

<i>Agenda Item:</i>	II A: Action Item
<i>Date:</i>	May 23, 2024
<i>To:</i>	Magnolia Educational & Research Foundation dba Magnolia Public Schools (“ MPS ”) Board of Directors (the “ Board ”)
<i>From:</i>	Alfredo Rubalcava, CEO & Superintendent
<i>Staff Lead(s):</i>	Patrick Ontiveros, General Counsel & Director of Facilities Mustafa Sahin, Project Manager Katrina Jimenez, Assistant Project Manager
<i>RE:</i>	Approval of General Contractor Change Orders for MSA-1 Tenant Improvement Project at 18242 Sherman Way

1. **Action Proposed:**

MPS Staff recommends and moves that the Board approve the change orders for MSA-1’s Tenant Improvement project at 18242 Sherman Way (the “**Project**”) in the total amount of \$113,378.52, and further approve that MPS Staff be authorized to negotiate and sign the change order proposal for said services in such form as MPS Staff may deem appropriate and in the best interests of MPS.

2. **Services:**

Potential Change Order #4 (PCO007)		
	Description	Amount
1	Storefront (on Sherman Way)	\$106,866.00
2	Painting (Exterior Façade on Sherman Way)	\$8,945.00
3	Electrical	\$9,555.00
4	Signage on the Roof of the Building	\$16,952.96
5	Credit For Partial PCO 001	-\$34,273.20
	EPI (General Contractor) Mark Up Fee @ 4%	\$5,692.76
	TOTAL	\$113,738.52

3. **Purpose:**

The purpose of this proposed action is to approve the change orders from EPI for the Project. These are owner directed changes originating from MSA-1 leadership that they believe will enhance the Project and its utility for MSA-1’s use.

4. **Background:**

Acquisition of the JAM building

At its November 18, 2021, meeting, the MPS Board approved MPS signing a purchase and sale agreement for the purchase of the Property at 18242 Sherman Way at \$4M using a loan from CLI Capital. MPS assigned the purchase and sale agreement to MPM Sherman Winnetka LLC ("**MPM LLC**") and MPM LLC closed on the purchase on October 21, 2022. MPS, for the benefit of Magnolia Science Academy –1 ("**MSA-1**"), leases the property at 18242 Sherman Way from MPM LLC. MPM LLC is a California limited liability company and wholly owned subsidiary of Magnolia Properties Management, Inc., a California non-profit public benefit corporation and 501(c)(3) tax exempt organization.

Architect Selection

The Franco and Associates Architect firm was selected as the architect of record for the Project.

EPI Approval

At its October 12, 2023, meeting the MPS Board approved EPI as the general contractor for the Project. MPS Staff subsequently signed a contract for the Project with EPI.

5. Analysis & Budget Impact:

The change orders from MSA-1 were anticipated; however, the request for the storefront upgrade was submitted later than expected. Therefore, the previously approved \$75,000 contingency from the last board meeting that occurred on April 9, 2024, is not being utilized for these change orders. The change orders are attached as Exhibit A.

While these change orders do not directly affect the project's overall completion, the completion date has been adjusted to August 9, 2024.

The following summarizes the change orders and the necessity for each item:

Potential Change Order 4 (PCO #7)		
	Description of Item	Rationale for Change Order
1	Storefront	This is necessary to enhance the building's visual appeal and accessibility, providing a welcoming entrance that aligns with the gym's overall design and functionality.
2	Painting	This includes exterior facade. This ensures a cohesive environment.
3	Electrical	Upgrading the electrical systems is needed to support the functionality of the gym. This includes improved lighting, which is important for safety, visibility, and creating an optimal environment for various activities.
4	Signage	Owner requested. The sign, located on the roof of the building, will be upgraded. This is for effective wayfinding and branding within the facility. It will help guide students and visitors, enhancing their experience and ensuring safety.

EPI provided the backup for each item in the potential change order, and Magnolia Staff reviewed it and is satisfied that each item is complete and that each amount is fair to MPS.

