

Port Neches-Groves High School Value Engineering & GMP Presentation

June 19, 2008



Port Neches – Groves Independent School District
Port Neches – Groves High School VE



Purpose

The information presented in this package reflects revisions/updates to the design of **Port Neches-Groves HS**.

The revisions illustrated herein have been performed in response to **market driven price overrun**.

The value engineering + design revisions proposed are the **work of the entire project team**: Port Neches – Groves ISD, LanWalton, ALLCO, and SHW Group LLP.

In the case of differences between the information presented in the Previous Design presentations:

September 9, 2007 (Schematic Design)

November 13, 2007 (Design Development)

This package dated June 19, 2008 shall govern.

Looking for **approval of Guaranteed Maximum Price** with ALLCO and the **issuance of a Notice to Proceed**.



Proposals Received + VE Mtg #1

- **ALLCO** on board as **CM at Risk**
- **Subcontractor proposals received on 05/13/2008**
- All proposals and contractors **evaluated by ALLCO**
- **Recap provided and reviewed on 05/15/2008**
- **Over Budget by approx. \$12 million**



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Cost Considerations

Continued inflation of construction pricing nationwide

- Some material costs up more than 30% in the past 2 months
- Monthly escalation factors applied to future materials

Local & regional demand

- Local construction pricing inflation
- Local labor prices increasing
- ALLCO reporting a 2% per month escalation cost
- ALLCO reporting that subs bidding HS need to “lock in” soon



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Value Engineering / Re-design Team

Issues

- Proposals were significantly over budget.
- Project moved into value engineering + re-design phase to “close the gap” between cost of work and budget.

Value Engineering / Re-design

PNG ISD

Team

Dr. Lani Randall

Mr. Marc Keith

Dr. Mary Jane Moore

Mr. Frank Wilson

Other Key HS Staff

LanWalton

Mr. Lamar Urbanovsky

Mr. Theo Rouse

Mr. Bill Pate

ALLCO

Mr. Gene Allen

Mr. Tom Harrison

Mr. Jim Zinn

Mr. Joe Ping

SHW Group

Ms. Jennifer Henrikson

Mr. J. Luis Del Valle

Mr. Bill Wadley

Mr. Henry Garcia



Project Non-Negotiables

Value Engineering / Re-design Team identified scope that could not be reduced and/or deleted:

- No funds can be directed from any other schools
- All current High School programs must be addressed
- Construction quality must not be sacrificed
- Building energy efficiency focus in mind



