



Pine Drive Site  
Alternative Education School &  
Innovation Center

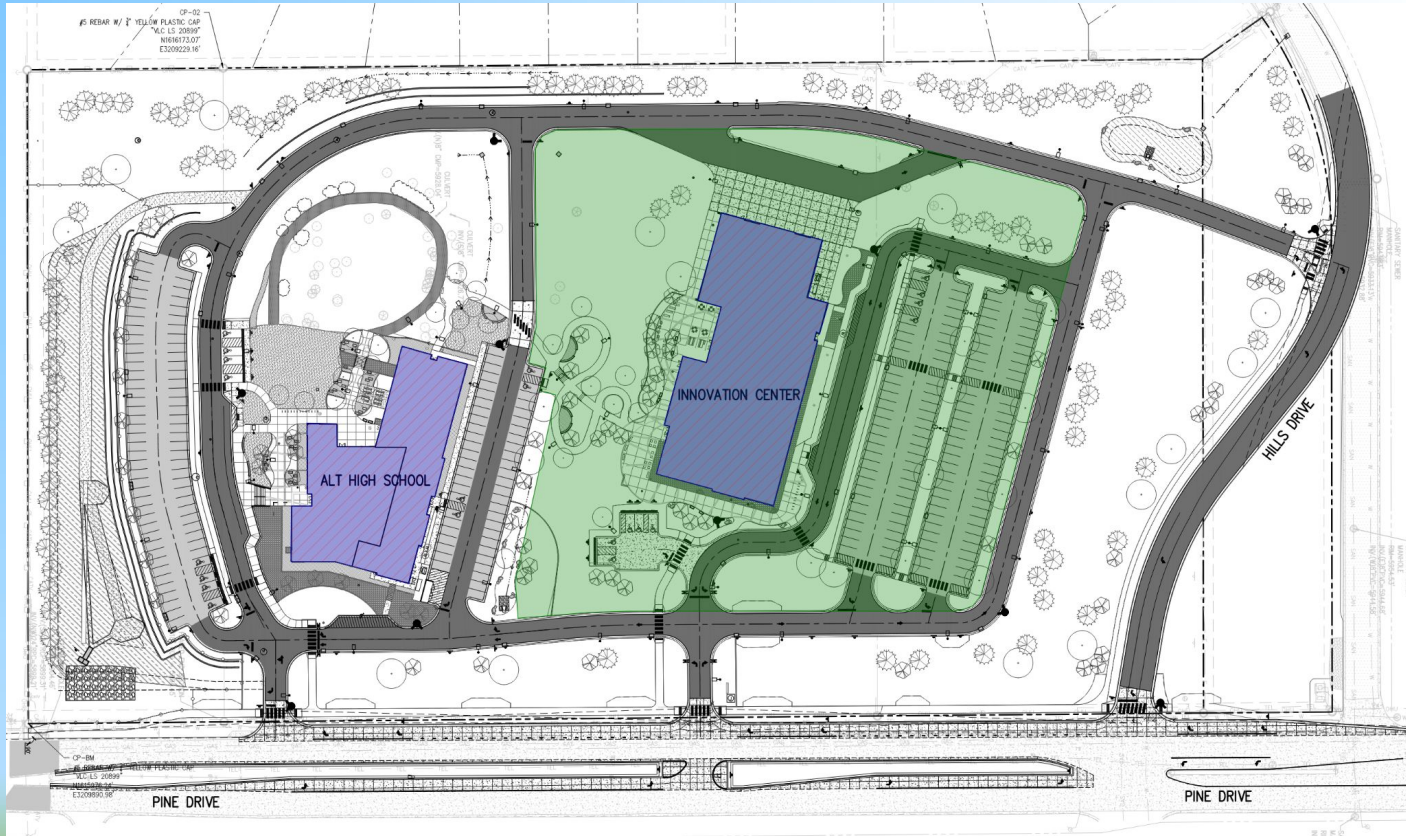
October 26, 2021

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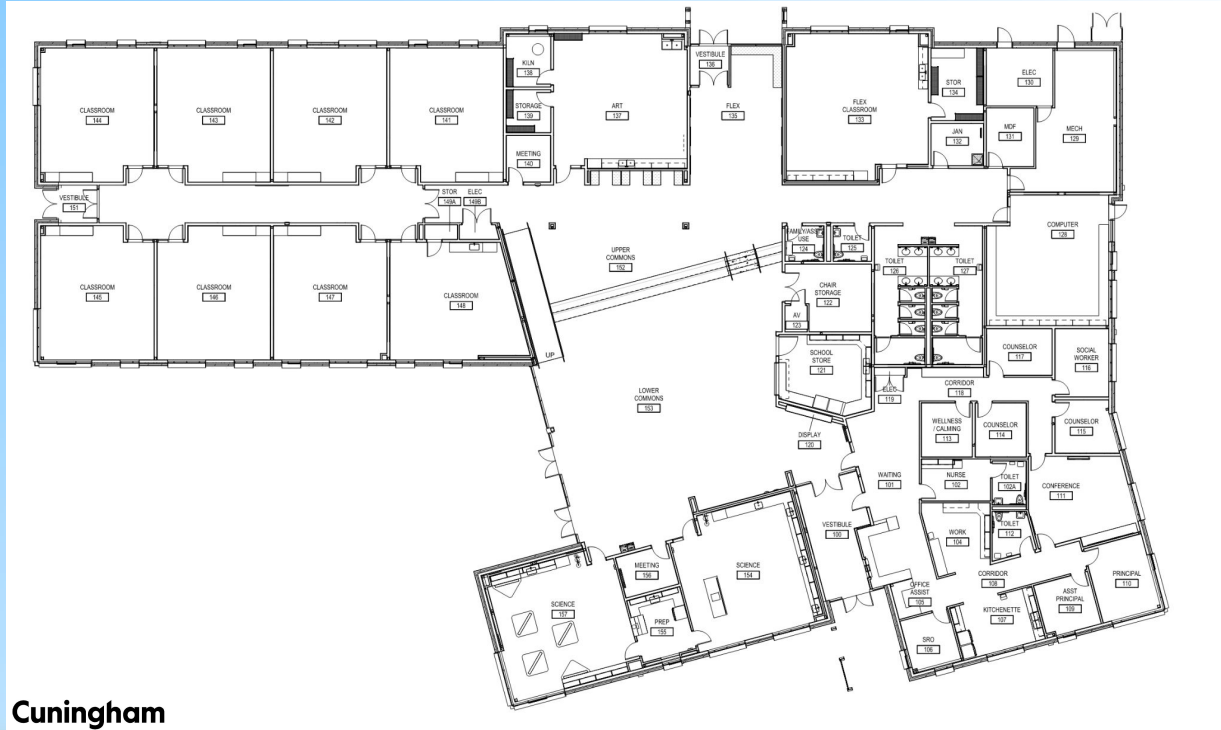
# BACKGROUND

- A new Alternative Education School is funded by the 2018 Bond. A new Innovation Center to support Career and Technical Education, and Postsecondary and Workforce Readiness is funded by 2018 Bond premium and interest, and cash-in-lieu funds.
- On February 19, 2019, the Board of Education approved the recommendation from the Long Range Planning Committee (LRPC) to use the school site located at 11041 Pine Drive in Parker for these facilities.
- Design is complete for the site improvement and both facilities, and includes all requirements from Authorities Having Jurisdiction. The Construction Manager General Contractor (CMGC) has submitted Initial Guaranteed Maximum Prices for construction. Costs for the total project have been finalized.

# SITE MAP



# ALTERNATIVE EDUCATION SCHOOL



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# ALTERNATIVE EDUCATION SCHOOL

