

A G E N D A

SUTTER COUNTY BOARD OF EDUCATION

August 31, 2023

Special Meeting – 7:30 p.m.

Sutter County Superintendent of Schools Office

Board Room

970 Klamath Lane, Yuba City, CA

A full Board packet is available for review at the Sutter County Superintendent of Schools Office Reception Desk, 970 Klamath Lane, Yuba City, CA (8:00 a.m. – 4:00 p.m., Monday through Friday – excluding legal holidays) and the Sutter County Superintendent of Schools' website at www.sutter.k12.ca.us.

Members of the public wishing to address the Board on specific agenda items, or any item of interest that is within the subject matter jurisdiction of the Board, will be given an opportunity to do so. At the discretion of the Board president, time limits may be imposed upon such presentations. No action may be taken on items not appearing on the posted agenda.

7:30 p.m. 1.0 Call to Order

2.0 Pledge of Allegiance

3.0 Roll Call of Members:
June McJunkin, President
Victoria Lachance, Vice President
Harjit Singh, Member
Kash Gill, Member
Gurv Pamma, Member

4.0 Career Training Center 30% Design and GMP
James Peter Director of FMOF

The Career Training and Conference Center 30% design overview and Guaranteed Maximum Price is being presented to the Board for their information and discussion

5.0 SCCTC Financing Plan Presentation
Ron Sherrod Assistant Superintendent and Lori Raineri, GFS-JPA

Sutter County Board of Education Agenda

Page 2 of 2

March 31, 2023

Update on the financing plan for the construction of a new Sutter County Career Training & Conference Center building.

6.0 Adjournment

Meeting facilities are accessible to persons with disabilities. By request, alternative agenda document formats are available to persons with disabilities. To arrange an alternative agenda document format or to arrange aid or services to modify or accommodate persons with a disability to participate in a public meeting, please provide a written request to: Tom Reusser, Superintendent, Sutter County Superintendent of Schools Office, 970 Klamath Lane, Yuba City, CA 95993, at least three working days prior to any public meeting.

BOARD AGENDA ITEM: CTC 30% Design and GMP

BOARD MEETING DATE: August 31, 2023

AGENDA ITEM SUBMITTED FOR:

Action

Reports/Presentation

Information

Public Hearing

Other (specify)

PREPARED BY:

James Peters

SUBMITTED BY:

James Peters

PRESENTING TO BOARD:

James Peters

BACKGROUND AND SUMMARY INFORMATION:

The Career Training and Conference Center 30% design overview and Guaranteed Maximum Price is being presented to the Board for their information and discussion



Tom Reusser, Superintendent

**Presentation to the
SUTTER COUNTY BOARD OF EDUCATION
For the
CAREER TRAINING & CONFERENCE CENTER
30% DESIGN, VIABILITY REVIEW,
AND GUARANTEED MAXIMUM PRICE**

August 31, 2023



BACKGROUND

The Sutter County Superintendent of Schools and the Sutter County Board of Education are dedicated to the principles of educational excellence for all ages and needs, community partnerships, and sound fiscal practices. The SCSOS seeks to improve the availability and effectiveness of the career training programs by developing a building to house the necessary offices, mixed-use classrooms, and conference spaces to consolidate efforts, provide maximum accessibility to the community, and reduce long-term costs.

The Sutter County Superintendent of Schools, Mr. Tom Reusser, strives to lead the SCSOS office in a direction that best serves students, Sutter County School Districts, and the community. With a specific impression that education leads to opportunity and opportunity looks different to each unique individual within the community, Mr. Reusser aspires to ensure that the SCSOS is positioned to help everyone grow and thrive in the direction that best suits their hopes and dreams. While maintaining a high priority in the K-12 education arena, Mr. Reusser has also prioritized adult education and regional occupation programs. A critical piece in this equation is determining at what capacity the SCSOS can fulfill this vision while limiting duplication of services for our regional partners.

The Sutter County Board of Education has a long-standing reputation as a good steward of education, fiscal practices, and asset management for the Sutter County community. To best support Mr. Reusser's vision to benefit the community, the Board commissioned a Long-Range Facilities Master Plan (FMP) to support and provide direction. The information attained during the FMP process helped the SCSOS determine that consolidating programs and services into a single building, which also offers plentiful classroom and conference space, would improve services and opportunities, reduce costs, and fortify Mr. Reusser's vision into a long-term actuality.

As a result, the Board of Education has asked the SCSOS to administer the Design and Construction of the Career Training and Conference Center. The SCSOS has completed a formal selection process for a Design-Build Firm and accomplished the objectives necessary to compile a design (30%) that provides enough information to allow for a viability review, including a guaranteed maximum price (GMP) cost engineering.

The SCSOS is proud to present the process results thus far to the Sutter County Board of Education and will seek approval to proceed with the CTC project in September.

The SCSOS' Goals and Objectives

Career training is a diverse and ever-changing industry. Providing for community needs, garnering available funding options and grants, and avoiding duplication of services with regional partners require fluid planning and flexibility.

A significant challenge comes from finding available spaces that meet the criteria to provide services best. The SCSOS intends to design and construct a facility that can adapt to needed changes and offer educational services for many decades.

The SCSOS intends to achieve the following goals and objectives.

1. To consolidate relevant programs operating on multiple sites into a single location.
2. Improve upon effectiveness and efficiency of career training and job placement activities.
3. To provide local employment opportunities by streamlining operations.
4. To reduce expenditures associated with property leases and invest in SCSOS-owned property.
5. To enhance the economic value of the SCSOS' assets by developing the assets in a manner that supports the SCSOS' goals.
6. To provide structures aesthetically compatible with the SCSOS facilities and surrounding neighborhoods.
7. To provide enhanced environments and reduced costs in our classrooms.
8. To provide much-needed conference space designed for larger institutions, agencies, schools, and businesses in the region.
9. To have a building designed for long-term use and adaptable to the changing needs of programs.





Project Overview

The new Career Training Center (CTC) will be an advanced, sustainable, energy-efficient, and adaptable two-story building, approximately thirty-six thousand (36,000) square feet, housing multiple programs and departments including (but not limited to):

1. Sutter County 1 STOP
 - a. Business Workforce Specialist offices
 - b. Job Central
 - c. California Employment Development Department branch
2. Sutter County Adult Education offices
3. Tri-County Regional Occupation Program offices
4. North Central Adult Education Consortium offices
5. Sutter County Education Services - Curriculum, Instruction & Accountability
6. Program classrooms and conference rooms
7. Community Conference Room

The Project will:

1. Be constructed for sustainability and efficiency, with spans that allow most interior partition walls to be non-load bearing and relocatable or operable.
2. Be designed and built to provide a healthy environment, reduce waste, and conserve energy and water.
3. Be designed to include as close to net-zero energy-ready photovoltaic systems, energy management for HVAC and lighting, and integrated door access and camera surveillance.
4. Be designed to include network connectivity and audio/video needs for the modern office, classroom, and conference spaces.
5. Be constructed with a secure, reliable, and fault-tolerant data center.

Performance Criteria

The SCSOS has determined that the best value, not to exceed, guaranteed maximum price (GMP), design-build delivery method for the Project is in the best interest of the SCSOS and its constituents, as it allows for the SCSOS and the Design-Builder to work closely throughout the Project to accomplish the following minimum goals:

1. Establish a project budget that does not increase SCSOS operating expenditures.
2. Design and build according to the budget, adjusting as necessary.
3. Allow for disclosure to and feedback from stakeholders, the SCSOS, and the Sutter County Board of Education through planned meetings, and implement feedback as possible.
4. Verify the viability of the Project and provide a 30% design and cost evaluation as a Guaranteed Maximum Price for the Sutter County Board of Education's approval.
5. Maintain goals while developing the final 70% of the Design.
6. Construct a new building that meets the budget and the needs of the programs to be housed within and is adaptable to future change.



30% Design – Proposed floor plan and elevations

The Design-Build Firm (DBF), Hilbers Inc., and NMR Architects have been instrumental in helping SCSOS determine if our goals are achievable. Through many hours and long planning sessions, the sheer professionalism, expertise, and commitment to this Project bring great credit to them, their Firms, the SCSOS, and the Sutter County Board of Education, and is to be commended.

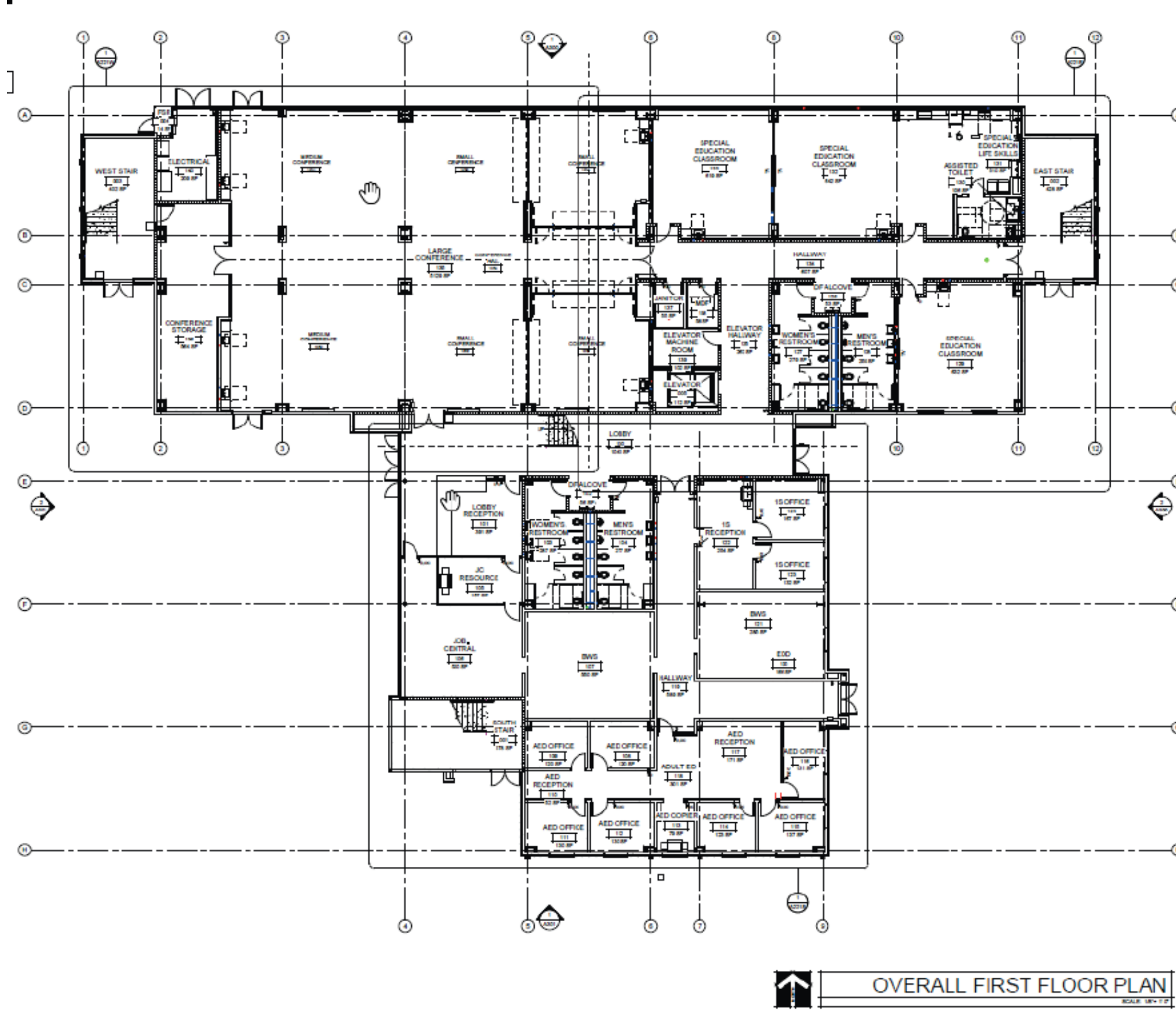
The proposed CTC Building has gone through multiple renditions, as hurdles have arisen, from occupancy type, parking, structural, and fire/life safety. Hilbers and NMR have worked diligently to resolve the issues and formulate a design that meets the criteria.

