CIP 2006 Update

Presentation to Wake County Board of Education and Board of Commissioners

January 17, 2013

Joe Desormeaux, Assistant Superintendent for Facilities Nicole Kreiser, Wake County Debt and Capital Director





Presentation Overview

- Overview of CIP 2006
 - Original CIP 2006 Scope
 - Current CIP 2006 Scope
 - Program Accomplishments





Original CIP 2006

CIP 2006 = \$ 1,056,000,000

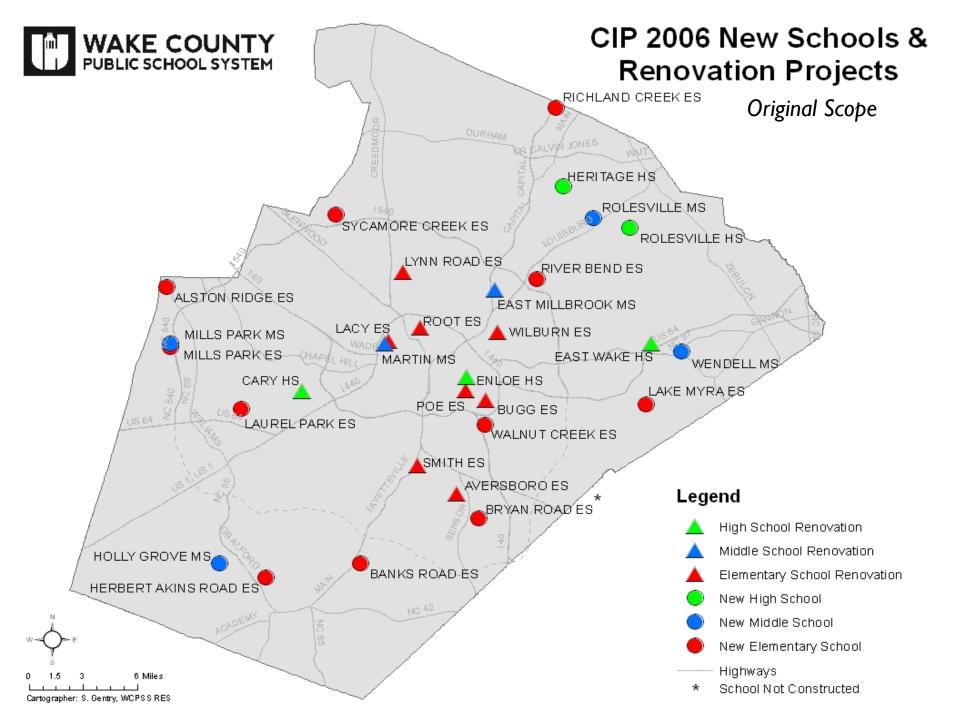
Bonds \$ 970,000,000

Cash \$ 86,000,000

Bond Referendum approved in Fall 2006

► CIP 2006 Scope:

- ▶ 17 New Schools (100% Utilization, Current % in Mobiles)
- ▶ 13 Major Renovations
- Land Acquisition and Land Banking
- Mobiles and Modulars and 9th Grade Centers
- Technology, Life Cycle Equipment and Furniture
- Program Management & Start-Up for Future Bldg. Program







CIP 2006 Original Budget (Attachment 1)

Categories	CIP 2006 Budget
New Schools & Crowding Solutions Projects	
17 New Schools	532,155,087
11 Elementary	243,054,724
4 Middle	160,522,816
2 High	128,577,547
Land Purchase	42,951,500
9th Grade Centers & Mobile Relocation and Leasing 2007 - 2009	29,454,178
Wendell Middle & East Cary Conversion	472,760
Conversion of Elem. Schools to Year Round	12,542,053
Offsite Improvements at New Schools	8,971,162
Existing School Projects	
13 Major Renovation Projects	232,316,195
Life-Cycle Replacement of Building Components	67,813,687
Child Nutrition Warehouse	2,778,383
Assessment of Existing Facilities	1,675,374
Technology Replacements	35,182,850
Educational Equipment Replacement & Life Cycle Furniture	4,607,278
Environmental and ADA	6,785,264
Other Projects	
Program Contingency	20,003,312
Program Management	35,705,912
Start-Up	
Start-Up for Design of Next Bond Projects	22,459,842
TOTAL CIP 2006	1,055,874,837





