

SIERRA SANDS UNIFIED SCHOOL DISTRICT

**Board of Education
Special Meeting**

**JUNE 21, 2017
District Office
113 W. Felspar Ave.
*www.ssusdschools.org***

We, the members of the Board of Education of the Sierra Sands Unified School District, are committed to providing the highest quality education in a safe environment to all K-12 students. We believe the school shares with the family, church, and community the responsibility for developing life-long learners who are responsible, productive citizens.

A G E N D A

CALL TO ORDER AND PLEDGE TO THE FLAG

12:00 P.M.

Amy Castillo-Covert, Vice President/Clerk
Bill Farris
Tim Johnson, President – telephonically from 5711 Abercorn St., Savannah, GA 31405
Kurt Rockwell – telephonically from 1301 Emmet St., Charlottesville, VA 22903
Michael Scott

Ernest M. Bell, Jr., Superintendent

MOMENT OF SILENCE

1. ADOPTION OF AGENDA

2. BUSINESS ADMINISTRATION

2.1 Adoption of the 2016-19 Local Control Accountability Plan (LCAP)
2.2 Adoption of the Sierra Sands Unified School District Proposed Budget for Fiscal Year 2017-18

3. CONSTRUCTION ADMINISTRATION

3.1 Authorization to Enter into Change Order #2 to the General Trades Contract with Bravo Construction, Inc. for Textbook Storage Shelving for the New Murray Middle School

4. ADJOURNMENT

2. BUSINESS ADMINISTRATION

2.1 Adoption of the 2017-20 Local Control Accountability Plan (LCAP)

BACKGROUND INFORMATION: In 2013-14, the enactment of the Local Control Funding Formula (LCFF) dramatically reformed California's educational funding system. The LCFF eliminated most categorical funding streams, replacing them with funds based on each LEA's student demographic profile. The LCFF instituted a change in LEA accountability in the form of a three-year Local Control Accountability Plan (LCAP), with annual updates, that focuses on services and outcomes for all students, with emphasis on English learners, low income, and foster youth students. In 2016-17, the LCAP template was updated by the state to improve stakeholder engagement and to increase transparency.

CURRENT CONSIDERATIONS: The Sierra Sands Unified School District proposed LCAP is posted on the district website, www.ssusd.org. Included in the LCAP is a timeline that outlines the process the district used to gather stakeholder input and draft the LCAP. Several meetings were held to review district data, determine district needs, and develop goals with actions and services to address the eight state priorities in the LCAP. Stakeholder membership includes staff, parents, students, community members, board members, and bargaining unit members. On an ongoing basis, stakeholders were informed of the status of the LCAP implementation, data points, and progress monitoring of LCAP goals, actions, and services. Revisions were made to the LCAP as stakeholder input was received and considered. As a result of the evaluation of the implementation of this year's LCAP goals, actions, services and expenditures, and the development of an annual comprehensive needs assessment developed by stakeholders, the following revisions have been made to actions, services, and expenditures in order to meet stated goals:

- Reallocate 1 FTE Secondary Intervention Counselor (supporting JMMS/MMS) to elementary counseling.
- Add 1 FTE Elementary Counselor through anticipated 2017 Supplemental Funds. These revisions would fully support the provision of a full time counselor at each elementary site.

The board held a public hearing to solicit the recommendations and comments of members of the public regarding the specific actions and expenditures proposed to be included in the LCAP. The public hearing was held at the same meeting as the annual budget public hearing. Sierra Sands conducted the public hearing on June 15, 2017 at a regularly scheduled board meeting. The board is required to hold a second public meeting after, but not on the same day, as the public hearing to adopt the LCAP. This meeting must be the same meeting as the adoption of the district budget. The district must file with the Kern County Office of Education the adopted LCAP and budget

within five days after adoption, but no later than June 30, 2017. The Sierra Sands Unified School District LCAP is posted on the district website at www.ssusd.org.

FINANCIAL IMPLICATIONS: In order to meet the required minimum proportionality percentage in the LCAP, the district plans to spend supplemental grant funds as outlined in the 2017-20 Goals 1-4.

SUPERINTENDENT'S RECOMMENDATION: The superintendent recommends that the 2017-20 LCAP be adopted as presented.

