

Board Office Use: Legislative File Info.	
File ID Number	24-1313
Introduction Date	05-22-2024
Enactment Number	
Enactment Date	



**OAKLAND UNIFIED
SCHOOL DISTRICT**
Community Schools, Thriving Students

Memo

To Board of Education

From

Facilities Committee
Valarie Bachelor, Chair
Clifford Thompson, Member
Jorge Lerman, Member

Staff

Kyla Johnson-Trammell, Superintendent
Preston Thomas, Chief Systems & Services Officer, Facilities Planning and Management
Kenya Chatman, Executive Director, Facilities Planning and Management

Meeting Date

May 22, 2024

Subject

Lowell Campus Window Wall Replacement \$3.75 Million Budget Increase – May 22, 2024 – Division of Facilities Planning and Management

Action

Adoption by the Board of Education, upon recommendation of the Facilities Committee, of Resolution No. 2324-0213 Lowell Campus Window Wall Replacement Project - Budget Increase \$3.75 Million (May 22, 2024).

Background

OUSD only received one bidder through the competitive bidding process for the Window Wall Replacement from a contractor who has successfully completed multiple projects with Oakland Unified School District.

- | | |
|---------------------|-------------|
| 1. Mar Con Builders | \$7,483,528 |
|---------------------|-------------|

The low bid and associated soft costs bring the total project cost significantly above the \$6,075,000 Measure Y project allocation for this Deferred Maintenance item. The attached presentation highlights how market factors and the overall complexity of the project contribute to this extraordinary price increase from the last estimate completed at the time that the project was submitted to DSA. Given the extraordinary increase in construction costs we are not recommending rebidding as costs are still trending up significantly (9% year over year) and it is unlikely that another bidder would emerge.

Recommendation

Approval of the Lowell Campus Window Wall Replacement Budget Increase of \$3.75 Million, May 22, 2024. This budget increase allows the award of the low bid and start of construction this summer.

Fiscal Impact

\$3.75 Million to be allocated and Lowell Campus Window Wall Replacement project out of the Measure Y Board Directed Initiative Allowance

Attachment(s)

- Resolution No. 2324-0213
- Exhibit A – Lowell Campus Window Wall Replacement Budget Increase – May 22, 2024

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Memo

To Measures B, J, and Y Independent Citizens’ School Facilities Bond Oversight Committee
Facilities Committee

From Kyla Johnson-Trammell, Superintendent
Preston Thomas, Chief Systems & Services Officer, Facilities Planning and Management
Kenya Chatman, Executive Director, Facilities Planning and Management

Meeting Date May 22, 2024

Subject Lowell Campus Window Wall Replacement \$3.75 Million Budget Increase – May 22, 2024 – Division of Facilities Planning and Management

Action Presentation for Approval Lowell Campus Window Wall Replacement Budget Increase of \$3.75 Million

Background OUSD only received one bidder through the competitive bidding process for the Window Wall Replacement from a contractor who has successfully completed multiple projects with Oakland Unified School District.

1. Mar Con Builders \$7,483,528

The low bid and associated soft costs bring the total project cost significantly above the \$6,075,000 Measure Y project allocation for this Deferred Maintenance item. The attached presentation highlights how market factors and the overall complexity of the project contribute to this extraordinary price increase from the last estimate completed at the time that the project was submitted to DSA. Given the extraordinary increase in construction costs we are not recommending rebidding as costs are still trending up significantly (9% year over year) and it is unlikely that another bidder would emerge.

Recommendation Approval of the Lowell Campus Window Wall Replacement Budget Increase of \$3.75 Million, May 22, 2024. This budget increase allows the award of the low bid and start of construction this summer.

Fiscal Impact \$3.75 Million to be allocated and Lowell Campus Window Wall Replacement project out of the Measure Y Board Directed Initiative Allowance

- Attachment(s)**
- Resolution No. 2324-0213
 - Exhibit A – Lowell Campus Window Wall Replacement Budget Increase – May 22, 2024

**RESOLUTION
OF THE
BOARD OF EDUCATION
OF THE OAKLAND UNIFIED SCHOOL DISTRICT**

Resolution No. 2324-0213

**Lowell Campus Window Wall Replacement Project - Budget Increase \$3.75 Million
(May 22, 2024)**

WHEREAS, the inflation rates for construction costs as identified by the California Construction Cost Index have increased by 28% since the project's initial costing in 2020 raising the cost of materials and supplies for the project;

WHEREAS, the scope of the project increased to include additional work on the concrete footings, foundations and associated framing allowing for the replacement of the window wall system;

WHEREAS, after a competitive bidding process yielded one bid;

WHEREAS, an extraordinary escalation and the complexity of the project based on the unique design of the window wall system resulted in a bid that exceeds the Measure Y allocation for this project;

WHEREAS, staff have analyzed the options for rebidding and scope adjustments and recommend proceeding with the project by increasing the budget by \$3.75 million out of the Board Directed Initiative Allowance;

NOW, THEREFORE, BE IT RESOLVED; the Board hereby approves a budget increase, from the Board Director Initiative, of 3.75 million for the Lowell Window Wall Replacement Project.

