

Salem City Schools
Capital Improvement Plan (CIP) for 2023-2028 and Projects for FY 2022
October 12, 2021

Summary of Issue:

This report is to request the Board to:

1. Approve the proposed projects for FY 2022 from the 6/30/2021 year-end balance and the funding of these projects (Capital Reserve) (Attachment A with Appendix 1 for Finishes/Flooring & Appendix 2 for Technology lists)
2. Approve the proposed 2023-2028 Six Year CIP (Attachment B with Appendix C for HVAC & Roofing lists)

Background:

Salem's school buildings require on-going major maintenance projects on a regular basis due to age. In recent years this has included such things as roofing replacement, heating and air conditioning work, building renovations, door and window updates, classroom upgrades and similar.

In addition, the division has used capital reserve funds traditionally to replace buses, supplement its technology budget, and replace major cafeteria equipment on a planned regular basis to even out future necessary outlays. With the balance available from this past fiscal year, the projects in attachment A are the requests from the Division on how to use these funds.

There are 4 categories of how a fund balance is to be reported in the Capital Projects Fund for financial reporting purposes within the statement:

1. **Restricted Fund Balance** - restricted by external creditors (debt covenants) grantors, contributors
2. **Committed Fund Balance** - amounts that can only be used pursuant to constraints imposed by legislation, resolution, or ordinance and the constraints can only be removed by the same method
3. **Assigned Fund Balance** - amounts that are constrained by the government's *intent to be used for specific purposes*, but neither restricted or committed
4. **Unassigned Fund Balance** - any residual fund balance not in the first 3 categories.

Policy Reference:

FB, Facilities Planning

Fiscal Impact:

At this time, \$2,477,096 of the unallocated capital reserve funding will be categorized in Assigned Fund Balance with the remaining being categorized as Unassigned Fund

Balance. The total projects anticipated during the current fiscal year from capital reserve are listed in Attachment A.

The total project requests in the CIP for the six-year period FY 2023-2028 are \$15,467,122 per Attachment B.

Recommended Motion:

Move approval of the projects for FY 2022 using funding from the 6/30/2021 year-end balance, a request that City Council appropriate funding from these year end fund balances as required, and move approval of the FY 2023-2028 CIP.

Salem City Schools		10/12/2021
CIP Requests from Principals and Central Administrators - FY 2021 Fund Balance		
		Attachment A
Capital reserve balance at 6/30/2021 - UNAUDITED		\$2,934,010
Less: amount to be held for contingencies - (approximately 1% of General Fund total budget, as needed to maintain 10% Fund Balance)		(\$456,914)
Available for FY 22 projects/future AE/construction		\$2,477,096
Name of Project	Notes	Estimated Cost, if known
Regional revenue	Revenue for the dissolution of the Roanoke Valley Regional Board that must be set aside for Special Needs students	\$187,447.61
Learning Loss revenue	Revenue that is allowable to carry forward into FY 22 for Learning Loss needs, that is budgeted for in FY 22, not used in FY 21	\$113,878.00
Local Match for Extended School Year Grant	We received the grant of \$300,000 with a 20% match requirement. That would be \$60,000	\$60,000.00
Local Match for School Security Grant	We applied for the max grant of \$250,000 with a 25% match requirement. That would be \$62,500. \$45,000 left in account, so only \$17,500 needed	\$17,500.00
2021 Tech Infrastructure Upgrades & Computer Replacements	Infrastructure needs and equipment replacements across Division (See Appendix 2 for list)	\$841,070.00
Roof Improvements	Roof section replacement or overlay/coating at East & West	\$481,000.00
Furniture for classrooms at SHS	Continue head start on purchasing furniture for new building - teacher & student desks & student chairs	\$120,000.00
ALMS Domestic Water Heater Replacement (3)	Due for replacement	\$80,000.00
Flooring Install & Locker Rooms Updates - SHS Auto body (CTE)	Gender friendly changing stalls and improvement to the toilets that are already there. Higher stall walls with more privacy. Lockers pulled out and cubbies installed. Rubber tile flooring, painting	\$70,000.00
Central Office Flooring	Abatement & installation	\$70,000.00
SHS Gym Air Handler Repairs - HVAC	Repairs to keep from having water damage on new gym flooring that will be installed in the Fall of 2021. Replacement in a future year	\$70,000.00
Flooring Updates for 10 classrooms at SHS	Continuing removing carpet & polishing concrete in classrooms as part of renovations	\$60,000.00
Furniture for Offices at SHS	Main & Counseling. Desks, shelves, chairs & cabinets	\$60,000.00
Replacement of Air Cooled Chiller at School Board - HVAC	Due for replacement	\$60,000.00
Finishes/Flooring Updates	Flooring or finishes needs across Division (See Appendix 1 for list)	\$53,200.00
ALMS Replace the Package unit that serves the office - HVAC	Due for replacement	\$35,000.00
ALMS Replace Elevator Hydraulic Unit	Servicing contractor recommendation	\$23,000.00
Teacher Chairs at SHS	SHS Teachers have not had new classroom chairs in well over a decade	\$20,000.00
Sealing/Striping/Paving Parking Lots	Resealing & repainting front parking lot at West. Paint is fading in front parking lot & is in need of being resealed	\$15,000.00
SHS Wrestling Mat	One is very old and needs replacing	\$10,000.00
Sidewalk Improvements	Add Sidewalk from Back Kindergarten Exit to Walking Trail at South. From Safety Audit	\$10,000.00
Carver Maintenance Items	3 Vacuum cleaners, a slow speed buffer (stripper) & heavy duty wet vac	\$10,000.00
ALMS AHU in Section D Work - HVAC	Doesn't adequately cool the space. Has never worked correctly since installation. Hoping to have some work done now and replace later	\$10,000.00
		\$2,477,096
	(Over)/Under Budget	(\$0)

