Board Agenda Item #	IV E- Action Item
Date:	June 14, 2018
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Patrick Ontiveros, General Counsel & Director of Facilities
RE:	Motion to Approve Award of Various Contracts for MSA-1 Project -- High School New Construction and Middle School Tenant Improvement

Proposed Board Recommendation(s)

Staff recommends that the Board of Directors of Magnolia Educational & Research Foundation dba Magnolia Public Schools ("MPS") approve the award of the following contracts to the following entities:

(1) Terry A. Hayes and Associates – for CEQA services related to the zone change application for MSA-1 new construction – on a time and material basis not to exceed $38,195

(2) Leighton Consulting, Inc. – for laboratory inspection and deputy inspection services for MSA-1 new construction – on a time and material basis not to exceed $70,000 with a contingency of $10,000 (for a total of $80,000)

(3) Pacific Engineers Group, Consulting Electrical Engineers – for electrical services related to tenant improvements to existing MS building – on a time and material basis not to exceed $25,000

(4) Maroko & Shwe, Inc. – for mechanical services related to tenant improvements to existing MS building – on a time and material basis not to exceed $35,000

(5) Brandow & Johnston Structural Engineers – for structural services related to tenant improvements to existing MS building – on a lump sum basis for $52,000

See Exhibits A, B, C, D and E, respectively, for PrimeSource's more detailed description of each contract referenced above.

I. Background

High School Building (New Construction)

After more than a year of design, plan check, and permitting, the new high school building for MSA-1 is set to be constructed. The project consists of a three (3) story, 27,000 square foot building with standard classrooms, one specialty classroom, administrative space, and a rooftop play area. The construction of the new building will not only allow MSA-1 to increase its enrollment capacity -- from about 500 to about 880 -- it will also allow MSA-1 to keep its

middle school and high school populations separate. It will continue to house middle school students in the existing building while housing high school students in the new building.

Middle School Building (Tenant Improvements)

A preliminary study of the existing building revealed that it requires seismic retrofitting to bring it up to code. The structural engineers referenced above will prepare seismic improvement plans for submission to LADBS. Such plans will include provision to infill the second floor to add more square footage and more classroom space.

The existing building's HVAC system has outlived its useful life and in any event, even if it were still reparable, is not suited to service the existing building. Concurrently, an upgrade of the HVAC system requires an upgrade of the mechanical system.

Finally, the aforementioned improvements to the structure, the HVAC system, and the mechanical system require that the electrical system also be upgraded.

II. Contracts

CEQA Services

Part of the application for the zone change for the parking lot to allow for more future development requires a CEQA ("California Environmental Quality Act") evaluation. Specifically, the zoning application requires a City-defined standard CEQA environmental analysis and mitigation determination process that evaluates potential impacts of the zone change on the neighborhood and considers ways to mitigate or avoid negative impacts. For the avoidance of doubt, there is no known environmental issue with the MSA-1 property, for example, contaminated soil. This is merely part of the zone change application process. See Exhibit A for more details.

The MSA-1 construction budget has a budget of $47,000 for CEQA services. Therefore, since the CEQA contract submitted herewith for approval is for $38,195, there should be a net savings to the Project budget.

Laboratory Inspection and Deputy Inspection Services

The MSA-1 new classroom building is being built under the City of Los Angeles Department of Building and Safety (LADBS) Code and regulations. The City provides lead inspectors in all disciplines to ensure Code compliance; the cost of these inspections is included in permit fees paid by MPS. MPS is required to provide at its expense deputy inspectors who do the detailed day to day inspection and laboratory testing. See Exhibit B for more details.

The MSA-1 construction budget has a budget of $80,000 for inspection services equal to the contract price submitted for approval. Therefore, assuming that there are no change orders for inspection services, this contract should be budget neutral.

Electrical Services for Existing Building

The electrical system, including the electrical switchgear, is largely unchanged from when the existing building was originally constructed. The electrical system, including the electrical switchgear, must be re-designed in order to support a new HVAC system that is a pressing .