Ultimately, the Design-Builder and the SCSOS have reached the goal, find that the Project is viable, and are proud to present the following details.

Please keep in mind that the Project is currently designed to 30%. Many details are still to be determined and incorporated in the final 70% design phase.

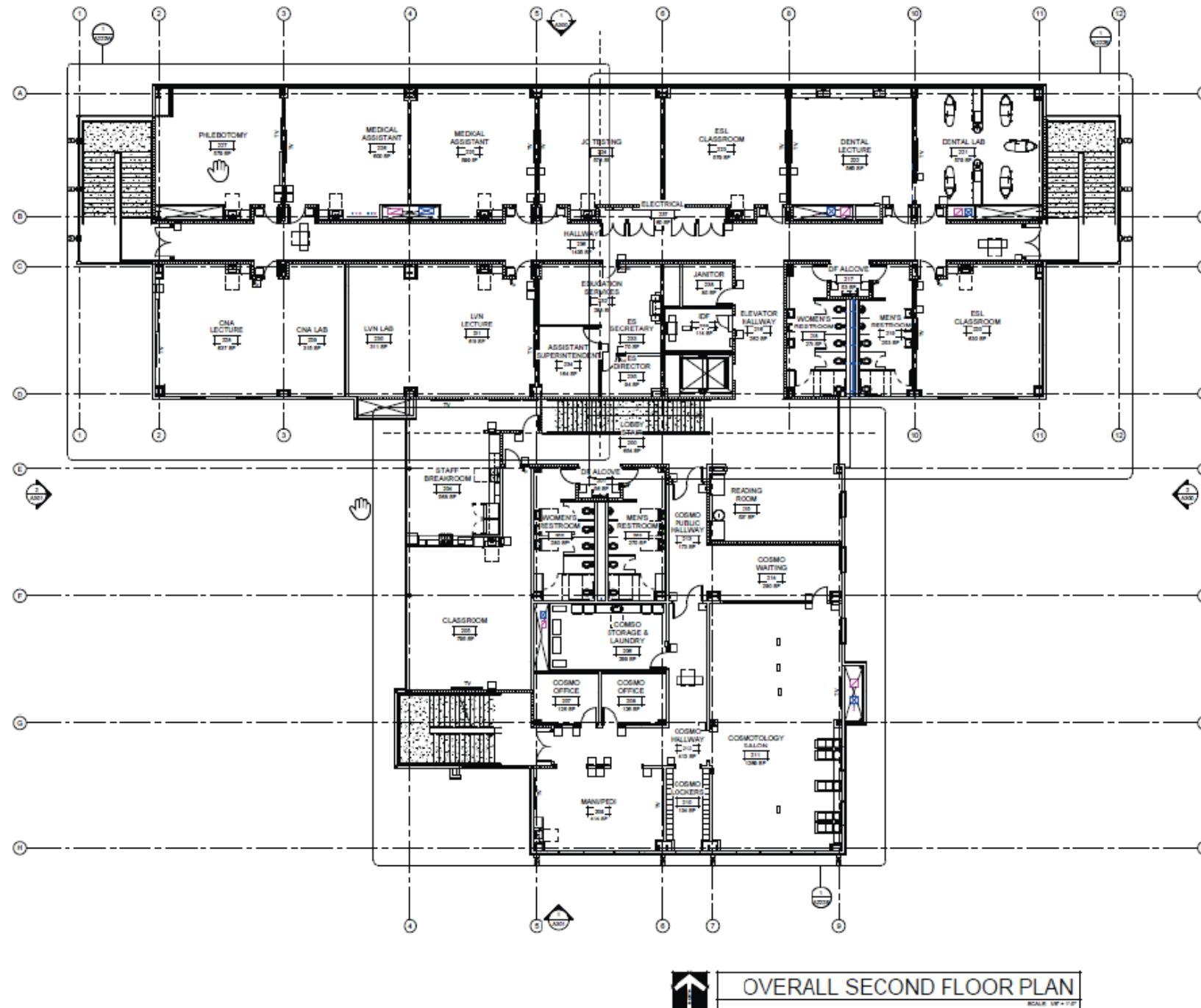
1. The building is approximately thirty-six thousand (36,000) square feet, has two floors, and stands nearly forty-two (42) feet tall.
2. The space programming has been optimized to maximize space available for all of the programs while ensuring streamlined traffic flows and emergency exit paths.
3. The building structure will be a steel frame at all exterior and interior walls.
4. The first and second floors will be concrete.
5. The building will primarily have a stucco exterior, storefront window systems, and architectural siding/stone veneers to enhance aesthetics.
6. The building will have a roof-mounted 450 kw solar system, with battery storage for systems operating after hours.
7. Most interior flooring is polished concrete, with luxury vinyl tile in key locations (such as the lobby) and ceramic tile in the restrooms.
8. The site has been optimized to allow for as many parking spaces as possible and multiple exit points.
9. The parking lot includes eleven (11) electric vehicle charging stations, with underground infrastructure in place to expand eleven (11) more spaces in the future.
10. The parking lot lights are proposed to be spaced in a method that is optimal for replacing them with shade structures in the future.

30% Design – Proposed Space Layout – First floor



First Floor
Lobby & Reception
Conference Room
Special Education Life Skills
The 1 Stop Administration
Job Central
Business Workforce Specialists
Adult Education Administration

30% Design – Proposed Space Layout – Second floor



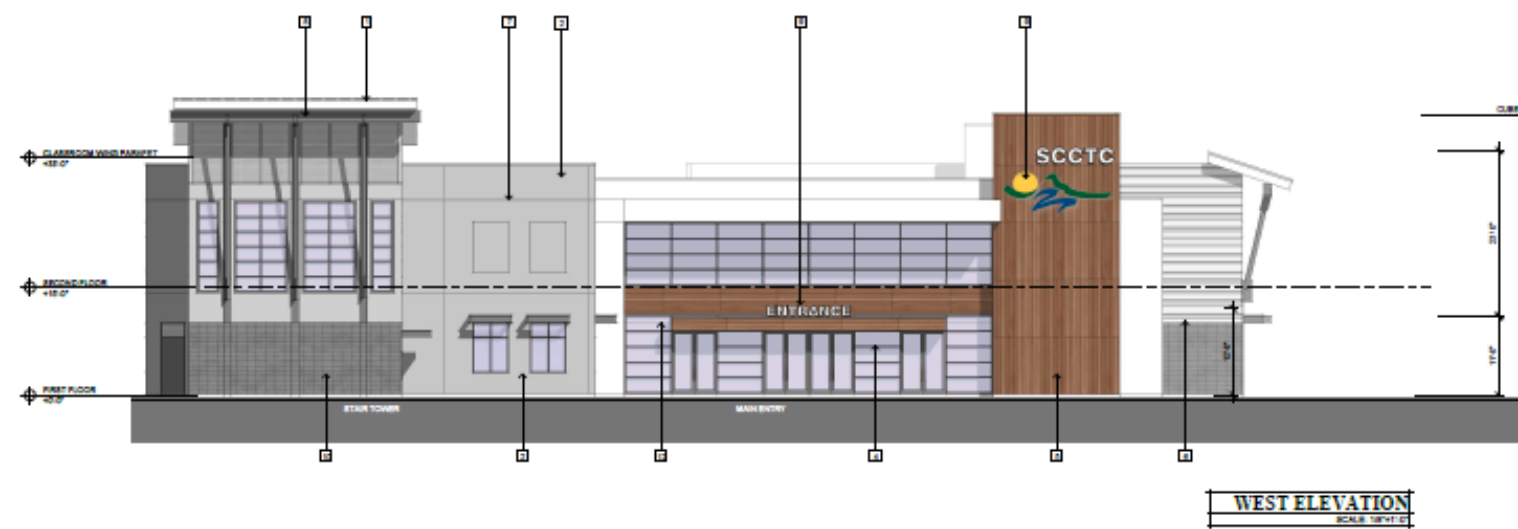
Second Floor
Cosmetology
Dental
English as a 2nd Language
High School Diploma/GED
Medical Assisting
Phlebotomy
Certified Nursing Assistant
Licensed Vocational Nurse
Education Services-CI&A
Student and Staff Breakrooms
Additional meeting/classroom spaces



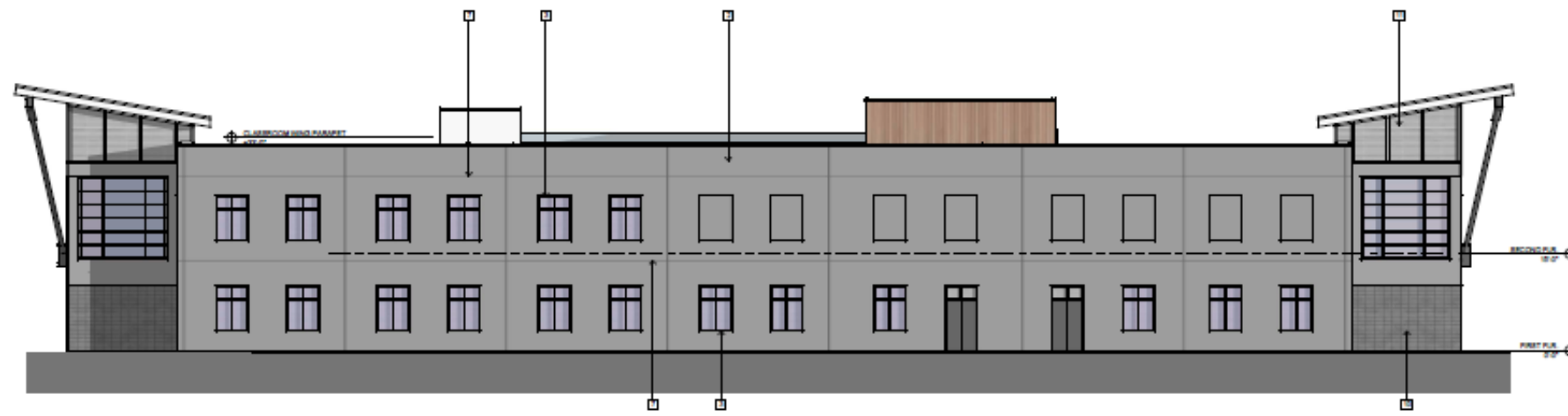
KEYNOTES

NOT ALL OCCURRENCES ARE CALLED OUT AT ALL LOCATIONS

- 3" STANDING SEAM METAL ROOFING
- EXTERIOR PLASTER, SMOOTH FINISH
- ALUMINUM STOREFRONT WINDOW
- ALUMINUM CURTAIN WALL WINDOW
- COMPOSITE WOOD VENEER PANELING (HICKORY OR BIRCH)
- VERTICAL METAL SCANS - BRASS/PATTERN OFFSET
- HORIZONTAL JOINTS
- PLASTER SCORE LINES
- STEEL BEAM & SUPPORT PIPE COLUMNS - PAINTED
- RAISED ALUMINUM BONACRE (ILLUMINATED)
- STACKED BRICK CMU WALL (PAINTED)



30% Design – Proposed Elevations



NORTH ELEVATION
SCALE 1/8"=1'-0"

KEYNOTES	
NOT ALL OCCURRENCES ARE CALLED OUT AT ALL LOCATIONS	
[Symbol]	2" STANDING SEAM METAL ROOFING
[Symbol]	EXTERIOR PLASTER - SMOOTH FINISH
[Symbol]	ALUMINUM STOREFRONT WINDOW
[Symbol]	ALUMINUM CURTAIN WALL WINDOW
[Symbol]	COMPOSITE WOOD VENEER PANELING (HICKORY OR EQ.)
[Symbol]	VERTICAL METAL RIBS - RAINSCREEN PATTERN, OFFSET HORIZONTAL JOINTS
[Symbol]	PLASTER SCORE LINE
[Symbol]	STEEL BEAM & SUPPORT PIPE COLUMN - PAINTED
[Symbol]	RAISED ALUMINUM SIGNAGE (ILLUMINATED)
[Symbol]	STACKED BOND BRICK WALL (PAINTED)



EAST ELEVATION
SCALE 1/8"=1'-0"

30% Design – Guaranteed Maximum Price (GMP) cost proposal

An essential element of the 30% Design and GMP is to maintain the budget as the utmost priority in the design and construction of the Project. Other delivery methods consider cost evaluations, but the final price is often determined at the end of the process.

