

MEMO

DATE: 9/1/2023
TO: Development Team for Burlington School District
FROM: The Whiting-Turner Contracting Company
RE: BHS|BTC - Final GMP - Cost Drivers

INTENT

This memorandum explains Whiting-Turner's (WT) assessment of the cost difference between the 50% CD estimate and the Final GMP estimate for the Burlington High School project.

COST DRIVER SUMMARY

Back in May 2023, we assembled a 50% Construction Document estimate and reconciled with a 3rd party estimating company out of Massachusetts, who specialize in K-12 estimating. The reconciliation process left each party within 1%, which is outstanding on a \$100M+ project.

The next step is to see how the prices come back once the design reaches 100%, and you gather bids to eventually set your final budget.

The recent bidding effort, that concluded in August, resulted in some higher pricing compared to our 50% snapshot.

Along with the bidding effort, some recent discoveries have impacted the overall cost of the project.

Below is a high level list of some of the major cost drivers that were not included in the 50% estimate.

1. Existing condition variance: \$5,000,000
 - a. The bid documents used to estimate the sitework values was different than what was left by the demolition contractor. 80% of this value is rock, and 20% is soil. An additional 3 months of time is required to perform this work (40,000 CY of material).
2. Removal of Level 1 Soils: \$1,000,000
 - a. Removal of 6,000 CY of Level 1 Soils. Originally not part of the building contractors scope of work, this scope was transferred to Whiting-Turner.
3. Demolition Delay - Schedule Shift to Winter activities: \$1,600,000
 - a. The demolition contractor was unable to maintain the proposed schedule and delayed the completion of Building A and Building B removal. This resulted in Sitework, concrete, and Masonry activities to land on Winter months, which impact labor efficiencies, winter conditions, and temporary provisions.
4. Additional General Conditions: \$1,000,000
 - a. To accommodate the schedule changes and extra work shifted to Whiting-Turner, additional General Conditions were included.
5. Steel cost increases: \$2,000,000
 - a. This scope was an early awarded bid package to assist with maintaining an aggressive design and construction schedule.

- b. The project team identified a different design path during a constructability review, and our set allowances were insufficient to cover the variance.
6. Masonry Increased Cost: \$2,500,000
- a. The large-scale masonry package had difficulties finding bidder participation, due to the number of masons required to perform the work and to maintain the schedule. Out-of-town subcontractors were solicited in addition to local contractors. To properly staff the job, the market conditions drove the price higher than expected.
 - b. Material pricing had changed drastically (doubled in some instances) regarding the slate and granite materials.
7. Recent Addenda / Design Clarity / Limited bidder participation: \$6,750,000
- a. Interior design enhancements to the Auditorium
 - b. Kitchen scope increase not covered by consultant original budget
 - c. Addendum #3 received at the end of August (Site/Structural changes \$500K, Interior changes \$500K)
 - d. Various site improvements and other exterior elements added/modified
 - e. Interior finishes received clarification in the intent
 - f. Concrete foundations for the outdoor courtyard and design clarity in the Auditorium

We are actively and aggressively pursuing alternates and value management opportunities to help offset some of these unforeseen costs.

Sincerely,

Dylan Lozier
Project Manager