



# Bond Planning

## Facilities & Operations Committee

March 20, 2023





# Sample Option

## Included

### Physical Facility Improvements

- Deferred Maintenance + Capital Renewal
- Athletics

### Educational & Technology Improvements

- Enterprise Resource Planning
- Device Refresh
- Cyber Security
- Data Center + Classroom Tech
- HVAC & Energy Sustainability
- PE: Covered Play Structures
- Curriculum

### Modernizations

- Jefferson High School
- Ida B Wells High School
- Cleveland High School
- Tubman + K5 Learning Center

## Not Included

### Physical Facility Improvements

- Seismic
- ADA
- Security
- Outdoor Spaces

### Educational & Technology Improvements

- Performing Arts
- CTE

### Capacity

- New Capacity | Enrollment Shifts

### Modernizations

- Prophet Center
- Native American Student Center



# Sample Option

## Pros

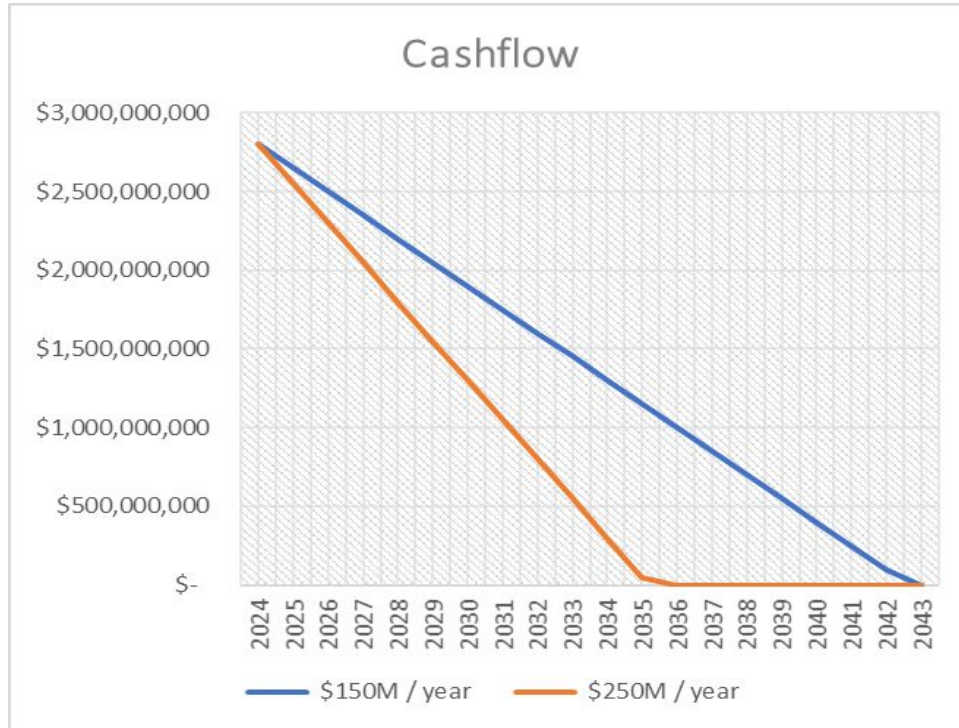
- Continues long-standing plan to modernize all high schools
- Includes funds to address deferred maintenance and capital renewal
- Majority of technology needs funded
- Includes funds for curriculum adoptions
- Includes funds for athletic improvements
- Retains current estimated levy rate

## Cons

- Does not include funds for some important scopes of work
- The majority of the projects are “scope specific” which increases budget risk
- Completing all work is estimated to take 12 - 19 years; projects will need to be carefully prioritized
- Total interest will likely exceed \$1 billion
- Future GO bonds will likely need to wait 10+ years, and/or include a levy rate increase



# Schedule



	Spend Rate	
	\$150M / year	\$250M / year
2024	\$ 2,800,000,000	\$ 2,800,000,000
2025	\$ 2,650,000,000	\$ 2,550,000,000
2026	\$ 2,500,000,000	\$ 2,300,000,000
2027	\$ 2,350,000,000	\$ 2,050,000,000
2028	\$ 2,200,000,000	\$ 1,800,000,000
2029	\$ 2,050,000,000	\$ 1,550,000,000
2030	\$ 1,900,000,000	\$ 1,300,000,000
2031	\$ 1,750,000,000	\$ 1,050,000,000
2032	\$ 1,600,000,000	\$ 800,000,000
2033	\$ 1,450,000,000	\$ 550,000,000
2034	\$ 1,300,000,000	\$ 300,000,000
2035	\$ 1,150,000,000	\$ 50,000,000
2036	\$ 1,000,000,000	\$ -
2037	\$ 850,000,000	\$ -
2038	\$ 700,000,000	\$ -
2039	\$ 550,000,000	\$ -
2040	\$ 400,000,000	\$ -
2041	\$ 250,000,000	\$ -
2042	\$ 100,000,000	\$ -
2043	\$ -	\$ -
2044	\$ -	\$ -
2045	\$ -	\$ -



# Cost Management

## Cost Estimating

For the last 6-8 years, construction cost estimating has not been very accurate. Estimates have regularly been below market and experience large discrepancies.

The current cost market continues to be volatile and challenging to predict.

Projecting future costs, even out a few years, is uncertain. Projecting costs a decade or more in the future are unreliable.

## Risk Management Strategies

- Program Contingency
- Bond Language

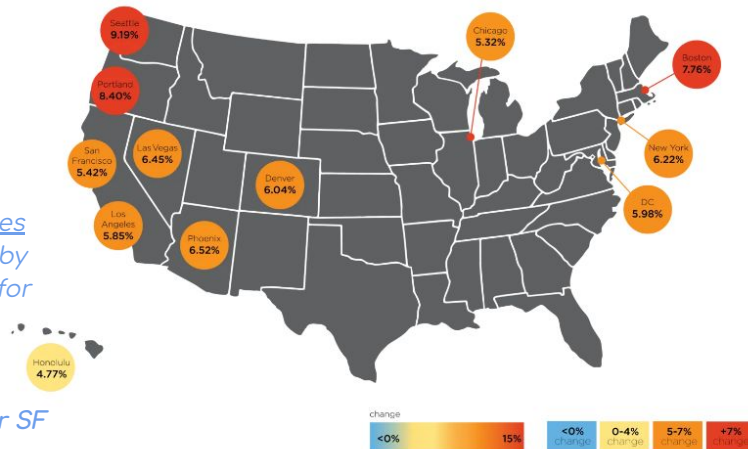


The two-story, 95,000-square-foot East County Library will be constructed near a light-rail station in Gresham. (Holst Architecture)

Nearly three years after voters approved a bond measure, ground was broken last week on the new \$147 million **East County Library** in Gresham.

The two-story, 95,000-square-foot facility will be located at 1297 N.W. Eastman Parkway.

In late June, **Multnomah County Library** finalized its purchase of most of



### Central Oregon Libraries

*Two projects designed by the same design team for the same owner and completed in same timeframe:*

*30% cost difference per SF*



# Next Steps

Continued scope and cost refinement. Focus areas:

- Athletics
- Curriculum

Program schedules and cashflow

Updated levy rate analyses

Community feedback

BAC review of cost estimating methodology

**F&O Committee: April 17, 2024**



# Questions?