



Board Presentation

Construction Division

February 28, 2024

SEE THE IMPACT



Who we are:



Construction Services

Thomas Plapp

Fixed Asset Clerk 30 yrs

Albert Valadez

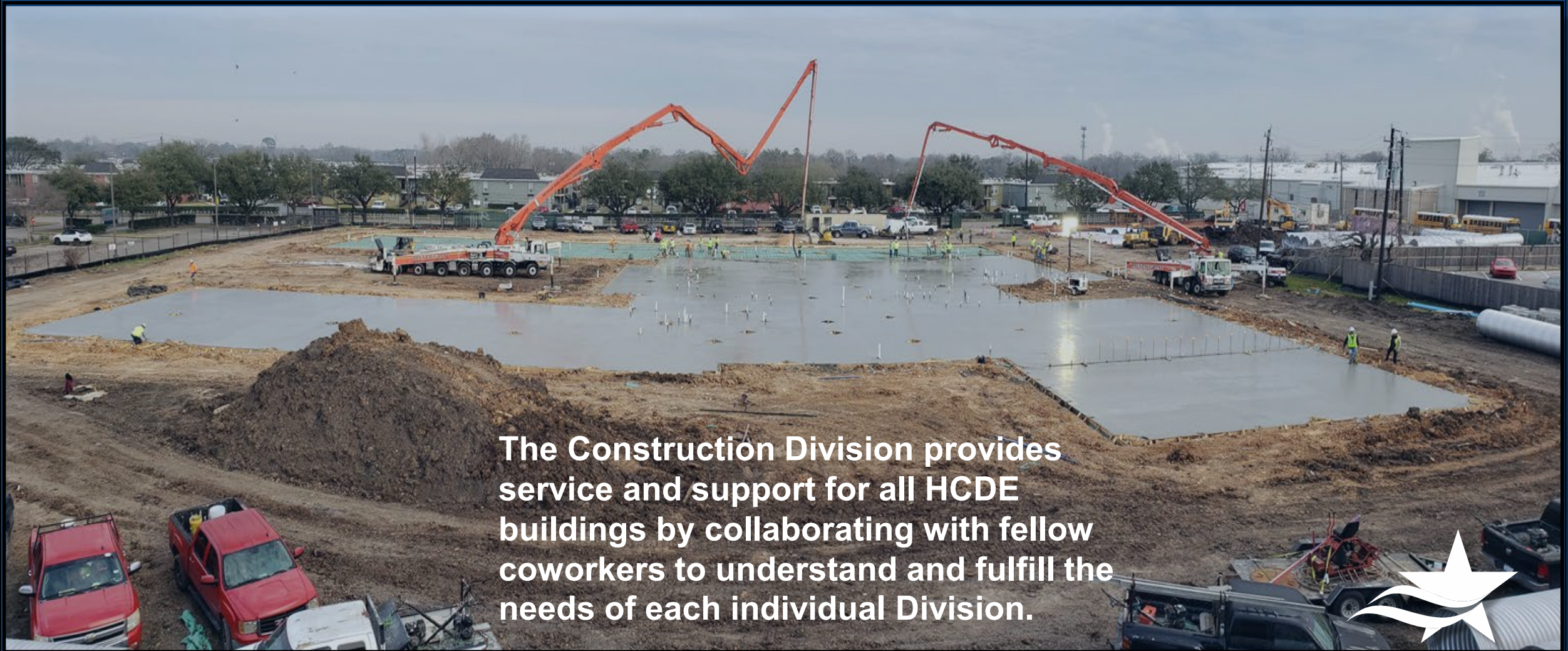
Environmental Specialist 23 yrs

Joe Carreon

Construction Director 7 yrs



Division Goal



The Construction Division provides service and support for all HCDE buildings by collaborating with fellow coworkers to understand and fulfill the needs of each individual Division.

What we do:

Fixed Assets Clerk:

- Performs Annual Capital Inventory.
- Maintain records of fixed assets transactions.

Environmental Specialist:

- Performs fire and safety inspections on all HCDE buildings.
- Performs inspections on playgrounds and ropes course.

Construction Director:

- Liaison to architects, engineers, and consultants to develop and finalize construction plans and specifications.
- Assist with land acquisition, appraisals, & environmental reports.



Current Projects

2020 Bond	Construction Cost	Soft Costs	Furniture	Total
Admin Building Rehab	\$12,001,964.20	\$ 952,492.00	\$ 1,516,131.08	\$14,470,587.28

Department of Health Human Services Playground Projects

LaPorte Head Start	\$417,859.46	\$53,270
Tidwell Head Start	\$381,659.46	\$53,270

HCDE Playground Project (Completed)

Barrett Station Head Start	\$379,342.62	\$42,013.00
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Department of Health Human Services Disaster Recovery (Completed)

Coolwood Head Start	\$ 7,759,086.16	\$ 629,065.95	\$ 190,567.04	\$ 8,578,719.15
Land Acquisition 2020	\$ 587,215.00			

Current Project: Administration Building Renovation



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Current Project: Administration Building Renovation



Current Project: Administration Building Renovation



Completed Project: Coolwood Head Start



Completed Project: Coolwood Head Start



Completed Project: Coolwood Head Start



Completed Project: Coolwood Head Start



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Completed Project: Coolwood Head Start