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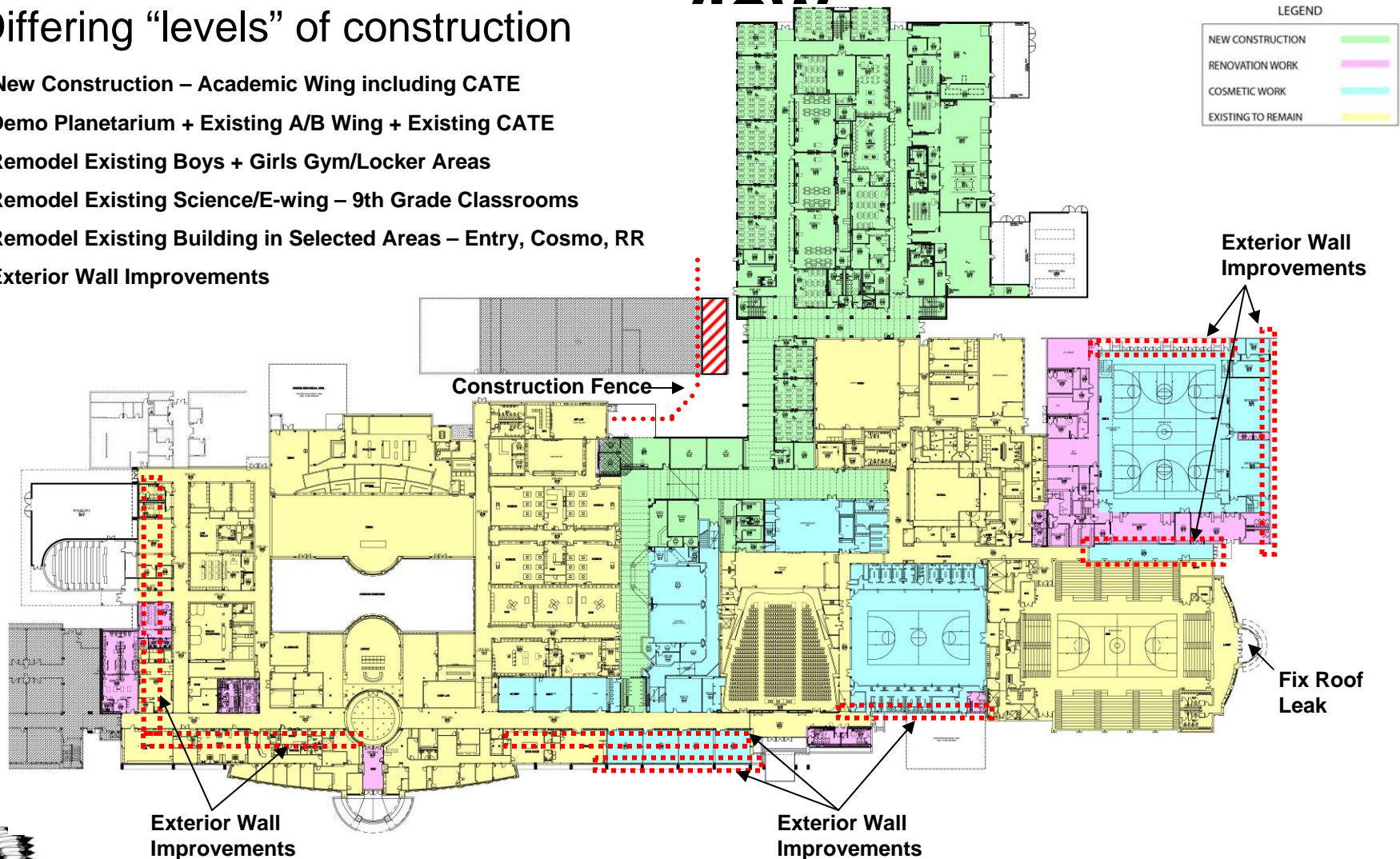
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Design Revisions Required - FL1

Differing “levels” of construction

- New Construction – Academic Wing including CATE
- Demo Planetarium + Existing A/B Wing + Existing CATE
- Remodel Existing Boys + Girls Gym/Locker Areas
- Remodel Existing Science/E-wing – 9th Grade Classrooms
- Remodel Existing Building in Selected Areas – Entry, Cosmo, RR
- Exterior Wall Improvements



