

Bond Oversight Committee

Project Schedule and Financial Updates

Denver Public Schools

May 17, 2013



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Agenda

- Review of Committee Member Binders
- Overview of Open Plan Classrooms, Air Cooling Solutions, and Safety & Security
- Summary of 2013 and 2014 Maintenance Projects
- Financial Update & Construction Cost Considerations
- Internship Program
- Oversight Committee Charter
- Discuss Next Steps

**2013 & 2014 Major
Deferred Maintenance Projects**

Major Project Summary: Safety & Security Projects

Overview of Investment	Allocation
<ul style="list-style-type: none"> ▪ Integrated access control (card reader installation) at 88 schools and 5 non school facilities ▪ Video surveillance replacement of roughly 575 analog cameras including data storage needs 	\$5.9M

Benefits of Investment
<p>Safety</p> <ul style="list-style-type: none"> ▪ Increased security and access verification ▪ Flexible access while not compromising safety ▪ Immediate lockdown and automated notification to school staff and security operations <p>Efficiency</p> <ul style="list-style-type: none"> ▪ Centralized system with local customization ▪ Ability to print a photo or visitor ID at the school ▪ Web based applications ▪ Camera quality improvements results in more coverage and increased investigation results <p>Financial Savings</p> <ul style="list-style-type: none"> ▪ Evaluating solutions that can operate across multiple platforms, including existing ones, to increase cost savings while maximizing effectiveness and integrity ▪ Active directory integration to reduce admin time ▪ With limited key distribution, exterior door re-key requirements due to lost keys will be minimized

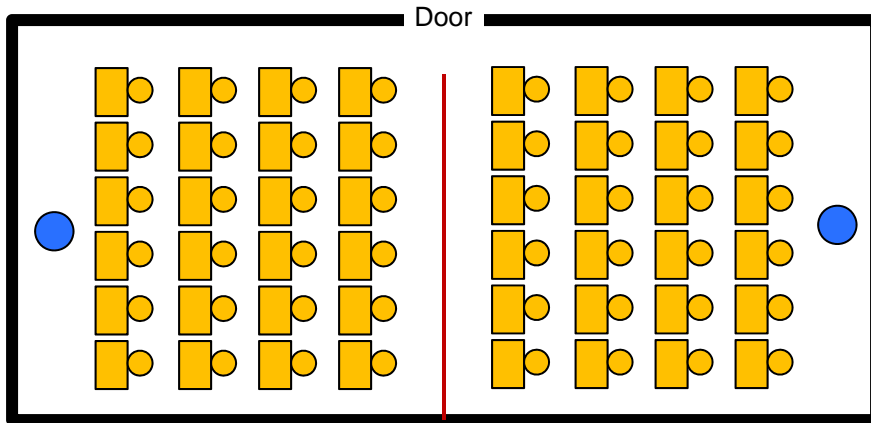
Summary Timeline of Implementation
<p>Year 1 – Estimated Completion – February 1, 2014</p> <ul style="list-style-type: none"> ▪ All DPS-owned school facilities will receive three card readers at high traffic doors ▪ Emergency lockdown installation in office area ▪ Video surveillance cameras will be added to all card reader entry doors ▪ Access and visitor policy/procedures implemented <p>Year 2</p> <ul style="list-style-type: none"> ▪ Site assessments to identify addtl card reader needs ▪ Replace analog cameras with Digital IP technology ▪ Identify additional bandwidth and other tech needs ▪ Identify areas where system needs to be modified or resources are needed <p>Year 3</p> <ul style="list-style-type: none"> ▪ Evaluate system implementation and staffing needs ▪ Continue with repair and replacement plan of security assets according to schedule



