



TEXARKANA ISD

# Long Range Planning – Construction Cost Update

May 19, 2022

**IMAGINE**  
**2026**  
TEXARKANA ISD



Texarkana  
Independent School District



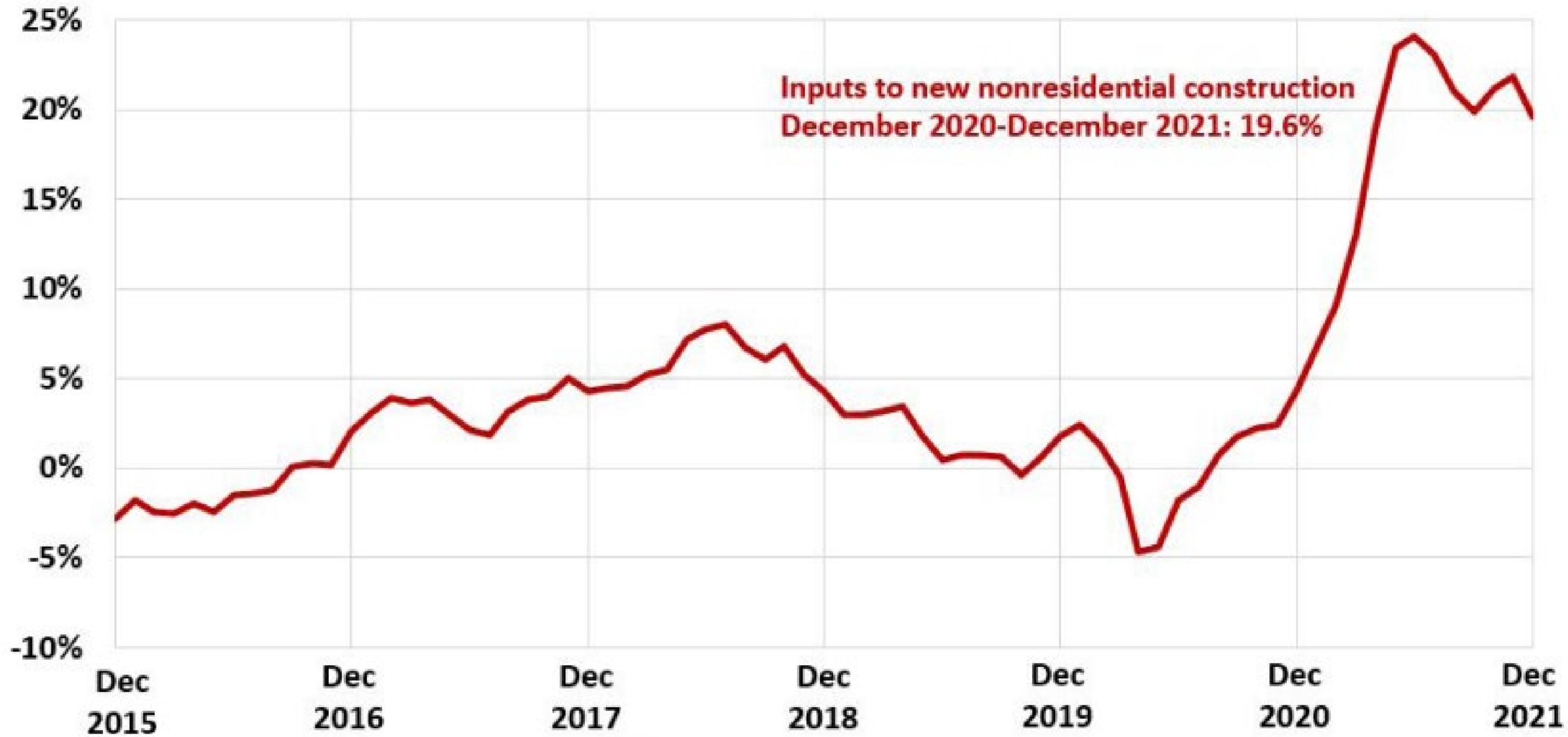
**FEB**

**2022**

**CONSTRUCTION  
INFLATION ALERT**

### Change in prices for inputs to construction

Year-over-year change in PPI, 2015 - 2021, not seasonally adjusted



**Inputs to new nonresidential construction**  
**December 2020-December 2021: 19.6%**

**24.1%**

The producer price index soared 24.1% from June 2020 to June 2021. By December, the increases had moderated slightly but still totaled 19.6% for the year.

