

July 14, 2017

**Revised August 16, 2017**

Mr. Michael Otavka  
Director of Facilities, Planning and Construction  
William S. Hart Union High School District  
21380 Centre Pointe Parkway  
Santa Clarita, CA 91350

Re: Work Load Escalation Fee  
Placerita Junior High School Container Classroom Addition  
Project 1610700.06

Dear Mike:

This letter is to follow up on our meeting on April 25, 2017 regarding WLC's fee amendment request. During our meeting the District requested a summary of the scope items that were not part of our original scope of work and are directly related to work load escalation. The list includes the unknown scope work that was not included in our proposal dated March 1, 2016, revised April 7, 2016, and revised again on April 19, 2016.

Based on the summary of additional services provided to date and estimated cost to complete our work we have reduced our proposed fee adjustment to \$496,770.75 (Exhibit "A"). This proposal represents a reduction of about \$70,684.00 from our previous proposal. Please provide your final determination regarding this matter. Our firm has continued to provide services for several months while this adjustment has been discussed and revised. We need to get our accounting and billings brought up to date as soon as possible.

It is our intent to provide a thorough summary to assist the District to better understand our above and beyond work effort on this project to date. Refer to the summary below.

#### **Itemized Work Load Escalation**

1. Fire Sprinkler scope of Work
2. Additional coordination and scope of work related to Landscape Architect's drawings
3. Additional scope of work related to construction phasing
4. Additional scope of work related to Growth Point Structures' drawings
5. Additional scope of work related to coordination meetings requested by the District
6. Added scope of work related to the addition of a new transformer and meter

## **Summary of Work Load Escalation**

### **1. Fire Sprinkler Scope of Work:**

WLC expected to provide fire water to a point of connection near each of the new buildings to be utilized for fire sprinklers. Per code requirements for this site, WLC determined that these buildings should not actually require sprinklers as long as two new hydrants are added on-site. However, when the fire hydrant pressure was tested, the pressure was significantly low. Because of this, DSA required a third hydrant location and they additionally required that the buildings be sprinklered. It would have been easy for WLC to simply provide the point of connection to the buildings for fire sprinklers since we had already designed the hydrant locations in close proximity. The problem is that the manufacturer would then be required to design the interior sprinkler system and time was limited. During a site visit, WLC noticed what appeared to be an abandoned connection point for a hydrant on the east side of the campus and not shown on the as-built drawings. WLC requested the city hydrant near this connection point be tested to see if the pressure was adequate because the water for this hydrant is under the auspice of a different provider. The pressure at this hydrant exceeded the requirements, allowing the fire water system to be re-designed and connected to this abandoned connection. Even though the length of piping was extended, this redesign reduced construction cost and manufacturer's design cost for the buildings. Lowering construction cost does not increase our fee even though we redesigned the system. We did this because it was in the best interest of the District, in direct contrast to our fee.

### **2. Additional coordination and scope of work related to Landscape Architect's drawings:**

Even though our scope of work did identify relocation of existing utilities, we were required to provide added drawings for utilities in conflict with the new site design from the Landscape Architect. This could not have been included in a site construction estimate.

WLC's proposal specifically excludes creation of Landscape Architect drawings, but our scope does indicate that we will coordinate with the District's Landscape Architect. However, the Landscape Architect's drawings had significant revision requirements by DSA. Many of the comments were not corrected to DSA's satisfaction prior to back check. Not only did WLC hire a Structural Engineer to address comments on the Landscape Architect's drawings, DSA additionally required WLC to take responsibility for the Landscape Drawings because Oasis does not have the ability to stamp and sign their own drawings as an architect. Oasis also refused to come back to DSA to defend their own drawings, leaving WLC to defend their work. WLC took on this responsibility to help WSHUHS acquire approval for the project, though this service was specifically excluded from our scope.

**3. Additional scope of work related to construction phasing:**

WLC's proposal specifically excluded providing drawings for separate construction phases. At the start of construction, it was determined that an interim plan was required for temporary power to feed existing buildings that would remain during the first phase of construction. WLC provided these drawings and coordinated with SCE to provide this at the behest of Balfour Beatty. This was additional service work not included in our proposal.

