

EXECUTIVE SUMMARY

**Construction Bid Recommendation of \$500,000 or Greater
ITB 18-176C
West Hollywood Elementary School, Hollywood
West Construction, Inc.
SMART Program Renovations
Project No. P.001794**

PROJECT OVERVIEW:

Delivery Method:	Design/Bid/Build
Contractor:	West Construction, Inc.
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 West Hollywood Elementary School SMART Program Renovations to West Construction, Inc., in the amount of \$3,003,235.73. The scope of work for this project includes, but not limited to, fire alarm, 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 29, 2018 from a total of three (3) bidders. Procurement and Warehousing Services has recommended the award of the project to West Construction, Inc. as the responsive, responsible bidder that met the specifications, terms and conditions of the bid (see Exhibit 2 for details).

The proposal from West Construction, Inc. 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 \$1,231,160.

The scope of work at West Hollywood Elementary School includes fire alarm, HVAC improvements, and building envelope improvements. The original funding for these scopes reflected that roughly 60% of the construction budget was associated with HVAC improvements, and the remaining 40% was associated with fire alarm and building envelope improvements. Based on the Atkins estimate, the cost of the original HVAC scope of work has significantly increased. This is mainly attributed to the HVAC system replacement for Building 1. The original MAPPS cost assessment for the HVAC improvements was approximately \$1.10M, however, the Atkins estimate was \$1.95M. The original MAPPS cost associated with the Fire Alarm scope was \$200K, however, the Atkins estimate was \$430K. The HVAC and Fire Alarm scopes are the primary factors resulting in the need for the additional funding.

The overall project budget for the SMART Program Renovations at West Hollywood Elementary School is \$2,679,000. Of this amount, the pre-bid construction budget is \$1,884,000 and the pre-bid construction contingency is \$188,400 (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 West Construction, Inc. was for \$3,003,235.73. This proposal is \$1,119,237 over the pre-bid construction budget [\$3,003,235.73 (proposal amount) - \$1,884,000 (pre-bid construction budget)]. In addition, in order to maintain a 10% construction contingency for the project, the contingency needs to be increased by \$111,923 [\$300,323 (10% value of proposal) - \$188,400 (pre-bid construction contingency)].

The total requested increase to the overall project budget for the SMART Program Renovations is therefore \$1,231,160 (\$1,119,237 + \$111,923). This will result in a revised overall project budget of \$3,910,160 for the SMART Program Renovations.

West Construction, Inc. is not a certified Minority/Women Business Enterprise (M/WBE). However, West Construction, Inc. has committed to Minority/Women Business Enterprise (M/WBE) Participation of 64% for this project through the use of certified M/WBE subcontractors.

This Agreement is 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](#).