

Item Title: Wake County Public School System Capital Improvement Program Appropriations (First Reading)

Specific Action Requested:

That the Board of Commissioners receives information from the Board of Education on requests for reallocations and appropriations in the WCPSS capital programs. If there are no outstanding questions, the Board of Commissioners will be asked to approve the following action item on August 7, 2017:

1. Appropriate \$2,435,856 in *CIP 2013* for design for the Stough Elementary Renovation
2. Appropriate a total \$132,156,097 in the *Seven-Year Capital Improvement Program* for partial construction funding at Willow Spring High and Apex High; public infrastructure for Willow Spring High and Apex High; startup design for E-35 and H-15; design and construction funding for Space Needs Analysis and Prioritization (SNAP) projects; and annual allotments for property acquisition, security and program contingency.

Item Summary:

Overview

The Board of Education is requesting that funds be reallocated and appropriated as follows:

	Plan of Record/Budget			Appropriations		
	<u>Current</u>	<u>Reallocation</u>	<u>Proposed</u>	<u>Current</u>	<u>Appropriation</u>	<u>Proposed</u>
CIP 2013 BUILDING PROGRAM						
New School Projects						
Stough Elem (2018)*	3,735,856		3,735,856	1,300,000	2,435,856	3,735,856
Total	3,735,856	-	3,735,856	1,300,000	2,435,856	3,735,856

	Plan of Record/Budget			Appropriations		
	<u>CIP 2013 Budget</u>	<u>Seven-Year CIP Budget</u>	<u>Total Budget</u>	<u>Current Appropriations</u>	<u>Proposed Appropriations</u>	<u>Total</u>
WCPSS SEVEN-YEAR CAPITAL IMPROVEMENT PROGRAM						
New School Projects						
E-35 Elementary: Fuquay-Varina (2023) - SA	1,000,000	34,562,217	35,562,217	1,000,000	1,000,000	2,000,000
H-13 Willow Spring High: Fuquay-Varina (2019) - SA	2,900,000	85,548,785	88,448,785	46,900,000	41,548,785	88,448,785
H-15 High: Raleigh - SA	-	63,889,584	63,889,584	-	2,000,000	2,000,000
				-		
Existing School Projects						
Apex High (2019)	7,985,445	93,245,646	101,231,091	53,785,445	47,445,646	101,231,091
				-		
Space Needs Analysis and Prioritization (SNAP)	**	89,000,000	89,000,000	-	6,000,000	6,000,000
				-		
Public Infrastructure	**	87,331,490	87,331,490	5,495,291	10,673,555	16,168,846
				-		
Ongoing Program Support						
Property Acquisitions	**	76,624,622	76,624,622	-	10,000,000	10,000,000
Security	**	31,416,095	31,416,095	-	4,100,000	4,100,000
Program Contingency	**	66,079,217	66,079,217	-	9,388,111	9,388,111
Total Budget/Appropriation	11,885,445	627,697,655	639,583,100	107,180,736	132,156,097	239,336,833

*SA= Site Acquired

**The CIP 2013 Budget column was included to show the total budget for new schools and major renovations that are funded across multiple building programs. For these ongoing items, only the budget for the seven-year plan is included.

CIP 2013 APPROPRIATION

Stough Elementary Renovation

The resolution appropriates \$2,435,856 in design funding for the Stough Elementary renovation. This is the remainder of CIP 2013 funding for Stough. Construction funding for Stough is included in fiscal years 2019 and 2020 of the multi-year CIP, with student occupancy planned for August 2020.

SEVEN-YEAR CIP APPROPRIATIONS

Construction and Public Infrastructure

The item appropriates the remainder of construction funding for Willow Spring High (H-13) and Apex High. It also includes \$10,673,555 for public infrastructure for these two projects. Student occupancy for both schools is scheduled for August 2019.

Startup Design

The item includes startup design funds for a new elementary school in Fuquay-Varina (E-35) and a new high school in Raleigh (H-15). Initial design funding for E-35 totaling \$1.0 million was included in CIP 2013 and appropriated in March 2017. This item includes an additional \$1.0 million and covers the remainder of design funding for the project. Construction of E-35 is scheduled to begin in early 2019. Full design funding for H-15 is included in the item. Construction funding for H-15 is planned for Fiscal Year 2020.

Space Needs Analysis and Prioritization

A \$6.0 million appropriation is requested for Space Needs Analysis and Prioritization (SNAP) projects. This funds the following:

- The construction of \$2.5 million for the Infinity Program. Proposed project consists of the renovation of an existing 14,200 SF office building for use as an

alternative school serving long-term suspended high school students with special needs. Assumed scope includes complete interior gut (with the exception of plumbing infrastructure), exterior door and glazing replacement, patching at existing cladding/roof, and interior fit out.

- The balance of design funding for the Southwest Regional Transportation Maintenance and Parking Center; \$1.2 million of \$1.7 million. Project consists of a 32,000 SF bus maintenance facility, 2,000 SF office, and 25 acres of site development. A fuel and wash station is shown as future construction.
- A sum of \$2.3 million is appropriated as part of the FY18 plan. Staffs will discuss expected opportunities for use at the next Core Team meeting in advance of the Second Reading.

Ongoing Program Support

Ten million is included for land acquisition for future school sites and \$4.1 million is included for school security measures. Security items include enterprise IP camera system at 112 schools, a uniform enterprise card access system at 30 schools and an entrance buzzer system for elementary schools which includes closed circuit camera, intercom and integrated door locks. The program contingency appropriation for FY 2018 is \$9,388,111, or three percent of the total program budget for the fiscal year. This item appropriates program contingency to a central accounting unit. Board of Education and Board of Commissioner approval is required before the contingency can be assigned to projects.

Staff Comments

The requested appropriations align with the seven year plan and are in accordance with the funding schedule. Both staffs discussed considerations to be made to respond to the reduction of debt and capital in the capital program as well as discussions around SNAP operating costs and anticipated short-term projects. Meetings will take place before Second Reading which may result in some modifications to the appropriations.

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. The Capital Improvement Program contemplates commitments through fiscal year 2017. 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, \$ 994.8 million has been appropriated; eight new schools and one major renovation have been completed. Currently, seven new schools and four major renovations are in the 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.

Attachments:

1. Presentation
2. Resolution
3. CIP 2013 Appropriation Summary as of August 7, 2017
4. Seven-Year Capital Improvement Plan Appropriation Summary as of August 7, 2017
5. Board of Education Resolution
6. SNAP Project Schedule