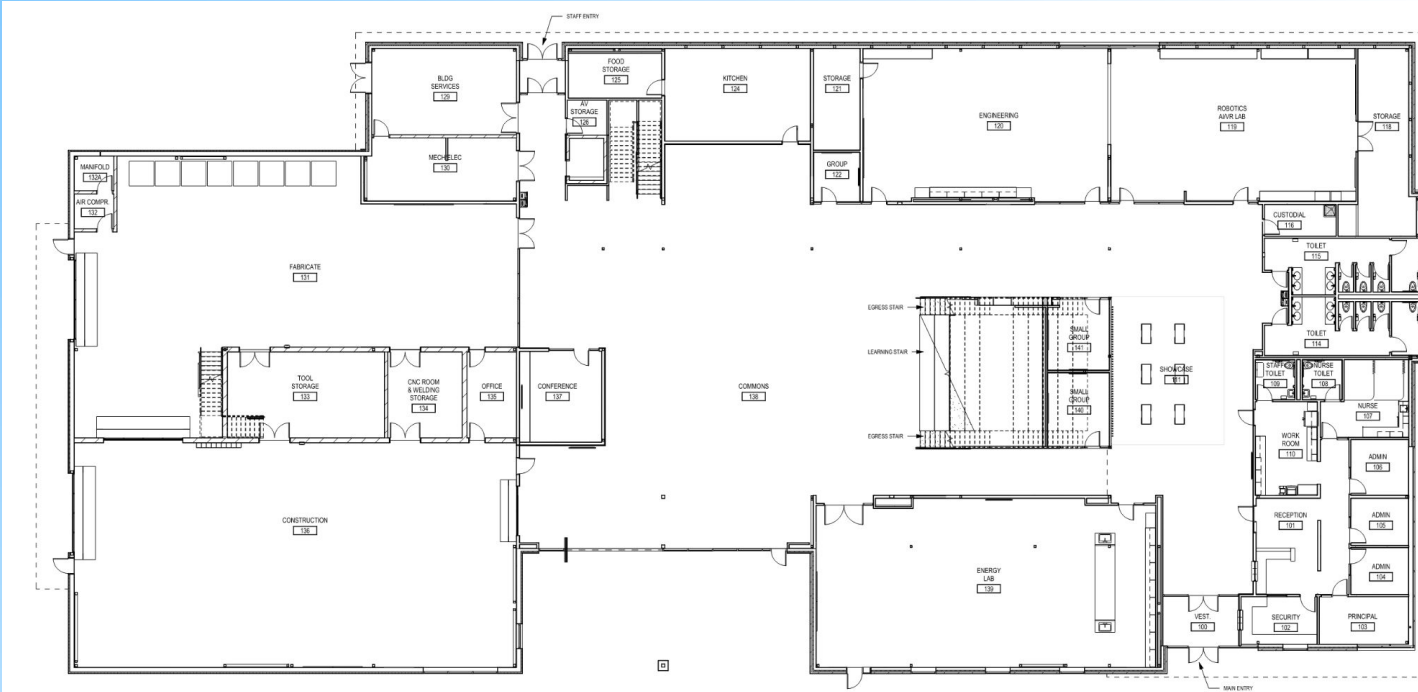


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Prior to Town of Parker required updates

