



TO: Board of Directors
FROM: Liz Jamieson, Director of Capital Projects *LJ*
SUBJECT: Approval of SHS Change Order No. 33 – \$156,183.00 – Ticket Booth
DATE: October 6, 2020
TYPE: Action Needed

According to Board Policy No. 6957, construction Change Orders that exceed \$100,000.00 need Board approval.

Attached is Change Order (CO) No. 33 for the new Stanwood High School project, increasing the contract with Cornerstone General Contractors by the amount of \$156,183.00.

Please find attached a letter from McGranahan Architects, which explains the Change Order.

A budget has been established for CO's for each project currently underway and sufficient capacity is available to cover the added cost of this CO and other Construction Change Directives (CCD) and Change Order Proposals (COP) in process. This CO does not change the project completion date.

Please let us know if you have any questions.

Recommendation:

We recommend the board *move to approve SHS Change Order No. 33 to the contract with Cornerstone General Contractors, Inc., for \$156,183.00, related to the new high school replacement project.*

Memorandum

SHS CCD 058 Ticket Booth Costs

Via: Email

Pages: 1

From: Chris Lilley

September 30, 2020

■ Liz Jamieson, SCSD

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■ Steve Broback, McG

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Liz

I am writing this memo to recommend that the District accept Cornerstone's proposed costs for the work related to constructing a new Ticket Booth at the Grandstand – CCD 058.

As you know we have been negotiating the cost of this CCD with Cornerstone for over 2 months now. Admittedly, on first impression the costs submitted by Cornerstone seem high compared to what we would expect for a project of this scale. That is assuming it were competitively bid in a "normal" bidding/construction environment. Having now worked through the basis of Cornerstone's pricing we better understand what is driving those costs up.

The costs were reviewed by our civil engineer, electrical engineer, structural engineer and cost estimator. CPL found the cost for civil work to be reasonable given the scope of the site work. There were some grading issues that required work beyond just the immediate area adjacent to the new building. BCE also found the cost to be reasonable for the electrical scope. The areas that took the longest to work through with Cornerstone are in the general construction (concrete, masonry, framing and roofing). We challenged Cornerstone on each of those items and on each they stood firm.

Essentially what it came down to is the inherent inefficiency of constructing a building of this small scale in the context of project the size of SHS. That inefficiency was compounded by the fact that the work was occurring on the opposite side of the existing high school from the rest of the project. It was further compounded by the fact that the majority of similar work on the main building is already done. For example, the roofing on the high school has been done for quite some time. There is a premium cost to have the roofer remobilize to the site. That premium appears quite large on a cost per square foot basis for a roof that is only 250 square feet. The same applies for the minimal amounts of concrete and masonry. Overlying all of those inefficiencies is the reality of trying to get subs to bid work in the current Covid environment. Contractors on all of our projects are having difficulty staffing projects and getting materials in a timely manner and are often paying premiums to do so. There are also added costs for safety measures related to Covid.

Having reviewed all of those considerations in depth, at this time we believe Cornerstone has substantiated their costs and recommend that the District accept their proposed price for CCD 058 of \$156,183.

Sincerely
Chris

Stanwood-Camano School District

Project:	Stanwood High School - Phase 2
Architect:	Stanwood-Camano School District No. 401 McGranahan Architects
Contractor:	Cornerstone General Contractors

Date: September 28, 2020

[illegible]

The date of Substantial Completion as a result of this Change Order therefore is: **August 26, 2021**

Owner: Stanwood Camano SD Date