

Item Title: Wake County Public School System FY 2023 Capital Improvement Program Appropriations and Reallocations

Specific Action Requested:

That the Board of Commissioners approves the following requests from the Board of Education for appropriations and reallocations in the Seven Year Capital Improvement Program:

1. Appropriate a total of \$294,949,845 in construction funding for Fuquay Varina Middle School and Felton Grove High School, major renovations of Baucom Elementary School and Swift Creek Elementary School, and preliminary design funding for the renovation of North Garner Middle School, along with program needs such as lifecycle building components, permit fees, educational equipment, mobile classrooms, property acquisition, partial renovation improvement projects, program management, and program contingency;
2. Appropriate and reallocate \$10,480,221 of previously unappropriated FY 2021 and FY 2022 program contingency for Fuquay Varina Middle School;
3. Reallocate \$6,531,379 of FY 2023 program contingency for Fuquay Varina Middle School and Hilltop Needmore Road Elementary School;
4. Reallocate \$7,533,494.71 of project savings from the CIP 2013 Program to Felton Grove High School, Hilltop Needmore Road Elementary School, and Rex Road Elementary School, and make the corresponding changes to CIP 2013 Program Plan of Record;
5. Reallocate \$132,721,289.70 of project budgets from the Continuous CIP Program to Fuquay Varina Middle School, Hilltop Needmore Road Elementary School, Rex Road Elementary School, Baucom Elementary School, Felton Grove High School, Pleasant Plains Elementary School, the Parkside Middle / Wake Early College of Information & Biotechnologies project, Lockhart Elementary School, Brentwood Elementary School, HS-3, Athens Drive High School, Woods Creek Elementary, permit fees, and technology devices

Item Summary:

Purpose: The Board of Commissioners is statutorily responsible to fund the school system's capital projects and approves all appropriations and reallocations of funds.

Background: On June 19th, 2022, the Board of Education passed a resolution requesting funding for their FY 2023-2029 Capital Improvement Program from the Board of Commissioners. On June 6, 2022, the Board of Commissioners

adopted the FY 2023 Budget, which included a total of \$349,534,944 in planned funding for WCPSS capital projects in FY 2023.

This Board appropriates \$294,949,845 and reallocates \$10,480,221 of program contingency from the FY 2021 and FY 2022 plans. The majority of funds will be used for school construction and renovations, with some amounts devoted to capital maintenance, technology, and transportation facilities. The debt issuance for this item was approved by the Board of Commissioners on June 21st, 2021.

Board Goal: This action supports Education Goal 4: Maintain a long-term funding plan for capital needs at the Wake County Public School System and Wake Technical Community College.

Fiscal Impact: This resolution appropriates a total of \$305,430,066 in debt funding for the Wake County Public School System's FY 2023 capital program. The associated future debt service is included in the County's financial model.

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Additional Information:

The Board of Education is requesting that funds be reallocated and appropriated within the Seven Year CIP as follows:

New Schools

Project	FY 23 Plan	Current Budget (All Programs)*	Proposed New Appropriations	Proposed Reallocations	New Proposed Budget
New Schools					
Fuquay Varina MS (M15)	35,440,000	47,528,697.00	35,440,000.00	13,240,561.00	96,209,258
Felton Grove HS (H12)	60,000,000	91,839,258.00	60,000,000.00	33,472,984.02	185,312,242
Rex Road ES (E-52)	48,699,152	4,454,874.00	48,699,152.00	15,055,142.00	68,209,168
Alston Ridge MS		58,887,887.00		(1,717,533.36)	57,170,354
Apex Friendship ES		52,245,159.58		(10,784,571.00)	41,460,589
Bowling Road ES (E49)		3,503,561.00		(5,000.00)	3,498,561
Herbert Akins Road MS		59,767,449.00		(1,992,400.00)	57,775,049
Hilltop Needmore Rd. ES		49,958,048.00		13,363,861.00	63,321,909
HS-15 (Capital Blvd Site)		4,579,028.30		(3,505,000.00)	1,074,028
HS-3		-		1,000,000.00	1,000,000
Neuse River MS		53,775,185.00		(332,157.00)	53,443,028
Parkside ES		31,787,796.00		(1,050,196.33)	30,737,600
Parkside MS / Wake EC of Information & Biotechnologies		8,128,330.00		35,000,000.00	43,128,330
Pleasant Plains ES (E53)		3,503,561.00		2,995,000.00	6,498,561
Southeast Raleigh ES		20,533,860.00		(900,000.00)	19,633,860
South Lakes ES		35,707,358.00		(4,549,132.12)	31,158,226
Woods Creek ES		62,488,553.00		137,466.39	62,626,019
New School Projects Subtotal	144,139,152	588,688,604.88	144,139,152	89,429,024.60	822,256,781
*Current budget shown for new construction projects that span multiple years impacted by this item; active multi-year projects with no changes are not included.					

