

ACCM Insider

Schools of the Future Initiative

The Superintendent of Public Instruction (SPI) has established a Schools of the Future Initiative with a broad spectrum of participants. The Initiative's purpose is to restructure the current School Facility Program (SFP) for a 2012 state school bond. The participants met on March 4, 2011 with an introduction from SPI Torlakson and the two co-chairs, Steve Rogers and Cesar Diaz. They were then divided into eight different subcommittees to develop their recommendations.

For Construction Reform the subcommittees are:

Funding and Governance

o The subcommittee will review current funding proposals, such as AB 331 (Brownley, 2011), and develop recommendations for cost savings while considering the need for complete schools. The subcommittee will review the current governance structure of the Office of Public School Construction, Division of the State Architect, Department of

Education, and the State Allocation Board and make recommendations for streamlining.

- School Site Selection and Community Impact
- o The subcommittee will review how Local Educational Agencies (LEAs) and communities should better collaborate in the selection of school sites. The subcommittee will develop recommendations to foster joint-use, smart growth and schools as centers of communities.

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State Budget and School Funding

With the breakdown of the 2011-12 state budget negotiations, funding for schools is in doubt. The Governor's proposed budget assumes that if there are not new revenues, there will be an additional \$2.2 billion cut to schools, most likely on an equal amount per student for all school districts and charter schools.

The Legislative Analyst's Office (LAO), however, assumes there will be additional cuts comparable to the General Fund allocation to K-14 education. The LAO assumptions are, instead of a second reduction of \$2.2 billion, a reduction of \$5.2 billion -- \$4.6 billion for K-12 and \$600 million for community colleges.

If the \$4.6 billion were made to K-12, it could be in a variety of reductions in overall funding. \$4.6 billion with 6 million students would result in an approximately \$760 per pupil additional reduction in funding. The reduction to community colleges could be as high as an additional \$600 per full-time equivalent student

Most school districts have anticipated the possibility of a \$2.2 billion reduction (\$2 billion for K-12 and \$200 million for community colleges) if the tax extensions are not approved. However, if the proportionate reductions occur as suggested by the LAO, then more schools could face fiscal insolvency. Currently, 13 school districts have a negative certification on their 2010-11 first interim report. A negative certification means a school district will not

be able to meet payroll by the end of the school year, June 30, 2011. An additional 97 school districts have a qualified certification which means that during the current and subsequent two years they would not be able to meet their costs by June 30, 2013. These school districts and additional school districts will be under greater pressure because the tax extension proposal is not on a June 2011 ballot. (Continued on Page 3)

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Modernization

o What recommendations would this group make to improve the current modernization program? This subcommittee will also consider recommendations for a future modernization program that will allow for the transformation of existing school space into 21st Century learning environments. The subcommittee will consider the requirements of campus maintenance, American Disability Act modifications, and educational modernization.

Educational Impact of Design

o There is a substantial body of research on the impact of school facilities on educational achievement. What design principles and features should a 21st Century learning environment include? The subcommittee will make recommendations on design principles and features that should be considered in a 21st Century learning environment.

For High Performance Schools the subcommittees are:

Financing

o The subcommittee will review and make recommendations regarding how existing sources of funds can be maximized for LEAs to build energy efficient and energy generation projects. Work should include recommendations to eliminate legislative and regulatory obstacles.

Renewable Energy

o The subcommittee will review and make recommendations regarding promotion of the integration of renewable energy in school projects including planning, design and ways to save operational dollars. Work should include recommendations to eliminate legislative and regulatory obstacles.

ACCM Calendar April 2011 3 Officers' Conference Call-1 p.m. 23 General Membership Call-1 p.m. May 2011 3 Officers' Conference Call-1 p.m. 17 General Membership Call-1 p.m. **Meeting dates and times subject to change.**

High Efficiency Schools

o The subcommittee will review and make recommendations on how to promote green and sustainable school construction and operational practices. Work should include recommendations to eliminate legislative and regulatory obstacles.

• Grid Neutral Schools

o The subcommittee will review and make recommendations on how the number of grid neutral schools can be increased. Work should include recommendations to eliminate legislative and regulatory obstacles to grid neutral schools.

The next meeting will be April 21, 2011 when the subcommittee recommendations will be presented to the full group. After the presentation, the intent is to incorporate the recommendations and either amend existing legislation or develop new legislation.

ACCM appreciates Superintendent Torlakson's leadership and the efforts by Mr. Rogers and Mr. Diaz to pull together the participants for reviewing the current SFP. ACCM will be working with the Chairs and the participants on the recommendations at the April 21 meeting. ACCM looks forward to assisting in enacting the legislation and a 2012 school bond.

State Architect Appointment

ACCM is supporting Chip Smith to be the California State Architect. The following is the ACCM support letter:

Dear Governor Brown:

The Association of California Construction Managers (ACCM) is pleased to support Acting State Architect Howard "Chip" Smith to be the California State Architect. For the past six months that he has been Acting State Architect, he has worked closely with members of ACCM, as well as all other individuals and organizations that have business with the State Architect.

