



DRAFT
**ALPINE COUNTY
UNIFIED SCHOOL
DISTRICT**

**FACILITY
MASTER PLAN
2020**



VISION STATEMENT

"Students are prepared and inspired citizens making positive choices"

LCAP GOALS



Goal 1: Alpine County Unified School District and Alpine County Office of Education are committed to ensuring all students have access to a broad course of study with highly qualified teachers in a healthy and safe school environment.

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Goal 3: Engagement: Engagement: Alpine County Unified School District and Alpine County Office of Education are committed to providing a collaborative culture for students, parents, teachers, staff and the community which promotes the social, emotional, and academic growth of all students

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BACKGROUND ON MASTER PLANNING

Facility Master Planning is essential in preparing for the long-term capital needs of a school district and to identify improvements needed to adequately serve the anticipated student population within a school district's boundaries over the next 10 to 15 years. A Facility Master Plan (FMP) provides the district with information regarding current and future needs for student housing, quality of facilities and facilities renovation and expansion requirements to support a district's educational and programmatic goals. An FMP is created to identify specific capital needs, provide data to support the needs identified, and provide a plan for how to address the needs. An FMP is a flexible document that can be revisited and updated periodically to serve as the framework for the construction of facilities necessary to serve an evolving district.

The Alpine County Unified School District (the District) has a successful history of facilities planning and implementation. The District's last FMP was adopted by the Board of Trustees in 2018. It primarily identified improvements to the existing school campus, and helped the community understand the need for local funding to improve the learning environments for the students of Alpine County. This updated FMP includes highlights of the projects completed, an overview of the remaining projects to be completed from the 2018 FMP, and any new projects that have become priority in the last two years.

A Facilities Advisory Committee was established in May 2016 with membership comprised of Board representatives, staff, and community members. The committee was formed to analyze District owned buildings, establish a framework for the District to assess and define facility needs, and prioritize facility development and improvements. It was instrumental in forming the prior Facilities Master Plan, and the committee's input continues to be valuable to planning and implementation.

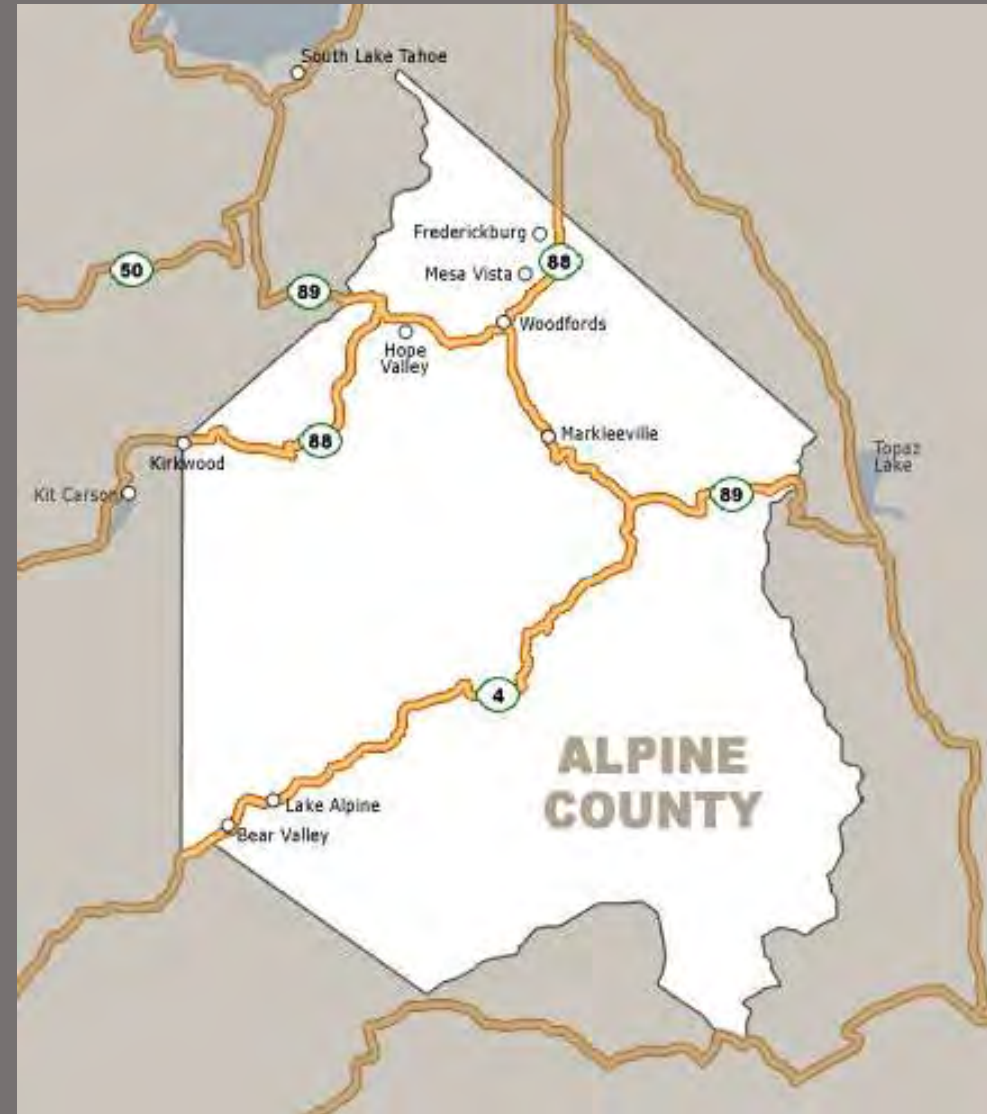
ABOUT THE DISTRICT

Alpine County is considered a frontier county with a population density of two people per square mile. This makes the County the least populated county in California with approximately 1,200 permanent residents. The majority (95%) of the county's 740 square miles is composed of forestry reserves.

