



June 1, 2023

To: Michael Halford

From: Dr. Anthony Clarke, President, Guilford Technical Community College *Anthony Clarke*

Subject: Response to Questions from May 25, 2023, Board of Commissioners Work Session

In response to questions received at the May 25, 2023, budget presentation, GTCC is providing information on the categories below.

The 2023/24 GTCC County Operating Budget request is below.

Current Total Budget:

BUDGET	COUNTY CATEGORIES	AMOUNT	PERCENT	NUMBER OF FULL-TIME POSITIONS
State		\$68,852,058	47.3%	586
County:				
Utilities/Rent/Insurance/Legal	\$4,371,564			0
Building Maintenance – Salary/Benefits	\$2,403,483			29
Building Maintenance - Operating	\$1,489,066			
Custodial Services – Salary/Benefits	\$2,961,275			53
Custodial Services - Operating	\$ 901,235			
Campus Police – Salary/Benefits	\$2,598,736			32
Campus Police – Operating	\$ 321,849			
Institutional Support – Salary/Benefits	\$ 593,785			5
Institutional Support – Operating	\$1,719,277			
Grounds Maintenance – Salary/Benefits	\$ 274,828			5
Grounds Maintenance - Operating	\$ 472,402			
Total County Operating		\$18,107,500	12.4%	
Federal Grants / Loans		\$46,977,636	32.2%	0
Institutional / Other		\$11,742,952	8.1%	18
TOTAL		\$145,680,146	100%	730

Vacancy Rates:

GTCC currently employs 124 county-funded employees with twenty-nine vacancies. Our county vacancy rate is 23.4%. Benefits are approximately 35% of the salary and benefit costs. Of the vacant positions, ten positions have been vacant for six months.

gtcc.edu

PO BOX 309 | 601 EAST MAIN STREET | JAMESTOWN, NC 27282 | P. 336-334-4822

Jamestown Campus Aviation Campus Cameron Campus Greensboro Campus High Point Campus Small Business Center Union Square Campus

Construction Costs:

Review of Cost estimate for Phase I and Phase II of the proposed Aviation Center at Cameron Campus project

The reason for the cost difference between the two phases is that the Phase II building will be the future “hub” of the Aviation campus and will be an employer and community welcome building with higher grade finishes and construction materials. This phase also includes site improvements to create a campus walkway and elevated entrance to the Phase II building. Thus, the price to build is \$463.34/ square foot (SF) vs. \$358.28/SF for the Phase I building - before contingency and escalation. It is also less than half the size of the Phase I building, which minimizes the ability to benefit from economies of scale.

The second and significant element is that the pricing is based on a bid date of July 2026, and has a 19.1% escalation factor, versus a 7.1% escalation for Phase I with a bid date of July 2024. The other cost factors, architectural/engineering/testing costs, and contingency are effectively the same for the two cost models. This results in an estimated cost per square foot of \$494.28 for Phase I and \$706.20 for Phase II.

If the College were to build both Phase I and II at the same time (July 2024), using all the same basis for estimation, the cost would lower to \$538.62/SF for 100,000 square feet. The numbers below are based on advanced cost estimates, before actual design and pricing.

Phase I 70,000 SF, bid July 2024

Cost of Construction	\$ 25,079,704.00	\$ 358.28
Contingency	\$ 3,852,242.00	15.36%
Escalation	\$ 2,059,320.00	7.12%
Architectural/Engineering/Testing Costs	\$ 3,608,300.00	14.39%
Total	\$ 34,599,566.00	\$ 494.28

Phase II 30,000 SF, bid July 2026

Cost of Construction	\$ 13,900,288.00	\$ 463.34
Contingency	\$ 2,135,085.00	15.36%
Escalation	\$ 3,065,612.00	19.12%
Architectural/Engineering/Testing Costs	\$ 2,085,043.00	15.00%
Total	\$ 21,186,028.00	\$ 706.20

Phase II 30,000 SF, bid July 2024

Cost of Construction	\$ 13,900,288.00	\$ 463.34
Contingency	\$ 2,135,085.00	15.36%
Escalation	\$ 1,141,718.56	7.12%
Architectural/Engineering/Testing Costs	\$ 2,085,043.00	15.00%
Total	\$ 19,262,134.56	\$ 642.07

Phase I and II together bid July of 2024

Total SF	100,000
Total estimated Cost	\$ 53,861,700.56
Total Cost per SF	\$ 538.62

Reserves:

The reserve funds began in 2013 based on a policy agreement between the County Manager and President of the College. The College is conducting research to locate a written agreement or document related to the reserve funds and will reply with our findings within the next two weeks.