

EXECUTIVE SUMMARY

**Construction Bid Recommendation of \$500,000 or Greater
ITB 19-079C
Silver Shores Elementary School, Miramar
LEGO Construction Co.
SMART Program Renovations
Project No. P.001906**

PROJECT OVERVIEW:

Delivery Method:	Design/Bid/Build
Contractor:	LEGO Construction Co.
Notice to Proceed Date:	Pending Board Approval
Budget:	See below

GENERAL OVERVIEW:

This item is requesting authorization to award a Lump Sum Contract for construction of the Silver Shores Elementary School SMART Program Renovations to LEGO Construction Co., in the amount of \$1,798,491. The scope of work for this project includes, but not limited to, HVAC improvements and building envelope improvements.

The Letter of Recommendation to Issue a Permit has been provided by the Building Department. Bids were received on October 10, 2018 from a total of four (4) bidders. Procurement and Warehousing Services has recommended the award of the project to LEGO Construction Co. as the responsive, responsible bidder that met the specifications, terms and conditions of the bid (see Exhibit 2 for details).

The proposal from LEGO Construction Co. exceeds the available funds and requires additional funding to proceed with the SMART Program Renovations. CBRE | Heery recommends that the Board approve additional funding in the amount of \$1,231,560.

The scope of work at Silver Shores Elementary School includes HVAC improvements and building envelope improvements. The original funding for these two scopes reflected that roughly 90% of the construction budget was associated with building envelope improvements and the remaining 10% was associated with HVAC improvements. Based on the Atkins estimate, the cost of the original scope of work associated with the building envelope improvements has increased. This is mainly attributed to an increase in the roofing and lightning protection cost per square foot (SF) for Building 1. For roofing, the MAPPs cost per SF was \$6.25, but in the Atkins estimate it was \$12.00. Though the MAPPs SF decreased from 84,816 SF to 69,389 SF, the original Facilities Conditions Assessment did not include lightning protection. The increase in roofing and lightning protection costs per square foot are the primary factors resulting in the need for the additional funding.

The overall project budget for the SMART Program Renovations at Silver Shores Elementary School is \$1,034,000. Of this amount, the pre-bid construction budget is \$678,891 and the pre-bid construction contingency is \$67,889 (10% of construction budget). The balance of the budget is for costs such as design fees, program management fees, and other soft costs.

The proposal that was received from LEGO Construction Co. was for \$1,798,491. This proposal is \$1,119,600 over the pre-bid construction budget [\$1,798,491 (proposal amount) - \$678,891 (pre-bid construction budget)]. In addition, in order to maintain a 10% construction contingency for the project, the contingency needs to be increased by \$111,960 [\$179,849 (10% value of proposal) - \$67,889 (pre-bid construction contingency)].

The total requested increase to the overall project budget for the SMART Program Renovations is therefore \$1,231,560 (\$1,119,600 + \$111,960). This will result in a revised overall project budget of \$2,265,560 for the SMART Program Renovations.

LEGO Construction Co. is a certified Small/Minority/Women Business Enterprise (S/M/WBE). LEGO Construction Co. has also committed to Minority/Women Business Enterprise (M/WBE) participation of 14.3% for this project through the use of a certified M/WBE subcontractor.

This Agreement has been reviewed and approved as to form and legal content by the Office of the General Counsel.

For the latest Bond Oversight Committee Quarterly Report information regarding this project [click here](#).