

MEASURE E, PLANNING, CONSTRUCTION, AND ARCHITECTURAL UPDATE

BOARD PRESENTATION
March 28th, 2022



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ARCHITECTS



MEASURE E SYNOPSIS

Of the **\$305,056,000** projected for Measure E at the last Board update:
\$210,425,000 has been committed, at or below budget, to accepted bids.
\$ 94,631,000 (including program contingency) is uncommitted.

For improvements yet to be made, the District's core Measure E goals still apply:

- Attain/maintain comparable facilities among high schools.
- Modernize existing classrooms to be on par with new classrooms (most importantly, versatile space; but necessarily also finishes, building systems, technology, acoustics, lighting, windows).
- Take-advantage of opportunities that ongoing construction temporarily affords to realize cost-effective gains in the number and versatility of full-size classrooms, almost certain to be needed as result of the residential building boom in MVLA.

MEASURE E SYNOPSIS

A Window of Opportunity is Currently Open for Two More Classrooms

Projects underway at LAHS present an opportunity to construct a ~2400 SF building with two full size multi-use classrooms and an office in the heart of campus at a much lower cost than what will be possible if the opportunity is missed, as subsequent slides make evident.

The classrooms are separated by a folding wall that opens to create an exceptionally versatile room with a rectangular floor of 1920 SF, ~ 31' x 62'.

The currently projected cost of building these classrooms now is \$4.0M, of which \$220,000 is already in the budget for work on the existing structures at the classrooms' site and provides eligibility for future state funding.

Staff strongly recommends Board approval of these improvements.



CONSTRUCTION ECONOMICS

ENR's 20-city average cost indexes, wages and material prices. Historical data for ENR's 20 cities can be found at [ENR.com/economics](https://www.enr.com/economics)

Construction Cost Index

+8.4%

ANNUAL INFLATION RATE

FEB. 2022

1913=100	INDEX VALUE	MONTH	YEAR
CONSTRUCTION COST	12683.97	+1.0%	+8.4%
COMMON LABOR	24511.71	+0.6%	+1.5%
WAGE \$/HR.	47.10	+0.6%	+1.5%

Building Cost Index

+14.9%

ANNUAL INFLATION RATE

FEB. 2022

1913=100	INDEX VALUE	MONTH	YEAR
BUILDING COST	7457.68	+1.3%	+14.9%
SKILLED LABOR	11112.05	+0.5%	+2.9%
WAGE \$/HR.	61.37	+0.5%	+2.9%

Materials Cost Index

+2.2%

MONTHLY INFLATION RATE

FEB. 2022

1913=100	INDEX VALUE	MONTH	YEAR
MATERIALS COST	5185.50	+2.2%	+35.2%
CEMENT \$/TON	153.72	+1.5%	+3.6%
STEEL \$/CWT	81.29	+2.3%	+43.1%
LUMBER \$/MBF	972.4	+2.4%	+28.0%

The Construction Cost Index's annual escalation rose 8.4%, while the monthly component rose 1%.

The Building Cost Index was up 14.9% on an annual basis, while the monthly component increased 1.3%.

The MCI rose 2.2% since last month, while the annual escalation rate increased 35.2%.



MEASURE E SYNOPSIS

Escalation Comparison Between National Average and San Francisco

ENR's Cost Indexes by City

1913=100
1967=100
R=REVISED

	CONSTRUCTION COST		BUILDING COST		COMMON LABOR		SKILLED LABOR		MATERIALS	
	FEB '22: 1913	% CHG. YEAR	FEB '22: 1913	% CHG. YEAR	FEB '22: 1967	% CHG. YEAR	FEB '22: 1967	% CHG. YEAR	FEB '22: 1967	% CHG. YEAR
ST. LOUIS	13365.39	+5.9	7369.00	+12.0	1099.35	+0.3	1046.28	+1.6	1130.32	+28.9
SAN FRANCISCO	14395.70	+9.8	9102.28	+16.5	1046.50	0.0	1091.49	0.0	1424.09	+43.8
SEATTLE	14425.33	+12.5	7648.51	+13.3	1285.63	+6.2	1241.59	+3.8	1251.63	+41.0