The Sierra Nevada Mountain range divides the county into an eastern and western section. The Bear Valley community is located on the western slope of the mountains, while the county seat of Markleeville is located on the eastern side. During the winter months, the Bear Valley community is completely closed off from Markleeville, as Ebbett's Pass closes for the season due to heavy snow. Markleeville is only accessible from the north through the Lake Tahoe Basin or the east from Douglas County, Nevada.

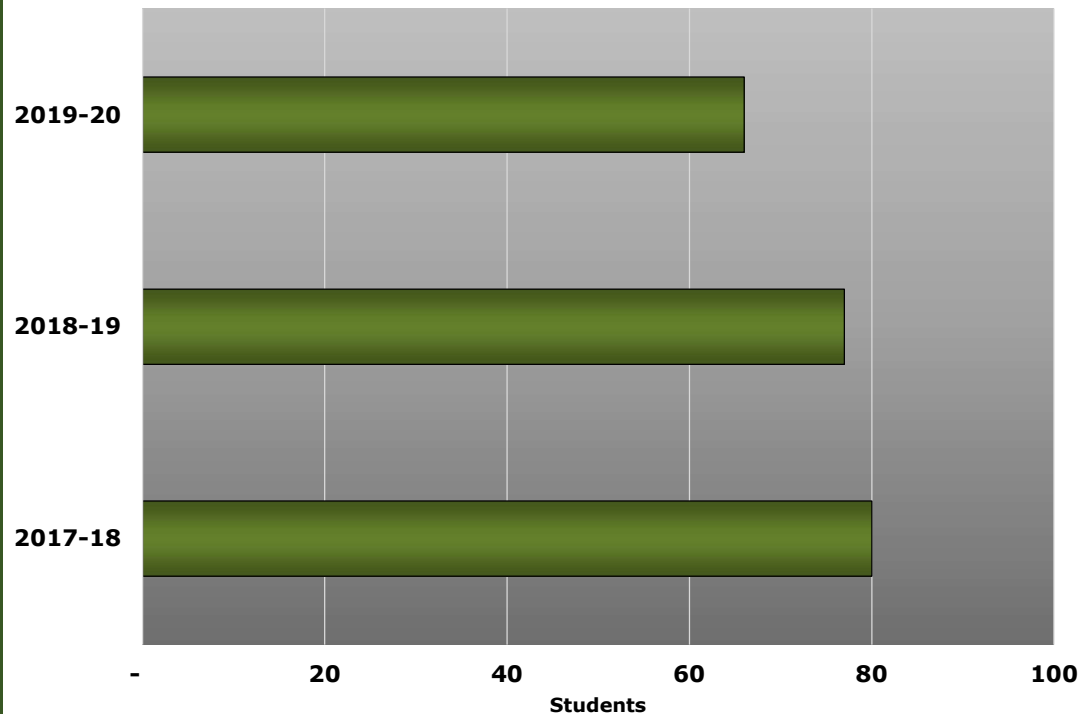
Alpine County Unified School District and Alpine County Office of Education are coterminous entities that serve the students of Alpine County. The District serves approximately 130 students. The majority of Alpine County resident students, approximately 85, attend Diamond Valley Elementary School, a K-8 grade elementary school located next to the Alpine County Unified School District/Alpine County Office of Education offices. Bear Valley Elementary School, however, serves students in the resort town of Bear Valley directly.

Currently secondary education is arranged with neighboring districts in order to provide a more holistic educational opportunity for the 9th-12th grade students in this County.



DIAMOND VALLEY ELEMENTARY SCHOOL

Diamond Valley Enrollment



While enrollment at Diamond Valley hovers between 60 and 80 students in general, there has been a consistent decline in student enrollment over the last few years.

Diamond Valley Elementary School opened in 1980 and continues to operate in the town of Markleeville as a TK-8th grade school. Located on a 10 acre parcel, it sits adjacent to the District Offices.

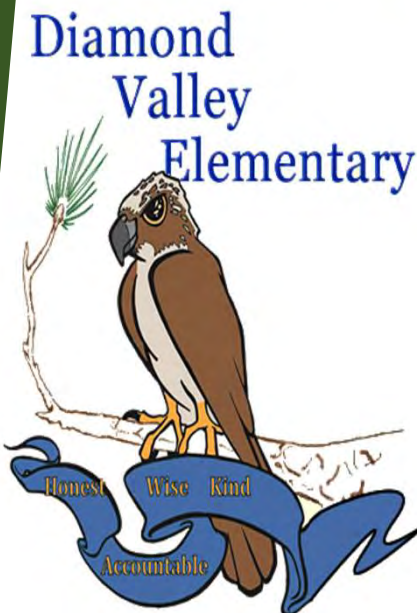
The school is comprised of:

- 8 Classrooms
- Resource Room
- Multipurpose Room/Cafeteria
- Media Center
- Staff Lounge

Not only does this site focus on community learning and participation, but it also has received awards from the State of California for its exceptional program.



