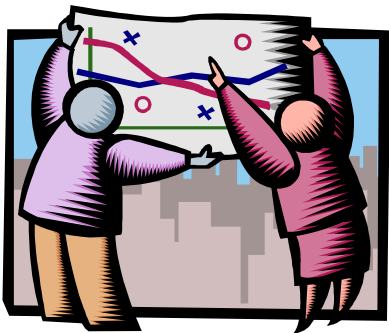




YOUR GUIDE TO THE CAPITAL PARTNERSHIP PROGRAM

September, 2009



Background

The Edmonds School District provides opportunities to encourage community involvement in projects that improve or enhance the school environment. Funding for this program comes from voter-approved levies in 1998, 2004 and 2008. This program provides matching funds for dozens of projects, ranging from major field improvements to school reader-boards and play structures. The basic function of the program is to provide cost sharing and management services for these projects. By now, you have a project in mind. The project needs to be capital in nature, that is to say a durable and permanent asset. State law establishes what that means, but basically, these improvements increase the playability of athletic and playground facilities, or improve or create a feature of a school enhancing education.

The program is governed by the Capital Partnership Review Committee, made up of members from affected School District Departments and representatives from the cities of Edmonds, Lynnwood and Mountlake Terrace. Coordination, consultation and overall management are provided through the Facilities, Operations Department. The actual construction of projects is managed through the Capital Projects Department. This is a change from previous years and provides the partner group with additional services in seeing your project through. Depending on how complex your proposal is, there will be a number of considerations which we will get to a little later. To begin with, all proposals need to follow these principles:

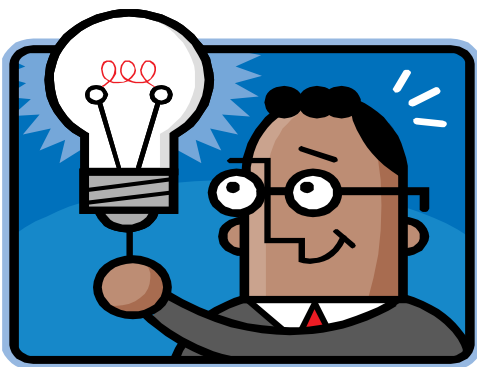
- Each project must begin in consultation with the building Principal or Manager.
- There will be only one funded project per site, per round. Each school may submit up to three projects for consideration, but they must be prioritized and only one may receive funding.
- While the goal of the program is to match sponsor's contributions dollar for dollar, the committee recognizes that school communities may not have equal resources. In seeking to provide equity, the evaluation process may include factors such as demographics, free and reduced meal eligibility enrollment and special needs populations. Once the grant amount and percentage of the grant contribution is determined in the final approval process, the grant amount does not normally change. Occasionally, in the process of construction, unknown factors may be revealed that necessitate additional funding. These 'surprises' will

be evaluated in conjunction with the sponsoring group to determine how additional resources are to be applied.

- Partner's matching funds must be committed or obligated with the District before the project may begin. The financial commitment for these projects can be quite large, so we require the partner's funds to be deposited into an identified account before the District makes the commitment for the money to fund projects.
- District funds from any source, other than the partnership program, cannot make up any of the partner share.
- Only the District may enter into a contract or make purchases toward the project. This is critically important. Any item, installation or fixture that is permanent in nature MUST be purchased or contracted for through the District. Many enthusiastic and well-meaning members of a partner group jump the gun and make purchases directly. This becomes a serious accounting problem for the district and is not within mandated accounting guidelines from the State of Washington.
- Improvements must be on District property and become the property of the Edmonds School District.
- Each project is assigned a management team. While the sponsoring group will determine the project scope and its elements, the management team will guide you through the process, handle accounting, public works process and construction of your project. Once your project is completed, the District accepts the new asset and any liability for it, so it is considered very important that District representatives make sure that the project meets standards and proceeds as smoothly as possible.

Program Goals

- Maximize the effectiveness of levy dollars within a broad based implementation that is visible to the school community and voters
- Improve the playability and safety
- Replace outdated playgrounds and fields
- Improve the layout and function of the school facility
- Enhance the school presence in the community
- Make improvements of a capital nature to the interior or exterior of school buildings



It All Begins With You

A capital partnership starts with an idea, a plan or a dream about making students' school environment better. What is best for kids drives all our interests. In seeing the vision become reality, we have to take into account the complexities of many regulatory aspects of working in the public sector. Some projects can be simple, while others may involve professional consultants, designers and permits. The Facilities, Operations Department will work with you every step of the way.

