



Staff Analysis and Report to the Board

Board Meeting Date: August 28, 2018

Executive Leadership Lead: Claire Hertz

Department: Office of School Modernization

Staff Lead: Dan Jung

SUBJECT: Madison High School Modernization Budget Approval

I. BACKGROUND

Board Resolution 5394 referred the Madison High School Modernization project to voters as a part of the May 2017 bond.

Board Resolution 5654 approved the Madison High School Modernization master plan with an enrollment capacity of 1700 students, an approximate square footage of 298,000 SF, and a target budget range of \$181M to \$196M (note: the Staff Report included a range of \$185M to \$200M).

The Madison High School Modernization Project Team (Project Team) has worked with internal stakeholders, external stakeholders and the Madison Steering Committee to develop a project budget based on the 100% Schematic Design drawings from June 2018.

II. RELATED POLICIES/BEST PRACTICES

The Schematic Design drawings were independently estimated by the District's CMGC contractor, Fortis Construction, and the District's cost estimator, RLB. Various scopes of work, assumptions, unit prices, and quantities were discussed and analyzed to reconcile the two cost estimates. Contractually, the Project Team is required to reconcile the estimates within 10% of each other, but the team achieved final estimates that were less than 6% apart. This process allows for a level of confidence that the contractor is providing a valid estimate.

III. ANALYSIS OF SITUATION

An approved total project budget is necessary to keep moving forward with design and stay on schedule. As the initial estimate generated by Fortis Construction was over the PPS target budget, the team embarked on a value engineering process that included members of the Project Team, stakeholders, and the project Steering Committee. Seventy distinct ideas were analyzed

and vetted with 42 ultimately being deemed acceptable. None of the accepted value engineering ideas affected the approved master plan program.

IV. FISCAL IMPACT

The total project budget identified in the 2017 Bond materials for the Madison High School Modernization project was \$146,000,000.

Board Resolution 5632 authorized the use of bond funds to construct necessary improvements to complete the Middle School Implementation Plan. This reduced the Madison High School budget to the current amount of \$142,206,691.

The proposed Madison High School total project budget, based on current cost estimates and forecast data, is \$199,000,000.

Please see attached for detailed project cost information.

V. COMMUNITY ENGAGEMENT

From January 2016 thru August 2017, the Design Team undertook a Pre-Design Concept Planning process followed by a Due Diligence process that concluded in January 2017. The resulting pre-design plan and building modernization was the basis of the 2017 bond.

Post bond approval, the planning process continued in October 2017 to further develop the pre-design concept plan and develop a complete Master Plan. Through stakeholder, Design Advisory Group and community meetings, the concepts were refined to develop a plan that incorporates the programmatic and educational goals of PPS while meeting all current building codes to ensure the life, safety, and welfare of all students and faculty.

Throughout the Master Planning Process community and stakeholder engagement has occurred in several fashions:

First, in collaboration with PPS Community Involvement and Public Affairs (CIPA), Madison's Public Engagement Consultant reached out to many different organizations and individuals to both participate in the Design Advisory process and to engage with the project as members of the broader public. This Consultant focused on engaging with a culturally diverse group of individuals who could best represent the community surrounding the Madison site.

Second, the Design Advisory Group (DAG) was formed in November, 2017. The purpose of the DAG is to encourage interaction between a variety of stakeholders, provide input regarding the priorities to be addressed within the school design, and report on the work that was taking place to their various constituencies. There have been five DAG meetings to date and additional meetings are planned through 2018. In total, the Design Team anticipates at a minimum:

Seven (7) Design Advisory Group meetings

One (1) Open House.

Two (2) Neighborhood Association Meetings.

VI. TIMELINE FOR IMPLEMENTATION/EVALUATION

Due to the aggressive design and construction schedule for Madison, the Project Team has continued into the Design Development phase of the project to stay on schedule. As long as no

significant changes to budget or program are made, the project will still start construction in July 2019 and be ready for students in fall 2021.

VII. BOARD OPTIONS WITH ANALYSIS

Staff requests approval of the Madison High School Modernization total project budget of \$199M.

VIII. STAFF RECOMMENDATION

Staff recommends approval of the Madison High School total project budget of \$199M in order to deliver the program required by the Ed Spec.

IX. I have reviewed this staff report and concur with the recommendation to the Board.



Guadalupe Guerrero
Superintendent
Portland Public Schools

August 27, 2018
Date

ATTACHMENTS

(List all supporting documentation, including resolution, etc.)

- A. Madison Presentation
- B. Board Resolution

PPS District Priorities FY 2018-19

1. *Set a clear Vision and Strategic Plan*
 2. *Create equitable opportunities and outcomes for all students*
 3. *Ensure systems and structures for performance*
 4. *Allocation of budget, funding and resources to achieve desired outcomes*
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