



Mapping Your Facilities to Meet Your Future Goals



Agenda

Trends & Data

Implementation Strategy

Aligning Facility Investment

Project Execution

Trends & Data



Prepare for the Future of Your Facilities



**Master plan is complete
and approved**



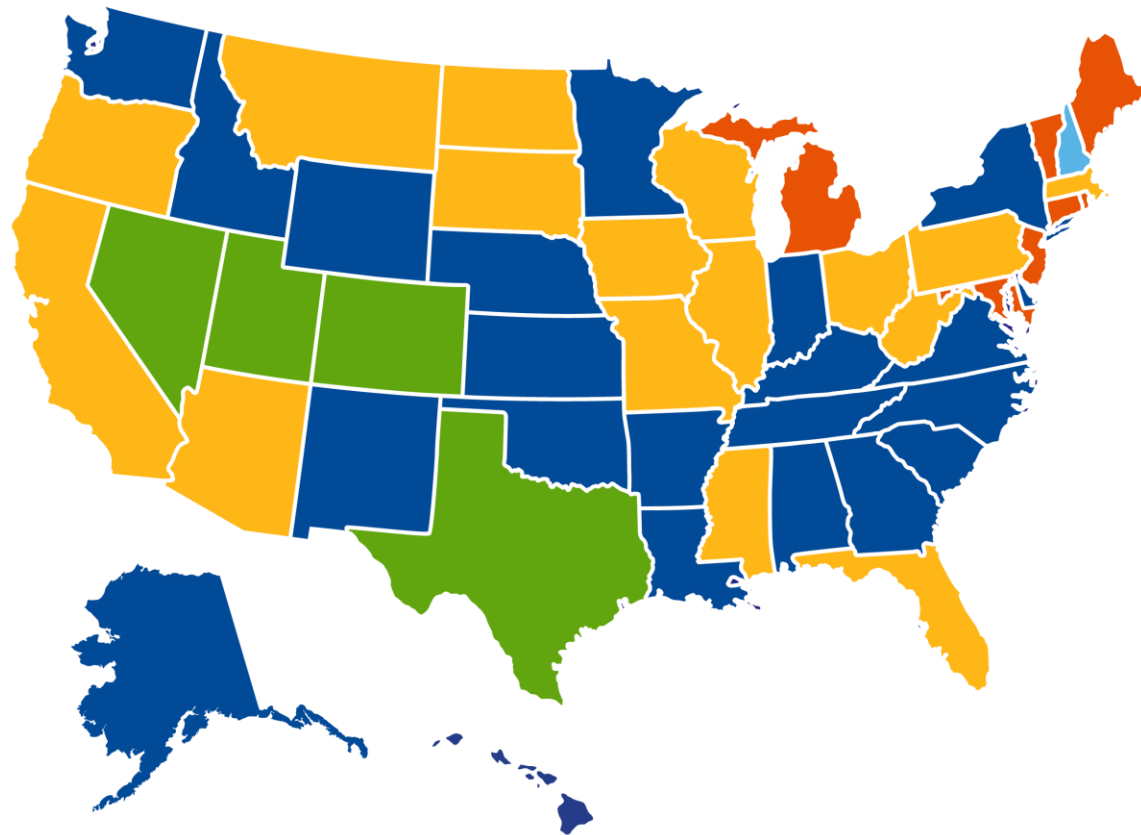
Timelines are established



Funding is available

Trends and Data: Enrollment

Areas of change over the next five years, 2014-19



States that will have severe overall declines in high school graduates
(decreases greater than or equal to 10 percent)

States that will have a moderate overall decrease in high school graduates
(decreases between 3 and 10 percent)

States that will have a minimal overall change in high school graduates
(less than 3 percent change, up or down)

