



April 27, 2018

Project No. A11324.01

Mr. Joseph Martinez
Central Unified School District
4605 North Polk Avenue
Fresno, California 93722

Project: Tilley Elementary School
2251 N. Valentine Avenue
Fresno, California 93722

Subject: Change Order No. 1 – Out of State Inspections

Dear Mr. Martinez:

Our firm has exceeded the original budget for CTL services for the Tilley Elementary School project located in Fresno, California. This revised budget addresses the increases in our fees due to out-of-state inspections for the fabrication of the structural steel. Presented below is a detailed breakdown of the proposed shop inspection durations and fee estimate, and the detailed breakdown explaining the out-of-state inspections fee.

Proposed Shop Inspection Durations and Estimate

In the proposal for testing and inspections prepared by our firm, Proposal No. MTP 0662-5117, dated June 19, 2017, a line item for fabrication shop inspection was included in our total fees. At the time the proposal and fee estimate were prepared, a construction schedule was not provided to our firm for use in preparing the proposal. In addition, the location of the fabrication shop was not provided to our firm at any point during the preparation of our proposal and fee estimate. Therefore, durations for the fabrication shop inspection were created based off of the following assumptions:

- The fabrication shop would be located within 30 miles from one of our offices; and
- Fabrication was to occur Monday through Friday from 8 AM to 5 PM.

Presented below are the proposed durations for fabrication shop inspection and their associated estimated fees.

<u>Estimated Inspection/Testing Durations for Structural Steel</u>			
<u>Structural Member</u>	<u>Trips</u>	<u>Hours per Trip</u>	<u>Total Hours</u>
Fabrication Shop Inspection	9	8	72
Estimated Inspection Hours:			72

CENTRAL VALLEY

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Fresno, CA 93721
559-268-7021 • 559-268-7126 Fax

CENTRAL COAST

501 Ortiz Avenue
Sand City, CA 93955
831-392-1056 • 831-392-1059

NORTHERN CALIFORNIA

165 Commerce Circle, Suite D
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SOUTHERN CALIFORNIA

11800 Sterling Avenue, Suite C
Riverside, CA 92503
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Table 1 - Fee Estimate to Provide Materials Testing & Inspection Services Tilley Elementary School - Proposed Fabrication Shop Estimated Fees 2251 N. Valentine Ave, Fresno, California				
Scope Description	Units	Quantity	Unit Fee	Extended Fee
Structural Steel, High-Strength Bolts, and Welding				
Shop Inspection	Hour	72	\$55.00	\$3,960.00
Mileage, Vehicle and Equipment Charge	Trip	9	\$20.00	\$180.00
Subtotal				\$4,140.00
Total Estimated Fee for Fabrication Shop Testing and Inspection Services				\$4,140.00

Out-of-State Shop Inspections Original Durations and Estimate

Per an email from Mr. Joe Vasquez, Project Manager for Harris Construction, dated November 27, 2017, the fabrication of the structural steel was to occur at W&W/Afco Steel located at 2221 Erskine Road in Lubbock, Texas. In this email, it was stated that the fabrication would commence on December 4, 2017 and would have a tentative duration through February 18, 2018.

When our firm was notified of this, a phone call was made to Mr. Joseph Martinez with Central Unified School District to notify him of the fabrication shop development. During this phone conversation it was discussed if the District wanted Moore Twining to locate a firm in Texas to perform the inspections. Per instruction from Mr. Joseph Martinez during this phone call, Moore Twining was to find a firm to sub-contract the out-of-state shop inspection. In addition, the discussion also included the potential for a change order to cover the out-of-state inspection. Joseph Martinez requested Moore Twining track the time and stated that if a change order was required he preferred to wait until the project completion and to capture all items into a single change order. This information was relayed to the team at Moore Twining, consisting of Mr. Travis Meyer, Project Manager, and Ms. Jackie Garcia from our accounting division.