**4. Additional scope of work related to Growth Point Structures' drawings:**

WLC's proposal specifically excluded any modifications or added scope of work related to the modular container classroom buildings. There were numerous changes made to the classroom buildings, many of them listed in the description of work. However, our exclusion was listed because it was determined that the building manufacturer was to submit all the changes to DSA in a CCD after initial DSA approval of the WLC drawing set. Unbeknownst to WLC, the building manufacturer made significant changes to their own DSA approved stockpile drawings to meet the building-specific expectations of the owner. These changes were necessary so that the buildings could be constructed correctly in the factory; however, these changes by the manufacturer to their stockpile drawings required WLC to re-coordinate our drawings. This redesign work included the elimination of closet doors so as not to void fire alarm drawing design, added sink locations, door and window panel locations, changing direction of door swings, and adding an interior door between two buildings. Adding the door between two adjacent buildings required significant effort by WLC to help the manufacturer provide a door schedule and a construction detail acceptable to DSA for the new door. Unfortunately, DSA also required WLC to over-stamp the manufacturer's drawing for this new door, thus making WLC responsible for the manufacturer's schedule and detail. Again, WLC took on this liability to help the District get approval for the drawings.

In addition to these specifically excluded re-designs, WLC also expended significant effort to help the manufacturer address DSA comments on their drawings. Most notable were the DSA comments relating to manufacturer drawings because the manufacturer's technical staff was not present at all back-check appointments. WLC had to take additional time to explain and provide the manufacturer with detailed examples on how to respond to DSA comments and in some cases, was required to make revisions to the manufacturer's drawings during back check because the manufacturer's staff was not experienced in making these types of corrections. This effort was over and beyond WLC's scope of work however we assisted the manufacturer in order to help WSHUHS achieve DSA approval for the construction documents. It is also important to note that the final CCD that was required for the WLC drawing set was directed, corrected, and packaged to DSA by WLC. This CCD required WLC's Electrical Engineer to redesign the entire fire alarm drawings. F.A. design requires calculations relating to the number of devices provided for the entire system. When interior walls were added in two of the buildings, additional devices were required, thus voiding the previously approved drawings and calculations.

Mr. Michael Otavka  
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**5. Additional scope of work related to coordination meetings requested by the District**

The District retained Balfour Beatty's services for coordinating the construction at a time when WLC was preparing to go to DSA for back check. Balfour Beatty provided an extensive list of questions and scheduled meetings that the District required WLC to attend. At the time that these meetings were scheduled, WLC indicated to the District's project manager that WLC did not have weekly meetings during the construction document phase within our proposal. Mr. Mendoza allowed WLC to conference into the meetings after the first two, but these meetings lasted for more than a couple of hours each time and included two WLC representatives. The over 80 questions, mostly directed to other team members, were discussed at these weekly meetings. Of the 24 questions directed to WLC, many required additional time outside the meeting for research of value engineering requests and coordination with consultants. Because these meetings were scheduled at a critical time in the approval process, WLC was forced to add another employee to make up for the lost time.

**6. Added scope of work related to the addition of a new transformer and meter:**

After drawings had been submitted to DSA, Balfour Beatty requested that the electrical engineer redesign the main power distribution. This added the cost of a new transformer and meter, but reduced the cost of trenching, conduit, and wiring. It has been our experience that SCE does not prefer two meter locations at an individual campus and our design reflected that experience. While the cost of the added wire routing is not insignificant, neither is the cost of a new transformer and meter. The design team feels that the cost difference is not significant, but that this revision request was made to benefit the construction schedule. WLC did this because it was in the best interest of the project, even though it was not part of the work listed in our proposal.

We hope this meets the District's approval. As always, should you have any questions, please do not hesitate to call.

