



West Linn – Wilsonville Schools

Date: April 16, 2025

To: Long Range Planning Committee

From: Remo Douglas, Capital Construction Program Manager

Subject: Bond Project Estimating Update

In their commitment to capturing the most current program cost estimates, staff followed up with professional estimators to update the original cost estimates received in December 2024. Estimated values contemplate direct construction costs plus soft costs (design, permits, etc) and construction escalation (inflation). ACC Cost Consultants (ACC) provided higher estimating costs associated with current market uncertainty and increased escalation.

Estimating Partners:

Estimating was performed through a collaborative process involving construction industry professionals.

Arcadis Architects, previously IBI Group, has been providing architectural design services for the District since the late 1980s. They have successfully provided design and construction documents for every new school project in that time frame, as well as numerous other stewardship, renovation and addition projects at every facility in the District.

ACC Cost Consultants was established in 1998 with the purpose of providing an effective tool for architects, owners and developers to monitor and control costs through the design process. The firm has estimated billions of dollars across thousands of projects, and has assisted the District with cost estimating for many years.

Turner & Townsend Heery has been developing and refining methods and procedures to efficiently control time, cost and quality of an owner's construction program. The firm offers construction management to clients in all markets including education, government, justice, sports and commercial industries. Heery has provided professional construction management services to many Oregon school districts including WLWSD in various forms for more than 25 years.

Estimating Process:

The Bond Management Team met with these partners several times during 2024 to describe and discuss conceptual project details. Each firm provided input into the estimating process based on current market conditions, knowledge of public school construction, conceptual schedules, past District designs and budgets, national trends and labor market forecasts.



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Finally, the escalation index was compared to national data provided by RLB (River/Levett/Bucknall). RLB is a leading international independent organization in cost management and quantity surveying, project management and advisory services that publishes a quarterly report with data for inflation in various US cities, including Portland. The escalation factored into the estimates was aligned with the trends observed in RLB data.

Together with District construction and operations staff, this team reviewed all information based on the described scope, existing conditions and known constraints. This information was used to estimate the costs associated with the projects using competitive public bid requirements as published in ORS 279 a,b,c and known planning and building permit regulations adopted by the Cities of Wilsonville and West Linn, and Clackamas County.

Estimating Update:

As a final step District staff engaged with ACC Cost Consultants this week to confirm if any adjustments were warranted in response to events in recent months. ACC is currently working alongside Arcadis Architects and a general contractor to estimate costs for a multiyear project in the area. The project is currently in the early stages of design. ACC Cost Consultants (ACC) provided higher estimating costs associated with current market uncertainty and increased escalation.

Following ACC's recommendation, staff have included an additional 4% markup for market uncertainty, and increased escalation from 4% to 4.8% per year. The table below summarizes the impact on the estimated cost of projects under Categories A and B.

	Category A (Mission Critical)	Category B (Mission Important)	Total
December 2024	\$ 141,023,206.56	\$ 89,603,157.54	\$ 230,626,364.10
April 2025	\$ 151,245,843.30	\$ 96,041,550.04	\$ 247,287,393.34

Conclusion:

The committee has received the updated estimates for review. Staff look forward to the committee's questions and conversation about future bond projects next Wednesday evening, and a potential recommendation to the School Board about which projects under Category B should be included in a bond measure.