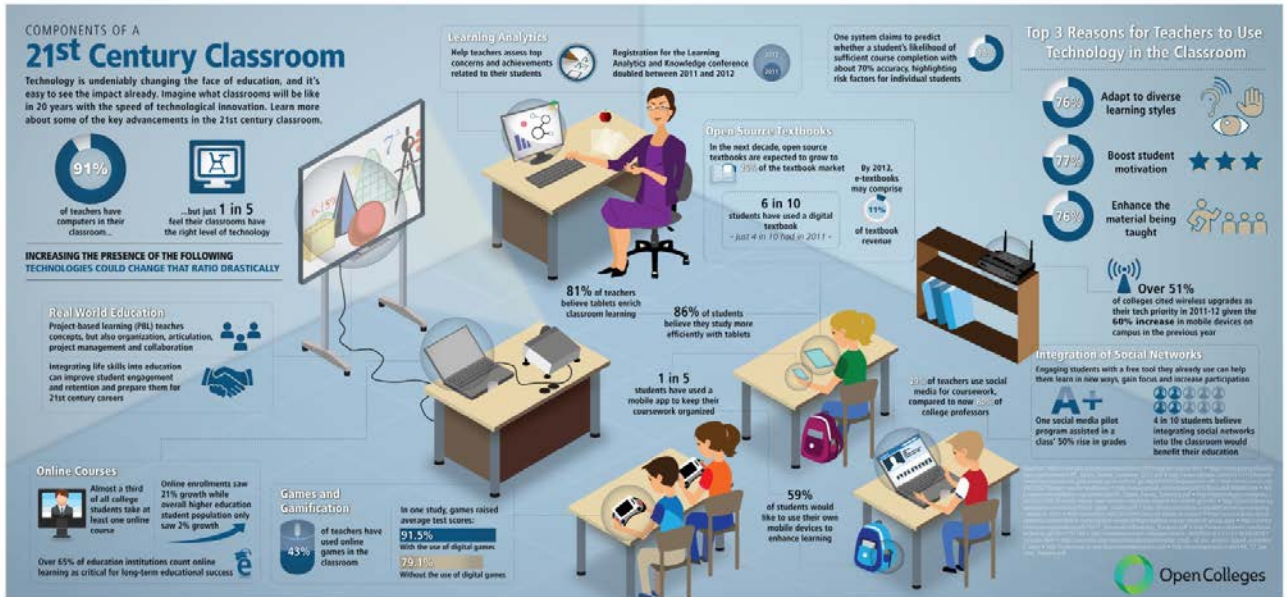


MORGAN HILL UNIFIED SCHOOL DISTRICT

MEASURE Q PROGRESS REPORT



APRIL 2014 REPORT

1.0 Program Summary

PROGRAM BACKGROUND

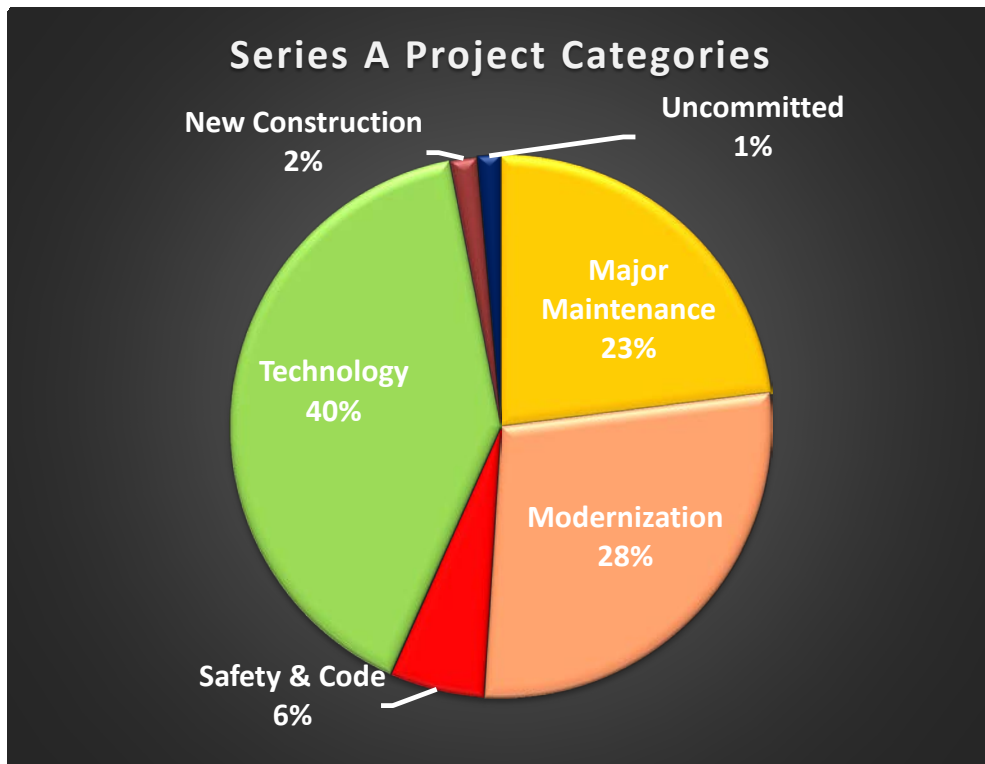
In November of 2012, the voters of the Morgan Hill Unified School Districts community passed a \$198.25 million General Obligation bond, Measure G, with 66% approval, to fund improvements for District facilities. The Measure G bond funds are planned to improve classroom technology, modernize buildings and infrastructure, improve energy efficiency, ADA access, and increase in classroom capacity. The District will leverage the Measure G funds and seek supplemental funding from other sources including the State of California, PG&E, and Federal Agencies.