## Price increases for construction inputs

Year-over-year change in December PPI

<b>Construction materials</b>	<b>2020</b>	<b>2021</b>
Steel mill products	5.2%	127%
Plastic construction products	5.4%	34%
Aluminum mill shapes	-1.7%	30%
Copper and brass mill shapes	24%	23%
Gypsum products	3.6%	21%
Lumber and plywood	37%	18%
Architectural coatings	1.9%	14%
Asphalt felts and coatings	2.1%	12%
<b>Used by contractors</b>		
Diesel fuel	-2.8%	55%
Truck transport of freight	2.2%	18%
Construction machinery and equipment	1.1%	10%
Truck and offroad tires	0.3%	11%

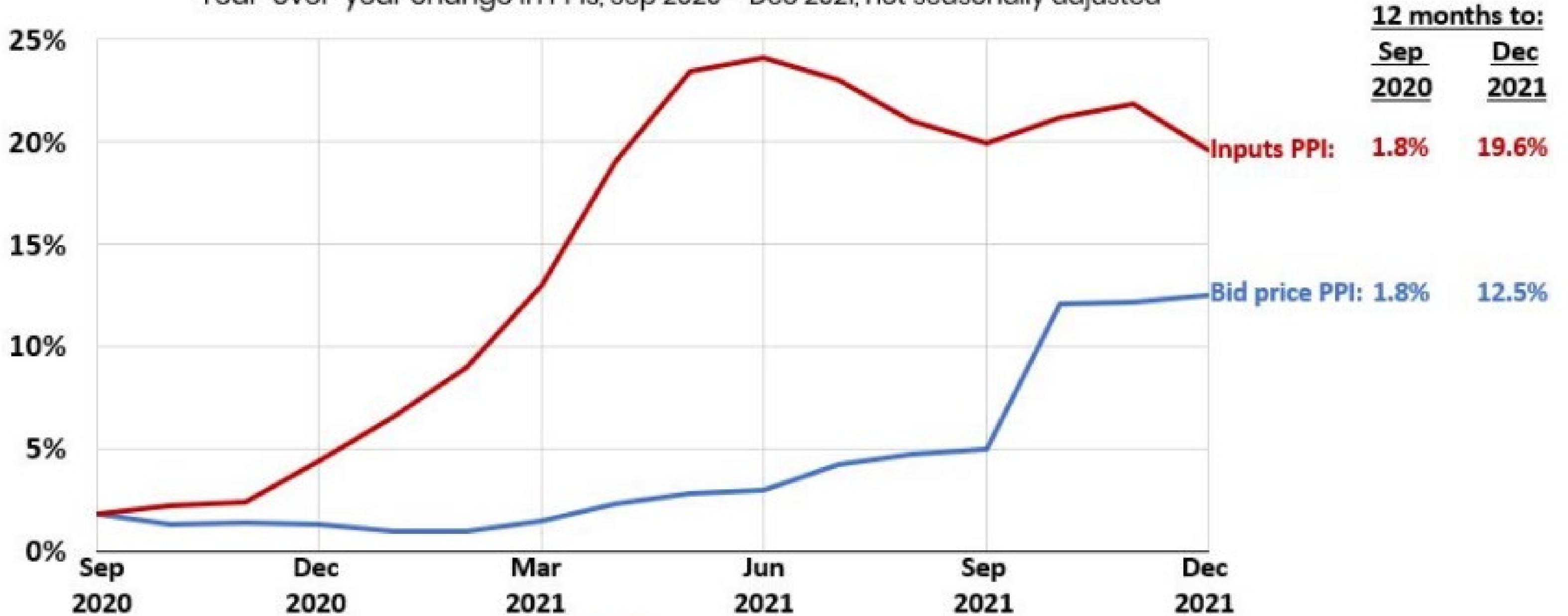
Source: Bureau of Labor Statistics, producer price indexes, [www.bls.gov/ppi](http://www.bls.gov/ppi)

~~\$3.95~~ \$5.25

The retail price of diesel fuel reached a nearly 8-year high of \$3.95 per gallon on February 7, an increase of \$1.15 or 41% from one year earlier.

