



# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Board of Education Report

<b>Report Number:</b>	155-12/13
<b>Date:</b>	February 12, 2013
<b>Subject:</b>	Amendment to the Facilities Services Division Strategic Execution Plan to Cancel 191 and Unfund 25 Projects
<b>Responsible Staff:</b>	
Name	Mark Hovatter, Chief Facilities Executive
Office/Division	Facilities Services Division
Telephone No.	213-241-4811

### BOARD REPORT

**Action Proposed:** Staff proposes that the Board of Education amend the Facilities Services Division (FSD) Strategic Execution Plan (SEP) to cancel 191 projects listed in Attachment A and to unfund 25 projects listed in Attachment B.

**Background:** Nearly 15 years have passed since voters approved the District's first local bond measure, Proposition BB. Since that time, \$19.5 Billion in capital funding has been secured for the current Bond Program. This Program is funded primarily by local school bond measure proceeds that have been leveraged to secure approximately \$5.9 Billion in matching funds resulting in the development of even more capital improvement projects than anticipated.

On April 10, 2012, the Board approved an amendment to the FSD-SEP to cancel 633 and unfund 288 projects (Board Report No. 201-11/12). This was the first major cancellation and unfunding action that had taken place over the life of the current Bond Program. The 2012 FSD-SEP is a more accurate reflection of the remaining work that will be undertaken, than previous versions because of April 2012 cancellation and unfunding action.

Since April 2012, a number of projects have accumulated in the SEP that are now deemed either unnecessary or cost prohibitive. The cleanup action proposed in this Board Report will cancel 191 projects that are no longer needed or feasible as defined (Attachment A) and unfund an additional 25 projects (Attachment B) that are still needed but do not have the funding necessary to complete the scope. The unfunded projects will remain in the SEP as unfunded requirements that could be funded when future money becomes available. This cancellation and unfunding action is necessary for the FSD-SEP to be an accurate reflection of the remaining work that will be executed as part of the current Bond Program.



## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Board of Education Report

#### **Cancelled projects fall into the following categories:**

##### ***Portable Buildings Certification and Access Compliance – 126 projects***

These projects were defined and designs were submitted to the Division of the State Architect (DSA) more than seven years ago. Site conditions have changed significantly and the projects no longer reflect the work that needs to be done. New scope, schedule, budget and DSA approval are necessary if the underlying requirement still exists.

##### ***Early Education Centers – 30 projects***

The Division of Early Childhood Education has requested cancellation of 30 projects because they do not currently reflect the priorities for project work at these sites, particularly in light of recent center closings.

##### ***Portable Removals – 2 projects***

These projects were defined to remove portables that are now required for other use (i.e. Charter co-location or administrative use). Or, in some cases, the portable is scheduled for removal as part of another project's scope.

##### ***Non Air Conditioned Spaces – 1 project***

Requirement(s) no longer exists for 1 project as the area is no longer being used as a classroom and does not house computer equipment. The school is requesting the cancellation.

##### ***Measure K - Local District (LD) Defined – 1 project***

Due to changes in site conditions, the requirement for one project to regrade for drainage no longer exists. A cancellation form was signed by the Principal, Regional Facilities Director (RFD) and Educational Service Center (ESC) leadership.

##### ***Alterations & Improvements – 6 projects***

These projects were previously identified by former Local District Superintendents and are no longer being requested for various reasons. Cancellation forms for these projects have been signed by each Principal, RFD, and ESC leadership.

##### ***Board Member Priority – 3 projects***

Projects previously identified by Board Members are no longer required or viable for various reasons. Cancellation forms have been signed by each Board Member and FSD Program Manager.



## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Board of Education Report

#### ***Major Repairs – 8 projects***

Requirement(s) no longer exists for these major repair projects (lead in water and restroom renovation) due to EEC centers being closed and insufficient funds to perform renovations. Cancellation forms have been signed by each RFD and ESC leadership.

#### ***BB Program - 9 projects***

The requirement(s) that generated these projects no longer exists (1 exterior paint project and 8 security grill projects). Cancellation forms have been signed by the appropriate RFD and ESC leadership.

#### ***Fire Alarms – 5 projects***

The requirement(s) that generated these projects no longer exists. Cancellation forms have been signed by the appropriate RFD and ESC leadership.

### **Unfunded projects fall into the following categories:**

#### ***Asbestos Removal – 3 projects***

Funding is currently unavailable for these asbestos removal projects, however the requirement to remove the asbestos containing materials still exists. At present time, these conditions are stable and do not pose a direct hazard to occupants. Cancellation forms have been signed by the appropriate RFD and ESC leadership.

#### ***Non-Air Conditioned Spaces – 1 project***

Space is currently being utilized as an open shop room and does not house computer equipment. As such, the project scope no longer aligns with the goals of this Board-prioritized program.

#### ***Measure K - LD Defined – 13 projects***

These projects fall into two categories: Scope requirement and estimated cost are now significantly greater than the available budget or RFD and/or ESC leadership have identified other Measure K projects as higher priorities and chose to unfund this work.

