

## Finance Narrative for 7.1.24

### Overview

As Durham Public Schools (DPS), closes out the new Northern project, we are able to provide a “look-back” that captures events that impacted the project cost. Following two years of onsite construction, preceded by four years of planning and design, the summer of 2023 was extremely busy working to complete the Northern High School Replacement campus. The Northern project was bid in the spring of 2021, followed by the start of site work during the summer. This project, not unlike many, presented challenges for both the cost and schedule. Students were welcomed to the new campus at the beginning of the 2023-24 school year. For DPS, the addition of this replacement campus also created the need to provide facility services in both people and equipment for the district. Also, again not unlike most construction projects, DPS encountered cost that could not be forecasted.

Beyond the known cost at the time the project was bid, listed below are additional significant cost encountered by DPS:

1. City of Durham Impact fee.....\$344,000
2. City of Durham Water fee.....\$76,444
3. Nutrient Offset fees .....\$567,934
4. City of Durham changes to the waterline design .....\$306,715

### Other Notable Cost:

1. Final design for the off-site work (Roxboro Rd. improvements) was completed and bid during the Spring of 2022. The designer’s estimated cost was near \$1,000,000, but the bid results came in at \$2,323,470.
2. The project had contingency and allowances built into the 2021 bid package. Additional inspection requirements and the location of more rock than was estimated consumed and exceeded all these dollars.

*DPS expects to close out the new Northern project before the beginning of the 2024-25 school year. The re-allocation of 2016 Bond funds will be added to the Northern High School Project, the funding required to close out all vendors.*