

Facilities and Operations Committee
Meeting
Wednesday, December 6, 2023 4:35 PM

Dr. Matthew Prophet Education Center -
Windows Cafeteria / Conference Room (Floor
2)
501 N. Dixon St.
Portland, OR 97227

Agenda

1. Introductions
2. Jefferson High School Modernization
3. Roosevelt High School Grandstands
4. Public Comment Comment will be provided during the related agenda topic.
 - The topic must be related to an item on the agenda.
 - To sign up for public comment email PublicComment@pps.net or call 503-916-3741.
5. Adjourn



STAFF MEMO

Date: December 6, 2023

To: Facilities & Operations Committee

From: Dan Jung, Chief Operating Officer

Subject: Jefferson High School Modernization Project

BACKGROUND

The design phase of the Jefferson High School Modernization project began upon completion and [Board of Education approval of the Jefferson Comprehensive Plan](#) in December 2022. At the completion of construction cost estimates for the 100% Schematic Design set of documents¹ in late June, it became clear that project construction costs would be substantially higher than anticipated and exceed available funds without significant changes to the project. As has been discussed previously, the project then went through a lengthy value engineering workshop with designers, contractors, community representatives, cost estimators and PPS staff. One conclusion that became obvious during the workshop, and subsequent analysis, was that in order to modernize Jefferson High School under the contemplated design, students and staff would need to relocate during construction. PPS staff studied potential relocation sites and recommended relocation to the Marshall campus.

This conclusion has been discussed with stakeholders for the past several months while the project team continued work on the project design and cost estimates.² We have received considerable feedback regarding the design, as well as the relocation of students to the Marshall campus during construction. As you know, many students, staff and community members have expressed concern regarding the potential impacts of relocating the school to Marshall. In mid-October, we communicated to stakeholders that we would be pausing the decision to relocate to Marshall to allow time to further engage community perspectives, fully understand the concerns, and consider alternatives.

In early November, the Center for Black Excellence in partnership with PPS staff and Board members hosted an engagement event at Self Enhancement Inc (“SEI”) to discuss the relocation with the community. During the engagement, 91% of participants reported that there was not a single relocation scenario worth considering, and 97% of participants advocated for a different Jefferson High School Modernization design than that approved by the Board in December 2022. Participants specifically

¹ Schematic Design is the first phase of design after comprehensive planning.

² [This information](#) outlines the value engineering process and comparison of swing site options (see page 41 and 42).

expressed a desire to build Jefferson as all new construction, as opposed to the current design which retains and modernizes the primary, 1909-built building in addition to new construction.³

ANALYSIS OF SITUATION

Typical considerations when discussing a modernization project include scope, schedule, budget, and community engagement. The current scope of the Jefferson High School Modernization project is based on meeting education specifications for a neighborhood high school (1,700 student average enrollment), plus additional spaces related to Jefferson’s historic programs (such as dance) and focus option needs. Jefferson’s enrollment has ranged between 500 and 600 students in the past several years. Jefferson enrollment includes a dual assignment option. Eighth-grade families residing in the Dual Assignment Zone are given the chance to choose between Jefferson Middle College or their comprehensive high school. The dual assignment zone includes Roosevelt, Grant, and McDaniel High Schools. Between 2012 and 2021, all three of those high schools have been modernized and all have seen enrollment increase post-modernization.

The current schedule to complete the project is based on relocating students off site during construction, with a newly modernized Jefferson High School fully open to students in Fall 2027. This schedule is extremely tight and requires careful sequencing of land use and permit approvals, moving staff and students to a relocation site, and ability to begin demolition of buildings or building interiors in summer 2024. The schedule of land use approvals is specifically critical given current community requests to pursue all new construction, as that would significantly change the current land use planning and approval process.

The project team has needed to continue moving forward with the current design in order to determine whether the overall value engineering approach would result in cutting enough costs to meet the project’s available funding. A cross-functional team of architects, engineers, third-party cost estimators, contractors and staff has engaged in continual cost evaluation throughout the ongoing design. As the project approaches the milestone of 50% Design Development, team members have been vetting and developing all of the value engineering suggestions that created a path to budget in July. Roughly half of the anticipated cost savings have been realized. Of the other half, one-third are potentially viable but might require undesired changes to program or district design standards. However, in order to fully meet project funding constraints, significant program changes would be necessary. While the project team has continued to pursue all potential cost savings, the current project construction cost estimates are \$35-40M over budget. This does not include any costs associated with a relocation to a site other than the Marshall campus.⁴

COMMUNITY ENGAGEMENT

No single point of view represents the full spectrum of the community’s perspective on the Jefferson High School Modernization project. Despite 4+ years (starting with the Jefferson Conceptual Master Plan

³ Reference the [Nov 14, 2023 staff memo](#) for more detail.

