



**2007/08**  
**Capital Plan**  
**Instructions**

Funding Department  
August 2006

## **PART I: AN OVERVIEW**

The ongoing demand for investment in public infrastructure, and escalating costs for construction labour and materials, continues the need to manage Government's capital expenditures as efficiently and effectively as possible. Public agencies, such as school boards must be innovative in the delivery of their services and seek alternative means of procuring and managing the capital assets they require for educational programme delivery.

One of the core functions of the Ministry of Education is to allocate funds for the K-12 public education system. These funds include capital funding for school construction and operating funding for ongoing renovations and upgrading required in maintaining the condition of existing capital assets. The Ministry is fiscally responsible for all aspects of the management of the capital procurement process, with all costs associated with capital and operating funding incorporated within its operating budget. This includes any debt service costs associated with long-term debentures and the amortization of capital expenditures.

To better execute its responsibilities, the Ministry undertook a number of changes in the capital planning process. In 2003/04, the Ministry implemented its first three-year capital plan. By providing school boards with a multi-year funding commitment, they are enabled to undertake better long-term planning for school districts and provide better coordination of maintenance expenditures with known replacement and rehabilitation plans.

In 2002, Government developed a new Capital Asset Management Framework intended to establish standards for planning and management of public infrastructure, and create a new approach to service delivery and capital procurement. A primary feature of this new approach was the pursuit of alternative service delivery and public-private partnership opportunities.

The Ministry implemented its own Capital Asset Management Framework (CAMF), in accordance with Treasury Board direction. This framework transfers the accountability and responsibility for capital expenditures to school boards while retaining the Ministry's broader accountability for ensuring that public schools are built and maintained in a cost-effective manner. In addition to the implementation of a multi-year capital funding system, other key objectives incorporated into the Ministry's new CAMF include:

- Allowing school boards to be more responsive to the needs of their communities and to be more creative in seeking solutions
- Establishing adequate accountability measures to ensure allocated resources have been utilized in a cost-effective manner
- Eliminating unnecessary regulation

Under the Ministry's CAMF, school districts are still expected to develop long-term capital plans in order to determine their existing and future needs for capital and operating purposes. The Ministry's role will continue to be assisting school boards in the capital planning process. Its responsibilities include:

- Creating the legislative framework, establishing policy, and providing advice regarding the planning and maintenance of capital assets
- Establishing criteria for evaluating capital project requests from school boards
- Securing capital funds or other means of capital procurement

- Allocating available resources for capital projects fairly, based on school district needs and Government objectives.

## **1. Operating Funding – Facilities Operations and Maintenance, and School Renewal**

Government accounting policies define operating and maintenance expenditures (as distinct from capital expenditures), and the appropriate source of funding for each category. Projects that involve the creation of new assets or the replacement of existing assets qualify for capital funding support. Many smaller projects involving capital improvements or renovations required to maintain a capital asset during its economic life are classified as operating projects, which do not qualify for capital funding. Funding for such operating projects is provided from the Ministry's operating grant allocation.

The term "maintenance" can be used to describe a range of activities, including:

- Inspections
- Preventive maintenance (planned)
- Repairs due to normal wear and tear (unplanned)
- Building component rehabilitation (upgrading or replacement).

Funding for regular operations and maintenance (inspections, preventive maintenance and repairs) is provided to school districts as part of their per-pupil General Operating Grant, whereas the Annual Facility Grant (AFG) is provided for building component rehabilitation. The Ministry provides AFG funding to each school district for use in preventing the premature deterioration of capital assets and to ensure school facilities remain in usable condition for their intended lifespan.

School districts are expected to establish a long-term maintenance plan and to coordinate their AFG expenditures with regular operations and maintenance activities, local capital expenditures, and any major capital replacement or rejuvenation projects. School districts are also expected to manage any emergent health or safety expenditures within these allocated funds.

In addition to the replacement or upgrading of building components, facilities will occasionally be in need of upgrades to meet changes in various building codes and safety requirements, and modifications to provide access for persons with disabilities. As well, remedial work may be needed to address indoor environment quality problems identified in schools. Independent expert evaluations and risk assessment must be undertaken to identify the appropriate scope of work and all potential costs of such projects. The resulting information should be incorporated into the district's long-term maintenance program.

Allowable AFG expenditures include the following:

- Roof replacement
- Improvements to protect the building fabric
- Mechanical and electrical upgrades
- Loss prevention (fire protection, alarms)
- Health and safety upgrades
- Structural and non-structural seismic upgrades
- Functional improvements
- Technology infrastructure upgrades
- Access for persons with disabilities
- Asbestos abatement
- Seismic upgrading
- Upgrades to existing site improvements
- Site servicing.

For further details on the AFG, please refer to the Annual Facility Grant Policy (revised July 1, 2004), which is available on the Ministry of Education Policy Site at:

**[http://www.bced.gov.bc.ca/policy/policies/annual\\_fac\\_grant.htm](http://www.bced.gov.bc.ca/policy/policies/annual_fac_grant.htm)**

Following the recommendation of the 2003/04 Technical Review Committee, the AFG formula is based on the replacement cost of school area required to house current student enrolment. A standard area per student based on Ministry space allocation for elementary and secondary schools is applied to the construction unit rate, adjusted for location. Factors for average district facility age, and low enrolment consistent with the Ministry's Operating Grant allocation, will also be applied. For communities that qualify for the Ministry's Small Community Supplement, 50 percent of unused school capacity will receive AFG recognition. For this cycle, AFG calculation will be based on student enrolment and school inventory as at September 30, 2005.

