Memorandum

March 14, 2014

TO: Chief Executive Officers
Chief Business Officers
Facilities Directors
Other Interested Parties

FROM: Frederick E. Harris, Assistant Vice Chancellor
College Finance and Facilities Planning

SUBJECT: Capital Outlay Proposals and 5-Year Construction Plans due July 1, 2014

It is time to request district Five-Year Construction Plans and capital outlay proposals for the 2016-17 and 2017-18 fiscal years. As the state continues its fiscal recovery, and with the increase in student access and success, it is again time to focus on our system’s infrastructure needs. As is readily recognized by the electorate, major capital outlay projects contribute to new job creation, increased revenue, and the state’s continued economic recovery – in addition to providing necessary and high priority educational facilities.

New 2014 State Education Bond is Necessary

Based on current polling we are hopeful that the Legislature and the Governor will place on the ballot, and the electorate will vote to approve, a state education general obligation bond in November 2014. More than 80 projects totaling approximately $2 billion have been previously submitted for consideration of state funding. An additional $2.3 billion of new projects have recently been submitted. However, it has been a long time since the last state bond was approved in 2006. Therefore to allow as many districts as possible to compete for 2014 state bond funds, we need to take a different approach. Only one project per site for the two year period 2015-16 and 2016-17 will be accepted for funding with the exception of Health and Safety projects (Category A).
This means the FPPs included in the **Draft 2015-16 Spending Plan** will be submitted to the Board of Governors in May for approval and submitted to the Department of Finance. These same project proposals may be considered for the 2016-17 cycle, if they remain the district’s top priorities.

**A new FPP must be submitted to compete for future funding consideration if one or more of the following criteria are met:**

1. Category A – Health and Safety projects
2. District wants to make changes to a project in the proposed 2015-16 spending plan
3. District wants to submit a project proposal for a campus without a project in the 2015-16 spending plan, OR
4. District will be submitting a new proposal in lieu of the project included in the 2015-16 spending plan.
5. Any other changes.

**Capital Outlay Proposal Requirements**

Please confirm with us that for any project on the attached **Draft 2015-16 Spending Plan**, the cost, scope & calendar are accurate, and the project remains your top priority for 2016-17. If a campus does **not** have a project in the proposed 2015-16 spending plan, districts may develop and submit a FPP from the attached list of **Potential Projects for 2016-17** for state funding consideration.

Placement on the **Draft 2015-16 Spending Plan** does **not** constitute a funding guarantee, as we will likely have more projects to consider than available funding.

Please provide the following capital outlay proposal and planning information to your Chancellor’s Office Facilities Planning Specialist on or before July 1, 2014:

1) 2016-17 Final Project Proposals (FPPs)
2) 2017-18 Initial Project Proposals (IPPs)
3) 2016-20 5-Year Construction Plans

**Project proposals must be developed using the current California Construction Cost Index (CCCI) 5901, the current Equipment Price Index (EPI) 3202, and current inspection allowance of $12,011 per month. Please do not escalate costs to mid-point of construction. We will escalate the costs using Department of Finance approved methodology.**

Approved IPPs from the previous year not developed into FPPs may be resubmitted as 2017-18 IPPs if the district wants the project considered for funding in FY 2017-18.

The Final Project Proposal forms can be found under the Facilities Planning Manual, Appendix B on the Chancellor’s Office website [here](#) and sample floor plans can be found [here](#). District 5-year capital outlay plans, 2016-17 FPPs and 2017-18 IPPs are to be developed in FUSION.
Action/Date Requested

The documents listed below are due into the Chancellor’s Office no later than July 1, 2014:

<table>
<thead>
<tr>
<th>DOCUMENT</th>
<th>ACTION REQUESTED</th>
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<tbody>
<tr>
<td>2016-20 District 5-Year Capital Outlay Plan</td>
<td>“Submit” electronically in FUSION and mail 1 hard copy with original signature</td>
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<tr>
<td>2016-17 Final Project Proposals</td>
<td>“Submit” electronically in FUSION and mail 2 hard copies (1 with original signatures)</td>
</tr>
<tr>
<td>2017-18 Initial Project Proposals</td>
<td>“Submit” electronically in FUSION and mail 1 hard copy with original signature</td>
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Contact

Districts who want to submit FPPs for projects that are not on the enclosed list are strongly advised to contact their Chancellor’s Office Facilities Planning Specialist as soon as possible. Our directory of district assignments and staff contact information is located here Link to FPU Staff District Assignments.

Enclosure