

EDMONTON PUBLIC SCHOOLS

January 17, 2006

TO: Board of Trustees

FROM: E. Schmidt, Acting Superintendent of Schools

SUBJECT: Victoria School Revitalization Project

ORIGINATOR: R. MacNeil, Executive Director

RESOURCE

STAFF: Jenise Bidulock, Michael Ediger, Gary Holroyd, John Nicoll, Ingrid Neitsch, Roland Labbe, Larry Schwenneker

INFORMATION

The Victoria School for the Performing and Visual Arts delivers fine arts programming, in conjunction with K-12 programming to district students and students from surrounding communities. As determined as early as 1999, the physical plant of the school requires major upgrading or replacement to ensure that high quality programming is sustainable at this location into the future.

This report is intended to focus district and government support on a new strategy to complete the revitalization of Victoria School for the Performing and Visual Arts.

Previous Situation

The previous design approach, which proposed partial new construction, partial renovation, partial demolition, and included allowances for price escalation, could not be achieved within the budget. The design required scope reductions such as;

- elimination of an elementary gymnasium and support spaces,
- re-use of existing lockers, doors and hardware, interior and exterior finishes,
- deferral of new theatre set shop construction,
- deferral of building envelope improvements,
- deferral of upgrades to the Eva O. Howard Theatre,
- site development compromises, and
- deferral of demolition of surplus areas.

The Victoria Design Management Team is of the opinion that the compromises and referral of essential building upgrade work does not represent good use of money and is not recommending continued development of this approach.

Challenges Presented

Key factors or conditions that have impacted and continue to impact the overall cost of the project are below.

- The size of the existing building is currently well beyond provincial guidelines and typical capital funding levels per square meter provided for new or preservation projects.
- The existing building is very large, is comprised of several sections built at different times, is inefficiently linked, and these factors create greater complexity for architectural design.
- The construction cost environment in Alberta is experiencing substantial price volatility and has rendered the cost forecasting difficult. Allowances for price escalation over the construction period add a potential 17% to project costs.
- The performing and visual arts programming requires approximately 30% more space over and above a “regular” school and this space costs approximately 30% more per square metre than standard space.
- Asbestos removal and renovation adds significant uncertainty as to cost or construction timelines.
- The project does not compare favorably, in terms of cost, with other recently approved new school projects such as the Terwillegar High School.

These challenges have led to joint efforts between the Victoria Design Management team, district administration, and government departments to establish a new approach for the revitalization of Victoria School.

Revised Design Approach

The new approach features replacement of the school building, with the exception of the Eva O. Howard Theatre, gymnasium and cafeteria. The project will deliver the core school areas including administration, library, ancillary areas, senior high school gymnasium, and arts space, as well as regular classroom capacity.

The district remains committed to the concept of developing a facility that will be a centre of excellence in academics and the arts

The K-12 grade configuration remains and the school core and arts area will continue to be designed for 1700 students. This is consistent with the program identified in the February 10, 2004 information report to Board. The permanent classroom space will initially be designed for 1200 students with the ability to expand to 1700 students.

During the next year the district will explore opportunities to increase classroom capacity using relocatable pods, or modular classrooms supplied and funded by Alberta Infrastructure /Alberta Education to bring the classroom capacity to 1700 students.

The reduction of the future student population will be accomplished using standard district procedures and methods such as enrolment limits, changes to attendance boundaries, and program modifications.

Demolition and asbestos removal of the existing school represents a special situation and would be deferred and dealt with at a later time by Alberta Infrastructure/Alberta Education.

Renovation of the Eva O. Howard theatre and construction of the set shop will be deferred pending funding from other sources, or potential donors.

It is proposed that the project proceed to detailed design on the basis of 2005 Alberta Infrastructure construction cost support guidelines. It is Alberta Infrastructure's current practice to award project budgets on the basis of current year construction costs guidelines and to deal with price escalation at tender time. Alberta Infrastructure is responsible for approving the awarding of the tender once it has been reviewed and approved by the Board. If it becomes apparent at that time that there is significant price volatility or escalation this will be dealt with at that time by Alberta Infrastructure and Alberta Education.

Construction of a replacement building on a clean site will allow for quicker and easier construction, with the least disruption to operations at the existing school.

Two sites will be considered: one is the sports field which will require an acquisition of land interest from the City of Edmonton, and rezoning of the lands to permit the revised use of the sports field. The administration believes that this is acceptable if the sports fields are eventually replaced on the existing site when the existing building is demolished. It is important to note that land issues may result in delays if concerns are raised by the community through the rezoning consultation process.

The alternate location would be a new building adjacent to the theatre. Demolition of the old 100 wing would be required.

Next Steps

A letter from the Board Chair would be sent to the Ministers of Alberta Education and Alberta Infrastructure and Transportation outlining this approach as below.

