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- Official meeting video (YouTube): https://www.youtube.com/watch?v=yOwKUhF6Tnw
- Official School Board page (PWCS): https://www.pwcs.edu/about/school_board/

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[00:00:00] - Oh, good evening, good evening. I would like to call this meeting of the Prince William County School Board to order. Pursuant to school board policy 139, school board member participation in meetings by electronic communications, school board member Diane Raulston of the Neabsco District will participate in this meeting through electronic means from her home due to a medical condition that prevents her physical attendance.

[00:00:19] The clerk will so note in the minutes of the meeting. A motion is in order for the approval of the agenda. Mrs. Wall, Mrs. Wall. - Mr. Chairman. - I move that the Prince William County School Board approve the meeting agenda as recommended.

[00:00:36] - Do I have a second? - Mr. Chairman. - Ms. Zargarpur. - I second. - Any discussion? Please vote. Ms. Raulston, how do you vote? - Yes. - Ms. Raulston votes yes.

[00:01:08] - The vote is eight yes, motion passed. - I think we do that last. At this point, we turn it over to Dr. McDade. - Thank you, Dr. Lateef, and good evening to the entire board, as well as our guests.

[00:01:26] As you know, the Capital Improvement Program, or what we call the CIP, is a management tool for planning the projects that are needed to house students adequately in Prince William County Public

Schools. Annual review of the CIP enables the division to address changing enrollment patterns and utilize our facilities in ways consistent with sound educational practices.

[00:01:47] Thus the CIP provides a blueprint for new construction, renovations, and specific projects in response to our growing student body. Our CIP is reflective of the vision, mission, values, and commitments within our strategic plan.

[00:02:03] Commitment two, positive climate and culture, is where we lay the foundation for welcoming environments conducive to learning and building up responsible and sustainable facilities, which we're committed to. Commitment four, organizational coherence, is where we ensure strategic priorities are driving all of our investments towards addressing growth, funding renovation projects to existing facilities, and focusing on advancing sustainability goals.

[00:02:29] So at this time, I would like to welcome Chief Operating Officer Vernon Bach, our Chief Financial Officer, and our Chief Financial Officer John Wallingford to present the proposed capital improvements program for fiscal years 2024 through '33.

[00:02:44] - Thank you, Dr. McDade. Good evening, Chairman Lateef, Vice Chairwoman Wall, board members, and Dr. McDade. We are here this evening to present to you our proposed capital improvements program for fiscal years '24 through '23.

[00:03:02] I'd like to first start by sharing with you an overview of our agenda tonight and how we're going to present the CIP to you. First, I'd like to get into with you a discussion, just sharing an update on our CIP process. Wanna review with you some of our recent project highlights, some of the projects that we have recently completed, projects that we have in process, and projects that are currently out to bid.

[00:03:29] Also like to review with you tonight factors that are impacting our CIP, that include construction and building cost inflation, some updated enrollment projections, and then we'll get into reviewing changes in the proposed CIP from last year that center around construction, renovation, and maintenance.

[00:03:49] And then at the end, we'll talk about next steps. So first, just to review with you what is our CIP and our CIP process. Our CIP is really, it's a blueprint or our plan for new construction, additions, any renewals of existing facilities, upgrading the school division's infrastructure.

[00:04:10] It's a cumulative process that builds on last year's plan, and it's really a blueprint over a 10-year period, and what it really is informed by are really assessments of our building infrastructure needs, our school capacities, our school space utilization patterns, And the plan lists specific capital improvements proposed over the next 10 years.

[00:04:39] It follows a basic methodology and we use that methodology from year to year. We start out and I wanna thank Dr. Cartlidge and his team. They're here with us tonight. Their team has provided to us a significant analysis of current enrollment trends and projections based on what's currently being developed in our community and proposed developments that are on the radar.

[00:05:02] I wanna thank Mr. Wallingford and his financial team for working with us and meeting with us to review available funding for projects. And really it's a continued focus on maintaining our portfolio of our existing facilities and structures.

[00:05:18] I wanna share with you that there is a focus throughout this plan of the CIP plan, of our division strategic plan and our commitments within the strategic plan. And I also wanna point out that there is a sustainability thread throughout that supports our continued commitment towards energy management and sustainability.

[00:05:42] Just want to take this opportunity to highlight some of the projects that we have going on right now or have been completed that are in progress and out to bid. Obviously, we had an addition or completed an addition of 11 classrooms at Gainesville Middle School, Reagan Middle School, we added six classrooms, and that's been completed.

[00:06:07] Rosemount Lewis is in current progress. It is an amazingly beautiful school. I've visited several times, and I think people are gonna be very pleased with that project, very excited about that. And currently, what's out to bid, and that's been out to bid just before the holiday, and I think bids will be closing within the month woodbridge the new woodbridge elementary school some of the projects that we've completed renovations bennett elementary school in progress we have hilton high school parkside middle school signal

[00:06:44] hill elementary school and bristow run elementary school and out to bid we have cedar point swans creek elementaries and benton middle school i want to review with you quickly some of our school-based projects we have some major fenestration improvements occurring at osborne park and unity reed osborne park has been completed unity reeds is scheduled to be completed the summer of 2023 and grand park middle school the fenestration will begin this summer also some additional site improvements at brentsville high school summer 2023 completion of the practice turf

[00:07:23] stadium lights and the restroom building at hilton high school this spring we will complete their artificial turf and we we did complete the Belleville middle school parking lot paving some other site improvements and some school-based projects at Potomac High School we will be paving the track this summer and then we'll be completing some tennis court paving at Benton Middle Park Forest High they they have been completed and at Bull Run and Battlefield

[00:07:55] high school they will have summer 2023 completions some upcoming projects we have major renovations that will be occurring at the bentzville transportation center featherstone elementary school the cosmetology lab at woodbridge high school and at garfield high school the artificial turf concession building and some fenestration improvements at osborne park high school artificial turf, concession building, eight-lane track, and at Ripon Middle School, artificial turf with lighting, and Woodbridge High School, some fenestration improvements. This again highlights

[00:08:34] our focus on energy management and sustainability projects that are going on across the district. I won't list all the schools here that you can see, but we're making some LED lighting replacements. we're installing some smart irrigation controls at our sites and we are upgrading our building automation controls all again which will yield energy management sustainability these are the roofing projects that we have they're either completed or summer completion or starting this summer you can see here battlefield high freedom high and the absco elementary school have been

[00:09:11] completed forest park and osborne park will be completed this summer and ripon middle school will be starting this summer i want to round this out by sharing with you some of our focus on our hvac projects either partial or full replacements you can see we've completed battlefield and potomac high

school paddy elementary school westgate and ellis elementaries we have some in progress at bentzville graham park and unity braxton middle school and then you can see our list of our

[00:09:42] upcoming projects summer 23 summer 24 and summer 25. I want to take this opportunity to just review some trends in enrollment with you and what this slide highlights for you as a board is that our enrollment trends are really beginning to stabilize. Within beginning 2023 there you see a one percent change in our enrollment and we fluctuate between that one percent down to as low as 0.3 percent change over the next 10 years and so the real trend here is the stabilization of looking to add

[00:10:20] just under a thousand students each year moving forward i want to take this opportunity to just highlight some of what we're dealing with in building this cip i just want to take a moment to thank the team that was involved in this this was an incredibly complex cip with the uncertainty in the market, the labor shortages, supply chain issues. We really took time in developing this.

[00:10:54] We looked at projects that were occurring across the state. We were looking at projects occurring in Maryland, D.C., and we did consult with some outside consultants to try to really, as best we could project the future within our CIP here. I want to also mention to you that there have been some policy changes with the board that do support our strategic plan and some of those policy changes were the high performance building design. I'm going to talk a little bit more about that in a minute that high performing building building design does enable us to realize our

[00:11:30] energy management and our sustainability goals. If that was not in place, we wouldn't be able to realize that. And there's some cost savings that we do incur and realize as a result of that. And I'll review that with you in a minute. And then the board recently adopted prevailing wage. And that is consistent with our strategic plan of climate and culture. And what that does for us is ensure that the people that we do business with in the community are providing and offering to their employees a respectable wage. So I want to get into that in a little more detail.

