

October 3, 2022

To: Dr. Damien Pattenau, Superintendent of Schools

Cc: Dr. Fred Maiocco, Assistant Superintendent & CFO

Subject: Capital Program Update

Program Summary

The Capital Planning & Construction team members are working to wrap up several summer projects, continuing with the larger capital projects that began construction this summer, and planning for projects that will begin in the summer of 2023. We continue to work with district leadership to review project impacts at schools with occupied school sites during the 22/23 school year. Additionally, project managers are working hard with design teams to get ahead of current market concerns for long lead items going into 2023.

- a. Program schedule: Major projects are continuing as planned and several projects are in the early stages of the construction phase. COVID-19 and market challenges continue to provide a high level of complexity for project planning and execution. Project managers continue efforts to secure bids early, review requests for substitute products, and work around anticipated material delays and/or labor shortages. The following projects have had schedule changes or delays:
 - i. Renton High School – Replace Carpet (2019 Bond Project 2000): This project was scheduled to be completed in 2023. However, due to the large number of classrooms being updated, we decided to start the work early and phase the project. We were able to complete all of this work in 2021 and 2022. **This project is now complete.**
 - ii. Hazen High School – Overlay select parking lot surfaces (2016 Levy Project 1616): This project was originally identified to replace aging asphalt surfaces in the student parking lots. When laying out the areas of work it was acknowledged that the existing storm sewer system in the north parking lot needed to be updated to remove areas of puddling water and prevent further asphalt damage. The permit process for updating the storm sewer prevented us from accomplishing this work during the summer of 2021. Therefore, we split the project into the south parking lot (phase one) for summer of 2021 and the north parking lot (phase two) including storm sewer updates in the summer of 2022. **This project is now complete.**

- iii. Campbell Hill Elementary School – Exterior Upgrades (2019 Bond Projects 1917, 1919, & 1920): This project was originally scheduled for summer of 2022. However, permitting had been slow with King County recently. Based on the potential for delays, we are now working towards construction of this project during the summer of 2023.
 - iv. Dimmitt Middle School – HVAC Upgrades (2019 Bond Project 1929): Roof top air-handling units are delayed 6-8 months because of market conditions. The design for this project is proceeding, but construction will be delayed until summer of 2023.
 - v. Hazen High School – Upgrade Electrical Service – 700 wing (2019 Bond Project 1944): This project will be pushed back to summer of 2023. The Hazen HS Pool Modernization and Parking Lot Updates will be ongoing during the summer of 2022. The amount of site access will be severely limited by these other projects, preventing an electrical contractor from having sufficient access to complete the work.
 - vi. District-wide Tunable Lighting Updates – Phase I of this project was completed in the summer of 2022. Phase II was originally planned for summer of 2023, but material delays in lighting fixtures and planning for summer educational programs have required some delays in the next phase of this project. We are currently planning to continue this work during the summer of 2024.
- b. Program costs and change orders: Additional funds may be required for a project, based on market conditions (higher than estimated bids), or unforeseen scope that is identified during pre-design studies and investigations. To assure a quality installation and a complete capital improvement is made, the Capital Planning & Construction team create reports for these added needs and submit them to district leadership for review and approval. As of June 30th, 2022, we have requested use of \$12.85M of the original \$16.25M bond program contingency. We currently have \$3.4M in unrequested funds remaining in the bond contingency for upcoming projects. We have seen extreme inflation for certain building materials in our 2022 project costs. We anticipate that we will continue to need to utilize bond contingency funding as we move forward with the 2023 & 2024 construction projects, based on the high-risk construction market.
- c. Risk: Capital programs carry risks that are affected by variables such as market conditions, weather, contractor availability, etc. Risk can negatively affect project schedules, budgets, and the scope of work. Recent local studies have shown a 31% escalation in construction costs, between the summer of 2019 and this summer. We have seen evidence of this extreme inflation for certain building materials in our recent project estimates and bids. Factories are seeing lower levels of productivity, contractors have less available labor, fuel prices are very high, and COVID-19 precautions have created inefficiencies for construction sites. We are actively working on methods to prevent negative effects from project risk and have regular conversations with our design teams regarding planning for worst-case scenarios.