Current Status – Bond Issue Plan

Origi	nal CIP 2006	Current CIP 2006		
Bonds Issued	Amount to be Issued	Bonds Issued	Amount Issued	
FY 2007	275,000,000	FY 2007	275,000,000	
FY 2008	279,000,000	FY 2008	256,500,000	
FY 2009	333,000,000	FY 2009	100,000,000	
FY 2010	83,000,000	FY 2010	134,910,000	
FY 2011		FY 2011	106,800,000	
FY 2012		FY 2012	96,790,000	
Total	970,000,000	Total	970,000,000	





Property Tax Increases

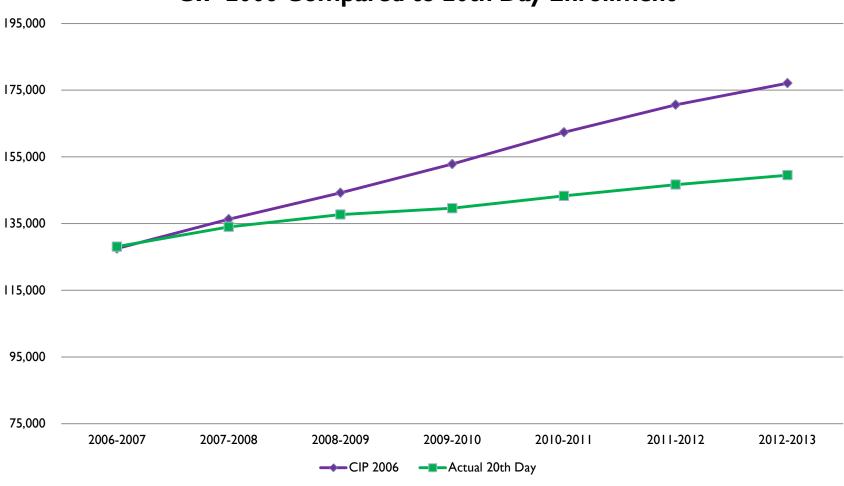
(In Cents)	Total	2008	2009	2010	2011	2012	2013
TAX INCREASE REQUIREMENTS BASED O	N 2006 ASSUM	PTIONS					
Capital and Debt Service	2.70	2.70					
Operating	2.00	0.90	0.30	0.40	0.30	0.10	
Total	4.70	3.60	0.30	0.40	0.30	0.10	
TAX INCREASES IMPLEMENTED							
Capital and Debt Service	2.70	2.70					
Operating	1.20	0.90	0.30	-	-	-	
Total	3.90	3.60	0.30				





Student Enrollment

CIP 2006 Compared to 20th Day Enrollment







Enrollment Growth Slowed...

- Schools funded in CIP 2006 were planned to open through 2010-11
 - CIP 2006 Projections for 2010-11: 162,371
 - 2012-13 20th Day Enrollment: 149,508
 - Difference: 12,863 students
- Slower enrollment growth has allowed WCPSS to have more capacity system-wide
 - Difference in projections vs. actual enrollment plus savings within building program has allowed different projects to proceed





Savings Added from Prior Programs; Lease Funded

To date, \$27.3 million has been added to CIP 2006 from savings in Prior Programs

3/15/2010	\$ 24,400,750
10/3/2011	2,371,707
10/1/2012	496,264
Total Savings From	
Prior Programs	\$ 27,268,721

