

2022 Approved CIP Update Presentation to Board of Commissioners

Mark Strickland – Chief Facilities and Operations Officer

Douglas Congdon – FD&C Program Executive

May 9th, 2022

Presentation Purpose

To share the Approved 2022 Capital Improvement Plan (CIP) update

- Key Stakeholders
- Timeline and key deliverables
- Previous Bond Funded Project Summary
- Recent Market Conditions
- FY24-25 Bond Funded Project Summary
- Approved 2022 CIP Executive Summary

Key Stakeholders

Joint Facilities Core Team

Team Members

WCPSS

- Chief of Facilities and Operations
- Program Executive
- Budget & Finance
- Facilities Design & Construction
- Real Estate Service
- Student Assignment & Planning

Wake County

- Deputy County Manager
- Budget & Finance
- Facilities Design & Construction
- Planning

Joint Facilities Core Team Primary Objectives

Objectives:

- Promote increased collaboration
- Increase communication and understanding of each entity's needs
- Optimize use of taxpayer dollars for WCPSS building program and Capital Improvement Plan
- Increase efficiencies in carrying out WCPSS CIP

What does the Core Team do?

Goals:

1. Develop annual student projections by grade and identify optimal areas for new schools
2. Develop recommended annual updates to building program assumptions based on mandated and other agreed-upon criteria
3. Develop recommended annual updates to CIP based on 1. and 2. as well as affordability in County's debt and capital model
4. Evaluate and bring forward for consideration land acquisitions in support of CIP
5. Monitor execution of CIP to ensure timeliness and effectiveness of building program

Key Stakeholders

WCPSS CIP Committee

2022 CIP Key Collaboration

CIP Committee Members:

Facilities Design & Construction		Maintenance & Operations	School Choice, Planning & Assignment	Finance	Academics	Wake County
Mark Strickland			Glenn Carrozza	Alex Dalton	Drew Cook	Mark Roe
Douglas Congdon	Nate Slavik		Marcella Rorie	Trisha Posey	Eric Fitts	Aaron Brown
Elizabeth Sharpe	Tony Champion		Betty Parker			
Jack McAleer						

Stakeholder groups CIP Committee consults with:

Technology	Child Nutrition	Transportation	Security	Communications
Athletics	Media Services	CTE	Wake/WCPSS Core Team	

Timeline

Annual CIP Review Timeline

1. Standards and Guidelines – February 2022 ✓
2. Program Assumptions – February 2022 ✓
3. Student Enrollment – February 2022 ✓
4. Cost Model – February 2022 ✓
5. Executive Summary – April 2022 ✓
6. Rubric Prioritization – March and April 2022 ✓
7. 2022 Final CIP – April 2022 ✓
8. BOC Presentation of Approved 2022 WCPSS CIP Plan – May 2022

CIP Update Schedule & Deliverables

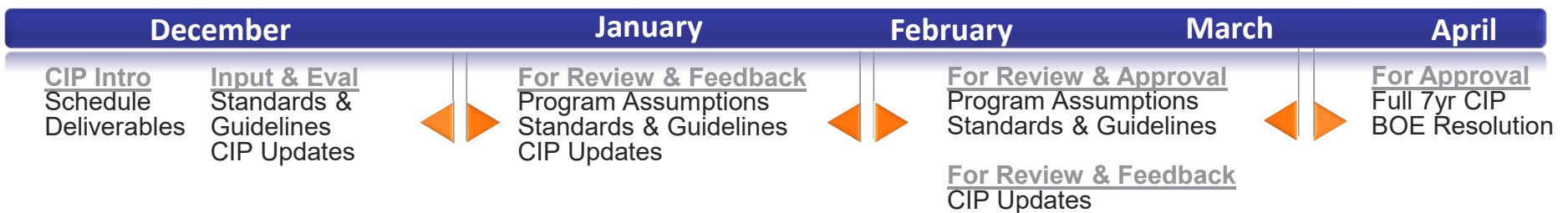
CIP Updated Schedule:

	2021 Quarter 4			2022 Quarter 1			Finish
	October	November	December	January	February	March	April
Student Enrollment							
Program Assumptions							
Standards & Guidelines							
School Prioritization							
Cost Model							
CIP Updates							
2022 CIP Approval							



