## **EXHIBIT 1**

## EXECUTIVE SUMMARY Construction Bid Recommendation of \$500,000 or Greater ITB 19-164C Olsen Middle School, Dania Johnson-Laux Construction, LLC SMART Program Renovations Project No. P.001955

## **PROJECT OVERVIEW:**

<b>Delivery Method:</b>	Design/Bid/Build	
Architect:	Song & Associates, Inc.	
Contractor:	Johnson-Laux Construction, LLC	
Notice to Proceed Date:	Pending Board Approval	
<b>Original Funding Allocation:</b>	See below	

## **GENERAL OVERVIEW:**

This item is requesting authorization to award a Lump Sum Contract for construction of the Olsen Middle School SMART Program Renovations to Johnson-Laux Construction, LLC, in the amount of \$8,397,969. The scope of work for this project includes, but is not limited to, safety/security upgrades, fire sprinklers, media center improvements, building envelope improvements, electrical improvements, and HVAC improvements.

In addition to Johnson-Laux Construction, LLC's bid price for the above-referenced SMART scope renovations, they also provided pricing for Demolition and Abatement (Add Alternate 1) for Buildings 20-29 (Old Olsen Annex) in the amount of \$710,346. Staff will present this item to the Board as an amendment to the contract for approval at a future Board meeting.

Fire sprinklers scope in Buildings 2, 12, 13, 14, 15, 17, and 18 was reviewed by the Task Assigned District's Chief Fire Official who determined that Building 2 was the only building that required fire sprinklers. Buildings 12, 13, 14, 15, 17, and 18 did not require fire sprinklers, therefore, this scope of work was removed from the construction documents prior to bidding.

The Letter of Recommendation to Issue a Permit has been provided by the Building Department. Bids were received on June 25, 2020 from a total of three (3) bidders. This bid was advertised on May 20, 2020 with the summary below:

Potential Prequalified	Potential Prequalified M/WBE	Proposals	Proposals Received From M/WBE
Planholders	Planholders	Received	Planholders
28	16	3	1

Procurement and Warehousing Services has recommended the award of the project to Johnson-Laux Construction, LLC as the lowest, responsive and responsible bidder that met the specifications, terms and conditions of the bid (see Exhibit 2 for details).

The Construction Bid Recommendation for Olsen Middle School exceeds the available funds and requires additional funding in the amount of \$3,981,315 to proceed with the SMART Program Renovations. Both the Designer and Atkins have deemed the bid fair and reasonable based on current market conditions, which have changed considerably since the 2014 funding allocation. These funding overages are included in the SMART Program Forecast. The following summarizes the previous and revised funding allocations (see "Allocations of Original Project Funds" table on Page 2):

Allocations of Original Project Funds	<b>Previous Amount</b>	<b>Revised Amount</b>	Net Change
Planning Design and Management	\$1,393,000	\$1,393,000	\$0
Construction Contract	\$5,127,000	\$8,397,969	\$3,270,969
Demolition of Old Olsen	\$0	\$710,346	\$710,346
Construction Contingency*	\$513,000	\$513,000	\$0
Construction Misc.**	\$40,000	\$40,000	\$0
Furnishings	\$0	\$0	\$0
Total	\$7,073,000	\$11,054,315	\$3,981,315

\*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 Note: Bid is 6.5% under the Atkins Estimate. Net Change is 56% over the Previous Amount.

The request for additional funding is a result of continued budget overages. The most significant budget overage is associated with building envelope improvements that will require approximately \$1.6M of additional funds. The HVAC improvements will require approximately \$1.4M of additional funds. The electrical improvements will require approximately \$500K of additional funds. The fire sprinklers will require approximately \$100K of additional funds.

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 Johnson-Laux Construction, LLC is the most cost-effective means of delivering this project.

Johnson-Laux Construction, LLC is not a certified Minority/Women Business Enterprise (M/WBE). However, Johnson-Laux Construction, LLC has committed to M/WBE Participation of 38.91% 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 <u>click here.</u>