⁴ Relocation to the Marshall campus would be minimal cost because the PPS-owned campus has been used as a relocation, or “swing”, site for multiple previous modernizations, and already has up-to-date facilities that meet high school programming needs.

efforts in 2019) of developing the project based on input from substantial community engagement,⁵ unforeseen new project developments have led to increasing community concerns regarding the path, progress, and outcome of the project. More recent community input, such as seen at the November engagement at SEI, has pushed for PPS to pause the project and reconsider these elements.

STAFF RECOMMENDATION

The current combination of schedule risks, projected cost overruns, and community concerns leads staff to recommend the District pause design of the Jefferson High School Modernization project in order to re-evaluate the proposed path and outcomes of the project. Staff and students would not move off the current Jefferson campus in Fall 2024 as had been previously recommended.

If approved, the District will, among other things, conduct further community engagement, additional due diligence regarding other construction options, and collaborate with CBSE and Harriet Tubman Middle School teams regarding Albina neighborhood schools and school supports. Staff also propose more fully investigating the viability of demolishing Jefferson's 1909 building. This would help determine potential costs, schedule and feasibility of a design option that does not modernize that building. Other due diligence efforts could include investigating other, less substantial but still impactful, jurisdictional appeals with the City and additional discussions with Portland Community College about opportunities with the Middle College partnership.

Staff also propose using this time to more thoroughly integrate CBSE, Jefferson, and Harriet Tubman efforts and to think creatively about how these projects can be developed more holistically. As heard in community engagement regarding all of these efforts, community members are eager to think about the school communities and neighboring partner organizations as an ecosystem, and to pursue more imaginative solutions that support the comprehensive ecosystem. PPS would host broad community conversations to invite more of those imaginative solutions and re-consider what Jefferson wants to be, within the context of the community.

Re-evaluating the Jefferson project within that broader context could also allow assumptions related to Jefferson's enrollment to be reviewed. The current project reflects education specifications of a neighborhood high school with an average enrollment of 1,700 students. Community engagement on the project has reflected support for this approach as well as concerns about gentrification and questioning the need for such a large school. While there is significant desire from the community to grow Jefferson's enrollment from its current size, a wide range of enrollments could be considered between 600 and 1,700 students. One focused conversation worth pursuing with stakeholders is how different enrollment sizes could support design options that integrate plans for Jefferson, the Center for Black Student Excellence and Harriet Tubman Middle School, as referenced above.

RESOURCES

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⁵ A sampling of the engagement that went into the comprehensive planning effort can be found [here](#).

RESOLUTION No. XXXX

Resolution Pausing the Temporary Relocation of Jefferson High School Students to the Marshall High School Campus and Authorize Reassessment of the Modernization Design

RECITALS

- A. The Board of Education adopted resolutions 6153 and 6161 authorizing submission to the voters of Portland Public Schools (PPS) a general obligation bond that included the full modernization of Jefferson High School.
- B. The election was duly and legally held on November 3, 2020, and the general obligation bonds were approved by a majority of the qualified voters of PPS voting at the election.
- C. On December 13, 2022, the Board of Education approved Resolution 6627, which authorized the Jefferson High School Modernization Comprehensive Plan and directed staff to utilize the Jefferson High School Comprehensive Master Planning Report as a guide to construct the modernized Jefferson High School to an approximate size of 339,000 square feet.
- D. After significant due diligence, in June 2023, PPS refined the project costing structure of the approved schematic design. By June 2023, Anderson provided the Project Team with an estimate that revealed a significant project overage above the board-approved budget. In mid-July, the Jefferson Modernization Project Team hosted a standard value-engineering workshop to review project assumptions, goals, and strategies and to look for opportunities to get the project back on budget. This included a temporary relocation of Jefferson High School students to the Marshall High School Campus.

RESOLUTION

1. The Board of Education directs the Superintendent to reassess the current site and building design and related land-use efforts so that Jefferson High School students and staff will not relocate to another temporary site in the 2023-24 school year.
2. The Board of Education directs the Superintendent to develop a community outreach plan that will continue to engage community members in development and evaluation of future Jefferson High School modernization options to include, but not be limited to, constructing an all new high school and removing the existing school. The outreach plan will more thoroughly integrate planning efforts related to the Center for Black Student Excellence, Harriet Tubman Middle School and Jefferson High School and seek to foster creative thinking about how these projects can be developed holistically.