Joint Board Meeting
Occurred March 22, 2022

Deliverables & Milestones:



WCPSS CIP Components

Components:

- New Schools
- Renovations
- Other Program Requirements

Major Project Definitions

New School Projects:

Construction of new schools not previously in existence on a new or existing site

Major Project Definitions

Existing School Projects:

Majority of projects are full replacement of existing school buildings on existing site

- Replacement = New Construction on an existing site
- Renovation = Existing school on existing site
- Relocation = Existing school to be relocated to a new site with new construction

Other Program Definitions

Other Program Requirements:

- Lifecycle - Individual system/equipment replacements
- Technology and security devices/infrastructure - Computer, hardware and camera purchases and replacements
- Temporary classrooms - Mobile/portable classroom moves (flexible capacity)
- Land - New land acquisition for new schools or other program facilities
- Space Needs Analysis and Prioritization (SNAP) - Non-traditional instructional and operational support needs
- Partial Renovation Improvements (PRIMP) - Renovations and improvements to existing campuses where the total needs analysis prevents individual building needs or improvements from being addressed
- Assessments and Program Management – Staff to manage the capital program and contracting to evaluate facility conditions

Project Summary

Previously Bond Funded Projects

Recently Completed/Under Construction Projects Funded Prior to 2022 Bond

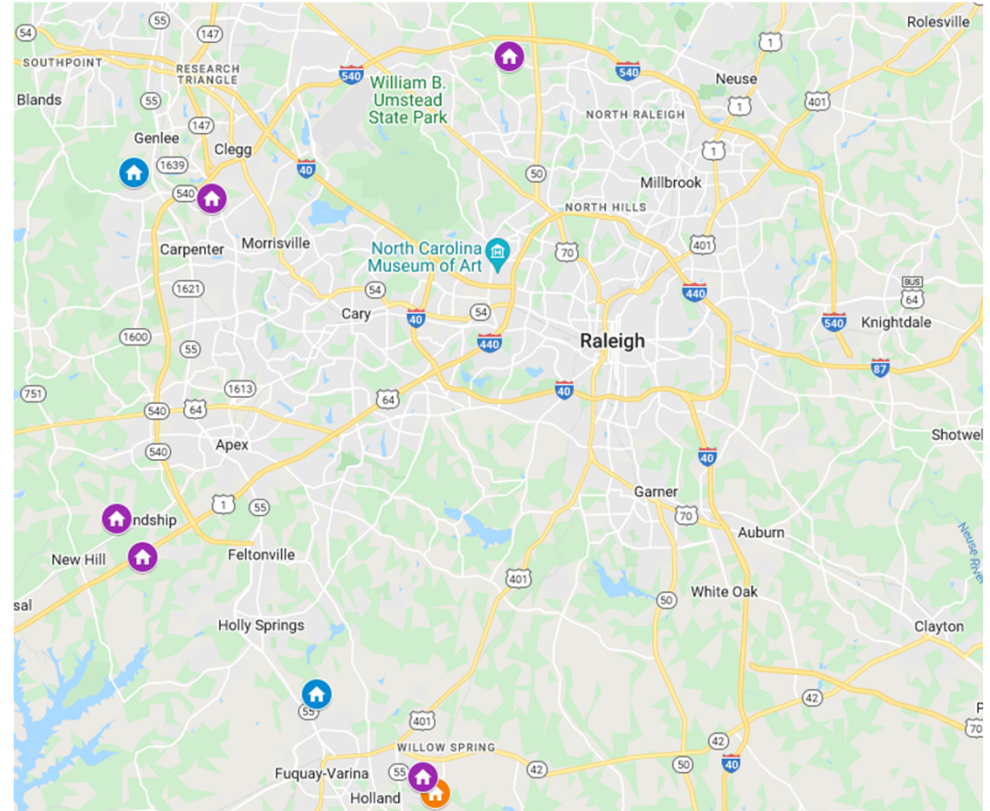
Project Name	Calendar Type	Project Type	Location	Construction Start	Substantial Completion
Willow Springs HS	Traditional	New	Fuquay-Varina	Mar 2017	May 2019
Alston Ridge MS	Year Round	New	Cary	Jul 2017	May 2019
Parkside ES	Year Round	New	Morrisville	Mar 2018	May 2019
Barton Pond ES	Traditional	New	Raleigh	May 2018	Jun 2019
South Lakes ES	Traditional	New	Fuquay-Varina	Feb 2019	Apr 2020
Herbert Akins MS	Year Round	New	Fuquay-Varina	Aug 2020	Apr 2022
Apex Friendship ES	Traditional	New	Apex	Mar 2021	Jun 2022*
Woods Creek ES	Traditional	New	Holly Springs	Jul 2021	Jan 2023*

* Project is in construction

¹ Project serves as swing space for Baucom ES till 2025.