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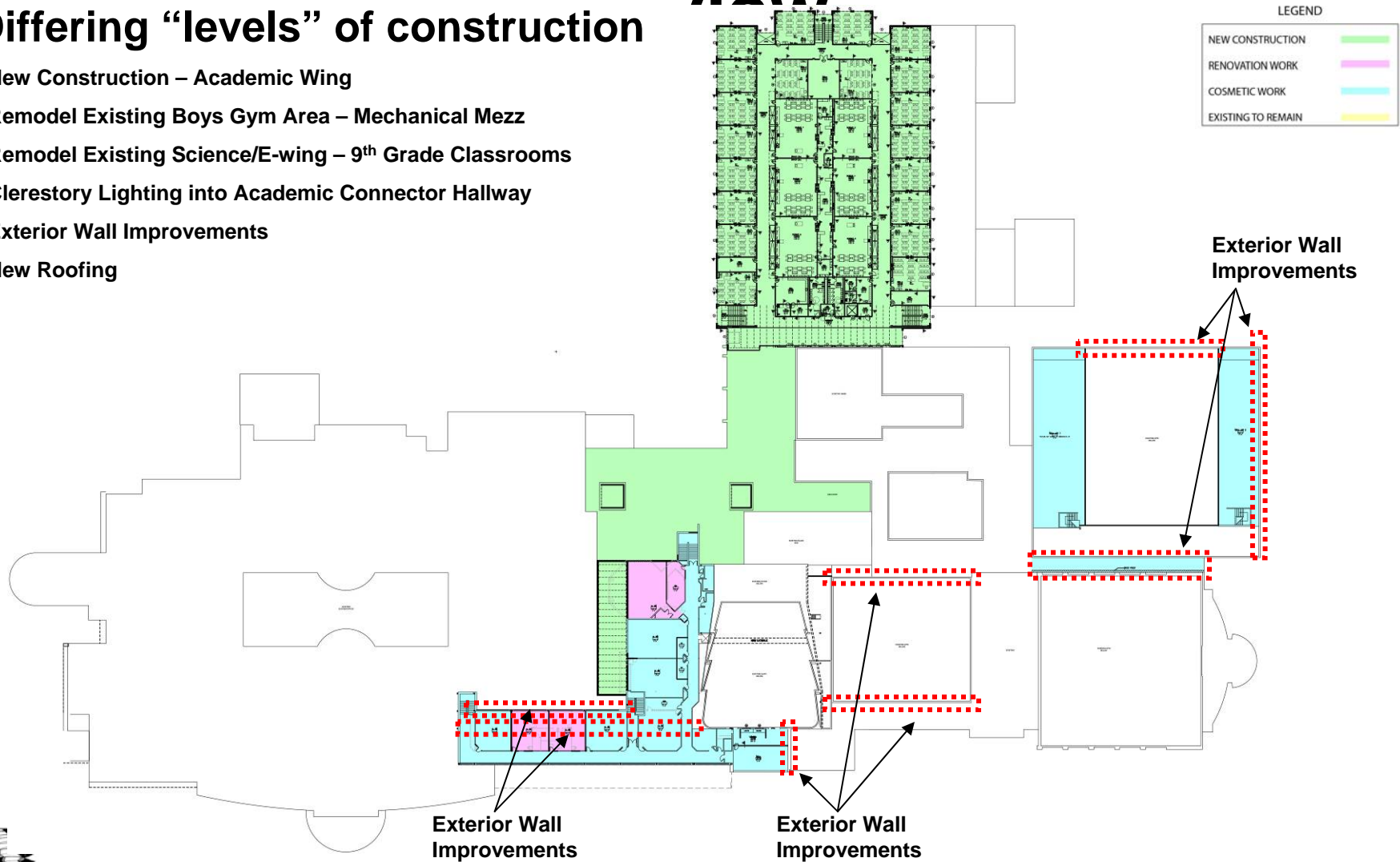
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Design Revisions Required - FL2

Differing “levels” of construction

- New Construction – Academic Wing
- Remodel Existing Boys Gym Area – Mechanical Mezz
- Remodel Existing Science/E-wing – 9th Grade Classrooms
- Clerestory Lighting into Academic Connector Hallway
- Exterior Wall Improvements
- New Roofing



