Bond 2010 – Milestones for December 2010 – January 2011

Citizens' Oversight Committee

• Applications for membership on the Bond Citizens Oversight Committee are now under review, and the names of the committee members will be on the agenda of the January 18 board meeting for approval.

•The 24-member committee will provide feedback to staff, review progress reports and report recommendations to the Board.

•The committee will be comprised of 21 SAISD residents and three at-large representatives of business and community organizations. Terms will be staggered, with members drawing for lengths of terms varying from 12 months, 18 months or two years.

Bond Finances:

• SAISD plans to issue the bonds in stages, based on the cash flow needed for construction and the timing required to maximize SAISD's eligibility for state aid.

• SAISD has sold the first set of bonds, enabling the District to move forward on bond projects. The $151.4 million sale was issued through taxable Build America Bonds. These bonds include a federal subsidy that allowed the District to realize a net interest rate of 3.89 percent. Using Build America Bonds versus the typical Tax Exempt bonds will provide the District with $29.4 million of savings over the life of the bonds.

• The sale of the first set of bonds took place after SAISD met with rating agencies Standard & Poor's, Moody's and Fitch in late November.

Project Implementation

• On January 5, the Board named the Muñoz/Jacobs consortium as bond project administrator. The Board voted unanimously to hire Muñoz/Jacobs at a fixed price of $12.5 million.

• A Request for Qualifications (RFQ) is currently under review for architects, engineers and other consultants. Over the next few months, SAISD will assemble a team of architects, engineers and consultants to design and oversee the construction program with the Muñoz/Jacobs consortium managing major activities. Hiring of these firms will extend between January and March 2011.

Solicitations are available at www.texasbidsystem.com. For information contact Felix Alvarez, (210) 224-2781, ext: 114.

• Pricing details on playground equipment go to the Board for approval in January. Following approval we will begin purchasing the playground equipment for primary schools.

• Technology is in the process of drafting Request for Proposals (RFPs) for computer hardware, which they expect to issue in early January. RFP selection process will continue from January through early February with input coming from staff and campus personnel. In

March, quantity and pricing details will go to the board for approval. Once approved equipment will be ordered and we project delivery in April/May.

General Timing overview

The purchase of computers and playground equipment will proceed immediately following funding of bonds. Design for safety and security projects will also proceed quickly with awards to several contractors allowing for installations at multiple campuses simultaneously.

For major projects, the schedule generally requires hiring architects and engineers by March 2011 followed by a year of design work, followed by three months to bid and award contracts, and then approximately two to three years of construction (with work proceeding in phases to ensure safety and limit disruptions for students and staff.) Overall, we expect a majority of the projects to be deployed within the next three to five years.

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