- The board would proceed within the existing budget to design a new school. The design will be based upon Alberta Infrastructure 2005 Construction cost guidelines and space allocation guidelines presently existing.
- That tender price escalation will be dealt with at the time of tender award.
- The school will embody a core component designed for 1700 students, classroom capacity will be initially designed for 1200 students with the capability to be expanded by the use of pods or modular classrooms supplied by Alberta Infrastructure. The expansion opportunities will be explored over the next year.
- The school concept remains a K-12 school, however school size will be limited to the affordable capacity.
- The Board will request that all demolition costs of the old school, including those already incurred, be treated as a special circumstance and be deferred until further funding becomes available from the province.
- The Eva O Howard theatre renovations and new set shop will be deferred until other funding sources can be obtained.

Detailed design and construction document development based on the replacement model will begin upon Ministerial confirmation that the approach is supportable.

It is believed that this approach will provide a positive approach to moving forward on a design that will meet the needs of the students, meet the needs of the community and be fiscally responsible.

An overview of past capital funding approvals and design initiatives are provided as Appendix I.

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Appendix I

Building Renewal Planning History
Victoria School for the Performing and Visual Arts

A brief summary of the primary events in developing this project since 1999 follows:

- **January to September 2000** – An upgrade and modernization study was undertaken which established the most appropriate approach to accommodate both audit and modernization improvements – project cost opinion \$49 million.
- **October to December 2000** – A value management workshop sponsored by government occurred that determined the most appropriate solution representing best overall value: partial modernization and partial new replacement components – cost opinion \$72 million.
- **January to March 2001** – A district re-evaluation determined that the most appropriate approach was to replace the school with a new “Greenfield” facility – cost opinion \$63 million.
- **June 2001** – \$63 million provincial funding announced for the project, stating:
“This is a substantial investment in a school that has a proud heritage as a Centre of Artistic Excellences. This project will firmly establish this school as one of the foremost institutions of its kind in Canada.”
- **October 2001** – Government defers \$62 million in funding, allowing \$1 million to be used for continued development of detailed design and construction documentation preparation for the Greenfield replacement school.
- **2002** – Detailed design and construction documentation completed, while government proposes consideration of Heritage Mall as a possible school location.
- **April 2003** – \$51 million provincial funding announcement for Edmonton Public Schools to be applied to capital priorities including Victoria School.
- **June 2003** – A change from the Greenfield option to that of an upgrade and modernization within a revised project budget of \$35 million was established.
- **July 2003** – Minister of Infrastructure approves \$36 million to be allocated to the Victoria School project, including the \$1 million already expended on the Greenfield design.
- **September to December 2003** – Re-evaluation of six distinct approaches to an upgrade and modernization approach, including potential partnership with Capital Health Authority via a business case study – based on a total budget of \$35 million.
- **January to March 2004** – Design proceeded based on \$35 million budget proposing an approach of selected modernization of the existing facility with some demolition and new replacement construction. Capacity 1600 students.
- **July 2004** – First design concept is estimated at \$39 million by the Architect and external construction cost consultant.

- **July to November 2004** – Project scope reduced by \$4 million and a new external cost estimate indicates a \$39 million cost, again \$4 million over budget and further magnifying market cost escalation factors impacting the project.
- **January 2005 to September 2005** – Project scope reduced by another \$4 million and a new external cost estimate indicates an additional \$5 million over budget, for a total shortfall of \$13 million since September 2003.
- **Summary of Design Reductions Since 2004**
 Through each of three distinct redesign processes necessitated by inflation and market impacts, these and the other objectives have been compromised and can no longer be achieved within the project budget. The resultant impacts are:
 - Reduced ability to address basic building component replacements defers building science issues such as the exterior envelope and existing facility structure that precludes certain upgrades, develops an inefficient and operationally costly facility and creates ongoing maintenance and capital expenditure liabilities.
 - The current approach will extend the life of the facility approximately 15 years, but given the costs anticipated to further its life beyond that point, does not represent good value for expenditure
 - The deferral of scope items to a future date given the economic climate that exists and is predicted to continue, would result in considerably more cost down the road and does not represent “best value” for expenditure.
 - Elimination of critical high priority program requirements considering the school’s healthy enrolment is counterproductive and not appropriate.
 - The current approach has a significant monetary and operational impact through the need for temporary relocation of students during construction and ongoing disturbance of teaching over the extended period of phased construction.
- **September 2005** – The Project Management Committee was expanded to include Alberta Learning. Fully renovating the current building is estimated to be well beyond 75% of replacement cost.
- **October 2005** – The Project Management Committee initiated the review of additional concept options including:
 - Revisiting a revised new construction replacement school;
 - New combinations of infill, new construction and modernization;
 - incorporating delivery of regular classroom capacity through the government’s modular classroom program
- **December 2005** – The Project Management Committee advises that the partial modernization, partial demolition and partial new construction model is unacceptable and represents an unacceptable level of return on expenditure. A replacement building model, retaining only the Eva O. Howard Theatre and east gymnasium, should be the basis of all future design work.