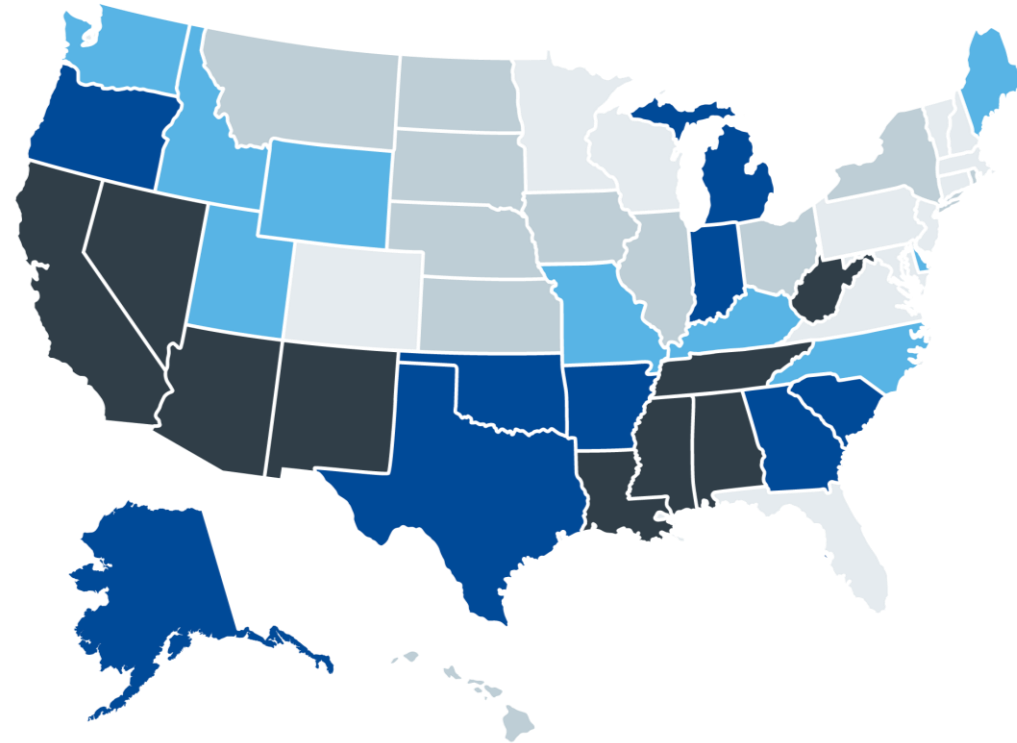
States that will have a moderate overall increase in high school graduates
(increases between 3 and 10 percent)

States that will have large overall increases in high school graduates
(increases greater than or equal to 10 percent)

Source: Brian T. Prescott and Peace Bransberger (2012). Knocking at the college door: Projections of high school graduates (eight edition). Boulder, CO: Western Interstate Commission for Higher Education. Retrieved from <http://www.wiche.edu/pub/knocking-8th-and-supplements>

Trends and Data: Local Financial Circumstances

K-12 State Educational Investment



1-11
(highest)