[00:12:06] High-performance building design, again, is focused on our energy and sustainability goals within our strategic plan and really helping us reduce our carbon footprint each year by that 10%. Over the life of the 10-year CIP, we're estimating that that impacts the CIP by about $131 million.

[00:12:28] prevailing wage again as i mentioned it is consistent with our strategic plan initiatives and ensuring that the people we do business with are providing a healthy wage to employees within our community it does impact our new construction by about 15 percent and our renovation by about 10 percent you you do see a difference there between new construction and renovation just for the simple fact that new construction requires a much more skilled labor workforce there and you can see the impact over a 10-year CIP. I want to get

[00:13:05] into a little more depth on on what you're getting when you invest in the high-performance building design as a board. It allows, it does allow the school division to meet the sustainability and carbon reduction goals without having high-performance building design. We do not realize those goals. The school board approved the sustainable sustainability initiative back on june of 2022 to include high performing building design and all of our new construction and renovations and it is consistent again with strategic plan commitment to objective 2.3 that all of our projects by 2024 will incorporate

[00:13:43] high performance building design what do you get with high performance building design these are some of the things that you realize as a division. Higher efficiency and thermal value from our

windows and building envelope. We realize geothermal heating and cooling systems were constructed to be solar ready. I just executed our solar power purchase agreement recently, and so we should start to see solar existing on top of our buildings soon. And you can see the payback to the

[00:14:19] the district here. An average of 25% less energy consumed, 10% less water consumed, and a 30% reduction in our CO2 output. Prevailing wage, again, I want to stress that prevailing wage is consistent with our strategic plan and consistent with ensuring that the people we do business with are offering a competitive wage to folks living in our community. Prevailing wage is established by the U.S. Department of Labor, and they establish those rates based on any

[00:14:55] collective bargaining agreements that are in place in Maryland, D.C., and Virginia, and then they survey our local contractors regarding their rates of pay, and then U.S. Department of Labor develops the prevailing wage. It does allow an establishment of a more consistent pay within our skilled labor market in our community. It could improve and does improve wages and benefits for local skilled labor market and and can lead to a much more skilled labor workforce in our community which gives us obviously a better result in our buildings and and it does encourage more

[00:15:30] apprenticeship training and safer workplaces i want to take a moment here to review with you our bond funding schedule changes and i want to point out the first row there fiscal year 2024 what you see there in that row in fy 2023 was when we built our cip last year what we were estimating that we would need to sell in bonds and in current debt sales with inflation and some of the other items that we've talked about you can see here that it's increased that debt sales in

[00:16:07] fy 2024 and we're estimating that to be about 186 187 million dollars so what you see in column FY23 was what we were estimating when we built the CIP last year, and in column 2024 is updated in this year's CIP for what we're projecting that we'll need to incur in debt sales. I'd like to ask Mr. Wallingford to join me to kind of review with you a little bit more about debt sale.

[00:16:39] Thank you, Vern. Dr. Lateef, members of the board, and Dr. McDade. Vern already covered the left side of this table talked about the debt sales that we expect to make over the next over the next 10 years based on the 2003 plan and then on the 2004 plan excuse me 23 and 24 plans what i'd like to share with you is the last column all the way over to the right by fiscal year that's the

[00:17:13] increase we expect in debt service as a result of the increased sale of debt you'll notice in fiscal 2024, there is no increase in debt service. Debt service is basically the mortgage that we pay on the loan or the bonds that we're selling to bondholders. That $0 increase is a result of reducing our debt sales over the past two years by $30 million in each year. So because of that, we're going to basically stay flat on our debt service. Over the next three years, 2025, 2026,

[00:17:53] and 2027 what you see is our debt service increasing by just under 12 million then about 19 million and then again about 17 million dollars and that's a layer of additional debt each year so what i'd like to do is provide just a little bit of context on on how large those numbers are if you take a look back going back to 2005 you would see that our average debt service increase on an annual basis is about 3.7 million dollars, okay? So these numbers are substantially larger

[00:18:31] than we've seen in the past. If you take the largest increase in those series of years at 19 million dollars, in some years where we didn't generate as much additional revenue as we have in the current year

and in fiscal 23, that increase in debt service spending could crowd out almost all spending that we would do in, again, in a more normal fiscal year than

[00:19:04] you've seen in the past two years. Thank you, Mr. Wallingford. Moving forward, what I have here in front of you at this time is really looking at all of our new construction projects and kind of laying out to you what we're seeing and how these increases are impacting projects. Obviously,

[00:19:30] Inflation this year has been significant, and we have about a 48.6% inflation baked into our Woodbridge Elementary School and what we're projecting. And you can see in fiscal year 2023 what we were projecting that building would cost, and with the current rate of inflation, what we expect that building to cost.

[00:19:56] that again that's out on the street currently we should know a little bit later this month how well we've projected that with the uncertainty that we're seeing and again i want to stress and i want to thank the team we really did exhaust everything to try to go out there to to nail down this inflation rate looked at we talked to folks in our neighboring counties in loudon we looked in richmond where they've got some building projects going on we did reach out to Bill Downey and Scott, their construction engineering services, and this is what they

[00:20:30] do day in and day out in consulting with districts and municipalities on their pricing of their construction projects. So again, as best we could, we really tried to, in this layer of uncertainty, tried to estimate what we're seeing here. Occoquan will be the first elementary or first project we have where prevailing wage will kick into the project because that took effect January 1st, and the Woodbridge project hit the street just before the winter break. And again, you can see here the cost of the project. So we kind of wanted to share with you and lay out what we're seeing

[00:21:10] with inflation. What we do expect, I do want to share with you, we are predicting there is an end in sight to inflation when we when we met with downey and scott they've seen this throughout history we hope that we're on the spike of inflation right now and we should hopefully start to see that normalize and stabilize in in a normal year inflation with construction projects is about four and a half percent so we also consulted with the engineering record which is is another nationally recognized publication that helps with projecting inflation. So this is how

[00:21:46] we arrived at some of these costs and just wanted to share this with you with some of our new projects. The next slide we have for you is our renovation projects that are in the CIP and the implications there with inflation and other items impacting costs there. Moving forward With the rising inflation, with the CIP cost increases, we thought we'd like to share with the board some potential solutions to assist

[00:22:25] with some of the cost increases and then what the potential impacts are with some of those solutions. So the first solution that we're offering here to the board is increase our debt sale, provide additional cash from sale of debt to fund projects. And as you heard Jod mention earlier, when we increase our debt service costs, obviously we're paying more each year to pay for that debt service, and that's less funds than the general fund for things like classroom instruction.

[00:23:01] We could reduce project costs through value engineering. There are multiple layers of value engineering, and what value engineering is, is cutting costs in a project, trying to realize some savings and some efficiency in the project. It could be making hallways smaller.

[00:23:16] It could be lowering roof lines. And when you do that, you have a building that looks different from existing buildings in the community. Colgan might look a lot different through value engineering. And what that can lead to is inequities across the district.

[00:23:33] And then it's a lack of follow through on our sustainability initiatives. We could delay projects to yield cost reductions, but if we do that, then the impact could be and will be continued overcrowding in areas, potential disappointment of our stakeholders.

[00:23:49] The board could consider eliminating the high-performance building design initiative from our projects, but then there would be nonconformity to our strategic plan. We wouldn't realize our energy management and sustainability goals. Or the board could consider a combination of all of the above.

[00:24:08] - Here's some proposed CIP 20 changes for this year's CIP. We are proposing moving the new construction of the Route 1 South Elementary School and Yorkshire Elementary Schools to 23, or 2031-32.

[00:24:26] Enrollment projections suggest that we can do that. Renovations, we're not proposing any changes to our renovation schedule. We are, our facilities department is implementing a facility condition assessment of all of our facilities.

[00:24:42] We're prioritizing some of our facilities that are in most need. What this facilities condition assessment will allow us to do is apply an objective look at our buildings with a set of criteria to truly get a better prioritization of buildings.

[00:25:01] We could have a building that's 20 years old and through the condition index because it's a building that's just been constructed well, it's held up well, it's been cared for well, that it may not meet the same need as another building. And so this will allow us to objectively kind of raid our buildings and place them in the queue.

