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Schools[?]- Loma Prieta budget^{Schd} is still shaking

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The tiny Loma Prieta School District, which lost one of its two schools in the Oct. 17 earthquake, is feeling financial aftershocks as officials work to come up with the money to house students.

District Superintendent Kenneth Simpkins said school officials had hoped that federal authorities would help pay the \$120,000 lease for 20 portable classrooms to be used until a new school can be built. But that plan has run into a bureaucratic nightmare.

Officials of the Santa Cruz Mountains school district discovered months before the earthquake that Loma Prieta School sat on a fault, and they began making plans to move the students out and build a new school. Their plans were pre-empted by the 7.1-magnitude temblor that shook the Bay Area, hitting their close-knit community off Highway 17 especially hard.

The federal government has told school officials that it cannot help the district with the lease money because local authorities knew about the fault under the elementary school before the quake.

"They're saying it should be a state responsibility," Simpkins said.

Loma Prieta School had to be abandoned after the quake, which was centered along the San Andreas Fault. The fault lies 800 yards north of the new school site, which is southeast of the Loma Prieta Community Center and the C.T. English Middle School. The new school site appears to be free of faults.

Officials of the 560-student district have since learned that they may have to abandon one wing of the middle school because it lies within 50 feet of a fault, as does the adjacent community center. The closing of Loma Prieta School had forced the district to house elementary students at the middle

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school and community center.

Simpkins said the district will be hard pressed to come up with the money to lease portable classrooms needed to house students until a new school can be built. Before the new \$4.5 million school opens in 1993, Simpkins said they may be forced to cut programs and lay off staff.

The first 14 portables are expected to arrive before school starts in September, with six more expected in October.

Because the portables would be used to house students, they are within the U.S. Department of Education's sphere of authority. An official there refused to commit to whether Loma Prieta would get lease money for the portables.

"I can't comment on that. I don't know how that's going to come out," said Frank Delia, branch chief of impact aid programs with the U.S. Department of Education.

Duwayne Brooks, assistant superintendent for school facilities planning in the California Department of Education, said he understood that the problems with funding went back to the pre-existing condition issue. Technically, the federal government is supposed to pay the lease for students displaced by the quake, he said.

"What should be and what actually occurs are two different things," he said.

The Office of Local Assistance in Sacramento pays about \$38,000 per portable for construction, delivery and hookup, an official with

that agency said. The \$2,000 charged each year for each portable goes to help offset that cost.

Loma Prieta has about \$80,000 in reserves for the coming year, half of which may have to go to the first year's lease on the portables, dropping the district well below the state recommended reserve of 4 percent of the budget.

The district is also struggling to come up with money for other earthquake-related repairs for which it is not reimbursed and is waiting to be reimbursed for other expenses.

"We're floating most of these costs up front and then seeking reimbursement from the state. That's lagging three to six months," Simpkins said.

The state has suggested that the district come back in two years and request more money but, meantime, school officials have gotten approval for a \$500,000 loan to cover unreimbursed costs or to fill in when reimbursements are slow coming.

If the district exhausts its reserve or dips into the loan, which would then have to be repaid, programs and staff may face serious cuts, Simpkins said.

While he conceded that that would be a step from bad to worse for the district, Simpkins said he believes that the district will survive.

"We've had the floods and the slides and the fires," he said. "This is the next challenge."