The total Project cost for the Project with this Potential Change Order #4 is \$2,232,006.97 (Original Board Approved Contract Amount of \$1,839,853.56 *plus* Approved Change Order #1 \$34,273.20 *plus* Approved Change Order #2 \$122,372.66 *plus* Approved Change Order #3 \$122,768.03, *plus* this Change Order #4 \$113,738.52).

The estimated costs of \$113,738.52 associated with this change order will be paid for from MSA-1's reserves. MSA1 is currently projecting an estimated \$12.59 million as part of its ending fund balance based on the 2023-24 Second Interim Budget projections. The Finance Department will utilize this information and incorporate these adjustments to the 2024-25 Adopted Budget that will be presented in June 2024.

Schedule Analysis:

EPI estimates that the Project will be delivered by August 8, 2024, previously set for delivery June 17, 2024. See Exhibit B for an updated schedule. This change is a consequence of the LADWP schedule for installation of water. LADWP will start its scope of work on June 17, 2024 and complete it on July 17, 2024. The delay in LADWP's work affects all subsequent tasks, particularly the storefront installation. The Project will be completed in time for the upcoming fall semester and the fall orientation which will be held on August 9th in the completed gymnasium.

6. Exhibits:

Exhibit A	Change Orders
Exhibit B	EPI Updated Schedule

EXHIBIT A

Potential Change Order #4

(See Following Pages)

PROJECT: Magnolia JAM Building
 18242 Sherman Way
 Reseda, Ca. 91335

EPI Construction Inc.

Owner's Change Order

PROJECT MANAGER: Colin Beal
DATE: May 2, 2024

EPI Job #: 23-035

CHANGE ITEM # PCO 007

Description of Work:

1. Added Costs for Exterior Changes/Additions Per Architect
2. Added Costs for Additional Electrical Changes (Including Exterior)
- 3.
- 4.
- 5.
- 6.

Schedule Impact: N/A

NO.	BILL ITEM:	DESCRIPTION	EPI COST CODE	UNIT COST					TOTAL
				LABOR	MATERIAL	EQUIP.	OTHER	SUB	
1		Storefront	08-0300					106866.00	\$ 106,866.00
2		Painting	09-0700					8945.00	\$ 8,945.00
3		Electrical	16-0100					9555.00	\$ 9,555.00
4		Signage	10-1800					16952.96	\$ 16,952.96
5		Credit For Partial PCO 001						-34273.20	\$ (34,273.20)
6		EPI Fee (4%)	20-0994						\$ 5,692.76
TOTAL CHANGE TO CONTRACT AMOUNT:									\$ 113,738.52

- We are not proceeding with the work until we have been authorized by your office. This quotation is void fifteen (15) days from the above date.
- We are proceeding with construction on the basis of the above costs, and your understanding of same.
- This change may impact the completion of the project, however, we are unable to ascertain the exact cost & time delay at this time. Therefore, we reserve our right to request such time delays or extensions as may be appropriate when the amount of impact is known.

SUBMITTED BY: *Colin Beal* 5/2/2024
 Colin Beal, EPI Construction Inc. Date

APPROVED BY: _____
 _____ Date

PCO 007
 08-0300
 \$106,866.00

COMMERCIAL GLASS
 4685 RUNWAY STREET, UNIT H
 SIMI VALLEY, CA 93063
 PH: 805-522-8186
 License #1035893



Estimate

ESTIMATE NO.
361

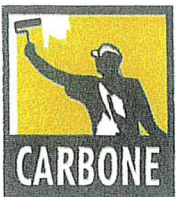
DATE	04/29/24
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GC NAME / ADDRESS
EPI 12345 VENTURA BLVD SUITE H STUDIO CITY CA 91604

