

**Item Title:** Wake County Public School System Capital Program Reallocations and Appropriations

**Specific Action Requested:**

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

- 1. Reallocate a total of \$7,800,000 in Program Contingency to the Wiley Elementary Renovation**
- 2. Reallocate a total of \$300,000 in Program Contingency to Program Management**
- 3. Appropriate a total of \$177,320,324 for construction at Parkside Elementary, North Ridge Elementary, Wiley Elementary, East Wake Middle, design funding for M-14 Middle School and ongoing program needs including technology devices, facility assessments, property acquisition, and program management.**

**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 May 15, 2018, the Board of Education passed a resolution requesting funding for their FY 2019-2025 Capital Improvement Program from the Board of Commissioners. On June 4, 2018, the Board of Commissioners adopted the FY 2019 Budget, which included a total of \$327.6 million in planned funding for WCPSS capital projects in FY 2019. This item includes the first of two planned appropriations of the \$327.6 million in FY 2019. The second is planned for spring 2019.

**Board Goal:** This action supports routine County business.

**Fiscal Impact:** This item appropriates a total of \$177,320,324: \$500,000 is funded with cash included in the FY 2019 Budget and the remaining \$176.8 million will be debt funded with installment financing approved by the Board of Commissioners on July 23, 2018. The associated future debt service is included in the County's financial model.

**Staff Comments:** Staff recommends the reallocations and appropriations as requested. The appropriations are in accordance with the funding schedule.

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

WCPSS Seven Year Capital Improvement Program - FY 2019 Projects							
	Budgets and Reallocations			Appropriations			
Project	Total Project Budgets to Date	Proposed	Proposed Budget	Prior	Proposed	Total	Remaining in FY 2019
<b>New Schools</b>							
Parkside Elementary	36,107,796		36,107,796	14,020,000	22,087,796	36,107,796	-
Southlakes Elementary	41,877,488		41,877,488	2,000,000	-	2,000,000	39,877,488
E-41 Elementary	2,000,000		2,000,000	-	-	-	2,000,000
M-14 Middle	2,000,000		2,000,000	-	2,000,000	2,000,000	-
<b>Major Renovations</b>			-			-	-
North Ridge Elementary	36,975,711		36,975,711	11,020,000	25,955,711	36,975,711	-
Wiley Elementary	24,354,006	7,800,000	32,154,006	6,354,006	25,800,000	32,154,006	-
Stough Elementary	15,435,342		15,435,342	3,765,856	-	3,765,856	11,669,486
East Wake Middle	64,653,783		64,653,783	6,720,969	57,932,814	64,653,783	-
Conn Elementary	23,533,023		23,533,023	2,000,000		2,000,000	21,533,023
Fuquay-Varina High	38,081,803		38,081,803	5,427,677		5,427,677	32,654,126
<b>Ongoing Programming</b>							
Life Cycle Building	7,000,000		7,000,000	-		-	7,000,000
Life Cycle Furniture	1,900,000		1,900,000	-		-	1,900,000
Educational Equipment	1,000,000		1,000,000	-		-	1,000,000
Environmental/ADA	4,000,000		4,000,000	-		-	4,000,000
Technology Infrastructure	6,000,000		6,000,000	-		-	6,000,000
Technology Devices	22,200,000		22,200,000	-	22,200,000	22,200,000	-
Security	4,223,000		4,223,000	-		-	4,223,000
Assessments	500,000		500,000	-	500,000	500,000	-
Property Acquisition	10,300,000		10,300,000	-	10,300,000	10,300,000	-
SNAP	17,300,000		17,300,000	-	-	-	17,300,000
Program Contingency	9,244,003	(711,889)	8,532,114	-		-	8,532,114
Program Management	10,244,003	300,000	10,544,003	-	10,544,003	10,544,003	-
<b>Total</b>	<b>378,929,958</b>	<b>7,388,111</b>	<b>386,318,069</b>	<b>51,308,508</b>	<b>177,320,324</b>	<b>228,628,832</b>	<b>157,689,237</b>
FY 2019 Budget	327,621,451		327,621,451				
Amounts from Prior Year	51,308,508	7,388,111	58,696,619				

### Additional Information:

#### **NEW CONSTRUCTION AND RENOVATION PROJECTS**

This item appropriates the remaining construction funding for the new Parkside Elementary and the major renovation at North Ridge Elementary. The commissioners approved accelerated initial construction funding for these projects in spring 2018. Additional construction funding is included for the East Wake Middle renovation.

An appropriation totaling \$25.8 million is included for the Wiley Elementary renovation. This includes \$18.0 million in the initial plan, plus an additional \$7.8 million from program contingency to cover scope increases and the gap between the project budget and bid amount. Of the \$7.8 million in program contingency, \$4.0 million is attributable to scope changes including historical preservation (\$2.0 million) and swing space improvements at the Garner 9<sup>th</sup> grade center to accommodate elementary school programming. The remaining \$3.8 million covers the amount the project bid over budget.

The item also includes \$2.0 million for design funding for a new middle school in Fuquay-Varina. The school will be located on a site adjacent to Herbert Akins Elementary.

New Schools	Location	Anticipated Occupancy
E-50 Parkside Elementary	Morrisville	August 2019
M-14 Middle	Fuquay-Varina	August 2022
Major Renovations	Location	Anticipated Occupancy
Wiley Elementary	Raleigh	August 2019
North Ridge Elementary	Raleigh	August 2019
East Wake Middle	Raleigh	August 2020

## **ONGOING PROGRAM NEEDS**

### **Program Contingency Reallocations**

This item reallocates and appropriates a total of \$8.1 million in program contingency; \$7,388,111 is unused program contingency from FY 2018 and the remaining \$711,889 is from FY 2019. The contingency is spread across two projects: \$7.8 million is reallocated and appropriated for the Wiley Elementary renovation for the reasons outlined above. The remaining 300,000 is reallocated to program management. This is a technical correction that restores the program management budget to its originally intended amount.

### **Technology**

The resolution appropriates \$22.2 million for technology devices: \$12.2 million is for replacement laptops and computers and \$10 million is for classroom technology including monitors and smart boards.

### **Program Management, Property Acquisition and Facility Assessments**

The resolution also includes annual appropriations for management of the school system's building program, land acquisition, and facility condition assessments.

### **Attachments:**

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