Map of Recently Completed/Under Construction Projects Funded Prior to 2022 Bond

Project Name	Project Type	Location
Willow Springs HS	New	Fuquay-Varina
Alston Ridge MS	New	Cary
Parkside ES	New	Morrisville
Barton Pond ES	New	Raleigh
South Lakes ES	New	Fuquay-Varina
Herbert Akins MS	New	Fuquay-Varina
Apex Friendship ES	New	Apex
Woods Creek ES	New	Holly Springs

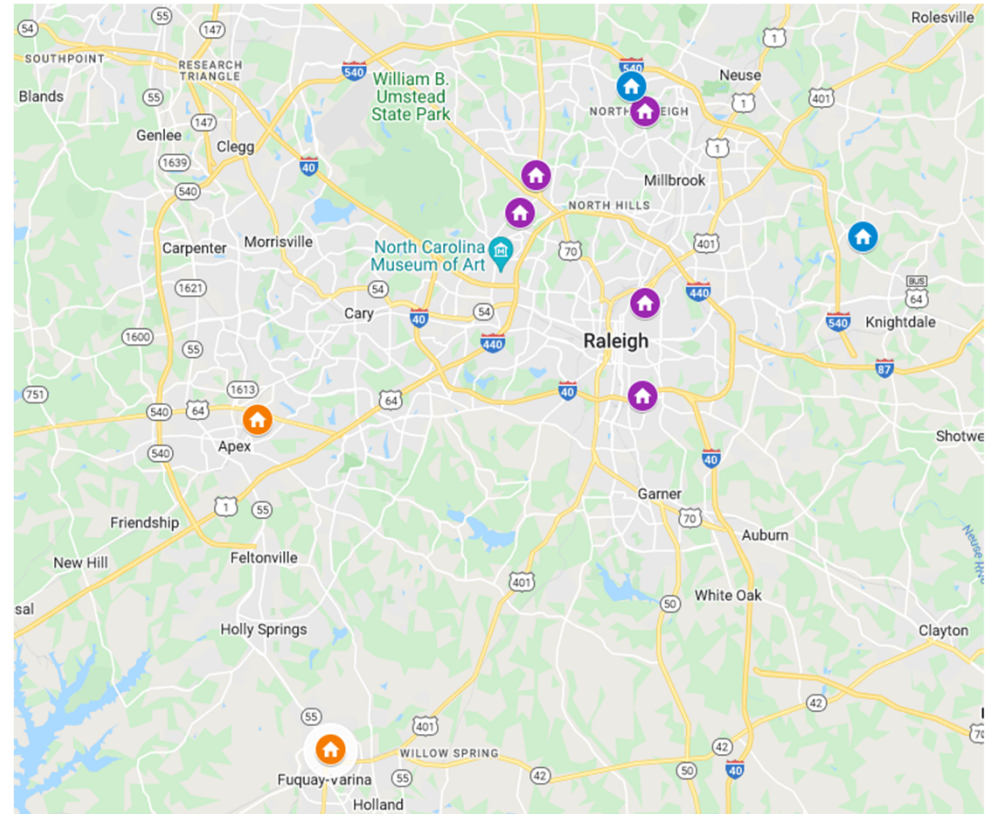


Major Projects at existing school Funded Prior to 2022 Bond & Recently Completed

Project Name	Calendar Type	Project Type	Location	Construction Start	Substantial Completion
North Ridge ES	Traditional	Replacement	Raleigh	May 2017	Jun 2019
Apex HS	Traditional	Replacement	Apex	Jun 2017	Aug 2019
Neuse River MS	Traditional	Replacement	Raleigh	Jul 2018	Apr 2020
Stough ES	Traditional	Replacement	Raleigh	May 2019	Jul 2020
Conn ES	Traditional	Replacement	Raleigh	Jun 2019	Dec 2020
West Millbrook MS	Traditional	Replacement	Raleigh	Sep 2020	Apr 2022
Fuquay-Varina HS	Traditional	Replacement	Fuquay-Varina	Jun 2019	Aug 2021
York ES	Traditional	Replacement	Raleigh	Apr 2020	Nov 2021
Fuller ES	Traditional	Replacement	Raleigh	Feb 2021	June 2022*
* In Construction - Anticipated completion June 2022					