12-21

22-31

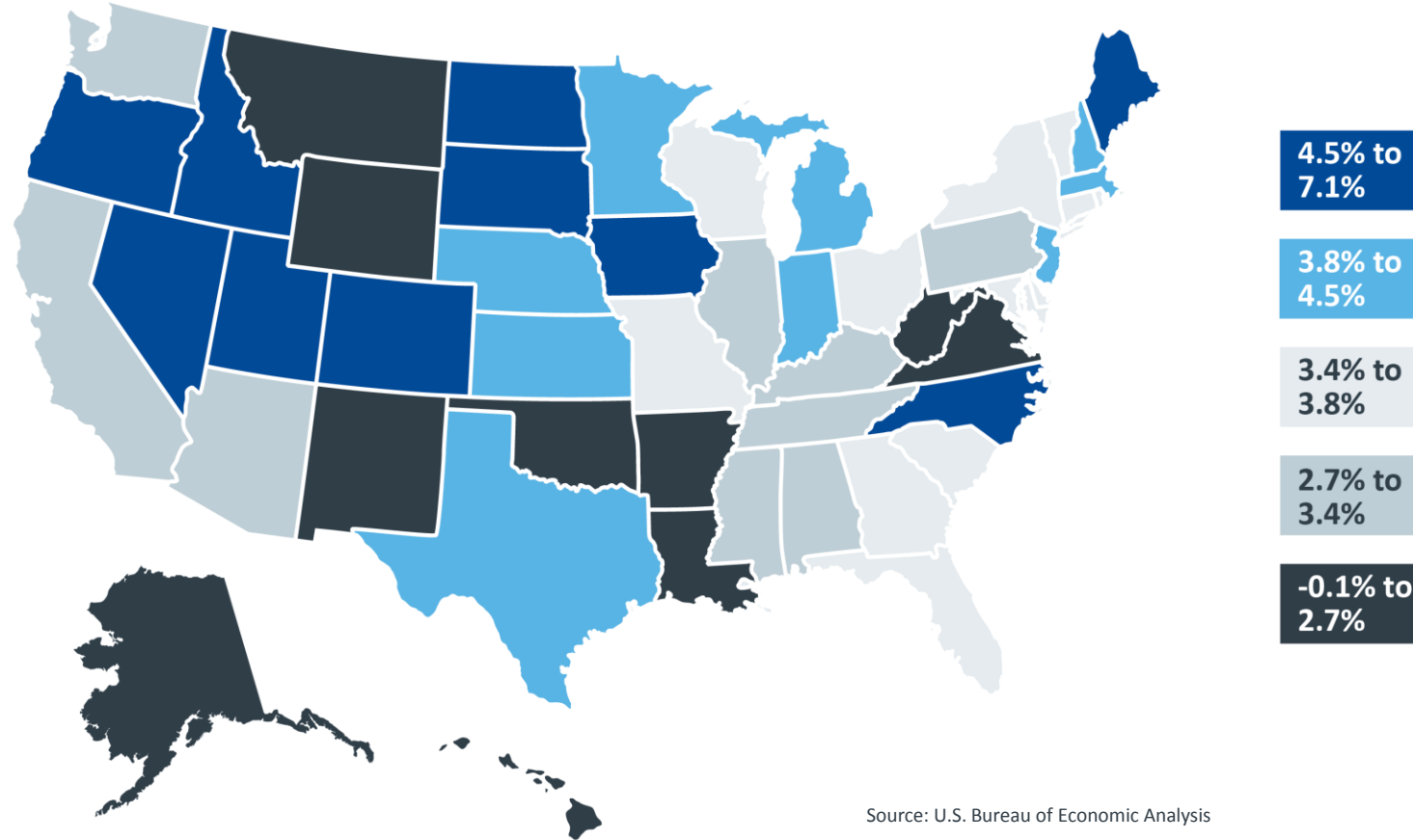
32-41

42-50
(lowest)

Source: 2012 Kids Count Data Book

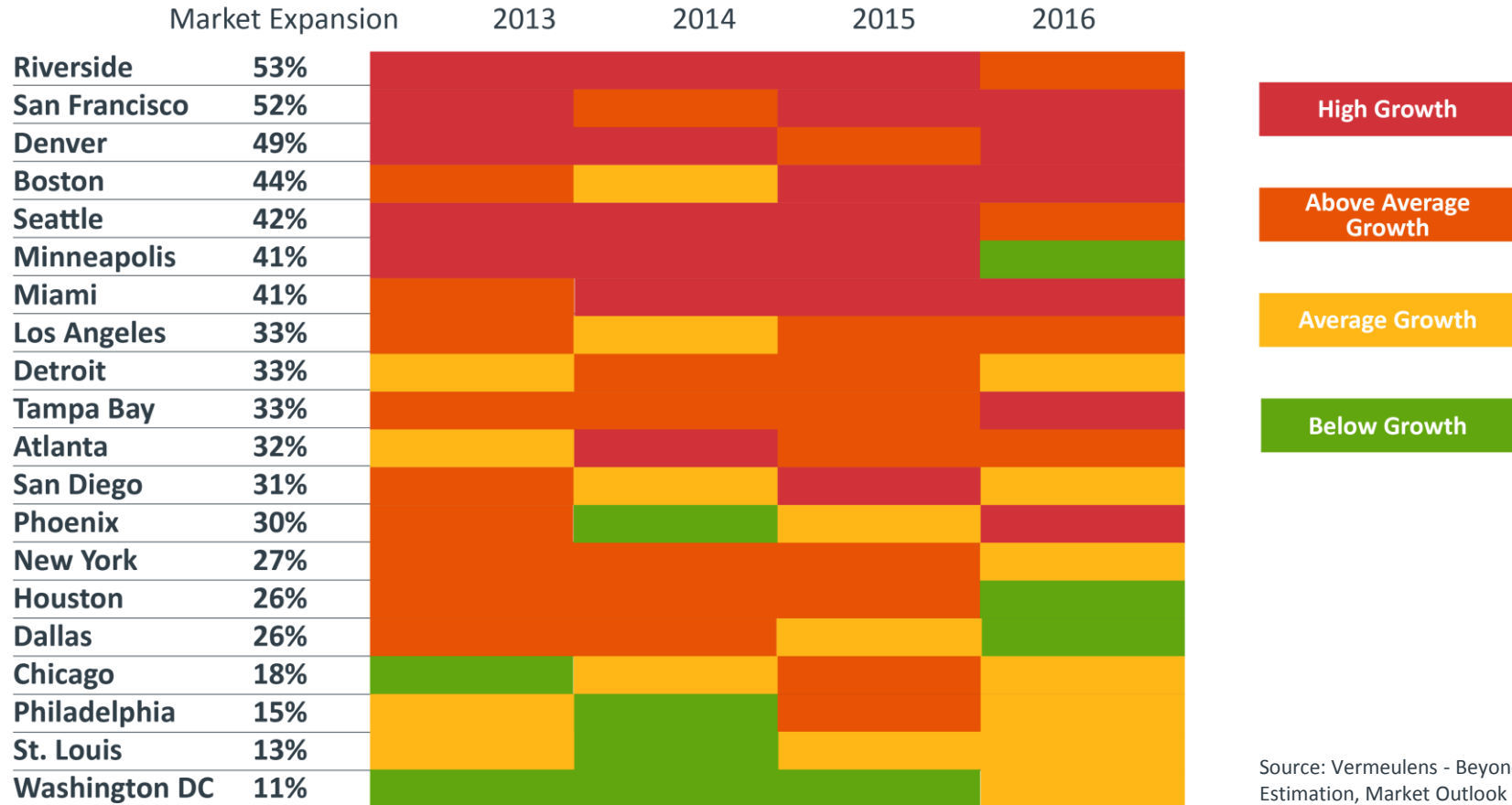
Trends and Data: Regional Economic Environment