A guaranteed maximum price proposal is intended to provide certainty and security, ensuring that the approved GMP is not to be exceeded.

The CTC project GMP proposal is attached for consideration, formatted as presented in the Request for Qualifications packet. The Hilbers Inc. long-form proposal is also included for your reference.

This resulting proposal is a hybrid of estimating practices from industry experience, square foot averages, hard bids from suppliers, etc. It is intended to outline expected costs for the Project but is not exact.

The CTC project is a public works project, and as such, the Project will be publicly bid according to the California Public Contract Code. The bids received will differ from the numbers presented here. If the bids received cause the total project cost to exceed the approved GMP, the design will be revised until the cost is below the GMP or deemed unviable.

SCSOS Summary of Long Form Proposal

Preconstruction & Soft cost		Cost Estimate	% of Cost	Cost p/ft2
1	Design Fees Preliminary Plans/Preconstruction (Phase 2, 30%)	\$420,679.00	1.76%	\$10.86
2	Design Progressive Design-Build (Phase 3, 70%)	\$811,239.00	3.40%	\$20.95
	Design CO	\$65,000.00	0.27%	\$1.68
4	Geotechnical	\$66,800.00	0.28%	\$1.73
5	Special Inspections	\$43,750.00	0.18%	\$1.13
6	Utility fees	\$100,000.00	0.42%	\$2.58
7	Commissioning	\$48,000.00	0.20%	\$1.24
8	Project Development/CM/Consultant Fees	\$175,000.00	0.73%	\$4.52
9	Design review/permit fees (DSA)	\$197,500.00	0.83%	\$5.10
10	Inspector (DSA certified/owner retained)	\$260,000.00	1.09%	\$6.71
11	Environmental Approvals	\$0.00	0.00%	\$0.00
12	Builder's Course of Construction Insurance	\$0.00	0.00%	\$0.00
13	Legal	\$3,500.00	0.01%	\$0.09
	Building Permit Fees	\$723,289.00	3.03%	\$18.68
	Subtotal Indirect Design/Construct Costs	\$2,914,757.00	12.20%	\$75.27
	Total preconstruction and soft costs	\$2,914,757.00	12.20%	\$75.27

Construction

1	Construction Design-Build Services	\$15,281,593.00	63.96%	\$394.64
2	Site work	\$2,444,935.00	10.23%	\$63.14
3	Solar	\$885,000.00	3.70%	\$22.85
	Subtotal Direct Design/Construct Costs	\$18,611,528.00	77.90%	\$480.63
	Owner Contingency Direct Costs (10%)	\$1,666,784.00	6.98%	\$43.04
	Total Design/Construction Cost	\$20,278,312.00	84.88%	\$523.68

SCSOS Direct cost

1	Owner fixtures, furniture and equipment	\$612,500.00	2.56%	\$15.82
2	Signage	\$0.00	0.00%	\$0.00
3	Window Coverings	\$85,000.00	0.36%	\$2.20
	Subtotal SCSOS Direct Costs	\$697,500.00	2.92%	\$18.01
	Total SCSOS Direct Construction Cost	\$697,500.00	2.92%	\$18.01

TOTAL CONSTRUCTION COSTS	\$23,890,569.00	100.00%	\$616.96
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SCSOS CTC REV.7
Yuba City CA

8/25/2023

BREAKDOWN RECAP

1	DIVISION 1 - General Requirements:	<u>\$3,047,466</u>
2	DIVISION 2 - Site Work:	<u>\$2,444,935</u>
3	DIVISION 3 - Concrete:	<u>\$824,050</u>
4	DIVISION 4 - Masonry:	<u>\$62,608</u>
5	DIVISION 5 - Metals:	<u>\$2,519,700</u>
6	DIVISION 6 - Wood & Plastic:	<u>\$424,867</u>
7	DIVISION 7 - Thermal and Moisture Protection:	<u>\$694,841</u>
8	DIVISION 8 - Doors & Windows:	<u>\$1,255,320</u>
9	DIVISION 9 - Finishes:	<u>\$2,127,059</u>
10	DIVISION 10 - Specialties:	<u>\$455,525</u>
11	DIVISION 11 - Equipment:	<u>\$0</u>
12	DIVISION 12 - Furnishings:	<u>OFOI</u>
13	DIVISION 13 - Special Construction:	<u>\$885,000</u>
14	DIVISION 14 - Conveying Systems:	<u>\$194,500</u>
15	DIVISION 15 - Mechanical:	<u>\$2,129,638</u>
16	DIVISION 16 -	<u>\$1,546,020</u>
	TOTAL CONSTRUCTION:	<u>\$18,611,528</u>



Design Fees/Preconstruction Phase 2	\$420,679
Design Design Build Phase 3	\$811,239
Design Increase SF	\$65,000
Special Inspections	\$43,750
Geotech Report	\$66,800
PGE Fees	\$100,000
Commissioning	\$48,000
Project Development Consultant Fees	\$175,000
Design Review/ Permit Fees (DSA)	\$197,500
Inspector (DSA Certified/Owner Retained)	\$260,000
Environmental Approvals	
Legal Review Costs	\$3,500
Contingency SCSCS Direct Costs	
Owner Fixtures Furniture and Equipment	\$612,500
Signage	see below
Window Coverings	\$85,000
Contingency SCSCS FFE Costs	see below
Building Permit Fees	\$723,289
Owner Contingency	\$1,666,784
TOTAL SCSSOSTC Items:	<u>\$5,279,041</u>
TOTAL COMBINATION BID:	<u><u>\$23,890,569</u></u>



BID BREAKDOWN

DIVISION 1: GENERAL REQUIREMENTS

Supervision Wages	<u>\$352,160</u>
General Conditions	<u>\$277,837</u>
Insurance	<u>\$68,601</u>
Profit & Overhead	<u>\$861,241</u>
Builder Risk	<u>\$2,500</u>
Builder Risk	<u>\$68,875</u>
Bond	<u>\$146,966</u>
Construction Contingency	<u>\$1,174,420</u>
Final Clean	<u>\$19,466</u>
Laborer	<u>\$75,400</u>

TOTAL GENERAL REQUIREMENTS

\$3,047,466

DIVISION 2: SITE WORK

Const. Staking	<u>\$23,375</u>
Replacement Staking	<u>\$3,500</u>
-	<u>\$0</u>
Erosion Control	<u>\$0</u>
Swpp Plan	<u>\$2,500</u>
Straw Wattle/ Silt Fence	<u>\$8,200</u>
DI Filter	<u>\$3,000</u>
Const Entrance Install/remove	<u>\$6,200</u>
Swpp Maintenance	<u>\$4,200</u>
Monitoring	<u>\$44,800</u>
Concrete Washouts	<u>\$1,800</u>
Street Sweeping	<u>\$3,000</u>
-	<u>\$0</u>
Demolition	<u>\$0</u>
Clear and Grub	<u>\$30,048</u>
-	<u>\$0</u>
Earthwork - Grading	<u>\$0</u>
Grading Cut to fill 24"	<u>\$160,256</u>
Regrade / Fine Grade	<u>\$180,288</u>
Building Pad	<u>\$0</u>
Off -haul footing spoils	<u>\$31,200</u>
-	<u>\$0</u>
Water	<u>\$0</u>
Domestic/ Irrigation 1.5" to 3"	<u>\$4,800</u>
Domestic- Irrigation -BF- Meter	<u>\$3,600</u>
Fire Water - 8"	<u>\$77,770</u>
Fire Water - 6"	<u>\$5,000</u>
Fire Hydrant	<u>\$24,000</u>
FDIC-PIV-BFV Set	<u>\$16,400</u>
BFP Cages	<u>\$1,200</u>
Tie-In	<u>\$3,500</u>
-	<u>\$0</u>
Sewer -	<u>\$0</u>
6" SDR	<u>\$34,080</u>
6" C.O.	<u>\$2,200</u>
SS Manhole	<u>\$10,500</u>
Tie-In	<u>\$2,500</u>



-	\$0
Storm Drain	\$0
12" SDR 35	\$84,300
18" SDR 35	\$5,280
6" PVC	\$25,920
4" PVC Perforated	\$22,200
SD Manhole	\$11,300
Drain Inlet 24"x24"	\$30,800
Contech Filter Vault	\$0
Storm Tech SC 310 15 Chambers	\$74,250
Storm Tech DC 710 60 Chambers	\$225,000
-	\$0
Site Electrical	\$0
Primary Power Joint Trench	\$59,000
Secondary Power Joint Trench	\$18,360
Additional Vault	\$10,000
- Site Lights	\$208,000
- Transformer Pad	\$10,000
Car Charging Station (Come In Pairs of 2) 6 Pairs	\$180,000
Car Charging Station Future Conduit	\$24,000
-	\$0
Aggregate Base AC 6" (Double)	\$0
Aggregate Base Site Concrete 4"	\$53,370
AC Drive Isles 3'AC /8"AB	\$55,250
AC Parking Areas 3"AC / 6" AB	\$127,925
-	\$0
Pavement Markings	\$13,936
Wheel stops	\$0
Site Signage	\$0
- Bike Rack - Uline #2892BL (3 ea.)	\$1,255
- Bike Locker	\$6,200
-	\$0
Landscaping / Irrigation	\$123,585
- Sleeving	\$4,000
Site Benches-Precast	\$0
-	\$0
Site Concrete	\$0
Sidewalk & Flatwork	\$121,510
Curb 6"	\$75,575
Curb and Gutter 24"	\$19,570
Valley Gutter	\$7,776
Mow Strip at Building Perimeter	\$3,240
Ramps-Truncated Domes	\$16,500
Trash Slab/Apron	\$19,896
Lot Light Bases	\$59,520
Trash Enclosure - Split Face w/ Cap	\$14,500
Site steel - T/E gates -Roof (Incl w/ Steel #)	\$0
Light Bollards	\$45,000
-	\$0
Fencing	\$0
	<hr/>
TOTAL SITE WORK	\$2,444,935
-	



DIVISION 3: CONCRETE (BLDG)

Termite Control	\$2,919	
-	\$0	
Misc/Anchor Bolts / Hold Downs (Majority with Steel #)	\$5,838	
Rebar	\$0	
-	\$0	
Building 1st Level Footings and Slab	\$470,399	
Elevator Pit	\$0	
Building 2nd Floor Deck Slab	\$251,654	
Stair Tread - Landings-Infill	\$0	
Pad Footings	\$0	
Concrete Tread Infill	\$0	
Stair Tread Nosing 72" 80ea	\$15,360	
-	\$0	
Concrete Polishing/Seal	\$77,880	
-		
TOTAL CONCRETE		<u>\$824,050</u>