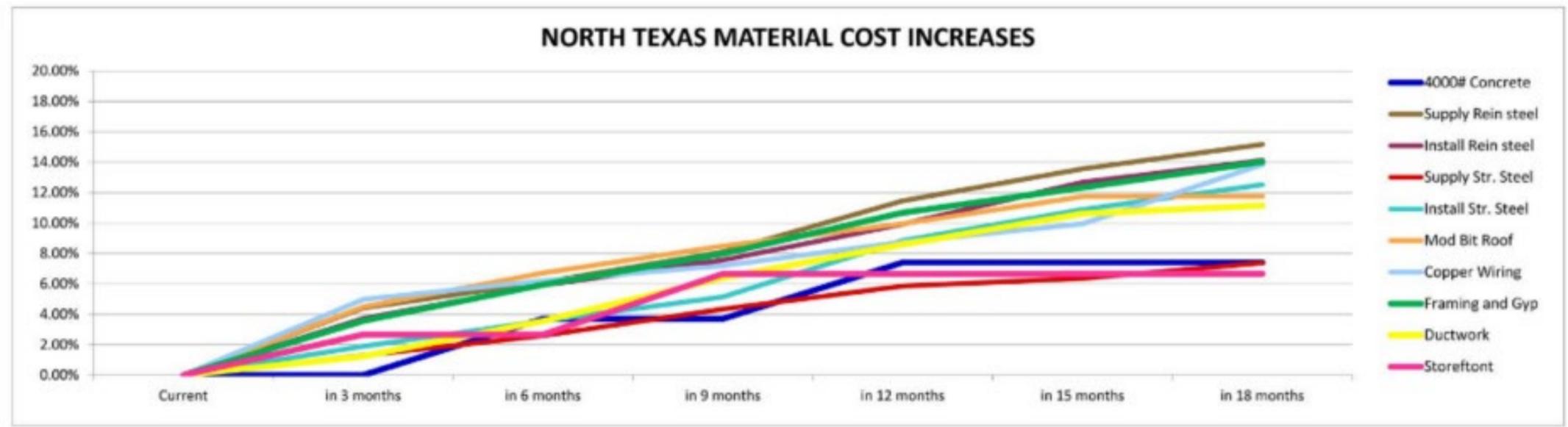
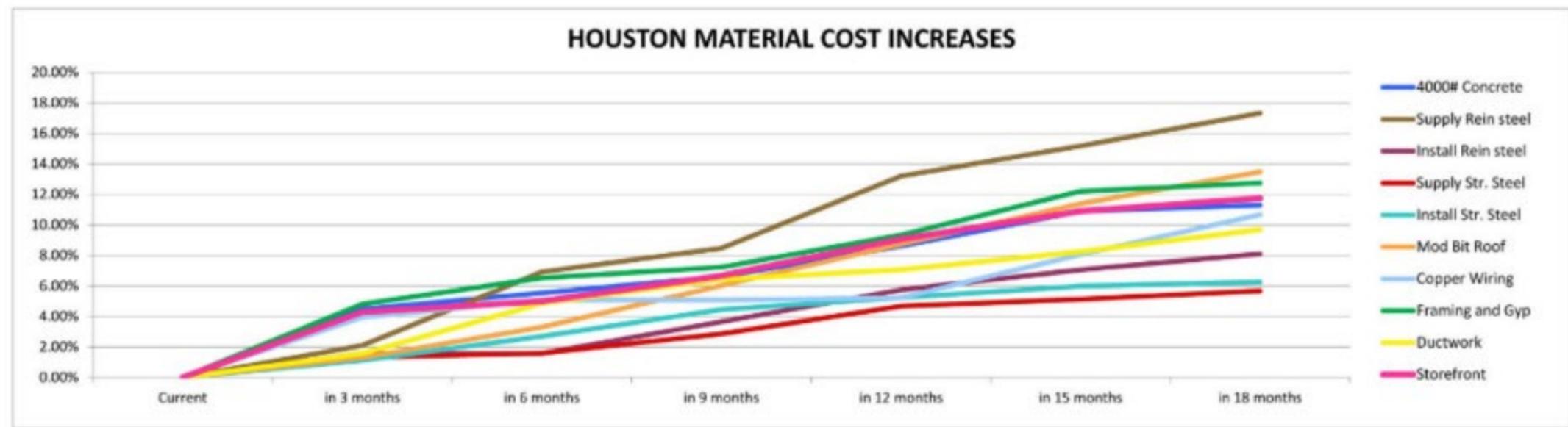
