

ORANGE COUNTY
BOARD OF EDUCATION

AGENDA ITEM ABSTRACT

Meeting Date: December 5, 2011

AGENDA ITEM No. 11-12-09

ACTION ITEM (Y/N) N

SUBJECT: NC Education Lottery Fund Projects Update

INFO. CONTACT: Dr. George McFarley PHONE: 919-732-8126

ATTACHMENTS: None.

PURPOSE: To provide the Board of Education with an update of the approved projects for 2011-2012 NC Education Lottery funds and some possible additional lottery projects.

BACKGROUND: The net proceeds of the NC Education Lottery go to education expenses, including reduced class size in early grades, academic prekindergarten programs and capital improvements, to include school construction. Lottery proceeds cannot be used for technology purchases or needs.

On September 6, 2011 the Board approved the expenditure of \$524,292 in NC Education Lottery proceeds to be used for four HVAC replacement projects. All four HVAC units are over 20 years old, and showing serious signs of age. These specific HVAC replacements are at the following locations:

- 2 EACH 185 ton chillers (ALSMS)
- 1 EACH 170 ton chiller (OHS)
- 1 EACH 20 ton chiller (OHS)

All of the chillers were bid as a package to help drive down the cost. The competitive bids were received, with Warren-Hay Mechanical Contractors the lowest responsible bidder. The recommended bid was \$485,368. To date, the 20 ton chiller at OHS has been received and installed. The remaining chillers have been ordered but not received yet. A difference of \$38,924 remains. Staff recommends these funds stay with this project in the event of unforeseen change orders, given the age of these units. If the \$38,924 is not used, staff will come back to the Board with recommendations for re-purposing these dollars.

The district expects to receive additional lottery funds before the end of the fiscal year. There are several high priority projects which are currently unfunded and the additional lottery funds may be considered for funding these projects. Competitive bids have been solicited and received for the following projects:

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| • OHS stadium lights (35 years old) | \$115,322 |
| • 1 EACH 170 ton chiller (OHS) | \$147,727 |
| • 1 EACH 60 ton chiller (OHS) | \$78,000 |
| • Roof replacement OHS Cultural Arts Wing | \$143,305 |

FINANCIAL IMPACT: None at this time.

RECOMMENDATION: The Superintendent recommends the Board of Education receive the update of the approved projects funded by the 2011-2012 NC Education Lottery funds to date and discuss some possible additional lottery projects.