Draft

Date: December 5, 2023

To: Facilities & Operations Committee

From: Dan Jung, Chief Operating Officer

Subject: Roosevelt High School Grandstands

OVERVIEW

The existing Roosevelt High School grandstands have an approximate 800 person capacity. Improvements to the grandstands were not included in the RHS modernization, however the track and field have recently been replaced. District staff have looked into the request to increase capacity to 1,500 capacity for home spectators and add 800 visitor seats on the opposite side of the field.

SCOPE OF WORK

The requested scope includes expansion of the existing home bleachers from 800 seats to 1,500 seats, the installation of a visitors' bleacher section with a seating capacity of 800 seats, and added secure storage under the existing home bleachers (total seat count after completion will be 2,300). The proposal will also add approximately 6,000 SF of building area for use as storage under the bleachers. This would require demolition of the existing concession building located adjacent to the home bleachers.

The proposed project will require a Type III Conditional Use review and cost approximately \$3.5M - \$4.0M.

RECOMMENDATION

PPS has an established long-term, multi-decade, multi-billion dollar capital improvement program predicated on regular general bond obligation approvals. The District is currently planning for the next bond request as early as November 2024. Staff recommend the Roosevelt HS grandstand improvements be considered in conjunction with the general obligation bond planning.

This will allow 2017 bond savings to be used to address existing building systems requiring repair and replacement.

ADDITIONAL BACKGROUND

CAPITAL NEEDS

PPS's Facility Condition Assessment (FCA) - completed in 2021 - documented the condition of the District's building assets. The FCA identified over 3000 assets in either Currently Critical or Potentially Critical condition and another approximately 2500 in Necessary but Not Yet Critical. Examples of critical deficiencies include:

- Failing sanitary sewer lines
- Outdated electrical equipment, wiring and lights
- Deteriorated window systems
- Outdated fire/life/safety systems
- Inoperable stage lighting and curtains
- Mechanical system controls, fans, air handlers and boilers no longer working properly
- Leaking and eroding domestic water lines
- Outdated play equipment
- And much more

Repairing systems that are long past their useful life is costly, inefficient and not sustainable. Ultimately the systems will fail, creating emergency situations. Much of the failing equipment is so outdated that replacement parts are no longer available to repair, which often requires PPS's Machine Shop to fabricate (build from scratch) parts.

Replacing out of date systems with new will improve safety and decrease ongoing maintenance costs in the future.

Impacts of these aged systems are real and growing. Temperature issues are the most common complaints from school staff - with over 6,000 mechanical system work orders submitted last year - and system issues range from simple discomfort (both hot and cold) to poor indoor air quality, costly emergency repairs and even school closures due to lack of heat.

Staff have identified 5 - 10 sanitary sewer lines in critical condition. Last month Astor Elementary was closed for 1 day due to a sewer backup. Last week's closure of Jefferson High School was due to a deteriorated water supply line.

The Facility Condition Index (FCI) is the ratio of a building's maintenance costs relative to replacing the building at current construction costs. FCI values range from 0.00 (Good) to 1.00 (Critical). A higher FCI indicates a greater need for remedial funding, relative to the facility's replacement value. The District average FCI is 0.13 or "Poor." Sixty-two (62) facilities rated Poor or Critical of the ninety-four (94) sites assessed, indicating a critical need to invest in existing facilities.

Staff estimate that to reduce the FCI from “poor” to “fair” over a ten-year period, would require a total investment of approximately \$700 million, or \$70 million per year.¹

LONG RANGE FACILITIES PLAN

The Board of Education accepted the Long-Range Facility Plan (LRFP) in December 2021 after a year of development and engagement with subject matter staff and the broader District community. The purpose of the LRFP is to plan for future capital improvements within the context of current educational vision and student enrollment trends over the next 10 to 15 years. The plan provides a strategic framework to be tested against community voice and vision prior to future bond campaigns.

The plan notes that most of the District’s high schools are on small urban sites and lack the acreage to provide the athletic facilities and fields needed to support comprehensive high school athletic programming. The priority capital improvements noted in the LRFP are:

High Priority

- Develop Jackson, Marshall, and Whitaker-Adams as athletic hubs.
- Athletic upgrades at four (4) middle schools: Lane, Ockley Green, George, and West Sylvan. Each site should at minimum have a multipurpose turf field with a track, an appropriately sized main gym and an auxiliary gym.
- Access to turf baseball and softball fields for all high schools (e.g., Franklin, Marshall).

