



# CAPITAL PLANNING AND CONSTRUCTION

October 2, 2023

To: Dr. Damien Pattenaude, Superintendent of Schools

Cc: Dr. Fred Maiocco, Assistant Superintendent & CFO; Citizens' Bond Oversight Committee

**Subject: Quarterly Capital Program Update**

**Program Summary**

The Capital Planning & Construction team has had a very busy summer and continues to work on wrapping up several projects that were impacted by market delays and labor shortages, which affected our summer 2023 construction schedules. We had a larger volume of active construction projects this summer than we have had in past school years, and we also witnessed some of the worst construction market impacts that we have seen. Regrettably, these delays required several of our projects to not be complete by the end of summer and we have had to continue construction at some sites beyond the start of the 23/24 school year. We worked closely with our partners in the Department of Learning and Teaching & Support Services, regarding the minimization of impact to students and staff while continuing the summer construction projects into the school year. We were able to finish construction of Hilltop Heritage Elementary School and open it to students and staff on time.

- a. Program schedule: Major projects from the 2019 Capital Bond are continuing as planned and several projects are complete or nearing completion. Market challenges and labor shortages continue to provide a high level of complexity for project planning and execution. Many specified materials continue to see delivery delays. Project managers are working towards efforts to secure bids early and provide creative solutions to work around anticipated material delays and/or labor shortages for upcoming construction projects. 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 that delay, the project was rescheduled for summer of 2023 and is currently under construction. This delay turned out to be valuable for the project, as King County offered a grant to improve the walking track at this school. We are now able to use that grant funding to include that track upgrade as part of the larger project. Unfortunately, delays from our playground equipment vendor over the 2023

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summer will require the contractor to return in the spring of 2024 to provide that track update and continue field improvement work.

- ii. Dimmitt Middle School – HVAC Upgrades (2019 Bond Project 1929): Roof top air-handling units were delayed because of market conditions for 2023. The design for this project is complete, but construction will now start during the summer of 2024.
  - iii. Hazen High School – Pool Modernization (2019 Bond Project 1939): This project was originally intended to be complete in August of 2023. However, as the new flooring system installation began, our contractor realized that the existing tile mortar bed had become detached from the structural slab and needed to be fully replaced. This added several months of work to the construction schedule. We are now planning to be fully complete in November of 2023.
  - 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 required delays for the next phase. We are currently working towards Phase II starting in the summer of 2024.
  - 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.
  - 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 September 21<sup>st</sup>, 2023, we have requested use of \$10.2M of the original \$16.3M bond program contingency. We currently have \$6.1M in unrequested funds remaining in the contingency for upcoming projects. We also have a forecasted return of an additional \$3.3M 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 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 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 are costs that may be caused by project delays, and the 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 continue to review these charges with our legal team and are determining the appropriate next steps.
- e. Workload: The Capital Planning and Construction team is currently working through design and construction on 80 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, 2022 Capital Levy, and 2023 Capital Bond. Including work from all of these funding sources, the Capital Planning & Construction team completed over \$103 million in capital improvements for the Renton School District during the 22/23 fiscal year.
- 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 finalizing a few punch list items after hours and on weekends, but this project is now complete and occupied by students and staff.
- b. Lindbergh HS Phased 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 have now completed three major phases of this project, including the

new science classrooms, health clinic, administration offices, HVAC updates, locker rooms, and new counseling offices. Currently, the existing science classrooms are being remodeled and the parking lot work will occur during the summer of 2024.

- c. Renton HS Science Classrooms – Budget \$11.5M: Forma Construction completed demolition on the third floor and critical infrastructure updates on the second floor over the summer. Framing has begun for new science classrooms and windows will be installed during October. The project is scheduled to take nine months, allowing for occupancy of the new spaces in April of 2024.
- d. Hazen High School Pool Modernization – Budget \$9.4M (approved for an additional \$2.7M in King County grants): 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 has completed most of this work and is finalizing the subfloor repairs, new flooring installation, new roof, and installing delayed HVAC equipment. This project was anticipated to be complete in August but will likely be finished in November due to the flooring issues and air handling unit delay.
- e. Sierra Heights Elementary School Safety/Security/Seismic Updates – This project is currently in the construction document phase. We recently hired Bayley Construction as our GC/CM partner for this project. 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.
- f. Property Acquisition – Budget ~\$120M: The Renton School District is currently reviewing opportunities for procuring property for the recently approved new Renton High School project. At this time, the district has agreed to purchase one property immediately north of the high school. We are currently investigating additional properties adjacent to the existing high school site.

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