[00:25:19] We do have some safety improvements that we do need to make. We do have some carpentry labs and some of our CTE labs where we have some power equipment that do not have a master power safety shutoff. and we do need to install that by VDOE guidelines.

[00:25:36] You can see here some of the HVAC investments and also a site access that we, and these are up here because we need to prioritize these. And then you can see there some parking improvements at the Washington Reed Pre-K.

[00:25:53] Some additional CIP changes for the FY24 CIP. We do have three middle schools that don't have secure vestibules. In order to realize our safety and security initiatives and to keep everyone safe, we are proposing that these secure vestibules are installed at Bull Run, Gainesville, and Marsteller Middle Schools.

[00:26:15] We're proposing to add another year, an additional year to the LED lighting upgrade program to spread that out. We did have an, we've had several issues with an elevator at NEABSCO. We've been trying to nurse that along. The elevator inspector at this point tells us we need to invest in a new elevator there, so that's been prioritized.

[00:26:37] You can see here some other maintenance improvements. One of the things I'll highlight here is the dust collection system. We have some dust collection systems. These are systems that are installed for our CTE labs when we're using our power equipment and it sucks out the sawdust into a centralized system.

[00:26:54] They're aging. When they age, they become a safety hazard because they're collecting dust. friction builds up in the system and we could have a fire so we want to prioritize maintenance of our of our dust collection system the other thing i'll point out here we are proposing taking the kelly leadership center totally out of the cip that's been on the cip for some years and keeps getting bounced and we're not prioritizing the kelly leadership center when we have needs in our building so we we felt like we needed to take that out of the cip here's some school maintenance and repairs that need to be prioritized just a few things to highlight here i won't go over each one

[00:27:34] of them obviously hvac equipment and control upgrades are obviously necessary we do have some aging hvac systems some systems that do not have dehumidification as part of those systems and we want to prioritize those systems and the dehumidification upgrades moving forward we just wanted to take a moment to the you know to highlight to the board some of our strategic initiatives and commitments obviously number two is our positive climate and culture and you can see all the things here that we're hoping to realize that

[00:28:10] the 10% carbon reduction over each year carbon emission reduction or green ribbon school initiative our net zero school that we'll be constructing at Occoquan so again this goes back to that high performance building design and realizing that to help us realize some of our goals here and then organizational coherence objective 4.3 there realizing and we have stated in our strategic plan completing eight school renovations between FY23 and FY26 obviously we've talked a lot about incorporating the strategic plan into

[00:28:49] our CIP you can see you've heard that we've done that you can see here some other items that are in the CIP that are focused on that and and really for me of utmost importance up there high quality learning experiences for our kids and and focusing on promoting some environmental literacy throughout our educational programming. Here's how we're adding some new classroom space and addressing some of our growth over the course of the CIP and you can see here

[00:29:21] where we're going to be adding classroom space to the district. Here's our facility renovation overview and as I said we are engaging in a condition assessment or condition index assessment of our buildings this may change a little bit as a result of that once we go through that condition index this is our plan currently and moving forward what this slide highlights for you is it kind of it's a nice slide I think that summarizes a lot

[00:29:58] of what we've talked about it places a lot of things on on a in one slide for you that really you know we've got our new construction here we have our renovation our school specific projects and our maintenance with those prices or the cost of that outlined here we have our bond sales necessary to achieve those things our general fund transfer any grant funding that we can realize and then you see there the five-year total and the 10-year total through the cip our next slide adds into the conversation our existing conditions with growth and student enrollment

[00:30:38] in our student capacity as well as our current portable classroom use currently in the district and then what you see next to that are new new school facilities and how we'll be increasing our proposed capacity through construction and then below that are our proposed costs to do those things what you have in front of you now is our budget timeline that includes our cip beginning

[00:31:14] with tonight and you can see we'll be working through march 15th for the cip and budget approval that includes all the board steps and board meetings and public meetings along the way. And Mr.

Chairman, that concludes my presentation.

[00:31:37] Excellent, Vern. Thank you so much for the presentation. Dr. McDade, do you have any comments to add? And then I guess I'll open up for questions. No additional comments outside of that. You know, we strongly believe that the CIP is aligned to the goals that we have in the strategic plan. I also want to highlight that all of the projects, whether it's renovation, new construction, or even maintenance that has been deferred is driven by equity first, making sure that those schools that have not gotten some of the attention that they need, that we're prioritizing that.

[00:32:09] So all of the projects in this plan are extremely important that we make good on those commitments and promises to our community. - Excellent, so before I open up for questions, I'm just gonna make some comments. Just generally, obviously the CIP is higher than what was anticipated last year.

[00:32:26] And so each year moving forward, the CIP changes just for the public to know based on new financial projections, based on where the economy's moving, inflation's going. And so two years ago, I think we anticipated some level of possible recession, and then the school board chose to reduce bond sales and still keep to the CIP, which was really good.

[00:32:50] So there's some savings you don't see here because of our reduced borrowing, which Mr. Wallingford pointed out nicely for the 2024 year, there was no change in the debt servicing, but then after that, there's gonna be significant changes 'cause of increased bond sales.

[00:33:07] You know, my other capacity at the University of Virginia, on their board, we're seeing a near 60 to 80% increase in all construction moving forward. And it is every facility, every state agency is facing same, you know, even in the private sector, same levels of increase in costs, whether they be inflationary, whether they be labor, whether they be, you know, everyone's moving towards high performance design.

[00:33:32] And so it's just something we're seeing across the Commonwealth for sure and certainly across the nation. So I'd like to open up for questions. Board members have any questions? I can start, Ms. Williams. - Thank you, Mr. Chairman. Thank you for the presentation. I appreciate all the hard work and effort that's put into this.

[00:33:50] This is just the fun time of year. I had a question regarding the facility condition. surveying that's going on could you talk to us a little bit about how that differs between our maintenance schedule and what advantages we may realize because we're utilizing this new system sure I'm gonna ask mr. Beavers to join me up here and to go in a little more depth with you on that I'll just highlight what it does for us is I think it allows us to really through a set of great great established criteria really go through each building the interior and exterior

[00:34:27] in a systematic way with an objective standards to rate the building and so it really does allow us to approach each building that way and and then rate that building and as I said before and and Dave will go in a little more depth of this I think it it just allows us to be more deliberate good evening thank you for the opportunity the chairman and vice chairman members of the school Dr. McDade. I think the good thing about the facility condition assessment is going to be that, as Vern said, it's going to give us a comprehensive look at

[00:35:06] all the systems in our schools, not just the ones that we interface when they're broken. I think our workforce goes out and fixes things when they have to. We get work order requests, so we know some

particular equipment needs attention. This is going to give us an opportunity to get a complete picture of what is the lifespan what is the life expectancy of all the components in our school and how do we plan for that I think it's going to give us the good opportunity to just to rate schools one against the other so we know where our investments need to

[00:35:46] be taking place and I just add on it helps us to prioritize so that we're ensuring that the schools that may be in the most dire need um are addressed first and that you know we're not missing um schools that may have deeper needs than others so this gives us a framework to go by to make those kinds of decisions that's objective thank you it also sounds like we're taking some of the burden off our building in-house building staff to be maintenance people and and to be mindful of those things i'm sure principals will appreciate that i'm sure they'd like to just be principals could you tell us a little bit more about this schedule for that do we have some of

[00:36:25] that information now be currently built in our cip or is this where kind of are we with that so with the formal facility condition assessments we're just beginning we've reached out with a number of architectural firms that are going to give us a kind of an assessment of of the process we we've got to select a firm or firms that are going to come in and bring out their engineers go through the schools in a systematic manner and I think we're looking at having five to ten done by this fall that'd be our goal and then by

[00:37:05] the end of the 24-25 school year we'll have all schools assessed thank you I - Yeah, I appreciate that. And my next question is the thorn in the side question that I'm going to continue to advocate for.