(2000, 2004, 2008)

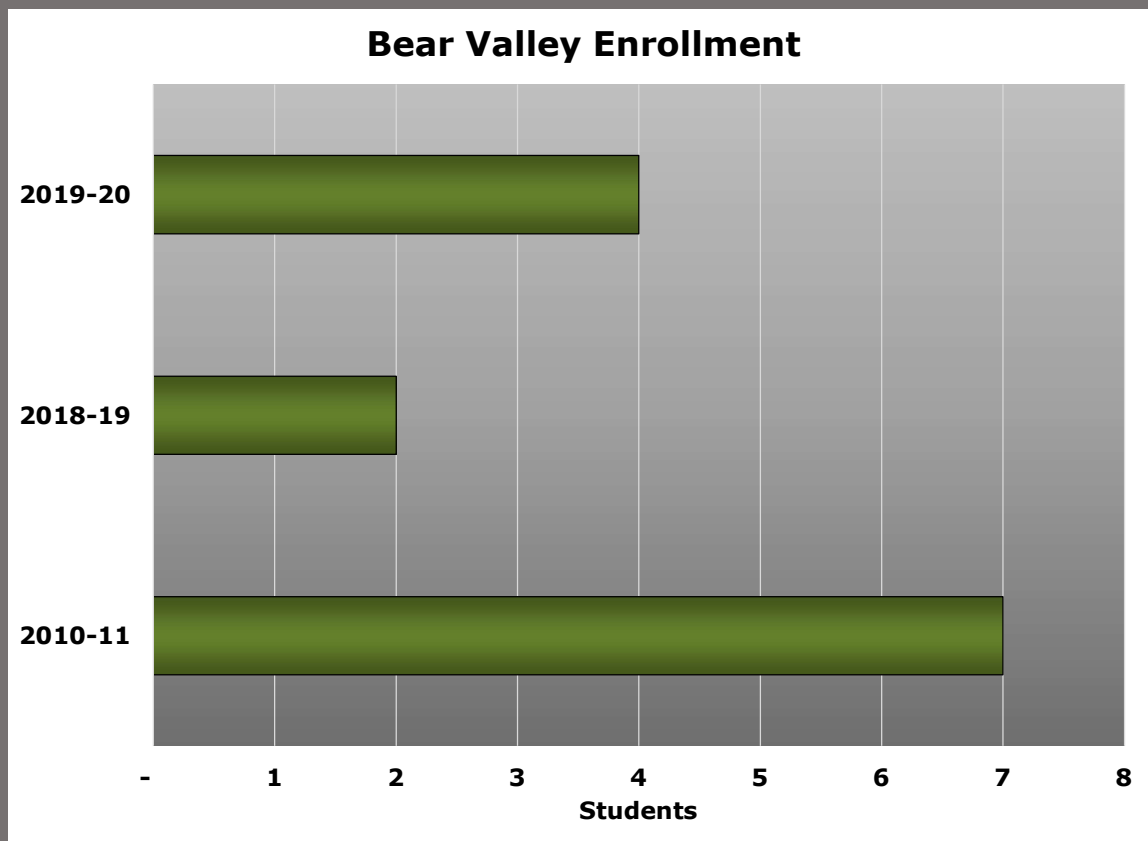


BEAR VALLEY SCHOOL

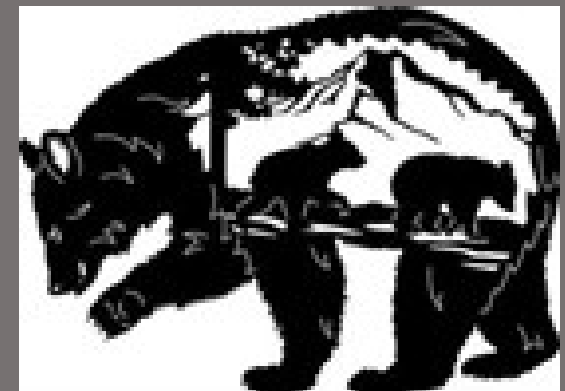
After being shuttered for seven years, the resort town's only school, Bear Valley Elementary School, re-opened in 2018 after extensive repairs. Maintaining the small community feel, this is a single building which contains:

- 4 Classrooms
- Resource Room
- Multipurpose Room/Cafeteria

While currently serving TK-5th grade students on its 3 acre site, it also serves as a community meeting spot and a place for recreation.



After a lapse in operation, the school did have a reduced enrollment after opening in 2018, however a double in enrollment occurred the following year. Maximum enrollment previously was only noted at seven students.



FACILITY PROJECT SUCCESSES

Even prior to the passage of the Measure B General Obligation Bond passage, work had been taking place to repair and reopen Bear Valley School. This project was completed in August of 2019.