Major Projects at existing school Funded Prior to 2022 Bond & Recently Completed

Project Name	Project Type	Location
North Ridge ES	Replacement	Raleigh
Apex HS	Replacement	Apex
Neuse River MS	Replacement	Raleigh
Stough ES	Replacement	Raleigh
Conn ES	Replacement	Raleigh
West Millbrook MS	Replacement	Raleigh
Fuquay-Varina HS	Replacement	Fuquay-Varina
York ES	Replacement	Raleigh
Fuller ES	Replacement	Raleigh



Herbert Akins Road Middle School

Project Name	Calendar Type	Project Type	Location	Construction Start	Substantial Completion
Herbert Akins Rd MS	Year Round	New	Fuquay-Varina	Aug 2020	Apr 2022



Apex Friendship Elementary School

Project Name	Calendar Type	Project Type	Location	Construction Start	Substantial Completion
Apex Friendship ES	Traditional	New	Apex	Mar 2021	Jun 2022



Woods Creek Elementary School

Project Name	Calendar Type	Project Type	Location	Construction Start	Substantial Completion
Woods Creek ES	Traditional	New	Holly Springs	Jul 2021	Jan 2023



West Millbrook Middle School

Project Name	Calendar Type	Project Type	Location	Construction Start	Substantial Completion
West Millbrook MS	Traditional	Replacement	Raleigh	Sep 2020	Apr 2022



Fuller Elementary School

Project Name	Calendar Type	Project Type	Location	Construction Start	Substantial Completion
Fuller ES	Traditional	Replacement	Raleigh	Feb 2021	Jun 2022



Recent Market Conditions

Market Review

UNPRECEDENTED Market Volatility & Escalation

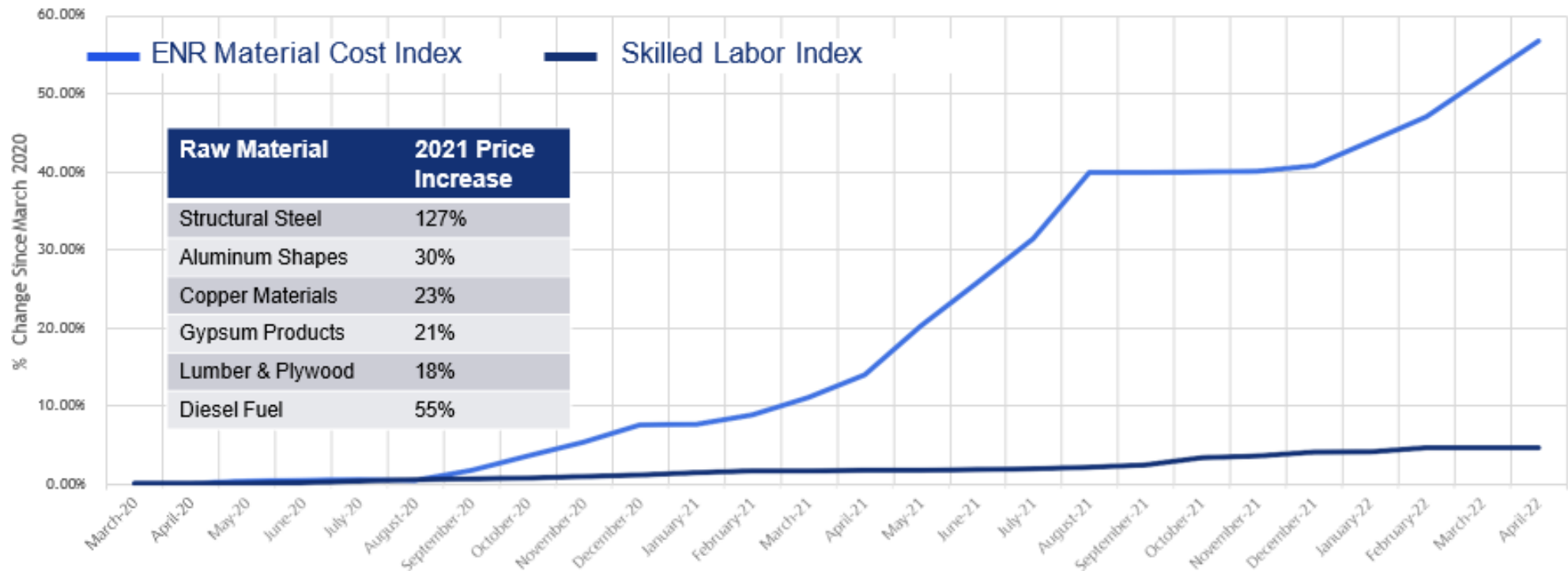
Key Commodity Price Increases:

- Asphalt – 25%
- Steel – 50% - 200%
- Metal Doors and Frames – 40%
- Metal Studs – 100% - 200%
- Copper Wire – 20% -100%
- Drywall – 20% - 40%
- Lumber – 40% - 200%

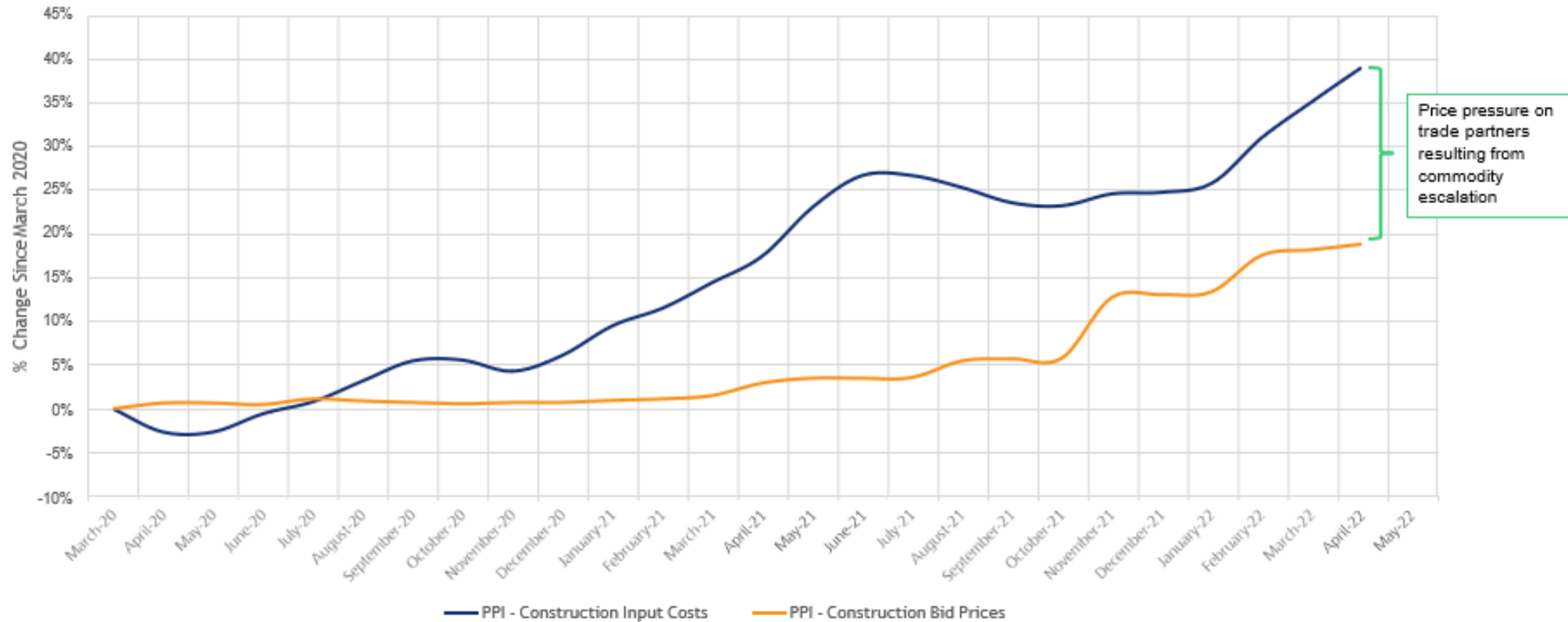
Other Impacts:

- Material Shortages
- Lead Time Increases and Uncertainty

Market Review - Construction Cost Input Comparison



Market Review – Input Cost vs. Bid Prices



Market Review

UNPRECEDENTED Market Volatility & Escalation

WHY? - Demand for inputs and final goods has come racing back faster than supply

- 2020 Rapid Shutdown / Manufacturing Activity Decrease
- 2021 Rapid Economic Recovery / Increase in Construction Activity
- Global Supply Chain Issues
- Scarcity of Goods
- Labor Shortages (truck drivers, skilled trades, etc.)
- Shipping Bottlenecks
- Port Operating Capacity

Market Review

CIP Impact

FY22 & FY23:

- County issuance of Limited Obligation Bonds in 2021 – Funding is locked in. Any increase to project budgets will need to come from existing funding and/or planned appropriations
- Six (6) major projects with funding planned through FY23
 - New Schools - Hilltop Needmore Rd. ES, Fuquay-Varina MS, Rex Rd. ES, Felton Grove HS
 - Existing Schools – Baucom ES, Swift Creek ES
- Potential Cost Exposure (risk) – Estimate Range = \$60M - \$85M
- **Identified Funding to Cover Risk = \$85M**
 - \$5M – CIP 2013 Project Savings
 - \$12.9M – Other Project Savings (from completed projects)
 - \$13.4M – Program Contingency (FY22 & FY23)
 - \$14.5M – Project Contingency (outside of GMP for the 6 projects)
 - \$39.2M – Savings from Projects that bid during economy shutdown (Q1 2020 - Q1 2021)

Market Review

CIP Impact

FY24 – FY29: (six years)

- Increases to project budgets were added to the 2022 CIP update
- Based on the escalation rate changes, increases are estimated as follows:
 - Total = \$181M (approximately \$30M/yr.)
 - Includes 7 new projects & 7 renovation / replacement projects
 - Average increase per project:
 - ES - \$8M-10M
 - MS - \$15M-\$19M
 - HS - \$26M

Executive Summary

Approved 2022 CIP Executive Summary

2022 Approved CIP (NEW SCHOOL SUMMARY)

School or Program Item	Location	Calendar Year Const Complete	FY23 \$M	FY24 \$M	FY25 \$M	FY26 \$M	FY27 \$M	FY28 \$M	FY29 \$M	Total FY23 - FY29
				New Bond						
Fuquay-Varina MS (M15)	Fuquay-Varina	2024	35.4							
Rex Road ES (E52)	Holly Springs	2024	48.9							
Felton Grove HS (H12)	Apex	2024	60.0							
Pleasant Plains ES (E53)	Apex	2025		59.8						
Bowling Road ES (E49)	Fuquay-Varina	2025		59.8						
Parkside MS / Wake EC of Information & Biotechnologies	Morrisville	2025		73.2	68.0					
HS 3	West Cary / Morrisville	2028		8.0		44.3	97.9			
Wendell ES	Wendell	2029			5.5			68.1		
ES (TBD) 2	Raleigh	2031					6.0		73.5	
HS 15 (Capital Blvd Site)	Raleigh	2031			-		7.8		94.1	
ES (TBD) 3	NE Raleigh	2032						6.5		
New School Totals			\$ 144.3	\$ 200.9	\$ 73.5	\$ 44.3	\$ 111.7	\$ 74.6	\$ 167.6	\$ 816.9

2022 Approved CIP (RENOVATION SUMMARY)

School or Program Item	Location	Calendar Year Const Complete	FY23 \$M	FY24 \$M	FY25 \$M	FY26 \$M	FY27 \$M	FY28 \$M	FY29 \$M	Total FY23 - FY29
				New Bond						
Baucom ES	Apex	2024	42.7							
Swift Creek ES	Cary (rezone)	2025	49.4							
North Garner MS	Garner	2027	6.6		52.1	50.0				
Lockhart ES	Knightdale	2027		11.2		66.7				
Brentwood ES	Raleigh	2027	-	5.5	-	70.9				
Athens Drive HS	Raleigh	2028		5.0			63.7			
Briarcliff ES	Cary	2028		-	5.6	-	66.2		2.1	
Washington ES	Raleigh	2029			5.5			68.1		
Ligon MS	Raleigh	2029			7.3		-	70.0	59.3	
Zebulon MS	Zebulon	2032						9.3		
Existing School Totals			\$ 98.7	\$ 21.7	\$ 70.5	\$ 187.6	\$ 129.9	\$ 147.4	\$ 61.5	\$ 717.3