Due to not having any information other than the tentative duration for fabrication, Moore Twining requested the inspections to be performed on a time and materials basis. Moore Twining attempted to contact W&W/Afco Steel to obtain information as to the number of shifts the shop was planning to allocate to this project as well as the schedule for fabrication. W&W/Afco Steel was unresponsive, and this information was never obtained.

The inspections began on December 4, 2017 for the fabrication of the structural steel. Approximately two weeks into the fabrication, our firm was notified that fabrication was occurring Monday through Saturday for 12 hours each day on a weekly basis, with the exception of any week in which a holiday occurred that altered the production of the steel. In addition, we were notified that inspections were being performed continuously throughout the fabrication.

Presented below are the original durations for the out-of-state fabrication shop inspection and their associated fees.

<u>Estimated Inspection/Testing Durations for Structural Steel</u>			
<u>Structural Member</u>	<u>Trips</u>	<u>Hours per Trip</u>	<u>Total Hours</u>
Fabrication Shop Inspection	52	8	416
Fabrication Shop Inspection - Overtime	52	4	208
Fabrication Shop Inspection - Overtime (Saturday)	6	8	48
Estimated Inspection Hours:			672

Table 2 - Fee Estimate to Provide Materials Testing & Inspection Services Tilley Elementary School - Out-of-State Original Duration 2251 N. Valentine Ave, Fresno, California				
Scope Description	Units	Quantity	Unit Fee	Extended Fee
Structural Steel, High-Strength Bolts, and Welding				
Shop Inspection	Hour	416	\$69.00	\$28,704.00
Shop Inspection - Overtime	Hour	256	\$103.50	\$26,496.00
Mileage	Miles	13420	\$0.63	\$8,454.60
Per Diem	Night	58	\$166.75	\$9,671.50
Subtotal				\$73,326.10
Total Estimated Fee for Out-of-State Fabrication Shop Testing and Inspection Services				\$73,326.10

Out-of-State Shop Inspections First Extension Durations and Estimate

On January 11, 2018, our sub-consultant firm was notified by W&W/Afco Steel that the fabrication of the steel required to be extended until the first week of March. Continuous inspection of the fabrication of the structural steel was required throughout this extension.

Mr. Joseph Martinez was informed via email on January 25, 2018 that the fabrication shop would require additional time for inspection. He responded to this email stating that it may be needed to request time logs or inspection logs to justify the added inspections. this was the only mention of making this request and logs were never obtained from the fabricator.

In the following days, it was discussed at Moore Twining that we were reaching our contract budget due to the out-of-state inspections. A call was made to Mr. Martinez with the District to notify him of this and to once again discuss the need for a change order. It was during this phone call that Mr. Martinez discussed the option of using pay vouchers for the remaining invoices for the project.

Presented below are the extension 1 durations for the out-of-state fabrication shop inspections and their associated fees.

<u>Estimated Inspection/Testing Durations for Structural Steel</u>			
<u>Structural Member</u>	<u>Trips</u>	<u>Hours per Trip</u>	<u>Total Hours</u>
Fabrication Shop Inspection	8	8	64
Fabrication Shop Inspection - Overtime	8	4	32
Estimated Inspection Hours:			96

Table 3 - Fee Estimate to Provide Materials Testing & Inspection Services Tilley Elementary School - Out-of-State Extension 1 Duration 2251 N. Valentine Ave, Fresno, California				
Scope Description	Units	Quantity	Unit Fee	Extended Fee
Structural Steel, High-Strength Bolts, and Welding				
Shop Inspection	Hour	64	\$69.00	\$4,416.00
Shop Inspection - Overtime	Hour	32	\$103.50	\$3,312.00
Mileage	Miles	1830	\$0.63	\$1,152.90
Per Diem	Night	8	\$166.75	\$1,334.00
Subtotal				\$10,214.90
Total Estimated Fee for Out-of-State Fabrication Shop Testing and Inspection Services				\$10,214.90

Out-of-State Shop Inspections Second Extension Durations and Estimate

On February 3, 2018 our firm was notified that W&W/Afco Steel was potentially going to require fabrication through early April. The duration of the fabrication shop production and inspection was monitored through the month of February and at the beginning of March it was evident that the fabrication would, in fact, proceed into the month of March and possibly into early April. Joseph Martinez was notified via phone call once again that the fabrication was going to be extended.

