

ANCHORAGE SCHOOL DISTRICT

ANCHORAGE, ALASKA

ASD MEMORANDUM #202 (98-99) February 8, 1999

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT

SUBJECT: AWARD OF DESIGN/BUILD CONTRACT FOR THE NEW
REPLACEMENT RUSSIAN JACK ELEMENTARY SCHOOL

RECOMMENDATION:

It is the Administration's recommendation that the School Board accept the Unit Company's proposal to provide the Replacement Russian Jack Elementary School and authorize the Superintendent to negotiate and approve one or more contracts with the Unit Company in a total amount of not-to-exceed \$10,090,000.

It is further recommended that the School Board approve and authorize funding in the amount of \$10,950,000 for the total project to be provided from insurance proceeds from the fire damage and General Fund undesignated fund balance. In the event that the Russian Jack Elementary School Replacement project in the April 1999 bond proposition is approved by the voters, then the funds used from the undesignated fund balance will be transferred back to the General Fund.

PERTINENT FACTS:

For the past year the Anchorage School District, School Board and the Anchorage Assembly have discussed school construction oversight and the authority for managing school construction. This emergency provides the opportunity for the parties to focus on how to cooperatively work together to get a school back in operation on a fast track. The School Board and the District Administration want and need the cooperation of the Anchorage Assembly and the Municipality of Anchorage to make this a positive option for everyone. If we are not successful in attaining this cooperation, the students may be forced to be in a non-school facility for a longer period of time, possibly the entire 1999-2000 School Year.

A fire in the Russian Jack Elementary School the evening of December 27, 1998 caused extensive damage throughout the school. As the school in its fire-damaged condition was no longer habitable, the students and staff were relocated to alternative housing. The damaged Russian Jack Elementary School was built in 1974 is approximately 44,210 square feet in area with 31,300 square feet on the main floor, the remainder on the second floor. The school was built with the "open classroom" concept. The school also housed the elementary portion of the Alaska State School for the Deaf and Hard of Hearing.

Before the Russian Jack fire the District listed Russian Jack for major renovation in Year 3 of the Bond at \$9,365,000. This school was the last totally open concept school and was significantly in need of modification to support the current educational program. It was over capacity with four relocatables on-site. The renovation plan was to utilize the existing building although at that cost, replacement of the facility could be justified.

The fire left over 400 students without a school. They are temporarily housed in three locations. They do not have access to playgrounds and other program spaces are compromised. The 200 additional students at Nunaka Valley are impacting that facility and student body. It is imperative that Russian Jack students be able to move back on site as soon as possible.

In evaluating alternatives, it was known from past experience that the prototype school could be constructed for under \$12 million. The \$9 million estimate was based on a structure that had not suffered 70 per cent structural damage to the roof support system and had not lost structural integrity in a major wall section. In addition the prototype was designed and could quickly be issued as a design/build project. The MOA Building Department has approved the prototype plans several times before and will be inspecting two other prototypes this summer. The Russian Jack renovation has not been designed. The design process for renovating Baxter, another open concept school, has taken 11 months to develop bid documents. Design/build of a renovation involves much more risk to the owner.

The replacement with a prototype is clearly the best use of funds. The replacement can be accomplished for \$10,950,000. The project can be completed more quickly than a renovation. The end result also is superior. The building is entirely new and the floor plan is not compromised by the limitations of an existing structure.

If the District must house students in the Alyeska building for an extended period, the District must provide additional fire code improvements. These will

cost a minimum of \$300,000. In addition there is an approximate lease cost of \$40,000 a month.

The District and the Insurance company are still working on establishing the compensation for the building damage. The compensation is estimated between \$3.0 to \$6.8 million.

A Request for Proposal for design/build proposals for a Replacement Russian Jack Elementary School was issued on January 19, 1999. The proposers were to utilize the Porath prototype design that has been previously approved by the Board and constructed five times in the last four years. The successful proposer would site adapt the design to the existing school site and make minor refinements and improvements to the plans. The Request for Proposal did not include demolition of the damaged Russian Jack School; this was to allow the District further time to determine any future uses of this structure. **This project will not impact the bike trail and does not change access to the school site.**

Five (5) responsive proposals were received on February 4, 1999. The evaluation committee met on February 5, 1999, to review and rate the proposals. Using a formula which rated technical consideration at 60 percent of the total and price at 40 percent of the total, the committee selected Unit Company's proposal as the best for the project, Attachment A. The evaluation committee consisted of the following people: Kathy Christy, Mike Price, Darrell Vincek, David Argetsinger and Leo Walsh. The last two are non-District employees and experienced in the construction industry.

In the proposal, Unit Company will build the District's prototypical elementary school on the existing Russian Jack School site. The proposer's team is experienced with fast track Design/Build projects, and they have selected Porath/Burchart Architect as the design firm. They are the original designers of record for the District's prototypical elementary school design. Attachment B illustrates proposed preliminary site plans.