## **2. Capital Funding**

Each year, school boards are required to submit a capital plan providing details on high priority capital projects required within the three-year timeframe of the plan. Eligible capital projects include the provision of new educational space required for enrolment growth, and the replacement or rehabilitation of existing school facilities that have reached the end of their economic and functional life.

Beginning with the 2006/07 Capital Plan, each school board located in high risk seismic zones must also submit a separate seismic mitigation capital plan, which will include requests for funding under the Ministry's Seismic Mitigation Program.

Upon receipt of all school boards' capital plan submissions, the Ministry analyzes individual capital project requests using published technical criteria. Each request is then assigned a priority ranking on a provincial basis. Based on further detailed analysis of the highest priority requests, the Ministry establishes a long-term capital plan that will inform the approval decisions of the Minister.

### **Capital Cost Drivers**

Three primary capital cost drivers should be considered with respect to the management of a school board's capital asset base:

#### **(a) Enrolment Changes:**

Changes in enrolments affect capital planning in three ways:

1. Enrolment may increase, requiring school districts to:
  - better utilize existing program space
  - implement efficiency scheduling to increase functional capacities of existing schools
  - undertake alterations or renovations of existing space
  - acquire or relocate portable classrooms
  - provide new space through construction of new facilities or additions to existing schools
2. Enrolments may decline, resulting in the inefficient use of one or more schools. Potential for facility consolidation or the disposal of surplus capital assets should be considered.
3. Enrolment may remain constant, although populations may shift within a district, thereby creating a need for additional space in one area and a surplus of space in another area.

Capital planning requires a long-term overview of enrolment in order to predict trends in the supply and demand for facilities, and to avoid potentially costly short-term solutions. The Ministry develops ten-year enrolment projections based on the analysis and interpretation of data from BC Stats. School districts are required to provide projected enrolment at individual schools so that the sum of the individual schools agrees with the Ministry projections. School districts may choose to develop their own ten-year projections based on local knowledge of future development and enrolment trends; however, these projections may only be included in the web-based Remote Data Entry Capital Planning (RDECP) system upon written agreement from a Ministry of Education planning officer.

School districts are required to develop a capital plan based on a ten-year projection horizon to allow identification of future site acquisition needs. All districts then requesting the acquisition of new school sites or the expansion of existing school sites required due to potential enrolment growth generated by new residential development, must have a school site acquisition charge (SSAC) in place before the Ministry will support a site request. Once SSACs have been established in a school district, subsequently updated ten-year enrolment projections will inform the districts' annual consultations with its local government regarding the need for new school sites and the calculated values of the per-unit SSACs.

Changes in facility usage and educational programs may necessitate space modifications within a capital asset inventory (e.g., conversion of a junior secondary school to a full secondary school; or reconfiguration of elementary schools to middle schools). Funding for these types of modifications is typically regarded as an operating expense, rather than a capital expense. If no capital funding is available, then such projects must be self-financed by the school board, typically through the sale of surplus assets. Where there are capital plan expenditures associated with proposed changes in facility usage, a district must present the Ministry with a supporting business case that compares capital needs based on the *status quo*. The district must also be able to identify the type of change, affects on existing facilities, estimated costs of conversion, and the timetabling for such changes.

**(b) Facility Age and Building Condition**

Where facilities have been maintained in accordance with a long-term maintenance program, but have reached the end of their functional or economic life, building rejuvenation may be required to return a facility to an appropriate working condition. Alternatively, replacement of existing facilities may be required. The Ministry considers independent facility audit data to identify potential candidates for replacement or rejuvenation. Further analysis is then required to determine the most cost-effective option, based on capital and life-cycle cost assessments, functional and educational program requirements, energy and operating efficiency, and life expectancy targets.

To qualify for capital funding, rejuvenation or replacement project requests must exceed \$1.5 million. Any renovation projects less than \$1.5 million is expected to be managed using AFG funding, with work scheduled over several years, if necessary, to complete the project.

**(c) Seismic Risk**

In 2004, the Ministry funded structural seismic assessments of schools located in 37 school districts that were determined to be vulnerable to significant earthquake activity. The survey included all schools and additions designed prior to implementation of the 1992 BC Building Code. The assessments identified the relative vulnerability of school components or blocks to seismic activity and assigned a relative level of risk based on a five-point scale. The Ministry considers all blocks rated as high, moderate/high or moderate risk as a high priority for seismic mitigation.

The Ministry announced a 15 year Seismic Mitigation Program, beginning in 2005, to address all high priority seismic mitigation needs. The first three years of remediation projects, to commence between 2005/06 and 2007/08, were approved by the Ministry based on the highest priority needs as identified by the assessments and in school district capital plan submissions.

**(d) Student Transportation Services**

School buses are considered capital assets, and any new or replacement buses will be funded as part of a school board's capital program. (Note: new school buses will only be supported due to increased district enrolment.) New buses required as a result of school consolidation are expected to be funded from savings achieved through a process of school consolidation.

**3. The New Capital Planning Framework**

**(a) Multi-Year Funding**

Capital project requests for new schools, new school sites, additions, site expansion, replacement or rejuvenation will be considered for support in the third year of the Ministry's 2007/08 to 2009/10 Capital Plan. Projects previously supported in the second and third years of the Ministry's 2006/07 to 2008/09 Capital Plan will comprise the first and second years, respectively, of the 2007/08 to 2009/10 Capital Plan. Only capital requests for new buses and bus replacements may be considered for support in the first year of the 2007/08 Capital Plan.

The advantages to supporting projects over a three-year capital plan include:

- Better long-term facility planning for school districts
- Coordination of maintenance expenditures with replacement and rehabilitation approvals
- Early identification of prospective candidates for evaluation of public-private partnership (P3) options.