Moderate Priority

- Athletic upgrades at four (4) additional middle schools: Hosford, Beaumont, Roseway Heights, and Harrison Park. Each site should at minimum have a multipurpose turf field with a track, an appropriately sized main gym and an auxiliary gym.

[See LRFP - Volume 1 \(page 74 - 79\) for details.](#)

AVAILABILITY OF FUNDS

Non-Bond Funds

Non-bond funds for facility improvements are limited. PPS’s primary source for unrestricted capital are Funds 404² and 445.³ New revenue into these funds have (generally) been dwindling in recent years. The below table illustrates the average new revenue from FY17 - FY19 was about \$8 million; however the average from FY22 - FY24 decreased to approximately \$5.8 million per year. Decreasing funding coupled with high construction escalation rates in recent years, and an aged facility portfolio, has hampered PPS’s ability to respond to critical facility needs.

¹ This calculation is based on the deficiencies identified in the FCA and does not account for additional asset failures after completion of the FCA.

² Fund 404 receives revenue from the City of Portland’s Construction Excise Tax

³ Fund 445 receives revenue from Civic Use of Building permit fees, lease revenue and property sales

New Revenue			
	Fund 404	Fund 445	Total
FY 2016/17	7,199,536	676,131	7,875,667
FY 2017/18	8,424,893	727,914	9,152,807
FY 2018/19	6,158,795	847,021	7,005,816
FY 2019/20	4,372,877	11,347,858 ¹	15,720,735
FY 2020/21	3,464,861	45,441	3,510,301
FY 2021/22	5,445,928	78,579	5,524,507
FY 2022/23	4,466,906	737,928	5,204,834
FY 2023/24	5,506,267	1,220,000	6,726,267

¹ \$10 million from sale of property

Additionally PPS's primary fund (Fund 191) for non-capital improvements is relatively very small and has been declining in revenue in recent years.

Begin Fund Balance	
	Fund 191
FY 2016/17	2,206,777
FY 2017/18	2,762,132
FY 2018/19	1,610,606
FY 2019/20	1,640,606
FY 2020/21	1,310,606
FY 2021/22	1,245,606
FY 2022/23	1,186,606
FY 2023/24	996,606

It is also worth noting that the majority of currently available funds (capital and non-capital) have been allocated to active construction projects. PPS has over 100 current projects, below is a sampling:

- Sidewalk repairs at Richmond
- Chimney repairs at Rice
- Elevator repairs at Jackson
- Steam leak repairs at Buckman
- Sewer line replacement at Creston
- Carpet replacement at Astor
- Front door replacement at Rigler
- Pre-K play equipment at King
- Water intrusion repair at Llewellyn
- Abate and replace flooring at Abernethy
- Installation of projector at Woodlawn

- Replacement of the vent hood at Sunnyside
- Replace exterior lighting at Jackson
- Repair covered play structure at Sabin
- Replace the roll-up doors at Chavez
- Regrout and repair restroom at Cleveland
- Repair siding at Creston
- Replace univents at Applegate
- Repair sidewalk at Boise-Eliot
- Repair sewer line at Chief Joseph
- Replace the backflow fire sprinkler at George
- Repair stairs at Grey

Bond Funds

The Lincoln High School Modernization project completed phase 1 of construction in summer 2022 and reached substantial completion for phase 2 in summer 2023. The project is currently in the closeout phase. The project budget contains \$242,500,000 in funds coming from the 2017 general obligation bond. Current forecasts estimate the project will complete approximately \$17 million under budget.⁴

The 2017 bond funded the modernization of Lincoln High School, McDaniel High School, Benson Polytechnic High School and Kellogg Middle School. Additionally the 2017 bond language states at least \$158 million of funds will be allocated for district-wide health and safety projects.⁵

As the 2017 construction program nears completion⁶ program savings become available for other/additional projects. Program savings can be allocated to projects that are capitalizable and meet bond compensability requirements.⁷ Generally bond funds can be used for a variety of capital projects from addressing current deferred major maintenance needs - such as replacing end of life elevators, failing playgrounds, deteriorating sewer lines, etc. - to new and unplanned projects.

⁴ \$10 million of this savings has been earmarked for additional health and safety improvements in an MOA with the Portland Association of Teachers.

⁵ To date the 2017 bond has spent approximately \$122M on health and safety improvements.

⁶ The final major construction project, Benson Polytechnic HS, is scheduled to reach substantial completion in summer 2024.

⁷ Any bond allocation to a project that is not expressly identified in the bond language would need to be vetted with bond counsel.