DIVISION 4: MASONRY

Rebar	\$0	
Anchorage / Reinforcement / Acc's	\$0	
-		
Veneer Smooth Face	\$62,608	
TOTAL MASONRY		<u>\$62,608</u>

DIVISION 5: METALS

Bollards	<u>\$22,500</u>	
-	\$0	
Structural Steel (Remove HVAC Roofs)	<u>\$2,496,000</u>	
Stairs	\$0	
Railing	\$0	
Columns Beams	\$0	
Brace Frame	\$0	
Metal Decking	\$0	
Second Floor Deck	\$0	
Roof Deck	\$0	
Closure Angles	\$0	
Stiffeners	\$0	
Elevator Steel	\$0	
Rail Brackets	\$0	
Guide Rails	\$0	
Hoist Beam w/ Mounting Plates	\$0	
Pit Ladder	<u>\$1,200</u>	
Canopy For Parking Solar	<u>\$0</u>	
TOTAL METALS		<u>\$2,519,700</u>

DIVISION 6: WOOD AND PLASTICS

PT at Roof edge 1210lf x4ea	<u>\$39,688</u>	
Misc. Backing / Blocking	<u>\$10,000</u>	
Nichiha Faux Wood w/ rainscreen	<u>\$213,004</u>	
Finish Carpentry	<u>\$38,975</u>	
-	\$0	
Casework / Cabinets & Countertops	<u>\$123,200</u>	
-		
TOTAL WOOD AND PLASTICS		<u>\$424,867</u>



DIVISION 7: THERMAL AND MOISTURE PROTECTION

Fluid Applied Waterproofing	<u>\$35,000</u>
Waterproof Elevator Pit	<u>\$5,000</u>
Building Insulation	<u>\$97,438</u>
-	<u>\$0</u>
Horizontal Metal Siding Panels	<u>\$44,746</u>
ACM Panels	<u>\$12,480</u>
-	<u>\$0</u>
Membrane Roofing - Built-up / TPO	<u>\$268,646</u>
R-30 (2 Layers 2.6" Polyiso)	<u>\$0</u>
Moisture Barrier at Roof	<u>\$0</u>
Tapered EPS	<u>\$0</u>
Tapered Crickets	<u>\$0</u>
1/2" Dens Deck on Metal Deck	<u>\$0</u>
Roofing Over Parapet	<u>\$0</u>
-	<u>\$0</u>
Standing Seam 24g	<u>\$56,504</u>
-	<u>\$0</u>
Flashing and Sheet Metal	<u>\$77,590</u>
-	<u>\$0</u>
Fire Stopping & Smoke Protection	<u>\$38,975</u>
Joint Sealants & Caulking	<u>\$58,463</u>
-	<u>\$0</u>
TOTAL THERMAL AND MOISTURE PROTECTION	<u>\$694,841</u>

DIVISION 8: DOORS AND WINDOWS

Doors- Frames-Hardware	<u>\$879,000</u>
Door Install	<u>\$0</u>
-	<u>\$0</u>
Access Doors / Panels	<u>\$5,000</u>
Fire Rated Elevator Smoke Containment Door	<u>\$0</u>
-	<u>\$0</u>
Storefront System	<u>\$143,520</u>
Storefront Windows Interior	<u>\$0</u>
Auto Door Openers	<u>\$10,000</u>
Windows	<u>\$214,200</u>
Interior Glazing Systems	<u>\$0</u>
Interior Window Frames	<u>\$3,600</u>
TOTAL DOORS AND WINDOWS	<u>\$1,255,320</u>



DIVISION 9: FINISHES

Plaster/Stucco	<u>\$137,396</u>
Scaffolding	<u>\$0</u>
-	<u>\$0</u>
Steel Stud 18g Drywall / Tile Backer Board	<u>\$1,298,925</u>
Hard Lids, soffits	<u>\$0</u>
Exterior Densglass	<u>\$0</u>
Paint Prep Coat	<u>\$47,518</u>
-	<u>\$0</u>
Ceramic Tile	<u>\$0</u>
Wall Tile - per elevations	<u>\$83,020</u>
-	<u>\$0</u>
Acoustical Ceiling - 2x4 Grid	<u>\$186,312</u>
Light Wires	<u>\$4,000</u>
-	<u>\$0</u>
LVT Plank	<u>\$230,368</u>
Moisture Testing	<u>\$10,000</u>
FRP	<u>\$4,800</u>
Painting	<u>\$124,720</u>
-	<u>\$0</u>
TOTAL FINISHES	<u>\$2,127,059</u>

DIVISION 10: SPECIALTIES

Louvers / Vents	<u>\$53,500</u>
Operable Partition 12' 2ea Skyfold	<u>\$262,000</u>
Operable Partition 18' 2ea Skyfold	<u>\$0</u>
Thread Rod Support Header Support	<u>\$15,800</u>
Wall & Corner Guards	<u>\$1,600</u>
Monument Sign	<u>\$50,000</u>
Building Sign	<u>\$10,000</u>
Signs - Interior Building Supply- Install	<u>\$15,000</u>
Lockers	<u>\$0</u>
Fire Ext - Recessed Cabinets	<u>\$5,328</u>
Fire Ext - Install	<u>\$960</u>
Window Awnings (Powder Coating)	<u>\$0</u>
Toilet Partitions	<u>\$30,657</u>
Restroom Accessories Grab Bars Etc.	<u>\$10,000</u>
Soap/ Paper Towel at Handsinks	<u>\$0</u>
Mirrors	<u>\$0</u>
Knox Boxes	<u>\$680</u>
TOTAL SPECIALTIES	<u>\$455,525</u>



DIVISION 11: EQUIPMENT

Install Equipment

TOTAL EQUIPMENT \$0

DIVISION 12: FURNISHINGS

Window Coverings \$0

Marker Boards \$0

Appliances \$0

FFE \$0

TOTAL FURNISHING OFOI

DIVISION 13: SPECIAL CONSTRUCTION

Solar and Back up \$885,000

Back up 450kw \$0

TOTAL SPECIAL CONSTRUCTION \$885,000

DIVISION 14: CONVEYING SYSTEMS

Elevator \$185,000

Standby Time \$3,000

Testing \$5,000

Temp Safety Rails \$1,500

-

TOTAL CONVEYING SYSTEMS \$194,500



DIVISION 15: MECHANICAL

Fire Sprinklers	<u>\$175,388</u>	
Permits	<u>\$0</u>	
Fire Sprinkler Riser	<u>\$5,500</u>	
-	<u>\$0</u>	
Plumbing	<u>\$857,450</u>	
-	<u>\$0</u>	
HVAC	<u>\$1,091,300</u>	
Air Handlers w/ Curbs	<u>\$0</u>	
Split System Heat Pumps	<u>\$0</u>	
HVAC Control System	<u>\$0</u>	
Testing/Adjusting/Balancing	<u>\$0</u>	
-		
TOTAL MECHANICAL		<u>\$2,129,638</u>

DIVISION 16: ELECTRICAL

Electrical	<u>\$1,247,200</u>	
Additional Gear required for Car Chargers	<u>\$15,000</u>	
Fire Alarm	<u>\$77,950</u>	
Security System	<u>\$46,770</u>	
Communications & Data	<u>\$155,900</u>	
Title 24 Certs	<u>\$3,200</u>	
-		
TOTAL ELECTRICAL		<u>\$1,546,020</u>
TOTAL CONSTRUCTION		<u>\$18,611,528</u>
SCSOS CTC ITEMS:		<u>\$5,279,041</u>
COMBINED TOTAL:		<u>\$23,890,569</u>

BOARD AGENDA ITEM: SCCTC Financing Plan Presentation

BOARD MEETING DATE: August 31, 2023

AGENDA ITEM SUBMITTED FOR:

- Action
- Reports/Presentation
- Information
- Public Hearing
- Other (specify)

PREPARED BY:

Ron Sherrod

SUBMITTED BY:

Ron Sherrod

PRESENTING TO BOARD:

Ron Sherrod and
Lori Raineri, GFS-JPA

BACKGROUND AND SUMMARY INFORMATION:

Update on the financing plan for the construction of a new Sutter County Career Training & Conference Center building.

Sutter County Superintendent of Schools

Update on Financing Plan for Construction of a New Building for the Career Training & Conference Center



SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
Tom Reusser, Superintendent



**Government
Financial Services**

Joint Powers Authority

August 31, 2023
Presented by Lori Raineri

Agenda

- ◆ Paying for Construction
- ◆ Financing Plan
- ◆ Financing Process
- ◆ Next Steps
- ◆ For Reference
 - ▶ Detailed costs of issuance
 - ▶ Presentation dated August 10, 2022



Career Training & Conference Center



◆ The center is expected to house many programs including:

- ▶ Sutter County 1 STOP
- ▶ Sutter County Adult Education offices
- ▶ Tri-County Regional Occupation Program offices
- ▶ Sutter County Education Services - Curriculum, Instruction & Accountability
- ▶ North Central Adult Education Consortium offices
- ▶ Program classrooms and conference rooms
- ▶ Community Conference Room

◆ Occupancy planned to start by FY 2026-27.

Update on Paying for Construction

◆ The new building can be paid from:

▶ Cash contribution

▶ Financing the remaining cost

Preliminary Cash Contribution Plan	
<i><u>Funding Source</u></i>	<i><u>Cash Contribution</u></i>
Property Sales:	\$2,000,000
Capital Outlay Reserve:	\$7,000,000
Total:	<u>\$9,000,000</u>

Preliminary Construction Funding Plan	
<i><u>Funding Source</u></i>	<i><u>Contribution</u></i>
Cash Contribution:	\$9,000,000
Financing Proceeds:	\$16,097,549
Total:	<u>\$25,097,549</u>

Note: total construction cost estimate as of July 28, 2023 and financing amount subject to change as costs are finalized. Capital outlay reserve (Fund 40) has estimated fund balance of \$8.2 million including funds from property sales, per FY 2023-24 Budget, with the full \$9.0 million now available.