Bear Valley School work included:

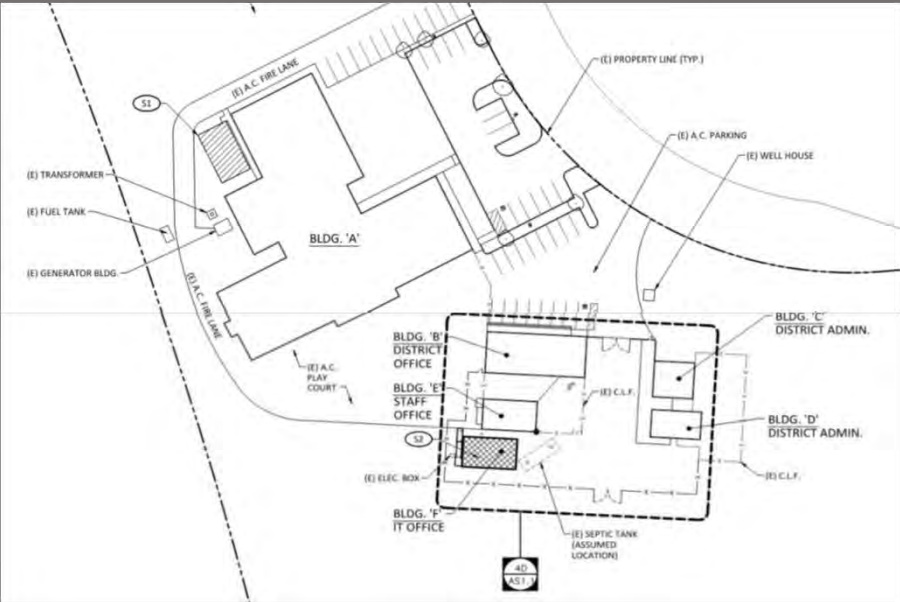
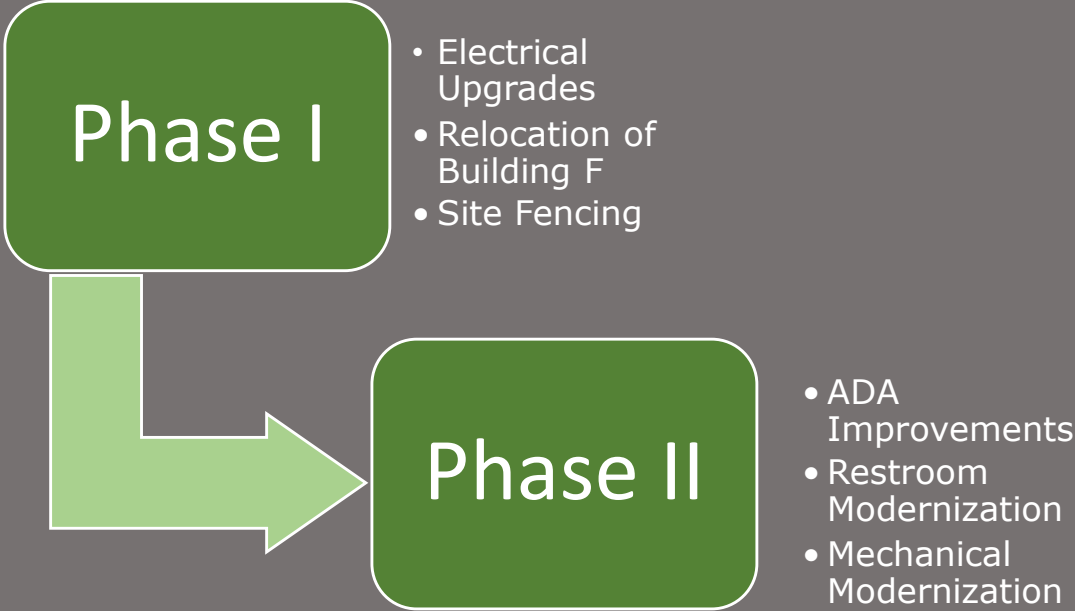
- Mold and hazard abatement
- Flush and disinfect water system
- Repair of leaking pipes and plumbing
- Replacement of water fountains
- Exterior wall repairs/replacement
- Testing all systems
- Kitchen floor replacement
- New heating systems in classrooms
- New carpeting in classrooms
- Painting
- American's with Disabilities Act improvements
- Parking lot expansion and paving



BOND PROJECTS IN PROGRESS

After selecting an architect through a proposal process, the District has embarked on the modernization of Diamond Valley School. The modernization has been broken into two phases to accommodate construction when it will least impact student learning.