To ensure the appropriate and cost-effective use of levy funds, we have developed an application process and set of criteria for the distribution of available dollars.

Organizing Your Sponsoring Partners

If there are similar projects in other places, you will want to visit those projects. Having photographs of these to share with your group can be useful in defining what you would like to accomplish. If you are doing a playground, it would be a good idea to take a group of children to other playgrounds and watch what they like to play on. By all means, involve kids in the process. They may be your best consultants! Feel free to contact the Director of Facilities and Operations at 425 431 7334. The Facilities team will be happy to talk to you about your initial thoughts.

Be sure to keep up communication with your school community. The more people that you engage in conversations, the more resources and ideas come available. Fundraising will be the most important aspect of your work. Very often there are grants available from service clubs, businesses and neighborhood associations. You may want to talk to local parks and recreation programs to see if a partnership is available. Fundraising is an important opportunity for your community to become involved. Activities from walk-a-thons and auctions to "Mcteacher" nights at McDonald's have benefited many projects.



The Pre-application

A District wide opening of a capital partnership competition will be announced. This announcement will also include a submission deadline for both pre-application and a final application. The first step is to discuss your idea with the Principal. Once the project is approved at the building level, the Principal will fill out a pre-application form, (attached) and provide us with a narrative describing the idea and its benefit to the school. We recognize that determining the project impacts, requirements, and budgeting is necessary for you to begin your sponsorship. Each project must be compliant with Public Works rules which will be explained later in this guide. Pre-application review will be conducted by various departments within the District. Following the in-house review, a meeting with the sponsors, Principal and department representatives will take place to discuss what will be needed for the project and how much the installation is expected to cost.

The criteria that will be used for disbursement of these funds are as follows:

1. Partners, who include schools, foundations, parent groups, cities or county government and neighborhood associations will contribute monetarily to the improvement/enhancement. (Note: The Capital Partnership Application Review Committee will work with principals to form partnerships with cities and the county as appropriate. Please do not contact cities or the county during the pre-application phase.)
2. The proposed improvement/enhancement must significantly increase access to and/or use of the school or school grounds by the community at-large and remain accessible when not in use by schools.
3. The proposal must improve the manageability of the school, grounds or playfields.
4. The improvement/enhancement must meet the criteria for expenditure of capital funds as defined in the Accounting Manual for School Districts. This criterion essentially requires the proposed project to add value to the existing property or structure. Regular routine maintenance required to preserve the life of the structure or grounds and partial renovations to building systems, structures, or grounds are not eligible for capital funding.

CAPITAL PARTNERSHIP PRE-APPLICATION

Initiating School/Department/Program: _____ Date: _____

Contact Person: _____

Phone: _____ Fax: _____

Principal/Administrator signature: _____

Superintendent Staff Review By: _____

Type of Project: Please Check on of the Following:

- _____ Major Projects (e.g., new field construction)
- _____ Playground Project (e.g. purchase and assembly of climbing apparatus, resurfacing hard surface play areas, etc.)
- _____ Athletic Field/Play Field Projects (e.g. irrigation, turf renovation, etc.)
- _____ Improvements to the interior of school buildings (e.g. addition to facility)
- _____ Other

Partner Match:

Partner: _____ Currently Available: Yes _____ No _____

Date of Availability: _____ Amount: _____

Partner: _____ Currently Available: Yes _____ No _____

Date of Availability: _____ Amount: _____

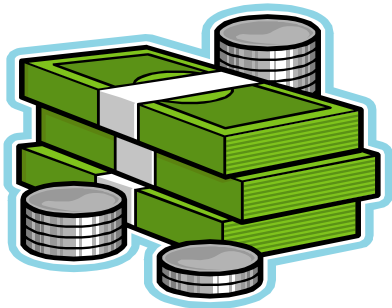
Proposed in-kind Contributions: (please describe)

Proposal Narrative (two-page limit)

1. Describe your proposed improvement/enhancement.
2. How will your proposal enhance (create new features) or improve existing conditions? (Examples of enhancements include adding play structures, adding or raising the height of fencing, adding backstops or goal posts. Examples of improvements to existing conditions include: under-draining chronically soggy area, improved irrigation, and elimination of a steep slope or replacing baseball backstop/dugout fabric.)
3. Describe the current conditions found at the site where your proposal will be implemented.
4. How will the proposed project improve the manageability/maintenance of this site?
5. How will the proposed enhancement/improvement increase access and use by the general public?
6. What is your desired time line for implementing the improvement(s)?