Series A for Measure G will be paid off in 2042. The intent is to structure the issuance of Measure G bonds so that the cost to taxpayers does not exceed \$59.00 per \$100,000 of assessed valuation.

The District has committed to control of the bond program internally with support from industry professionals acting at their direction in a consulting role. The District will retain professionals with proven experience in the K-12 construction market for planning, design, program and construction management and quality assurance & controls. This allows the District to blend the benefit of lessons learned at peer institutions and industry trends with the District's historical knowledge base, local considerations and stakeholder input.

SERIES A BOND PROJECT LIST

The Morgan Hill Unified School District sold the first series of bonds in February 2013 for \$55,000,000. At the August 26, 2013 Board meeting the Board of Trustees approved the Series A Expenditure Plan – Option #2. The following chart represent the current authorized funding and project categories, through March 2014.



1.0 Program Summary

ORIGINAL SERIES A PROJECT LIST

The Morgan Hill Unified School District sold the first series of bonds in February 2013 for \$55,000,000. At the August 26, 2013 meeting the Board of Trustees approved the Series A Expenditure Plan and the following projects were approved and design commenced. The following Projects were not activated and their budgets have been reassigned: Transportation Site and Britton projects including modernization, restrooms and fencing.

School / Project		Project Budget
Burnett Modernization		\$7,099,999
Martin Murphy Fencing		\$65,184
Technology	District	\$13,831,200
Technology	Contractor	\$7,832,179
Jackson/Nordstrom/Paradise	Roof/HVAC	\$7,549,996
Charter MUB		\$5,000,000
San Martin/Gwinn Mod		\$1,999,999
PA Walsh Mod		\$3,600,000
Original Project Budget Total		\$46,978,557

REVISED SERIES A PROJECT LIST

During March 2014 the Board revised the project list to include the projects listed below. The projects include the design portion only for new multiuse buildings at Jackson, Nordstrom and Paradise Valley Elementary schools. The budget for constructing these three buildings will be funded from future bond sales. The PA Walsh Parking lot project will be a partnership with the City of Morgan Hill. **

School / Project		Project Budget
San Martin/Gwinn	Admin. Bldg. /Outdoor	\$2,800,000
PA Walsh	Parking **	\$1,000,000
Murphy	Roofing	\$1,050,000
Los Paseos	Roofing	\$450,000
J/N/PV - 3 sites	New MUB Design	\$900,000
J/N/PV - 3 sites	Fire Alarm	\$1,050,000
March Approved Total		\$7,250,000
Uncommitted Balance		\$771,442

At the March 25, 2014 Board meeting the Board requested staff to conduct community outreach for the proposed new building at Britton Middle School. District staff proposed a new \$30M building in lieu of \$25M for renovating the existing buildings. The \$25M renovation costs were part of the Cumming Corporation Facility Assessment. The Board is currently considering investing \$750,000 from Series A to begin site planning, approvals and design of the new building. The construction funding would be furnished through a future bond issuance.

2.0 Financial Summary

FINANCIAL OVERVIEW

The voters of Morgan Hill approved Measure G for improved facilities and 21ST century learning. The Measure G funds are planned for sale through separate bond issuances over the next nine years from 2013 to 2022 and total \$198.25 million, subject to Board of Education approval. The first issuance, Series A included \$55 million dollars.