Agenda

✓ Paying for Construction

◆ Financing Plan

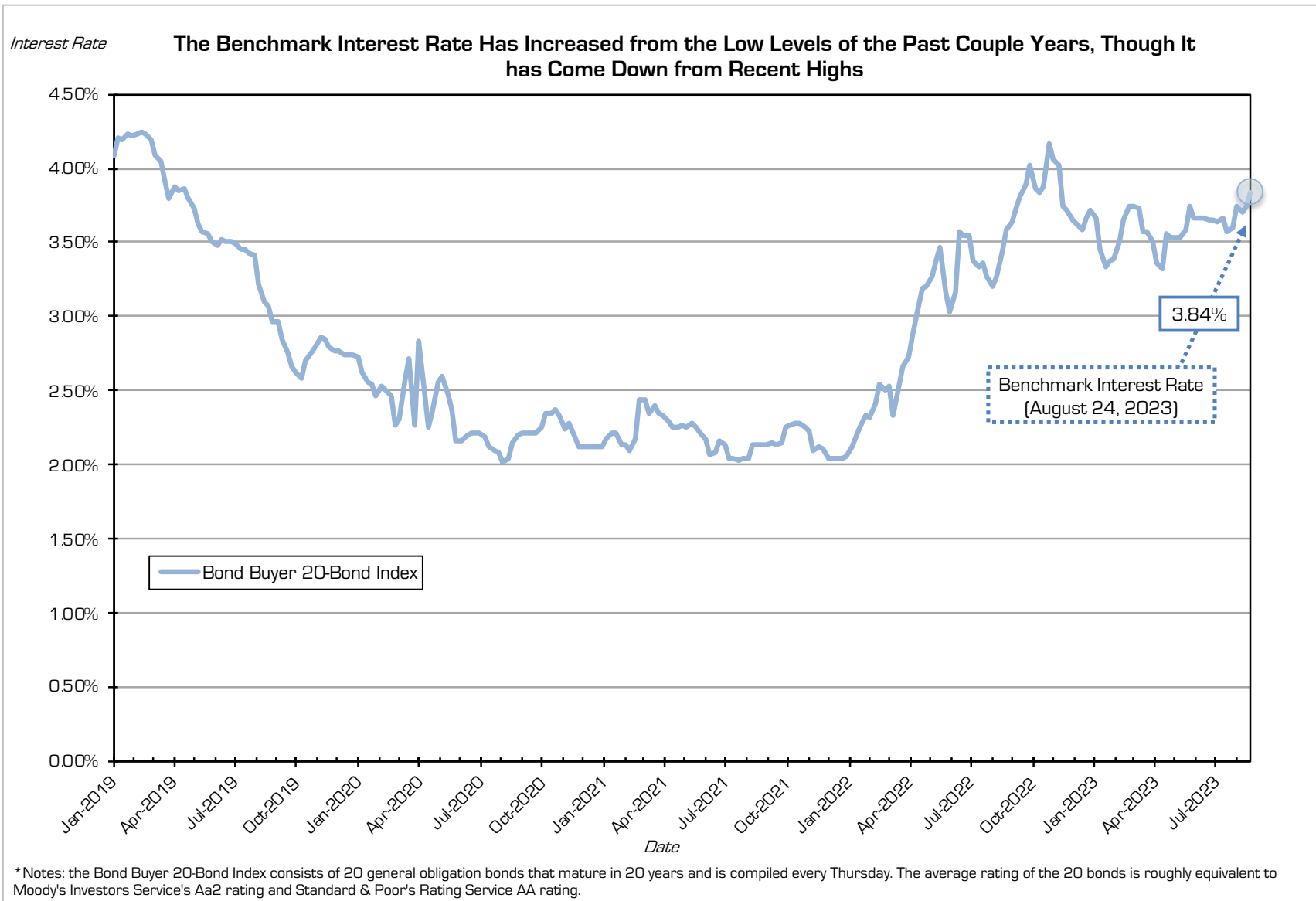
◆ Financing Process

◆ Next Steps

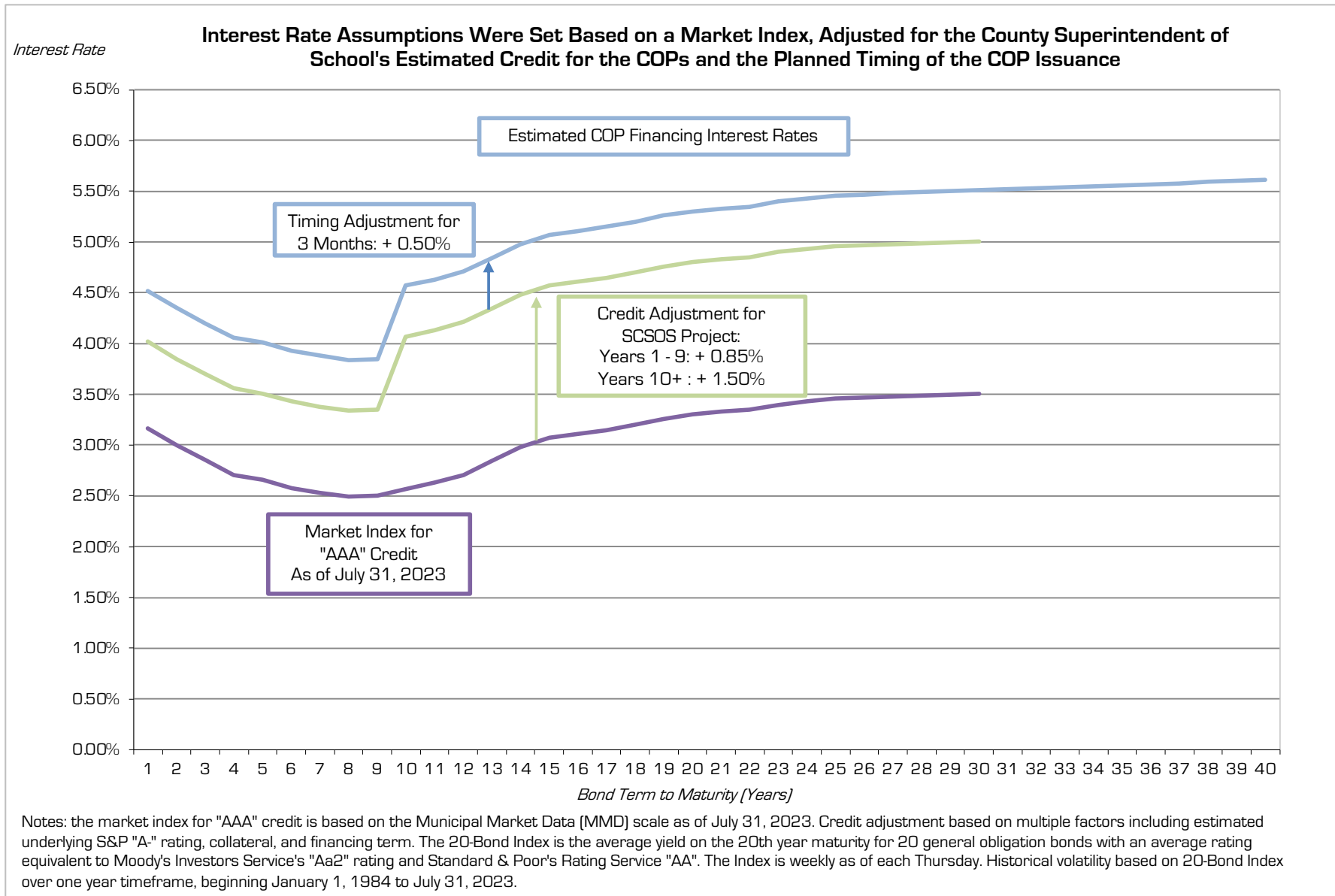
◆ For Reference



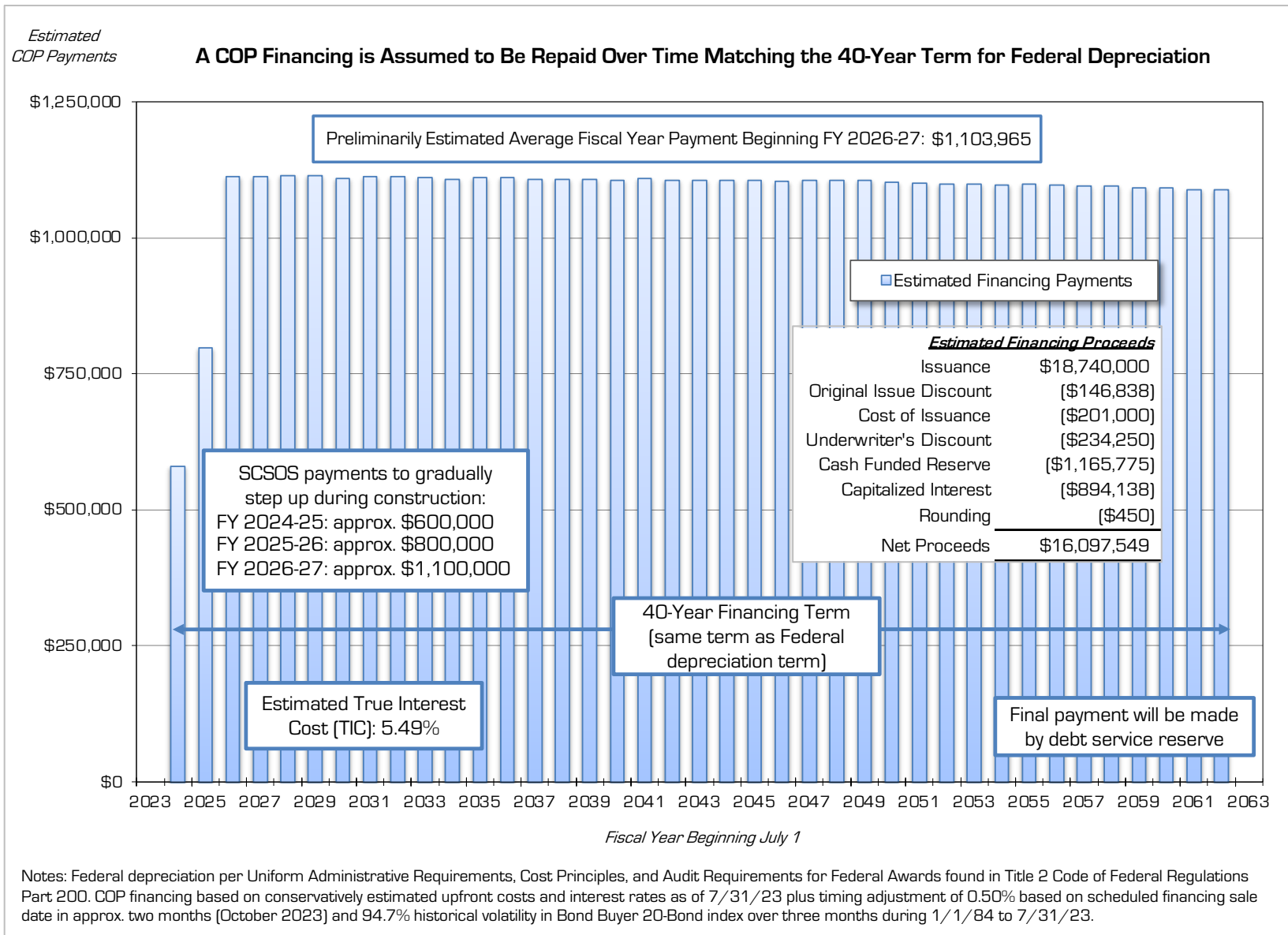
Interest Rates Remain Elevated



Even Higher Interest Rates Assumed



Estimated Financing Payments



Repaying the Financing

- ◆ This financing can be repaid by:
 - ▶ First, cancelling lease agreements for rental facilities that house programs that can be moved into the new building:

Potential Facilities Lease Cancellations		
<i><u>Location</u></i>	<i><u>Department</u></i>	<i><u>Current Lease</u></i>
950 Tharp Road #1000	One-Stop	\$110,582
950 Tharp Road #1100	One-Stop	\$103,440
990 Klamath Lane	Adult Ed/CTC/ROP	\$99,909
939 Live Oak Blvd.	Career Training Center	\$127,308
Total:		\$441,239

- ▶ Then, redirecting rent expenses toward financing payments.
 - Estimated to cover approx. 40% of the payments.
 - Benefit grows over time due to avoiding rent increases.

Note: lease amounts per Sutter County Superintendent of Schools.

Repaying the Financing (Continued)

- ◆ The remaining portion of the financing (approx. \$700,000) is preliminarily expected to be repaid by a combination of:
 - ▶ Rental rates charged for the cost of housing One Stop Federal programs in the new building.
 - ▶ Increasing tuition/fees for CTC and One Stop programs.
 - ▶ Expanding CTC programs.
 - ▶ Budgetary savings from staffing attrition.



Note: the Federal programs receive reimbursement through the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards found in Title 2 Code of Federal Regulations Part 200.