[00:37:21] And that is, if you could talk to me a little bit about what we're doing at RIP-ON, why it's been put off for the HVA system. - Sure. - You know, it's been a two year inquiry for me. And I also understand in saying that, that we've had a pandemic, things weren't moving and shipping and being built, but I am concerned and I'm gonna use RIP-ON as an example because I know it can't be the only school in our division that's having HVAC concerns.

[00:37:44] So if we aren't going to be able to address it in our CIP until 2025, what are we going to be prepared to do to make sure that we have good climate controls in that building as it gets warmer now in the spring and then when they come back in the fall, 'cause we all know I don't do sports, I don't even like sweating and just standing still in Ripon in May or early August when we're coming back, depending on where you are in the building, you just can turn into a puddle.

[00:38:13] So I can't imagine being a student in that environment. - Sure, yeah, it's, let me first share with you just a moment of the issue that we are dealing with at RIP on. And we do have, I just wanna stress, we have several schools that are in this situation. They're aging, older HVAC systems that when they were designed and installed, do not have dehumidification with those systems.

[00:38:38] And when systems do not have dehumidification and bringing in that fresh air and that air exchange, what generally happens, and we're not adding humidification, those temperatures when it says 70, it feels a lot warmer than 70.

[00:38:53] And so we have a lot of schools, we have several schools in that situation. You know, I can say being new into the district in August, I was, we were getting hit with some of those concerns this summer. and our staff are very responsive in going out.

[00:39:10] We do have to be careful because if we lower that set point in the building, then we allow moisture to build up in the building and moisture builds up and then we have a mold issue. So I think everybody's first reaction is let's just drop the temps.

[00:39:27] When we do that, moisture builds and then we run the risk of mold. So our staff is very responsive. When we get those calls, we go out on site, We provide fans to our schools. We do everything we can to assist them with cooling. I'd like to say, you know, we have one school in this situation, but we do have several.

[00:39:46] And that's why you see Ripon in the schedule where it is, because we do have several other schools that are in the same situation. - Is the supply of HVAC parts and is that impacting this as well? Because I noticed on our CIV presentation, and I believe we had a discussion earlier too about it, that there's some issues also with regards to that, because I know Ripon's example of we've piecemealed about as much as we can to maintain the system, but I just want our public to understand that there are other avenues that we've also been looking at.

[00:40:18] It's not just 'cause it's being pushed back for financial reasons. - Correct, you know, I just received word this week that an air handler, for instance, that generally goes on the top of the building, a major component for HVAC system, there's a 70 week lead time on those items.

[00:40:35] That's 1.3 years from the time we order. And there's really nothing we can do about that. We're at the mercy of the supply chain issue. And, you know, I just switch gear, for example, for our electrical controls in the building are at a 50-52 week lead time right now.

[00:40:52] So everyone is at the mercy of those lead times and the supply chain issues. So that's having a major impact. And I will say just while I'm here in front of you, that will have an impact on projects as we move forward in the district and timelines of completion.

[00:41:08] - Thank you, I appreciate that. - Yes, ma'am. - We understand as board members, we get a lot of information, but I think if you're a teacher in a classroom, you would really wanna hear what you just said to have a better understanding. So I appreciate the acknowledgement that we're working on it, we have a plan in place, and that there are some circumstances that we just are out of our control.

[00:41:24] - Yes, ma'am. - Thank you. - Ms. Dargapur. - Thank you, Dr. Lateef. - I'd like to go into cost savings, actually, since we decided as a board that we want to do environmentally friendly buildings.

[00:41:41] And you did mention that we've got the solar power purchase agreement in place, and that we'll be using 25, there was something on one of the slides about using 25% less energy. What are our energy costs now to get an idea of what that 25% looks like annually?

[00:42:01] First question. - You know, we don't have our energy and management sustainability staff here with us tonight. I know that we just went through that with our folks. I'd hedge to give you a number right now because there's a lot of numbers floating around in my mind right now.

[00:42:18] We can certainly give you that information, but there is significant cost savings. - I would love that information at some point. And I guess the other part of this question was the solar power purchase agreement was, do we know what that could potentially save us as well? another one we have we we do know that i don't have that number at my fingertips right now and again we just went through that with executing the agreement and there is cost savings to the district and i would be more than happy to

provide that to the board all right another cost saving thing i want to briefly touch on is um when you were talking about um prevailing wage as part of the concern about some added costs um labor isn't how much how much of a when we look at these

[00:42:58] numbers I'm gonna just say we have $100 how much of that hundred dollars is labor about $40 so a construction project a new construction project about 40% of that a general rule of thumb about 40% of the project is is of cost is attributed to labor so I have a I have a different number it's about 23% is there a range or no we generally benchmark and that's what we see in our projects when When we consulted with our state-level expert, they were saying anywhere from 40 to 50 percent.

[00:43:34] We generally estimate anywhere from 40 to 50 percent. Okay, so along the lines of labor then, I did run across some information saying that when you have prevailing wage in place, it also hires the quality of workers, but it's more consistent.

[00:43:51] - Yes, ma'am. - Therefore, you're gonna have fewer incidents where you have to have work redone. - Yeah. - I know that's not a tangible number, but that's another plus. - Yeah, we touched on that in the presentation. It does contribute to a higher-skilled workforce and a safer workforce.

[00:44:06] - Okay, thank you for that. Last one about savings, and then I'll just stop for now. There's an Inflation Reduction Act that just got passed. Is there something that this school division can participate with that to lower some of our costs, or kind of help with the inflation on these construction?

[00:44:27] - Mr. Wallachford, do you want to speak to that? - Thank you. - Mrs. Zargarpur, thank you for the question. We have been having conversations with our peers over at Prince William County over the past week or two or three, just recently.

[00:44:49] It's something that I've mentioned very briefly to Vern and shared some information with him about. I don't have much more detail than that, although we do believe there may be some savings that we may be able to generate out of that legislation. So I'm sorry, I don't have more, but that's what I have right now.

[00:45:07] - As soon as you know, I would love to know. And the very little teeny last thing, I just wanna make a point about why I believe environmentally, better environmental buildings and things are as important is, I drive an electric vehicle, I've had it for four years, I've got almost 90,000 miles on it.

[00:45:25] It's the way it runs, I'm just making a point here. I love this car. I have not had to replace the brakes yet because of the way the car functions, you don't need to use your brakes. You just let off the accelerator and there's a regenerative braking system that does not need the brake pads and it regenerates power back into the battery.

[00:45:46] I've not bought gas in four years. I haven't had an oil change and that's not being irresponsible. The car doesn't need it. So I am reaping some benefits and savings from, yes, it was a little bit more expensive car that I wanted to have, but that to me is why we do these things.

[00:46:02] We have a savings, and the car's fun to drive, I'll just say that, but I do believe that this is why we do these things. We invest now so that it pays off in the future. Ms. Jackson. Mr. Walden, I might have a question for you, so do you want me to ask now before you sit down?

[00:46:24] No, I'll just stay here. I'll stay here. Okay. Well, a brief thank you, and then I'll come back and thank everybody again. When you were talking, when we were earlier and we were looking at the changes

in prices in the increase, I don't know what slide that was, for slide 19, and we talked about this in a two-by-two.

[00:46:49] It's not all the changes, do they impact our AAA bond rating? So the slide that you're referring to, I believe, is the one that shows our increase in debt service from year to year to year, the additional layers, okay?

[00:47:07] Your question is, does it affect our bond ratings? good question, something I should have mentioned, and that is we do have a 10% of revenue cap on our debt service, so we can't go higher than 10%, and this does address your question, we can't go higher than 10% of revenue. That's part of Prince William County's financial guidelines, and because we've generated so much additional revenue over the past two years, this year and next year, the additional debt sale should have no impact on our AAA, our triple AAA I should say.

[00:47:46] You guys do such a wonderful job, we had such a good rating so I just wanted to check in on that. Thank you so much for, I'm good Mr. Wallingford, I just didn't want you to sit down and come back up again. That was my only question I think. Okay. I think. Thank you for the presentation tonight and all the time you took before to answer all the questions and for the, I think I got a follow-up email on Unity Read so thank you very much.

