

QUARTERLY REPORT
CITIZENS FACILITIES ADVISORY COMMITTEE

TO: Wake County Board of Commissioners and Wake County Public School System

DATE: October 24, 2006

INTRODUCTION

By resolutions adopted June 5, 2006 and June 6, 2006, the Wake County Board of Commissioners and the Wake County Board of Education appointed a joint Citizens' Facility Advisory Committee (CFAC) to review the Community Improvement Plan (CIP) and advise the Board of findings regarding the Plan's economics and efficiency.

A roster of committee members is appended as Attachment A. The charge to the Committee is appended as Attachment B.

One of the responsibilities of the CFAC is to make quarterly reports to the appointing boards. This is the first such report.

PLAN OF WORK

In undertaking this project, the CFAC has agreed to become familiar with a vast amount of information and to become knowledgeable about such portions of it as are reasonably necessary to develop an understanding of the Community Improvement Plan. Necessarily, there is a substantial learning curve before the CFAC can begin to form hypotheses, opinions, or the identification of the CIP components that require more intensive examination.

The CFAC thanks both the Board of County Commissioners and the Board of Education for making staff time and professional expertise available to respond to the CFAC's questions and needs. Both staffs have been particularly taxed during our start-up period as we learn the

scope of the CIP and get familiar with the County's planning assumptions and the scope of the physical facilities.

We plan to meet at least monthly. In addition, we will meet periodically in subcommittees or as a committee of the whole for specific tasks.

At the request of the two boards, our initial focus is on the facilities of the Wake County Public School System (WCPSS). We have broken this review into subparts. We will examine:

- ❑ the planning assumptions that drive the overall facilities plan;
- ❑ the growth assumptions that drive the number and location of school facilities;
- ❑ the programmatic requirements for elementary, middle and high schools;
- ❑ the site, design, and engineering decisions that affect the cost of schools;
- ❑ recent experience of WCPSS in contracting for school construction; and
- ❑ comparable information of planning, design, construction and operation from similar districts.
- ❑ Cost of construction for recently delivered school sites and future prototypes as currently designed and bid.

ENGAGEMENT OF CONSULTANT

The CFAC recommended that Wake County engage a consultant to collect data on selected school districts in NC and around the country. Data is being gathered by DeJong & Associates, of Columbus, OH. The CFAC and staff developed a set of comprehensive templates to gather and compare detailed information compiled from eight comparative school systems. To-date, seven of the eight school systems have agreed to participate in the interview and data compilation effort with DeJong.

DeJong has begun gathering information and the CFAC anticipates their report will be received in January 2007. One of the primary benefits we expect from the research is the ability to detect any significant deviations in the planning, design, or construction costs experienced by the WCPSS schools, as compared to the norms of the data pool. The DeJong research and comparative data will provide the factual basis for further research, discussion or recommendations for changes based on the findings of this research.

EXAMINATION OF CURRENT SYSTEM DETAILS

Wake's \$3.570.8 billion seven-year capital plan (Community Improvement Plan) includes \$3,426.4 M for buildings and land. Of that, 83.37%, or \$2,856.6 M, is earmarked for WCPSS facilities. The balance is intended for Wake Tech (\$36.47 M), Criminal Justice (\$464.86 M), County Buildings (\$41.9 M), Libraries (\$12.49 M), Parks and Recreation (\$8.08 M), and Inpatient Facilities (\$6 M). Wake County funds just over 80% of its capital expenditures with debt. Transfers from the general fund for debt service comprise just 14.2 percent of Wake County's FY07 general fund budget.

WCPSS has a capital inventory of 518 buildings comprising 18.5 M square feet of space on 145 campuses on 3,569 acres. The average age of structures is 25 years. Student enrollment has doubled in the past twenty years and is expected to double in the next twenty years to almost 250,000 students. Growth projections for 5,955 planning nodes in Wake County indicate that the greatest need for schools will be in western Wake, in southern Wake, and in a corridor east of the Neuse River.

The key components of the WCPSS's 2007-2011 capital improvement plan call for addition of seventeen new schools (eleven elementary, four middle, two high), six new ninth-grade centers in 2007, thirteen major expansion and renovation projects, life-cycle replacements, year-round conversions, and acquisition of land for further growth after 2011. Escalating land costs, scarcity of easily buildable sites, and stringent site development requirements present significant challenges.

A summary of slides describing WCPSS's capital improvement plan is appended as Attachment C.

WCPSS's capital improvement plan is designed around Planning Assumptions that were developed jointly by the Board of Education and the Board of Wake County Commissioners. A summary of the Planning Assumptions is appended as Attachment D. These assumptions comprise twenty-one points, and encompass the general requirements for a successful facilities program as determined by the governing boards. For example, the assumptions set goals for use of high performance design and construction, class size ratios, renovation and reuse of existing facilities where economically feasible, accommodation of grade-level specific educational programs, etc.

FUTURE WORK

To date the CFAC has completed the initial review of programming requirements, planning, and design components. The balance of 2006 will complete the construction review. The DeJong report will require at least one full meeting.

The CFAC catalogues questions and comments for discussion after the full presentation of information has been completed by year end. It is the CFAC's intent to fully discuss and

explore all components of school facilities delivery and costs and to make recommendations to the joint Boards of our findings.

The CFAC maintains a website at <http://www.wakegov.com/cfac/default.htm>.

CONCLUSION

After we receive results from the survey of benchmark districts, we will look for deviations from normal costs and, where our investigation indicates changes to our program could save time or money, we will investigate more completely the reasons for the deviations. We expect to commence that phase of our work beginning in the first quarter of 2007.

Thank you for the opportunity to be of this service to our community.