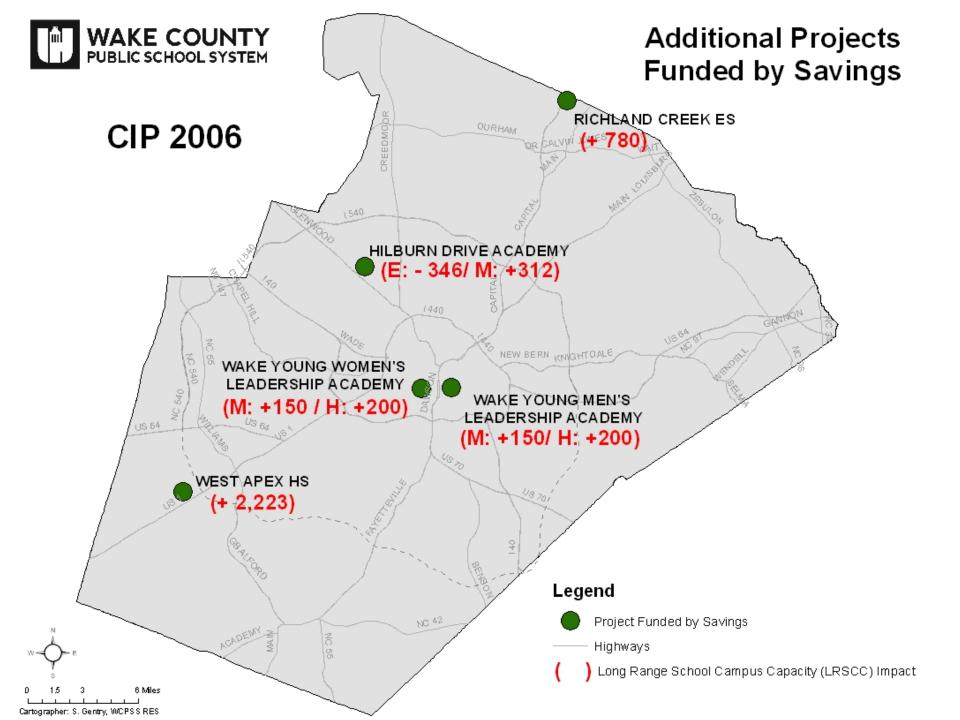
- ▶ \$13.224 million reallocated from building projects to fund cost of Crossroads II Administrative Lease
 - When surplus property at Noble Road, Wake Forest Road, and New Bern Avenue sell, funds will be added back to CIP 2006 building program
 - Noble Road under contract, anticipated to close early 2013





Savings Funded Additional Projects

- \$104 million savings + \$29 million repurposed funds enable:
 - West Apex High School (2015);
 - Richland Creek ES in Wake Forest (2014);
 - Two Ninth Grade Centers (2013);
 - Wake Young Women's Leadership Academy (2012/13);
 - Wake Young Men's Leadership Academy (2012/13);
 - ▶ Hilburn Drive Academy K-8 (2012/13).





CIP 2006 Status: New Schools and Renovations



Proposed

- 17 New Schools
 - ► II Elementary
 - 4 Middle
 - ▶ 2 High
- ▶ 13 Major Renovations

Assumptions:

- ▶ 100% Utilization
- Maintain Current %Mobiles/Modulars
- New Schools Open as Year Round,
 Conversion of Some Schools as
 Year Round

Current

- 17 New Schools
 - ▶ 10 Elementary
 - 4 Middle
 - ▶ 3 High
 - Leadership Academies
- ▶ 14 Major Renovations

Realized:

- Reduction in Utilization as SeatsAdded
- Reduction in % Mobiles/Modulars as Seats Added
- Some Schools Planned as Year
 Round Operating on Traditional
 Calendar or Single Track





Additional Seats Provided (Attachment 2):

