

## **Proposition P: Carlsbad Unified School District Bond Measure**

**Staff Recommendation:**

**SUPPORT**

**Board Recommendation (9/29/06):**

**SUPPORT**

### **Rationale:**

Tax and education grant revenues provided to the District from the state and federal level are relatively low compared to the rest of the County, in part, due to the affluence of the community surrounding the Carlsbad Unified School District. The District reliance on developer fees and property taxes has resulted in a rather low total expenditure per student. The infrastructure at Carlsbad High School has suffered, and there is a genuine need to modernize and relieve facilities from overcrowding. Proposition P meets all of SDCTA's education bond support criteria.

### **Background:**

The Carlsbad School District last received bond funding in 1997, when Carlsbad voters approved a \$26.5 million bond measure to improve and modernize neighborhood schools. These projects, which were completed in 2001, addressed over 200 specific needs and emphasized access compliance, roofs, and a portion of the electrical/technology system upgrades. 85.7% of the electorate voted to approve this measure. SDCTA did not review this issue at that time.

### **Other Sources of Funds:**

The Carlsbad School Board voted unanimously on August 30 to increase residential developer fees to assist in paying for district wide construction and renovation projects. Developer fees for residential homes will increase by 52 cents per square foot, from \$2.63 to \$3.15 per square foot. According to the City of Carlsbad, the average size of a single detached residential unit is 3,342 square feet. At \$3.15 per square foot, the fees would generate \$10,527.30 per unit for the school district. Approximately 1.5 million square feet of residential units are projected to be built over the next five years; therefore nearly \$5 million is expected to be raised over the next five years from this increase. The fee increase is valid for up to one year and will be recalculated on an annual basis. Revenue generated by the fees will not be earmarked for specific projects, but rather be used to fund the district's expansion plans.<sup>1</sup> Since these funds are not collected through bond revenues, the Independent Citizen's Oversight Committee will not have the authority to monitor the use of this money. Revenues generated from developer fees are not placed in the District's General Fund, and are only used for infrastructure.

### **Proposal:**

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<sup>1</sup> "Carlsbad School Board Votes to Increase Developer Fees", Alexandra DeLuca, North County Times, August 31, 2006.

This measure would allow the Carlsbad Unified School District to issue \$198 million in bonds that would be used to rebuild Carlsbad High School, construct a new high school and upgrade district campuses.

The language before voters will read as follows:

“To repair/replace old, worn-out plumbing and restrooms, construct new classrooms, build a new high school, upgrade electrical systems and wiring for instructional computer technology and repair or replace aging, inefficient heating, ventilation and air conditioning at school facilities, improve/acquire property and support facilities and access State matching funds, shall Carlsbad Unified School District issue \$198 million of bonds at legal interest rates, with independent citizens’ oversight and annual audits and no funding for administrative salaries?”<sup>2</sup>

\$83 million of the funds would be used to upgrade the Carlsbad High School campus. The district has budgeted \$87 million to build an additional high school on district-owned property at College Boulevard and Cannon Road. The school would initially be built for 1,200 to 1,500 students, but could be expanded to accommodate up to 2,400 students. This bond would also pay for modernizations at Valley Middle School and Magnolia, Kelly, Buena Vista and Hope elementary schools. Restrooms would be updated, food service areas improved, playground equipment upgraded and electrical improvements made. \$12 million is allocated to replace trailer classrooms with permanent classrooms at Pacific Rim and Aviara Oaks elementary school.

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<sup>2</sup> Proposition P, Carlsbad Unified School District Bond Measure

**Facilities Master Plan Construction Cost Summary**

<b>Section</b>	<b>Total</b>	<b>% of Total</b>
<i>Facilities Master Plan</i>		
Modernize Facilities at Existing High School	\$83,604,656	40.4%
Second High School at College/Cannon	\$87,036,401	42.1%
<b>SUBTOTAL ESTIMATED PROJECT COSTS</b>	<b>\$170,641,057</b>	<b>82.5%</b>
Valley Middle School, Buena Vista, Hope, Kelly & Magnolia Elementary Schools	\$23,685,750	11.4%
Aviara Oaks Middle School & Pacific Rim Elementary School	\$12,632,400	6.1%
<b>TOTAL ESTIMATED PROJECT COST FOR FACILITIES MASTER PLAN</b>	<b>\$206,959,207</b>	<b>100%</b>

**Figure 1**

**Fiscal Effects:**

This bond would require residents to pay an additional \$27 per \$100,000 of assessed property for the next 40 years. The average assessed value of a home in Carlsbad is \$420,714; therefore a homeowner can expect to pay an additional \$113.59 a year in property taxes.<sup>3</sup> The interest rate on any bond, which is established at the time of the bond issuance, cannot exceed 12% per annum.

