.
- ❖ During the three day calling period 233 households were contacted. This universe represents 23% of the 1,007 households with a working phone number.

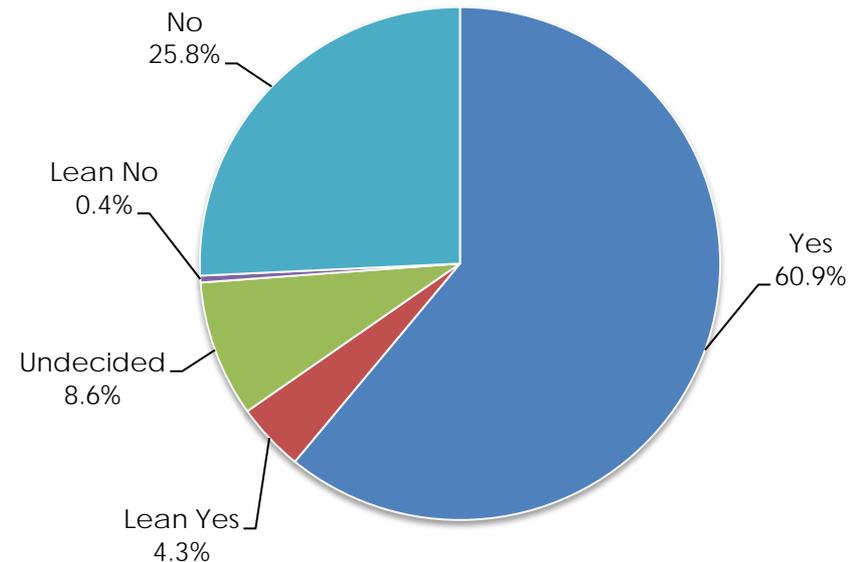
Ballot Measure

Support for measure is above the Prop. 39 55% threshold

Gustine Unified School District

- ❖ At this time, the District is looking to make classroom and school facility improvements and is considering placing a school improvement bond measure before voters in your community on an upcoming ballot. If the election were held today, would you vote YES in favor of the measure or would you vote NO to oppose the measure?

"To improve the quality of education; modernize outdated classrooms, restrooms and school facilities; repair or replace leaky roofs; increase student access to computers and modern technology; improve P.E. fields and facilities for school and community use; and upgrade outdated heating, ventilation, and air-conditioning systems; shall the Gustine Unified School District issue \$12,000,000 of bonds at legal interest rates, have an independent citizens' oversight committee and have NO money taken by the state or used for administrative salaries?"