Sincerely,



ROBERT J. HENSLEY  
Architect, AIA  
LEED™ AP  
Chairman, Principal

RJH:br/P01610700x9R2-ltr

Attachment: Exhibit "A"  
Fee Adjustment Letter dated April 11, 2017

## EXHIBIT 'A'

## Placerita JHS Modular Container Classrooms

8/8/2017

Project Number 1610700

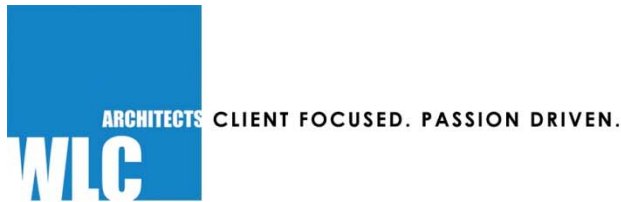
|                        |                 |
|------------------------|-----------------|
| Total Fee:             | \$ 278,783.00   |
| Direct Consultant Fees | \$ (105,500.00) |
| WLC Working Fee        | \$ 173,283.00   |

| Summary of Costs to Date                      | Hourly Rate | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Totals        |
|---|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|
| Robert Hensley, Principal Architect           | \$ 210.00   | 4      | 4      | 4      | 4      | 6      | 6      | 4      | 5      | 5      | 4      | 6      | 8      | 12     | 12     | 12     | 8      | 5      |        |        |        |        |        |        | \$ 22,890.00  |
| Mark McKnight, Senior Project Architect       | \$ 185.00   | 8      | 16     | 16     | 48     | 75     | 12     | 24     | 44     | 97     | 85     | 4      | 16     | 12     | 4      |        | 18     |        |        |        |        |        |        |        | \$ 88,615.00  |
| Karla, Alonzo-De Leon, Senior Project Manager | \$ 170.00   | 12     | 2      | 24     | 24     | 52     | 8      | 8      | 60     | 132    | 75     | 42     | 64     | 62     | 73     | 50     | 51     | 34     |        |        |        |        |        |        | \$ 131,410.00 |
| Kathleen Gillette, Tech Level I               | \$ 95.00    |        |        |        |        | 60     | 24     | 32     | 24     | 95     | 12     | 16     | 58     | 36     | 26     | 8      | 3      |        |        |        |        |        |        |        | \$ 37,430.00  |
| Carla Misso, DSA Coordinator - Tech Level II  | \$ 85.00    |        |        |        |        |        | 2      | 1      |        | 2      | 2      | 1      | 2      | 3      |        | 2      | 3      | 2      |        |        |        |        |        |        | \$ 1,700.00   |
| Heather Barbaria, Tech Resources              | \$ 75.00    |        |        |        | 1      | 3      | 2      | 2      |        | 4      | 6      | 2      | 5      | 4      | 3      |        |        |        |        |        |        |        |        |        | \$ 2,400.00   |
|   |             |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | \$ 284,445.00 |

| Summary of Costs to Complete                  | Hourly Rate | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Totals       |
|---|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------------|
| Robert Hensley, Principal Architect           | \$ 210.00   |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 6      | 6      | 6      | 6      | 6      | 6      | \$ 7,560.00  |
| Mark McKnight, Senior Project Architect       | \$ 185.00   |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 4      | 4      | 4      | 4      | 4      | 4      | \$ 4,440.00  |
| Karla, Alonzo-De Leon, Senior Project Manager | \$ 170.00   |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 60     | 60     | 60     | 60     | 60     | 60     | \$ 61,200.00 |
| Kathleen Gillette, Tech Level I               | \$ 95.00    |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 8      | 8      | 8      | 8      | 24     | 24     | \$ 7,600.00  |
| Carla Misso, DSA Coordinator - Tech Level II  | \$ 85.00    |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 2      | 2      | 2      | 2      | 2      | 2      | \$ 1,020.00  |
| Heather Barbaria, Tech Resources              | \$ 75.00    |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | 3      | 3      | 3      | 3      | 3      | 3      | \$ 1,350.00  |
|   |             |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        | \$ 83,170.00 |