Additional benefits to multi-year funding support include the ability to complete the two-phase feasibility studies that required for all supported projects. The feasibility study is intended to do the following:

- Confirm the project rationale
- Define the appropriate project scope
- Determine firm project costs
- Explore P-3 opportunities
- Set out project scheduling
- Assess the school district's project management expertise
- Identify areas of risk.

#### **(b) Capacity Utilization of Existing Schools**

School districts must be able to demonstrate the efficient use of existing school facilities before ministerial support may be given for the construction of new school space.

Previously, Ministry priorities for new space requests were based on a capacity and enrolment analysis of surrounding schools, with less consideration given to the broader context of capacity utilization at the district level.

#### **Capacity utilization thresholds**

A minimum threshold has been established by the Ministry for capacity utilization at the school district level, which must be met before a school district is eligible for new school space. The capacity utilization analysis is based on the existing inventory of schools - including new schools and additions approved in previous capital plans, as well as closed schools - and school district enrolment projections. Capacity is defined as the operating capacity of each school, which is a function of the nominal capacity, grade configuration and average class size provision in the *School Act*.

For a new space request to be considered for funding support, projected enrolment must first be increasing over a five to ten year horizon. Then, to be eligible for new elementary or secondary space, a school district must exceed the district average threshold, in addition to either the elementary or secondary threshold. These thresholds are provided in Table 1: Minimum Percentage Utilization Requirements. While capacity utilization thresholds are intended to be applied at the school district level, in situations where travel distances are significant or local needs warrant additional space, consideration may be given to alternative scenarios proposed by districts.

#### **(c) Capacity Utilization of Existing Schools**

School districts must be able to demonstrate that they are using their existing school facilities efficiently before ministerial support may be given to increase school space. Previously, Ministry priorities for new space requests were based on a capacity and enrolment analysis of

surrounding schools, with less consideration given to the broader context of capacity utilization at the district level. School districts are now being encouraged to introduce more choices and greater flexibility in the education system. The mandatory establishment of catchment areas for each school will ensure that students have priority to attend their neighborhood school, but will also enable school districts to create “specialty” schools that will serve the larger community.

**Capacity utilization thresholds**

A minimum threshold has been established by the Ministry for capacity utilization at the school district level before any school district is eligible for new space. The capacity utilization analysis is based on the existing inventory of schools (including new schools and additions approved in previous capital plans) and school district enrolment projections. Capacity is defined as the operating capacity of each school, which is a function of the nominal capacity, grade configuration and class sizes. Average class size provisions for Kindergarten and the primary grades, as established by *The Public Education Flexibility and Choice Act*, are incorporated into the operating capacity calculation. The operating capacity for Grades 4 to 12 is based on the nominal capacity (i.e., 25 students per classroom).

<b>Table 1: Minimum Percentage Utilization Requirements (based on Operating Capacity)</b>			
<b>FTE Enrolment</b>	<b>Elementary (Gr. 1-7)</b>	<b>Secondary (Gr. 8-12)</b>	<b>District Average</b>
<b>&gt; 7,500 (and all urban districts)</b>	100%	110%	95%
<b>5,000 to 7,499</b>	95%	105%	90%
<b>1,500 to 4,999</b>	90%	100%	85%
<b>&lt; 1,500</b>	80%	90%	75%

**(d) Replacement and Rejuvenation**

Capital plan requests for replacement or rejuvenation of an existing school will be evaluated based on the following two criteria:

- Facility audit score
- Capacity utilization analysis

The initial priority for replacement or rejuvenation of a school will continue to be determined by facility audit data. Even the Ministry ranks a school as a high priority for replacement, support will be contingent upon a capacity utilization analysis of surrounding schools. Replacement or rejuvenation of a school will not be supported if adequate space is available at nearby schools to accommodate its current student enrolment and it will not be required for future enrolment growth. Alternatively, a reduction in existing capacity (i.e., a smaller replacement or inventory reductions) may be required as a condition of support for a requested replacement or rejuvenation. Any requested increase in capacity for a replacement school must be supported by the capacity utilization analysis.

**(e) School Consolidations**

Schools districts experiencing continued declining or shifting enrolments may wish to reduce the inefficient use of school facilities through consolidation to fewer locations. The Ministry will consider renovation or, in special circumstances, addition requests that are supported by a comprehensive business case evaluation that confirms the optimal utilization of schools in consideration of their age, building condition, capacity, and location. School districts will be required to demonstrate potential savings in operating costs and provide support for the requested capital project through the sale of surplus assets, where applicable.

**(f) School Community Connections Program**

In April 2005, Government approved the School Community Connections program to help school boards and local governments revitalize schools as centers for community learning and activity. The program is being co-managed by the BC School Trustees Association and the Union of BC Municipalities. Community partners are expected to develop expressions of interest to use schools for activities and services. Successful applicants will receive funds to help develop and implement their plans.

School Boards may use funds from the Annual Facility Grant to carry out minor renovations and/or improvements to schools to better meet the needs of the community partners. In addition, major capital projects that include plans for potential community programs will be given a higher priority ranking by the Ministry.

**(g) Structural Seismic Mitigation**

The Ministry remains committed to improving the safety of our public schools through the mitigation of seismic risks. This mitigation work includes structural upgrading projects that make existing schools more resistant to earthquakes, and non-structural seismic upgrading of operational and functional components that reduces life safety hazards within schools.

In March 2005, the Ministry announced a \$1.5 billion Seismic Mitigation Program to seismically upgrade B.C. schools over the next 15 years. The Ministry has two primary objectives in the implementation of the Seismic Mitigation Program:

1. Addressing the highest priority needs as determined by seismic assessments, and
2. Ensuring seismic funding is dedicated to seismic mitigation, rather than general renovations.

