

Solana Beach School District
Frequently Asked Questions FAQ – Edition 4
Regarding Pacific Highlands Ranch/Potential School #8/One Paseo
Posted February 13, 2019

Solana Beach School District (SBSD) serves approximately 2900 K-6 grade students in seven schools from the following communities: Solana Beach, Carmel Valley, Rancho Santa Fe, Fairbanks Ranch, Crosby Estates, Del Mar, and Pacific Highlands Ranch (PHR). School attendance boundaries are set by the Board of Education and may be subject to change as necessary to balance enrollment and serve new communities within the District.

The questions below have been received from the public mid-October through January 2019.

Narrative: Solana Beach School District previously published an estimate of school construction cost using July 2017 market conditions. In November/December 2018, the estimate was updated using the latest hard construction cost estimates and revised escalation rates. Please see charts below.

Q1. What is the current escalation rate used in school construction for School #8?

A1. The District is advised to estimate escalation costs during the planning phases of school construction. Building in escalation safeguards the overall budget for a project. Recently, the District was advised to carry a contingency of 10% as well. The District’s superintendent has communicated in small and large group community meetings and regular and special board meetings that she will always recommend budgeting conservatively. This is to prevent encroaching on the District’s general fund, which is responsible for such items as class size, special program offerings, materials and supplies, operating costs, etc.

Q2. What are the escalation estimates for hard construction?

A2. Hard construction is defined as the actual building of the school excluding the soft costs (refer to Q3 below for definition) and the cost of land acquisition. The table below is an update from the previous estimate of construction costs with adjustments to 2018 dollars and current recommended escalation figures.

Solana Beach School District - School #8 Estimated Construction Costs (Excludes Cost of Land)											
		2018		2019		2020		2021		2022	
Type of School - Base Construction Cost	Sq Footage (Approx)	2018 Dollars	w/ 10% Contingency	2019 w/Soft Cost*	2019 w/Soft Cost*	2020 w/Soft Cost*	2020 w/Soft Cost*	2021 w/Soft Cost*	2021 w/Soft Cost*	2022 w/Soft Cost*	2022 w/Soft Cost*
Small Size School Modular/Portable **	50,000	\$20,500,000	\$22,550,000	\$24,015,750	\$31,220,475	\$25,096,459	\$32,625,396	\$26,100,317	\$33,930,412	\$27,144,330	\$35,287,629
Small Size School Permanent Construction **	50,000	\$25,350,000	\$27,885,000	\$29,697,525	\$38,606,783	\$31,033,914	\$40,344,088	\$32,275,270	\$41,957,851	\$33,566,281	\$43,636,165

* Soft Costs estimated at 30% of Hard Costs. Soft Costs include: Architectural, Planning, Testing, Inspections, Permit Fees, Utility Fees, and Furniture/Fixtures/Equipment

** Excludes Interior Circulation

*** 12/20/2018 Cumming Group/Lionakis Escalation Adjustment - Consulting firms provided an escalation of 6.5%, 4.5%, 4%, and 4% from 2019-2022 as well as a 10% contingency.

Q3. What constitutes soft costs?

A3. Soft costs are budgeted at 30% of hard construction costs and include services such as Architectural, Planning, Testing, Inspections, Permit Fees, Utility Fees, and Furniture/Fixtures/Equipment.