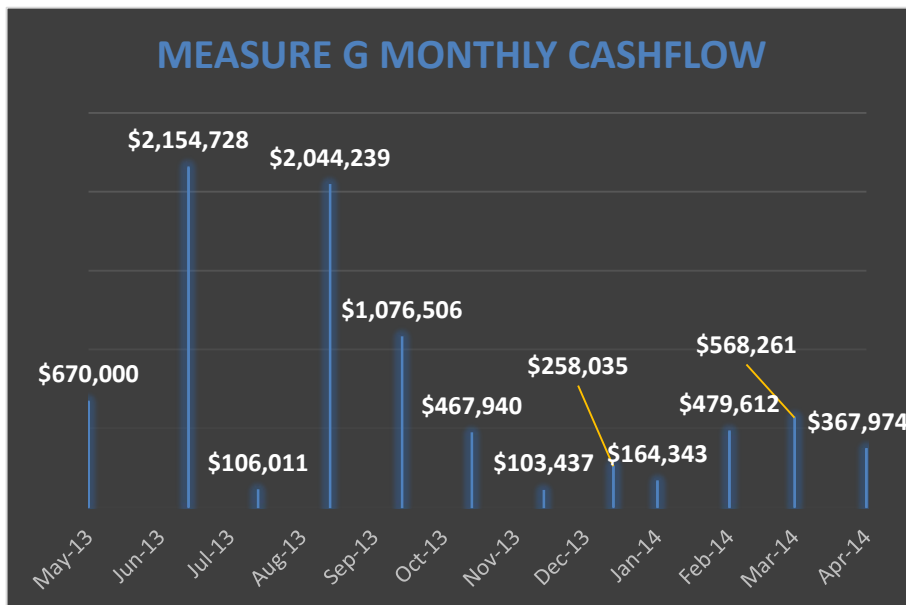
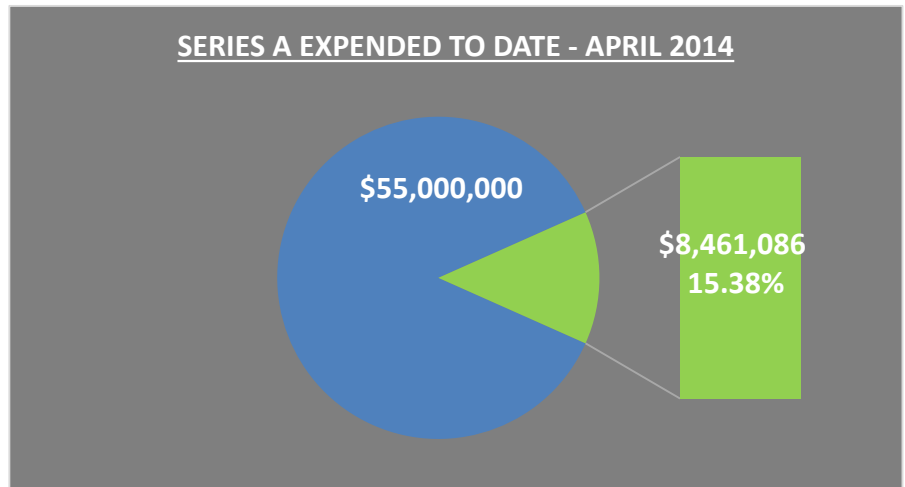
Program Funding	Current Funding	Committed	Forecast to Complete	Funding Variance	Expended
Bond Series A	\$55,000,000	\$55,000,000	\$55,000,000	(\$0)	\$8,461,086
Bond Series B *	\$50,000,000				
Bond Series C *	\$50,000,000				
Bond Series D *	\$43,250,000				
Supplemental Funds **					
Total Funds	\$198,250,000	\$55,000,000	\$55,000,000	(\$0)	\$8,461,086

*=Proposed Bond Sale Value, subject to authorization by Board of Education

**=Supplemental Funds will be adjusted as they become available

EXPENDED TO DATE

Through April 30, 2014 the District has expended approximately \$8,461,086 since the Series A bonds were sold on February 21, 2013. This represents (15.38%) of the Series A funds and equals (4.27%) of the \$198.25 million Measure G Program funds.



MEASURE G CASHFLOW

During the month of April 2014 the District spent \$367,974. The chart to the left illustrates the monthly cashflow from May 2013.

3.0 Project Summary – Jackson, Nordstrom, Paradise Roof, HVAC and Restrooms



Project Number:	G1408	Project Description: Removal & replace roofing and rooftop mechanical units on the pod shaped buildings. Also included is the renovation of restrooms at Jackson and Paradise, and ADA path of travel improvements.
Engineering Firm:	Alfa Tech	
Construction Manager:	Mc Kim Design Group	
Contractor:	Multiple Prime	

Project Budget Summary:			
Current Budget	Commitments	Forecast to Complete	Balance
\$7,550,000	\$6,226,233	\$1,200,000	\$123,767

Project Schedule Summary:														
2013			2014											
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Planned Project Schedule														
Design	DSA				Bid	Construction				Closeout				
Actual Project Schedule														
Design	DSA				Bid									
Forecast Project Schedule														
						Pre-Con		Construction				Closeout		

Updates/Notes:
<ul style="list-style-type: none"> • Project beginning is complete. Some smaller procurement pieces remain. • DSA backcheck was completed in April. • HVAC unit ordering & delivery is critical to timely completion, submittals approved. • Site meeting with Principals planned for May to review construction logistics.
Safety:
<ul style="list-style-type: none"> • No worker lost time incidents and no recordable incidents reported

