TO: RoseMary Parga Duran, Ed.D.

District Superintendent

FROM: Greg Spicer

Associate Superintendent, Administrative Services

PREPARED BY: Ken Testa, Ed.D.

Director of Facilities

DATE: December 8, 2015

SUBJECT: RESOLUTION NO. A-82-2015-2016 OF THE BOARD OF

EDUCATION OF THE MERCED CITY SCHOOL DISTRICT TO SUPPORT THE KINDERGARTEN THROUGH COMMUNITY COLLEGE PUBLIC EDUCATION FACILITIES BOND ACT OF

2016.

## Recommendation

It is recommended that the Board of Education adopt Resolution No. A-82-2015-2016, in support of the Kindergarten through Community College Public Education Facilities Bond Act of 2016.

### **Background**

The California State school facility program provides public school districts the opportunity to augment capital facilities program resources by applying for state eligibility to receive pupil grants for both new construction and modernization construction projects. Since 1982, every California State school facilities bond measure has passed by voters, affording school districts who submit funding applications to gain such revenue from such grants. New construction project grants match local bond funds, and modernization grants provide sixty-percent of construction costs for every forty percent match from local bond funds. Should the State Bond Act pass in November 2016, Merced City School District will be in position to receive over \$5.1M in grant applications for new construction eligibility submitted to date. Conservative estimates project the District will apply for no less than \$15,000,000 in modernization grant eligibility over the next five to eight years and potentially more than \$10,000,000 in new construction to replace aging modular classrooms and infrastructure based on a maximum current eligibility reflecting the most recent 2014/15 draft eligibility summary.

## **Fiscal Impact**

Revenue: Potential State grant eligibility reimbursements between \$15,000,000 to \$27,000,000

Expenditure: District 40% for modernization and equal match for new construction projects

Budget Category: Fund 35 – School Facilities

#### **RESOLUTION NO. A-82-2015-2016**

# RESOLUTION OF THE BOARD OF EDUCATION OF THE MERCED CITY SCHOOL DISTRICT TO SUPPORT THE KINDERGARTEN THROUGH COMMUNITY COLLEGE PUBLIC EDUCATION FACILITIES BOND ACT OF 2016.

- **WHEREAS,** the California Constitution finds public education is a State responsibility in Article IX Section 5; and
- WHEREAS, Article 1 Section 28 states that public schools shall be safe, secure and peaceful; and
- WHEREAS, the State has met its constitutional responsibilities since 1982 by providing consistent State bond resources through programs contained in Division 1, Part 10, Article 12 and Article 12.5 of the Education Code; and
- WHEREAS, the State is out of school facility funds and cannot provide the State match for almost \$2 billion in projects filed under current law; and
- WHEREAS, the Merced City School District School Facility Master Plan approved by the MCSD Governing Board in January of 2014 expresses over \$119 million in facility needs which may be partially funded by State bonds and;
- WHEREAS, the Kindergarten through Community College Public Education Facilities Bond Act of 2016 provides for renovation and upgrade of existing classrooms, construction on new classrooms to accommodate growth, and for career technical education facilities to provide job training to meet the trained workforce needs of California's employers; and
- WHEREAS, the California unemployment rate is greater than the national unemployment rate; and
- WHEREAS, 13,000 middle class jobs are created for each \$1 billion in school facility infrastructure investment; and
- **WHEREAS**, these jobs will be created throughout California and will include almost all buildings trades; and
- **WHEREAS,** the new Local Control Funding Formula and Local Control Accountability Plan are intended to improve educational achievement for all students but do not provide dedicated facilities funding; and
- **WHEREAS,** quality 21<sup>st</sup> Century school facilities designed for student needs of today and tomorrow enhance academic achievement and further the State's academic goals; and

**WHEREAS,** the Kindergarten through Community College Public Education Facilities Bond Act of 2016 will not raise State Taxes; and

WHEREAS, the Kindergarten through Community College Public Education Facilities Bond Act of 2016 State matching funds will reduce the need for additional local property taxes for school facilities.

**NOW, THEREFORE, BE IT RESOLVED** that the Merced City School District supports the Kindergarten through Community College Public Education Facilities Bond Act of 2016.

ADOPTED, SIGNED, and APPROVED this 8<sup>th</sup> day of December 2015.

AYES:	5
NOES:	0
ABSTAIN:	0
ABSENT	0

Board of Education of the Merced City School District

President

ATTEST

Clerk of the Board of Education of the Merced City School District