Annual Escalation:

Building Cost

Materials Cost

National

14.9 %

35.2%

San Francisco

16.5 %

43.8%

MEASURE E SYNOPSIS

Challenges to our budgets for future Measure E improvements:

- At Measure E approval, \$295M was the expected cost (with contingencies) projected using then current standard-of-care forecasts of construction industry cost escalation. Exceptional, pandemic-induced construction industry inflation has driven the actual cost unforeseeably higher, eroding the purchasing power of funding for future improvements by \$8-10M.
- District incurred \$3M in costs for extra mitigation measures subsequently required by DTSC* and BAAQMD* to preserve eligibility for \$20M reimbursement from future state funding.
- DSA IR** A-22: full upgrade to **current** seismic code is required for any significant*** modification to a building: \$5-8M is the extra cost now forecasted to modernize MVLA's existing interior space.

* DTSC: Department of Toxic Substances Control. BAAQMD: Bay Area Air Quality Management District.

** DSA IR: Department of the State Architect – Interpretation of Regulations

*** "Significant modification" as defined by DSA is any modification: costing more than 50% of full replacement cost (currently ~\$500/SF).



The Overall Challenge:

Total Funds Remaining in Budget from Last Update	\$ 94,631,000*
<u>Currently Projected Costs of Projects Yet to be Done</u>	<u>\$108,790,000**</u>
Amount for which Budget Needs to Account	\$ 14,159,000

- * The remaining funds include \$13.94M for contingencies.
- ** The projected costs include \$7.2M contingencies in case bids come in at the high end of the currently projected ranges.

MEASURE E SYNOPSIS

Means available to meet the challenge:

Use more of developer fees	\$3,780,000
Use more of deferred maintenance funds	2,111,000
Additional interest earnings from rising rates	326,000
<u>Use more of general fund</u>	<u>36,000</u>
Total	\$6,253,000

Amount for which Budget Needs to Account **\$14,159,000**

Shortfall if \$7.2M in bid contingency is needed **\$ 7,906,000**



Net result of challenges: \$7.9M project budget shortfall

List to cover shortfall:

Note: recoup possible savings from \$7.2M budgeted program contingency, pending bid results.

1. Move \$3M for 2 added classrooms from the 4th to the 3rd bond sale (4th bond sale is for 20 additional classrooms).
 - a. \$29.76M budgeted for 20 added classrooms. LAHS 500 Wing Pavilion adds 2 new classrooms: 2/20 classrooms would mean selling \$3M (10%) of bonds.
2. Expected to receive \$20M in state funds, date TBD. Defer lower priority projects until receipt of state funds.
 - a. E.g., Library Modernizations - \$4M
3. Reduce scope of planned projects.
 - a. E.g., Replace windows only in buildings with enlarged classrooms. Potential savings - \$3.5M