Current Finishes/Flooring Requests			Estimated Cost
	Name of Project	Notes	
1-	Replace carpet in Kindergarten rooms with tile (or carpet tiles) at East	Carpet is showing age & is very difficult to clean. No-wax floors (or carpet tiles) would improve appearance, be easier to maintain & would be much more sanitary (4 classrooms)	\$20,000.00
2-	Blinds replacement in classrooms/office at West	Blinds are damaged, & difficult to open & close in these areas. They are also faded & discolored	\$12,000.00
3-	Repair Soffits over Door #2 & #3 at Carver	From Safety Audit - possibly a caulking issue to prevent further deterioration	\$5,000.00
4-	Replace faucets in 5th grade bathroom at Carver	Faucets are rusty - sinks are also coming away from wall	\$5,000.00
5-	Paint 5th grade bathroom at Carver	Due to fading, chipped areas	\$4,500.00
6-	Painting of classrooms at West	Continuation of painting of the classrooms in building due to fading, chipped areas	\$3,700.00
7-	Tile Remainder of Front Office Area at East	Tile is requested in the bathrooms & staff room to match the remainder of the office	\$3,000.00
			\$53,200.00

Current Technology Requests			
	Name of Project	Notes	Estimated Cost
1-	2960S Switch Stacks Replacement	In closets. 80 total switches. Lack of support for functionality or security. Last done in FY 12, 13, & 14. Increases network capacity & ensures devices on the network communicate with each other.	\$407,280.00
2-	Chromebook Replacement	Chromebook need projections for instruction - Replacement of aging/end-of life Chromebooks	\$42,998.00
3-	Wireless Access Points	95 AP that are not supported. Managed Services for installation – Integration of Access Points	\$87,672.00
4-	Phone System	Flex pricing for new Cisco phone system. Current phone system is Cisco Unified Communications Manager (CUCM) and is not supported. This is for all buildings.	\$75,638.00
5-	KACE (Patching)	No current solution is available to quickly and efficiently push security updates and software updates to clients and this solution would accommodate this need	\$59,709.00
6-	Camera System Servers	The storage need is not being met to accommodate what was delivered in security grant solution	\$57,853.00
7-	Core Switches (Data Center)	Currently end of life (no support) & all network traffic routes through them to include safety functions such as SchoolMessenger & phones	\$51,320.00
8-	CISCO AMP	Next generation endpoint protection to replace Kaspersky endpoint protection	\$38,800.00
9-	VEAM Backup Target	Primary destination for all system backups. This adds additional storage and removes security vulnerabilities due to no existing supported patching	\$19,800.00
			\$841,070.00

Salem City Schools
Six Year Capital Improvement Plan (CIP) for FY 2023-2028
October 2021 School Board Meeting