Location	9 schools
Budget	\$13.4 Million

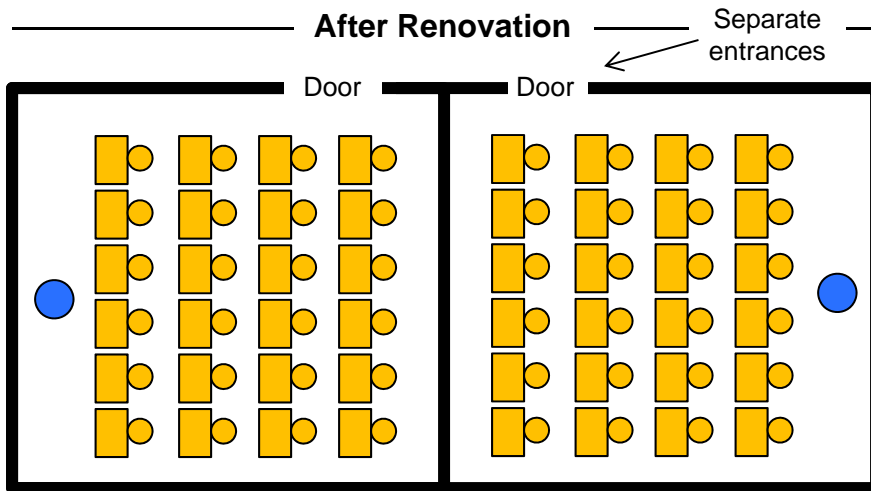
Major Project Summary: Open Plan Classrooms

Current Open Plan Layout



Temp wall –
not to ceiling

After Renovation



Permanent wall
to ceiling

Background

- Popular in the 1970's, open plan classrooms were built on the idea of having a large group of students with several teachers would increase educational effectiveness
- DPS has moved away from that thinking, but 9 schools still have classrooms built for that model
- This design makes it difficult for students to focus on their individual teacher due to surrounding noise from temporary walls

Solution:

- Install permanent walls between the classrooms to reduce noise and alleviate safety concerns
- Renovations vary in scope, but often will require programs to relocate during the renovation process due to the length of time needed to complete

Locations / Schedule

- Bromwell – 2014
- Centennial - TBD
- Cheltenham – 2014
- Eagleton – TBD
- Kaiser – TBD
- Samuels – TBD
- Southmoor – TBD
- Swansea - TBD
- Valdez – 2014

Location	88 schools
Budget	\$25.5 Million

Major Project Summary: Air Cooling Solutions

Background

- 88 school facilities within DPS are either non-air conditioned or have only partial air-conditioning. (55 ES, 14 HS, 10 MS, 9 Other). **All school facilities currently without air-conditioning will be addressed as a part of the 2012 bond program.**
- Facility Management staff implemented procedures to lessen the heat impact by training building occupants, ensuring ventilation system functionality, fan placement, duct cleaning where needed, etc.
- Facility Management has collaborated with experts and evaluated various existing/emerging technologies that could improve comfort at a cost lower than traditional air conditioning.
- Pilot program was conducted at Greenlee Elementary School. Further refinements and adjustments will be made based on the success of this pilot.

Solution: Air Cooling

Description: Installation of whole building supply and/or exhaust fans, evaporative cooling for existing air handling systems, operable window programs, and similar measures to provide thermal comfort for the facility. (solutions will vary by building)

Locations Receiving Solution

Asbury	Goldrick	Rishel
A Lincoln	Grant	Sabin
Ash Grove	Greenlee	Schenck (CMS)
Ashley	Gust	Schmitt
Barrett	Hallett	Skinner
Beach Court	Hamilton	Slavens
Bradley	Hill	Smedley
Brown	Jefferson	Smiley
Bryant Webster	Johnson	Smith
Carson	Kennedy	South
CLA	Kepner	Steck
Cole	Knapp	Stedman
Columbine	Knight	Steele
Cory	Kunsmiller	Teller
Cowell	Lake	Traylor
Crofton	Lincoln	University Park
DCIS	Mann	Valverde
Denison	Manual	Washington
Doull	McMeen	West
East	Merrill	Whiteman
Ebert (Polaris at)	Mitchell	
Edison	Montclair	
Ellis	Moore	
Emily Griffith	Morey	
Tech	Munroe	
Fairmont	Newlon	
Fairview	North	
Fallis	Palmer	
Force	Philips	
Garden Place	Pioneer Charter	
Gilpin	PREP Center	
Godsman	Remington	



Major 2013 Facility Projects: Total of 116 Projects

In addition to the items below, phase 1 of safety & security investments are being implemented as well as classroom technology funds (\$10M) being allocated to schools for use starting July 1.