CURRENT CONSTRUCTION

MVHS Student Services



MVHS Auxiliary Gymnasium



LAHS Student Services

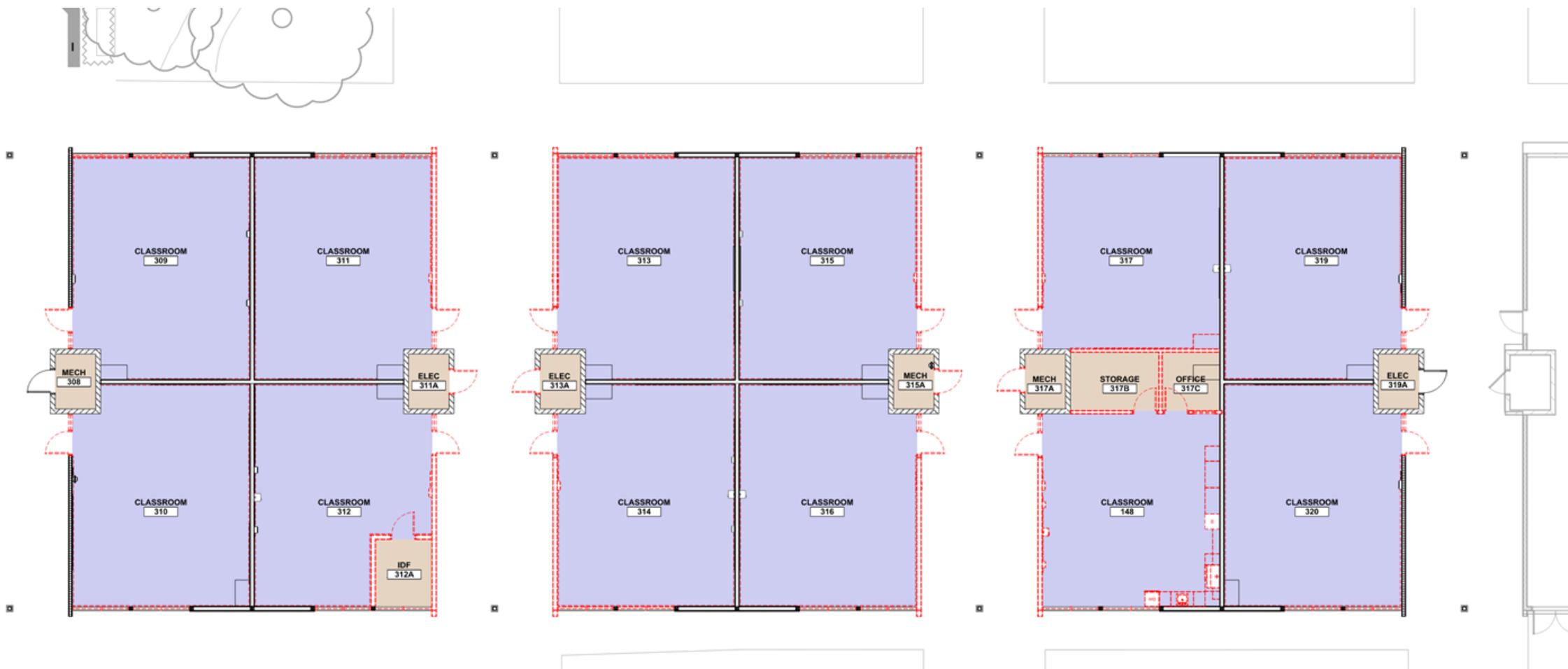


Freestyle Academy



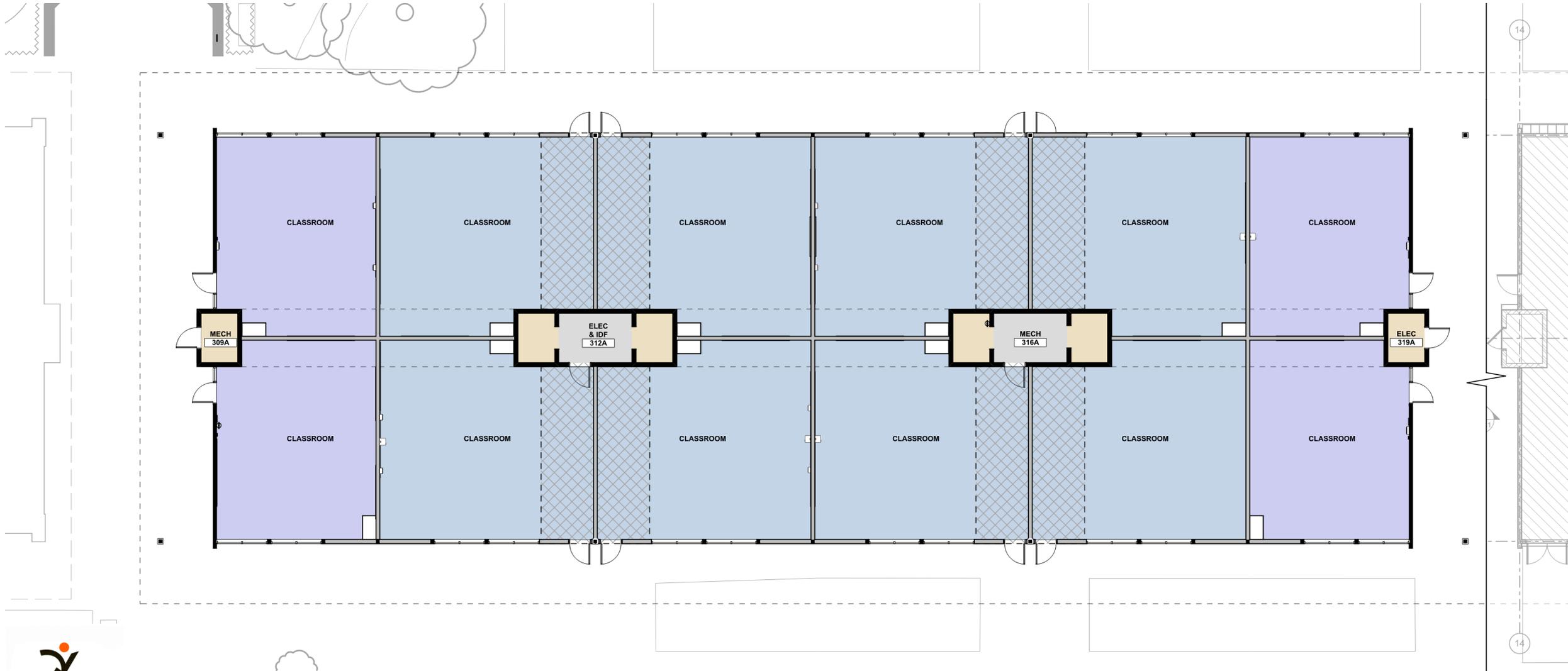
MOUNTAIN VIEW HS

Modernization and Additions to Classroom Wing 100-400 300 Wing Demolition Plan



