

EXECUTIVE SUMMARY

EXHIBIT 1

Change Order # 1
Western High School
Remodel/Renovations & IAQ - HVAC
Project No. P.000505

PROJECT OVERVIEW:

Type of Contract:	Design/Bid/Build
Architect:	Zelch & McMahon, Architects
Contractor:	Cedars Electro-Mechanical, Inc.
Notice to Proceed Date:	4/16/12
Bid Amount (Original Contract Amount):	\$1,236,941

GENERAL OVERVIEW:

This project consists of HVAC remodeling and replacement. Specifically, the project scope entails replacement of eighteen (18) air handler units in Building 1; installation of electrical heating in Buildings 1 & 2; remodeling of chiller plant to increase capacity; providing electrical distribution and service to each mechanical room in Buildings 1 & 2 for new heating system; providing new direct digital controls for the replacement equipment (existing system inoperable); providing new interior finishes in the mechanical rooms; removing and replacing existing fans and outside air intakes; and removing and/or strengthening existing roof curbs.

The bids for this project were opened in April 16, 2009. At that time, due to major budget constraints, projects were placed on hold by Facilities & Construction Management to assess and determine the District's priorities. This project as well as many others, was put on hold until each project was analyzed according to its stage of completion and available funding, to determine which project would proceed or which would be terminated.

Subsequently, after review and input from Design Services, District Maintenance, the school's Head Facilities Service Person and the Consultant, it was determined that this project was critical and should proceed since the HVAC equipment was 34 years old and in extremely poor condition, with no heat or controls.

Due to the length of time in the evaluation process, and a re-evaluation of the project, changes in the scope of work (described below) were made and the drawings had to be revised and resubmitted for Permit due to a new version of the Code coming into effect.

As a result of the hold on the project, and the time taken to repermit, the contractor requested 90 days, as granted per the Construction Change Order #01 (CCD-01). Soon after the CCD-01 was issued to the Contractor, the contractor prepared and submitted shop drawings for the new units. Due to the length of time in approving the shop drawings, which encroached upon the summer break, the window of opportunity to install the units was lost. Concurrently, there was a surge in enrollment at the school, which impacted the availability of classrooms that could be utilized for relocating students, while the replacement of the larger units took place. As a result, the contractor requested an additional 120 days to work around school operations. The contractor submitted a revised schedule, including the requested 120 days, which was reviewed and approved by the SBBC's Cost Estimator. The total number of days being recommended is 210 Non-Compensable days, which includes the previously CCD-granted 90 days plus the additional 120 days.

<p>Change Order Item #</p>	<p>001-R3</p>	<p>OR</p>	<p>The following is a summary of the changes contained within the proposed Construction change order Item #001.</p> <p>A. Updated Air Handler Models: The previous Permit drawings were based upon TRANE’s “M-Series” models which were discontinued in favor of a new and improved model. This is a benefit to the SBBC.</p> <p>B. Replacement of chilled water valves at Air Handling Units: The valves were becoming non-operational and had to be replaced. This is a benefit to the SBBC.</p> <p>C. Direct Owner Purchase (DOP) Added: The Direct Owner Purchase program is being added to the project by this Change Order. It should realize a 6% savings back to the District on equipment purchased through the Program. This is a benefit to the SBBC.</p> <p>D. Existing rooftop curbs upgraded to current wind-load factors: This project replaces certain existing roof exhaust fans with new. The Building Department as a part of their Permit review required that the existing roof curbs be verified to withstand the current code’s wind loads. This is a structural enhancement to the building, which is a benefit to the SBBC.</p> <p>1. Investigate existing rooftop curbs for current wind-loads: The Consultant, Zeich & McMahon, along with the Project Manager and a Structural Engineer removed all rooftop exhaust fans to review the built conditions. It was found that none of the details on the “As-Built” plans reflected the actual conditions. The existing conditions were sketched and photographed. Engineered detailed plans were included in the drawings.</p> <p>aa. Roof patch/repair and curb re-design: The consultant provided details for patch and repair.</p> <p>bb. Remove abandoned curbs: The curbs of removed exhaust fans were disposed of, and the roof openings were filled in and roofed over.</p> <p>cc. Safeguard railing at roof edge: Changes to the existing curbs and patching/flashing, required some safeguards at the roof edge.</p> <p>E. Replace existing fire dampers: Field work and destructive testing for re-design of the roof curbs found that some of the return and outside air ductwork were badly corroded. This was likely caused by previous indoor air quality problems and roof leaks. It was determined that the fire dampers off the air handling units would be replaced as part of the work, in that, they were likely corroded and would not be functional in case of a fire. After discovering the problem, it had to be resolved since it is a safety violation. This is a benefit to the SBBC.</p> <p>F. Delete Addition to PE Storage Building: The 410 SF addition to the PE Building is deleted. It was no longer required because a ‘separate’ new construction project accommodated this need. The contractor has provided a credit for the scope of work not performed.</p> <p>G. Delete remodeling of the Administration Restrooms: Remodeling of the two (2) 45 SF restrooms in the administration area was completed by a ‘separate’ project. The contractor has provided a credit for the scope of work not performed.</p> <p>H. Add 210 Non-compensable Calendar days.</p>
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Chronology of events:

February 3, 2009: SBBC authorized bidding.

April 16, 2009: Bid opening date.