Large Facility Projects

- Colorado Heights Campus Phase II (New Facility)
- Kepner (Expansion)
- Whiteman (Expansion)
- Brown (Expansion)
- McGlone (Expansion)
- Slavens (Expansion)
- 1860 Downtown Campus (Renovation)
- Byers (Renovation)
- Dunkirk (New Facility)
- Hampden Heights (New Facility*)
- Numerous other Facility Maintenance projects

17 Cooling Solutions

- Brown
- Carson
- Cowell
- Fallis/DGS
- Goldrick
- Greenlee
- Knight CEE
- Trevista
- McMeen
- Montclair
- Munroe
- Palmer
- Remington
- Slavens
- Smedley
- Teller
- Whiteman

The goal of this project is to help increase occupant comfort, though likely will not attain 72-degree chilled air. Currently the most effective solution devised is to pull in cool evening air to flush out the heat captured during the day. This work is site specific but will generally entail roof mounted building exhaust fans.

Major 2014 Facility Projects

Large Facility Projects

- A Lincoln (Facility Maintenance)
- Cole Mitchell Campus (Renovation)
- Crofton (Expansion)
- FNE/Evie Dennis (New Facility)
- Emily Griffith Shops (New Facility)
- Jefferson (Facility Maintenance)
- Northfield 6-12 Campus (New Facility)
- South (Facility Maintenance)
- Washington (Facility Maintenance)
- West (Facility Maintenance)
- Montbello (Facility Maintenance)
- Hampden Heights (New Facility*)
- Numerous other Facility Maintenance projects

Total =254+ Projects

27 Cooling Solutions

- | | |
|------------------|--------------|
| ▪ A Lincoln | ▪ Kunsmiller |
| ▪ Bradley | ▪ Lincoln |
| ▪ Bryant Webster | ▪ Mitchell |
| ▪ Cole | ▪ Morey |
| ▪ Crofton | ▪ Newlon |
| ▪ DCIS | ▪ Sabin |
| ▪ Ebert | ▪ Schmitt |
| ▪ Edison | ▪ Smiley |
| ▪ Fairview | ▪ South |
| ▪ Gilpin | ▪ Stedman |
| ▪ Jefferson | ▪ Traylor |
| ▪ Johnson | ▪ Washington |
| ▪ Kepner | ▪ West |
| ▪ Knapp | |

3 Open Plan School Renovations

- Bromwell
- Valdez
- Cheltenham



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*Dependent upon DPS Board & City Council approval of Land Exchange Agreement

Remaining Cooling Solution Projects

Cooling Solution Locations

- Asbury
- Ash Grove
- Ashley
- Barrett
- Beach Court
- Columbine
- Cory
- Denison
- Doull
- East
- Ellis
- Fairmont
- Force
- Garden Place
- Godsman
- Grant
- Gust
- Hallett
- Hamilton
- Hill
- Hilltop Service Center
- Kennedy
- Lake
- Manual
- Merrill
- Moore
- North
- Philips
- Pioneer Charter
- PREP Center
- Rishel
- Schenck (CMS)
- Skinner
- Smith
- Steck
- Steele
- University Park
- Valverde

Remaining Open Plan Solutions

Open Plan Locations

- Centennial
- Eagleton
- Kaiser
- Samuels
- Southmoor
- Swansea



Financial Update

Meeting Requirements of Ballot Measure

	Ballot Language	Transaction – December 19, 2012
Par Amount of Bonds	\$466 million	\$444.6 Million
Maximum Repayment Cost	\$738 Million	\$695 Million
Maximum Annual Debt Service	\$47.9 Million	\$45 Million

Sources & Uses Summary

Par Amount of Bonds	\$444,600,000
Original Issue Premium	\$70,312,236
Total Sources	\$514,912,236