Commencing with the 2006/07 to 2008/01, school boards are required to submit their seismic mitigation projects separately from their other capital plan requests. Projects are expected to be prioritized in accordance with the provincial ranking list of schools that were identified as a high priority for seismic mitigation.

Where the facility age and/or building condition indicate that school rejuvenation or replacement would be more cost-effective than stand-alone seismic upgrading, a capital project request for the school should be submitted as part of the regular capital plan and not as a seismic mitigation project. Also, schools with a low capacity/utilization rate (considering the individual school as well as its surrounding schools), which may be a candidate for future closure or consolidation, should not be included as part of a district's seismic mitigation plan.

## PART II: DEVELOPING THE 2007/08 CAPITAL PLAN

### 2007/08 Capital Plan Timelines

<b>2007/08 Capital Plan Timelines</b>	
<b>August 2006</b>	<ul style="list-style-type: none"> <li>• <i>2007/08 Capital Plan Instructions</i> resource materials available on the Ministry of Education Capital Planning Resources webpage</li> </ul>
<b>September - October</b>	<ul style="list-style-type: none"> <li>• Ministry of Education 3<sup>rd</sup> quarter update of unit rate factors for location.</li> <li>• Planning Officers work with school district staff in developing 2007/08 Capital Plan submission</li> </ul>
<b>October 20</b>	<ul style="list-style-type: none"> <li>• School boards submit 2007/08 Capital Plans to Ministry, including:               <ul style="list-style-type: none"> <li>♦ completed capital planning (CP) forms</li> <li>♦ all hard copy documentation to support project requests</li> <li>♦ school board resolutions adopting capital plan submission</li> </ul> </li> <li>• School boards submit school site acquisition plans (including eligible school site proposals) to Ministry, as required under the provisions of the <i>Local Government Act</i></li> </ul>
<b>October - December</b>	<ul style="list-style-type: none"> <li>• Ministry reviews all submissions and applies provincial ranking criteria to requested capital projects</li> </ul>
<b>December</b>	<ul style="list-style-type: none"> <li>• Ministry notifies school districts of assigned provincial project rankings; rankings are then confirmed or jointly refined</li> <li>• School boards notified of approved site acquisition projects, allowing school boards to establish school site acquisition charges, if required</li> </ul>
January - April	<ul style="list-style-type: none"> <li>• Minister of Education reviews and approves recommended project list</li> </ul>
Spring 2007	<ul style="list-style-type: none"> <li>• Ministry informs school boards of supported capital projects</li> </ul>

### Capital Plan Submission

A school board's capital plan should reflect a strategy for balancing the supply of existing facilities with enrolment projections, while maintaining a functional capital asset base. The Ministry has developed a series of forms and reports to assist school districts with their capital plan development and submission - access to these is provided to school districts on the web-based Remote Data Entry Capital Planning (RDECP) system. The following provides the steps that should be followed as part of the capital planning process.

When reviewing long-term needs, school districts should assess their existing capital asset base and determine whether the use of current assets can be expanded or improved, thereby reducing the need for new (or existing) assets. Districts need to ensure that the nominal capacities of their schools have been updated to reflect the current ministry space standards.

Enrolment projections for the next ten years need to be developed to assess the demand for new facilities or to determine any potential over supply. When the demand for facilities exceeds the supply within a 10-year planning horizon, capital projects should be planned such that long-term supply will keep pace with long-term demand. (Short-term fluctuations in demand should be accommodated by short-term supply solutions, such as portable classrooms or operating leases.) If the supply exceeds long-term demand, options should be considered to reduce supply through the disposal of surplus facilities not needed for current or future educational purposes.

The Ministry prepares ten-year enrolment projections for the province and for each school district, based on population trends identified by BC Stats. School inventories and school district projections are reported in the **CP-3 School District Summary of Capacities and Projected Enrolment Form**. School districts should use this form to enter their ten-year enrolment projections on an individual school basis for Kindergarten, elementary and secondary students.

Capital rejuvenation or replacement requests included in the capital plan must be supported by the results of a recent facility audit assessing the condition of the existing school building.

When capital projects are requested in a school board's capital plan, a **CP-1 Capital Project Request Form** must be completed for each project. Supporting documentation for the project requests must also be provided as part of the capital plan submission.

Each project request will appear on the **CP-2 Five-Year Capital Plan Summary**, which should form the basis of the submission that is approved by a school board.

A **CP-4 School Capacity and Enrolment Worksheet** should be completed for each newly requested space project. The form allows identification of all neighbouring schools potentially affected by a proposed space project and calculate the space ranking for that project.

For the purposes of mandatory school site acquisition legislation, an eligible school site proposal must be forwarded to the Ministry as part of a school board's capital plan submission. School site acquisition charges are established by school boards based on the value of Ministry-approved eligible school sites. For further information, please refer to the **Implementation Guide: School Site Acquisition Charge** on the Ministry's Current Year Capital Planning Resources webpage at: <http://www.bced.gov.bc.ca/capitalplanning/resources/>

## **Estimating Project Budgets for Capital Planning Purposes**

### **Area Standards**

**Ministry of Education Area Standards (03/99)** are incorporated into the CP-1 Project Request Forms. Two versions of the form (Elementary and Middle & Secondary Space Projects) are linked to space standard tables according to the specified facility type. Space requests are entered in the design aid sheets, which are linked to the tables for elementary, middle or secondary schools.

### **Allowances, Rates and Costing Factors**

All factors associated with the development of capital budgets will be published in the **2007/08 Capital Plan Allowances, Rates and Costing Factors Supplement**. These will be updated to adjust project budgets prior to the signing of the Project Agreement.