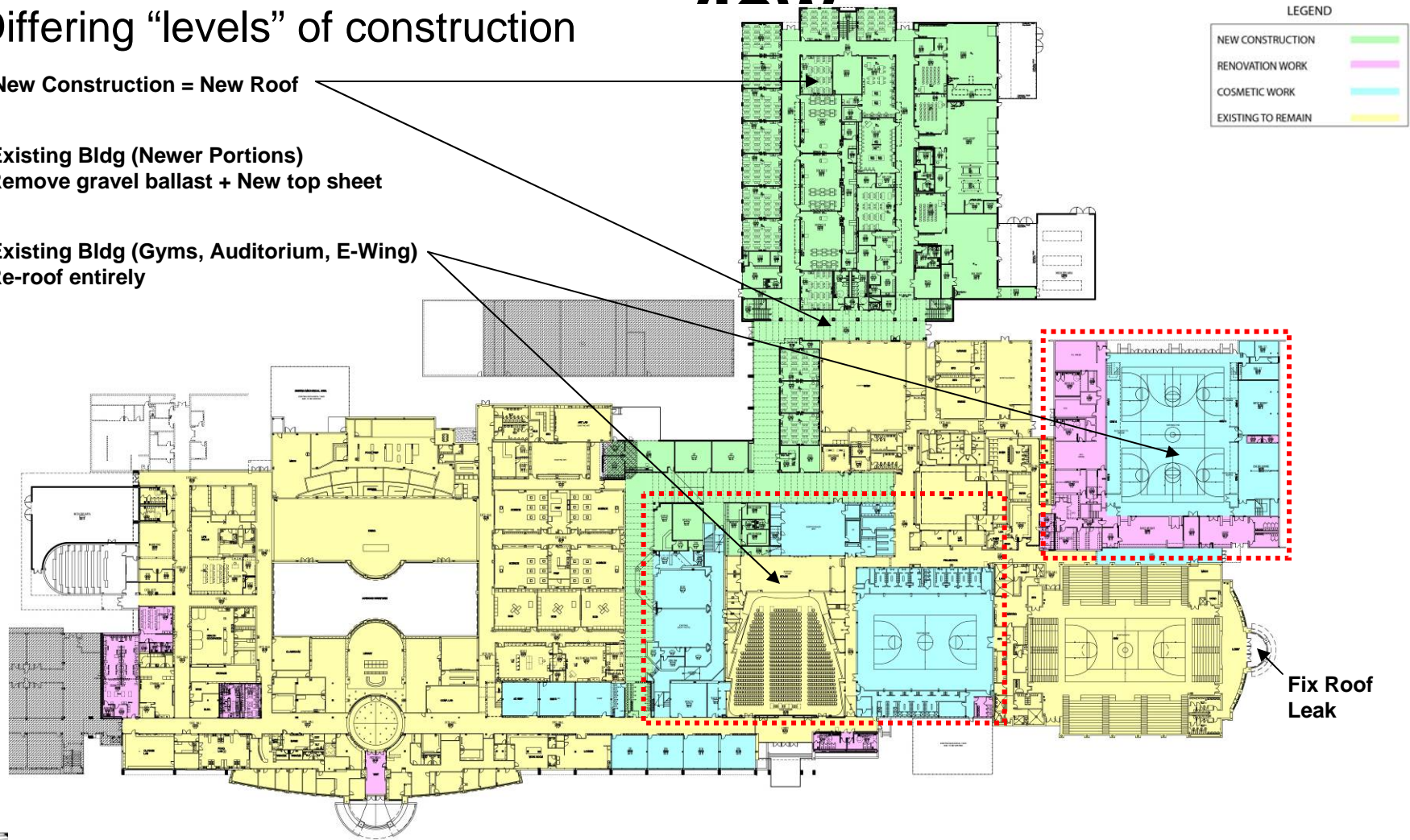
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Design Revisions Required - Roof

Differing "levels" of construction

- New Construction = New Roof
- Existing Bldg (Newer Portions)
Remove gravel ballast + New top sheet
- Existing Bldg (Gyms, Auditorium, E-Wing)
Re-roof entirely



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PNG HS Phase 1 – Athletic Fields,