[00:48:11] really it looks great there I've enjoyed watching the changes at Brentsville and that you need to read in the classrooms at Gainesville middle and I'm just very thankful for your staff and your contractors and everybody and all the hard work that they put in to you know continue to make our school sustainable and safe it's just a friendly reminder I don't know unless you may have emailed me and I may have missed it was just that I've received a number of concerns and from constituents about it's not the same concern as rip-on I know rip-on has middle as air conditioning but like for the Noakesville schools so it's at some

[00:48:45] point HVAC concern okay and then we talked about this in the two by two and it's just wondering because it's another concern that my constituents have had is the because the enrollment has gone up in some of my schools recently could you just briefly touch on how the projected enrollment is calculated and how it relates to current as opposed to any zoning changes that may happen later?

[00:49:16] - Sure, I'm gonna ask Mr. Cartlidge to join me up here. Where's Mr. Cartlidge, there he is. And Matt and his team, they're excellent at projecting this, so we've got the experts in the room. I'm just gonna have him come up and share with you. - I appreciate that, thank you.

[00:49:31] - Good evening, Chairman Lateef, members of the school board, Dr. McDade. I'll just kind of give a brief overview. I'll go brief, and then if you have follow-up questions, that'll be better than me talking ad nauseum about things that I love, like projecting students. The baseline for all of our projections is always September 30th.

[00:49:48] We use that to form a new set of projections that look 10 years into the future. Those projections, like any projection, the ones closest into the future tend to be more accurate than those further into the future. With a redistricting project like Rosemont Lewis, we're using those most recent projections that incorporate our tracking of residential development.

[00:50:11] There's some new housing projects that are in that immediate area. We build those into the projections and check out what the most recent build rates are in about September, October of each year.

And then we use those rates to extrapolate forward and bring students out of those future houses that we expect to be constructed in the future.

[00:50:33] Those are all folded into our new baseline of September 30th data. And every year that we go into the future, we look at the rates at which students progress from let's say kindergarten to first grade, fifth grade to sixth grade and so on all of those together using industry best practices give us our projections and gives a pretty good confidence for projections in the next let's say three to five years so before I'm so that like when I was looking at the slide and it shows it for the whole county and but

[00:51:07] that is based on like current already in place proposed developments right so it doesn't any changes and that is not included, correct? - For about the first nine years of projections, we are able to fold into the projections, houses that have the current zoning in place to construct them.

[00:51:31] They're less speculative than our 10th year projections, where two things have to happen first, somebody has to have an interest in building a project, and then two, the board of county supervisors have to offer the proper zoning for that site to build what the builder wants to construct.

[00:51:51] So the short answer is yes, we have the current projects tracking in there, and then like I said, every year, we update that with new trends. - Okay, all right, I appreciate that.

[00:52:07] That helps, and that helps address some questions that I'm getting, so hopefully we may have watched this, And if not, I can send it to them. I appreciate your time. I know that there's some more questions and Ms. Agropo's questions were good too. So I just appreciate the dialogue and your time now and then the last meeting and then the presentation tonight.

[00:52:24] So thank you. - Absolutely. - Thanks, Dr. Bartlett. - Just for public knowledge and stuff, is the presentation posted? - Yes. - When will the presentation be posted to the website? - If it's not posted already, we'll have it up there ASAP. - And just to remind everyone, we're not being broadcast tonight, so it'll be important to send out some messaging to let everybody know that the CIP is public now.

[00:52:45] It's online. Okay, 'cause we're not on TV tonight. Thank you. Who's next? Ms. Jessie. - Hi, I'm gonna just cover a couple of things that we discussed during the two by two just for public record. First of all, I wanna talk a little bit about the net zero school that's going to be built at Occoquan.

[00:53:05] And you did say that you are going to make that a public agenda item. Could you kind of reinforce that for the public? - Yes, ma'am, we'd like to, first I'll say, I wanna thank the folks in the room. We have Mr. Mills here, who's been an integral part of the early design work and getting the community and the stakeholders together to have some significant input into that design.

[00:53:32] I attended some of those meetings and they were, they were a lot of fun. There were a lot of great ideas coming from even the students to the adults. And so, yes, we would like to update the board on the work that is going on there, update you on where we are currently, where we see this going, but we're all very excited about this project.

[00:53:52] So you can anticipate an update soon. - Okay, would you get back with me? Because I'd like to see some of the ideas and work going into that school. - Happy to do that. - That vertical design is something that I know that Ms. Williams and I have been looking at those schools and we've been looking at various ways for years looking for a vertical structure.

[00:54:12] And there was a slide that said that Rosemont, that you're looking at an addition at Rosemont already. Does that coincide with the boundary situation we were discussing? I'm not familiar with an addition at Rosemont yet. Was there?

[00:54:28] Okay. No. And on slide 22, where we talk about reduced project cost through value engineering, I'm not sure I understand that because the inequity building qualities and sustainability initiatives, Somehow that doesn't quite match with me because the sustainability, as I understand it, would save us money, right?

[00:54:52] - Right, so some of those investments for sustainability have a higher cost on the front end, like geothermal heating, but then the savings that we realize through that long-term is more significant. So some of the high-performance building design on the front end, the items have a higher price tag.

[00:55:11] What I was referring to, Ms. Jessie, with value engineering are things like lowering ceilings instead of using a lower grade floor tile, instead of having a nice atrium, reducing the size.

[00:55:27] And so it's some cost cutting measures to help you realize some savings. A part of some cost cutting could be addressing some of the high, removing some of the high performance building design components.

[00:55:42] So there are two things there that could realize us some savings. But yeah, if we eliminate high performance building design and those features like geothermal heating, the efficient windows, LED lighting, then we don't realize our strategic plan goals and then we don't realize that cost savings later.

[00:56:02] - Okay, I also want to reinforce something that I said during the two by two is that for the first time we get in a high school on the east and we look at high performance, I just want to speak for the people on the east. We would like to have a high performing quality school.

[00:56:19] - Yes, ma'am. - Similar to the ones on the west or better than? - Yes, ma'am. - If we can, so. - Well, again, the board passed the initiative that anything moving forward from 2024 on will include high performance building design components. Our 14th high school will be included in that.

[00:56:36] - I just want to- - And we will have an amazing site, an amazing school. - Okay, I just wanted to make that a part of the record. And something that I've been discussing, and I know you guys say I'm off topic on it. The science labs, 21 schools, they're mostly lower income schools.

[00:56:52] When I look at the science scores, and I know that Dr. McDade has put something in as a measure to support that. But have you looked at the possibility of adding an addition, looking at spaces on these 21 schools where we could maybe find an addition instead of a classroom, in addition of a science lab on those sites at all?

[00:57:16] - I'm familiar, prior to me starting, I'm familiar with the space utilization study that occurred within the district to try to realize some efficiencies with space to address the issue that you're speaking of.

[00:57:33] I think what that study revealed was that spaces are being utilized efficiently, that most of our spaces are at capacity, and so I think it's something that we are looking at. We are meeting on space utilization regularly with the facilities team.

[00:57:53] It is something that's on the radar. - But I'm not talking about space utilization, I'm talking about an addition, looking at the land structure and see if there's some way we can make an addition, or

even I mentioned earlier, and I know it sounds strange, but maybe put in a science lab on wheels for those schools because our science performance has not been where we want it.

[00:58:17] And it's just something that I continue to bring up. And I know you guys say, you know, this is a side point, but it's not for me because I think the science situation is something that we really need to address. And that's just my way of looking at it.

[00:58:32] So I'd appreciate it. And I really don't have any other comments other than that comment. Thank you. Yes, ma'am. Ms. Williams. - Thank you. I just wanna piggyback while we're here on what Ms. Jessie was saying, 'cause I'm sure Mr. Beavers, Mr. Cartilage know, I'm advocated for program utilization versus building capacity utilization, meaning how we utilize the building versus how many people we can fit in the building because it makes a difference in our planning.

[00:59:05] So my question in relation to what Ms. Jessie was asking, and I did bring this up before and I forgot to mention it earlier. if we could get information along the lines of program capacity for our schools, but specifically, are we looking at or can we look at how our students are learning versus what we're doing in the building with specifically in the area of computer labs, science labs, computer labs, because I know that students have to be in a building for state tests, correct?