Agenda

✓ Paying for Construction

✓ Financing Plan

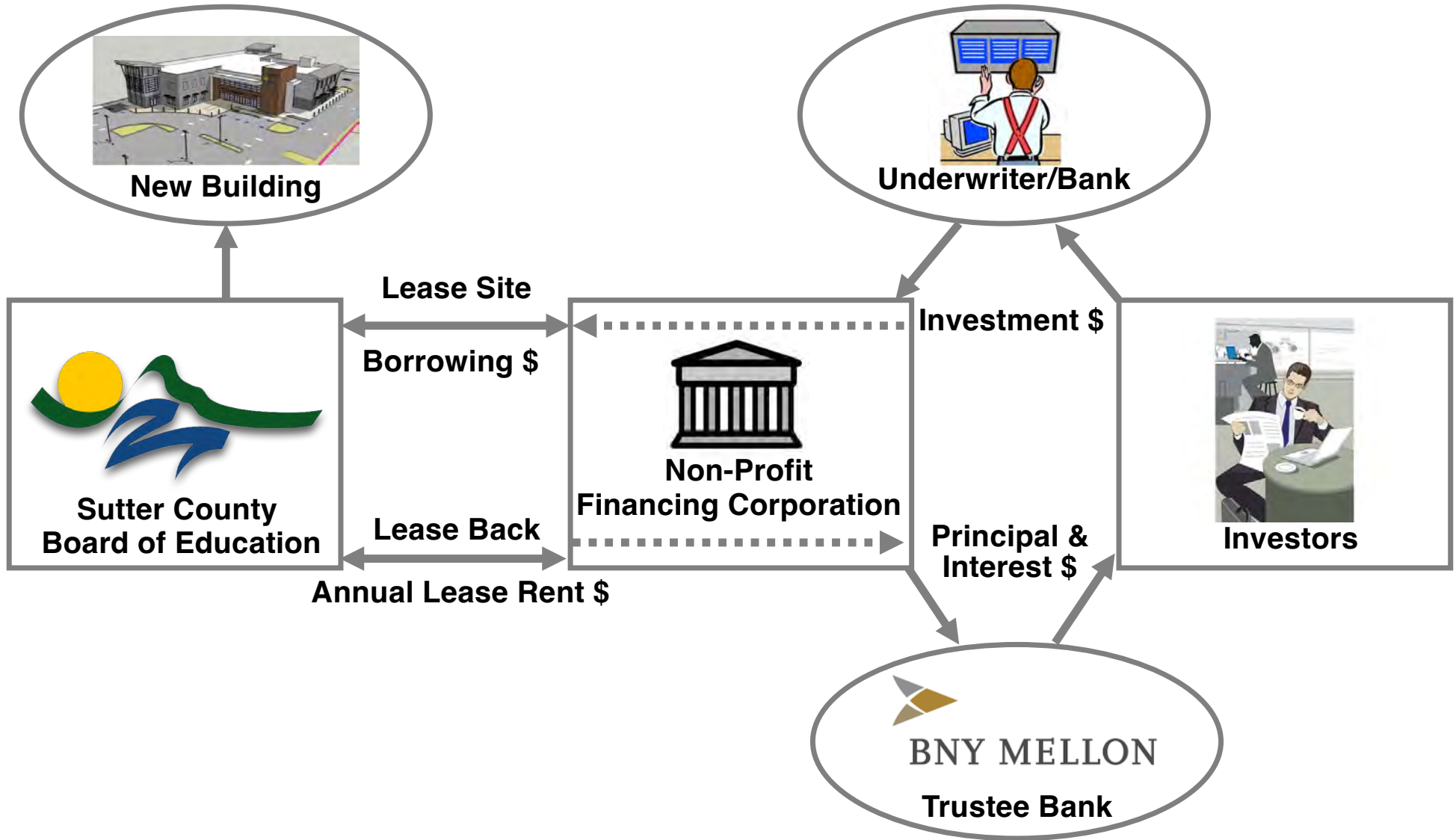
◆ Financing Process

◆ Next Steps

◆ For Reference



Financing Legal Structure: COPs



Note: Trustee Bank selected based on competitive process.

Sites Subject to Lease

- ◆ 3 sites will initially be subject to the lease agreement:
 - ▶ Main Administration (insured value ~\$5 million)
 - ▶ Feather River Academy (insured value ~\$7 million)
 - ▶ New Building
- ◆ The 3 sites will serve as initial collateral for the loan.
 - ▶ Once the new building is completed, one or two sites may be dropped from serving as collateral.
 - ▶ In the event SCSOS defaults on the loan, investors have the option to take possession of the sites to sell or lease.
- ◆ As a practical matter, investors are counting on SCSOS to live up to its obligation in good faith.



COP Sale Methods

- ◆ Competitive Process - auction



- ◆ Negotiated Process - sale to pre-selected underwriter or lender/investor



- ✓ *The Government Finance Officers Association (GFOA) recommends that “bond issuers sell their debt using the method of sale that is most likely to achieve the lowest cost of borrowing while taking into account both short-range and long-range implications for taxpayers and ratepayers.”*

Recommended COP Sale Process

- ◆ Current recommendation: competitive bid process.

- ◆ Based on review of Government Finance Officers Association (GFOA) published best practices.

- ◆ Examples of other county office of education COPs competitively bid (prior 20 years):
 - ▶ Yuba COE 2003 COPs: 4 bids
 - ▶ Yolo COE 2004 COPs: 2 bids
 - ▶ SCSOS 2008 COPs for Shady Creek: 2 bids
 - ▶ Madera CSOS 2011 COPs: 4 bids
 - ▶ Yolo COE 2015 COPs: 3 bids

Sale Dependent on Market Conditions

- ◆ Based on research of current market conditions, the success of a competitive bid process appears dependent on the COPs qualifying for bond insurance.
- ◆ Bond insurance is a type of insurance policy that provides for the repayment of the principal and interest payments to the bondholders in the event of default.
- ◆ Review for qualification is underway by one of the major bond insurance companies, Build America Mutual (BAM).



State Superintendent Review

◆ SCSOS has notified the State Superintendent of Public Instruction's office regarding the financing.



▶ Per Education Code 17150.1(b)

▶ Similar to how school districts notify County Superintendent of Schools of financing under Education Code 17150.1(a)

▶ Notification required to occur at least 30 days before Board considers approval of the financing

- Submitted August 14, 2023

◆ The State Superintendent of Public Instruction's office may comment publicly to the Board regarding the capability of SCSOS to repay the financing.

Agenda

✓ Paying for Construction

✓ Financing Plan

✓ Financing Process

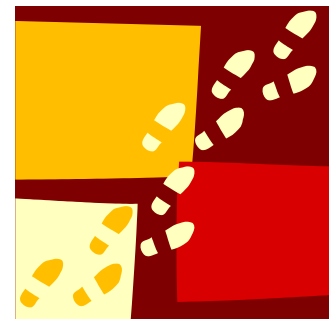
◆ Next Steps

◆ For Reference



Next Steps

- ◆ September 13, 2023: Board will be asked to consider approval of the financing and associated legal documents.
- ◆ September 28, 2023: competitive bid process.
- ◆ October 19, 2023: expected closing and funds available for construction of the new building.
- ◆ November 8, 2023: information presentation to the Board on the financing as finalized.



Agenda

✓ Paying for Construction

✓ Financing Plan

✓ Financing Process

✓ Next Steps

◆ For Reference



For Reference

- ◆ Detailed costs of issuance
- ◆ Presentation dated August 10, 2022

Detailed Costs of Issuance

Description	Total Costs
• Parker & Covert LLP, Special Counsel Special Counsel Services and Expenses:	\$22,800.00
• Lozano Smith LLP, Disclosure Counsel Special Counsel Services and Expenses:	\$22,800.00
• Government Financial Services Joint Powers Authority, Public Finance Consultant Planning Services and Expenses:	\$9,500.00
Financing Services and Expenses:	\$75,000.00
• Standard & Poor's Ratings Services, Rating Agency Professional Services:	\$28,000.00
• Other Issuance Expenses (break out listed below)	
Trustee	
Acceptance Fee:	\$1,000.00
First Year's Annual Administration Fee:	\$1,500.00
Legal Counsel Fee:	\$1,500.00
Costs of Issuance / Good Faith Deposit Administration:	\$500.00
Investment of Cap I and Reserve Fund	\$2,000.00
Stewart Title Company: Title Insurance	\$19,000.00
Public Property Financing Corporation of California: Non-Profit Corporation	\$4,500.00
Parker & Covert LLP, Corporation Counsel	\$2,000.00
California Municipal Statistics: Disclosure Data Provider	\$1,725.00
AVIA Communications, Inc.: OS Printing and Distribution	\$1,900.00
AMTEC: Arbitrage Yield Verification	\$300.00
Contingency / Other	\$6,975.00
COSTS OF ISSUANCE	\$201,000.00

Note: costs based on fee quotes or estimates as of 8/22/2023.

Sutter County Superintendent of Schools

Financing Plan for Construction of the Harter Building to House SCSOS Departments and Programs



SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
Tom Reusser, Superintendent



Government
Financial
Strategies

Presented by Lori Raineri
August 10, 2022

Agenda

- ◆ Paying for Construction of the Harter Building
- ◆ Financing Plan
- ◆ Preview of Financing Process
- ◆ Next Steps

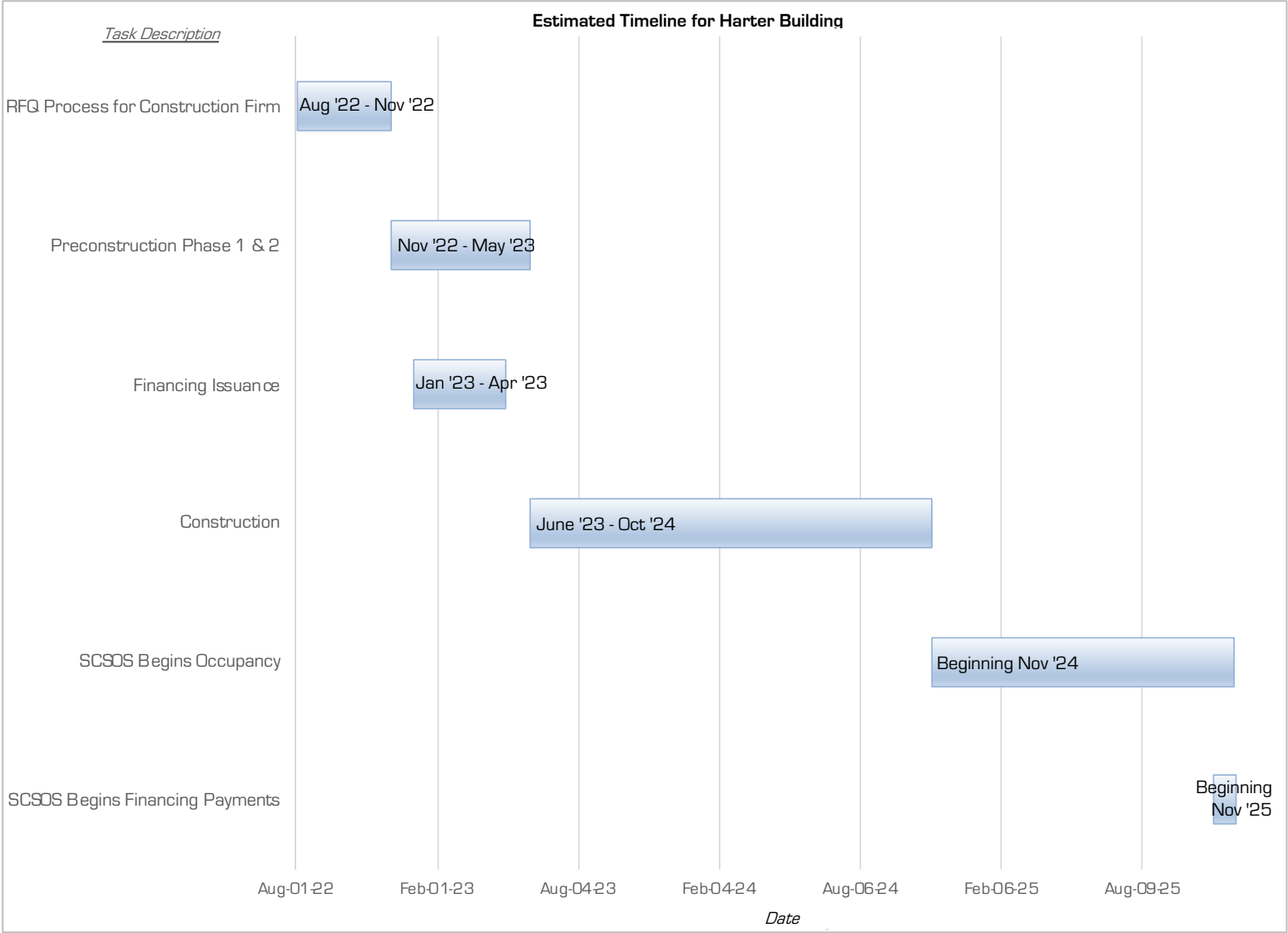


Potential Harter Building



Note: picture from Conceptual Programming Study, Harrington Design Associates, February 1, 2022.

