



School Board Briefing/Proposed Action Report

Informational (no action required by Board) **Action Report** (Board will be required to take action)

DATE: April 28, 2016
FROM: Dr. Larry Nyland, Superintendent
LEAD STAFF: Dr. Lester Herndon, Associate Superintendent, Facilities & Operations
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I. TITLE

BTA III: Program Project Underspend transfer to the Leschi Reroof Project Budget **For Introduction:** May 4, 2016
For Action: May 18, 2016

II. WHY BOARD ACTION IS NECESSARY

Budgets are set pursuant to Board Policy No. 6000, Program Planning, Budget Preparation, Adoption and Implementation, which in part states: “Funds may be transferred from one budget classification to another subject to such restrictions as may be imposed by the Board.” This action will increase the project budget for the Leschi Reroof Project by \$900,000, and is considered a major change to the budget requiring Board Action.

III. FISCAL IMPACT/REVENUE SOURCE

Transfer of funds from the BTA III Program Project Underspend of \$900,000 to the Leschi Reroof Project budget.

The revenue source for the Leschi Reroof Project has multiple Capital Levy funding sources listed below. The original project budget for this project was \$710,280.

<u>Project Budget:</u>	
BTA III	\$ 446,255
BEX IV	\$ <u>264,025</u>
Total Original Project Budget:	\$ 710,280
BTA III Program Project Underspend Transfer	\$ <u>900,000</u>
Adjusted Total Project Budget	\$ 1,610,280

Expenditure: One-time Annual Other Source

IV. POLICY IMPLICATION

This action is in compliance with Board Policy No. 6000, Program Planning, Budget Preparation, Adoption and Implementation, which in part states: “Funds may be transferred from one budget classification to another subject to such restrictions as may be imposed by the Board.” This action will increase the original project budget by \$900,000, and is considered a major change to the budget requiring Board Action.

V. RECOMMENDED MOTION

I move that the School Board increase the original project budget for the Leschi Reroof Project from \$710,280 to \$1,610,280 and approve the transfer of \$900,000 from the BTA III Program Project Underspend to the Leschi Reroof Project budget.

VI. BOARD COMMITTEE RECOMMENDATION

This motion was discussed at the Operations Committee meeting on April 21, 2016. The Committee recommended to move the item forward for consideration by the full Board.

VII. BACKGROUND INFORMATION

On April 28, 2016, Seattle Public Schools publicly opened bids for the Leschi Reroof project. Four (4) bidders, Bates Roofing, Wayne's Roofing, CDK Construction Services, and Biwell Construction, submitted bids to construct the project.

Bates Roofing was the apparent low bidder with a total bid evaluation amount of \$1,065,150 including Alternate Bids 1, 2 and 3. The Maximum Allowable Construction Cost (MACC) was set at \$440,374. The Construction Documents Probable Cost Estimate performed by Robinson Company was \$1,364,099, including alternate bids determined to be in the best interests of the District to accept. The difference between the bid evaluation amount and the Construction Documents Probable Cost Estimate is \$298,949. The difference between the bid evaluation amount and the project MACC is \$624,776.

It was known in advance of bidding that additional funds would be required to complete the project, as replacement of the entire roof assembly had not originally been fully funded. However, Facility Operations placed an extremely high importance on replacing the entire roofing assembly, due to the high incidence of roof leaks and water intrusion into the building.

In order to retain a reasonable construction contingency and Washington State sales tax (WSST) to the project, along with additional project soft costs, it has been determined through a budget evaluation that an additional \$900,000 will need to be added to the Project Budget to perform the work and construct the project.

In addition to the increased cost for replacement of the entire roof assembly, it is anticipated that we will experience higher bid amounts due to: 1. Additional structural work that is being performed to reinforce existing beams in support of the geothermal wells project being done at the school this summer; and 2. Additional roof insulation, double roof underlayment, vented seismic sheathing diaphragm and masonry removal/replacement work, which is being performed to achieve maximum energy efficiency and weatherproofing properties.

VIII. STATEMENT OF ISSUE

Whether to approve the Leschi Reroof Project budget increase of \$900,000.

IX. ALTERNATIVES

Do not approve the Leschi Reroof Project budget increase of \$900,000. This is not recommended because the planned schedule for this Capital Construction Project will not be maintained and will negatively impact the District goal to replace aging building systems before they begin to significantly impact the ability of Facility Operations to continue to address maintenance and repairs. It would also have a negative impact on the quality of the learning environment, and adversely impact students and school staff.

X. RESEARCH AND DATA SOURCES / BENCHMARKS

- Bid Tabulation dated April 28, 2016
- Robinson Company Construction Documents Probable Construction Costs Estimate dated April 5, 2016.
- Meng Analysis Facility Assessment Report dated August 2014
- Seattle Public Schools Technical Building Standards dated December 2012

XI. TIMELINE FOR IMPLEMENTATION / COMMUNITY ENGAGEMENT

Upon Board approval, the construction contract will be executed and a Notice to Proceed will be issued to the contractor.

XII. ATTACHMENTS

- Bid Tab

Project: Leschi Elementary Reroof
 Bid Opening: Thursday, 04.28.2016
 Project Manager: Scott Hogman
 A/E: Miller Hayashi Architects

Contractor	Wayne's Roofing, Inc.	Bates Roofing, LLC	Bivell Construction	CDK Construction Services, Inc.
Addenda No. 1	X	X	X	X
Contractor's Bid Bond	X	X	X	X
Subcontractor Work Listing	X	X	X	X
Base Bid	\$ 1,316,000	\$ 914,000	\$ 1,306,000	\$ 1,120,000
TOTAL BASE BID EVALUATION AMOUNT	\$ 1,316,000	\$ 914,000	\$ 1,306,000	\$ 1,120,000
Alternate 1: Add Low Slope Roofing	\$ 114,000	\$ 128,000	\$ 182,740	\$ 181,200
Alternate 2: Provide Vapor Retarder	\$ 108,000	\$ 9,000	\$ 166,948	\$ 116,000
Alternate 3: Provide Plywood Sheathing in Lieu of OSB	\$ 20,000	\$ 14,150	\$ 233,501	\$ 21,400
Total Base Bid Plus Alternate Bids	\$ 1,558,000	\$ 1,065,150	\$ 1,889,189	\$ 1,438,600
WSST @ 9.6%	\$ 149,568	\$ 102,254	\$ 181,362	\$ 138,106
TOTAL INCLUDING STATE SALES TAX	\$ 1,707,568	\$ 1,167,404	\$ 2,070,551	\$ 1,576,706