Major Renovations

Project	FY 23 Plan	Current Budget (All Programs)*	Proposed New Appropriations	Proposed Reallocations	New Proposed Budget
Major Renovations					
Baucom ES	42,546,271	11,478,634.00	42,546,271	17,550,000.00	71,574,905
North Garner MS	6,600,000	-	6,600,000		6,600,000
Swift Creek ES	49,234,717	3,222,339.00	49,234,717	(35,050,000.00)	17,407,056
Apex HS		94,396,393.00		(534,208.26)	93,862,185
Athens Drive HS		-		1,000,000.00	1,000,000
Brentwood ES		-		750,000.00	750,000
Fuller ES		45,965,339.00		(9,109,298.00)	36,856,041
Fuquay Varina HS		107,506,251.00		(5,304,913.39)	102,201,338
Lockhart ES		-		750,000.00	750,000
North Ridge ES		31,248,258.00		(640,418.23)	30,607,840
Stough ES		35,549,193.00		(5,008,394.15)	30,540,799
Vandora Springs ES		29,037,108.00		(849,959.91)	28,187,148
West Millbrook MS		80,092,248.70		(10,796,574.00)	69,295,675
Wiley ES		30,734,006.00		(1,420,828.91)	29,313,177
York ES		44,391,963.00		(5,200,000.00)	39,191,963
Major Renovations Subtotal	98,380,988	513,621,732.70	98,380,988	(53,864,594.85)	558,138,126
*Current budget shown for new construction projects that span multiple years impacted by this item; active multi-year projects with no changes are not included.					

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Ongoing Program Components

Project	FY 23 Plan	Current Budget (All Programs)*	Proposed New Appropriations	Proposed Reallocations	New Proposed Budget
Ongoing Program Components*					
County Paid Permit Fees	611,407	1,245,635.00	611,407	1,245,635.00	3,102,677
Life Cycle Building Components	20,473,629	92,608,914.00	20,473,629	(27,500.00)	113,055,043
Life Cycle Furniture	2,138,000	7,948,000.00	2,138,000		10,086,000
Educational Equipment	2,700,000	5,682,000.00	2,700,000		8,382,000
Technology Devices	19,986,000	89,628,000.00		1,790,000.00	91,418,000
Technology Infrastructure	6,753,000	45,087,000			45,087,000
Security	4,753,000	7,429,735			7,429,735
Mobile Classroom Relocations	2,749,170	7,518,000	2,749,170	(39,000.00)	10,228,170
Assessments	562,755	2,654,814			2,654,814
Property Acquisitions	4,592,741	75,684,358	2,999,741		78,684,099
Space Needs Analysis and Prioritization (SNAP)	20,000,000	84,842,142		(11,800,000.00)	73,042,142
Partial Renovation Improvement Projects (PRIMP)	4,495,000	14,081,502	4,495,000	(5,000.00)	18,571,502
Program Management	9,731,379	38,477,842	9,731,379		48,209,221
Program Contingency (FY21)**			3,608,759	(3,608,759.00)	-
Program Contingency (FY22)***			6,871,462	(6,871,462.00)	-
Program Contingency (FY23)	6,531,379		6,531,379	(6,531,379.00)	-
Public Infrastructure		5,495,291.00		(2,183,470.04)	3,311,821
		-			
Ongoing Program Components Subtotal	106,077,460	478,383,233.00	62,909,926	(28,030,935.04)	510,159,547
*Current budget shown for new construction projects that span multiple years impacted by this item; active multi-year projects with no changes are not included.					
**Reallocating unused FY 2021 Program Contingency					
***Reallocating unused FY 2022 Program Contingency					