On March 22, 2018, our firm received an email from our sub-consultant firm in Texas that the fabrication shop had completed production of the structural steel as of March 21, 2018. Upon this notification, Mr. Joseph Martinez was contacted via phone to inform him of the completion of the fabrication in the Texas facility. During this phone conversation, Mr. Martinez requested the total fee for the out-of-state fabrication shop inspection. Mr. Martinez was informed by Mr. Tyler Street that the number would be provided once all invoices from the sub-consultant firms were received.

Presented below are the extension 2 durations for the out-of-state fabrication shop inspections and their associated fees.

<u>Estimated Inspection/Testing Durations for Structural Steel</u>			
<u>Structural Member</u>	<u>Trips</u>	<u>Hours per Trip</u>	<u>Total Hours</u>
Fabrication Shop Inspection	15	8	120
Fabrication Shop Inspection - Overtime	15	4	60
Fabrication Shop Inspection - Overtime (Saturday)	3	8	24
Estimated Inspection Hours:			204

Table 4 - Fee Estimate to Provide Materials Testing & Inspection Services Tilley Elementary School - Out-of-State Extension 2 Duration 2251 N. Valentine Ave, Fresno, California				
Scope Description	Units	Quantity	Unit Fee	Extended Fee
Structural Steel, High-Strength Bolts, and Welding				
Shop Inspection	Hour	120	\$69.00	\$8,280.00
Shop Inspection - Overtime	Hour	84	\$103.50	\$8,694.00
Mileage	Miles	4270	\$0.63	\$2,690.10
Per Diem	Night	18	\$166.75	\$3,001.50
Subtotal				\$22,665.60
Total Estimated Fee for Out-of-State Fabrication Shop Testing and Inspection Services				\$22,665.60

Out-of-State Shop Inspections for Second Fabrication Shop

In addition to the fabrication shop inspection in Texas, a portion of the structural steel for Tilley Elementary School was fabricated at Horizon Steel located at 2325 West Curtis Road in Tucson, Arizona. Inspections at this facility began on March 6, 2018 and continued through March 21, 2018. At this facility, periodic inspections were performed throughout the fabrication of the steel.

Our firm was notified of the secondary fabrication shop on February 16, 2018 by the general contractor. Immediately upon this notification, Mr. Joseph Martinez was notified via a phone call. During this phone conversation between Mr. Joseph Martinez and Mr. Tyler Street, the topic of the discussion was to determine how the District wanted Moore Twining to proceed as to providing the shop inspections at this second facility. On February 26, 2018, Mr. Joseph Martinez notified Moore Twining to sub-contract the fabrication to a local firm in Tucson, similar to what was done for the Texas facility.

Moore Twining requested fee schedules from firms in Tucson to perform the inspections. a firm was selected to perform these inspections and contract negotiation began. While contracts were being negotiated, this firm performed two inspections at Horizon Steel. Contract negotiations with this firm were unsuccessful and a secondary firm was selected. Contract negotiation with the second firm was successful and this firm provided periodic inspections and performed inspections during five days of the steel production.

Presented below are Arizona durations for the out-of-state fabrication shop inspection and their associated fees.