Percent Change in Real GDP Q3 2016



Trends and Data: Construction Environment

December 2016 City Construction YOY Growth



Source: Vermeulens - Beyond Estimation, Market Outlook – Q4 2016

Implementation Strategy



People

Are the right people in place?



- Represent the goals and aspirations of the plan
- Oversee the partners and their work
- Coordinate with “outside” entities
- Manage the process with all inside the school

Organization

Is everyone prepared for the disruptive impact of such activity?

Finance and
accounts payable

Security, site safety
and environmental
compliance

Coordination with
local regulatory
authorities

Public affairs and
communications

Internal Facilities Readiness

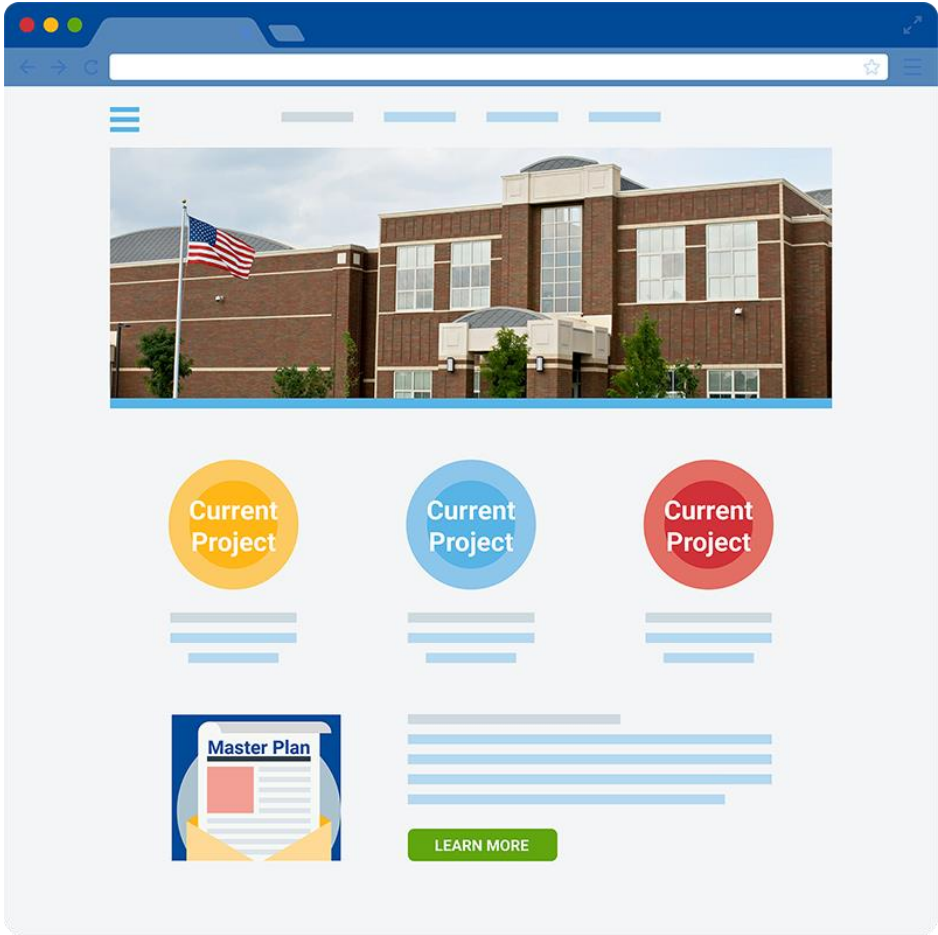


- Maintain normal operations during design and construction
- Standards
- Design and construction review process
- Involvement from operation personnel
- Specialist consultants
- Training

Timeline



Communication



Partner Selection Process



Aligning Facility Investment

Seek Understanding



How old is the facility or group of facilities?



