

EXECUTIVE SUMMARY
Construction Bid Recommendation of \$500,000 or Greater
ITB 18-192C
Fairway Elementary School, Miramar
Thornton Construction Company, Inc.
SMART Program Renovations
Project No. P.001785

PROJECT OVERVIEW:

Delivery Method:	Design/Bid/Build
Contractor:	Thornton Construction Company, 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 Fairway Elementary School SMART Program Renovations to Thornton Construction Company, Inc., in the amount of \$5,889,000. The scope of work for this project includes, but not limited to, safety/security upgrade, fire alarm, building envelope improvements, media center improvements, HVAC improvements, and electrical improvements.

The Letter of Recommendation to Issue a Permit has been provided by the Building Department. Bids were received on March 14, 2019 from a total of five (5) bidders. Procurement and Warehousing Services has recommended the award of the project to Thornton Construction Company, Inc. as the responsive, responsible bidder that met the specifications, terms and conditions of the bid (see Exhibit 2 for details).

This Construction Bid Recommendation for Fairway Elementary School exceeds the available funds and requires additional funding in the amount of \$3,507,900 to proceed with the SMART Program Renovations. Staff has evaluated both the Designer's and Atkins' 100% estimates and has deemed the bid fair and reasonable based on current market conditions, which have changed considerably since the 2014 budget development. These budget overages are included in the SMART Program Forecast. The following summarizes the previous and revised funding allocations:

Allocations of Project Funds	Previous Budget	Revised Budget	Net Change
Planning Design and Management	\$840,050	\$840,050	\$0
Construction Contract	\$2,700,000	\$5,889,000	\$3,189,000
Construction Contingency (10%)*	\$270,000	\$588,900	\$318,900
Construction Misc.**	\$152,250	\$152,250	\$0
Furnishings	\$40,700	\$40,700	\$0
Total	\$4,003,000	\$7,510,900	\$3,507,900

*Reserved for future use if required

**Includes the following items where applicable: Off-site Improvements; Misc. Construction; Hazardous Materials Abatement; Technology Infrastructures; Utility Connection Charges; PPO Work Orders; and Portables

The request for additional funding is a result of continued budget overages. The most significant budget overage is associated with the building envelope improvements that will require approximately \$2.5M of additional funds. The HVAC improvements will require approximately \$600K of additional funds.

20% of the building envelope improvements overage is due to additional square feet of roofing which was not identified in the 2014 Facilities Condition Assessment (MAPPS). The remainder is due to inadequate unit prices and inflation.

30% of the HVAC overage is due to upgrading electrical services, tying into the fire alarm system, piping, and associated plumbing which was also not identified in the 2014 Facilities Condition Assessment (MAPPS). The remainder is due to inadequate budget development in MAPPS, unit prices, and inflation.

Staff has evaluated the various SMART scopes for this project. It was determined that the most cost and time efficient means to deliver these improvements is by a single construction contract. Staff does not recommend creating separate bid packages, “carve outs”, for any of the approved scopes. The proposal received from Thornton Construction Company, Inc. is believed to be the most cost-effective means of delivering this project.

Thornton Construction Company, Inc. is not a certified Minority/Women Business Enterprise (M/WBE). However, Thornton Construction Company, Inc. has committed to M/WBE Participation of 47.64% 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](#).