



DISTRICT OFFICES
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MEMORANDUM

To: Burlington Board of School Commissioners
From: Tom Flanagan, Superintendent
CC: Nathan Lavery, BSD Executive Director of Finance & Operations
Date: February 20, 2024
Subject: IAA Renovation Project Update

Purpose: The purpose of this memo is to share the final construction scope for the upcoming IAA building project and approve the additional funding sources needed to complete Phase 2 of the work.

Project Rationale: IAA was identified as a facility in significant need of updating and our community has understood the importance of renovating this site for many years. The \$19 million Capital Bond that the citizens of Burlington voted for in 2017 included significant investment in IAA, and now we are in a position to be able to complete the project because of the availability of swing space and federal American Rescue Fund dollars.

PHASE 1, ESSER-funded: BSD has contracted with Energy Efficient Investments (EEI) to oversee planned renovations to IAA. Major components of the project include the installation of a new geothermal mechanical system and a new heating and cooling ventilation system upgrade throughout the entire building. The project also includes new LED lighting, attic insulation, and an expansion of the sprinkler system throughout the remainder of the building. The project cost for this portion of the project is \$10,393,352 of which \$10,000,000 will be funded by ESSER. This portion of the project has also already been approved by the BSD Board.

PHASE 2, District-funded: The following additional scope has been put out to bid by EEI to subcontractors and final pricing has been received. The reason for pricing this additional scope is because this is work that is envisioned by the District's capital plan, it requires displacing students, and the condition of the building is poor. While it would be possible to postpone portions of this work, it would force a future displacement of students, which is costly and highly disruptive. Because Horizons is moving to Rock Point and the Sara Holbrook Center is currently vacant, we have easy access to good alternative locations now; this cannot be predicted in the future. We also know that because we are doing Phase 1 work, some of the scope of Phase 2 will be required to happen at the same time to meet new Building Safety Codes (this necessary work is triggered when you do a renovation).

- 1965 wing envelope improvements to include new classroom windows and exterior siding
- 1965 wing ADA bathroom and classroom doors
- 1965 wing painting and flooring throughout
- 1904 wing stair railing and stair tower fire separation
- 1904 wing 2nd floor ADA bathrooms upgrade
- 1904 wing painting and flooring throughout
- Gym ceiling replacement
- Parking lot paving and concrete entrances
- Dumpster pad and screening
- Stormwater Improvements

The project construction cost for Phase 2 of the project is \$5,281,662.

Estimated Total Project Cost: As shown in the Estimated Project Cost Breakdown below, the total project cost including the additional owner's soft costs and costs associated with relocating students to St. Marks is approximately **\$17,681,514**. It's important to note that this number is an estimate and could change.

Not included in this estimate is an upgrade to the gym floor as part of this project. If there is funding, we believe we can complete this small portion of the project by working directly with a flooring contractor, which could offer the District substantial savings.

Estimated Project Cost Breakdown:

HVAC Project Costs	\$10,393,352
Additional Project Scope	\$5,281,662
Contingency 6%	\$940,500
Project Soft Costs Estimate (Design fees, Project Management and Permitting)	\$441,000
Cost estimates associated with relocating students to St. Marks (Moving, storage, lease agreement, etc.)	\$625,000
ESTIMATED TOTAL PROJECT COST <i>Final cost could be more or less than this estimate, but shouldn't be substantially different.</i>	\$17,681,514
ESSER Funds	\$10,000,000
BSD Capital Funds	\$7,681,514

Capital Plan Funds: In 2017, Burlington voters approved a \$19 million bond to address capital concerns in BSD. This, combined with \$2 million of annual borrowing over 10 years, became referred to as BSD's \$39 million 10-Year Capital Plan. \$17.3 million of borrowing authorization remain from the \$39 million total, after having completed major projects at Edmunds Campus, as well as Hunt, Champlain, SA, Flynn, and the parking lots at 52 Institute Road. IAA has seen the least amount of investment in recent history. Because IAA has received the least amount of upgrades or investments in the past 20-30 years, we recommend using \$7,681,514 of those funds to complete this project. It is estimated that the debt service on this project will have a tax impact of about 1% in FY26. This spending will largely, if not completely, exhaust the remaining balance of the \$19 million voter authorization.

Recommendation Motion: *I move to authorize the use BSD Capital Funds for the IAA Building Project to be completed by Energy Efficient Investments.*