#### ***Major Repairs – 8 projects***

Many of these projects were unfunded as part of the 2007 reallocation effort and the remainder are unfunded because the scope and current estimated cost are greater than the available budget.



## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Board of Education Report

**Expected Outcomes:** Approval of the proposed action will enable staff to produce a 2013 FSD-SEP that accurately reflects the remaining work that will be executed as part of the current Bond Program.

**Board Options and Consequences:** If the Board approves the proposed action, staff will proceed with cancelling 191 projects and removing them from the SEP, and placing 25 projects on the unfunded list. If the Board does not approve the proposed action, projects that are no longer required, viable to execute as defined, or do not have adequate funding to execute will continue to be considered active projects and will appear in the SEP and be reported on in all status reports and audits.

All of these projects are currently inactive. If the Board does not approve this proposed action, the projects will remain inactive. For projects with an existing underlying requirement(s), only when additional funding is identified and an accurate scope, schedule and budget is established will the project be executed.

**Policy Implications:** The requested action does not change current District policies.

**Budget Impact:** Bond Program funds are associated with the projects included in this proposed action. There is no impact to the General Fund. The budget, estimate to complete and commitments on each individual project budget will need to be reviewed and analyzed in order to determine the amount of funds, if any, that can be made available for additional projects. Should available funding be identified, it will be returned to the Board-prioritized program that the cancelled/unfunded project is associated with.

**Issues and Analysis:** The cancellation and unfunding of these projects will remove them from the SEP which will maintain schedule, total project count, and overall program cost accuracy. Instances have been identified where site conditions no longer dictate the need for the originally identified improvements for certain projects.

In an effort to minimize confusion and ensure transparency, processes and procedures have been implemented to deal with any future changes in projects that necessitate cancellation or unfunding. Only with written approval from the appropriate owners/clients and the subsequent review by the Citizens' Bond Oversight Committee and approval by the Board of Education, will a project be cancelled or unfunded and funds made available for other higher priority projects.



## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Board of Education Report

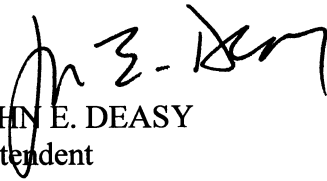
<b>Bond Oversight Committee Recommendations:</b>	This item was considered by the School Construction Bond Citizens' Oversight Committee (BOC) at its meeting on January 23, 2013. The BOC adopted the attached resolution by a vote of 13 ayes and 0 nay.
	Staff has concluded that this proposed SEP amendment will help facilitate implementation of the SEP, and therefore, it will not adversely affect the District's ability to successfully complete the SEP.
<b>Attachments:</b>	<i>Attachment A</i> - Cancellation of 191 Projects <i>Attachment B</i> - Unfunding of 25 Projects
<b>Informative</b>	None
<b>Desegregation Impact Statement</b>	N/A



# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Board of Education Report

Respectfully submitted,

  
DR. JOHN E. DEASY  
Superintendent

APPROVED BY:

  
MICHELLE KING  
Senior Deputy Superintendent  
School Operations

APPROVED &  
PRESENTED BY:

  
MARK HOVATTER  
Chief Facilities Executive  
Facilities Services Division

PRESENTED BY:

  
BILL WHERRITT  
Deputy Director of Program Support  
Facilities Services Division

REVIEWED BY:

  
DAVID HOLMQUIST  
General Counsel

☒ Approved as to form

  
TONY ATIENZA  
Director of Budget Services and Financial  
Planning

☒ Approved as to budget impact statement

## ATTACHMENT B - UNFUNDING OF 25 PROJECTS

ESC	BD	School Name	Project Description	Category	Project #
W	1	3rd St. ES	ATU - LOS ANGELES COMPLEX	Asbestos Abatement	23.05174
W	4	Community Magnet Charter ES	ATU - COMMUNITY MAGNET	Asbestos Abatement	23.04443
S**	7	Riley HS	ATU - JORDAN COMPLEX	Asbestos Abatement	23.05193
E	2	Rowan ES	REPLACE HVAC SYSTEMS	Major Repairs	23.08559
N	3	Parthenia ES	HEAT GENERATING SYSTEM	Major Repairs	57A00314
S	5	Nueva Vista ES	REPLACE HVAC SYSTEMS	Major Repairs	23.08527
S	5	State ES	REPLACE CONCRETE	Major Repairs	23.05886
S	5	State ES	REPLACE PAVING	Major Repairs	23.05887
N	6	Chase ES	TERMINAL & PACKAGE UNIT	Major Repairs	23.07752
S*	7	Figueroa ES	REPLACE HVAC SYSTEMS	Major Repairs	23.08423
S	7	Fries ES	REPLACE HVAC SYSTEMS	Major Repairs	23.08428
N	3	Cleveland HS	OFFICE MODIFICATION	Measure K - Local District Defined	23.01944
N	3	Lull Special Education Center	AUDITORIUM RENOVATION	Measure K - Local District Defined	23.01931
W	1	Bradley Environmental Science/Humanities Magnet	MAIN OFFICE MODERNIZATION	Measure K - Local District Defined	23.00524
E	2	Malabar ES	ADA CODE COMPLIANCE	Measure K - Local District Defined	23.00987
E	2	Rowan ES	PROVIDE SHADE STRUCTURE	Measure K - Local District Defined	23.08277
W	4	Melrose ES Math/Science/Technology Magnet	UPGRADE LUNCH SHELTER & ARCADE	Measure K - Local District Defined	23.02425

