

Date: August 14, 2017

For ACTION  X

For INFORMATION  X

Board Agenda: Yes  X

No

**FROM:** Elijah Gross, Director of Planning, Design, and Construction

**THROUGH:** Dr. Lois Berlin, Ed.D., Interim Superintendent of Schools  
Richard Jackson, Interim Chief Operating Officer  
Michael Herbstman, Chief Financial Officer  
Sharon Lewis, Director of Procurement

**TO:** The Honorable Ramee A. Gentry, Chair, and Members of the Alexandria City School Board

**TOPIC:** Patrick Henry Pre-K – 8 School Budget Transfer

**SUMMARY:**

In accordance with school board policy FEG and the associated regulations pertaining to the management of CIP funds, staff is requesting that funds in the amount of \$3.8 million be transferred from the accounts of selected projects to the new Patrick Henry Pre-K – 8 School and Recreation Center project.

This budget transfer follows an initial transfer of \$5.7 million that was approved in February to support increases in soft costs based on a larger facility and need for increased owner contingency.

**BACKGROUND:**

The Patrick Henry budget has evolved from the original feasibility stage to the current Guaranteed Maximum Price (GMP) proposal as ACPS and Recreation, Parks & Cultural Activities staffs have moved forward with the development of the Patrick Henry Pre-K-8 School and Recreation Center. Prior to this requested transfer, the total approved ACPS-portion of the project budget, including previous budget transfers, is \$48.3 million. During design, staff informed the School Board of a potential cost exposure with the understanding that cost estimates would be provided during the construction documents portion of the design phase, and that a final GMP would follow.

The Patrick Henry project received City Council approval during the December 2016 public hearing and the CM at Risk contract was amended in May to allow the contractor to move forward with construction on portions of the site work only in order to support the overall construction schedule. This early release package included earthwork, site demolition, utilities, retaining walls, and other miscellaneous work with a total cost of \$6,600,987 (\$5,076,419 attributed to ACPS and \$1,524,568 to the City). This portion of the work proceeded as the Design Review Team continued to work on value engineering options for the building to get best value.

Upon completion of the value engineering of the project, the contractor bid the project and submitted a GMP proposal in the amount of \$44,310,186 (\$38,160,157 attributed to ACPS and \$6,182,102 to the City) on August 2, 2017.

Based on existing funding levels, an additional \$3.8 million is required to fund the Patrick Henry project. ACPS has identified several projects totaling \$3.8 million to cover the additional costs which are discussed in this memo.

*Reason for Exposure:*

The current design incorporates all requirements from the Site Specific Program Document with minor changes based on programmatic needs. The school portion of the building design is approximately 137,000 square feet which represents an increase of 17,000 square feet from the original Site Specific Program Document estimate of 120,000 square feet. Additional reasons for this cost increase include:

- Desire for reducing the massing off of Latham Street
- Direct access from the school to the athletic fields
- Preventing overlap with the existing building for safety in phased construction
- Avoiding conflicts with adjacent powerlines
- Accommodating the challenging site topography

*Potential Funding Sources:*

ACPS staff has reviewed potential funding sources for the budget deficit of the Patrick Henry project. Funding from the following projects may be used to close the budget gap:

Description	Reasoning	Available CIP Funding	Return to Future CIP
<b>Category 1: Completed Projects with Remaining Funding Available for Transfer</b>			
Francis Hammond ADA Ramp	This project has been completed and these funds are the result of a more efficient redesign. Construction of the project took advantage of existing conditions that helped us to meet our ADA needs.	\$178,650	No
Francis Hammond Elevator Addition	This project has been completed and these funds are the result of a more efficient redesign. Construction of the project took advantage of existing conditions that helped us to meet our ADA needs at the school.	\$1,078,096	No
<b>Category 2: Projects with Reduced Scopes Requiring Future- Year CIP Funding</b>			
George Washington Repair or Replace Ceilings	These FY17 funds were requested to replace ceilings throughout the facility pursuant to an initial assessment. Since that assessment, the building has been reassessed and scopes of work have been developed to perform ceiling replacements in select areas of the school as required. We are	\$200,000	Yes