The passage of this measure will also allow the Carlsbad Unified School District to apply for \$20,000,000 in state matching funds.

**Enrollment Projections:**

The district has provided two different enrollment projections that result in significantly varying degrees of growth.

The first report, prepared by Superintendent Roach in October 2005, projects a 16% increase in enrollment by the 2014-15 school year, a total of 12,262 students in grades K-12. During this period, new development within the district accounts for 1,673 projected new students. Four schools are expected to be operating above capacity, while 10 schools will be operating below capacity.

The second report, prepared by J.M. King Associates projects a 25% increase in enrollment for the same period. This report does not include a detailed, school-by-school

<sup>3</sup> www.homegain.com, (\$420,714/\$100,000) x \$27.00

analysis of where these students will be enrolling. It only provides the total number of students, by grade, until the 2019-20 school year (Figure 2).

J.M. King Associates was not commissioned by the Carlsbad Unified School District, but rather by parents of students within the community that would like to see a new high school within the district.

In the 2006-07 school year, Carlsbad Unified will serve 2.17% of the total number of students within San Diego County. According to projections prepared by J.M. King Associates, the Carlsbad District is expected to grow at a faster rate than the other districts within the county, eventually serving 2.67% of the entire County by 2014-15. The total enrollment for the County is expected to grow by 1% for the same period.

**Carlsbad Unified School District  
Districtwide Enrollment Projections**

**Prepared by Superintendent Roach**

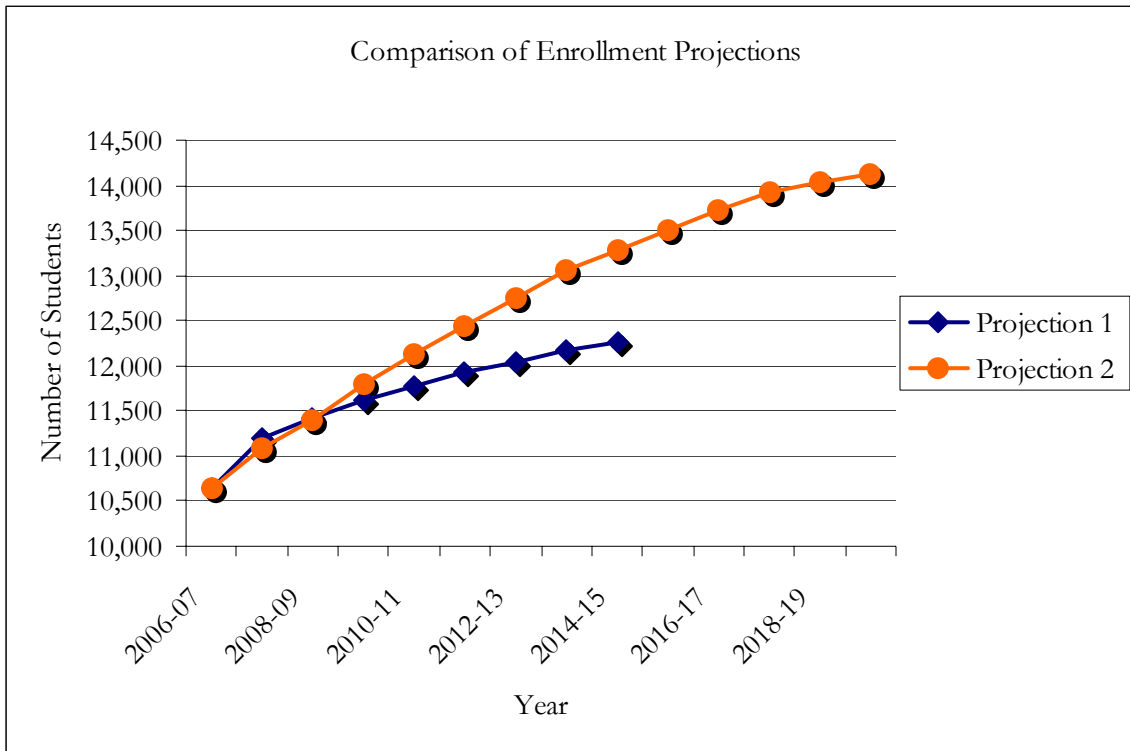
Year	Gr K-5	Gr 6-8	Gr 9-12	Total	County Total	% of County
2006-07	4,911	2,413	3,320	10,644	492,633	2.16%
2007-08	5,007	2,553	3,648	11,208	490,406	2.29%
2008-09	5,135	2,620	3,673	11,428	488,531	2.34%
2009-10	5,256	2,670	3,699	11,625	487,976	2.38%
2010-11	5,313	2,657	3,810	11,780	487,977	2.41%
2011-12	5,407	2,654	3,857	11,918	488,771	2.44%
2012-13	5,490	2,679	3,870	12,039	490,400	2.45%
2013-14	5,569	2,672	3,941	12,182	493,080	2.47%
2014-15	5,660	2,709	3,893	12,262	497,031	2.47%