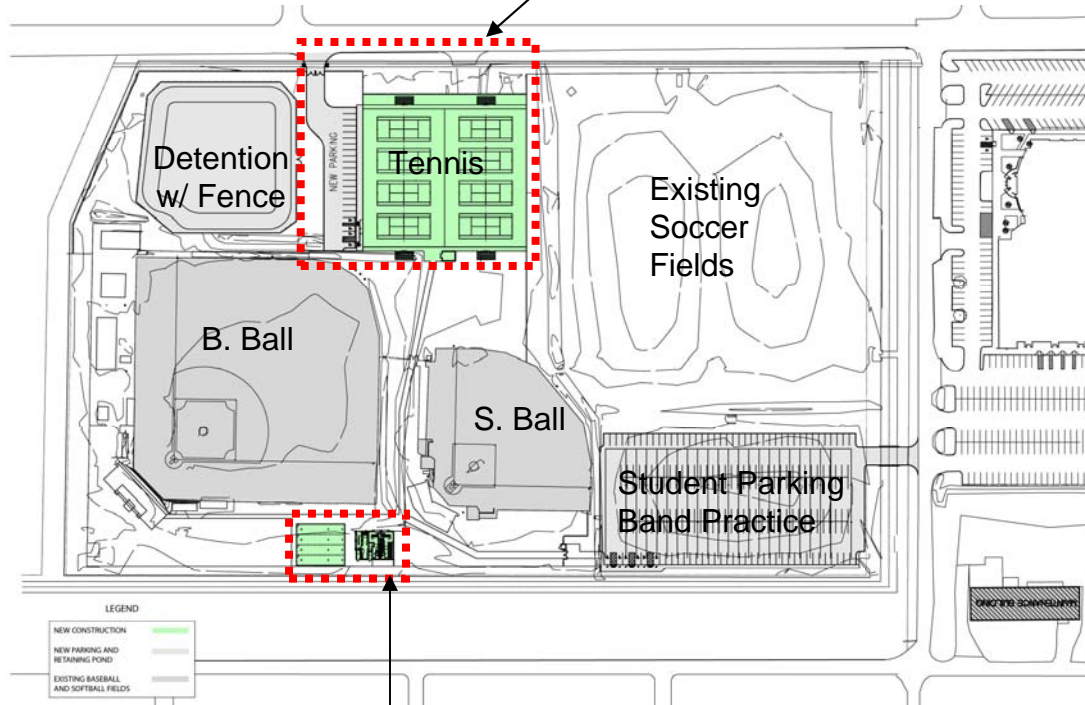
Site Work

- Detention Pond w/ Fence
- Storm Drainage for Entire Site
- Student Parking / Band Practice

Detention

Tennis

- New Courts (8)
- New Parking



Athletics

- New RR + Concession Bldg w/ Coiling Doors
- New Batting Cage Building w/ Overhead Doors

Design Revisions – Construction Phases

PHASE 1 – Start Immediately, Continue VE efforts to refine pricing

- Site work for entire project
- New 2-story Academic Classroom/CATE Building (10th -12th Grade)
- Athletic Field Improvements at SB/BB
- Roofing at Existing Building
- Boys Gym + Locker Area Remodel
- Academic Connector (9th Grade) – Existing Science Wing

PHASE 2 – Complete re-design documents, Refine pricing

- Security Vestibule at Entry
- Girls Gym + Locker Area Remodel
- Cosmetology Renovation
- Demolition of Existing A-wing + B-wing
- Construct new parking lot

Construction Timeline – Reduced overall timeline, Mitigate inflation

- Phase 1 complete in 18 months
- Phase 2 complete in 24 months



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Proposed Guaranteed Maximum Price

Construction Cost Recap	
Original Proposal Received - 05/15/08	\$48,221,530
Construction Cost Reductions to date	-\$11,879,530
Total Construction Cost (GMP)	\$36,342,000

Budget and Fund Allocation Recap	
Construction Cost Budget	\$34,495,000
Transferred to Stadium for Cosmetology	-\$250,000
subtotal	\$34,245,000
Technology Included in Construction	\$1,500,000
subtotal	\$35,745,000
Architect - Program Manager Fees (savings)	\$300,000
subtotal	\$36,045,000
Interest Earnings	\$297,000
Total Funds Available	\$36,342,000



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Project Schedule

Value Engineering accomplished with “minimal impact” on construction schedule start.

Current plan may save overall construction time.

- Construction can begin as soon as contract is signed for Phase 1.
- Redesign documents will commence.
- Value Engineering Efforts will continue.

Phase 1 = Opens Fall 2009

Phase 2 = Opens Fall 2010



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Value Engineering / Re-design

Conclusion

- Design Revisions Summary
 - Current HS Program needs addressed
 - Athletic needs addressed at SB/BB/Tennis
 - Continue to find VE opportunities in Phase 1
 - Continue to find VE opportunities in Phase 2
Bid Phase 2 as soon as possible
- Construction schedule “minimally” affected
- Cost escalation mitigated without diverting any funds from any other schools.
- Contracts are a **Guaranteed Maximum Price**
 - All remaining funds in Allowance are credited back to PNG ISD at the end of construction



Conclusion / Approval

Looking for approval of Guaranteed Maximum Price with ALLCO.

- Guaranteed Maximum Price;
A “not to exceed” amount of \$ 36,342,000
- Issuance of a Notice to Proceed



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