April 23, 2009: Bids were posted; the lowest bid was disqualified and Cedars Electro-Mechanical, Inc. was the second lowest bidder.

April 27, 2009: The Consultant, Zelch & McMahon (Z&McM) recommends award to Cedars Electro-Mech. Inc.

April 27 – November 16, 2009: Project on hold due to re-evaluation of funding. SBBC decided to continue the project.

November 16, 2009: The Agreement between the SBBC and Cedars was executed and the Notice of Award issued to the Contractor.

December 15, 2009: Cedars Electro-Mechanical, Inc. provided Post-Award documents; The Consultant, Zelch & McMahon (Z&McM) rejected them, revisions were required.

February 2, 2010: Due to the length of time elapsed (12 months) since the project was bid, it was determined that the project must be re-permitted. The project was originally permitted under the SBC-1997 and was required to be updated to the 2007 FBC.

March 15, 2010: Due to the length of time in the evaluation process, re-permitting was required due to update to the new version of the code coming into effect (2007 FBC).

In accordance, an Authorization To Proceed (ATP) was issued to the Consultant to 'evaluate and investigate the electrical As-Built conditions' (due to spare power capacity having been used by other projects "Classroom Additions"), which did not include re-design. The electrical investigation was performed between April 8 and 27.

The analysis and recommendations for the electrical re-design were completed by May 6, 2010; after discussions with SBBC Design Services staff, additional electrical recommendations were issued on May 11, July 26, and August 18, 2010.

February 11, 2011: A new ATP was issued to Z&McM for electrical re-design to include electrical strip heaters, thus increasing power supply, since the water boiler providing hot water for the heating coils was demolished by PPO (had to be replaced due to its deteriorated condition and the SBBC was replacing the fuel source boilers by electric source hot water/heating systems). The Air Handling Units had to be re-selected since the specified model was discontinued by the manufacturer and additional air volume/pressure was required to overcome the newly included electric heat strips to be installed inside the ductwork.

July 28, 2011: During the review of the re-submitted Mechanical Drawings, the Building Department required an investigation of the existing rooftop exhaust fans' curbs to determine the adequacy for support, attachment to structure and ability to withstand wind loads as per current Code.

August 2, 2011: Building Department's comments to Z&McM.

August 15, 2011: The Consultant & SBBC staff removed the exhaust fans and investigated the existing conditions inside the curbs, which did not match the As-Built drawings, dated 1979.

August 16, 2011: The Consultant and the Project Manager met with the Chief Building Official to discuss the plan review comments, i.e. the requirement for Structural Engineering Calculations and Certification of the existing rooftop equipment curbs. The Building Official stated that it had been found that in some buildings the curbs were not secured to the structure or supported; wind events caused damage to the rooftop equipment and allowed water to enter the buildings causing additional damage. The Project Manager requested that Z&McM perform a preliminary investigation and report on the issue. SBBC staff participated in the discovery and investigation of the existing structure and related existing equipment attachment.

August 31, 2011: Z&McM provided a preliminary report of the existing roof curbs/equipment conditions.

September 30, 2011: SBBC evaluated the preliminary report and requested a proposal from Z&McM to perform the Engineering Calculations for "Certification of the existing curbs to remain" and provide engineered drawings for permit.

November 7, 2011: Revised plans and project manuals were resubmitted to the Building Department.

November 11, 2011: Revised plans issued to Cedars Electro-Mechanical for estimating.

December 5, 2011: New Permit issued by the Building Department.

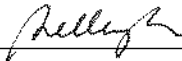
April 16, 2012: Between December 2011 and April 2012, Cedars Electro-Mechanical submitted several proposals for the revised scope of work which included additions and deletions. The proposals were reviewed by a third party cost estimating consultant. The Notice to Proceed was issued. The proposed Change Order cost was lowered throughout the cost review process from \$220,000 to \$162,500.

July 26, 2012: The Construction Change Directive #01 (CCD-01) was issued upon agreement on the additional cost for the change in the scope of work, including 90 additional days (as originally submitted).

		<p>July 31, 2012: The Pre-Construction Meeting took place; at the meeting was discussed the length of the process required for the approval of the air conditioning units which included shop drawings from the manufacturer to be submitted to the Building Department for review and approval before the units could be manufactured. It was convened that the “summer window” for construction would be lost, consequently requiring that most of the large units be replaced during long periods of school’s inactivity, i.e. the winter break.</p> <p>September 13, 2012: The requested time extension was changed to 210 additional Non-Compensable days, which included the previously granted 90 days. The Construction schedule was revised several times to accommodate school operations.</p> <p>Additional discussions took place to evaluate the merit of going ahead with the project or terminating the same. It was concluded that the condition of the equipment was so poor, that the work had to be done since the equipment was constantly failing, thus requiring intensive maintenance and repairs. Additionally, the bid price submitted by the contractor was deemed to be very fair and reasonable. It was also speculated that if the project were to be re-bid, it would take between 6 to 9 additional months and with the rising cost of construction, the option to terminate the contract and re-bid was against SBBC’s best interest.</p>
		<p><i>There are no additional change orders anticipated for this project.</i></p>

Typed by: SVC_/Date: 8.27.13 / SM 9.6.1/IR 12.6.13 /DJC 12.9, 12.10.13

Written by: Sonja V. Coley, Senior Project Manager Date: 8/27/13

Approved by:  Date: 12/10/13