**Prepared by J.M. King Associates**

Year	Gr K-5	Gr 6-8	Gr 9-12	Total	County Total	% of County
2006-07	4,911	2,413	3,320	10,644	492,633	2.16%
2007-08	5,192	2,506	3,385	11,083	490,406	2.26%
2008-09	5,420	2,594	3,390	11,404	488,531	2.33%
2009-10	5,648	2,705	3,433	11,786	487,976	2.42%
2010-11	5,824	2,745	3,558	12,127	487,977	2.49%
2011-12	5,914	2,860	3,668	12,442	488,771	2.55%
2012-13	5,966	3,016	3,759	12,741	490,400	2.60%
2013-14	5,967	3,182	3,915	13,064	493,080	2.65%
2014-15	5,960	3,296	4,022	13,278	497,031	2.67%
2015-16	5,955	3,367	4,181	13,503		
2016-17	5,962	3,377	4,393	13,732		
2017-18	5,992	3,354	4,573	13,919		
2018-19	6,022	3,334	4,688	14,044		
2019-20	6,052	3,326	4,754	14,132		

**Figure 2**

Figure 3 is a graph that outlines the expected number of students from each projection. Projection 1 represents the report submitted by Superintendent Roach in October of 2005, and Projection 2 represents the report developed by J.M. King Associates.



**Figure 3**

**Need for Funds:**

The average daily attendance (ADA) for the District during the 2004-05 school year was 9,968 students. During that year, the District’s total expenditure per student was \$6,707, over 20% below the average total expenditure per student in the County.

During the 2004-05 school year, districts within the County received an average of \$741 per student in federal revenue, and \$1,540 per student in other state revenue. Carlsbad Unified received \$296 and \$813, respectively. In addition, the District received an average of \$4,359 per student from property taxes during the school year.<sup>4</sup>

**Deferred Maintenance:**

Carlsbad Unified School District consistently transfers from the General Fund into the Deferred Maintenance Fund the amount that is necessary to maximize matching revenue from the State Deferred Maintenance Program. Presently, the State matches local contributions on a dollar-for-dollar basis, up to 1/2% of a district's General Fund budget.

<sup>4</sup> Education Data Partnership, [www.ed-data.k12.ca.us/welcome.asp](http://www.ed-data.k12.ca.us/welcome.asp).

If a district matches at the maximum level, then, an amount equal to 1% of the General Fund budget is available for deferred maintenance projects that are reflected in the multiyear Deferred Maintenance Plan. This amount for Deferred Maintenance is in addition to expenditures for routine repair and maintenance.