Project	Number of Seats Planned	Seats Used*	Seats to be Added w/ Savings	Total New Seats	Difference
New school projects	22,100	18,083	3,669	21,752	(348)
Elementary	12,364	8,659	780	9,459	(2,925)
Middle	5,850	5,538	0	5,538	(312)
High	3,886	3,886	2,223	6,109	2,223
Academies			666	666	666
Renovation projects	2,096	2,940	0	2,940	844
All projects	24,196	21,023	3,669	24,692	496
Year-Round	3,000 - 5,000*	*	n/a	*	*

¹⁴





Project Status

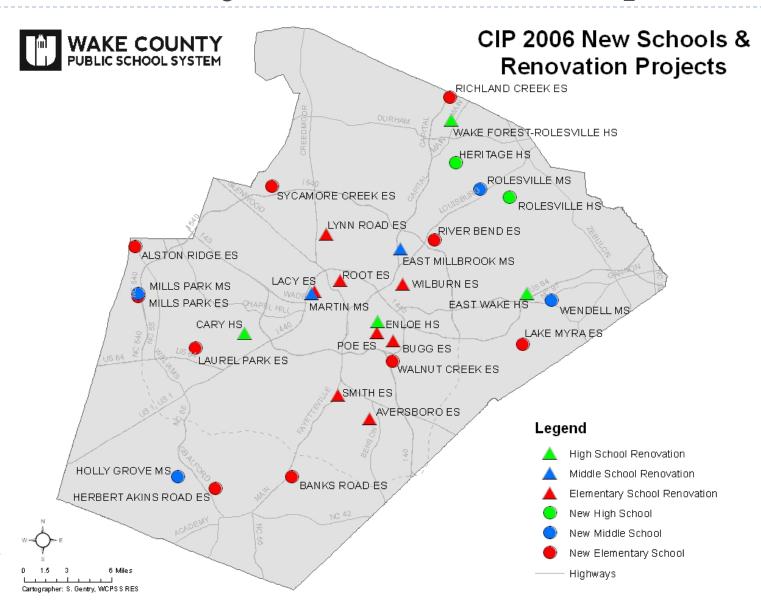
						Schools Postponed to
	Original	Current	Currently	2013	Schools	Future
	Plan	Plan	Opened	Opening	Remaining	Program
Elementary	11	10	9	0	1	1 *
Middle	4	4	4	0	0	0
High	2	3	1	1	1	0
Renovation Projects	13	14 *	14	0	0	0

^{*}E-25 and E-31 were reallocated in order to fund a renovation project at Wake Forest Rolesville High. Due to savings, E-25 was added back to CIP 2006.





CIP 2006 Projects – Current Scope





Current Project Status Overview - Attachment

*
WAKE
SCOUNTY

New Schools & Crowding Solutions Projects	Original Plan of	Proposed Future
<u>17 New Schools</u>	Record	Plan of Record
11 (Original)/10 (Current) Elementary	243,054,724	194,612,418
4 Middle	160,522,816	141,154,088
2 High (Original)/3 (Current) High	128,577,547	186,306,653
Leadership Academies and Program Conversion	-	9,278,058
Land Purchase	42,951,500	50,550,718
Wendel Middle & East Cary Conversion	472,760	597,419
Conversion of Elem. Schools to Year Round	12,542,053	-
Mobile Classroom Relocation and Leasing and 9th Grade Centers	29,454,178	38,066,968
Offsite Improvements at New Schools	8,971,162	30,853,983
Existing School Projects		
13 (Original)/14 (Current) Major Renovation Projects	232,316,195	249,694,134
Life-Cycle Replacement of Building Components	67,813,687	66,978,887
Child Nutrition Warehouse	2,778,383	2,091,402
Assessment of Existing Facilities	1,675,374	1,675,374
Technology Replacements	35,182,850	35,182,850
Educational Equipment Replacement & Life-Cycle Furniture	4,607,278	4,607,278
Environmental and ADA	6,785,264	6,785,264
Other Projects		
Program Contingency	20,003,312	-
Program Management	35,705,912	30,169,394
Building Permits		3,465,052
Reserve		-
Start-Up for Design of Next Bond Projects	22,459,842	16,679,480
CIP 2006 Total	1,055,874,837	1,068,749,420
Administrative Lease Reserve Reallocated from Life cycle*		4,034,800
Administrative Lease Reserve Reallocated from Land Purchase**		9,189,363
Additional Savings Anticipated		1,169,975
Total	1,055,874,837	1,083,143,558