10/12/2021

Attachment B

Inflation factor

1.03

TBD=Date To Be Determined

	<u>YR 1</u> <u>FY 2023</u>	<u>YR 2</u> <u>FY 2024</u>	<u>YR 3</u> <u>FY 2025</u>	<u>YR 4</u> <u>FY 2026</u>	<u>YR 5</u> <u>FY 2027</u>	<u>YR 6</u> <u>FY 2028</u>	<u>TBD</u>	<u>Total</u> <u>FY 2023-2028</u>	<u>Comments</u>
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WHERE THE FUNDING WILL COME FROM:

Bond Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
City Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Schools Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
State Construction Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Capital Reserve Funds Available Now	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Future Capital Reserve Funds (below)	\$3,038,563	\$5,151,872	\$3,446,000	\$1,423,250	\$1,139,455	\$1,137,588		\$15,336,728	
Other Funding Already Appropriated	\$0	\$0	\$0	\$0	\$0	\$0		\$0	
Cafeteria Fund Balance	\$20,158	\$20,763	\$21,386	\$22,028	\$22,689	\$23,370		\$130,394	
	\$3,058,721	\$5,172,635	\$3,467,386	\$1,445,278	\$1,162,144	\$1,160,958		\$15,467,122	
								\$15,467,122	

WHERE THE FUNDING WILL BE SPENT:

	<u>YR 1</u> <u>FY 2023</u>	<u>YR 2</u> <u>FY 2024</u>	<u>YR 3</u> <u>FY 2025</u>	<u>YR 4</u> <u>FY 2026</u>	<u>YR 5</u> <u>FY 2027</u>	<u>YR 6</u> <u>FY 2028</u>	<u>TBD</u>	<u>Total</u> <u>FY 2023-2028</u>	
Category 1: Recurring Projects									
General System-Wide Roof Replacement on Regular Schedule	\$927,000 FCR	\$1,115,750 FCR	\$944,514 FCR	\$605,000 FCR	\$500,000 FCR	\$515,000 FCR		\$4,607,264	
Two School Buses Annually	\$250,000 FCR	\$257,500 FCR	\$265,225 FCR	\$273,182 FCR	\$281,377 FCR	\$289,818 FCR		\$1,617,102	
School Technology-Infrastructure				\$30,000 FCR				\$30,000	Blade Servers used to store School data
School Technology-Computer Replacement	\$287,050 FCR	\$295,662 FCR	\$304,532 FCR	\$313,668 FCR	\$323,078 FCR	\$332,770 FCR		\$1,856,760	On-going replacements
School Technology-General - Other Computer/Smart Board Replacement			\$100,000 FCR	\$100,000 FCR				\$200,000	
Cafeteria/Kitchen Equipment Replacement	\$20,158 FCR	\$20,763 FCR	\$21,386 FCR	\$22,028 FCR	\$22,689 FCR	\$23,370 FCR		\$130,394	On-going replacements
Division Vehicle Replacement					\$35,000 FCR			\$35,000	
Category 2: Future standalone projects									
Band Instrument Replacement **			\$60,000 FCR					\$60,000	

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	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6				Total		
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028				TBD	FY 2023-2028	Comments
Professional Development Room at AIIMS **	\$20,000	FCR									\$20,000	
AIIMS Phase II				\$819,150	FCR						\$819,150	
GPS for Buses **					\$50,000	FCR					\$50,000	
Calculator Replacement at Secondary levels	\$20,000	FCR									\$20,000	
Reseal Tennis Courts at SHS **				\$10,000	FCR						\$10,000	
Repave Tennis Courts at SHS	\$113,290	FCR									\$113,290	
Grand Piano & Risers at SHS **		\$28,000	FCR								\$28,000	
Lockers in PE locker rooms at ALMS **				\$75,000	FCR						\$75,000	
New Basketball Goals at ALMS Main Gym **				\$20,000	FCR						\$20,000	
Rider Floor Scrubbers	\$16,000	FCR									\$16,000	
Scoreboard @ Carver **					\$15,000	FCR					\$15,000	
Gym Projector for PE at East **					\$20,000	FCR					\$20,000	
East Salem Playground Play Set Replacement **	\$50,000	FCR									\$50,000	
Renovate Art Room at West **		\$10,000	FCR								\$10,000	
Update Car Drop Off Area at West				\$26,000	FCR						\$26,000	
Tormach PCNC 100 Package for CTE Program	\$28,476	FCR									\$28,476	
Haas VF-2 CNC Package		\$47,000	FCR								\$47,000	
Digital Sign for Announcements at Carver **	\$15,000	FCR									\$15,000	
Transportation Office Interior Renovations		\$22,000	FCR								\$22,000	
NEW: Remodel 4 Faculty Bathrooms at SHS **	\$20,000	FCR	\$20,000	FCR							\$40,000	
NEW: 3 Phase Replacement of Fitness Center Equipment at SHS			\$15,960	FCR	\$35,255	FCR	\$16,400	FCR			\$67,615	
NEW: 2 Phase Replacement of Fitness Equipment at ALMS	\$15,000	FCR	\$15,000	FCR							\$30,000	