2022 Approved CIP (PROGRAM REQUIREMENT SUMMARY)

School or Program Item	FY23 \$M	FY24 \$M	FY25 \$M	FY26 \$M	FY27 \$M	FY28 \$M	FY29 \$M	Total FY23 - FY29
		New Bond						
Life CY Building	20.5	35.0	40.0	45.0	46.4	47.7	49.2	
Life CY Furniture	2.1	2.2	2.2	2.3	2.4	2.5	2.6	
Ed Equipment	2.7	3.8	3.9	4.0	4.2	4.3	4.4	
Enviro/ADA	-	1.2	1.2	1.2	1.3	1.4	1.4	
Tech Devices	20.0	25.7	26.5	27.3	28.1	29.0	29.8	
Tech Infrastructure	6.8	7.0	7.1	7.4	7.6	7.8	8.1	
Security	4.8	4.9	5.0	5.2	5.4	5.5	5.7	
Temp Classrooms	2.8	2.9	3.0	3.1	3.2	3.2	3.3	
Assessments	0.6	0.6	0.6	0.6	0.6	0.7	0.7	
Land	1.6	11.9	12.2	12.7	13.0	13.4	13.8	
SNAP	20.0	16.0	16.4	17.0	17.5	18.0	18.5	
Partial Renovations & Improvements	4.5	9.0	18.0	20.0	20.0	25.1	25.8	
Program Cont	6.5	11.4	9.5	7.2	5.1	11.4	12.2	
Program Mgmt	9.7	11.4	9.5	11.2	9.1	11.4	12.2	
Program Requirements Totals	\$ 102.6	\$ 143.0	\$ 155.1	\$ 164.3	\$ 163.8	\$ 181.3	\$ 187.8	\$ 1,098.0

2022 Approved CIP (CIP Total SUMMARY)

School or Program Item	FY23 \$M	FY24 \$M	FY25 \$M	FY26 \$M	FY27 \$M	FY28 \$M	FY29 \$M	Total FY23 - FY29
		New Bond						
New School Totals	<u>\$ 144.3</u>	<u>\$ 200.9</u>	<u>\$ 73.5</u>	<u>\$ 44.3</u>	<u>\$ 111.7</u>	<u>\$ 74.6</u>	<u>\$ 167.6</u>	<u>\$ 816.9</u>
Existing School Totals	<u>\$ 98.7</u>	<u>\$ 21.7</u>	<u>\$ 70.5</u>	<u>\$ 187.6</u>	<u>\$ 129.9</u>	<u>\$ 147.4</u>	<u>\$ 61.5</u>	<u>\$ 717.3</u>
Program Requirements Totals	<u>\$ 102.6</u>	<u>\$ 143.0</u>	<u>\$ 155.1</u>	<u>\$ 164.3</u>	<u>\$ 163.8</u>	<u>\$ 181.3</u>	<u>\$ 187.8</u>	<u>\$ 1,098.0</u>
								Total
Total	<u>\$345.60</u>	<u>\$365.55</u>	<u>\$299.06</u>	<u>\$396.25</u>	<u>\$405.42</u>	<u>\$403.39</u>	<u>\$416.94</u>	<u>\$ 2,632.2</u>