PASSED AND ADOPTED by the Board of Education of the Oakland Unified School District this 22nd day of May, 2024; by the following vote, to wit:

PREFERENTIAL AYE:

PREFERENTIAL NAY:

PREFERENTIAL ABSTAINED:

AYES:

NAYS:

ABSTAINED:

RECUSED:

ABSENT:

CERTIFICATION

We hereby certify that the foregoing is a full, true, and correct copy of a Resolution passed at a Regular Meeting of the Board of Education of the Oakland Unified School District held on May 22, 2024.

OAKLAND UNIFIED SCHOOL DISTRICT

Benjamin Davis, President, Board of Education

Kyla Johnson-Trammell
Superintendent and Secretary, Board of Education

Exhibit "A" – Exhibit A – Lowell Window Replacement Project Budget Increase – May 22, 2024

Exhibit A

Lowell Campus Window Wall Replacement

West Oakland Middle School/Ralph J. Bunche Academy Measure Y- Deferred Maintenance Project

Citizens Bond Oversight Committee - May 13, 2024

Facilities Committee Meeting - May 16, 2024



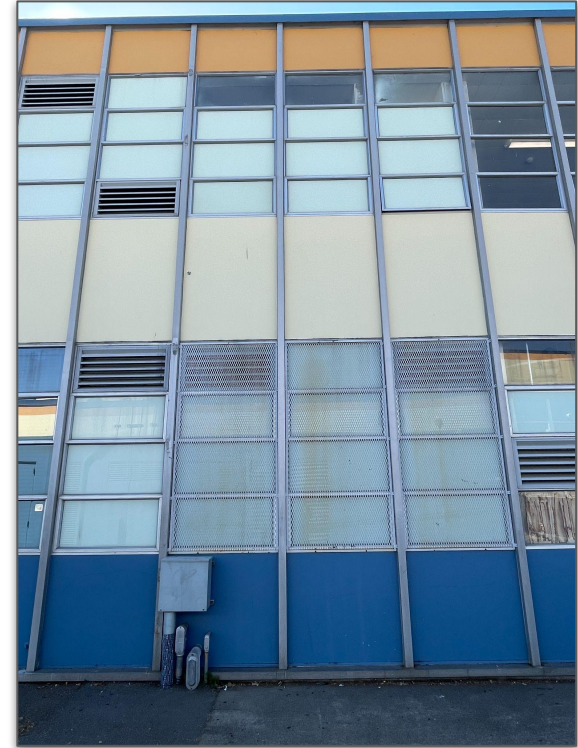
**OAKLAND UNIFIED
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Ask of the Board

Request approval to allocate **\$3.75M** from the category “Board Director Initiative” in the spending plan to the District Wide Initiative: Lowell Campus Window Wall Replacement that will impact West Oakland Middle School and Ralph J. Bunche Academy.

Current Photos of Window Wall System



Impacts of Escalation on All Construction Projects

Engineering News Report-April 2024

CONSTRUCTION ECONOMICS

ENR's 20-city average cost indexes, wages and materials prices.
Historical data for ENR's 20 cities can be found at [ENR.com/economics](https://enr.com/economics)

Construction Cost Index

+2.3%

ANNUAL INFLATION RATE

APRIL 2024

1913=100	INDEX VALUE	MONTH	YEAR
CONSTRUCTION COST	13532.08	0.0%	+2.3%
COMMON LABOR	25413.55	0.0%	+1.2%
WAGE \$/HR.	48.30	0.0%	+1.2%

The Construction Cost Index's annual escalation rose 2.3%, while the monthly component held steady.

Building Cost Index

+3.8%

ANNUAL INFLATION RATE

APRIL 2024

1913=100	INDEX VALUE	MONTH	YEAR
BUILDING COST	8305.54	+0.2%	+3.8%
SKILLED LABOR	11681.59	+0.1%	+2.6%
WAGE \$/HR.	64.83	+0.1%	+2.6%

The Building Cost Index was up 3.8% on an annual basis, while the monthly component rose 0.2%.