Approved Projects	\$466,000,000
10% Contingency Reserve	\$46,600,000
Cost of Issuance	\$2,312,236
Total Uses	\$514,912,236

Delivering Approved Projects

- \$33.84 Million Expenditures to Date (as of March 31, 2013)
- Project Categories
 - Capacity
 - Critical Maintenance
 - Technology
- Overhead (Program Management, FFE, Inflation, Hazmat)
 - Allocation taken from each project category, but predominantly Maintenance
- Projected Expenditures by Fiscal Year
 - 2012-2013: \$73,230,313
 - 2013-2014: \$152,753,296
 - 2014-2015: \$147,225,913
 - 2015-2016: \$115,920,108
 - 2016-2017: \$25,782,607

Construction Cost Increases: AGC Commodity Index

The screenshot shows the AGC of America website. The header includes the logo and tagline "Quality People. Quality Projects." Below the header is a navigation menu with links for "ABOUT AGC", "ADVOCACY", "INDUSTRY TOPICS", "EVENTS", "TRAINING & EDUCATION", "NEWS & MEDIA", "AGC STORE", and "MEMBERSHIP". The main content area features a "Press Room" banner with a "Press Release" section. The press release title is "CONSTRUCTION MATERIALS PRICES FLAT IN MARCH BUT SPIKES IN KEY ITEMS LEAVE CONTRACTORS VULNERABLE AS THEIR PRICING REMAINS FLAT". The date is April 12, 2013. The text of the press release discusses the impact of rising costs for building construction materials like lumber and plywood, while diesel fuel and construction metals prices decrease. A quote from Ken Simonson, Chief Economist for AGC, is highlighted in blue.

AGC of America
Construction Materials Prices Flat in March but Spikes in Key Items Leave Contractors Vulnerable
April 12, 2013

“However, building contractors had to absorb another month of increases in the cost of lumber and plywood, gypsum products, construction plastics, paint and roofing materials.”

Ken Simonson
Chief Economist
AGC

Press Release

CONSTRUCTION MATERIALS PRICES FLAT IN MARCH BUT SPIKES IN KEY ITEMS LEAVE CONTRACTORS VULNERABLE AS THEIR PRICING REMAINS FLAT

Date: April 12, 2013

Prices Decrease for Diesel Fuel and Construction Metals, While Costs Continue Rising for Building Construction Materials Such As Lumber and Plywood, Gypsum, Plastics and Paint

Prices for construction materials were flat in March, as plunging diesel fuel and metals prices offset increases in items used in new housing and nonresidential building renovations, according to an analysis of new federal figures released today by the Associated General Contractors of America. Association officials noted that contractors have kept the prices they charge to build structures level, leaving their margins vulnerable to price spikes for key inputs.

“Thanks to a recent, sharp drop in diesel fuel prices last month—along with continuing declines in steel, copper and aluminum prices—overall construction costs were unchanged from February and up only 0.9 percent over the past year,” said Ken Simonson, chief economist for the construction trade association. “However, building contractors had to absorb another month of increases in the cost of lumber and plywood, gypsum products, construction plastics, paint and roofing materials.”



