



CAPITAL PLANNING AND CONSTRUCTION

March 20, 2023

To: Dr. Damien Pattenaude, Superintendent of Schools

Cc: Dr. Fred Maiocco, Assistant Superintendent & CFO

Subject: Capital Program Update

Program Summary

The Capital Planning & Construction team is in the process of interviewing architects for the new Renton HS and Hazen HS Modernization projects. These major capital projects are very exciting, and we are looking forward to providing modernized learning environments and increased comfort for many students and staff throughout the district. We also have a full list of upcoming construction projects for the 2023 summer and have been coordinating with the Department of Learning and Teaching regarding limiting contractor impact to important summer programs. We are finalizing the hiring process for additional project management and finance staff to support new capital programs. Capital project managers are in the process of finalizing contracts for summer construction and working with school leadership to prepare for multiple projects that will begin in the spring. We also have several major projects that began in 2022 at occupied schools, which will be complete this summer. We continuously follow up with school leadership to review construction project impacts at these occupied schools, to assure minimal disturbance to the learning process.

- a. Program schedule: Major projects from the 2019 Capital Bond are continuing as planned and several projects are approximately 75% through the construction phase. Market challenges and labor shortages continue to provide a high level of complexity for project planning and execution. Many specified materials have seen delivery delays and others have required product substitutions to keep projects on schedule. 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. Campbell Hill Elementary School – Exterior Updates (2019 Bond Projects 1917, 1919, & 1920): This project was originally scheduled for summer of 2022. However, permitting was delayed in late 2021. Based on the delay, the project was rescheduled for summer of 2023 and is under contract to begin in June.

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- ii. Dimmitt Middle School – HVAC Upgrades (2019 Bond Project 1929): Roof top air-handling units are delayed because of market conditions. The design for this project is complete, but construction will be delayed until summer of 2024.
 - iii. Hazen High School – Upgrade Electrical Service – 700 wing (2019 Bond Project 1944): This project is under contract to start in June of 2023. The Hazen HS Pool Modernization and Parking Lot Updates were ongoing during the summer of 2022, preventing access to this area of the building as originally planned.
 - iv. District-wide Tunable Lighting Updates (2019 Bond Project 1932): Phase I of this project was completed in the summer of 2022. Phase II was planned for summer of 2023, but material delays in lighting fixtures and planning for summer educational programs have required delays for the next phase. We are currently reviewing the completed schools and determining next steps for this project.
 - v. Hazen High School – Science Classroom Updates (2019 Bond Project 1938): This project will be combined with the larger 2023 Bond Project to modernize Hazen High School. The amount of phasing required to limit impact on the learning environments for both projects will be easier to work on with one contractor, rather than separating the projects into two separate construction schedules. We intend to start this construction in 2025, based on our preliminary program schedule for the 2023 Capital Bond.
 - vi. Cascade Elementary School Field Updates (2019 Bond Project 1921): Recent reviews of fields throughout the school district, identified Cascade Elementary as a site with potential to provide a regulation sized little league amenity for multiple sports. This project scope has been modified to provide preparatory work for future major field enhancements at the site. Due to this enhanced scope, the SEPA process for this project has prevented work from commencing in 2023. The project is now scheduled for summer of 2024.
- b. Program costs and change orders: Additional funds may be required for a project, based on market conditions, 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 March 13th, 2023, we have requested use of \$12.1M of the original \$16.3M bond program contingency. We currently have \$4.2M in unrequested funds remaining in the contingency for upcoming projects. However, we have a forecasted return of an additional \$7M in contingency funds from currently open projects that were less impacted by market conditions and are in the process of closeout. We anticipate that we will continue to need to utilize bond contingency funding for certain project types 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. Inflation has increased in the construction market at an unprecedented rate from 2019 to 2022, and we continue to see this trend

going into 2023. We have seen evidence of this extreme inflation for certain building materials in our recent projects. Factories are seeing lower levels of productivity, contractors have less available labor, and fuel prices continue to be high. We are actively working on methods to prevent negative effects from project risk and have regular conversations with our design teams, contractors, and legal counsel 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. Current legal issues that are under review include Soos Creek Water Utility informing 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 61 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. Planning for the 2023 Capital Bond program is also beginning, and the programming/pre-design process has started for several of these projects.
- f. Communications: We continue to work on improvements to the RSD Capital Planning & Construction webpage, including updates for our major projects. These pages are intended to provide summary 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. Hilltop Heritage Elementary School (formerly ES #16) – Budget \$68.1M: Cornerstone GC is in the process of installing interior wallboard, casework, interior finishes, and electrical wiring. Elevator installation is ongoing. Exterior brick veneer, flashing and sunshades are being installed. Additionally, field and parking lot work is ongoing. 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, locker room remodel, health clinic updates, bathroom remodels, and parking lot resurfacing. Cornerstone GC are nearing completion on the first major phase of this project, including the new science classrooms, health clinic, and administration offices. The athletic locker room area demolition has begun, and temporary locker room facilities have been

created. Exterior improvements are currently scheduled for summer. The project team continue to work with the school leadership on phasing upcoming areas of work.

- c. Renton HS Science Classrooms – Budget \$11.5M: The design documents for the Renton HS science classrooms are complete. Forma Construction is preparing for sub-contractor bid openings on March 22nd. The Renton HS Science Classroom project will proceed as planned, with construction expected to begin in June of 2023.
- d. Family First Community Center (not an RSD project): Working in partnership with the Family First Foundation, Healthpoint, and the City of Renton, a new community center has been built on the south portion of the Cascade Elementary School site. The facility will provide athletic courts, exercise spaces, learning spaces, and healthcare services for the community. Construction is now complete, and the facility will be open to the public during the summer of 2023.
- e. Hazen High School Pool Modernization – Budget \$9.4M (approved for \$2.7M in King County grants, but we are currently working through complications with King County’s grant contract): The Hazen HS Pool is receiving multiple updates, including updating the pool vessel, natatorium finishes, chemical systems, HVAC systems, locker rooms, and staff spaces. Lincoln Construction was selected as the low bidder, and they have finished locker room structural slabs, walls, and utility rough-in. The new pool structural concrete will be poured in March, with the pool liner installation to follow. HVAC and fire sprinkler systems are also being updated in the natatorium space.
- f. Sierra Heights Elementary School Safety/Security/Seismic Updates – This project continues into the early stages of design. We have decided to submit this project for GC/CM approval with the WA State CPARB – PRC. The project scope includes relocating the main office to a location that will allow for visibility and increased safety. This work will be done in tandem with seismic system updates and will be phased with some work starting in the fall of 2023 and the remainder in 2024.
- g. Property Acquisition – Budget ~\$120M: The Renton School District is currently reviewing opportunities for procuring property for the recently approved new high school project. 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