#### **Unit Rate**

An estimated capital budget will be calculated for each school construction project (i.e., new schools, additions and renovations to existing schools) included in a capital plan on the basis of set unit rates for new construction of elementary, middle and secondary school space, and calculated unit rate for renovated space. Capital budgets will necessarily be updated during the feasibility study process and finalized for the Project Agreement.

**Note:** Unit rates do not apply to administration and maintenance facilities, which must be considered for budgeting on an individual project basis.

#### **Supplementary Building Allowance**

School districts are required to determine the ground conditions of a site prior to its acquisition, as outlined in the Ministry's **School Site Selection Guide**, which can be found on the Ministry's Current Year Capital Planning Resources webpage at:

**<http://www.bced.gov.bc.ca/capitalplanning/resources/>**

Where an unusual ground condition exists, a preliminary analysis of the site condition and its associated costs will be required prior to acquisition of the site.

**Note:** The unit rate used to provide a budget estimate of construction costs for a capital project assumes a level site with normal load bearing capacity; otherwise, an appropriate ground factor should be selected to reflect the abnormal site conditions within the building footprint.

#### **Site Development and Supplementary Site Allowances**

A Site Development Allowance has been developed for differently sized new buildings and additions. This allowance is intended to provide for the completion of most items associated with the scale of development, with the exception of roads, parking and any additional costs associated with any abnormal site conditions. The Supplementary Site Allowance must be calculated separately to include items not covered under the Site Development Allowance.

#### **Development Cost Charges and Off-Site Service Charges**

School districts must comply with Government guidelines related to funding support for local government Development Cost Charges, off-site service charges, and bylaw requirements. For further details, please refer to the Capital Project Budget Guidelines for Local Government Service Charges and Bylaw Requirements (issued September 15, 1994) on the Ministry's Current Year Capital Planning Resources webpage at:

**<http://www.bced.gov.bc.ca/capitalplanning/resources/>**

### **Planning Fees**

For the purposes of capital planning, planning fees for school projects will be calculated as a percentage of the estimated construction and site development costs. Basic fee rates of 10 percent for new construction and 16 percent for renovations have been set for new project requests. Planning fees for new construction are further subject to adjustment, based on project size, on a sliding scale.

### **Equipment and Freight Rate Allowances**

Equipment allowances for elementary, middle, and secondary schools are determined as a percentage of the base budget rate for construction. For 2007/08, an 8 percent increase has been factored into the equipment allowance in recognition of the cost increases in the CPI for furniture and equipment since the base unit rate was established in 2001. For replacement or rejuvenation projects, the equipment allowance is based on 25 percent of the equivalent new allowance. A Freight Rate Allowance is included to reflect the variations in shipping costs associated with the acquisition of equipment.

### **Location Factors**

Costing factors for location have been developed for all school districts, with some allowances for variations within specific school districts. The Location Factor is based on a combination of two variables:

- Geographical Factor, which includes an allowance for climate, amount of snow and/or rain, and seismic zone
- Economic Factor, which reflects market conditions for building construction.

### **Feasibility Study Funding**

Upon notification that a school board is initiating a 'Feasibility Study', the Ministry will provide funding for the feasibility study from its operating budget. Site acquisition projects will receive \$25,000. New space, renovation and replacement projects will receive the following funding:

- For projects less than or equal to \$5.0 million - 3.5 percent of project cost to a maximum of \$50,000;
- For projects greater than \$5.0 million - 1.0 percent of project cost

Actual costs for a feasibility study that are in excess of the funding amounts provided may be included in the 'Project Agreement' budget.

### **School Buses**

School buses are considered capital assets and will be funded as part of a school board's capital program. All funding requests for school bus acquisitions included as part of a school board's capital plan submission will be considered on an individual basis. Where approved by the Ministry, bus acquisition funding will be based on a capital allowance. (See **Appendix G - School Bus Tender Specifications Document**)

Replacement of an existing school bus will be considered for the following situations:

- Mini-buses, which are 10-years old with at least 250,000 km;
- Conventional buses (24 to 72 passengers), which are 12-years old with at least 325,000 km;
- 84-passenger buses, which are 15-years old with at least 400,000 km; or
- None of the above apply, but the need for replacement can be substantiated.

Funding requests for school buses will be considered for inclusion in a Ministry's capital plan only where school districts have submitted all supporting documentation, as follows:

- For additional buses for new routes or trips, documentation includes rationale for the request, and copies of route sheets and route maps
- For replacement of existing buses, documentation includes the latest inspection report
  - ♦ if bus replacement is earlier than provided in Ministry guidelines, documentation also includes rationale for the request and maintenance costs record
  - ♦ where the capacity of a replacement bus is to be upgraded, documentation includes rationale for the request, and copies of route sheets and route maps.

**Note:** Once a bus has been replaced, it may not be used for any permanent routes.

### Mandatory Documentation for Capital Projects Included in a Capital Plan Submissions

<b>Mandatory Supporting Documentation for Capital Project Requests</b>	
<b>Type of Project</b>	<b>Supporting Documentation</b>
<b>New Instructional Space</b>	<ul style="list-style-type: none"> <li>• <b>Additions:</b> <ul style="list-style-type: none"> <li>♦ line drawings of existing facility</li> <li>♦ design aid sheet</li> <li>♦ CP-4 School Capacity and Enrolment Worksheet</li> </ul> </li> <li>• <b>New Space:</b> <ul style="list-style-type: none"> <li>♦ design aid sheet</li> <li>♦ CP-4 School Capacity and Enrolment Worksheet</li> </ul> </li> </ul>
<b>Replacement or Major Rejuvenation</b>	<ul style="list-style-type: none"> <li>• line drawings of existing facility</li> <li>• design aid sheet</li> <li>• CP-4 School Capacity and Enrolment Worksheet                             <ul style="list-style-type: none"> <li>♦ building condition score, using revised Ministry of Education's Facility Audit</li> </ul> </li> </ul>
<b>Site Acquisition</b>	<ul style="list-style-type: none"> <li>• CP-4 School Capacity and Enrolment Worksheet</li> </ul>
<b>Bus Acquisitions</b>	<ul style="list-style-type: none"> <li>• <b>New:</b> rationale for request; copies of route sheets and route maps</li> <li>• <b>Replacement:</b> inspection report verifying age, condition and kilometers                             <ul style="list-style-type: none"> <li>♦ if replacement earlier than Ministry guidelines, include rationale and maintenance costs record</li> <li>♦ where capacity is being upgraded, include rationale, and copies of route sheets and route maps</li> </ul> </li> </ul>