- d. Legal: We continue to work with our attorneys at Perkins Coie, regarding how to proceed with projects that have a higher potential for risk. Soos Creek Water Utility recently informed the Renton School District that because we are adding a small amount of new classroom space to Lindbergh High School, they will be charging us ~\$1.7M in general facility charges for the entire buildable area of the Lindbergh HS school site. We are reviewing these charges with our legal team and determining the appropriate next steps.
- e. Workload: The Capital Planning and Construction team is currently working through design and construction on 60 active capital projects that will occur during the current school year and summer of 2023. Funding for these projects is provided by the 2016 Capital Levy, 2019 Capital Bond, and 2022 Capital Levy.
- f. Communications: We continue to work on improvements to the RSD Capital Planning & Construction webpage, including updated pages for our major projects. These pages are intended to provide summary level information in an accessible format and showcase high visibility projects for the public. Additionally, we have quarterly meetings with the RSD Citizens' Bond Oversight Committee (CBOC) to review the bond program and progress.

Major Project Updates

- a. Elementary School #16 – Budget \$68.1M: Cornerstone GC has been hard at work installing wood and steel structure, framing walls, and building systems (HVAC, plumbing, and wiring). They also continue to do earthwork and frontage improvements. There have been some delays with concrete supply, due to market conditions. However, the recent dry weather has allowed for making up on past schedule losses. We continue to work towards finding cost reductions where possible, while limiting any decisions that could provide a less valuable learning environment for our community. The school is still on schedule to be open to students at the start of the 23/24 school year.
- b. Lindbergh HS Major Remodel – Budget \$36M: The Lindbergh HS remodel includes safety/security updates, science classroom additions and updates, HVAC updates throughout, locker room remodel, health clinic updates, bathroom remodels, and parking lot resurfacing. Cornerstone GC is continuing their work as the GC/CM for this project and we have recently. Construction of new boilers, foundation for the new science classrooms, and a temporary career center were completed this summer. Structural steel for the science classrooms will begin this month. The project team continue to review the construction phasing plan with the school leadership in preparation for an active construction site in an occupied school during the 22/23 school year.
- c. Renton and Hazen HS Science Classrooms – Budget \$16M: The design work for the Renton HS science classroom updates continues with Sundberg, Kennedy, Ly-Au Young

Architects and Forma Construction (working as the GC/CM). Hazen HS science classroom design work has also begun with Integrus Architecture. With the 2022 Capital Bond work that is proposed for both of these schools, we are currently reviewing the best way to phase this scope of work into the larger bond projects.

- d. Family First Community Center (not a capital program project): Working in partnership with the Family First Foundation, Healthpoint, and the City of Renton, a new community center will be built on the south portion of the Cascade Elementary School site. The facility will provide athletic courts, exercise spaces, learning spaces, short-term childcare, and healthcare services for the community. The City of Renton has started construction of this facility with Comer GC with anticipated completion in the spring of 2023.
- e. Hazen High School Pool Modernization – Budget \$9.4M (recently approved for \$2.7M in King County grants, for a total of \$12.1M): The Hazen HS Pool is receiving multiple updates, including updating the pool vessel, natatorium finishes, chemical systems, HVAC systems, locker rooms, and staff spaces. BCRA Architects, Hargis Engineers, Coughlin Porter Lundeen, and Water Technology, Inc. have been hired as the design team for this project. Lincoln Construction was selected as the low bidder and they are continuing to work on demolition. Seismic updates for the roof structure have presented some constructability issues and we are currently working with the design team to modify the design of the seismic updates to allow work to be completed from the roof, rather than the interior of the natatorium.
- f. Sierra Heights Elementary School Safety/Security Updates – This project continues through design. We are working towards relocating the main office to a location that will allow for visibility and increased safety. Due to the large amount of building alteration required to do this remodel, we have decided to request funding through the 2022 Capital Bond to complete this work.
- g. Property Acquisition – Budget unidentified: The Renton School District is currently reviewing opportunities for procuring additional property to support secondary school growth, swing space for upcoming major construction projects, and consolidation of existing support facilities. At this time, the District has made no commitments to purchase any specific property. We are conducting a feasibility study of multiple large sites in the school district area.

Please contact me with additional questions or concerns. I may be reached at 425-204-4475.

Very Respectfully,



Matt Feldmeyer, Architect
Executive Director – Capital Planning & Construction