Please attach a diagram outlining the area to be improved.

Send applications to Facilities, Operations, attention Capital Partnership



Getting to the Bottom Line

Understanding costs from beginning to end is very important. Beyond the expense of the item involved, there can be costs for managing the project, advertising, legal and professional services. The total cost of a project often exceeds the value of the improvement itself. Play structures, for instance require ground preparation, labor, supplies and engineered woodchips. A new play area can require as much as \$8,000 to \$10,000 in wood chips alone. If the project is more complex, like a walking path, new pavement, reader-board or a major constructed improvement, then designers, engineers, permits, or water detention may be required. Anytime paving is contemplated, except for very small areas, permits will be required. If a walking path requires more than 2,000 square feet of asphalt, then very expensive water detention may be required. These are costs that the District cannot control and can add significantly to the cost and duration of a project. The process can consume a great deal of time as well. Reader-boards and signs are governed very strictly by our jurisdictions and permits are always required. Sometimes, when a project requires that we cut into the soil or tear something open, there are surprises. Part of the financial planning of a project also includes extra funding for this contingency. It is always prudent to carry a percentage of the funds in reserve, just in case. Most of these activities will be managed by the District and will be explained in further detail. Below are some examples. Please remember that these are examples and not quotes for any costs associated with a project. They show how costs can add up:

New Playground, (small)		Reader-board, (unlighted)	
Play equipment	\$50,000	Equipment	\$15,000
Project management	\$5,000	Engineering	\$1,500
Maintenance site preparation	\$3,000	Permits	\$300
Permits, if required	\$350	Maintenance Prep	\$500
Public works management	\$1,800	Project management	\$1,500
Concrete	\$500	Public works management	\$300
Maintenance finishing work	\$2,000	Maintenance finishing	\$300
Play Chips	\$10,000	10% Contingency	\$1,940
Opening ceremony	\$250	Total	\$21,340
10% contingency fund	\$7,290		
Total	\$80,190		

Walking Path 6 feet by 1,200 feet	
Paving	\$30,000
Water Detention	\$80,000
Engineering	\$10,000
Permits	\$4,000
Project management	\$10,500
Public works management	\$4,000
Opening ceremony	\$250
10% contingency	\$13,875
Total	\$152,625

IN-KIND CONTRIBUTIONS

Some of your organization’s participants or donors are able to offer services to help your project. This is perfectly acceptable but all service providers must be insured and carry any applicable licenses to perform the task. Depending on the nature of the in-kind offer, the District may need to examine whether further assurances (e.g., indemnification provisions, surety bonds, etc.) are necessary. While in-kind contributions add value to the project, their value does not count toward the sponsoring group’s financial portion of the match.



Final Application

Submitting a final application does not mean that all the planning and fund raising has to be completed. By this stage you should know the scope, approximate cost, your organizational plan, fund raising activities, and donors. There should be a substantial understanding of the nature of the work required and how to proceed to completion. Projects with a total cost exceeding \$100,000 will require school board approval. Your final application will be reviewed and scored independently by each member of the review committee according to the grading matrix, below. Part of the evaluation addresses the cost of the project compared to its benefit to the District. The program seeks to provide benefits to the most people. Projects that are expensive and potentially used by a only a few will not score well in this category. Evaluators have the ability to make comments as well. Once the final review has been completed, all project sponsors receive a letter announcing the committee’s decisions.

<u>Questions</u>	<u>Points possible</u>	<u>Points given</u>
1. Describe your proposed improvement/enhancement.	10	
Type of project is identified (2)		
Description of project is clear and well thought out (4)		
Evidence that project is a priority for school community (4)		
2. How will your proposal enhance or improve existing conditions?	10	
Evidence that this is a need (2)		
Description of deficiency/problem and the solution is provided (2)		
Site ranks high on playfield site needs assessment (6)		
3. Describe the current conditions.	5	
Description of site (2)		
Current conditions support need for project (3)		
4. How will the proposed project improve the manageability/maintenance of this site?	15	
Enhancement will decrease specialized maintenance (3)		
Location of improvement increases use of facilities (2)		
Improvement solves a chronic maintenance/management issue (5)		
Increases the playability of the facility (5)		
5. How will the proposed enhancement/improvement increase Access and use by the general public?	20	
Improvement provides new/unique opportunity for community (5)		
Increases number of community members who will use facility (5)		
Fulfills an expressed community need (5)		
Enhancement visible to the community (5)		
6. What is your desired timeline for implementing the improvements?	10	
Timeline is realistic (5)		
Scope of project is well thought out (5)		
7. Partner Match	25	
Partner identified (10)		
Potential match (2)		
Match currently available and in hand (5)		
Match is between 25 to 50% of project cost (3)		
Match is 50% or greater of project cost (5)		
8. Cost Benefit	5	
Project provides good value for the price		
TOTAL	100	