Mr. Smith has worked to understand the school construction issues facing construction managers and others involved with California school construction. He has reached out to construction managers and others about how to make the Division of the State Architect (DSA) a partner in a streamlined, efficient school facility plan approval process, rather than be a bureaucratic block on timely approval for school facility construction plans. He has focused on the fundamental missions at DSA which are to ensure compliance with the Field Act structural requirements for pupil safety and the inspection/contracting requirements to ensure approved plans are followed.

ACCM has found Mr. Smith to be more than willing to look at ways to assist the construction management industry without sacrificing needed school safety requirements. We believe his goals are consistent with reducing unnecessary bureaucracy and improving access to the decision-making process. ACCM strongly supports Chip in both the direction he is moving DSA, as well as his continuing efforts to improve DSA operations.

For these reasons, ACCM supports Chip Smith to be appointed as the State Architect. Thank you for your consideration.

(State Budget and School Funding Continued from Page 1)

School districts will be hesitant to initiate new capital programs unless they have uncommitted capital funds. School districts will also be hesitant to go before the voters for capital program funds if they need support for operational funding of parcel taxes. Consequently, the state budget process will create uncertainty on school facilities construction and modernization repair projects.

At this time, the 2011-12 school funding appears it will follow the normal budget process with a May Revision in the middle of May, and a final budget passed by June 15, not the usual process.



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DSA Update - Correction

The following language appeared in the January ACCM *Insider* on page 4, "DSA Update January 20, 2011, 3rd paragraph:

DSA has completed its filing to the U.S. Department of Justice to have the California Building Code (CBC) accepted as in compliance with the Federal ADA. Once approved and incorporated as a supplement to the 2010 CBC, the long awaited construction tolerances already in the federal law can be applied in California.

The following is requested replacement language:

In December, 2010 DSA submitted to the US Department of Justice (USDOJ) the 2010 edition of the California Building Code (CBC) and a revised side-by-side analysis comparing the accessibility provisions of the 2010 CBC to the requirements of the 1991 ADA Standards for Accessible Design. This action is the latest in DSA's effort to obtain USDOJ certification that the CBC meets or exceeds this federal accessibility standard.

Legislative Update

AB 551 (Campos): Public Contracts: Prevailing Wage Requirements

ACCM agrees that penalties should be increased for willful and intentional violations. ACCM is concerned that the bill also could increase penalties for good faith errors that are corrected. ACCM is working with the author to protect contractors and subcontractors who make good faith errors.

AB 1354 (Huber): Public Works: Retention

AB 1354 prohibits the retention of any amount with respect to all contracts entered into on or after January 1, 2012, between a public entity and an original contractor, between an original contractor and a subcontractor, and between all subcontractors. ACCM opposes elimination of retention.

SB 438 (Cannella) Prevailing Wages: Off-Site Fabrication

SB 438 provides that workers working in a yard, shop, or plant off the site of construction shall only be deemed to be employed upon public works if that yard, shop, or plant is specifically established for that public works project. ACCM supports SB 438 because it clarifies when prevailing wage must be paid, or does not need to be paid, for off-site fabrication work.

SB 600 (Rubio): Public Contracts: School Districts: Bid Requirements

SB 600, as amended March 24, 2011, amends how a school district may use pregualification, but does not mandate prequalification for school projects. The bill provides two prequalification procedure options. One option requires the questionnaire and uniform system for rating bidders to contain the same reguirements as the standardized questionnaire and quidelines developed by the Department of Industrial Relations. ACCM will watch this bill for further amendments.

ACCM Activities and 2011 Goals

The Association of California Construction Managers represents Construction Management firms working with California's K-14 school and community college districts.

ACCM:

- Provides direct legislative lobbying on new proposed legislation that affects CMs on school facility projects;
- Provides direct administrative lobbying with the State Allocation Board, Department of Finance, Department of Education, and the Division of the State Architect, as well as many other state agencies. Our administrative lobbying is on regulations and policies that affect school construction and CM services;
- Organizes short-term coalitions to pressure for adequate pipeline funds for school facilities;
- Develops information for state agency and school district use regarding construction costs and construction methods; and
- Provides member firms information about school bonds placed on local ballots, demographic trends in enrollment by county and other information useful for working with potential K-14 clients.

2011

- This year ACCM will be working with the Superintendent of Public Instruction's School Facility Task Force for energy conservation, streamlining the school facility application process, along with a 2012 state school bond for the 2012 state ballot.
- ACCM will be active in legislation affecting school facility funding, as well as legislation affecting schools and CMs in bidding requirements, prequalification requirements and numerous other topics.
- ACCM will continue to work with the State Allocation Board as they consider developing new policies for the current School Facility Program.
- 2011 is expected to be an active year for school facility related legislation and policy. ACCM will be involved with all of the players acting in the school facility arena.

ACCM Membership Application

Membership in the Association of California Construction Managers is open to firms and individuals sharing a common interest in the promotion of construction management as a professional service. The Association's membership represents a broad spectrum of the construction industry.

Name:	
Title:	
Company:	
Address:	
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Annual CM Revenue/Annual FEE

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