2. BUSINESS ADMINISTRATION

2.2 Adoption of the Sierra Sands Unified School District Proposed Budget for Fiscal Year 2017-18

BACKGROUND INFORMATION: Education Code Section 42127 requires that on or before July 1 of each year, the governing board will adopt a budget and file that budget with the county superintendent of schools. In accordance with the district's practice, guidance from School Services of California, California Department of Education, the Kern County Office of Education, and the Fiscal Crisis and Management Assistance Team was used in formulating the proposed Sierra Sands Unified School District 2017-18 budget.

CURRENT CONSIDERATIONS: The Governor's 2017-18 Budget May Revision paints a somewhat brighter fiscal picture than what was offered in his January Budget proposal. This year the Governor lowered revenue expectations for 2016-17 but for 2017-18 he raised his revenue forecast. Budget year revenues are expected to exceed the January forecast by almost \$1.9 billion. This revenue gain allows for increased spending next year. The Governor, as expected, returned to his theme of fiscal prudence, manifested in a proposed suspension of a provision of Proposition 98 over multiple years, resulting in more than \$1.2 billion in reductions to the minimum guarantee. Even though suspended payments would accrue to the maintenance factor questions remain as to how this strategy will affect future Prop 98 funding. The May Revision proposes to fully eliminate the current year one-time June deferral that was proposed in January.

The main budget issues revolve around the following items:

- LCFF level of gap funding is proposed to be 43.97%, up from January's 23.67%. The May Revision projects that the LCFF will be 97% implemented in 2017-18.
- Under the LCFF Sierra Sands does not receive significantly more funding compared to other districts in the state due to its lower percentage of focus subgroups. The district is at 52.54% level of unduplicated students.
- The budget is now driven by the LCAP. Supplemental grant funding is projected to increase from \$3,452,035 in 2016-17 to \$3,855,673 in 2017-18 due to the further implementation of the LCFF. Future budget considerations must include increased demands on resources to close the achievement gap for targeted students.
- The May Revision included a total of more than \$1 billion in one-time discretionary funds, but they are not scheduled to be disbursed until May 2019, if then. These funds are therefore not budgeted.

- The district must continue to make adequate progress toward class size requirements for the LCFF K-3 Grade Span Adjustments or risk losing funding.
- All elementary schools are currently either at the 24:1 ratio or at 24.5:1 so the requirement is almost completely implemented.
- The district continues to experience a modest growth in enrollment.
- The district experienced a residential placement in the 2016-17 school year. The residential placement will continue in 2017-18 at a cost of \$40K for a partial year.
- Minimum wage enactment over the next five years, starting 1/1/2017, will considerably impact the budget as no additional funding is made available.
- There is a small COLA of 1.56%, for Special Ed, Child Nutrition, Foster Youth, and Preschool. Special Ed will continue to require a general fund contribution. The Food Service Program is also expected to require a contribution in 2017-18.
- The final installment of the 3-year Career Technical Education Incentive Grant is at hand and no additional funding is proposed.
- The district had to borrow \$4.M from Fund 17 this school year.

Assumptions for 2017-18:

- California CPI 3.11%
- \$ per ADA (LCFF) \$8,749
- Student ADA \$4,778
- COLA 1.56%
- Lottery-Unrestricted \$144.00 per student
- Proposition 20 \$45.00 per student
- Mandated Cost Block Grant \$165,000
- One time discretionary funding \$170 per ADA but on hold
- Cost of Step & Column is estimated at ~1% for all associations
- Cost of Health and Welfare package is calculated at a ~3.2% cost increase
- CalSTRS employer contribution 14.43% (from 12.58%)
- CalPERS employer contribution 15.531% (from 13.888%)
- Adult Education Block Grant No increases since January
- Deferred maintenance will be paid at 100% from the unrestricted general fund
- District Reserve for Economic Uncertainty will be maintained at 5% (\$2.6M) in the general fund
- Transportation funding add-on to the LCFF is maintained at the same level as 2012-13 funding

Future outlook:

- Gap Funding for the out years is projected by the DOF to be 71.53% and 73.51% vs. SSC 39.03% and 41.51%. At full LCFF implementation the district will receive increases through additional ADA and COLA only.