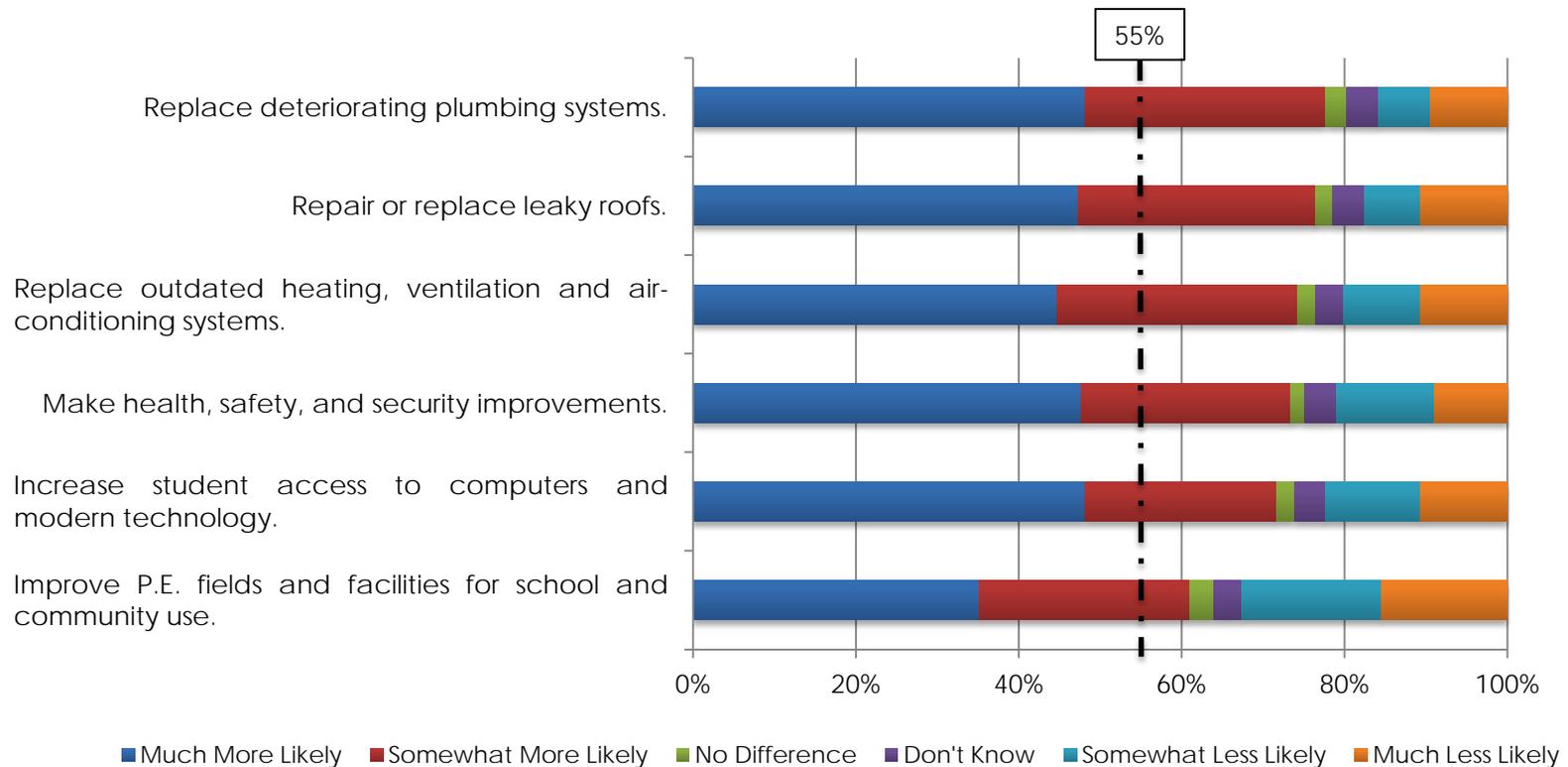


G.O. Bond Projects

All projects tested received over 55% voter support

Gustine Unified School District

- ❖ For each project, please tell me whether it would make you More Likely or Less Likely to vote in favor of the measure if you knew funds would be used to:



Next Steps

Timeline – November 2014 Election

Following these steps are key to District's success

Gustine Unified School District

Task	Responsible Party	Date
Prepare project list	District/Architect	2013
Board Meeting - approve "exploring" feasibility of a bond	District	December 2013
Initiate public information program, speaking with elected officials, large taxpayers, community service groups to discuss proposed bond	District	Dec. – May
Conduct Survey	Consultant	January 2014
Board Meeting - Survey Results Presentation	Consultant	February 2014
Finalize Capital and Financing Plan based on Community Outreach	Consultant	Feb. – May 2014
Prepare Resolution for Calling Election, including Ballot Language, Project List, Tax rate Statement	Consultant/Bond Counsel	June – July 2014
Board Meeting - Board action to adopt Resolution Calling Election	District	July
Submit Resolution Calling Election and Tax Rate Statement	District	July – Aug.
Prepare Argument in Favor of Measure	Consultant/District	August
Submit Argument in Favor of Measure	Consultant/District	August
Form campaign committee and conduct campaign kick-off meeting	Campaign Committee	July – Aug.
Run Campaign	Campaign Committee	Aug. – Nov. 2014
Election Day		November 2014

**Questions or
Suggestions?**