CIP 2013 Program

Project	FY 23 Plan	Current Budget (All Programs)*	Proposed New Appropriations	Proposed Reallocations	New Proposed Budget
CIP 2013 Program					
Apex Friendship Middle		48,259,929.00		(1,263,512.86)	46,996,416
Barton Pond Elementary		2,000,000.00		(75,958.00)	1,924,042
Beaver Dam Elementary		22,878,512.00		(217,019.61)	22,661,492
Brooks Elementary		23,341,666.00		(31,629.38)	23,310,037
Bryan Road Elementary		22,966,555.00		(685,210.49)	22,281,345
Buckhorn Creek Elementary		30,077,016.50		(520,909.12)	29,556,107
Garner High		70,468,309.00		(506,713.00)	69,961,596
Hortons Creek Elementary		23,910,914.00		(839,380.15)	23,071,534
Lincoln Heights Elementary		25,683,845.00		(478,802.79)	25,205,042
Parkside Elementary		2,000,000.00		(203,945.00)	1,796,055
Public Infrastructure		47,149,043.00		(623,028.00)	46,526,015
Rogers Lane Elementary		24,983,260.00		(1,125,774.80)	23,857,485
South Garner High		62,857,867.00		(549,650.00)	62,308,217
Startup Designs		250,000.00		(124,415.00)	125,585
Vandora Springs Elementary		3,350,000.00		(142,932.00)	3,207,068
White Oak Elementary		23,232,395.00		(144,614.51)	23,087,780
					-
CIP 2013 Program Subtotal		433,409,311.50		(7,533,494.71)	425,875,817
*Current budget shown for new construction projects that span multiple years impacted by this item; active multi-year projects with no changes are not included.					

WCPSS Seven Year CIP Total

WCPSS Seven Year Capital Improvement Program - FY 2023 Projects					
Project	FY 23 Plan	Current Budget (All Programs)*	Proposed New Appropriations	Proposed Reallocations	New Proposed Budget
New School Projects Subtotal	144,139,152	588,688,604.88	144,139,152	89,429,024.60	822,256,781
Major Renovations Subtotal	98,380,988	513,621,732.70	98,380,988	(53,864,594.85)	558,138,126
Ongoing Program Components Subtotal	106,077,460	478,383,233.00	62,909,926	(28,030,935.04)	510,159,547
CIP 2013 Program Subtotal		433,409,311.50		(7,533,494.71)	425,875,817
Total	348,597,600	2,014,102,882.08	305,430,066	-	2,316,430,271
*Current budget shown for new construction projects that span multiple years impacted by this item; active multi-year projects with no changes are not included.					
**Reallocating unused FY 2021 Program Contingency					
***Reallocating unused FY 2022 Program Contingency					

NEW CONSTRUCTION AND RENOVATION PROJECTS

The item includes appropriations totaling \$242,520,140 and reallocations totalling \$137,219,149.41 for new construction and the renovation projects detailed below.

Project	Location	Planned Use	Anticipated Occupancy
Felton Grove HS	New School	Apex	Construction
Fuquay Varina MS	New School	Fuquay Varina	Construction
Rex Road ES	New School	Holly Springs	Construction
Hilltop Needmore Road ES	New School	Fuquay Varina	Construction
HS-3	New School	West Cary / Morrisville	Design
Parkside MS / Wake EC of Information & Biotechnologies	New School	Morrisville	Construction
Pleasant Plains ES	New School	Apex	Construction
Woods Creek ES	New School	Holly Springs	Construction
Baucom ES	Renovation	Apex	Construction
North Garner MS	Renovation	Garner	Construction
Swift Creek ES	Renovation	Cary (rezone)	Design
Athens Drive HS	Renovation	Raleigh	Design
Brentwood ES	Renovation	Raleigh	Design
Lockhart ES	Renovation	Knightdale	Design

OTHER PROGRAM COMPONENTS

Partial Renovation and Improvements (PRIMP)

This item also includes appropriations to address individual building needs or improvements that would not otherwise be addressed because the total needs analysis does not warrant a major renovation to an entire campus. A \$4.495 million allocation is included in this item to address these projects.

Other Ongoing Program Support Items

The item also includes ongoing program support appropriations for management on the school system's building program, land acquisitions, facility assessments, and mobile/modular relocations, and permit fees paid by the County.