Materials Cost Index

0.0%

MONTHLY INFLATION RATE

APRIL 2024

1913=100	INDEX VALUE	MONTH	YEAR
MATERIALS COST	6249.89	0.0%	+6.5%
CEMENT \$/TON	238.69	+0.4%	+25.3%
STEEL \$/CWT	105.24	+0.2%	+9.6%
LUMBER \$/MBF	1006.84	-1.9%	+4.6%

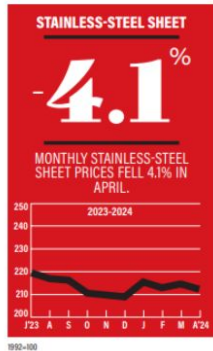
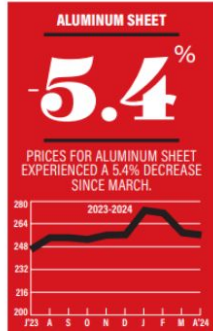
The Materials Cost Index held steady this month, while the annual escalation rate increased 6.5%.

*California Construction Cost Index (CCCI) indicates an **increase of approximately 28%** in cost of construction from 2020 to 2024. (Historical average has been 3% currently tracking at 9%)*

Sources: California Department of General Services, California Construction Cost Index.

Impacts of Escalation-Metal

ENR's Materials Prices For April 2024



20-CITY AVERAGE

ITEM UNIT \$PRICE %MONTH %YEAR

STANDARD STRUCTURAL SHAPES

Average CWT 105.89 +0.6 +10.3

Channel beams,
6" Deep, 8.2 LB/LF CWT 93.84 +3.5 +7.1

I-beams,
6" Deep, 12.5 LB/LF CWT 117.25 -0.5 +14.7

Wide-flange,
8" Deep, 31 LB/LF CWT 107.52 -0.6 +9.2

REINFORCING BARS

Grade 60, No. 4 CWT 80.90 -1.1 +14.7

HOT-ROLLED CARBON-STEEL PLATE

12 gauge, 48" x 10' CWT 103.01 0.0 +13.3

ALUMINUM SHEET

3003H14, 36" x 96" CWT 323.77 -5.4 +3.1

STAINLESS-STEEL SHEET

14 gauge CWT 286.85 -2.7 -3.2

16 gauge CWT 289.76 -2.7 -2.2

20 gauge CWT 301.42 -4.1 -1.2

STAINLESS-STEEL PLATE

304, 1/4", 72" x 240" CWT 341.43 +0.1 +15.5

316, 1/4", 96" x 140" CWT 455.14 +0.1 +29.8

STEEL PILING (H-PILE)

HP10 x 42 CWT 61.88 +6.6 +63.6

SOURCE: ENR

PLATT'S® STEEL SPOT MARKET PRICES: MAR. 2024

Reinforcing bar, No. 5 TON 816.50 -5.1 -14.6

Plate TON 1260.00 -5.9 -19.7

Hot-rolled coil TON 804.00 -13.5 -29.3

SOURCE: *PLATT'S S&P GLOBAL REBAR SOUTHERN U.S.; PLATE PRICES U.S. SOUTHEAST AVERAGE; HOT-ROLLED COIL PRICES INDIANA.