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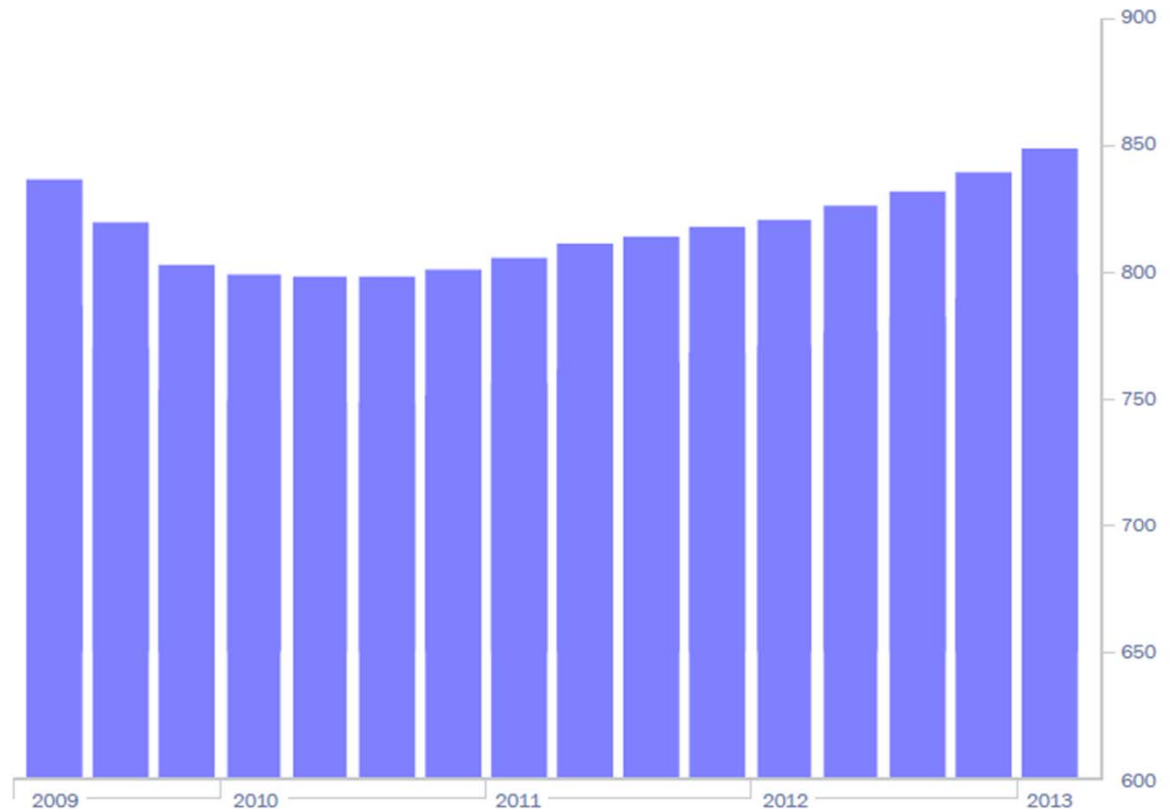
Construction Cost Index

Turner Building Cost Index

2013 First Quarter Forecast

“The increase in private non-residential construction spending over the past year, material and equipment prices continuing to inch upwards, and a slight increase in labor rates has led to a boost in construction costs.”

Karl F. Almstead
Vice President



Internship Program

Facilities Construction Internship Program

- 4th Year of Construction Services Paid Summer Intern Program
 - DPS High School Student
 - 18 years of age (or will be by June 9th, 2013)
 - Own insured transportation
- Hired as DPS Employee
 - Up to eight (8) weeks
 - Monday- Friday, 8 hours/day, 40 hours/week
- Program Objective
 - Learn basic skills associated with Facility Management
 - Construction Services related to Project Management
 - Basic Engineering concepts (Architectural, Planning or Sustainability)
 - Maintenance (Skilled Trades)
 - Operations (Custodial management)
 - General office duties

careers.dpsk12.org

PAID SUMMER INTERNSHIPS

Tinea - South High
James - Kennedy High
Vincent - South High
Rachel - DSA
Carlos - West High
Anna - DSA
Javier - GW High

Construction Service Interns of 2012

**DPS High School Seniors
can work for
Facility Management Construction Services
this Summer!**

Are you interested in a career in construction, architecture or engineering?
Will you be 18 by June 9th?
Do you have your own car?
Please go to:
[www2.recruitingcenter.net/Clients/DPS/
PublicJobs/Canviewjobs.cfm](http://www2.recruitingcenter.net/Clients/DPS/PublicJobs/Canviewjobs.cfm)
Or contact Mr. Chavez (720) 424-5490
For more details.

When applying on-line, type the words "Construction Services" in the Job Search Field.

Next Meeting

- Friday, June 14, 2013 7:30am – 9:00am
- Location: TBD