# 2007/08 CAPITAL PLAN INSTRUCTIONS: APPENDICES

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**Note:** Refer to “Brief Instructions” on further use of the Web-based Capital Planning System (WebCAPS) electronic forms

## Appendix A: CP-1 CAPITAL PROJECT REQUEST FORM

This Appendix offers general guidance regarding the **CP-1 Capital Project Request Form**. The **CP-1 Form** is the key component in a school board's preparation of their five-year capital plan. The **CP-1 Forms** completed by school boards are the basis for the development of the **Ministry's Three Year Capital Plan**. The **CP-1 Form** is one of various capital planning forms that must be completed using the Ministry's web-based capital planning system. Access to the **CP-1 Form** and other capital planning forms is limited to designated school district users only. Instructions on the completion of these forms are provided on the Ministry's web-based capital planning web page: [http://rdecpl.educ.gov.bc.ca/pls/rdecpl/rde\\_html\\_main\\_pk.rdecpl](http://rdecpl.educ.gov.bc.ca/pls/rdecpl/rde_html_main_pk.rdecpl)

As part of the web-based capital planning system, school districts must complete a **CP-1 Form** for each capital project requested in Year One to Year Five of their Five-Year Capital Plan submission. All information related to those projects not supported for funding in a previous year can be brought forward to the current year and updated. Only new projects will require the completion of a new CP-1 Form.

Please note the following significant aspects of the **CP-1 Capital Project Request Form**:

1. School board project ranking categories (i.e., High, Medium or Low) are provided on the **CP-1 Form**. Planning officers will work with school districts to ensure that project evaluation criteria and methodologies are consistent with those of the Ministry, in order to produce a closely correlated rank order. The Ministry will then apply standard technical criteria to evaluate and rank all requests from across the province. The Ministry will 'echo' its ranking back to each school district.
2. Project codes are used by the Ministry to sort capital project requests into various categories for evaluation and prioritization. A list of the project codes is provided on Page A-3 of this Appendix.

**Note:** Project codes associated with most minor non-space projects are no longer accommodated within the **CP-1 Form** as these projects are to be funded from the district's Annual Facility Grant.

The project codes are assembled into two distinguishing categories - capacity or non-capacity and are ranked based on completely different sets of criteria. Capacity projects include those projects that result in an increase in capacity, change in grade structure (e.g. elementary school to middle) through the construction of new space, or the reconfiguration of internal spaces which results in changes in use. These projects are ranked based on capacity/enrolment and capacity utilization. Projects that do not result in an increase in the capacity or change in grade configuration of a facility are considered non-capacity projects, even though they may result in increased area. These projects are ranked based on facility condition (i.e. facility audit score or seismic ranking).

Addition projects that include significant renovations or replacement projects that include an increase in capacity may be supported by the Ministry. However, for the purposes of capital planning, a separate **CP-1 Form** must be completed for each of these two construction activities (i.e., one ADD and one RENO/REPLACEMENT), as different evaluative criteria are applied to each of these project types. Should such a project be supported in a three-year capital plan, the mandatory feasibility study will confirm the scope of the project including capacity as well as extent of renovations and/or replacement. A determination may also be made as to the feasibility and benefits of combining an upgrade with an increase in capacity.

**Note:** The project codes EXPAND and REBUILD are no longer available, replaced by ADDITION and REPLACE, respectively.

3. Unlike the prescribed project codes, there is an expanded field where project descriptions must be entered by school districts. The description should identify project specifics such as the change in capacity; type of additional spaces; location (only where this may be ambiguous), etc. Some phrases are provided in Page A-4 of this Appendix. Although the description is not limited to these phrases it is expected that they will be used wherever possible.
4. For the existing capacity of a school, the capacity will appear as recorded on the **CP-3 School District Summary of Capacity and Projected Enrolments Form**.
5. Financial estimates must be provided in current dollars and not inflated for future years. If approved to proceed, the feasibility study will confirm the budget for the year of approval.
6. The source of funding included for site acquisition projects may include those cited in section 101(3) of the *School Act*, with respect to the collection of school site acquisition charges in a school district.
7. The source of funding for other capital projects may include “local capital”, “restricted capital” (previously Capital Reserve), or community funds.