Notes

** This amount will be savings upon the sale of the admin. properties

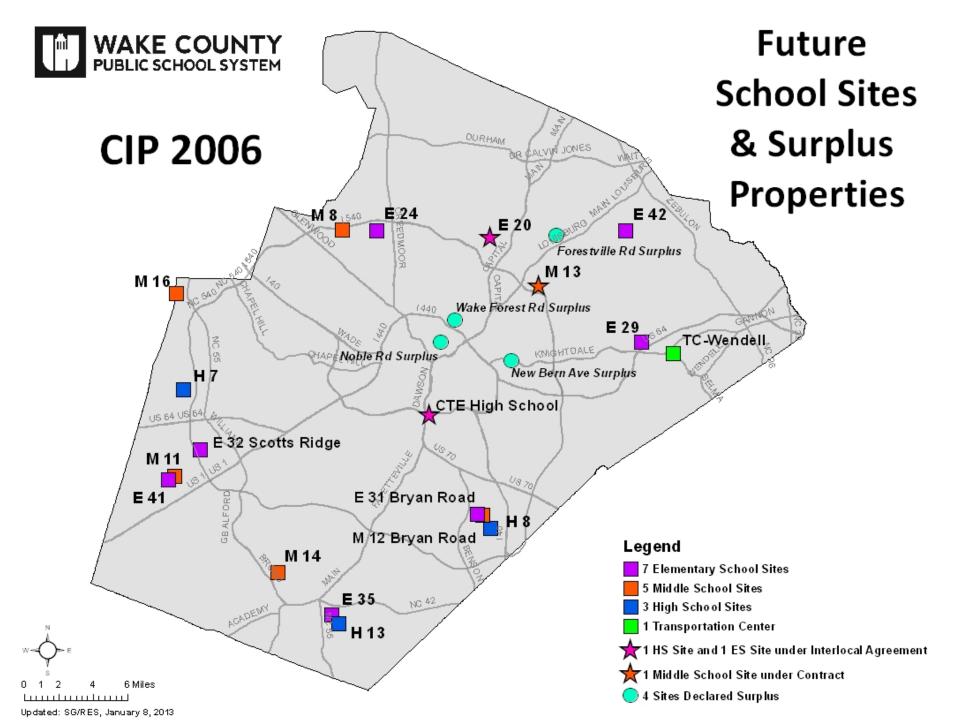
^{*} This amount is not expected to be recouped with the sale of the admin. properties





Land Bank Sites

- ▶ CIP 2006 Called for Funding of 13 Land Bank Sites
- ▶ To Date, CIP 2006 has funded 17 Land Bank Sites:
 - 7 Elementary School Sites
 - 5 Middle School Sites
 - 4 High School Sites
 - ▶ I Transportation Center Site
- Additional Potential Land Bank Sites:
 - 2 Elementary School Sites and I Middle School Site under Interlocal Agreements (NWLF/E-20 & Randleigh)
 - ▶ I Middle School Site under contract by Board of Education







Conclusion

- CIP 2006 nearing completion
- Economic recession brings slower enrollment growth and cost savings to building program
- Results: Meets and exceeds expectations

	<u>Planned</u>	<u>Delivered</u>
New Schools	17	17*
Major Renovations	13	14
Land Bank Sites	13	17

^{*}Includes those under design and/or construction

Extra Credit: Leadership Academies and Hilburn Academy





Questions???