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# INNOVATION CENTER

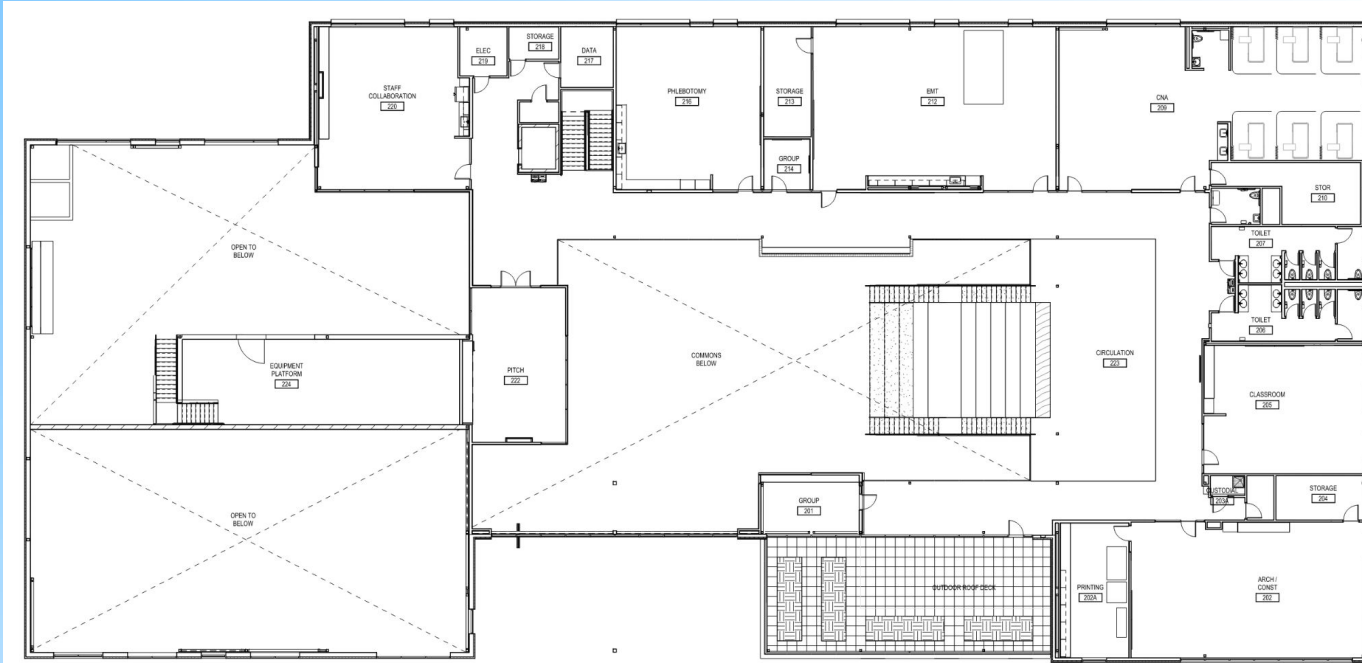


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FIRST FLOOR

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# INNOVATION CENTER



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SECOND FLOOR

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# INNOVATION CENTER





# Current Status

- All necessary applications have been submitted to Town of Parker and respective utility companies
  - Annexation application, zoning application, Minor Development Plat application, Site Development Plan application, and Grading Permit application are in process
  - Inclusion of property into Parker Water & Sanitation District is complete
  - Design of gas service by Xcel Energy is complete
  - Design of site electrical, and modification of existing high-power transmission lines is in progress with CORE
  - Coordination of vacating existing Hills Drive for planned relocation is in progress with Douglas County
- Alt Ed School has received building permit comments from the State
- Innovation Center has received building permit comments from the State

# Schedule

If additional 2018 Bond funding were available to fund budget overruns, the schedule for opening would be:

- Alternative Education School - January 2023
- Innovation Center - Fall 2023

This schedule also requires the Town of Parker to provide annexation, zoning, and Minor Development Plat approval on November 15, 2021.

Without adequate funding, the Initial Guaranteed Maximum Prices (iGMPs) for both schools will expire on November 1, 2021.

# Alternative Education School

**Total Allocated Project Budget: \$15.1M**

**Current Project Estimate: \$21.1M (\$6M deficit)**

The total project budget includes construction costs (as shown below for iGMP), design costs, furniture, permitting, water tap fees, utility fees, materials testing and inspection, commissioning, and contingency

**Allocated Construction Budget: \$11,539,124**

**Proposed Initial Guaranteed Maximum Price (iGMP) for Construction Only: \$17,394,765 (\$5.8M deficit)**

- Building: \$8,893,804
- Site: \$8,500,961

# Alternative Education School & Innovation Center

## **Total Allocated Project Budget; \$41.1M**

- Alt Ed: \$15.1M
- Innovation Center: \$26M

## **Current Project Estimate: \$44.8M (\$3.7M deficit)**

- Alt Ed: \$21.1M
- Innovation: \$23.7M

In order to construct both buildings together, there is still a budget shortfall.

# Reasons for Cost Overruns

Significant cost overages have occurred.

- Realignment of Hills Drive (Douglas County-owned road)
- Onsite access and traffic improvements
- Offsite improvements (sidewalk along north side of Hills Drive, medians and turn lanes on Pine Drive)
- Extensive landscaping requirements
- Delay in obtaining the 2 acre parcel and access to Hills Drive
  - Added one year of standard inflation
  - Pushed project into hyperinflation in the construction market due to supply chain disruptions for labor and materials

Additional cost increases are possible due to the impact of COVID on the supply chain.

# Recommendation

Staff is recommending this project with both buildings on the Pine Drive school site be placed on hold due to the lack of funds in the budget and bond.

In the future, DCSD could continue this project when the financial climate improves and/or funding becomes available, utilize the building designs at other school sites, or explore other facility opportunities to meet these program needs more effectively.

Bond funds budgeted for this project could be repurposed for capital needs elsewhere and is permissible under the bond language. While other uses of the remaining funds would likely extend beyond the general 5 year term, there is no impact to currently available bond proceeds.

A large group of graduates in blue gowns and caps are seen from behind, throwing their caps into the air. The caps are scattered across a clear blue sky. The scene is bright and celebratory.

# Questions?

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