[00:59:38] But we also are one-to-one now from the pandemic. What we don't know as a board is how our buildings are utilizing that space and is there room to do things like what Ms. Jessie is saying, add a science lab or maybe have that space be multifunctional and realize some cost savings, but also curriculum and learning savings for our students.

[00:59:59] I'm not sure if that's part of your facility condition. It's kind of like a separate, it's more programmatic than facility conditioning, but it may be worth the time to look at that because as we continue to learn in new and fascinating ways, 'cause learning is changing rapidly.

[01:00:17] I know we also have to be mindful about what the state wants for curriculum and things of that nature, but it may be of importance or use for us, that information, knowledge of how we're doing, utilizing that space in the building that maybe we don't necessarily need, or maybe some schools have really great ideas on what they've done, and it could be a best practice, but there may be an opportunity for either using a space in a different way or some cost savings or something as we're on this CIP subject, I think that fits in.

[01:00:44] I understand it's more curriculum programmatic than facility budget wise, but it could mean dollars for us. So that may also help with Ms. Jessie's ask of how do we get these science labs into some of these older schools that don't have them. - Ms. Williams, I can share with you that yes, some of our schools were designed with computer labs, obviously with our one-to-one initiative, those computer labs, that space is not required for computer lab space anymore.

[01:01:09] It is a conversation that we've had at the facilities level. It's something I'm very interested in exploring. I can tell you that when we've had some conversation around it, some of our buildings are using those computer lab spaces for additional classroom space. However, I would like to get a handle on how that space is being used.

[01:01:28] And if we can realize some space to accomplish some of what you and Ms. Jessie are suggesting, I'd be all for it. So that is something that's on our radar and I'd be happy to come back and share that information. you i really appreciate it yes ma'am i just wanted to add that uh i want woodbridge

high school to know that you are going to get windows yes that's correct and would you give them a date please um i think it was uh it was hang on one second the big word is fenestration i call it

[01:01:56] windows it is yeah i do too miss jesse and while you're there can we move it to a high - An earlier date, I know you can't, but I thought I'd ask.

[01:02:15] - All right, Ms. Jessie, now. - I feel like that's a prison down there. - 2024, Ms. Jessie. - Okay, thank you. - It'll bid soon and we'll start, scheduled to start 2024.

[01:02:32] Yes, ma'am. - Mr. Bock, just since we're still on Aquan, I know in one of the slides it said, for increasing capacity, I assume the Aquan Elementary will be bigger than the current Aquan Elementary. - Correct. - It'll have more classes. - Yeah, and Mr. Mills, What is, is there, there is an increased capacity at Occoquan?

[01:02:51] - Yep. - Okay, that's fine. You don't have to answer that now. I just wanna know it's bigger. We've addressed it. - It is bigger, yes, sir. - I'll go to-- - Adds about 200 seats, Mr. Chairman. - 200 new seats, excellent. So I'm gonna go to Ms. Wall for a couple of questions and then Wilk for a couple of questions.

[01:03:07] And then we can go back around. - Okay, so don't ask all of them now. So I am glad to see the secure vestibules page 24 be added in here I noticed that they weren't in the other CIP the 10 year CIP and I'm so I'm thrilled thank you for whoever listened to me and added them in I think that's extremely important and I'm happy to see that change just given the climate that we're in and the uncertainty of student behavior and everything else so thank you um also I'm I'm pleased about the

[01:03:47] tennis court paving at Bull Run and Battlefield. I personally almost stepped in the cracks on the Bull Run tennis court and it was my entire foot could fit into it. So I'm very happy to see that that's coming up as well. Softball question on page 23, the CTE labs. Are we surveying all of our CTE labs? We are. Those power shutoffs? We are. Because I'm aware that there might be some some of the schools in my district yes ma'am okay awesome and the other

[01:04:23] question I had is other another softball question I like those are we installing turf at middle schools as kind of a thing going forward I thought it was only high schools but I see here that we have turf at one of our middle schools so is that something we're going to be recommending or I maybe I missed that yeah and I and I think I can answer this one we're doing the one at one of our middle schools because we have a natural turf field at our high school and typically we install turf at our high school but because this setting has a

[01:04:57] natural field we are installing a practice field that's turf at that neighboring middle school it's not that we're gonna start ticking through all of our middle school field correct okay and the project supported by grants last softball question um on page 12 um is that sorry i'm going to turn to it um the hvac projects and it says projects supported by federal grants are all of these projects for partial and full replacement hvac projects coming or supported by federal and state grants or we just is that going

[01:05:36] to be supplemental and if so if it's supplemental what portion of it i'm gonna ask mr beavers to come up here and answer that question so this is i think it was called the coronavirus state and local federal thing yeah so I think we're down to in 2024 and 25 we're gonna get about three million dollars 3.6 million dollars in matching funds we had to kick in the same amount overall we've gotten about 18 million dollars through this program that we've matched so it's worked out really well but we're still

[01:06:14] even the the the rip-on the the HVAC program at rip-on that's locally funded not through the grant so it's just like home unfortunately HVAC replacements cost a lot of money and we're just yeah we're putting a lot of investment in there okay thank you for that clarification appreciate that thank you mr. beavers I'll ask one hard question so obviously we have a perfect storm

[01:06:48] going on right now this is somewhat of a very difficult CIP and so just building on the question about the triple a bond rating debt on the debt service on page 19 I noticed mr. Wallingford said that and you know we should be okay with that triple a rating for the next couple of years but my question is is that at risk in the future as we add up 11 million 19 million 17 million and I know that this

[01:07:22] is a cumulative number so everything the perfect storm is you know we have an inflation we have labor costs rising we have uncertainty in our commodities and in our materials markets and then we have this steady bit sustainability coming on board and we have prevailing wage which I didn't support you know and And so we have all of this that's coming on all at the same time.

[01:07:50] And so I'm worried, and I don't know, should I be worried? I mean, right now, it looks like we're okay for the next couple of years, and we cannot predict into the future too far. But is this at risk in the future if we continue down this path? So Mrs. Wall, you asked several questions.

[01:08:05] I'll try to respond to all of them first. If I said for a couple of years, I probably misspoke with regard to our AAA rating, our triple AAA rating going into the future. When you take a look at that slide, you see that second, third, and fourth years are particularly heavy in increased debt service.

[01:08:26] But then you also see in the following years, those numbers begin to fall off. What I'd say is, and this piggybacks a bit on what Dr. Lateef said, we've been extraordinarily conservative over the past couple of years. We've built a really strong balance sheet and have actually contributed cash to capital in reducing our debt sales.

[01:08:48] So from a triple AAA rating, which technically Prince William County holds, not the school division, they're satisfied, the rating agencies are satisfied, and we are going to stay within our 10%, substantially within our 10% debt to revenue ratio.

[01:09:07] So with regard to being concerned, I would say one, particularly in governance like yourself, should always be concerned about the money we spend. But I think management here within the school division, from the superintendent to the finance staff to everybody is very cautious about how we spend our dollars.

[01:09:29] And I think we've partnered very well with our peers over at Prince William County in maintaining that triple-triple A. Financially, we're very strong. Okay. Thank you. I appreciate your further elucidation of that issue.

[01:09:51] Mr. Wilk. Thank you all. First of all, I want to thank Vern, John, Dave, the whole crew for incorporating my feedback into this entire presentation.

[01:10:08] I truly appreciate that and the way this was presented today. I would be remiss if I didn't thank the last seven years the number of projects that have been done in Potomac, all Forest Park, turf field, complete stadium revamp, lights, tennis courts.

[01:10:26] We built the most impressive middle school in the Potomac District. We built a greenhouse on the back of Potomac Middle School. We gave me the pre-K program at the Washington Reed. We have a

scheduled track in Potomac Senior High School, a fenestration project, overdue a little bit at Grand Park, but hey, we're doing it.

[01:10:46] So I'm very grateful for all the work that has been done, particularly on my side of the East in my district. I do have some questions, but with the preface that, to me, we have talked and we've seen the actual numbers on here and the estimations and the prevailing wage and what it's gonna do to different projects and such.