- COLA increases for the next few years are expected to be in the range of 1.0%-2.5%.
- Proposition 55, the extension of the high income bracket income tax, is expected to generate about \$10 billion to \$14 billion over the next 12 years to support the state's General Fund.
- California is still one of the states with the lowest public education funding despite LCFF.
- Restoration of purchasing power to the 2007-08 level by 2020-21 as promised under the LCFF funding model appears it will not be fully restored due to rising cost in pension contribution and special education costs.
- STRS unfunded liability is projected to result in cumulative increases in employer contributions – increases of 1.85% are slated yearly.
- PERS employer contribution rates are slated to increase to as high as ~23.8% by 2020.
- In his January budget the Governor offered his support for the sale of Proposition 51 bonds contingent upon transparency and accountability in the State School Facility Program. He proposed developing and implementing an up-front grant agreement and subsuming the audit of state-funded facility projects into the annual K-12 independent audit process. Indications in the budget proposal are that if these measures are enacted, the administration will support expenditure of the Prop 51 funds.

The district continues to maintain the board required reserve level of 5% as the 3% state minimum is an inadequate level of funds for the district to be prepared for uncertain economic factors. While the district maintains its positive certification due to its availability of reserves, slowing down of funding increases in future years will continue to push expenditures past available resources with the expectation of further deficit spending in the near future. Despite greater demands on its resources the district plans to remain solvent for the 2017-18 and the two subsequent out-years.

It must be noted that the State budget has not yet been finalized at the time of preparation of this document. The legislative process will carry out before the State Budget is adopted and will most likely include changes to the May Revision. The budget is posted on the district website at www.ssusd.org.

FINANCIAL IMPLICATIONS: The district maintains its positive certification and continues to remain fiscally solvent in 2017-18 and the two out-years.

SUPERINTENDENT'S RECOMMENDATION: It is recommended that the board adopt the proposed budget for the 2017-18 school year as presented.

3. CONSTRUCTION ADMINISTRATION

3.1 Authorization to Enter into Change Order #2 to the General Trades Contract with Bravo Construction, Inc. for Textbook Storage Shelving for the New Murray Middle School

BACKGROUND INFORMATION: In December of 2012, the district received a grant from the Department of Defense (DoD) - Office of Economic Adjustment (OEA) for approximately thirty-nine million dollars for the construction of a new Murray Middle School. In response to that grant, the district has initiated design and construction phase services to complete execution of the project. Having received approval from the Division of the State Architect and the SSUSD Board of Trustees to commence construction of the project, prime trade contractors commenced construction on the site. Bravo Construction Inc. was awarded the contract for General Trades.

CURRENT CONSIDERATION: While library shelving was included in the base bid package, the shelving for the textbook storage room was not included. It is necessary for the operation of the school that procurement of the unforeseen textbook storage shelving commence immediately in order to maintain the project’s very tight schedule and budget. Evaluation of the best, least costly manner to maintain cost and schedule was to make the procurement of textbook shelving as a change order to the existing general trades contract with Bravo Construction, Inc. Review of the change order proposal submitted by Bravo Construction, Inc. indicates that it is in line with material and labor cost for the work.

FINANCIAL IMPLICATIONS: Authorization is requested to amend the contract with Bravo Construction, Inc. as follows:

Bravo Construction, Inc. – General Trades – Base Contract	\$821,000.00
Previously Approved Change Order	\$ 39,996.00
<u>Proposed Change Order #2</u>	<u>\$ 27,267.66</u>
Total New Contract Amount	\$888,263.66

Funding for this expense shall be 80% from the Murray Middle School DoD grant funds and 20% from district matching funds including Fund 35.

SUPERINTENDENT’S RECOMMENDATION: It is recommended that the board approve Change Order #2 to add the work described therein to the agreement with Bravo Construction, Inc. for the procurement, delivery, and installation of textbook storage shelving.