The seismic renovation of the building will create new rooms and rearrange walls in spaces which will require modifications to the lighting and power distribution design.

This scope of services is eligible to be paid from MSA-1's Prop 39 Energy Efficiency Grant as well as proceeds from the 2014 Bond.

Mechanical Services for Existing Building

As detailed in the PrimeSource board report attached hereto as Exhibit D, all HVAC units serving the existing building are deficient for a variety of reasons, all are beyond their useful lives, and many have failed. As a consequence all units must be replaced.

This scope of services is eligible to be paid from MSA-1's Prop 39 Energy Efficiency Grant as well as proceeds from the 2014 Bond.

Structural Services for Existing Building

An initial assessment of the existing building has been completed and has determined that the building does not meet current seismic code. An initial conceptual design has also been completed. Both scopes were part of the contract award previously approved by the Board.

The planned infill of the second floor will aid in the seismic upgrade. The infill includes the extension of the second floor on the Sherman Way side of the building to fill in the existing two story space and the addition of shear walls. In addition, the seismic upgrade work will entail tying the existing second floor and roof connections to the exterior walls. The contract submitted for approval herewith will complete the design for submission to LADBS.

This scope of services is eligible to be paid from MSA-1's 2014 Bond.

III. Procurement / RFP

As explained in more detail in PrimeSource's board reports attached hereto, MPS/PrimeSource issued RFPs for each of the services referenced above. The recommendations made above are based on PrimeSource and MPS's evaluation of the responses and represent the best overall value for the services.

IV. Budget & Budget Implications

Each of the contracts for the high school building project will be covered by the budget previously presented to and approved by the Board as a "soft cost." The source of funds for the high school building is a combination of the 2017 Bond, Charter School Facility Incentive Grant (CSFIG), and an inter-school/company loan, if necessary, which is to be submitted to and approved by the Board at a later date.

The source of funds for the contracts related to the middle school/existing building is the 2014 Bond and the Prop 39 Energy Efficiency Grant.

Impact on MPS

Approval of the aforementioned contracts will allow MPS to continue with the construction of the new high school building and to better define the improvements that are needed for the middle school building, including required retrofit upgrades to bring the building up to Code.

Name of Staff Originator

Patrick Ontiveros, General Counsel & Director of Facilities

Exhibits (Primesource Reports)

A. Terry A. Hayes and Associates

B. Leighton Consulting, Inc.

C. Pacific Engineers Group, Consulting Electrical Engineers

D. Maroko & Shwe, Inc.

E. Brandow & Johnston Structural Engineers

Exhibit A
PrimeSource Board Report
Terry A. Hayes and Associates

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Board Action:
MSA-1 Zoning Change
CEQA Consulting Services

Date: June 5, 2018

Action Requested: Staff requests approval to issue an agreement to provide CEQA environmental consulting services to support the planned zoning change application for the MSA-1 campus to **Terry A. Hayes and Associates (TAHA)** to complete all required CEQA evaluations for a reimbursable Not-To-Exceed fee of $38,195.

Background - The MSA-1 campus has two different zoning classifications: the side between Sherman Way and the alley is designated as C2; the side between the alley and the rear of the site is designated as P. A C2 classification allows activities and buildings compatible with school needs. A P designation is reserved for parking, prohibits buildings, and allows very limited non-parking activities only under temporary zoning variances: it is not compatible with immediate school needs and restricts the long term development potential for the campus. It also restricts near term development potential in several ways. The planned seismic renovation design concept increases the FAR ratio for the existing building beyond the limit under current rules. The campus must maintain an excessive number of parking slots and cannot convert current parking areas to athletic areas or other functions.

A change in zoning and obtaining permissions for the full range of development anticipated for the campus over the long-term requires submission of a zoning change application to the City of Los Angeles.

MSA-1 has already begin the process of preparing and submitting a zoning change application (to be prepared by Rabuild Commercial, already under contract) supported by master planning (being prepared by gkk works, already under contract).

