

July 8, 2022

To: Dr. Damien Pattenau, Superintendent of Schools

Cc: Dr. Fred Maiocco, Assistant Superintendent & CFO

Subject: Monthly Capital Program Update

Program Summary

The Capital Planning & Construction team members are currently working heavily on contract administration and construction oversight. Smaller summer projects and multiple major projects began in mid-June and now have contractors on site. We continue to work with district leadership to review project impacts around summer academic programs at schools and impacts for construction on occupied school sites during the 22/23 school year. Additionally, project managers continue to talk to designers about 2023 summer projects to get ahead of current market concerns for long lead items.

- a. Program schedule: Major projects are continuing as planned and several projects are now starting their 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 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. Due to the large number of classrooms being updated, we decided to start the work early and phase the project. We completed 1/3 of the school in 2021 and will now complete the project in 2022.
 - 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.
 - iii. Campbell Hill Elementary School – Exterior Upgrades (2019 Bond Projects 1917, 1919, & 1920): This project was originally scheduled for summer of 2022.

However, permitting has been slow with King County recently. Based on the potential for delays, we are now planning to complete this project now 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.
- 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 submits them to district leadership for review and approval. As of June 30th, 2022, we have requested use of \$10M of the original \$16.25M bond program contingency. We currently have \$6.2M in unrequested funds remaining in the bond contingency for upcoming projects. We have seen extreme inflation for certain building materials in our 2022 project estimates and recent bid openings. We anticipate that we will continue to need to utilize bond contingency funding as we move forward with the 2022 & 2023 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.
 - e. Workload: The Capital Planning and Construction team is currently working through design on 44 new projects (funding for these projects is provided by the 2016 Capital Levy and 2019 Capital Bond) that will occur during the summer of 2022. Additionally, we

continue to work on 6 major multi-year projects. Many of these major projects are currently in construction and additional projects will start in 2023.

- 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: The bids have been opened and the construction contract came in \$8.1M over the estimated price. Value engineering to find project savings are ongoing, but additional bond contingency funds have been added to the project budget to keep construction on schedule. Wetland mitigation approval is almost finalized, with the purchase of wetland bank credits from the City of Renton now approved. Cornerstone GC is working as the GC/CM, and their staff are currently mobilizing to the site in preparation for the start of construction. The school is on schedule to be open to students in the fall of 2023.
- 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 has been selected as the GC/CM for this project and we are working through pre-construction with them. The design team is nearing completion of the construction documents for this project and preparing for bidding. The project team are reviewing 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. Additionally, the design team has finalized permitting requirements with the City of Renton and submitted our site permit application. The building permit application submittal will follow the approval of the site plan application.
- c. Renton and Hazen HS Science Classrooms – Budget \$16M: The design work for the Renton HS science classroom updates has begun with Sundberg, Kennedy, Ly-Au Young Architects and Forma Construction was selected as the GC/CM contractor for this project. Hazen HS science classroom design work has also begun with Integrus Architecture. This project will be completed as a design/bid/build project in 2023.
- 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. The project bids were opened in late April, and the bids were higher than our projected estimate. However, we are working to keep the project moving and find savings wherever possible.
- f. Sierra Heights Elementary School Safety/Security Updates – Budget under review: Sierra Heights ES was originally designed with the main entry at a different level than the administration office. This has created problems for visitors attempting to navigate from the main entry to the front desk. Integrus Architecture has been hired to design a new main entry, which allows for a clear line of sight from the office to the entry as well as a direct path from the entry to the front desk. A pre-design study is currently underway to determine the best option for redesigning the main office and the sequence of entry at this school.
- 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 purchasing any 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,

A handwritten signature in black ink, appearing to read "Matt Feldmeyer".

Matt Feldmeyer, Architect
Executive Director – Capital Planning & Construction