REALLOCATIONS

The \$7,533,494.71 of reallocations from the CIP 2013 Program are project savings from school construction, renovation, and public infrastructure projects. The funds will support construction costs of Felton Grove High School, Hilltop Needmore Road Elementary School, and Rex Road Elementary School.

The \$132,721,289.70 of reallocations within the Continuous CIP Program are unneeded prior appropriations from school construction, renovation, program contingency, Space Needs Analysis and Prioritization (SNAP) projects, Partial Renovation Improvement Projects (PRIMP), mobile

classroom relocations, and lifecycle building component replacements. The funds will support the costs of Fuquay Varina Middle School, Hilltop Needmore Road Elementary School, Rex Road Elementary School, Baucom Elementary School, Felton Grove High School, Pleasant Plains Elementary School, the Parkside Middle / Wake Early College of Information & Biotechnologies project, Lockhart Elementary School, Brentwood Elementary School, HS-3, Athens Drive High School, Woods Creek Elementary, permit fees, and technology devices.

Staff Comments

Staff recommends approval of the appropriations and reallocations as requested. The actions are in accordance with the planned funding schedule and accounted for in the County's financial model.

History of CIP 2013

On October 8, 2013, Wake County citizens approved the authorization of \$810 million of general obligation bonds for the Wake County Public School System 2013 Capital Improvement Program. On October 21, 2013, the Board adopted the resolution declaring the results of the October 8, 2013 bond referendum. These bonds, plus cash appropriations, fund the WCPSS CIP 2013 Building Program. On November 18, 2013, the Board of Commissioners was asked to approve the original CIP 2013 Plan of Record, which consisted of \$43,800,000 from existing County funding, and \$939,954,793 in future funding for a total program amount of \$983,754,793.

On June 16, 2014 the Board approved a Plan of Record increase in the amount of \$6,799,974 as a result of proceeds of the sale of the 3600 Wake Forest Road Site. On July 6, 2015 the Board approved a \$775,000 increase to the Plan of Record to reflect a reallocation of \$775,000 in CIP 2006 savings to CIP 2013. The Board approved a \$2.6 million increase to the Plan of Record on October 19, 2015 as part of another reallocation of savings from CIP 2006 to CIP 2013. On February 15, 2016 the Board increased the Plan of Record by \$4,454,720 to reflect proceeds from the sale of the original H-6 site (CIP 2006). On March 6, 2017 the Board approved the reallocation of \$3,073,534 in CIP 2006 Savings to CIP 2013, bringing the current Plan of Record total to \$1,001,458,021. This item reduces the Plan of record by \$4,634,867, bringing the current Plan of Record total to \$996,823,154.

The Capital Improvement Program contemplates commitments through fiscal year 2018. It provides for construction of fifteen new schools: ten new elementary schools, three middle schools and two high schools. Additionally, the plan includes funds for five major renovations, start-up construction costs at five other schools, life cycle equipment replacement, educational equipment replacement, technology and security, land acquisition and start-up design for new schools, facilities assessments and program management and contingency. To date, \$1.00 billion has been appropriated; fifteen new schools and five major renovations have been completed. Several projects partially funded through CIP 2013 are in the design or construction phase.

CIP 2013 originally included funds for eleven new elementary schools, three new middle schools, two new high schools, six major renovations and startup renovation costs for three schools. On July 6, 2015 the Board of Commissioners approved the Board of Education's request for several changes to the program. Two projects were deferred to the next building program. The construction of a new elementary school in Holly Springs (E-46) was deferred due to site identification difficulties, and a major renovation at Vandora Springs Elementary was deferred due to swing space timing needs.

On November 16, 2020 the Board of Commissioners approved a request from the Board of Education to reallocate \$4,634,867 from CIP 2013 to the Continuous CIP. Project savings from 4 new school projects and 3 major renovations in CIP 2013 were reallocated to the Continuous CIP to support the construction costs of Apex Friendship Elementary School.

On November 16, 2020 the Board of Commissioners approved a request from the Board of Education to reallocate \$4,634,867 from CIP 2013 to the Continuous CIP. Project savings from 4 new school projects and 3 major renovations in CIP 2013 were reallocated to the Continuous CIP to support the construction costs of Apex Friendship Elementary School.

Attachments:

1. Presentation
2. Resolution
3. Board of Education Resolution