## **CAPITAL PLANNING PROJECT CODES**

### **CAPACITY RELATED SCHOOL PROJECTS**

- ADD            Addition [increases the area of an existing school with a resulting increase in capacity; includes planning and completion phases]
- ALTER        School Alteration changes the grade configuration of a school e.g. elementary school to middle; includes planning and completion phases]
- NEW          New School [includes site acquisition, planning and completion phases]

### **NON-CAPACITY RELATED SCHOOL PROJECTS**

- REPLACE    Replacement School [Replaces an existing school or a specific portion of an existing school (e.g. 1953 Wing) with a new facility; may include site acquisition phase; includes planning and completion phases.]
- RENO        Renovation [upgrades an existing facility with no change in capacity; includes planning and completion phases]
- SITEEXP    Site Expansion [increases site size of an existing school]
- SPN        Seismic Project Non-Structural [non-structural seismic mitigation, includes planning and completion phases]
- SPS        Seismic Project Structural [structural seismic mitigation, includes planning and completion phases]

### **OTHER PROJECTS**

- BUSNEW    New School Bus
- BUSREP    Replacement School Bus

## **CAPITAL PLANNING PROJECT DESCRIPTIONS**

<b><u>Project Code</u></b>	<b><u>Project Title</u></b>	<b><u>Project Description</u></b>
NEW	Name of School	New 40K/300 capacity elementary
ADD	Name of School	Increase capacity from 40K/200 to 40K/300
ALTER	Name of School	Convert 40K/300 capacity elementary to 450 capacity junior middle school
REPLACE	Name of School	Replace existing 40K/350 capacity elementary with new 40K/300 capacity elementary  Replace 1953 classroom block
RENO	Name of School	Renovations required to upgrade facility
SITEEXP	Name of School	Expand site to accommodate school addition
SPS	Name of School	Upgrade resistance to seismic loading
SPN	Name of School	Non structural seismic upgrading
BUSNEW		One new 72 passenger bus
BUSREP		Replace bus #'s 1234 & 1235 (1 – 84, 1 - 72 PASS)

## Appendix B: CP-2 FIVE-YEAR CAPITAL PLAN SUMMARY

The intent of the **CP-2 Five-Year Capital Plan Summary** is to communicate to the Ministry how a school board wishes to schedule capital projects proposed for its Five-Year Capital Plan. School boards should provide all desired construction projects that are proposed for a five-year planning timeframe, including site acquisitions. Site acquisitions proposed for the sixth through tenth years of this planning timeframe are collapsed into Year Five of the Five-Year Capital Plan Summary.

It is critical that the Ministry be provided with an overview of the needs and proposed capital activities within each school district to allow determination of which capital projects can be supported in each year of the Ministry's Three Year Capital Plan. The listing of how the school board views the relative priority of its projects is instrumental in assisting the Ministry to assess its support for those projects. Therefore, the **CP-2 Five-Year Capital Plan Summary** must be an accurate reflection of capital planning priorities for its school district.

The **CP-2 Summary** allows projects to be organized, as follows:

### 1. Group Projects by Year

Projects are to be listed segregated by year, with each year's projects then put in rank order. The Five-Year Capital Plan reflects an orderly sequence of capital works, and is an indication of funding needs by year. The amount indicated for each project is only an estimate for capital planning purposes. The actual cost will be determined during the feasibility study process prior to signing the Project Agreement by the School Board and Minister of Education.

Under the capital project approval process, a project requiring purchase of a site must be entered as two separate project phases normally requiring financial information in two different capital years. The two phases are:

- site acquisition; and
- planning/completion.

**Note:** Previously separate phases, planning and completion have been collapsed into one phase and must only be entered in a single capital year.

### 2. Project Priority

Each capital project must be assigned a numerical ranking, ordered from highest to lowest priority. Indicate the priority from "1 to n" sequentially, starting with 1 as the school board's highest priority. The same priority number may not be assigned to more than one project.

**Note:** It is expected that the priority of projects will follow the year of request; however, bus requests entered in the first two years of a district's capital plan may be classified as lower priority than a year three capital project.

## **Appendix C: CP-3 SCHOOL CAPACITY SUMMARY OF CAPACITY AND PROJECTED ENROLMENT FORM**

Each school district should review the enrolment data provided in the **CP-3 School Capacity Summary of Capacity and Projected Enrolment Form**. The facility statistics, such as nominal capacity, reflects data from the Ministry's facility inventory. The historical enrolment reflects the approved student headcount enrolment with the following exclusions:

- Continuing Education
- Correspondence
- Home School Registrations
- Students Younger than School Age
- Students Older than School Age
- Offshore Students

The Ministry projection of school district enrolment is shown as district totals for Kindergarten, elementary and secondary. Using the Ministry enrolment projections as a base, enrolment breakdowns by grade-type and school must be provided on the **CP-3- School District Summary of Capacities and Projected Enrolment Form**. School Districts must ensure that the sum of the individual schools agrees with the Ministry projections.

If a school district chooses to develop its own ten-year projections based on local knowledge of future development and enrolment trends, these projections may only be entered into its **CP3 form** following written agreement from a Planning Officer.

School districts now have the option of submitting all projected school-based enrolments in a prescribed spreadsheet format, which in turn will be uploaded by the Ministry into its web-based system for use by school district users.

**Note:** To arrive at the total Kindergarten student enrolment for individual schools providing full-day Kindergarten classes, the full-day Kindergarten student enrolment must first be multiplied by two (to arrive at an equivalent half-day Kindergarten enrolment), with the resulting number added to any other half-day Kindergarten student enrolment.

## **Appendix D: CP-4 SCHOOL CAPACITY AND ENROLMENT WORKSHEET**

Priority of capital funding requests for the construction of new space is determined by the overall need in a particular geographic area within a school district. The **CP-4 School Capacity and Enrolment Worksheet** calculates the level of need, based on the operating capacities, current enrolments and projected enrolments of all schools in an area. This analysis applies to funding requests for new schools, additions to existing school, school alterations, and school replacements.

**Note:** When calculating the need in an area, the new space associated with any currently approved project or a higher priority project in the same capital plan year is considered as existing, even if an approved project is not yet complete or the higher priority project(s) has not been approved.

