

Consideration for Increase in Contract Cost for Myrtle Beach Primary School Renovation – Phase II

Policy Reference: OE-13: The superintendent shall assure that physical facilities support the accomplishment of the board's **Results** policies, are safe and properly maintained.

Background Information: Phase II renovations to Myrtle Beach Primary School have been bid and are under contract for the construction schedule to begin soon. Included as an Alternate in the original bid were partial HVAC renovations, but due to existing funding limitations, the Alternate was not accepted. This work is considered critical to the school and is more economical to perform in conjunction with other planned summer work. Staff has performed a re-evaluation of the HVAC concerns and developed a revised scope of work. The Facilities Committee reviewed and approved this work at their March 20, 2017, meeting. They also approved funding for the work to be from the Short-Term Capital Plan's Sustainment projects budget.

After the Committee's approval, an oversight was discovered whereby the amount of the addition to the contract exceeds the superintendent's OE-13 approval threshold of 10%. The total contract increase is \$400,000.00 to a current contract value of \$2,553,995.00, or a 15.7% increase.

Purpose: To authorize the proposed funding increase to the current Myrtle Beach Primary School Renovations - Phase II project.

For additional information: Contact Mark Wolfe 843-488-6967 or Daryl Brown 843-488-6774.

Recommended Action: Approve an increase of \$400,000.00 for HVAC improvements to Myrtle Beach Primary School Phase II Renovation contract, resulting in a total project contract value of \$2,953,995.00.

Estimated Cost: \$400,000.00

Recurring ___ Non-recurring X

Funding Sources: Short Term Capital Plan - Sustainment Funds