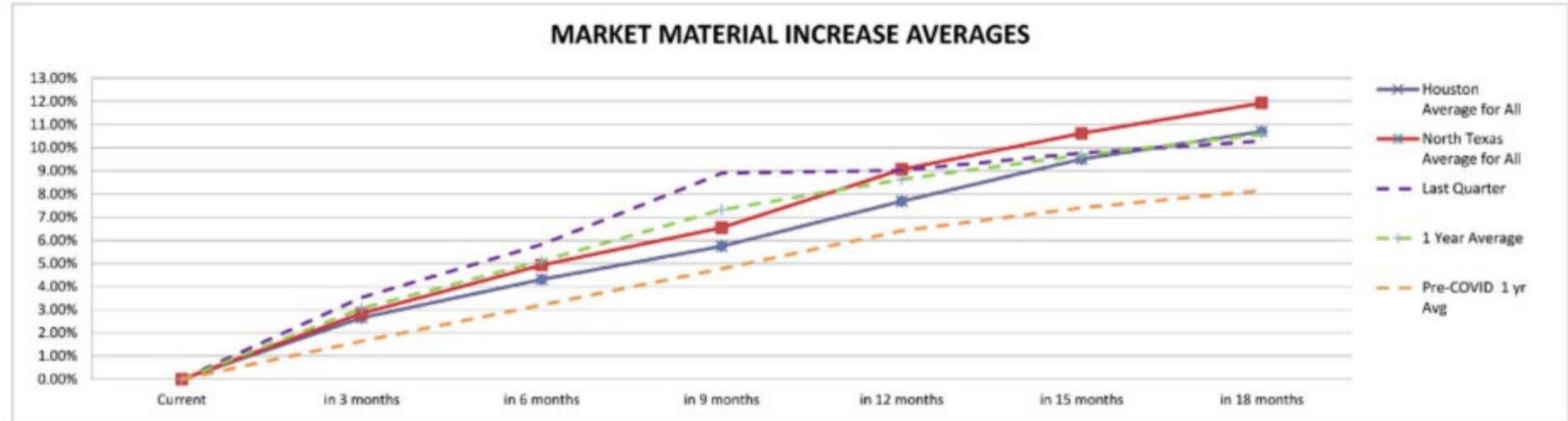
### Change in prices for new nonresidential construction inputs vs. bid prices

