

ACTION MEMORANDUM

TO: Bibb County Board of Education

FROM: Sam Kitchens, Assistant Superintendent of Operations

SUBJECT: ESPLOST 2021 Budget Amendment #4

Summary

This memorandum is requesting an ESPLOST 2021 budget amendment to the Athletics line item to increase it from \$15,000,000 to \$19,500,000 to provide for renovations for the Harry Thompson Complex Phase 4 and district-wide field improvements to baseball and softball fields. These increases will be funded through reallocation of funds from the Fine Arts Center (reallocation approved by Board Resolution).

Background

The original budget estimates for proposed ESPLOST 2021 projects were developed starting in 2018. Once potential projects were identified, preliminary budgets were set and the ESPLOST referendum was developed during a series of meetings, which included input from the community and Board members. At that time, the original budget for Athletics was set at \$15,000,000. With the board approved project changes for Harry Thompson Complex and the increase in construction costs, the new budget request for Athletics is \$19,500,000. This new budget request will also allow for the district-wide improvements to baseball and softball fields approved in the ESPLOST referendum.

Factors Driving the Increase in Project Budget:

1. Material costs:

Since 2020, we have continued to experience an uncontrollable increase in material costs of 30% - 40% on construction materials. Although typical inflation rates are factored into our budgets, costs were also anticipated to level or even decrease in 2023. However, the past twelve months have continued to trend considerably above normal, which is reflected in our overall project costs. The impacts of these continued higher costs are reflected in our budget increases.

2. Product Availability:

Capital Programs is still experiencing long lead times, and delivery delays on materials common to school districts.

Major items include Audio/Video equipment, electrical transformers and HVAC equipment. For example: Electrical transformers are still experiencing lead times up to 54 weeks. When products are unavailable within project timelines, alternate projects are required and usually are at a higher bid cost for redesign, material and installation labor. Many times, a temporary solution will require “double work” to replace the temporary equipment with the specified equipment upon arrival. The impacts of product availability are also reflected in our budget increases.

To cover the costs of the above increases, it is recommended that the ESPLOST 2021 budget be adjusted by reducing the budgeted amount for Fine Arts Center from \$20,000,000 to \$15,500,000.

Recommendation

It is recommended that the Board of Education approves the proposed ESPLOST 2021 Budget amendment for Athletics from \$15,000,000 to \$19,500,000 to provide for construction costs for the Harry Thompson Complex Phase 4 and district-wide field improvements to baseball and softball fields and reduction of the Fine Arts Center amount from \$20,000,000 to \$15,500,000.

Superintendent's Comments and Approval

Superintendent's Comments	Approved/ Not Approved
Dr. Dan A. Sims	Approved