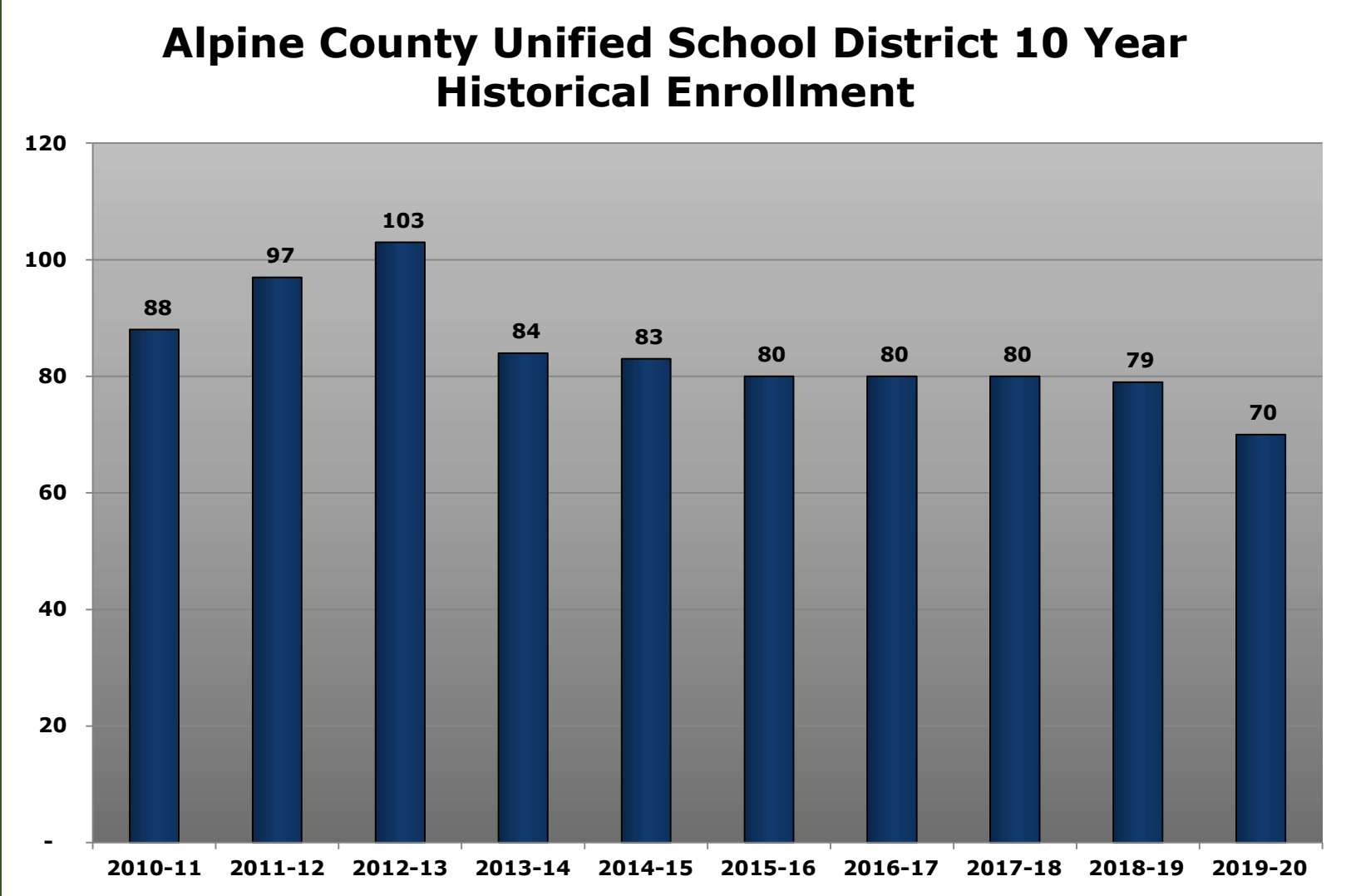
Diamond Valley Bond Projects Timeline		
Project	Estimated Construction Start	Estimated Completion
Electrical Upgrades	July 2020	August 2020
Relocation Bldg F/Fencing	July 2020	September 2020
Mechanical Mod	June 2021	August 2021



ENROLLMENT

While the District's enrollment has sharply declined over the last 20 years, enrollment overall has stabilized within a general range of 80-70 students over the last five years.

The chart to the right includes student enrollment from both Diamond Valley and Bear Valley schools, but does not include the current secondary students that attend high schools in adjacent districts.



HIGH SCHOOL ENROLLMENT

Due to minimal enrollment for students in grades 9-12, the District has worked with neighboring districts in order to allow attendance at neighboring schools. While in prior years the District has run its own secondary educational programming, many families chose to attend elsewhere for expanded curriculum and activities.

The District desires to bring these students back into their home District and continues to evaluate the ability to serve these students, and the desire of the families to attend locally, with the goal of providing secondary education in the future.

Currently, Alpine County Unified has 45 district transfers in grades 9-12. A majority of them attend school at Douglas High School in Nevada, with a few students attending South Tahoe High School and one student attending Aspire Academy in Nevada.

