

**EXECUTIVE SUMMARY****Construction Bid Recommendation of \$500,000 or Greater****ITB 18-206C****Banyan Elementary School, Sunrise****Sagoma Construction Services, Inc.****SMART Program Renovations****Project No. P.001944****PROJECT OVERVIEW:**

<b>Delivery Method:</b>	<b>Design/Bid/Build</b>
<b>Contractor:</b>	<b>Sagoma Construction Services, Inc.</b>
<b>Notice to Proceed Date:</b>	<b>Pending Board Approval</b>
<b>Budget:</b>	<b>See below</b>

**GENERAL OVERVIEW:**

This item is requesting authorization to award a Lump Sum Contract for construction of the Banyan Elementary School SMART Program Renovations to Sagoma Construction Services, Inc., in the amount of \$1,691,549. The scope of work for this project includes, but not limited to, media center improvements, 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 Sagoma Construction Services, Inc. as the responsive, responsible bidder that met the specifications, terms and conditions of the bid. (see Exhibit 2 for details)

The proposal from Sagoma Construction Services, 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 \$962,979.

The scope of work at Banyan Elementary School includes media center improvements, HVAC improvements, and building envelope improvements. The original funding for these scopes reflected that roughly 75% of the construction budget was associated with building envelope improvements and the remaining 25% was associated with media center improvements and HVAC improvements. Based on the Atkins estimate, the cost of the original scope of work associated with the building envelope improvements has significantly increased. This is mainly attributed to an increase in the roofing cost per square foot. In the original Facilities Conditions Assessment, the roofing costs per square foot (SF) were substantially lower. For roofing, the MAPPS raw cost per SF was \$6.25, but in the Atkins estimate it was \$14.40. The SF required for roofing did not substantially change. The increase in roofing costs per square foot is the primary factor resulting in the need for the additional funding.

The overall project budget for the SMART Program Renovations at Banyan Elementary School is \$1,243,000. Of this amount, the pre-bid construction budget is \$816,114 and the pre-bid construction contingency is \$81,611 (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 Sagoma Construction Services, Inc. was for \$1,691,549. This proposal is \$875,435 over the pre-bid construction budget [\$1,691,549 (proposal amount) - \$816,114 (pre-bid construction budget)]. In addition, in order to maintain a 10% construction contingency for the project, the contingency needs to be increased by \$87,544 [\$169,155 (10% value of proposal) - \$81,611 (pre-bid construction contingency)].

The total requested increase to the overall project budget for the SMART Program Renovations is therefore \$962,979 (\$875,435 + \$87,544). This will result in a revised overall project budget of \$2,205,979 for the SMART Program Renovations.

Sagoma Construction Services, Inc. is a certified Minority/Women Business Enterprise (M/WBE). Sagoma Construction Services Inc. has also committed to M/WBE Participation of 78% for this project through the use of certified M/WBE subcontractors.

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.](#)