PROJECT NAME / ADDRESS
MAGNOLIA SCHOOL GYM 18238 SHERMAN WAY RESEDA CA 91335

DESCRIPTION	TOTAL
FRONT ENTRANCE TWO 3 X 7 WIDE STILE STOREFRONT DOORS HW GROUP 1 EXISTING STOREFRONT TO REMAIN ADD 1 INCH U CHANNEL TO HOLD 3 FORM 1/2 CLEAR KODA XT POLYCARBONATE \$79,879 NOTE SOME SIZES WILL HAVE TO BE REDUCED EXCEEDS THEIR MAX SIZES	\$106,866
BACK ENTRANCE NEW ENTRANCE WITH ARCADIA 2 X 4 1/2 STOREFRONT SYSTEM WITH ONE PAIR OF WIDE STILE STOREFRONT DOORS 1 INCH PLUS ONE 3 X7 WIDE STILE STOREFRONT DOOR WITH 1 INCH CLEAR SOLARBAN 60 GLAZING \$26,987 ALL TAX AND LABOR INCLUDED PRICE OF BID GOOD FOR ONLY 45 DAYS FROM THE DATE OF THIS BID NIC ANYTHING NOT MENTIONED ABOVE NIC ANY CLEANING OR PROTECTION OF GLASS OR METAL	
TOTAL	\$106,866

PCO 007
09-0700
\$8,945.00



Proposal #7192

EPI CONSTRUCTION
12345 VENTURA BL., #H
STUDIO CITY, CA 91604
ATTN: **ERIK LIEU**

DATE: 11-21-23
JOB: **MAGNOLIA SCIENCE ACADEMY**
LOCATION: **18242 SHERMAN WAY, RESEDA**
EMAIL: eriklieu@epiconstr.com

We hereby propose to furnish materials and labor necessary for the completion of

SCOPE OF WORK:

AS PER ELEVATION DATED 11-9-23:

- **PROVIDE 60' BOOM & PREP SCISSOR LIFT.**
- **MASK & PROTECT STOREFRONT and SIDEWALK.**
- **PRIME & PAINT STUCCO FAÇADE INCLUDING ACCENT TRIM.**
- **PREP, PRIME & PAINT EXISTING SIGN FRAME.**

COST: \$ 8,945.00

WE PROPOSE hereby to furnish materials and labor - complete in accordance with above specification, for the sum of
EIGHT THOUSAND NINE HUNDRED FORTY-FIVE **\$ 8,945.00**
dollars (\$ _____)

Payment to be made as follows:

ALL INVOICES ARE DUE WITHIN 15 DAYS OF INVOICE DATE.

All material is guaranteed to be as specified. All work to be completed in a substantial skillful manner according to specifications submitted, per standard practices. Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents, or delays beyond our control. Owner to carry fire, and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature _____ This proposal may be withdrawn by us if not accepted within **30** days. ACCEPTANCE OF PROPOSAL. The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.
DATE OF ACCEPTANCE _____ SIGNATURE _____

Amp Electric, Landscape & Construction Co., Inc.