	recommending that a portion of the funding be used to support Patrick Henry, and that the remaining ceilings be replaced near the end of their life cycle.		
George Washington Roof Replacement	A phase I and II major roof replacement has been completed on the FY15 project which covers large portions of the roof. Under a new roof maintenance agreement, the remaining portion of the roof (which contains the newest portions of the building and is under warranty until 2018) has been reassessed and determined to be in fair condition. Thus, it may be maintained under our roof maintenance contract. A request to fund this project will occur under a normal life cycle and may extend from two to five years.	\$210,000	Yes
James K. Polk Roof Replacement	Under a new roof maintenance agreement, the roof for this facility has been reassessed and determined to be in fair condition. Thus, we are recommending reprioritization of the FY17 funds and that the roof is maintained under our roof maintenance contract. A request to fund this project will occur under a standard life cycle and may extend from five to ten years.	\$280,442	Yes
John Adams Building Envelope	The building has been assessed and it has been determined that the scope of work anticipated for the FY15 funds may be reduced at this time. Repairs at the facility have been ongoing, with a building envelope project currently in progress. In January, we anticipate that the building will be reassessed with our upcoming facilities assessments and a new scope of work may be included in a future request for funds within a projected five to ten years.	\$150,631	Yes
<b>Category 3: Projects Recommended for Removal from the CIP</b>			
TC Williams Minnie Howard Building Envelope	The building has been reassessed and it has been determined that there are no substantial building envelope failures related to safety that would require the full FY15 funds. The building will be assessed again with our upcoming system wide facilities assessments where we anticipate a reduced scope of work to address items that are now out of warranty. This would result in a future request for funds within a projected five to ten years for a reduced scope of work.	\$1,385,713	No

TC Williams Minnie Howard Structural Damage	The building has been reassessed and it has been determined that there is no substantial structural damage related to safety that would require the full FY13 funds at this time. The building will be assessed again with our upcoming system wide facilities assessments where we anticipate a reduced scope of work that would result in a future request for funds within a projected five to ten years.	\$181,956	No
TC Williams Irrigation System	These FY16 funds were originally requested to support the need for satisfying the DSUP requirement for tree screening at the perimeter of the school site. Since that time, low maintenance trees have been installed and care for these trees was covered under a maintenance agreement put in place during construction. This agreement is being renewed under the maintenance department and we do not anticipate the need for a full irrigation system at the site.	\$150,000	No
<b>Total</b>		<b>\$3,815,487.21</b>	

**Budget Transfer- Patrick Henry Pre-K - 8 School**

**From Account**

<u>ORG</u>	<u>OBJECT</u>	<u>PROJECT</u>	<u>TITLE</u>	<u>Amount Transferring</u>	<u>ACPS Account #</u>
41861559	52121	20132	FH-ADA-Ramp	\$ 178,649.94	41861559-1-P130001
41861559	52121	20132	FH-Facility Maintenance-Elevator Addition	\$ 1,078,096.06	41861559-7-P150007
41861560	52121	20135	GW-Facility Maintenance-Repair or Replace Ceiling	\$ 200,000.00	41861560-7-P170055
41861560	52121	20135	GW-Facility Maintenance-Roof Replacement	\$ 210,000.00	41861560-7-P150087
41861546	52121	20159	JP-Facility Maintenance-Roof Replacement	\$ 280,442.00	41861546-7-P170087
41861531	52121	20137	JA-Facility Maintenance-Building Envelope Repair	\$ 150,630.70	41861531-7-P150010
41861563	52121	20133	TCWM-Facility Maintenance-Building Envelope Repair	\$ 1,385,712.51	41861563-7-P150010
41861563	52121	20133	TCWM-Facility Maintenance-Structural damage repair	\$ 181,956.00	41861563-7-P130101
41862106	52121	20131	TCW-Facility Maintenance-Irrigation System	\$ 150,000.00	41862106-7-P160120

**To Account**

41861583	52121	20530	PH-Capacity-New K-8 School A&E	\$ 3,815,487.21	41861583-4-P140039
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**RECOMMENDATION:**

The Superintendent recommends that the School Board approve a transfer of funds from the projects described herein to fully fund the new Patrick Henry Pre-K-8 school project.

**IMPACT:**

The approval of this budget transfer will allow the Patrick Henry project to proceed with construction and complete the project.

**CONTACT PERSON:** Richard Jackson, Interim Chief Operating Officer, (703) 619-8038