## ATTACHMENT B - UNFUNDING OF 25 PROJECTS

ESC	BD	School Name	Project Description	Category	Project #
S	5	Gage MS	REMODEL COVERED EATING AREA	Measure K - Local District Defined	23.01826
S	5	Heliotrope ES	ADA CODE COMPLIANCE	Measure K - Local District Defined	23.02660
S*	5	Nimitz MS	ADA CODE COMPLIANCE	Measure K - Local District Defined	23.01887
S	5	San Gabriel ES	STAGE LIFT IN AUDITORIUM - ADA CODE COMPLIANCE	Measure K - Local District Defined	23.01848
S	5	South Gate MS	BARRIER REMOVAL	Measure K - Local District Defined	23.01865
S	5	State ES	RENOVATE OFFICE & PROVIDE SECURITY	Measure K - Local District Defined	23.02752
S	7	South Shores Magnet School for the Visual/Performing Arts	LUNCH SHELTER	Measure K - Local District Defined	23.01069
E	5	Marshall HS	NON AIR CONDITIONED CLSRMS & COMPUTER EQUIPMENT ROOM	Non Air Conditioned Spaces	23.08925

\* = Intensive Support and Innovation Center

\*\* = Option Schools



**SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE**

**Stephen English, Chair**  
L.A. City Controller's Office

**Pamela Schmidt, Vice-Chair**  
Early Education Coalition

**Maria Cabildo, Secretary**  
LAUSD Student Parent

**Quynh Nguyen, Executive Committee**  
LAUSD Student Parent

**Bill Brewington**  
Thirty-First District PTSA  
**Paul Escala**  
CA Charter School Association

**Scott Folsom**  
Tenth District PTSA

**Eva Hain**  
AARP

**John Hakel**  
Assoc. General Contractors of CA

**James E. Herr**  
L.A. Chamber of Commerce

**Stuart Magruder**  
American Institute of Architects

**Ron Miller**  
L.A. Co. Federation of Labor AFL-CIO

**Jim Schneiderman**  
L.A. Co. Auditor-Controller's Office

**Joan Sullivan**  
L.A. Mayor's Office

**Barry Waite**  
CA Tax Reform Assn.

**Elizabeth Lugo (Alternate)**  
LAUSD Student Parent

**Becki Nadybal (Alternate)**  
L.A. Mayor's Office

**Joseph P. Buchman – Legal Counsel**  
Burke, Williams & Sorensen, LLP  
**Thomas A. Rubin, CPA**  
Oversight Committee Consultant

**Gary C. Anderson, PhD**  
Bond Administrator  
**Daniel Hwang**  
Administrative Analyst

**RESOLUTION 2013-03****BOARD REPORT NO. 155-12/13**

**AMENDMENT TO THE FACILITIES SERVICES STRATEGIC EXECUTION PLAN  
TO CANCEL 191 AND UNFUND 25 PROJECTS**

WHEREAS, since April 2012, a number of projects have accumulated in the SEP that are now deemed either unnecessary or cost prohibitive; and

WHEREAS, on April 10, 2012, the Board approved an amendment to the Facilities Services Division Strategic Execution Plan (FSD-SEP) to cancel 633 and unfund 288 projects (Board Report No. 201-11/12); and

WHEREAS, the 2012 FSD-SEP is a more accurate reflection of the remaining work that will be undertaken, than previous versions because of April 2012 cancellation and unfunding action; and

WHEREAS, Since April 2012, a number of projects have accumulated in the SEP that are now deemed either unnecessary or cost prohibitive

NOW, THEREFORE, BE IT RESOLVED THAT:

- 1- The School Construction Bond Citizens' Oversight Committee recommends that the Board of Education amend the FSD-SEP to cancel 191 projects and unfund 25 projects which are described in attached Board Report No. 155-12/13.

**Resolution 2013-03**

Amendment to the Facilities Services Division Strategic Execution Plan to Cancel 191 and Unfund 25 Projects

- 2- This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Bond Oversight Committee's website.
- 3- This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Bond Oversight Committee's website.


ADOPTED on January 23, 2013 by the following vote:

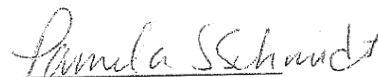
AYES: 13

ABSTAIN: 0

NAYS: 0

ABSENT: 2

  
Stephen English  
Chair

  
Pamela Schmidt  
Vice Chair