The zoning application next requires a City-defined standard CEQA environmental analysis and mitigation determination process that evaluates potential impacts of the master plan on the neighborhood and, if found, considers ways to mitigate or avoid negative impacts. The CEQA environmental work will also be supported by project specific mapping (by

GC Mapping Service, already under contract) and may require an updated traffic analysis (possible update to 2017 analysis already prepared by KOA and approved as part of the new high school design). Filing fees will be required when the zoning change application is submitted.

Staff prepared an RFP for environmental consulting work, advertised the RFP, and reached out to firms to solicit proposals for this work. Two firms with particular expertise in this area of work and in this specific neighborhood were solicited and given access to all project information and other consultants working on this topic. Compliant and responsive proposals were received from both firms.

Staff selected **Terry A. Hayes and Associates**. They demonstrated a precise and targeted understanding of the project's specific needs and level of effort and also proposed a low fee for services. Because the environmental process is iterative and specific tasks will evolve depending on prior findings and analysis, this work does not lend itself to a lump sum contract. Instead, staff recommends a reimbursable contract with a Not-To-Exceed cap.

This work is included in the MSA-1 budget approved by the Board in May 2018. The budget anticipated that the work will be funded by 2014 bond funds specifically allocated to existing building renovation. Staff has since determined that this work is also eligible for CSFIG funding.

Exhibit B
PrimeSource Board Report
Leighton Consulting, Inc.

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Board Action:
MSA-1 New Classroom Building
Testing & Inspection Services
From Leighton Consulting, Inc.

Date: June 6, 2018

Action Requested: Staff requests approval to issue a contract to **Leighton Consulting, Inc.** to provide laboratory testing and deputy inspection services for the MSA-1 new classroom building under a cost reimbursable contract with a Not-To-Exceed (NTX) limit of $70,000, plus an authorized contingency of $10,000.

Background - The MSA-1 new classroom building is being built under the City of Los Angeles Department of Building and Safety (LADBS) Building Code and regulations. The City provides lead inspectors in all disciplines to ensure Code compliance; this cost is included in permit fees paid to the City. MPS is required to provide at its expense deputy inspectors who do the detailed day to day inspection and laboratory testing of all soils and structural work. MPS is also required to perform its own inspection of non-Code elements such as architectural finishes and its own inspection for scope completion. Non-Code inspection will be provided primarily by the design team and the construction manager in periodic site visits and formal completion inspections. In addition, the contractor is responsible for delivering a project that meets defined quality requirements and for conducting its own inspection.

This contract is to provide the deputy inspectors and laboratory testing required by the City of Los Angeles. All deputy inspectors and laboratories are required to be certified by the LADBS and to comply with LADBS administrative processes, record keeping, and technical services. Their services must work in a coordinated fashion with inspection and quality verification services provided by the contractor, its subcontractors and suppliers, the design team, the commissioning agent, and the construction manager.

The City requirements are not as intense or expensive as those in a DSA-regulated school project. However, it is the recommendation of staff that this building be held to a quality standard that is higher than the typical charter school or commercial building including a higher than normal quantity and quality of inspection and record keeping, one that is closer

to DSA standards. This recommendation is based on the observation that ensuring better initial quality is a proven cost-effective way of reducing long-term cost of maintenance and operations and ensuring building toughness for seismic loading and other factors that ensure a longer building life and level of service.

Staff prepared an RFP for these services which was publicly posted and multiple firms were solicited directly. Ultimately, four proposals were received and evaluated. All of the proposers were required to estimate cost of services based on the building plans and an overall schedule which were provided to them. The fee proposals varied greatly in total cost and even more greatly in approach and individual task manhour estimates. Several proposals were missing key components which would increase cost when added. Several proposals had unreasonably low estimates of manhours required for various tasks which also created an apparently lower cost that cannot be sustained. The project will also require specialty testing that none of the firms addressed, particularly related to waterproofing and other unique specialty areas. Hourly rates for inspectors varied considerably – along with their qualifications and training and oversight.

After considerable evaluation, staff recommends that the contract be awarded to **Leighton Consulting, Inc.** as representing the best overall value to MPS.