The Replacement Russian Jack Elementary School is scheduled for completion October 15, 1999 with the construction of the playground and landscaping to be complete in time for the 2000-01 school year. Attachment C outlines the schedule for the project, listing critical milestones.

The replacement school at \$10,950,000 is the most expedient and cost effective solution to re-housing the Russian Jack students.

The Request for Proposal does not address the existing structure. The work on the new school can proceed while the District and the community decide what is

best for the damaged building. There are many variables to consider. The District does not need to make an immediate decision on the fate of the damaged building. It is stabilized and can remain as is while the options are considered. The use of the damaged school should not hold up the replacement. If it is determined later that two buildings on the same 38 acre site are not in the best interest of the District and community the structure can be torn down without impacting the replacement school. A review of District office space needs is provided at the end of the memo.

A schedule for the Replacement School is attached. Each day of delay in approvals will delay the occupancy of the school.

The fire is an exceptional circumstance that requires exceptional response to rehouse the students back in one location. The construction community has responded with an excellent solution and a commitment to complete the project by October 15, 1999. This will be an extraordinary effort and needs the cooperation on the part of many to be successful. We are looking forward to building upon the initial cooperation we have received from the Municipality of Anchorage, the business and construction community and the parents and school staff.

Office Space Issues:

The District has a number of districtwide support functions housed in secondary schools. As the secondary population grows the need to find another location for these functions also increases. The District needs 50,000 to 75,000 square feet of office space. Old Russian Jack could meet some of that need. The cost to repair the building for use as office space is estimated at \$3.5 million. Cost of demolition is between \$300,000 to \$800,000.

Another option for office space is to buy an existing building. Brief research indicates that the cost to buy a building is similar to the cost to renovate Russian Jack. Office space could be leased. The annual cost for 50,000 square feet (about the size of Russian Jack) would be between approximately \$750,000 to \$950,000 per year. In 4.5 to 5 years the lease cost would exceed the cost of renovation.

Use of Russian Jack may not fully meet the District's need for office space but it would be a considerable help. The location is very convenient to District administration and it is centrally located. (Unless there is office space for sale on Bragaw, renovation of Russian Jack is the best long term option.)

The proposed 1999-2000 budget does include \$955,000 for lease of commercial space to free up classrooms in the secondary schools. In future years, if the District built or purchased adequate office space through the operating budget, funds for lease of space could be reduced or eliminated.

BUDGET SUMMARY

Replacement Russian Jack Elementary School

Design and construction \$10,090,000

Other project costs (Administration, equipment, permits, etc.) 860,000

Total Project Funds \$10,950,000

CERTIFICATION OF FUNDS:

Fund Source: Account Code Amount

Russian Jack Replacement

Elementary School \$10,090,000

Funds Description:

(03) Capital Projects Fund

(XXXXX) Insurance Proceeds

(XXXXX) Transfer from General Fund Undesignated Fund Balance

(5200) Contracts

BC/EC/KC/MP/sl

Prepared by: Mike Price, Project Manager

Kathy Christy, Director, Facilities

Approved by: Ed Conyers, Executive Director, Physical Plant

Anchorage School District

Anchorage, Alaska

Rank of Proposers

1. Unit Company 2,290
2. Davis Constructors and Engineers, Inc. 2,206
3. Osborne Construction Company 2,150
4. Neeser Construction Inc. 2,043
5. Janssen Contracting Company, Inc. 2,002

ANCHORAGE SCHOOL DISTRICT

ANCHORAGE, ALASKA

CERTIFICATION OF FUNDS

FOR

SCHOOL BOARD ACTION ITEMS

ASD MEMORANDUM #202 (98-99)

SUBJECT: AWARD OF DESIGN/BUILD CONTRACT FOR THE
REPLACEMENT RUSSIAN JACK ELEMENTARY SCHOOLS

DATE: FEBRUARY 8, 1999

CERTIFICATION OF FUNDS:

Fund Sources:	<u>Account Code</u>	<u>Amount</u>
Replacement Russian Jack Elementary School		\$10,090,000
	Total	\$

Director, Budget Date

Funds Description:

(XXXXX) Insurance Proceeds

(XXXXX) Transfer from General Fund Undesignated Fund Balance

(5200) Contracts

Funds are available for the recommendation in the ASD Memorandum
referenced above.

Chief Financial Officer Date

Instructions:

- * Prepare this advance certificate form for any School Board memorandum, which requires School Board Financial action.
- * Examples include: Purchase of goods and services for all funds, awards of construction contracts, purchase of lands and facilities, change orders to construction contracts.
- * Submit this form with the School Board memorandum to the Chief Financial Officer not later than Tuesday before the respective Board meeting date.
- * This certification is to be filed with the related School Board memorandum.