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## Reducing Costs for Building and Renovating Schools Sacramento Taxpayer Group Tries New Tactic on School Bonds

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**EXCERPT:** The Sacramento Taxpayers Association is changing its tactics when it comes to school bonds.

Instead of simply opposing school bonds they don't like, representatives from the organization have been meeting with Sacramento County school districts since early summer to collaborate on them. They recently dubbed the effort the **Better Ways to Build Schools initiative**.

"Schools need to be built," said the association's Michael Day. "The goal is to get to the point where they are building schools that we can actively support."

The arrangement goes beyond what other taxpayers organizations have done across the state, said Dave Walrath, a consultant with California's Coalition for Adequate School Housing, which advocates for funding to build schools. Unlike other such collaborations, which focus on the financing of the bonds, the Sacramento Taxpayers Association is involved in discussions on reducing costs in the building and renovating of schools.

The STA also plans to help raise money for bond campaigns, so districts don't have to take money from businesses that would stand to profit from the construction of schools or the sale of the bonds to build them, Day said. School districts are prohibited from spending public money to fund bond campaigns.

"I've never heard of anybody doing that before," Walrath said. "That seems to be a very interesting and novel approach."

The effort started in earnest this summer when members of the taxpayers association contacted each Sacramento County school district superintendent to say they would like to be part of the discussion when districts planned to issue bonds or put a bond measure on the ballot. Now, officials from almost every school district are working with the taxpayers group, Day said.

"From my perspective, if there is a way to decrease cost, I'm all in," said Natomas Unified Superintendent Chris Evans, whose district has a \$129 million facilities bond on the ballot in November. The money will be used to build new campuses once a federal building moratorium expires and to upgrade 19 existing schools. ...

Earlier this month, Evans and Day sat at a table reviewing a resolution that could guide the district if it passes Measure J in November. The school board has final approval of the proposal. It was the third time in an eight-week period that members of the Sacramento Taxpayers Association and Natomas Unified had met to work out the particulars of the proposed bond.

Day seemed satisfied after the meeting. He reviewed the resolution, which included a proposal to reuse architect plans, especially for multipurpose rooms, gymnasiums and nonspecialized classrooms. Evans said the district proposal would limit the fees paid to architects when material costs increase during construction. Architects are generally paid a percentage of the construction cost of a building.

"This is a great way to start the process," Day said.

Despite the meetings and concessions made in Natomas, its bond isn't likely to get a thumbs-up from the STA in November, Day said. He said the association won't give support to any districts until they transition from long-term bonds to two- and three-year bonds, known as pay-as-you-go or pay-go. But they aren't likely to oppose the bonds of the districts they have been working with, either.

Day couldn't say when the taxpayer's organization last supported a school bond. "It is beyond my memory," he said.

"It's like turning around a big aircraft carrier," said Craig Powell, a Sacramento Taxpayers Association board member converting districts to pay-go. "It doesn't happen on a dime. We're aware of that and know it has to be incremental and it has to be a transition. That's OK. That's the nature of the beast." ...

San Juan Unified may have the greatest chance for support if they issue new bonds. Day calls the school district a "a trailblazer." Last year, the district sold \$20 million in two-year bonds to finance facilities projects authorized by Measure N, approved by voters for \$350 million in 2012. The debt, including \$300,000 in interest, will be paid by August 2015. And, in May, the board voted to move to a "hybrid" strategy that combines two- and three-year bonds with 15-year bonds. ...

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