## Totals Cost:

|                             |                      |
|-----------------------------|----------------------|
| WLC Labor Cost to Date      | \$ 284,445.00        |
| WLC Labor Cost to Complete  | \$ 83,170.00         |
| WLC Direct Consultant Costs | \$ 105,500.00        |
| Sub-total:                  | \$ 473,115.00        |
| Profit at 5%                | \$ 23,655.75         |
| <b>Total Revised Fee:</b>   | <b>\$ 496,770.75</b> |



February 27, 2017  
**Revised April 11, 2017**

Mr. Mons Mendoza  
Senior Project Manager, Facilities  
William S. Hart Union High School District  
21380 Centre Pointe Parkway  
Santa Clarita, CA 91350

Re: Fee Adjustment  
Placerita Junior High School Container Classroom Addition  
Project 1610700.06

Dear Mons:

To follow-up our meeting on April 3, 2017, we have prepared a request for a fee adjustment on the above listed project. As you will recall, we initially utilized an estimated construction cost amount in order to establish base compensation with the understanding that the fee would be adjusted once the district determines the GMP. Now that the Guaranteed Maximum Price has been determined we would request a compensation adjustment at this time. The amount of effort to coordinate and oversee the construction documents for Growth Point and the ongoing adjustments in scope of work have all greatly increased the work effort for our team.

The initial budget amount for the project was \$6,072,423.00 generating a fee of \$278,783.00. Per our contract, A&E fees were calculated based on four percent of the cost of the modular buildings. The fee percentage for the modular buildings was based on standard modular building projects with minimal site improvements. However, the coordination and time required for the Growth Point Structures has been significantly greater than that of standard modular buildings. We attended several construction document coordination meetings that far exceeded a typical modular classroom project.

Our fee for hard construction cost was based on twelve percent of our initial estimate, but should have been based on a descending scale starting at nine percent. Therefore, we are now utilizing the correct fee schedule based on the new construction cost. The new construction estimate proposed by Balfour Beatty is \$6.6 million. However, we understand that this cost has been greatly increased due to placing the modular buildings on the site before the footings were prepared. And now they need to be moved again for final placement. Plus, escalation costs have increased in recent months. We realize that some of the current value of this GMP is based on additional moves of building sections, and we do not feel we should profit from the additional relocations. In addition, the District intends to further reduce the construction price through additional value engineering efforts. Therefore, we are basing our fee increase on a GMP of \$4.5 million and a descending scale starting at nine percent.

Mr. Mons Mendoza  
Fee Adjustment  
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Please see the attached fee schedule indicating our fee increase.

Please note that we will include any necessary documents to relocate the existing gas line in conflict with retaining walls within this fee adjustment.

It is our expectation that our fee will be similarly adjusted for the Sierra Vista project.

We hope this meets with your approval. As always, should you have any questions, please do not hesitate to call. We would also be happy to meet with the District management team to review this request in detail.

Sincerely,



ROBERT J. HENSLEY  
Architect, AIA  
LEED™ AP  
Chairman, Principal

RJH:br/P01610700x8R-ltr

Attachment: Fee Schedule

cc: Stephanie Quintero, Assistant, Director of Accounting, WLC Architects, Inc.



ARCHITECTS CLIENT FOCUSED. PASSION DRIVEN.

## Placerita Junior High School Container Classrooms

### Architect's Fee Schedule - New Construction (Site Work)

|                        |   |             |             |
|------------------------|---|-------------|-------------|
| Estimated Project Cost |   |             | \$4,500,000 |
| 9.00%                  | x | \$500,000   | \$45,000    |
| 8.50%                  | x | \$500,000   | \$42,500    |
| 8.00%                  | x | \$1,000,000 | \$80,000    |
| 7.00%                  | x | \$2,500,000 | \$175,000   |
| 6.00%                  | x | \$0         | \$0         |
| 5.00%                  | x | \$0         | \$0         |

### Total Revised New Construction Fees

\$342,500

### Architect's Fee Schedule - Modular Buildings

Per original contract \$224,954

### Total Modular Building Fees

\$224,954

### New Total Fees

\$567,454