Table 5 - Fee Estimate to Provide Materials Testing & Inspection Services Tilley Elementary School - Out-of-State Arizona Fabrication Duration 2251 N. Valentine Ave, Fresno, California				
Scope Description	Units	Quantity	Unit Fee	Extended Fee
Structural Steel, High-Strength Bolts, and Welding				
Shop Inspection - Firm 1	Hour	30.5	\$97.75	\$2,981.38
Shop Inspection - Firm 2	Hour	8	\$82.80	\$662.40
Mileage, Vehicle and Equipment Charge	Trip	2	\$17.25	\$34.50
Ultrasonic Testing	Test	1	\$293.25	\$293.25
Subtotal				\$3,971.53
Total Estimated Fee for Out-of-State Fabrication Shop Testing and Inspection Services				\$3,971.53

Project Coordination, Review, Engineering Support, and Reporting

The out-of-state fabrication shop inspection also caused our firm to exceed the proposed budget for the Project Management of Testing and Inspection Services. An additional 16 hours of project management time was required for shop inspection coordination, contract negotiations with the sub-consultants, review of the inspection reports, and internal coordination with Moore Twining staff.

Presented below are the durations for the additional project management time and their associated fees.

<u>Estimated Engineering Support and Project Management</u>	
<u>Structural Member</u>	<u>Total Hours</u>
Project Management of Testing and Inspection Services	16

Table 6 - Fee Estimate to Provide Materials Testing & Inspection Services Tilley Elementary School - Out-of-State Project Management 2251 N. Valentine Ave, Fresno, California				
Scope Description	Units	Quantity	Unit Fee	Extended Fee
Project Coordination, Review, Engineering Support, and Reporting				
Project Manager	Hour	16	\$65.00	\$1,040.00
Subtotal				\$1,040.00
Total Estimated Fee for Out-of-State Fabrication Shop Testing and Inspection Services				\$1,040.00

Change Order Totals

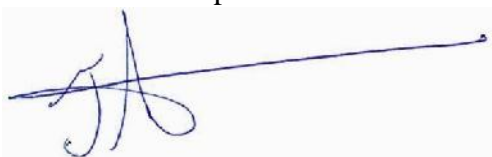
Based on the sections above and the associated fees, Table 7 below summarizes the total fees associated with the out-of-state fabrication shop inspection. It shall be noted that Table 7 provides the subtotal for the fees and then applies an approximately 10% increase to the change order total per the instruction of Ms. Maria Santos of Central Unified. As stated by Ms. Santos, the reason for the approximately 10 percent increase is to provide enough money in the new PO to cover any additional unforeseen overages for the project.

Table 7 - Fee Estimate to Provide Materials Testing & Inspection Services Tilley Elementary School - Out-of-State Project Management 2251 N. Valentine Ave, Fresno, California	
Proposed Shop Inspection Fees	\$4,140.00
Out-of-State Fabrication Shop Inspection - Original Duration	\$73,326.10
Out-of-State Fabrication Shop Inspection - Extension 1	\$10,214.90
Out-of-State Fabrication Shop Inspection - Extension 2	\$22,665.60
Out-of-State Fabrication Shop Inspection - Arizona Fab Shop	\$3,971.53
Out-of-State Fabrication Shop Inspection - Additional Project Management	\$1,040.00
Subtotal	\$115,358.13
Approximate 10% Increase for Unforeseen Overages	\$11,796.87
Change Order No. 1 Total Fee	\$127,155.00

The increase in fees for the materials testing and special inspection services for the Tilley Elementary School project due to the out-of-state inspections total to **\$127,155.00**. Please process a purchase order (PO) for this amount to increase our budget for the Tilley Elementary School project.

We sincerely appreciate the opportunity to work for Central Unified School District. Should you have any questions or comments, or if we may be of any service to you, please contact us at (559) 268-7021.

Respectfully submitted,
Moore Twining Associates, Inc.
Construction Inspection Division



Tyler Street, E.I.T.
Staff Engineer

Client Approval of Change Order

By signing below Central Unified School District approves this Change Order for the amount presented in Table 7.

Name/Title _____
Signature _____
Date Signed _____