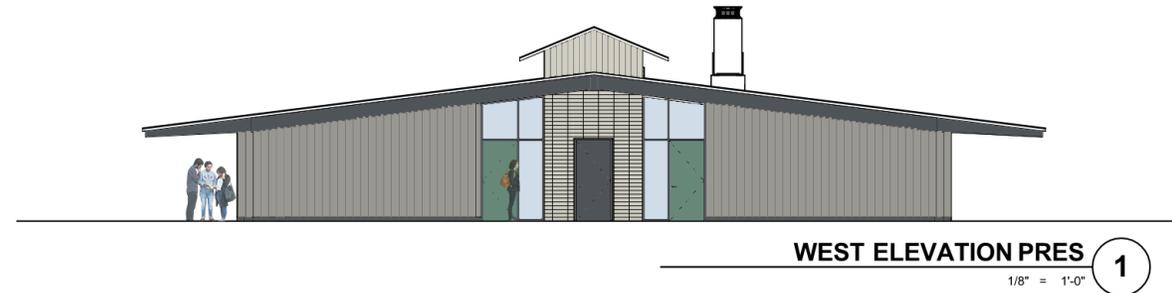
MOUNTAIN VIEW HS

Modernization and Additions to Classroom Wing 100-400 300 Wing Floor Plan

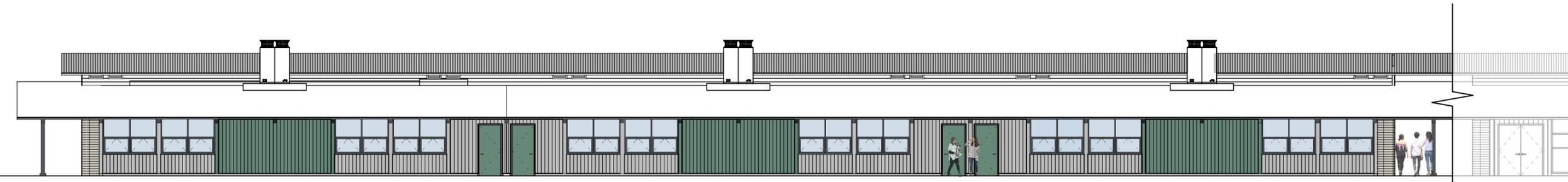


MOUNTAIN VIEW HS

Classroom Wing 300 Exterior Elevations



WEST ELEVATION PRES 1
1/8" = 1'-0"



SOUTH ELEVATION PRES 2
1/8" = 1'-0"