Change Order Estimate

LICENSE B, C10 & C27 #700567
 7625 HAYVENHURST AVE., #10
 VAN NUYS, CA 91406

Date	Change Order
4/18/2024	14992

Name / Address
EPI CONSTRUCTION INC. 12345 VENTURA BLVD. SUITE H STUDIO CITY, CA 91604

*PCO 007
 16-0100
 \$9,555.00*

ELECTRICAL DIVISION

Description	Qty	Project	
		Rate	Total
MAGNOLIA PUBLIC SCHOOL 18238 SHERMAN WAY BLVD RESEDA, CA 91335 ADDED OUTLETS BASED ON NEW E SHEETS DATED 4/17/24			
ADD 4 - F FIXTURES ABOVE FRONT DOOR AND ADD NEW DIMMER SWITCH WITH SURFACE RUN CONDUIT ON WALL RUN WIRING THOUGH TIME CLOCK RELAY (THE WALL HAS BEEN CLOSED UP AND DRYWALL)	4	175.00	700.00
DIMMER INSTALL FOR FRONT OUTSIDE LIGHTS	1	265.00	265.00
ADD EMERGENCY LIGHTING BATTERY BACKUP TO EXISTING A FIXTURE	1	350.00	350.00
ADD 3 NEW B FIXTURES AND REWORK LAYOUT AS NEEDED	3	225.00	675.00
ADD 1 - C FIXTURE	1	175.00	175.00
ADD 1 - D COVE LIGHT (FRAMING BY OTHERS)	1	175.00	175.00
LIGHTING PACKAGE - PROVIDING OF ADDED LIGHT FIXTURES (UNIT COST WAS NOT PROVIDED, WE WERE GIVEN A PACKAGE COSTS ONLY)	1	2,475.00	2,475.00
QUAD OUTLET IN MAIN COURT AREA ABOVE IN CENTER OF COURT AREA	2	550.00	1,100.00
MAKE DUPLEX OUTLET INTO QUAD OUTLETS ON WALL BETWEEN THE RESTROOMS AND COURT AREA	2	75.00	150.00
ADDED EQUIPMENT RENTAL	1	550.00	550.00
ADDED COST FOR MAKING F FIXTURES 48" LONG SPEC SHEET AND SYMBOL PAGED CALLED OUT FOR 22" LONG FIXTURES AND ARE ON THE JOB			
LIGHTING FIXTURE COST FOR 24 - 48" LONG FIXTURES	1	2,940.00	2,940.00
Thank you for your business. If you have any questions please call Keith Napp @ 818 528-8693		Total	\$9,555.00



14421 Burbank Blvd.
 Van Nuys, CA 91401
 (818) 908-8341

PCO 007
 10-1800
 \$ 16,952.96

ESTIMATE

EST-2388

Payment Terms: Cash or Credit

Created Date: 4/10/2024

DESCRIPTION: Magnolia PS Exterior Pole sign

Bill To: EPI
 12345 Ventura Blvd. #H
 Studio City, CA 91604
 US

Pickup At: Signarama
 14421 Burbank Blvd.
 Van Nuys, CA 91401
 US

34,273.20

Requested By: Erik Lieu
 Email: elieu@epiconst.com
 Cell Phone: 949-677-7974

Salesperson: Catherine Olguin
 Work Phone: 818-908-8341

NO.	Product Summary	QTY	UNIT PRICE	AMOUNT
1	Polycarbonate sign face Custom fabricated polycarbonate sign face 9 ft wide by 12 ft high. Digital print multi color school logo with UV lamination. White Background	2	\$5,184.00	\$10,368.00
2	installation Take down and dispose old sign face. Install 2 new polycarbonate faces No Electrical work included. Magnolia Science Academy 18242 Sherman Way, Reseda	1	\$5,600.00	\$5,600.00

Subtotal:	\$15,968.00
Taxes:	\$984.96
Grand Total:	\$16,952.96

Terms:
 50% deposit due at the time of order. All orders under \$100 require full payment. After Commencement of your order, your order is non-cancelable. All designs, art work, and custom order/made signages are non-refundable. \$35 charge on all return checks. Customer hereby agrees to pay interest at the rate of 1.5% plus \$35.00 late fee per month on all overdue payments, and all costs of collection including reasonable attorney's fee.

EXHIBIT B

EPI Updated Schedule

(See Following Pages)

Magnolia JAM Building
5.15.2024

ID	Task Mode	Task Name	Duration	Start	Finish	4																	
						T	W	T	F	S	May 19, '24					May 26, '24							
21		Paint	4 days	Thu 8/1/24	Tue 8/6/24																		
22		Sports Equipment	53 days	Thu 5/16/24	Mon 7/29/24																		
23		Install Unistr	2 days	Thu 5/16/24	Fri 5/17/24																		
24		Inspect Unistr	1 day	Mon 5/20/24	Mon 5/20/24																		
25		Finalize Shop Drawings	5 days	Tue 5/21/24	Mon 5/27/24																		
26		Fabricate Mat	40 days	Tue 5/28/24	Mon 7/22/24																		
27		Install Materi	5 days	Tue 7/23/24	Mon 7/29/24																		

Project: Two Week Look Ahead Date: Thu 5/16/24	Task		Inactive Summary		External Tasks	
	Split		Manual Task		External Milestone	
	Milestone		Duration-only		Deadline	
	Summary		Manual Summary Rollup		Progress	
	Project Summary		Manual Summary		Manual Progress	
	Inactive Task		Start-only			
	Inactive Milestone		Finish-only			