Getting Underway

Once you have final approval of your project, a number of legal and procedural requirements have to be satisfied. Having work done in the public sector can be more complex than one might imagine. All work performed and paid for is considered public works. The legal ramifications can be quite detailed depending on the scale of the project. There are also processes within the district regarding administration, accounting and purchasing that have to be followed. While District staff will handle these aspects, project sponsors and parents' groups need to be aware of the rules for the process, timeframe, financial impact, and clarity regarding expectations. Once again, sponsoring groups will not be asked to worry about these aspects of the Capital Partnership Program. The following information is illustrative of the requirement that the District must comply with.

PUBLIC WORK DEFINED:

Public work is all work, construction, alteration, repair or improvement that is executed at the cost of the state or any other local public agency. This includes, but is not limited to, demolition, remodeling, renovation, general construction, building construction, ferry construction and utilities construction. (RCW 39.04.010).

Public Building Service Maintenance Contracts: Prevailing wages are also required on all public building service contracts. (RCW 3912.020).

Offsite Prefabrication: The offsite fabrication of nonstandard items specifically for a public works project is also considered public work for which prevailing wages are required. Examples of this include, but are not limited to, fabrication of playground equipment, reader-boards or any other prefabricated portion of your project brought on site.

Public Works Project Requirements:

- 1) The district must determine whether or not the project is public works and requires prevailing wages prior to asking for bids or quotes.
- 2) If it is public works, the district must indicate that in the solicitation and provide a copy of the current prevailing wage rates at the time that we solicit a bid or a quote.
- 3) Before any work commences the vendor must provide the following:
 - a) Any required permits
 - b) Performance/Payment bonds

- c) Or, FOR PROJECTS LESS THAN \$35,000 In lieu of bond, the contractor may request in writing that the District retain 50% of the contract for a period of 30 days from date of acceptance or until all necessary releases and settlement from liens, if any, whichever is later. Letter must have signature and company name. Insurance certificate with an endorsement naming the district as additional insured.
- 4) Before any payment is issued, the contractor must provide an “Intent to Pay Prevailing Wage” form that has been filed with and signed by the Dept. of L & I. If the total project is less than \$2,500 there is a new combined Intent and Affidavit form that the contractor may file directly with the District. There is no filing fee associated with this combined form and it does not go to the Dept. of L & I. This expedites the processing of small orders.
- 5) Before final payment is made, the contractor must provide the “Affidavit of Wages Paid”.
- 6) If the project is over \$35,000, the District must also receive clearance from the Department of Revenue, Dept. of L & I and the IRS that there are no outstanding liens, taxes due, etc., prior to releasing the retainage.

The Small Works Roster:

The small works roster is provided by the Municipal Research Service Center of Washington. It is a listing of qualified contractors allowed to perform public work in our area. All such projects estimated to be less than three hundred thousand dollars may be awarded to a contractor on the small works roster. The small works roster shall be comprised of all responsible contractors who have requested to be on the list. The Board of Directors has established procedures for securing telephone and/or written quotations from the contractors on the small works roster to assure establishment of a competitive price and for awarding contracts to the lowest responsible bidder. Such procedures shall require that a good faith effort be made to request quotations from all contractors on the small works roster who have indicated the capability of performing the kind of public works being contracted. Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry. Whenever the estimated cost of a public works project is three hundred thousand dollars or more, the public bidding process provided in subsection (1) of this section shall be followed.

- 1) District may use a small works roster for projects less than \$300,000. No advertising is required on these projects.
- 2) The small works roster shall be comprised of all responsible contractors who have requested to be on the list. The board of directors shall establish a procedure for securing telephone and/or written quotations from the contractors on the small works roster to assure establishment of a competitive price and for awarding contracts to the lowest responsible bidder.

- 3) Such procedure shall require that a good faith effort be made to request quotations from all contractors on the small works roster who have indicated the capability of performing the kind of public work being contracted. Immediately after an award is made the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry. If there are too many contractors in the category to ask all of them to for a quotation, the District must ask at least five of them. Those five cannot be asked to quote again until all contractors in the category have been asked to make a quotation on subsequent projects.