With regards to the use of bond proceeds, Carlsbad Unified School District intends to spend \$913,000 of bond proceeds towards deferred maintenance programs. The projects and locations of the usage of funds are outlined in Figure 4:

<b>CARLSBAD UNIFIED SCHOOL DISTRICT</b>		
Preliminary Schedule of Future Deferred Maintenance Projects That May Be Funded From Proposition P Funds		
<b>Valley Middle School</b>		
New tackboards, ceilings, carpet, teaching walls	\$120,000	
Windows Doors and Hardware	95,000	
Site work	55,000	
<b>Subtotal Valley Middle School</b>		<b>\$270,000</b>
<b>Buena Vista Elementary</b>		
New tackboards, ceilings, carpet, teaching walls	40,000	
Kitchen	12,000	
Site work	25,000	
<b>Subtotal Buena Vista Elementary School</b>		<b>\$77,000</b>
<b>Magnolia Elementary</b>		
New tackboards, ceilings, carpet, teaching walls	80,000	
Windows Doors and Hardware	45,000	
Site work	65,000	
<b>Subtotal Magnolia Elementary School</b>		<b>\$190,000</b>
<b>Hope Elementary</b>		
New tackboards, ceilings, carpet, teaching walls	110,000	
Windows Doors and Hardware	72,000	
Kitchen	35,000	
<b>Subtotal Hope Elementary School</b>		<b>\$217,000</b>
<b>Kelly Elementary</b>		
New tackboards, ceilings, carpet, teaching walls	60,000	
Windows Doors and Hardware	30,000	
Kitchen	22,000	
Site work	47,000	
<b>Subtotal Kelly Elementary School</b>		<b>\$159,000</b>
<b>Total All Schools</b>		<b>\$913,000</b>

**Figure 4**

Attached is a copy of the five-year deferred maintenance program with project totals and the total cost estimate.

### **Independent Citizens' Oversight Committee:**

Section 5 of the Bond Resolution addresses the creation of the Independent Citizens' Oversight Committee (ICOC). Members of the ICOC will be appointed at a regular scheduled Board meeting, and will include construction, finance or other qualified professional in its membership. The ICOC will review, provide comments to the Board on bond measure expenditure plans, bond measure-related staffing and consultants and the District's deferred maintenance plans. The ICOC will be advisory only, and shall not replace or impede the activities or decisions of the District's Board of Education.

### **Arguments of Proponents:**

- Proposition P will relieve overcrowding, improve health/safety conditions and provide for future student enrollment
- Increase academic/vocational opportunities for Carlsbad students
- Upgrade technology/infrastructure at all schools
- Will qualify schools to receive nearly \$20 million in state facilities funds.

### **Signors of the Arguments in Support of Prop. P:**

- Ronald C. Packard, Former Member of U.S. Congress
- Bud Lewis, Mayor of Carlsbad
- James D. Boone, Principal, Magnolia Elementary School (Retired)
- Lois J. Maryns, Retired Educator
- Ken Sugahara, Fire Captain, City of Carlsbad

### **Arguments of Opponents:**

- There is over forty billion dollars' worth of state bonds on the ballot.
- In San Diego County, there are 6 bond measures totaling over 3 billion dollars – all of which involve tax increases.
- Over 90% of private schools in San Diego County charge less tuition than what we taxpayers are now spending on public school students. Usually a lot less – often more than 60% less than public schoolings total costs.

### **Signors for the Arguments in Opposition to Prop. P:**

- Paul King, Carlsbad Business Owner
- Lowell Ponte, Journalist
- Rita S. King, Registered Nurse
- Edward Teyssier, Chair, San Diego Libertarian Party
- Richard Rider, Chair, San Diego Tax Fighters

**GENERAL INFORMATION**

This Form is a summary of proposed deferred maintenance projects the applicant district plans on completing annually over the next five fiscal years using the Basic Grant, pursuant to Education Code Section 17591. The fiscal year the plan commences is determined by the fiscal year in which it was filed. New and revised plans are accepted on a continuous basis for the current fiscal year up to the last working day in June. Revisions are not accepted for prior fiscal years.

**SPECIFIC INSTRUCTIONS**

**Part I - Authorized District Representative**

Complete to designate or change the authorized district representative. Enter the name of the district employee that can act on behalf of the District. A consultant who is on contract with the district to communicate with the OPSC on behalf of the district's board may be listed.