[01:11:13] But to me, I think about it and say, why did it take this long? When everything else is going up in the economy, food, we'll talk about those homes, everything else in Prince William County, for wages to stay stagnant this long, To me, this is a living wage.

[01:11:30] This is about the dignity of work for these people who have these skilled positions, who go and work day in and day out, 40 hours plus a week on these job sites. This keeps them here. This keeps them from going up to Maryland or DC and commuting to go and get a job with a prevailing wage contract and be paid more money.

[01:11:53] If I was to pick a couple different professions, and I know we had this prepared, but three skilled positions, If I was to ask you, for example, let's go with an electrician. - Sure. - Prior, without prevailing wage, what would they be making as a contractor?

[01:12:10] - In estimation, we reached out to some contractors in our community, roughly 24 to $26 an hour. - With prevailing wage? - $50 an hour. - Okay, so if we have typically in elementary, before COVID was 16 months typically to build.

[01:12:25] - Correct. - Five weeks on average per month, so 80 weeks in that time period, times 40 hours a week, so 3,200 hours of labor being able to do for that contractor for 16 months, he can make very good money, that electrician with the prevailing wage and support his family.

[01:12:43] That electrician now doesn't have to spend one hour commuting north, one hour commuting south and be home with his family when needed to support them and be at his children's school events and such like that. If we're talking about a plumber now, what would a plumber be doing, be making with a contractor prior to prevailing wage?

[01:13:03] - Approximately $42 to $55 an hour. - Okay, and with? - The prevailing wage is about $48 an hour, so kind of at the midpoint of that range that I shared with you. - So that one kind of balances out. - It does. - In that particular. What about, the last one I gave you was a bricklayer.

[01:13:18] - Bricklayer, again, reaching out to contractors in our community, it's roughly $28 an hour, and the prevailing wage established by Doley is $34 an hour, so a $6 an hour difference. Yeah, $6, so that additional $6 an hour is giving that person an additional $19,000 before taxes to be able to work in Prince William County and stay in Prince William County, potentially buy a home in Prince William County, pay taxes in Prince William County, and be a part of this system.

[01:13:51] You know, like I said, we look at labor and the cost of labor and the view of this, but I mean, as we progress as a country, at the turn of the dawn of 20th century, We had children toiling in sweatshops, glass factories, mills, mines, what have you. We had working conditions to a point where, you know, in 1911, we had the worst tragedy at that time, the Triangle Shirtwaist Factory, where 146 garment workers jumped to their death.

[01:14:15] So we have progressed. We are moving forward with these wages in our county. And although it looks staggering right now on the actual spreadsheet and stuff like that, I would argue that it's overdue. And as things are going up in this county, If we talk, for example, about a home, if I was to ask you when I first came on the board in 2015 what the average home cost was to what it is now, do you have that for me?

[01:14:38] - I do, the average selling price in Prince William County in January of 2015 was $343,000. - And what is it now, sir? - November 2022 was roughly $550,000.

[01:14:53] - What is that percentage increase? - Almost a 60% increase. - 60% increase on housing in just my term at seven years right now, okay? Let's go with more lines of Maslow's hierarchy of basic needs, what about food? 2015 when I came on the board, what are we talking about with food?

[01:15:10] - Yes, sir, and we use the Consumer Price Index, which is really the standard in establishing food costs in the area, we did benchmark against the Washington, Arlington, Alexandria area, and in 2015, the composite index was roughly 245, And in 2022, it was 293, representing a 20% increase in cost.

[01:15:36] - 20% increase, okay. All the meanwhile, again, our wages typically for these construction projects haven't really changed dramatically, one could argue, right, potentially. Last point, I'm just gonna say, and one item that's passionate of mine is of course the career tech education courses.

[01:15:55] And one of the benefits of having a prevailing wage is having these apprenticeship programs and having opportunities for our graduates to not only find a job, but find a job within Prince William County so they do not have to relocate and go somewhere else in the Commonwealth or outside of the state.

[01:16:12] How many students right now do we have taking these courses? - You know, Mr. Wilk, I pulled 2015 for you. I did not pull current, but in '15, it was around 15,000 students in our district were currently taking CTE courses. - Okay, without having that full estimate, I imagine just with the expansion of courses-- - It's increased, I'm sorry I didn't provide.

[01:16:32] - Oh, no, no, no, we're good, we're good. So-- - Mr. Wilk, you may wanna note that those students would have graduated now, so they would be in the labor force. They would probably be some of the first to receive the prevailing wage. - That is outstanding, thank you. Anyways, thank you for answering my questions. - Yes, sir. - Once again, I am happy with the CIP, I'm happy with the progress of what we're looking at.

[01:16:54] The only thing I mentioned in our meeting is something to put on the radar is Dumfries Elementary and looking at that from an eye on equity and the lens of equity on the gym, the receiving doc, the cafeteria. So just putting that out there for you. - It's on the radar. - Okay, thank you.

[01:17:09] Ms. Wall. - All right, thank you, Mr. Chairman. I have a question about page 20 chart with the estimates of school cost increases.

[01:17:26] So if I'm reading this correctly, the numbers in bold are the numbers that we are predicting, right? - I'm getting there, yep, I'm sorry. getting there right now um that's our estimate based yes our assessment of richmond and loudon and other things correct yeah so can you tell me more than um about the downey and scott cost estimate which as i look at it they're consistently higher they are can you explain to me why that is

[01:18:02] and why we're thinking that we're going to go under their estimate um and you know again like this is these numbers i know it's the perfect storm of everything our votes this board's majority votes sure and um also the inflation the economy labor costs rising the titan job market materials all of it yep right so can you explain to me um how i should interpret this number over here in the downey and scott cost estimate column well i can i can simply share with you that uh

[01:18:37] when we received those cost estimates we were very surprised they were a lot higher uh coming in than what we were anticipating um i think uh there were our estimate is they're benchmarking on about a 600 square foot per square foot in new construction when we got those prices i'll be or costs i'll be very candid with you we all almost fell out of our chairs yeah yeah and and so that's when we really started to dig in and and and i i do i i owe this team a huge uh expression of gratitude we've got a lot of people behind me that went into this we really started digging deep

[01:19:16] looking at different projects we called our neighbors we have our own projects that are currently finishing and it just didn't add up it did not add up we're looking at about a $459 a square foot uh price tag that the school that's finishing outside of richmond is really in line with that we think what we have come up with is is is much more respectful we think it's we think it's closer follow-up question have they incorporated prevailing wage calculations into their estimates they did incorporate that we did ask that question you know Downey and Scott does a lot of work in some of

[01:19:56] the Maryland in the Maryland area as well obviously Maryland has had prevailing wage in their projects for some time. When we, Mr. Scott was like us before we engaged with him, estimated a 10 to 15 percent impact on costs from prevailing wage. So on the prevailing wage, are we going to see an influx of Maryland businesses that are used to paying those higher wages and we're gonna lose out on some of our Virginia businesses or small local businesses that

[01:20:29] can't meet that i can't i can't predict that what i what i can say is remember this this is um prevailing wage comes into play on any project larger than 250 000 um was that what we voted on that's what was approved you voted on and approved correct yes and so um okay we we have we we will we're going to see how that plays out there is a possibility some of our larger firms some of our smaller firms may not bid on these projects because there is an added layer of accountability that's

[01:21:07] required with prevailing wage to demonstrate that you are that that the contractor is paying the prevailing wages and there's an accountability piece monitoring piece that has to occur there that could require the contractor to add existing staff or some of our larger firms do already have those staffs because they do work in some of the dc and maryland areas we're going to have to see how that plays out could some outside area firms bid and and and win the the project sure and would that mean some outside labor would come into our community potentially do we anticipate that we're

[01:21:47] We're going to have to have a change in some of our trusted partners that we, well, not partners, but people that we are customarily used to working with because we've bid and they've been consistently winning the bids. I hate to speculate on that. I can't answer that. You know, the first project that will contain prevailing wage in it, major project will be the Occoquan, and we're a couple years out from that. So I hate to speculate on it. I'm not sure.

[01:22:17] Sure, I appreciate that. I am asking you to speculate. One other question, I think it comes from page 15. I know we listed, maybe it's not, hold on. Nope, not 15.