CONSTRUCTION MATERIALS PRICE MOVEMENT IN 2024

		AUG.	SEP.	OCT.	NOV.	DEC.	JAN.	FEB.
AGGREGATES	MONTHLY % CHG.	+1.0	+0.1	0.0	+0.1	+0.3	+3.8	+1.4
	ANNUAL % CHG.	+8.4	+8.3	+8.3	+8.5	+8.5	+7.3	+7.7
ALUMINUM SHEET	MONTHLY % CHG.	+0.8	-1.1	-0.5	+0.1	-0.3	-1.2	+0.4
	ANNUAL % CHG.	-6.0	-5.6	-3.5	-2.1	-3.9	-5.4	-5.2
ASPHALT PAVING	MONTHLY % CHG.	+0.7	+0.2	+0.3	+0.3	-0.6	+10.4	+0.3
	ANNUAL % CHG.	-2.0	-1.7	-0.8	+0.3	+1.9	+3.3	+0.8
CEMENT	MONTHLY % CHG.	+0.2	+0.4	+0.4	-0.1	-0.1	+4.2	-0.1
	ANNUAL % CHG.	+10.9	+10.6	+9.3	+8.8	+8.6	+7.9	+6.5
CONCRETE PIPE	MONTHLY % CHG.	-1.9	+2.8	+0.5	+0.8	+0.8	+2.5	0.0
	ANNUAL % CHG.	+9.0	+9.1	+9.1	+7.9	+5.5	+6.5	+3.8
COPPER PIPE	MONTHLY % CHG.	-0.1	-0.2	-1.2	0.0	+1.4	+0.9	-0.4
	ANNUAL % CHG.	+2.6	+2.0	+4.3	-0.9	-0.4	-2.9	-5.2
DIESEL FUEL	MONTHLY % CHG.	+32.9	+4.4	-8.8	-3.4	-13.1	-4.4	+18.3
	ANNUAL % CHG.	-13.9	-18.5	-32.7	-32.7	-18.4	-27.2	-11.2
FABRICATED STEEL	MONTHLY % CHG.	+0.1	-0.1	-0.2	+0.1	+1.0	+0.6	-0.1
	ANNUAL % CHG.	-1.9	-1.1	-0.6	+0.5	+2.0	+2.4	+2.4
GYPSUM PRODUCTS	MONTHLY % CHG.	-0.2	-0.5	0.0	0.0	-0.2	0.0	+2.5
	ANNUAL % CHG.	-0.9	-1.6	-1.3	-1.6	-1.6	-1.6	-0.2
LUMBER, SOFTWOOD	MONTHLY % CHG.	-4.6	-1.7	-3.3	-5.0	+0.2	+1.2	+1.7
	ANNUAL % CHG.	-18.2	-15.2	-16.3	-19.6	-14.6	-8.9	-10.4
PLYWOOD	MONTHLY % CHG.	+1.4	+1.4	+1.6	-1.1	+0.1	+0.3	-0.4
	ANNUAL % CHG.	-13.6	-11.9	-8.0	-5.3	-3.3	-1.7	-0.5
PVC PRODUCTS	MONTHLY % CHG.	-0.1	+0.2	0.0	0.0	-0.4	+0.2	-0.1
	ANNUAL % CHG.	-5.2	-4.8	-4.4	-3.3	-3.5	-3.0	-2.0
READY-MIX CONCRETE	MONTHLY % CHG.	+1.2	+1.1	+0.1	+0.2	-1.3	+2.6	+0.3
	ANNUAL % CHG.	+10.4	+10.5	+10.2	+9.3	+6.8	+7.7	+7.4
SHEET METAL	MONTHLY % CHG.	+0.2	-0.2	0.0	-0.2	+0.2	0.0	+0.6
	ANNUAL % CHG.	+0.1	+0.3	-0.1	+0.8	+1.1	+1.5	+2.0
EQUIPMENT	MONTHLY % CHG.	0.0	+0.2	0.0	+1.0	0.0	+0.7	+0.1
	ANNUAL % CHG.	+7.2	+7.1	+7.1	+7.7	+7.7	+4.6	+4.5

SOURCE: BUREAU OF LABOR STATISTICS. MONTHLY AND YEAR-TO-YEAR PERCENT CHANGES FOR PRODUCER PRICE INDEXES FOR LATEST EIGHT-MONTH PERIOD.

Lowell Campus-Spending Plan Adjustment

- “Demolish and replace the existing window wall system at Lowell [Campus], which has failure and water infiltration into the building. Funding is to design and construct a new storefront window wall system with metal panels.”

	Current Allocation	Bond Draw
Original Projection, 2020	\$6,075,000	1st Draw
Current Projected Cost, 2024	\$9,825,000	
Escalation Cost	+\$3,750,000	

Spending Plan Adjustment

Name	Description	April 2021 Approved	Approved Adjustment (June 2023)	Current Balance	Recommended Adjustment
Facilities and Technology Improvements					
Portable Removal and Replacements	Funding to support the design, DSA approval, removal, installation, and construction of new school site portables	\$3,000,000	(\$1,300,000)	\$1,700,000	\$0
Grounds	Shade structures at named elementary school site in support of outdoor learning and recreational activities at Joaquin Miller	\$200,000	(\$200,000)	\$0	\$0
Board Directed Initiative Allowance	This is an allowance to address any OUSD Board directed initiatives / projects	\$7,000,000	(\$3,125,000)	\$3,825,000	(\$3,725,000)
Contingency	Contingency	\$14,881,920	(\$14,881,920)	\$0	\$0
TOTAL Withdrawn from District-wide Initiates to fund CCPA, McClymonds, & Roosevelt (June 2023)			\$19,506,920		

Staff Recommendation

- Increase the Lowell Campus window replacement project by allocating \$3.75M from the Board Directed Initiative in order to increase the total project budget and launch the project this summer. The window wall system will cure major leaks and provide increased classroom comfort with higher efficiency double paned glass.
- **Root cause of the escalation of the project includes:**
 - Increased project costs due to escalating costs associated with the project materials
 - Additional scope of work required including work to the concrete footing, foundations and associated framing
 - Only one bidder due to the overall complexity of the project



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