The district must receive at least two responses on any quotation. If two responses are not received, then the project must be advertised and formally bid.

The Edmonds School Board:

All Capital Partnership projects anticipated to cost more than \$100,000 must receive Board approval. This means presenting the project itself for approval and a second presentation to the Board to approve the actual contract for the installation. At the end of the project, the Board must also accept the project as ‘completed’ in order to allow for the ‘close out’ process to be administered. Close out means that the District has verified that prevailing wages have been paid, that the performance bond and insurance requirements have been fulfilled, and that retainage can be released. Below is the matrix we use to guide the process. The following matrix demonstrates each requirement and threshold in the development and administration of a public works contract.

Category	Requirements
Professional & contracted Services	\$3,000 to \$100,000: Three telephone or written quotes More than \$100,000: Sealed bids or proposals or select from consultant’s roster
Goods and Supplies	\$40,000 to \$75,000 Three quotes More than \$75,000: Formal Public Bid including advertising and Board approval
Public Works General construction bidding OR	\$3,000 to \$100,000: Three telephone or written quotes More than \$100,000: formal public bid, including advertising, Board approval and formal award of contract
Small Works Roster	Less than \$2,500: Combined intent and affidavit form \$2,500 to \$35,000: At least three quotes from the small works roster \$35,000 to \$150,000: At least five quotes from the small works roster \$150,000 to \$300,000: At least six quotes from small works roster and Board notification More than \$300,000: Formal bid process including Board approval and contract award
Work done by District	Limited to under \$40,000

Purchasing:

It is critically important that the sponsoring group understand that all items that become District property must be purchased through the District. Each project is assigned a project number and revenue accounts in which ALL funds from the sponsoring group must be deposited along with all other funds dedicated to the project. Please do not buy any products or enter into any contract or agreement through your organization or privately. The District must assume the liability of all installations and therefore, the acquisition process must follow the District guidelines.

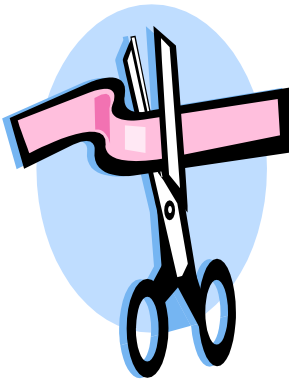


Construction Begins

As we move to the construction phase, the Capital Projects staff will become more involved. They will manage the actual construction. Once the contracts have been signed, alterations or changes to the scope of work are not permitted. These are referred to as ‘change orders’ and allow the contractor to charge whatever they deem fair for the difference. This can have dramatic consequences not contemplated originally. Occasionally, something may reveal itself when the work begins that will result in additional work. When preparing ground for a new play area, for instance, we could discover old concrete or a very large boulder that has to be removed. When installing a reader-board onto a building, it may be determined that the structural members intended to hold it may not be sufficient to support the new equipment. Things like this happen once in a while when you ‘open things up’ to do an installation. The project administrator will coordinate with others in the District to determine a course of action which may involve other District personnel, or if necessary, a change order.

Once the contractor or the sponsoring group is provided a ‘notice to proceed,’ the process will pick up speed. If a contractor is involved, a start date will be established and he or she will ‘mobilize’ by bringing supplies and equipment on site. The project manager will take care of the coordination from this point forward. In some cases, the sponsoring group may be able to realize some project savings by participating in certain aspects of construction. This is available most often in playground installations. This has been a very successful option in the past, and the hands-on help adds to the spirit of the community. If group participation is possible, your work will be organized by the contractor and the District project manager. The first focus is always safety, but it can be a lot of fun as well. Like most work parties, there is a desire to provide food and beverage for the workers. This is a sponsor’s responsibility and cannot be funded from the project budget.

Construction will proceed fairly quickly and substantial completion is likely before the beginning of school. There may be small elements of the project that are not completed before the first day of school. This happens most often due to the sequencing of construction activities. Building something happens in a specific order and sometimes minor elements have to be delayed until everyone else has left the job site. A large playground, for example, may take the entire summer to finish. These last details will be picked up as time allows and should not delay plans for an opening day celebration.



Time to Celebrate!

Opening ceremonies are encouraged and can be budgeted as a part of the Partnership Grant. Expenses are usually limited to decorations and a grand opening ribbon. The District can provide oversized scissors for this occasion. Now you can look at what you have accomplished. If you have had good luck with receiving grants and generous donations, it is amazing what a concept and good planning can produce. Congratulations and thank you from the Edmonds School District!