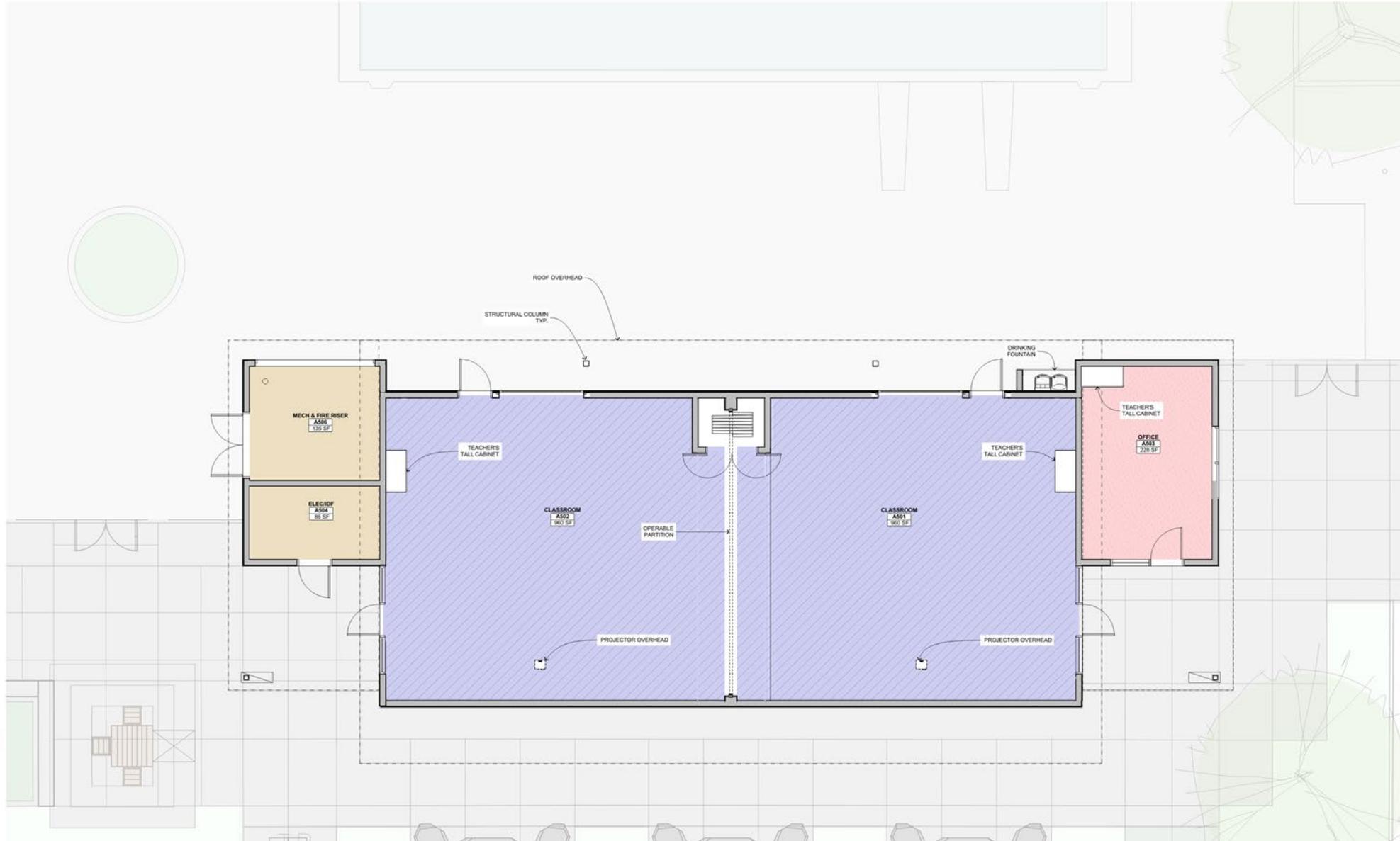
LOS ALTOS HS 500 WING PAVILION

View from Pool Deck



LOS ALTOS HS 500 WING PAVILION

Floor Plan



RECOMMENDED ACTION

MVLAHSD MEASURE E PROJECT BUDGET REVISIONS



PROJECT	CURRENT BUDGET	REVISION	NEW BUDGET
<u>MOUNTAIN VIEW HIGH SCHOOL</u>			
MVHS New Construction			
Student Services Student Union Building	\$ 38,115,000	<\$ 2,015,000>	\$ 36,100,000
Two Story Classroom & Lab Building	\$ 42,720,000	<\$ 2,020,000>	\$ 40,700,000
Auxiliary Gymnasium / Multi-Use Facility	\$ 11,600,000	-----	\$ 11,600,000
MVHS Building Modernization			
Gymnasium Modernization	\$ 5,860,000	-----	\$ 5,860,000
Library Modernization	\$ 2,100,000	-----	\$ 2,100,000
Repurpose exist. Cafeteria Bldg. for Performing Arts	\$ 4,200,000	-----	\$ 4,200,000
Packard Hall Modernization	\$ 1,100,000	-----	\$ 1,100,000
24 Classroom Expansion & Modernization of 100-400 Wings	\$ 5,390,000	\$ 13,360,000	\$ 18,750,000
200-300 Wing Seismic Reinf. & Restroom Modernization	\$ 2,750,000	<\$ 300,000>	\$ 2,450,000
MVHS Campus Site Repairs & Improvements			
ADA, Storm, Signage, Courtyard Combined	<\$ 750,000>	<\$ 750,000>	-----
Athletic Fields Improvements	\$ 3,900,000	-----	\$ 3,900,000
MVHS Facility Assessment Improvements			
Exist. Bldg's Facility Assessment Repairs Combined	\$ 9,723,000	\$ 2,777,000	\$ 12,500,000
Bldg 100 Science CR HVAC/Roof	\$ 1,577,000	<\$ 182,000>	\$ 1,395,000
MVHS Interim Housing & Relocation During Const.	\$ 1,837,000	\$ 263,000	\$ 2,100,000
<u>LOS ALTOS HIGH SCHOOL</u>			
LAHS New Construction			
Student Services Student Union Building	\$ 31,080,000	<\$ 500,000>	\$ 30,580,000