Year-over-year change in PPIs, Sep 2020 – Dec 2021, not seasonally adjusted



Source: Bureau of Labor Statistics, producer price indexes, [www.bls.gov/ppi](http://www.bls.gov/ppi)

# Construction Cost Update - 2022



Construction Cost Update - 2022



Max Simpson Elementary  
– Waxahachie ISD

Bid April 2019  
Open Sept 2020

\$258.25 per SF



18% increase



Walnut Springs Elementary  
– Dripping Springs ISD

Bid May 2020  
Open Sept 2021

\$305 per SF



8.5% decrease



McKinney Elementary  
- McKinney ISD

Bid January 2022  
Open Sept 2023

\$281 per SF

Construction Cost Update - 2022

# Tyler ISD New Hubbard Middle School

Bid yesterday on  
May 18, 2022

\$3xx per SF



Construction Cost Update - 2022

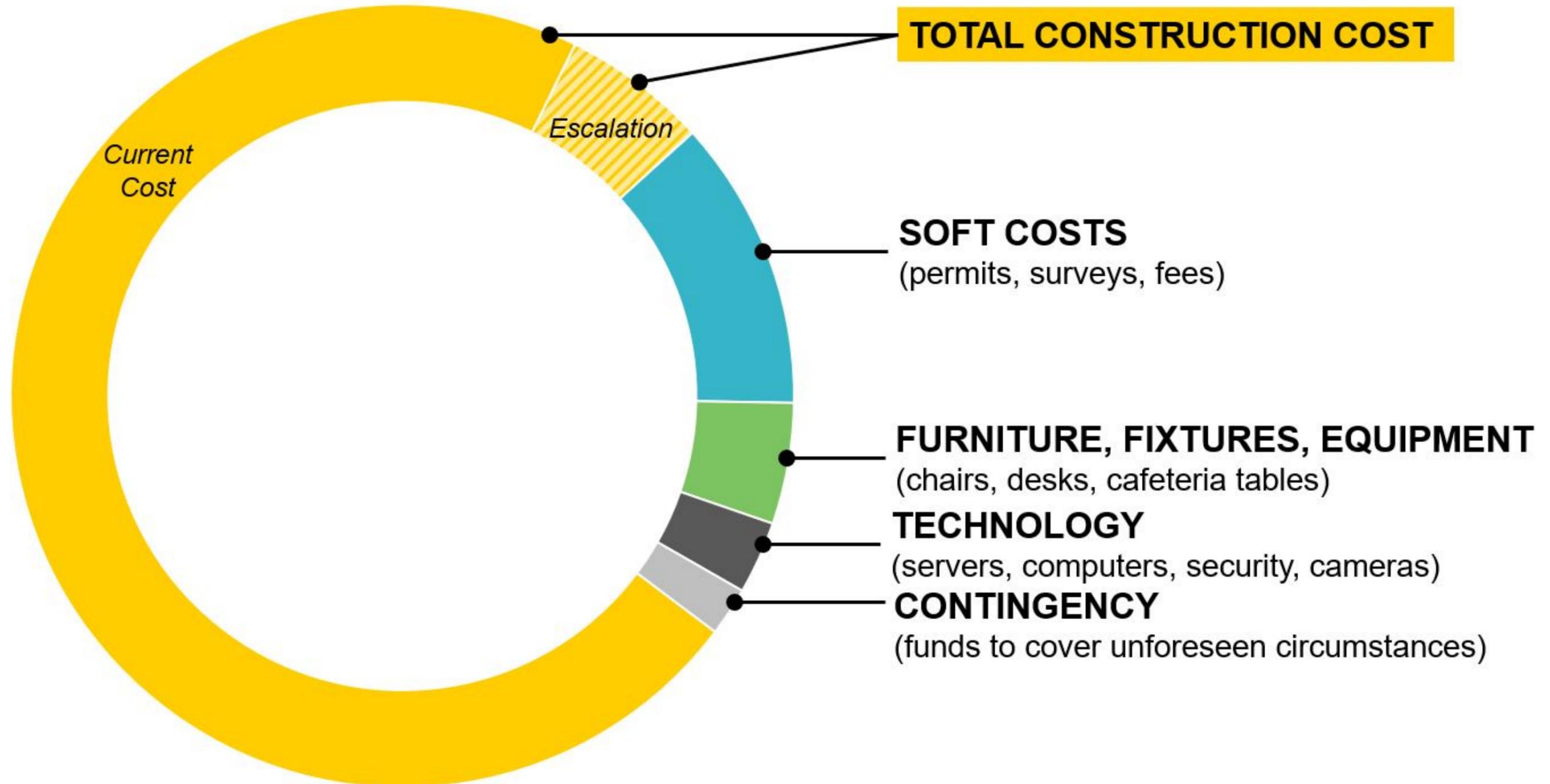
# Tyler ISD New Early College



Bid yesterday on  
May 18, 2022

\$3xx per SF

# Building a Project Budget



# Construction Cost versus Project Cost

Construction Cost →

Development Cost →

Other / Site Specific Cost →

Total Bond Project Cost →

New 800 cap Elementary		14-Feb-22		TISD	
STATEMENT OF PROBABLE COSTS				CORGAN	
PROJECT DESCRIPTION					
New Elementary School		800 students from Highland Park and Spring Lake Park			
Existing School Square Footage		N/A			
Authority Having Jurisdiction		City of Texarkana			
Functional Capacity		800			
Core Capacity		800			
Programmed Actual Square Footage		95,000			
SCHEDULE					
Begin Project Programming		Nov 22 Election		December 1, 2022	
Design and Documentation	8 mos			December 1, 2022 - May 30, 2023	
Bidding and Contract Negotiation	2 mos			June 1, 2023 - July 31, 2023	
Construction Start				August 1, 2023	
Substantial Completion	12 mos			July 1, 2024	
CONSTRUCTION COSTS		SF	\$/ SF		
New Construction		95,000	\$310.00	\$ 29,450,000	
Includes Storm Shelter requirements				\$ -	
SF costs includes Owners and GMR contingencies				\$ -	
subtotal				\$ 29,450,000	
Escalation - 15% Per Year - Assume Bidding June 2023		22.000%		\$ 6,479,000	
				\$ -	
				\$ -	