Douglas High School (Nevada) – 38 students

Aspire Academy (Nevada) – 1 student

South Tahoe High School – 6 students

ENROLLMENT PROJECTIONS

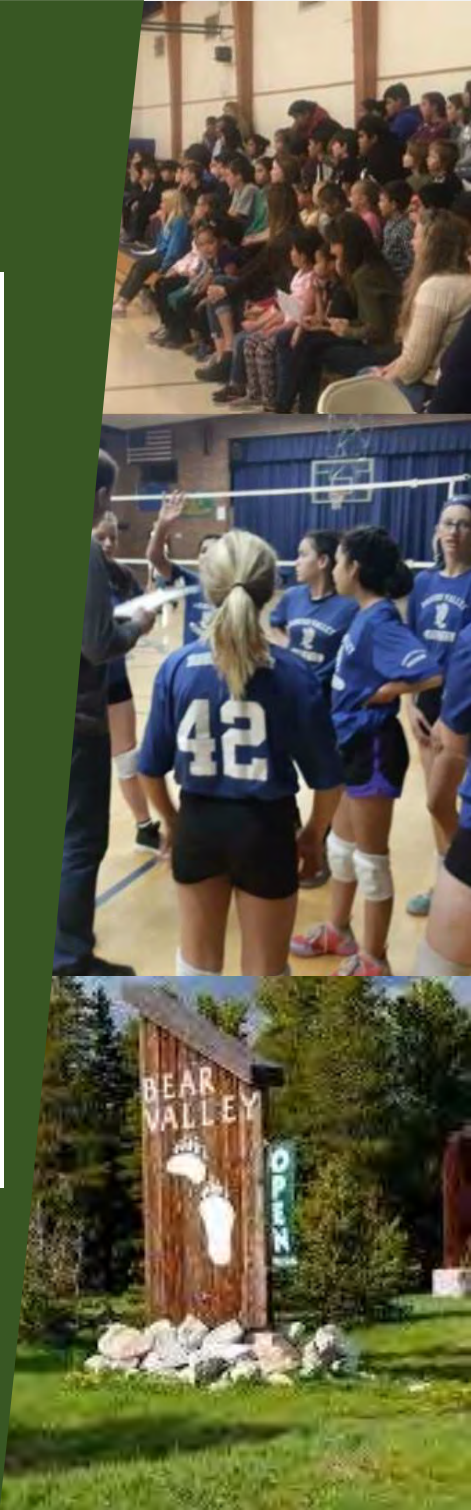
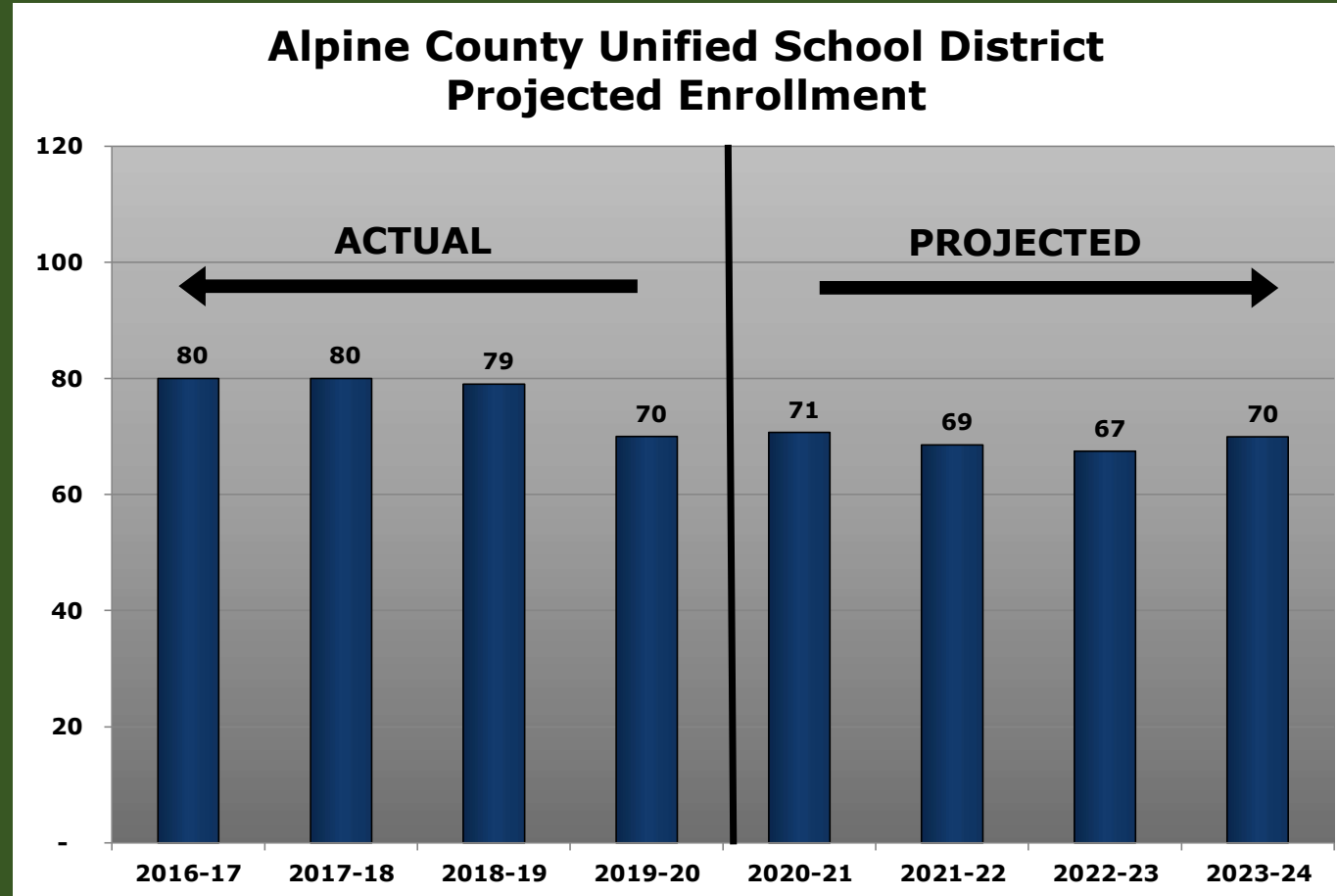
New Development

Another factor that limits enrollment growth within the District is the lack of residential or commercial development within the County. However, there does not appear to be a need or a desire to develop further. One entitled project, the Mahalee Project, continues to remain on records, however no further efforts to move forward with construction have occurred. This project would include vacation rental homes and some small commercial.