Two Story Classroom Bldg. & Aux Gym/Multi-Use	\$ 53,500,000	-----	\$ 53,500,000
500 Wing West Replacement/Pavilion	\$ 220,000	\$ 3,780,000	\$ 4,000,000
Music Building Addition	\$ 1,045,000	\$ 2,455,000	\$ 3,500,000
LAHS Building Modernization			
Existing Gymnasium Modernization	\$ 3,520,000	-----	\$ 3,520,000
Existing Library Modernization	\$ 1,870,000	-----	\$ 1,870,000

MVLAHSD MEASURE E PROJECT BUDGET REVISIONS



Kitchen Cafeteria Building Modernization	\$ 4,180,000	-----	\$ 4,180,000
LAHS Campus Site Repairs & Improvements			
ADA, Storm Drainage, Signage, Stairs Combined	\$ 580,000	<\$ 180,000>	\$ 400,000
Athletic Fields Improvements	\$ 3,900,000	-----	\$ 3,900,000
LAHS Existing Building Repairs & Improvements			
Exist. Bldg's Facility Assessment Repairs Combined	\$ 6,920,000	\$ 3,330,000	\$ 10,250,000
LAHS Interim Housing 2018	\$ 134,000	-----	\$ 134,000
LAHS Interim Housing 2019 & Relocation During Const.	\$ 3,282,000	\$ 18,000	\$ 3,300,000
<u>FREESTYLE ACADEMY</u>	\$ 15,200,000	\$ 1,100,000	\$ 16,300,000
<u>20 ADDITIONAL CLASSROOMS SITE TBD</u>	\$ 29,760,000	-----	\$ 29,760,000
<u>PROGRAM EXPENSES</u>	\$ 4,300,000	<\$ 100,000>	\$ 4,200,000
<u>PROGRAM CONTINGENCY</u>	\$ 13,943,000	<\$ 6,743,000>	\$ 7,200,000

Total expected shortfall: \$7.9M

List to cover shortfall:

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Facility committee recommends approving New Project Budgets, proceeding with #1 and #2 in the List to cover shortfall, and at District staff discretion: defer \$1M in future projects and/or replace \$1M less in windows, if necessary.

