

EXECUTIVE SUMMARY

Change Order # 2
Balfour Beatty Construction, LLC
Parkway Middle
Phased Replacement
Project No. P.000133

EXHIBIT 1

PROJECT OVERVIEW:

Type of Contract:	CM @ Risk
Architect:	Zyscovich
Contractor:	Balfour Beatty Construction, LLC
Notice to Proceed Date:	12/11/2008
Bid Amount (Original Contract Amount):	\$19,399,957

GENERAL OVERVIEW:

Parkway Middle School Phased Replacement was originally designed as a two-phase project.

Phase I included replacement of 36 classrooms, gymnasium, and athletic fields, and the construction of a new chiller plant to carry the loads of the new classrooms, gym and three other, existing buildings. The existing chiller plant was to serve the balance of existing buildings until such time as Phase II work had been completed.

Phase II was to have commenced after occupancy of Phase I, and would have included the demolition of all original classrooms, remodeling of other buildings, and construction of a new administration building.

Construction of the project was projected to cost \$59.1 Million for both phases per the 2008-2009 ADEFP but was reduced to \$25.3 Million for Phase I in the 2011-2012 ADEFP (which includes the \$19.4 Million GMP for Phase I) reflecting the postponement of Phase II.

PROJECT HISTORY:

Occupancy of Phase I of the project was planned for the 2011-2012 school year. However, on July 26, 2011, we were informed by the Civil Engineer and the Fire Marshall that the new buildings could not be occupied without a "looped" fire main. This infrastructure would have been built in Phase II of the project but instead had to be built as part of Phase I in order to occupy the new buildings.

The new fire main required planning, engineering, and permitting. All these tasks were expedited, and construction was completed by October of 2011.

After construction of the new fire service we planned to occupy the new buildings in January following the winter break. But in December the Civil Engineer determined that three additional requirements, originally planned for Phase II, would have to be satisfied before the new buildings could be occupied:

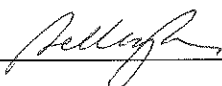
1. Additional storm water storage and pre-treatment had to be built so that the site would retain rainfall under the design conditions required by Broward County and good engineering practice.

	<p>Phase I of the project included a temporary storm water solution but not one that the Civil Engineer would accept for an indefinite period of time. The underground tank system described in COI #5 provides the storage capacity required.</p> <p>2. A sanitary sewer connection had to be built to dispose of the condensation generated by the operation of the new chiller plant in building #29. This problem would have been resolved by sanitary sewer construction in Phase II. The small lift station described in COI #5 disposes of this condensation.</p> <p>3. The completion of the bus loop on the west end of the campus to eliminate the temporary bus loop and parent drop off designed in phase I. This situation is corrected permanently by the work described in COI #6.</p>
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The following are selected change order items, contained within this agenda item, that require additional staff information and/or explanation.

<u>Change Order Item #</u>	05	Change Order Item #5 adds underground retention for storm water storage and pre-treatment and also adds a small lift station and force main to dispose of sanitary effluent from the operation of the new chiller plant. Neither of these expenditures would have been necessary under the original plan of construction (in which Phase II would have immediately followed Phase I), but both are required to fully complete Phase I to the satisfaction of all the required stakeholders. The underground system is the only alternative which allowed the work to commence while school was still in session, which was necessary because the work has a duration longer than the summer break and had to be complete in order to occupy the new buildings for the start of the 2012-2013 school year.
<u>Change Order Item #</u>	06	Change Order Item #6 completes the bus loop on the west side of the campus. This area had been designated in Phase I as a temporary pick-up and drop-off drive for parents, to be converted to the bus loop in Phase II, but that was unacceptable to the required stakeholders because of the uncertain time before Phase II becomes a reality. Change Order Item #6 simply moves a Phase II expense into Phase I to satisfy all the required stakeholders. This has the effect of reducing Phase II cost in the future.
<u>Change Order Item #</u>	08	Change Order Item #8 allocates a portion of the unused funds contained within the project GMP to fund the work required by Change Order Item #5 and #6. The unused funds, totaling \$1,934,368, are taken from the Tax Savings (on Direct Owner Purchases), Unused Contingency, Unused Allowances (for Builder's Risk Insurance) and Uncommitted Costs.

<u>CONCLUSION</u>	The original Guaranteed Maximum Price of \$19.4 Million is not changed by change order items #5, #6, and #8. The net effect of the changes is \$0 and the work effectively reduces the future cost of Phase II of the project while allowing the District to make use of the Phase I construction.
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Approved by:  Date: 7/16/12