Staff negotiated the cost and scope of this work with **Leighton Consulting** and reduced the overall cost significantly from their proposed total amount. Because the actual detailed level of effort will be influenced significantly by LADBS inspector direction and by contractor schedule and level of quality delivered, it is not practical or desirable to use a lump sum contract format for this work. Instead, staff recommend a reimbursable contract format with a Not-to-Exceed (NTX) cap of $70,000. Staff also recommends that a testing and inspection contingency of $10,000 be authorized at this time to be added to the contact by change order if and when necessary.

This work is included in the MSA-1 budget approved by the Board in May 2018. The budget anticipated that the work will be funded by 2074 bond funds; this work is not eligible for CSFIG funding.

Exhibit C
PrimeSource Board Report
Pacific Engineers Group, Consulting Electrical Engineers

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Board Action:
MSA-1 Existing Building
Electrical Engineering Consultant

Date: June 6, 2018

Action Requested: Staff requests approval to issue a professional consulting services agreement to **Pacific Engineers Group, Consulting Electrical Engineers** for electrical engineering consulting services on the existing building with a reimbursable Not-To-Exceed (NTX) amount of $25,000.

Background - The MSA-1 site includes two buildings. The existing classroom building was built in the early 1960's and renovated by MPS in 2002. That renovation left the existing HVAC and plumbing systems largely intact and left the electrical switchgear system completely intact. The HVAC equipment system requires a complete reengineering and replacement. Electrical service to the HVAC system is deficient and must be reengineered and replaced. This design work will be incorporated into the Prop 39 HVAC design/build package planned for this building. This is the most pressing need.

MSA-1 is also planning to incorporate solar power into the campus. This requires the ability to feed solar power into the switchgear and DWP meter system. It appears that the building was designed with multiple (+10) DWP electrical meters intended to serve individual building tenants. This multiple meter arrangement is unnecessary today and an obstacle to the incorporation of solar power and will require modification and negotiation with DWP. It also created unnecessary and confusing circuits throughout the building, some of which require modification to support current classroom power demands.

The seismic renovation of the campus will create new rooms and rearrange walls in spaces which will require modifications to the lighting and power distribution design.

The scope of work for this consultant will include the following tasks:

- A redesign of the electrical system to modernize the HVAC, exhaust, and hot water systems.

- A redesign of the electrical system to serve the seismic renovation of the building and creation of new classroom space and relocation of office space.
- Evaluation and potential redesign of the existing switchgear to allow the maximum incorporation of solar power from the planned solar shade shelter.

Staff prepared an RFP for this work which was publicly posted. This is a small services contract and unattractive to most consultants. Staff approached multiple consultants who declined the work. **Pacific Engineers Group** submitted a compliant proposal and then negotiated a significant reduction in fee to meet the MSA-1 budget. **Pacific Engineers Group** has extensive experience with electrical design in schools and with Prop 39 applications and processes, and has worked extensively with Maroko & Shwe, the recommended mechanical engineer for existing building renovation.

This work is included in the MSA-1 budget approved by the Board in May 2018 to be funded from the 2014 bond. Staff has determined that the consulting work under this contract is also eligible for a combination of CSFIG funding and Prop 39 reimbursement.

Exhibit D
PrimeSource Board Report
Maroko & Shwe, Inc.

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Board Action:
MSA-1 Existing Building
Mechanical Engineering Consultant

Date: June 6, 2018

Action Requested: Staff requests approval to issue a professional consulting services agreement to **Maroko & Shwe, Inc.** for mechanical engineering consulting services on the existing building with a reimbursable Not-To-Exceed (NTX) amount of $35,000.

Background - The MSA-1 site includes two buildings. The existing classroom building was built in the early 1960's and renovated by MPS in 2002. That renovation left the existing HVAC and plumbing systems largely intact. The system includes a number of rooftop package HVAC units on the roof. These units are all beyond end of life and are failing. The initial installation of these units was substandard in many respects: inadequate structural connections and support, improperly designed ductwork, inadequate (or no) sound dampening, non-Code compliant gas and electrical service. Many units were residential units incorrectly sized, improperly used in a commercial setting and some not designed for rooftop applications. All of the units are using a refrigerant that is no longer legal and cannot be recharged legally. The current HVAC system provides a volume of fresh air significantly below current Code and poor level of comfort in extreme temperatures.