[01:22:34] Sorry. It's the page where we list some potential solutions to consider a page 2. The value engineering, cutting costs, et cetera, delaying projects, delaying some of our high-performance building design.

[01:22:52] How granular could we get with that? And also, if we were to consider delaying prevailing wage, say, like one year until the market settles down or inflation reduces or we have a better supply chain resolution, is there a possibility of breaking that out?

[01:23:14] Could I get some data on that if we were to delay it one year versus two years? If that's the board's desire, we could provide that information. It does. Inflation, we are projecting. The engineering record is projecting that interest rates will start to drop off.

[01:23:34] It could drop off to as low as 13.9% next year. That's what they're currently projecting. And then we should, hopefully, if trends play out the way folks are anticipating, it'll start to normalize from there.

[01:23:50] what we're what we're projecting after that is is about a that 13 percent dropping down to about a nine percent then to a six percent and then hoping to stabilize down around four and a half percent that's our that's what we're hoping that's what's being projected historically is it about four percent four and a half four and a half yeah and and what trends are that that would happen in three to five years that's historically that's what typically you see when you see a spike and and in a recession and then it starts to normalize down and it usually takes four or five years for that to happen okay to get back to that four and a half percent better news in a couple of years

[01:24:29] we really hope so yeah that that we hope so and that's what uh the national experts are projecting okay thank you thank you for your question your honesty yes ma'am my questions i appreciate it Miss Williams. Thank you chairman Lateef I just well I appreciate Miss Wall's physical conservative outlook or hope for the future I think we all kind of share that because nobody wants to spend any money unnecessarily I just wanted to share that when we bid we could have a large contractor come and bid on a project that may be from another state but they may also at the same time win

[01:25:07] the contract and turn around and subcontract out some of that to some of our local areas and that's often what happens especially federal government I did some couple years on procurement and contract management and you see that a lot so our large defense contractors do that some of our north of Grumman for example some of the smaller divisions of north of Grumman use their smaller divisions to partner with the larger division it's all north of Grumman but they they're hiring and paying appropriate wages so that's an option for people who want to come bid on our contract and I just want to give the public as someone who's been here I think mr. Wilkes been here seven years there's Ms. Jessie 10 years plus myself 10 years.

[01:25:43] We've seen some lean years and I just wanna give all the praise that I could possibly give to our procurement and our financial department because they've carried us through. We've been in worse situations than we are right now and we do have hope, I mean I have hope, we may see some things come out of the state as far as new school construction costs and things like that.

[01:26:02] I think one of the things that the public, if you don't travel around Virginia, you may not understand is our schools are amazing by comparison. There are some schools in the state of Virginia that have not seen anything since the 50s. I've been in other counties and I'm like, that's a school, okay.

[01:26:18] So we are in a very good position. And I just, while the numbers and the values look high, I just want to reassure the public that we have a track history of good financial management. We have a track history of good procurement services. So there are other outs that are available on that side.

[01:26:38] And the last thing that I wanna say I forgot, so I guess it's not that important, so thank you. - Okay, great, so I'm gonna wrap up here. I have a couple, I guess I don't know if I have softball ones, but real quick, just for our maintenance projects are done with the intention that they will save money in the long run.

[01:26:59] - Absolutely. - Right, so that's number one. And we have an excellent sort of record of maintenance projects. I mean, we spend the majority of the CIP when we're not building a new building on maintenance. - Correct. - Renovation. - And preventative maintenance. - Preventative maintenance, right. - So I think that's very important that there's a lot of money goes into that.

[01:27:17] You know, regarding the AAA bond rating, Mr. Wallingford, we cannot borrow anyways more than 10% to cap. We gotta leave that there. So we would never do that anyways to jeopardize that aspect of what qualifies us to keep the AAA bond rating.

[01:27:32] - That's correct. - Right. So if we were coming up to that edge, we would have to make some adjustments in the CIP. - Absolutely. and so we've and we've never gone over that we've that is also correct right and and then and then would it would it be wrong for me to say the savings in in in just less borrowing over the last couple years and the historic rates we borrowed at the last three or four years have created savings for future debt servicing on those years we borrowed money well just on the last two the the two 30 million dollar tranches in interest costs we save about 25 million dollars yeah over

[01:28:07] the 20-year term, and we've seen historic lows on interest rates. Historic lows probably each of the past four years, each successive year historically lower than the prior one. And two of those years were over $100 million in bond sales.

[01:28:22] That's correct. So we've had, from the perspective of debt and those issues, the run over the last five years have been fantastic. Excellent. And your office handles all of that work with strict discipline in making sure that we don't go over and above our bounds with the AAA bond rating.

[01:28:42] That is correct. And it's my understanding there's only 56 localities in the nation with AAA bond rating. I don't know if you know that, but it's in that range. The number fluctuates, but it's about 50, 60. So it's one per state. It is a huge deal.

[01:28:57] I think there's three or four in Virginia, but that triple AAA is something that finance directors cities and counties pat themselves on the back about it's a big deal and I think your office just received another award this year for fiscal management right that's correct just in this past week we received the ASBO meritorious budget award again for the 27th or 28th year excellent so I listen I appreciate the presentation I think you know as we wrap up the CIP I think that the takeaways here are and I think it's important for everyone to know as we

[01:29:34] move into our budget we've had a number of great years some of the older board members as Miss Jessie or Miss Williams pointed out faced lean years where they had to make difficult choices and your office made difficult choices we're going to be approaching those kinds of similar years now moving forward on making difficult choices in budgeting whether it's the CIP or the overall operating budget and so I think that's important for everyone to sort of recognize that we are not going to have this great the last

five years have been outstanding hopefully we'll find ways to get more money from the state and the feds but but if not we will be making some difficult choices so I appreciate

[01:30:12] all of your hard work all of your efforts and I think moving forward well last thing I know miss Wall had brought up the the estimates on the different on that slide where you had the comparison with a consultant and ours even ours calculates in prevailing wage and all our other all our extra costs that's - That's correct, Dr. Metiff.

[01:30:33] - And one thing everyone should remember is the Environmental Sustainability Initiative is to be used wherever and whenever possible. But for example, the school that's my sort of highest priority is obviously right, has been that North Woodbridge School on Route 1, the Fred Lynn.

[01:30:49] We couldn't do geothermal there because of that site. - Correct. - So there may be places where we have sites where we can't do either geothermal, solar, or whatever. and so we'll build to the highest capability that site will allow, is that correct? - That is correct.

[01:31:04] - And we won't try to push something in that can't fit or try to find a site just because, so we're gonna deal with the site we have based on the need of the location for enrollment projections, and we're gonna do the best we can. - Exactly. - So, you know, there are so many uncertainties in this, just like two years ago we would not have predicted we'd been sitting here looking at a CIP like this.

[01:31:24] Is that correct? - That's correct. - Mr. Block, right. - Yeah. Here's our hope, as Ms. Wall pointed out and Ms. Williams pointed out, that we might be looking at a much better CIP. So, you know, it's constantly in flux and I think it's important for all of us to recognize that, but good choices we've made in the past, I believe have positioned us for the hard choices we're gonna make here in the future.

[01:31:45] And I think, you know, Mr. Wallingford nicely stated and Dr. McDade stated that, you know, that the work we did just even last year's reduction in the bond sale and the savings we made with the anticipation of possible recessions have been good choices. And so I can't thank you enough at this point.

[01:32:01] - Dr. Lateef, may I just one second? - Sure. - And I really wanna thank the board for your support so that we can, you know, maintain our facilities, build those and renovate our sites so that we can provide the best learning opportunities for our students.

[01:32:21] So we really appreciate your support and Dr. McDade's vision. and not to belabor the meeting, but there's a lot of people behind me. We've spent a lot of time and energy really making sure what we bring to you tonight is our best work in predicting these costs.

[01:32:39] So I wanna give them a big thank you. It's an amazing team and they are truly amazing. So thank you all. - Thank you. One last, Ms. Raulston, do you have any questions? Are you good?

[01:32:56] - I'm okay, thank you. - Okay, thanks, Ms. Raulston.



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