Project Summary

FY24-FY25 Bond Funded - Major Projects

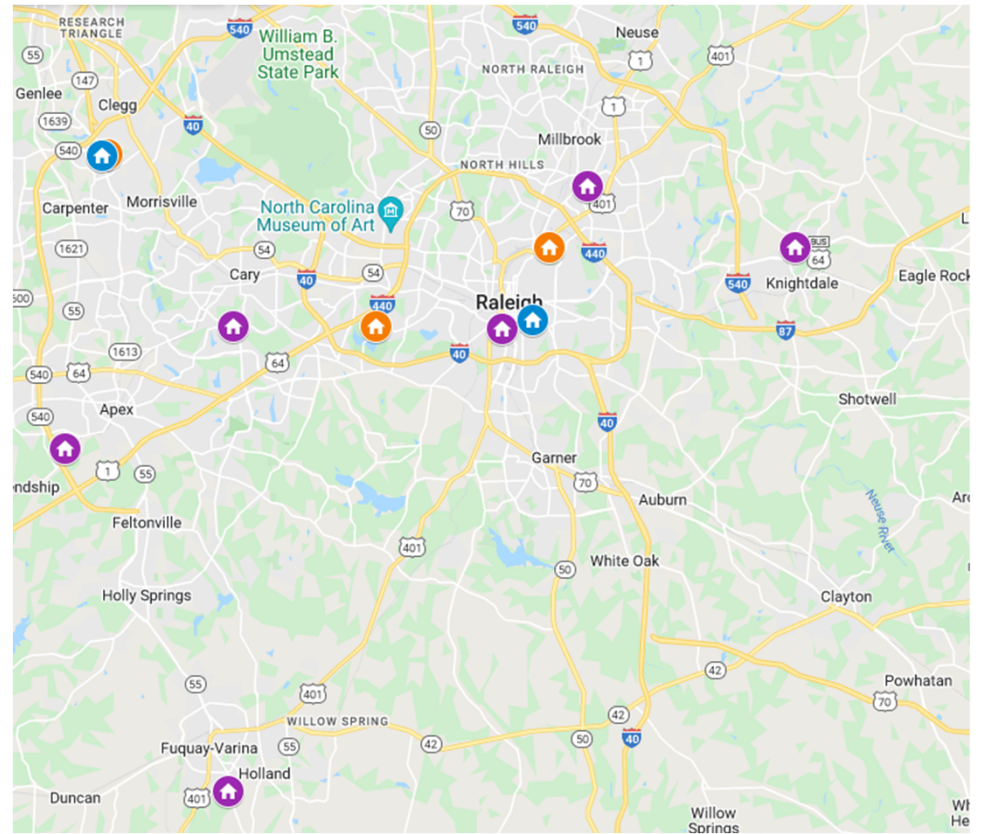
FY24-FY25 Bond Funded - Major Projects

Project Name	Project Type	Location	Construction Start	Substantial Completion
Parkside MS/ Wake EC of Information & Biotechnologies	New	Morrisville	Apr 2023	Apr 2025
Pleasant Plains ES (E-53)	New	Apex	Feb 2024	May 2025
Bowling Rd ES (E-49)	New	Fuquay-Varina	Feb 2024	May 2025
Lockhart ES	Replace / Renovate	Knightdale	Jan 2026	Apr 2027
Brentwood ES	Replace / Renovate	Raleigh	Feb 2026	May 2027
Athens Drive HS	Replace / Renovate	Raleigh	Feb 2026	May 2027
Ligon MS	Replace / Renovate	Raleigh	Aug 2026	Nov 2027
Briarcliff ES	Replace / Renovate	Cary	Aug 2026	Nov 2027
H-3 - New High School	New	West Cary / Morrisville	Apr 2026	Apr 2028
Washington ES	Replace / Renovate	Raleigh	Nov 2027	Feb 2029
Capital Blvd (H-15)*	New	Raleigh	FY29	FY31
*Project funding moved to FY27 and FY29				

FY24-FY25 Bond Funded - Major Projects

Project Name	Project Type	Location
Parkside MS/ Wake EC of Information & Biotechnologies	New	Morrisville
Pleasant Plains ES (E-53)	New	Apex
Bowling Rd ES (E-49)	New	Fuquay-Varina
Lockhart ES	Replace / Renovate	Knightdale
Brentwood ES	Replace / Renovate	Raleigh
Athens Drive HS	Replace / Renovate	Raleigh
H-3 - New High School	New	West Cary / Morrisville
Washington ES	Replace / Renovate	Raleigh
Ligon MS	Replace / Renovate	Raleigh
Briarcliff ES	Replace / Renovate	Cary
Capital Blvd (H-15)*	New	Raleigh

*Project funding moved to FY27 and FY29



Wrap Up

QUESTIONS
COMMENTS
FEEDBACK