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	YR 1 FY 2023	YR 2 FY 2024	YR 3 FY 2025	YR 4 FY 2026	YR 5 FY 2027	YR 6 FY 2028	TBD	Total FY 2023-2028	Comments
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NEW: Clean Stage Curtains at Carver **	\$5,000	FCR						\$5,000		
NEW: Shading for Cafeteria Windows at Carver **	\$15,000	FCR						\$15,000		
NEW: Walking Path Repairs at West **				\$50,000	FCR			\$50,000		
NEW: Window Replacement in KG Hallway at East	\$30,000	FCR						\$30,000		
NEW: Replace lighting in Kitchen at East	\$4,800	FCR						\$4,800		
NEW: Distribution Layer Switches (IT)	\$35,632	FCR						\$35,632		
NEW: Edge Firewalls (IT)	\$36,315	FCR						\$36,315		
NEW: GW Carver Wiring Upgrade (IT)				\$288,000	FCR			\$288,000		
NEW: Field House Fitness Equipment Replacement			50000	FCR				\$50,000		
HVAC Control Updates - ALMS **			\$75,000	FCR				\$75,000		
Replacement of Fan Coil Units at West **	\$700,000	FCR						\$700,000		
East Salem Air Handler Replacement				\$54,000	FCR			\$54,000		
Replace Air Cooled Chillers (2) at Central	\$60,000	FCR		\$125,000	FCR			\$185,000		
Replace Gym A/C Unit at East				\$19,324	FCR			\$19,324		
Replace 2 Split System units @ West Salem Gym			\$125,000	FCR				\$125,000		
Replace Boilers at West Salem				\$150,000	FCR			\$150,000		
Replace Makeup Air for AHU #4 at ALMS	\$100,000	FCR						\$100,000		
Upsize AHU in Section D at ALMS	\$90,000	FCR						\$90,000		
Replace Cooling Tower at ALMS			\$75,000	FCR				\$75,000		
Replace Boilers at Carver	\$200,000	FCR						\$200,000		
Replace Makeup Air units (3) at ALMS				\$100,000	FCR			\$100,000		
Category 3: Future Projects which might become part of a school-wide renovation										
None									\$0	

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	YR 1 FY 2023	YR 2 FY 2024	YR 3 FY 2025	YR 4 FY 2026	YR 5 FY 2027	YR 6 FY 2028	TBD	Total FY 2023-2028	Comments
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Category 4: School-Wide Renovations
TBD

None

\$0

Category 5: Partial School Renovations

West Salem Elementary School Improvements

\$0 BD

\$0 (1)

East Salem Elementary School Improvements

\$0 BD

\$0

G W Carver Elementary School Improvements

\$0 BD

\$0

Salem High School Fieldhouse Renovation

\$3,000,000 FCR

\$3,000,000

Totals

\$3,058,721

\$5,172,635

\$3,467,386

\$1,445,278

\$1,162,144

\$1,160,958

\$0

\$15,467,122

Cross footing

\$15,467,122

(1) Classroom improvements were completed in 2009 and 2010 and future improvements to other areas such as cafeteria, kitchen, libraries and offices will need to have revised cost estimates prepared at a future date

Notes:

All items in ***BOLD ITALICS*** have been inflation adjusted based on School Board guidance in prior years (by 3%)

** = Formal quotes needed; internal estimates used for illustration/planning purposes

Legend: FCR=Future Capital Reserve
 BD = Bond Issues by City
 CR=Capital Reserve