**Part II - Estimated Fiscal Year Data**

ITEM	DESCRIPTION	INSTRUCTIONS
1	Number of Projects	List the number of eligible projects in each of the project categories shown (refer to Regulation Section 1866.4.1).
2-6	Current and subsequent fiscal years	Enter the total estimated costs in each project category for each fiscal year identified for the projects reported in column 1.
7	Total Estimated Cost	For each project category enter the totals of columns 2-6.
8	Grand Total	Total all columns.
9	Remarks	Include any additional information for each category. If the district is applying for extreme hardship grants for any of the projects listed on the plan, identify those projects in this space. If additional space is needed, you may attach a separate sheet with your remarks to this form.
10	School Information	List the facilities where deferred maintenance projects are planned as reported in column 1 on this Five Year Plan (refer to Regulation Section 1866.4.1). If additional space is needed, you may attach a separate sheet.
11	Certification	Review and complete (refer to Regulation Section 1866.4 and EC Section 17584.1).

When completed mail this form to:

Office of Public School Construction  
Attn: Deferred Maintenance Program  
1130 K Street, Suite 400  
Sacramento, CA 95814

NOTE: Any Five Year Plan, SAB 40-20, not conforming to State Allocation Board (SAB) guidelines will be returned to the district. If you need assistance in completing this form, please contact the Office of Public School Construction, at 916.445.3160.

SCHOOL DISTRICT	Carlsbad Unified School District	FIVE DIGIT DISTRICT CODE NUMBER	40/ 73551
COUNTY	San Diego	CURRENT FISCAL YEAR	2005 / 2006

**The district:**

- has not previously submitted a Five Year Plan.  
 is submitting this updated/revised Five Year Plan which supersedes the plan currently on file with SAB.

**Part I - Authorized District Representative**

The following individual has been designated as a district representative by the school board minutes:

DISTRICT REPRESENTATIVE	John A. Roach, Ed.D	TITLE	Superintendent
BUSINESS ADDRESS	6225 El Camino Real, Carlsbad, CA 92009	TELEPHONE NUMBER	760-331-5001
E-MAIL ADDRESS	jroach@sdcoe.net	FAX NUMBER	760-331-5094

**Part II - Estimated Fiscal Year Data**

PROJECT CATEGORY	1. NUMBER OF PROJECTS	2. CURRENT FISCAL YEAR	3. SECOND FISCAL YEAR	4. THIRD FISCAL YEAR	5. FOURTH FISCAL YEAR	6. FIFTH FISCAL YEAR	7. TOTAL ESTIMATE COST
Asbestos	15	15,000	15,000	15,000	15,000	15,000	75,000
Electrical	6	38,000				11,000	49,000
Floor Covering	58	42,000	60,000	78,000	79,500	84,000	343,500
HVAC	62	18,000	18,000	18,000	18,000	21,000	93,000
Painting	61	65,000	60,000	36,000	48,000	78,000	287,000
Paving	26	27,000	61,000	36,000	72,000	36,000	232,000
Roofing	9			27,000			27,000
Wall Systems	16	20,000	16,000	25,000	7,500		68,500
<b>8. Grand Total</b>	253	225,000	230,000	235,000	240,000	245,000	1,175,000

**9. Remarks**

**10. List the school names where deferred maintenance projects are planned in this Five Year Plan:**

Aviara Oaks ES  
Aviara Oaks MS  
Buena Vista ES  
Calavera Hills ES  
Calavera Hills MS  
Carlsbad HS  
Carlsbad VA  
Cultural Arts Cntr  
Hope ES  
Jefferson ES  
Kelly ES  
Magnolia ES  
Pacific Rim ES  
Valley MS

**11. Certifications:**

I certify as District Representative that:

- this work does not include ineligible items and that all work will be completed in accordance with program requirements, applicable laws and regulations. The district shall maintain proper documentation in the event of an audit; and,
- the district understands that should an audit reveal that these funds were expended for other than eligible deferred maintenance costs, the SAB will require the district to return all inappropriately expended funds; and,
- the plans and proposals for expenditures of funds as outlined in this report were discussed in a public hearing at a regularly scheduled school board meeting on August 30, 2006; and the district has complied with all the other requirements of Education Code Section 17584.1; and,
- Beginning with the 2005/2006 fiscal year, the district has complied with Education Code Section 17070.75 (e) by establishing a facilities inspection system to ensure that each of its schools is maintained in good repair; and,
- This Form is an exact duplicate (verbatim) of the form provided by the OPSC. In the event a conflict should exist, then the language in the OPSC form will prevail.
- I certify under penalty of perjury under the laws of the State of California that the statements in this application and supporting documents are true and correct.

SIGNATURE OF DISTRICT REPRESENTATIVE

DATE

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