Projected Student Enrollment

Based on the cohort survival methodology for projecting enrollment, the District's overall enrollment is projected to remain relatively level. The cohort survival methodology assumes that students move through the grade levels based on historical retention rates.

Based on projected enrollment and the lack of new development, the District does not foresee the need to plan for additional classroom facilities. In the event that the District develops a plan to accommodate high school students, additional facilities may be needed to accommodate those students and provide support for high school curriculum.



OUTSTANDING MASTER PLAN PROJECTS

The 2018 Facilities Master Plan outlined critical projects for both the Diamond Valley and Bear Valley sites. It was not until after the passage of Measure U in November of 2018 that the funding was available to begin prioritizing and planning for some of these projects.

However, each year it is likely that construction costs will increase, and these numbers are subject to escalation, however it gives the District and Community perspective on what still needs to be accomplished at the schools in Alpine County Unified.

Currently the cost for remaining projects is approximately \$3.5 million, in today's dollars.

School Site	Project	Estimated Cost
Diamond Valley Elementary School	Additions for Programming (Science, Performing Arts, Library)	\$2,000,000
	Track Replacement	\$250,000
	Blacktop Replacement	\$100,000
	Interior Finishes Modernization	\$400,000
	TOTAL	\$2,750,000

School Site	Project	Estimated Cost
Bear Valley School	Relocation of Playground and Additional Equipment	\$350,000
	Interior Finishes Modernization	\$200,000
	Electrical Systems Improvements (includes fire alarm upgrades)	\$270,000
	TOTAL	\$820,000

FUNDING FACILITY NEEDS

School facilities in California are traditionally funded from a combination of State and local sources. The following provides a summary of some of the funding sources available to school districts.

Summary of Potential Funding Sources

The District intends to contribute all available revenue toward the construction of its facilities projects, but lacks sufficient funding to pay for all necessary construction. A combination of funding sources will be necessary to complete the necessary facilities projects. Following is a summary of each funding source available to the District:

- State School Facility Program
 - Modernization Funding
 - New Construction Funding
- General Obligation Bonds
- Developer/Mitigation Fees
- General Fund



Developer/Mitigation Fees

California law allows for the levy of fees on new development where a school district will be impacted. This is called a developer fee. Fees levied on new residential and commercial development may be used to construct or reconstruct school facilities for the students generated or anticipated to be generated as a result of this development. Development fees are based on a formula defined by the State with the maximum Level I fee being updated bi-annually by the State Allocation Board. However, some districts are justified in collecting a higher fee, called Level II, through the process of a School Facility Needs Analysis ("SFNA").

While the District can developer fees from new residential and commercial construction, there is not a lot of building that occurs within Alpine County. However, any that is received by the District is general a restricted funding source and can only be utilized for accommodating an increase in student population.

State School Facility Program

The State School Facility Program (SFP) is a funding program whereby the State provides matching funds to school districts embarking on eligible construction projects. The State School Facility Program is funded through statewide general obligation bonds. In November 2016, California voters approved Proposition 51 authorizing \$9 billion of funding, however a March 2020 State-wide bond measure was not as successful. Most of the \$9 billion has already been allocated to projects, and waitlists have begun for when eventual additional State funding is approved by voters.

While there is no future proposed Statewide bond at this time, we have to assume that at some point in the near future a new measure will be on the ballot for additional school facility funds to reimburse projects that have already applied and future projects as well. While we cannot foresee changes to the funding formulas or requirements of the State program with future State bonds, we can look at past programs and base our assumptions accordingly.

Under the SFP, there are different programs in which projects can qualify for funding, however there are two main categories that construction falls into: New Construction funding and Modernization funding.

State Funding Categories:

Modernization Funding

The State provides funding assistance to school districts for the modernization of school facilities. The assistance is in the form of grants and requires a 40 percent district funding contribution. A district is eligible for modernization grants when students are housed in permanent buildings that are 25 years old or older and relocatable classrooms that are 20 years old or older, and the buildings have not been previously modernized with State Funds. In order to receive funding, the district must also show that there are pupils assigned to the site who will use the facilities to be modernized. If the facility is currently unused, such as a closed school, it may also be eligible for modernization funding if the district intends to reopen it for students immediately.

The modernization grant can be used to fund a large variety of work at an eligible school site. Air conditionings, insulation, roof replacement, as well as the purchase of new furniture and equipment, are just a few of the eligible expenditures of modernization grants. A district may even use the grants to demolish and replace existing facilities of like kind. However, modernization funding may not be spent for construction of a new facility.

New Construction Funding

New construction funding is available for school districts whose existing capacity is insufficient to house the existing students or those students anticipated within the district, based on a five-year enrollment projection.