Exhaust fans, also located on the roof, are similarly deficient. Bathrooms are being served by an oversized gas fired hot water boiler, which is an inefficient wasteful provided of hot water. The small amount of hot water required to serve the school would be more efficiently provided by small on-demand electric hot water heaters. This would eliminate the need for gas service to the building.

All HVAC equipment requires immediate replacement. This equipment replacement qualifies for Prop 39 funding. Because the existing units cannot be replaced in kind, because the existing design is severely deficient and violates Code, the entire system must be redesigned.

The scope of work will include the following:

- A redesign of the entire system to modernize the HVAC, exhaust, and hot water systems.

- The redesign of the system will anticipate the seismic renovation of the building and creation of new classroom space and relocation of office space that will require an expansion of HVAC service.
- The redesign of the system will remove a significant portion of the ductwork in the current atrium to reduce clutter and visually open the space to serve as a large group activity space.
- The design will develop a performance based plan and specification to be issued to Design/Build HVAC contractor bidders to replace the existing equipment and modernize the system. This will include the necessary applications and supporting documentation to secure Prop 39 funding.

Staff prepared an RFP for this work which was publicly posted. This is a small services contract and unattractive to most consultants. Staff approached multiple consultants who declined the work. **Maroko & Shwe** submitted a compliant proposal and then negotiated a reduction in fee to meet the MSA-1 budget. Staff has negotiated a fixed fee of $12,000 for the performance based HVAC replacement package plus a reimbursable Not-To-Exceed fee of $23,000 for the balance of tasks, for a total contract amount of $35,000. **Maroko & Shwe** has extensive experience with mechanical design in schools and with Prop 39 applications and processes.

This work is included in the MSA-1 budget approved by the Board in May 2018 which anticipated using proceeds from the 2014 bond. Staff has confirmed that the consulting work under this contract is also eligible for a combination of CSFIG funding and Prop 39 reimbursement.

Exhibit E
PrimeSource Board Report
Brandow & Johnston Structural Engineers

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Board Action:
MSA-1 Existing Building
Change Order to Brandow & Johnston Structural Engineers

Date: June 6, 2018

Action Requested: Staff requests approval to issue a change order for expanded services to **Brandow & Johnston Structural Engineers** to complete a seismic renovation design through plan check by the City of LADBS for a Lump Sum fee of $52,600.

Background - The MSA-1 site includes two buildings. The existing classroom building was built in the early 1960's and renovated by MPS in 2002. That renovation made no structural changes or upgrades.

Brandow & Johnston is currently under contract to provide structural engineering services on the existing building at MSA-1. The current scope includes a two-step seismic existing conditions assessment and a conceptual renovation design. The initial assessment work is largely complete and has confirmed serious seismic weaknesses that require correction to reduce the risk of catastrophic failure in the building in the event of a serious earthquake.

The conceptual renovation design is also largely complete. This design anticipates extending the second floor to fill in the currently open two-story high area in the front of the building (on the Sherman Way side), the addition of shear wall panels on the exterior walls of the building, and additional connections between the second floor and roof and the exterior walls. This is an opportunistic solution that is practical and cost effective and which will yield additional classrooms, a large group assembly area, and repositioning of administrative support space closer to the main entrance to the school.

Staff negotiated the cost and scope of this work with **Brandow & Johnston** based on industry standards for comparable scope. Because the scope is well-defined, it lends itself to a lump sum fee contracting approach. Initial work under this agreement was also done on a lump sum basis.

This work is included in the MSA-1 budget approved by the Board in May 2018. The budget anticipated that the work will be funded by 2014 bond

funds specifically allocated to existing building renovation. Staff has since determined that this work is also eligible for CSFIG funding.