subtotal				\$ 35,929,000	
				\$ -	
				\$ -	
TOTAL CONSTRUCTION COSTS			\$ 378.20	\$ 35,929,000	
DEVELOPMENT COSTS		Total Percentage Development	13.30%		
Professional Fees (Including all consultants except technology)		6.000%		\$ 2,155,740	
Civil Engineer		0.000%		\$ -	
Survey		0.050%		\$ 17,965	
Technology Consultant		0.000%		\$ -	
Geotechnical Investigation		0.050%		\$ 17,965	
Site Engineering (Flatting)		0.030%		\$ 10,779	
Printing		0.075%		\$ 26,947	
Owners Move-in		0.150%		\$ 53,894	
Owners FF&E		3.000%		\$ 1,077,870	
Materials Testing Lab		0.300%		\$ 107,787	
HVAC Test & Balance		0.220%		\$ 79,044	
Technology Equipment		2.000%		\$ 718,580	
Technology Infrastructure		0.400%		\$ 143,716	
Security & Access Control Systems		0.550%		\$ 197,810	
TDLR Review & Inspection		0.020%		\$ 7,186	
Building Permit		0.300%		\$ 107,787	
Energy Inspection		0.050%		\$ 17,965	
Owners Administrative Costs		0.035%		\$ 12,575	
Interior Design Fees for FFE Design and Procurement		0.065%		\$ 23,354	
TOTAL DEVELOPMENT COSTS				\$ 4,776,761	
OTHER/ SITE SPECIFIC COSTS					
Owners Contingency		0.000%		\$ -	
Construction Manager Contingency		0.000%		\$ -	
Off Site or Adjacent Road Improvements		0.000%		\$ 75,000	
Off Site Sewer, Gas or Water Connections		0.000%		\$ 200,000	
Off Site Telecommunications Improvements		0.000%		\$ 100,000	
On site Mitigation (If Required)				\$ -	
ACM Removal				\$ 500,000	
Demolition of structures				\$ 500,000	
Land Costs				\$ 500,000	
TOTAL OTHER COSTS				\$ 1,875,000	
TOTAL PROJECT COST				\$ 42,580,761	
Change Orders/Unknown Conditions		1.500%		\$ 638,711	
TOTAL PROJECT COST				\$ 43,219,472	



# Construction Cost versus Project Cost

## Development Cost

The District is responsible for these costs in addition to construction, and include items such as furniture, design and engineering fees, permits, testing, etc.

Although development costs can vary, for this new construction, they are projected to add another 13.3% to the project, or \$4.776 million.