Completed Project: Coolwood Head Start

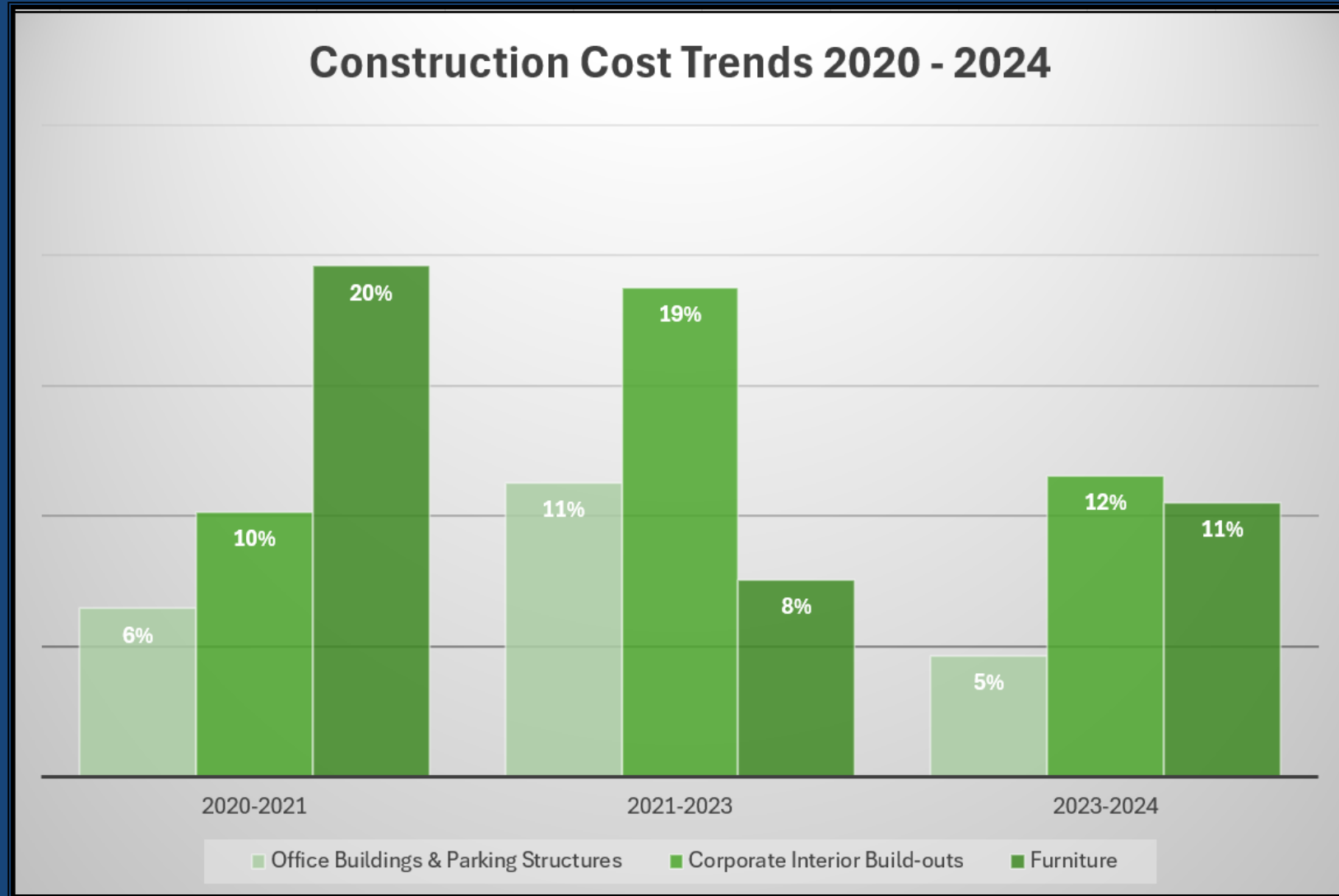


Trends 2024 Recap

- For the first time in more than two decades, the U.S. last year bought more goods from Mexico than China. **Still true for 2025**
- US Steel, once the world's largest corporation, agrees to sell itself to a Japanese company. **\$15B deal was blocked by President Biden on 1/3/2025.**
- US involved in multiple proxy wars. **Still true for 2025**
- By 2027 worldwide AI-related electricity consumption could increase by 85%. **Still on track in 2025**
- EV Charging Stations will also lead to more electricity consumption. **Still true but President Trump suspended \$5B EV Grant.**
- The \$1.2T Infrastructure Investment and Jobs Act was signed into law on November 15, 2021. **President Trump has frozen funding disbursements.**



Trends 2025



Trends 2025

- Prices for steel, lumber, and roofing materials have stabilized.
- Prices for glazing and curtain walls (structural glass walls) have risen.
- Lead times for HVAC and electrical components continue to face delays.
- Corporate interiors costs have also increased due to adaptive reuse and upgrades to existing office spaces.



Factors that could affect construction inflation in 2025

- Inflation is expected to average around 2.2% in the final quarter of 2025, which is close to the Fed's 2% target.
- Interest rates are expected to decline, which could lead to more construction projects.
- Supply chain issues could continue to disrupt the industry, increasing prices and causing production delays.
- There may be a shortage of skilled workers to meet production demands.
- The threat of increased tariffs on imports from Canada, Mexico, and China could reignite inflation.



Resilience

- As inflation stabilizes and the global economy steadily improves, there is still a great deal of uncertainty.
- The biggest challenge is to predict what might happen next.
- How can we build resilience?
 - We have to have the willingness to think differently.
 - Make time to work together to analyze and account for known risks and understand potential consequences for current and future projects.
 - Become more agile and adaptive to new opportunities.