How does staffing align with service or condition needs?



How does the community perceive the service they are getting?

Project Inventory

Inventory must take into account the facility and asset conditions through a conditions assessment:

- ✓ Repair and replacement
- ✓ Regulatory and compliance requirements
- ✓ Modernization
- ✓ Technological shifts
- ✓ Sustainability goals
- ✓ Master plan information

Prioritization Tools



Project Funding



Project Execution

Implementation

**In-House
Staff**

**Term
Agreements**

**Unit
Price
Contracts**

**Design-
Bid-Build**

**Time and
Materials**

**CM at
Risk**

**Design-
Build**

**Job Order
Contracting**

Implementation

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Job Order Contracting

Definition

Indefinite quantity procurement process

Helps owners complete a large number of individual projects with a **single, competitively awarded contract**

Establishes unit prices upfront

Value

Saves time and money

Provides transparency and auditability

Job Order Contracting

Multiplier applied to preset unit prices developed using local labor, material and equipment costs

Generally awarded to the lowest, responsible bidder. Contractors can perform variety of projects

Preset unit price X the quantity ordered X the competitively bid multiplier

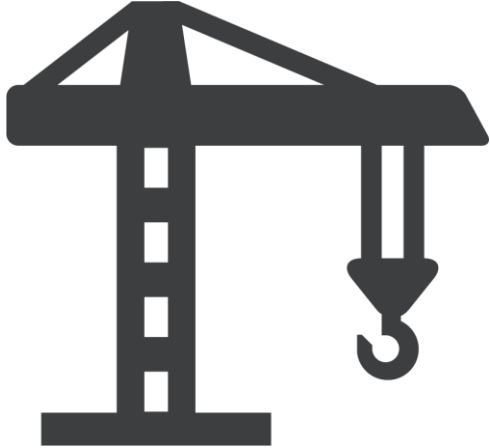
No negotiation required

The Benefits

- Simplifies the procurement process
- Faster response time
- Improves the quality of work
- Increases local subcontractor participation
- Virtually eliminates defaults, terminations and claims
- Fully transparent process



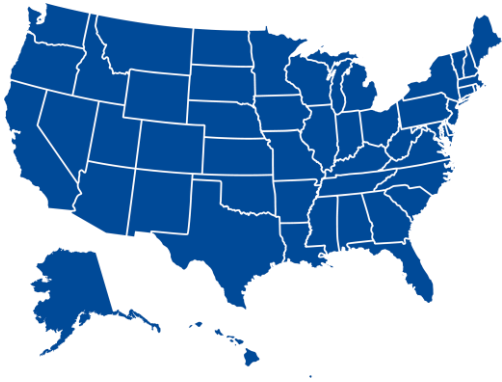
Project Selection



Houston Independent School District



About Houston ISD



7th largest in US



1st largest in TX



\$2B annual budget



\$300-400M

Landscape of Facilities



287 schools



215,000 students

Implementing JOC Program

- Ensured compliance with procurement legislation
 - Legal mistakes can:
 - DELAY projects
 - Subject the District to additional costs and liability to vendors
 - Eliminates contract negotiations
- Multiple authorized delivery methods for construction services

Why Job Order Contracting?



Past Project

Challenge: Flooding significantly impacted Houston and HISD was closed for 3 days

Solution: Job Order Contracting allowed for:

- Work to mobilize quickly
- Cost control
- Facility clean up

Results: Lessened the impact of the floods and enabled students to get back to school quickly



Current Projects

Challenge: Required to bring 30 facilities up to code to continue occupancy

Solution: Job Order Contracting allowed for:

- Cost control with limited budget
- Quick turnaround time

Results: Once completed, all facilities will be in compliance with current city code



Upcoming Projects

Challenge: Finish up bond projects in order to ensure schools are ready for students

Solution: Job Order Contracting allowed for:

- Efficient use of bond funds
- Management of unforeseen projects

Questions?