After a district has established eligibility for a project, the district may request funding for eligible project costs. The funding for new construction projects is provided in the form of grants. The grants are made up of a new construction grant, also known as a pupil grant and a number of supplemental grants. The new construction grant is intended to fund design, construction, testing, inspection, furniture and equipment, and other costs closely related to the actual construction of the school buildings. This amount is specified in law based on the grade level of the pupils served. Supplemental grants are special grants and are intended to recognize unique types of projects, geographic locations and special project needs.

Each new construction project is reviewed and appropriate grants are allotted by the Office of Public School Construction (OPSC). All new construction grants must be matched equally by the district with local funding sources. Once the grants are determined for a project, a request is sent to the State Allocation Board (SAB) for a funding apportionment.



District Efforts to Obtain State Funding

The District has already begun the process of qualifying for State funding when it becomes available.

In 2019, the District contracted to have its State funding eligibility calculated to find out how much modernization money it could qualify for at each of the two District sites.

As projects are started that can qualify for possible future State funding, the District intends to complete the appropriate applications and pursue State funding aggressively as it goes through the approval process OPSC. When funding is received from the State, it will be used to refund the District's restricted Capital Facilities Funds.

Bear Valley Modernization Eligibility (2019)

- \$15,480

Diamond Valley Modernization Eligibility (2019)

- \$606,253

General Obligation Bonds

General Obligation Bonds ("GO Bonds") are repaid from an ad valorem tax levy on property within the District's boundaries. The maximum amount of GO Bonds that can be outstanding at any one time is limited to 2.5% of a unified school district's assessed property value. This is referred to as a district's "bonding capacity". GO Bonds must be approved by voters within the District. The timing of the elections for GO Bonds depends upon the authority under which the bonds are to be approved.

GO Bond funds may be used for; construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities. The bond measure requires a specific list of school projects to be funded and certification that the school board has evaluated safety, class size reduction, and information technology needs in developing the list. Finally, there is a requirement that an oversight committee review expenditures and the school board conduct annual, independent financial and performance audits until all bond funds have been spent to ensure that the bond funds have been used only for the projects listed in the measure.

In addition to the bonding capacity restriction, bonds authorized under Proposition 39 (2000) require that the tax rate levied as the result of any single election can be no more than \$60 per \$100,000 of assessed value, for a unified school district.

Election dates for a Proposition 39 Bond election are limited to: (1) statewide primary or general elections; (2) regularly scheduled local elections; or (3) statewide special elections. Statewide election dates only occur in June and November in even-numbered years. Therefore, except in the case of a special statewide election (which can only be called by the Governor), districts may only hold Proposition 39 Bond elections on regularly scheduled local election dates and statewide elections held in June and November of even-numbered years. The next available election dates for a GO Bond measure are November 2020, March 2022 and November 2022.

The District successfully passed a bond measure in November 2018. Measure U (\$4.9 million) is the funding source for a portion of the Bear Valley Renovations and will also fund current projects listed within the bond language.



General Fund

Although General Fund money can be used for school facilities, due to other demands on this budget, such as salaries and benefits for employees, this is not substantial revenue available to contribute to facilities projects. The District can, however, utilize its General Fund as a legal pledge for ongoing debt payments.

Deferred Maintenance Funds

The District actively uses deferred maintenance funds for ongoing repair and maintenance projects at sites. While there is not current State requirement for a restricted deferred maintenance fund or requirement for a submission of a Five Year Deferred Maintenance Plan, Alpine County Unified has made it a priority to allocate funds for the ongoing upkeep of school facilities by adopting a Board of Trustees Resolution in February of 2017 that requires that 1% of the General Fund budget be set aside for deferred maintenance projects.

Projects identified in the Deferred Maintenance plan should be considered in light of the projects identified in the Master Plan. With limited District resources, the funds allocated for projects that will be replaced in the short-term under the Master Plan should be evaluated. Conversely, systems requiring significant ongoing deferred maintenance funding should be incorporated into the Facilities Master Plan for ultimate replacement.

Tax-Exempt Leasing/Certificates of Participation

The most common financing mechanism for non-voter approved debt is tax-exempt leasing also known as Certificates of Participation ("COPs"). Another common lease financing mechanism is called a Lease-Revenue Bond. They are exempt from the voter approval requirement when structured as a contingent liability such as a lease. Essentially, the district pledges its General Fund while intending to utilize developer fees and state funding as the repayment source. Due to uncertainties regarding the timing of developer fees and State funding, the General Fund is needed to secure the loan. COPs and lease-revenue bonds can be used as a short term "bridge" financing or a long-term financing, but must have an identified repayment stream.

RECOMMENDATIONS



Apply for State funding, as available, to leverage local funding for all eligible projects.



Implement all forms of procurement and delivery to ensure quality and cost saving construction.



Pursue a future GO Bond measures as needed to continue facility improvements to schools sites.



Review and update the District's FMP regularly and update the document as assumptions and data change.



Continue to involve the Facilities Advisory Committee, Bond Oversight Committee, and other stakeholders to bring a full understanding of funding challenges and capital needs.



Prepared by:



Capitol | PFG

Crafting Optimal Financial Solutions