New 800 cap Elementary		TISD		
14-Feb-22		CORGAN		
STATEMENT OF PROBABLE COSTS				
PROJECT DESCRIPTION				
New Elementary School	800 students from Highland Park and Spring Lake Park			
Existing School Square Footage		N/A		
Authority Having Jurisdiction	City of Texarkana			
Functional Capacity		800		
Core Capacity		800		
Programmed Actual Square Footage		95,000		
SCHEDULE				
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Includes Storm Shelter requirements				\$ -
SF costs includes Owners and GMR contingencies				\$ -
subtotal				\$ 29,450,000
Escalation - 15% Per Year - Assume Bidding June 2023		22.000%		\$ 6,479,000
				\$ -
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subtotal				\$ 35,929,000
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TOTAL DEVELOPMENT COSTS				\$ 4,776,761
OTHER/ SITE SPECIFIC COSTS				
Owners Contingency		0.000%		\$ -
Construction Manager Contingency		0.000%		\$ -
Off Site or Adjacent Road Improvements		0.000%		\$ 75,000
Off Site Sewer, Gas or Water Connections		0.000%		\$ 200,000
Off Site Telecommunications Improvements		0.000%		\$ 100,000
On site Mitigation (If Required)				\$ -
ACM Removal				\$ 500,000
Demolition of structures				\$ 500,000
Land Costs				\$ 500,000
TOTAL OTHER COSTS				\$ 1,875,000
TOTAL PROJECT COST				\$ 42,580,761
Change Orders/Unknown Conditions		1.500%		\$ 638,711
TOTAL PROJECT COST				\$ 43,219,472

# Construction Cost versus Project Cost

## Other / Site Specific Cost

These are costs specific to the Pine Street location, including new utility service, asbestos abatement and demolition of the existing structures, adding another \$1.875 million.

New 800 cap Elementary		14-Feb-22		 <b>CORGAN</b>	
<b>STATEMENT OF PROBABLE COSTS</b>					
<b>PROJECT DESCRIPTION</b>					
New Elementary School	800 students from Highland Park and Spring Lake Park				
Existing School Square Footage			N/A		
Authority Having Jurisdiction	City of Texarkana				
Functional Capacity			800		
Core Capacity			800		
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<b>CONSTRUCTION COSTS</b>					
			SF	\$/ SF	
<b>New Construction</b>			95,000	\$310.00	\$ 29,450,000
Includes Storm Shelter requirements					\$ -
SF costs includes Owners and GMR contingencies					\$ -
					subtotal \$ 29,450,000
Escalation - 15% Per Year - Assume Bidding June 2023		22.000%			\$ 6,479,000
					\$ -
					\$ -
					subtotal \$ 35,929,000
					\$ -
					\$ -
					TOTAL CONSTRUCTION COSTS \$ 378.20 \$ 35,929,000
<b>DEVELOPMENT COSTS</b>					
	Total Percentage Development	13.30%			
Professional Fees (Including all consultants except technology)	6.000%				\$ 2,155,740
Civil Engineer	0.000%				\$ -
Survey	0.050%				\$ 17,965
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					TOTAL DEVELOPMENT COSTS \$ 4,776,761
<b>OTHER/ SITE SPECIFIC COSTS</b>					
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Construction Manager Contingency	0.000%				\$ -
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Off Site Sewer, Gas or Water Connections	0.000%				\$ 200,000
Off Site Telecommunications Improvements	0.000%				\$ 100,000
On site Mitigation (If Required)					\$ -
ACM Removal					\$ 500,000
Demolition of structures					\$ 500,000
Land Costs					\$ 500,000
					TOTAL OTHER COSTS \$ 1,875,000
<b>TOTAL PROJECT COST</b>					
					\$ 42,580,761
Change Orders/Unknown Conditions		1.500%			\$ 638,711
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Land Costs				\$ 500,000
TOTAL OTHER COSTS				\$ 1,875,000
TOTAL PROJECT COST				\$ 42,580,761
Change Orders/Unknown Conditions		1.500%		\$ 638,711
TOTAL PROJECT COST				\$ 43,219,472

Finally, a 1.5% contingency is added for unknown conditions, and the total costs result in the amount shown in the bond.

\$43,219,472

Total Bond Project Cost 

# Construction Cost versus Project Cost

\$29,450,000

Construction Cost



Development Cost



Other / Site Specific Cost



\$43,219,472

Total Bond Project Cost



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