CHANGE ORDER

Distribution to:

- | | |
|--|---|
| <input checked="" type="checkbox"/> OWNER | <input checked="" type="checkbox"/> INSPECTOR |
| <input checked="" type="checkbox"/> ARCHITECT | <input checked="" type="checkbox"/> DSA |
| <input checked="" type="checkbox"/> CONTRACTOR | <input type="checkbox"/> CITY AGENCY |
| <input checked="" type="checkbox"/> FIELD | <input checked="" type="checkbox"/> OTHER |

PROJECT:	Sierra Sands Unified School District	CHANGE ORDER NO.:	2
	Project Name: NEW MURRAY MIDDLE SCHOOL 200 E. Drummond Avenue Ridgecrest, CA 93555	DATE OF ISSUANCE:	June 22, 2017
TO:	BRAVO CONSTRUCTION, INC. 881 W La Cadena Drive Riverside, CA 92501	PROJECT NO.:	210001
	Bid Category: GENERAL TRADES	DSA APPL. #	A-03-116198
		CONTRACT FOR:	Textbook Storage Shelving Units
		CONTRACT DATE:	March 11, 2016
		C-CONTRACT NO.:	167504

Action: Request the Board of Trustees approve the contract changes contained in the below referenced Exhibits.

You are directed to make the following changes in this Contract:
Reference attached Change Order Item.

EXHIBIT	CONTRACTOR PCO	#		COST
EXHIBIT A	Proposal #	0	Proposal =	\$27,267.66
Total CO Amount:				\$27,267.66

Not valid until signed by the Owner, Architect and Contractor.

Signature of Contractor indicates his agreement herewith, including any adjustment in Contract Sum or Contract Time.

The original Contract Sum was	\$	821,000.00
Net change by previously authorized Change Orders	\$	39,996.00
The Contract Sum prior to this Change Order was	\$	860,996.00
The Contract Sum will be increased (decreased) by this Change Order	\$	27,267.66
The new Contract Sum including this Change Order will be	\$	888,263.66
The Contract Time will be changed by [0] Days.		0
The Date of Completion as of the date of this Change Order therefore is:		July 30, 2017

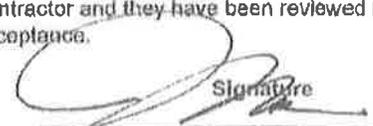
Contractor: **BRAVO CONCRETE**
RAYMOND KLECKS
Name (Printed)


Signature

06/15/2017
Date

I have reviewed the figures submitted by the Contractor and they have been reviewed by the District. I believe this request is valid and recommend for your acceptance.

Architect: **IBI GROUP, INC.**
Name (Printed)


Signature

June 15, 2017
Date

Const. Mgt. Rep.: Colombo Construction
 Program Mgt. Rep.: Maas Companies
 Inspector of Record: Mike Sllts
 Owner: Christina Giraldo
 Asst Supt Business + Support Svcs

M. Callahan
Ben J. Sills
Mike Sllts

6-15-17
 6-15-17
 6-16-17

cc:

ITEM CO.:

Requested by:	District
Reference	Exhibit "A" / Proposal - Bravo Construction Inc.
Justification	H/4
Time Extension	0 Days

ADD/DEDUCT: \$ 27,287.66

TOTAL CHANGE ORDER AMOUNT: \$ 27,287.66

CODE LEGEND*

- A SITE COST, UNFORESEEN FIELD CONDITION
- B SITE COST, ERROR AND/OR OMISSION
- C SITE COST, DISTRICT ADDED OR DELETED/REDUCED SCOPE
- D SITE COST, AGENCY OR CODE REVISION
- E SITE COST, CONTRACTOR IMPACT TO ANOTHER CONTRACTOR
- F BUILDING COST, UNFORESEEN FIELD CONDITION
- G BUILDING COST, ERROR AND/OR OMISSION

- H BUILDING COST, DISTRICT ADDED OR DELETED/REDUCED SCOPE

- J BUILDING COST, AGENCY OR CODE REVISION

- K BUILDING COST, CONTRACTOR IMPACT TO ANOTHER CONTRACTOR

- L CONTRACT ADMINISTRATIVE ISSUE

* Note: "I" has been omitted to avoid confusion with "1"

- 1 CONTRACTOR GENERATED
- 2 CONSTRUCTION MANAGER GENERATED
- 3 ARCHITECT/ENGINEER GENERATED

- 4 DISTRICT GENERATED
- 5 INSPECTOR OR AGENCY GENERATED