Completion of the **CP-4 Worksheet** consists of identifying all neighbouring schools that may be affected by a project. Neighbouring schools include all schools in the area that may be considered part of a single large catchment area and whose enrolments are likely to be affected by the requested project. In urban areas, this catchment area is usually a three-kilometer radius for elementary schools and a five-kilometer radius for secondary schools. In rural areas, where busing is common, this radial distance should be increased.

Geographic features, such as rivers, ravines, or major arterial roads, may reduce the catchment area in some instances.

## **Appendix E: CP-5 CAPACITY UTILIZATION ANALYSIS**

The Ministry determines funding support eligibility for requested projects by applying capacity utilization thresholds for elementary and secondary space. Capacity utilization is considered for all requests for new schools, additions to existing schools, rejuvenation of existing schools, and replacement of existing schools.

The **CP-5 Capacity Utilization Forms** calculate the percentage utilization of space for a school district based on the existing operating capacities, and current or projected enrolments. This encompasses only “standard schools” (i.e., exclusive of alternate programs, continuing education, distance education programs, etc.)

There are two versions of the **CP-5 Forms** used by the Ministry to determine funding support eligibility:

- **CP-5A Capacity Utilization Summary** provides the percentage utilization rates at the school district level for up to six selected years.
- **CP-5B Capacity Utilization Analysis** provides a listing of all active and proposed schools, and the percentage utilization at both the school and school district level for a selected school year.

**Note:** When selecting the capital plan year, enrolment projections for each school must have been previously entered in the **CP-3 School District Summary of Capacity and Projected Enrolments** by the school district for that year.

**Appendix F: SCHOOL BOARD CAPITAL PLAN RESOLUTION SAMPLE**

For the Ministry to process a Five-Year Capital Plan submission, a copy of the Board of School Trustees' Resolution that adopts the Five-Year Capital Plan must be included as part of the hard copy supporting documentation submitted to the Ministry. A sample resolution is provided below.

*(District Letterhead)*

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*(Date)*

That the Board of School Trustees approve the Five-Year Capital Plan as outlined on the attached summary.

I hereby certify this to be a true copy of the resolution for approval of the Five-Year Capital Plan adopted by the Board of School Trustees, the \_\_\_\_\_ day of \_\_\_\_\_, 200x.

*(Signature)*

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Secretary Treasurer

## Appendix G: SCHOOL BUS TENDER SPECIFICATIONS DOCUMENT

**Each vehicle must meet all standards of current Federal and Provincial Regulations, and CSA D250-00 requirements.  
Components not listed are expected to meet the CSA D250-00 standards, as a minimum.**

ITEM	YES/NO	COMMENTS
<b>AIR BRAKES:</b> To meet CSA D250-00 standards, plus air dryer; front - 16½ x 5; rear - 16½ x 7; manual drain value on each tank		
<b>ALTERNATOR:</b> Minimum 160 amps, 12 volts		
<b>AXLES:</b> Front - state make and capacity Rear - state make and capacity		
<b>BATTERY:</b> As per engine requirements Enclosed compartment, complete with sliding tray		
<b>CHASSIS:</b>  Make: _____ Model: _____  Year: _____ Wheelbase: _____		
<b>DEFROSTERS:</b> Separate defroster blowers for each windshield 2 center-mounted defroster fans, 2-speed, separate switches		
<b>DOME LIGHTS:</b> Separate switches for driver, front half and rear half of bus		
<b>EMERGENCY EXITS (excluding roof hatches):</b> To meet CSA D250-00 standards		
<b>ENGINE:</b> Diesel - 84 pass. approx. 250 hp, 8.3 liter - 72 pass. approx. 225 hp Warning system for low oil pressure and high temperature		
<b>ENTRANCE DOOR:</b> To meet CSA D250-00 standards Air-operated (when equipped with air brakes), outward opening Vandalock systems for all doors		
<b>EXTERIOR LIGHTS:</b> To meet CSA D250-00 standards		
<b>EXTERIOR MIRRORS:</b> To meet CSA D250-00 standards		



ITEM	YES/NO	COMMENTS
<b>SEATING:</b> To meet CSA D250-00 standards Deluxe driver's seat fully adjustable, high back, air suspension when bus equipped with air brakes, tilt back, lap and shoulder belt, vinyl with cloth insert		
<b>SHOCK ABSORBERS:</b> To meet CSA D250-00 standards		
<b>SPLIT SASH SIDE WINDOWS:</b> To meet CSA D250-00 standards		
<b>SPRINGS:</b> To meet CSA D250-00 standards		
<b>STOP ARM:</b> Air operated when bus equipped with air brakes, red flashing lights on blade, control in conjunction with front door opening, wind guard		
<b>TIRES:</b> 84 passenger - 11R22.5 tubeless radial 54-72 passenger - 10R22.5 tubeless radial 36-48 passenger - 9R22.5 tubeless radial		
<b>TRANSMISSION</b> 84 passenger <ul style="list-style-type: none"> <li>- Allison MD3060 5-speed electronic control</li> <li>- automatic with external filter and temperature gauge</li> <li>- exhaust brake programmed with transmission to automatically downshift to 4th gear on deceleration</li> </ul> 36-72 passenger <ul style="list-style-type: none"> <li>- standard transmission</li> </ul>		
<b>WARNING LIGHTS</b> 8 light warning system, non-sequential, with master switch, visors		
<b>WHEELS</b> 84 passenger - 8.25 x 22.5 heavy duty 10-stud disc 60-72 passenger - 7.25 x 22.5 cast spoke 36-54 passenger - 10-stud cast spoke		
<b>WINDSHIELD:</b> 4-piece, flat tinted Hand holds for windshield cleaning on exterior		
<b>WIPERS:</b> Dual electric, mounted <b>below</b> windshield Windshield washers with wet arm intermittent wipers		