Estimated Timeline



Paying for Construction

◆ The Harter Building can be paid from:

- ▶ Cash contribution from recent property sales:
 - Building 300
 - Parking Lot
 - Sierra Building
- ▶ Cash contribution from the Special Reserve Fund for Capital Outlay
- ▶ General Fund Reserve
- ▶ Financing the remaining cost

Preliminary Cash Contribution Plan	
<i><u>Funding Source</u></i>	<i><u>Cash Contribution</u></i>
Property Sales:	\$2,000,000
Capital Outlay Reserve:	\$5,600,000
General Fund Reserve:	\$400,000
Total:	<u>\$8,000,000</u>

Preliminary Construction Funding Plan	
<i><u>Funding Source</u></i>	<i><u>Contribution</u></i>
Cash Contribution:	\$8,000,000
Financing Proceeds:	\$9,500,000
Total:	<u>\$17,500,000</u>

Note capital outlay reserve (Fund 40) has estimated ending fund balance of \$7.6 million for FY 2022-23 including funds from property sales, per FY 2022-23 Budget.

Agenda

✓ Paying for Construction of the Harter Building

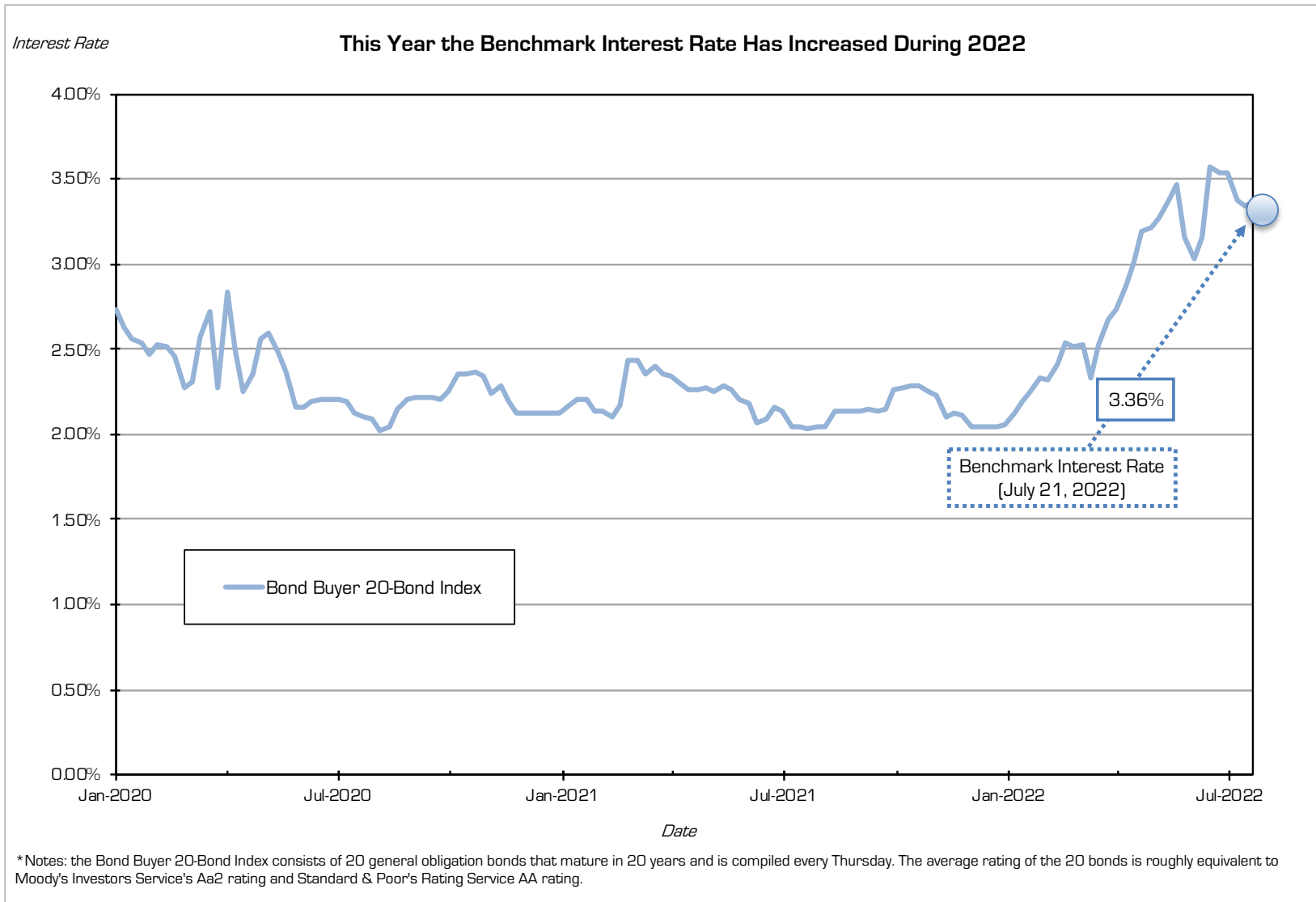
◆ Financing Plan

◆ Preview of Financing Process

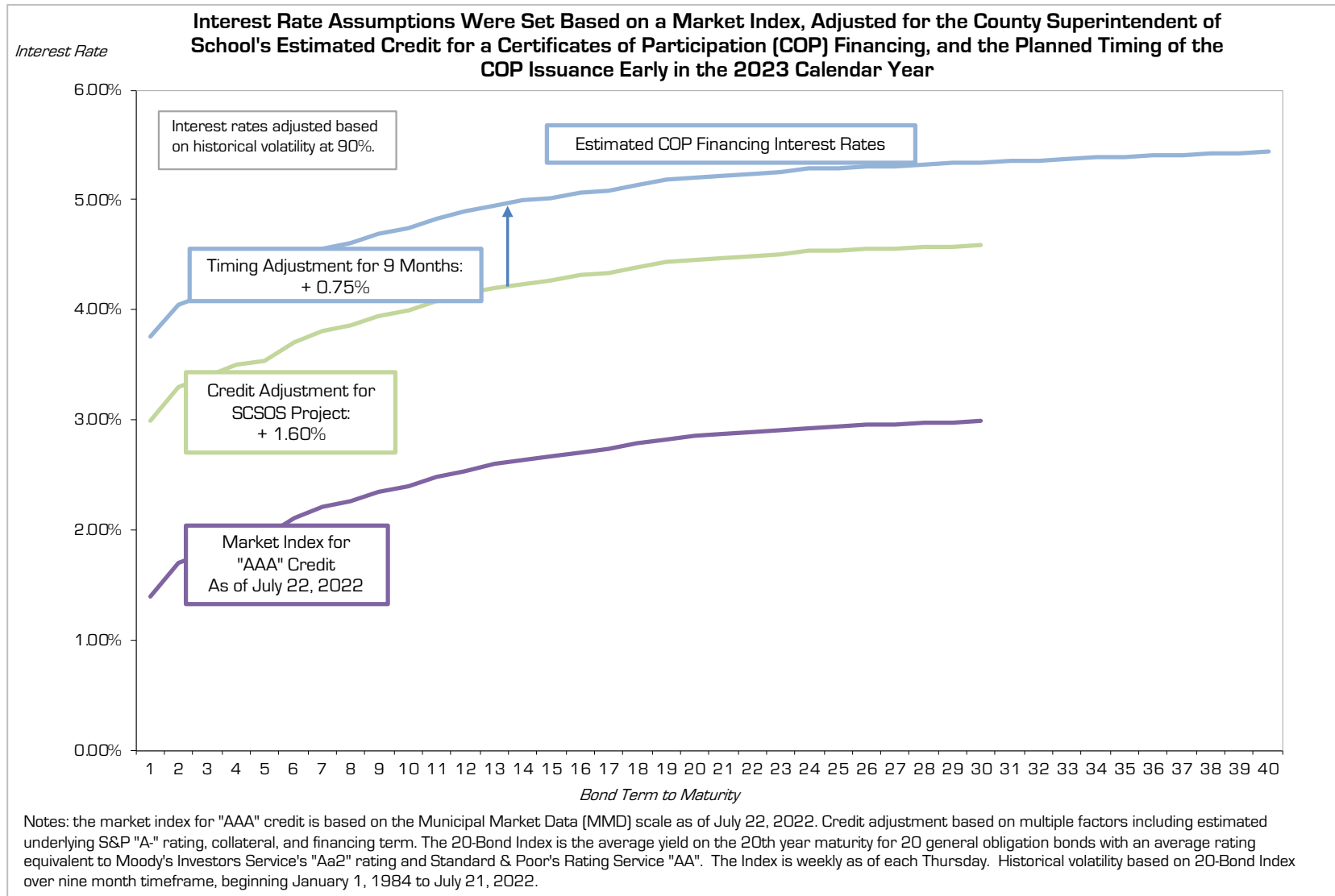
◆ Next Steps



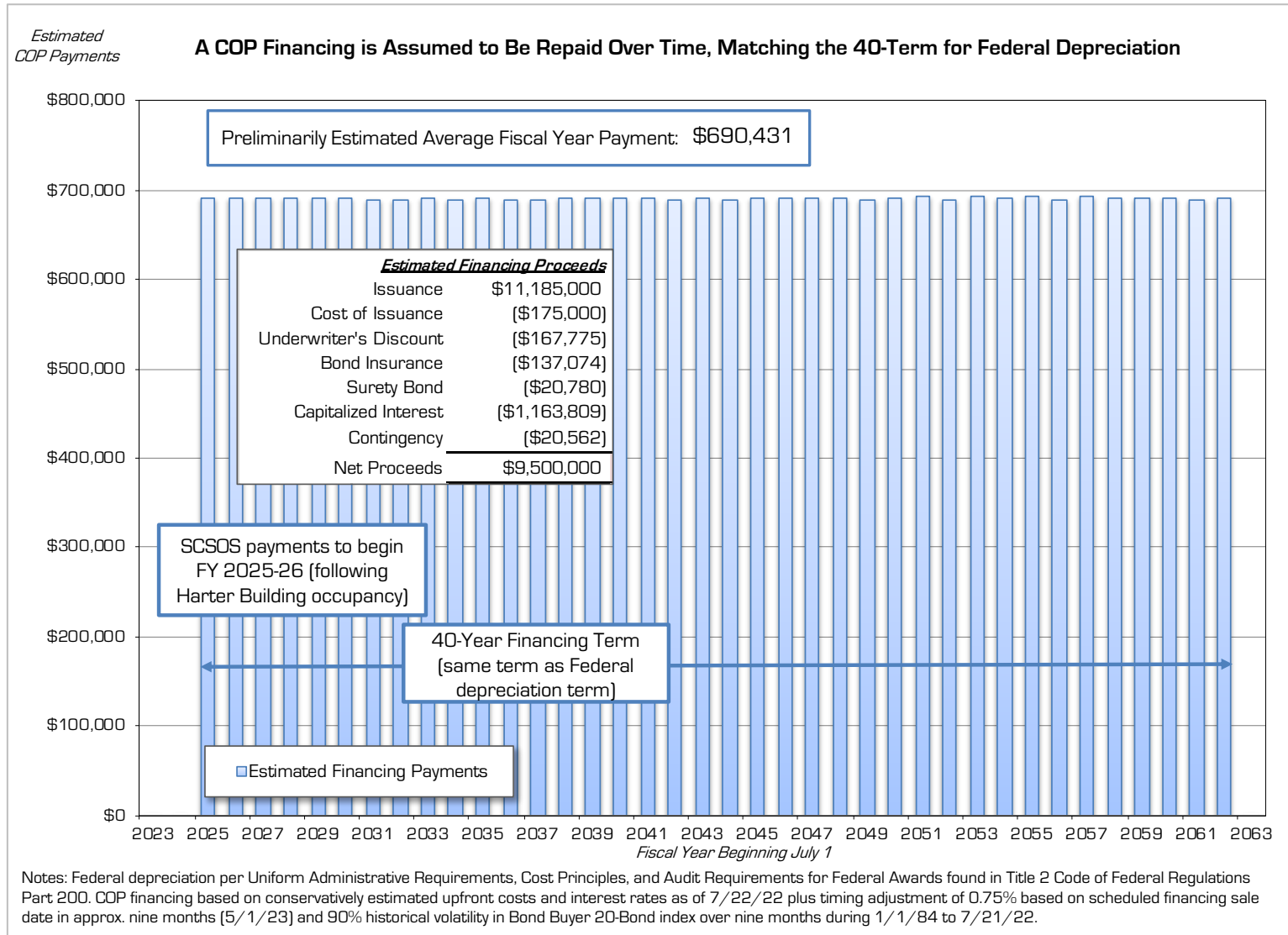
Financing Cost On the Rise



Even Higher Interest Rates Assumed



Estimated Financing Payments



Repaying this Financing

- ◆ This financing can be repaid by:
 - ▶ First, cancelling lease agreements for rental facilities that house programs that can be moved into the Harter Building:

Potential Facilities Lease Cancellations		
<i><u>Location</u></i>	<i><u>Department</u></i>	<i><u>Current Lease</u></i>
950 Tharp Road #1000	One-Stop	\$110,582
950 Tharp Road #1100	One-Stop	\$103,440
990 Klamath Lane	Adult Ed/CTC/ROP	\$99,909
939 Live Oak Blvd.	Career Training Center	\$127,308
	Total:	\$441,239

- ▶ Then, redirecting rent expenses toward financing payments.
 - Estimated to cover 64% of the payments initially.
 - Benefit grows over time due to avoiding rent increases.

Note: lease amounts per Sutter County Superintendent of Schools.

Repaying a Financing (Continued)

- ◆ The remaining portion of the financing (approx. \$250,000) is preliminarily expected to be repaid by a combination of:
 - ▶ Increasing rental rates charged for the cost of housing One Stop Federal programs in the Harter Building:
 - WorkAbility
 - Workforce Innovation and Opportunity Act (WIOA)
 - ▶ Adding building depreciation to M&O allocations charged to departments.
 - ▶ Increasing tuition/fees for CTC programs.
 - ▶ Expanding CTC programs:
 - Cosmetology
 - Dental Assistant and/or Vocational Nursing



Note: the Federal programs receive reimbursement through the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards found in Title 2 Code of Federal Regulations Part 200.

Agenda

✓ Paying for Construction of the Harter Building

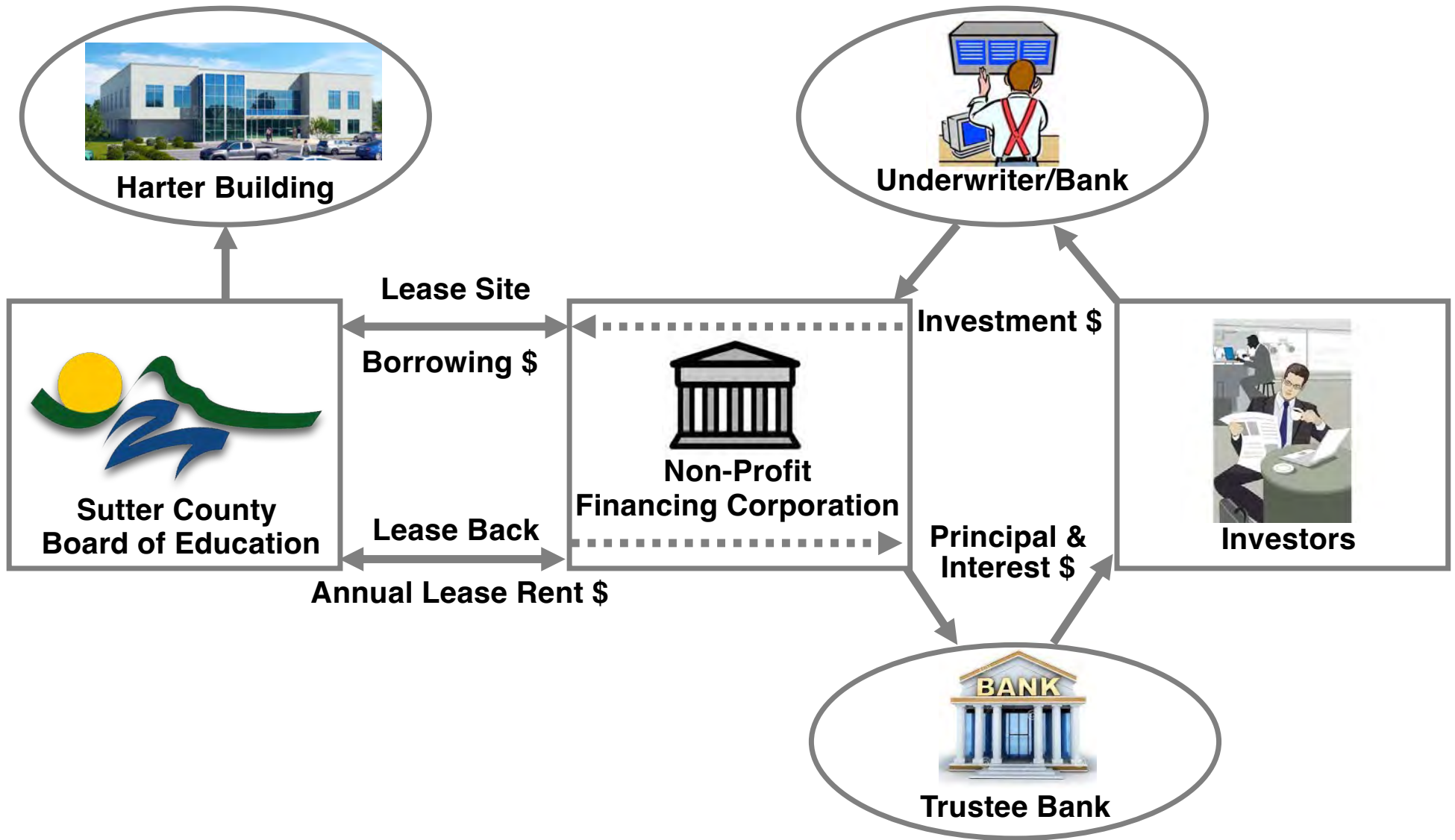
✓ Financing Plan

◆ Preview of Financing Process

◆ Next Steps



Financing Legal Structure: COPs



Sites Subject to Lease

- ◆ 3 sites will initially be subject to the lease agreement:
 - ▶ Main Administration (insured value ~\$4 million)
 - ▶ Feather River Academy (insured value ~\$6 million)
 - ▶ New Building
- ◆ The 3 sites will serve as initial collateral for the loan.
 - ▶ Once the new building is completed, one or two sites may be dropped from serving as collateral.
 - ▶ In the event SCSOS defaults on the loan, investors have the option to take possession of the sites to sell or lease.
- ◆ As a practical matter, investors are counting on SCSOS to live up to its obligation in good faith.



COP Sale Methods

- ◆ Competitive Process - auction



- ◆ Negotiated Process - sale to pre-selected underwriter or lender/investor



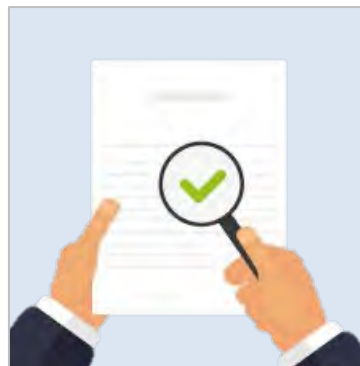
The Government Finance Officers Association (GFOA) recommends that "bond issuers sell their debt using the method of sale that is most likely to achieve the lowest cost of borrowing while taking into account both short-range and long-range implications for taxpayers and ratepayers."

Recommended COP Sale Process

- ◆ Current recommendation: competitive bid process.
- ◆ Based on review of Government Finance Officers Association (GFOA) published best practices.
- ◆ Based on our history with competitive bids (prior 20 years):
 - ▶ Sacramento COE 2002 COPs: 5 bids
 - ▶ Yuba COE 2003 COPs: 4 bids
 - ▶ Yolo COE 2004 COPs: 2 bids
 - ▶ SCSOS 2008 COPs for Shady Creek: 2 bids
 - ▶ Madera CSOS 2011 COPs: 4 bids
 - ▶ Yolo COE 2015 COPs: 3 bids
- ◆ Recommendation may be updated based on market conditions at the time of the COP sale.

COP Legal Documents

- ◆ A Board Resolution and legal documents associated with the financing are expected to be drafted and provided to the Board for consideration of approval early in the 2023 calendar year.
- ◆ Additional information on the legal documents and an update on market conditions are also planned for the Board's review early in the 2023 calendar year.



State Superintendent Review

- ◆ SCSOS must notify the State Superintendent of Public Instruction's office regarding the financing.
 - ▶ Per Education Code 17150.1(b)
 - ▶ Notification required to occur at least 30 days before Board considers approval
 - ▶ Similar to how school districts notify County Superintendent of Schools of financing under Education Code 17150.1(a)
- ◆ The Superintendent's office may comment publicly to the Board regarding the capability of SCSOS to repay the financing.



Note: we assist in preparation of a debt notification report on behalf of SCSOS for the State Superintendent of Public Instruction's office, similar to debt review reports we prepare when reviewing the proposed debt of school districts submitted for review to SCSOS.

Next Steps

- ◆ Tonight: information on preliminary financing plan.
- ◆ January 2023: planned information presentation update to the Board of Education.
- ◆ February 2023: Board asked to consider of approval of the financing and associated legal documents.
- ◆ April 2023: financing process completed and funds available for construction of the Harter Building.

