

May 5, 2022

Cambrian School District
Attn: John Pappalardo, Ed.D.
4115 Jacksol Drive
San Jose, CA 95124



**RE: FINAL RECONCILIATION – CONSTRUCTION MANAGEMENT SERVICES FOR
NATURAL GAS LINE REPLACEMENT AT PRICE MIDDLE SCHOOL**

Our work on the Natural Gas Line Replacement at Price Middle School project has concluded. We hope the District is pleased with the results of our efforts. Attached is the final Natural Gas Line Replacement at Price Middle School summary of construction contracts.

As you are aware, our CM contract requires final reconciliation of general conditions to actual costs and the CM fee to the sliding scale CM fee percentage of actual construction contracts managed.

Reconciliation: The original fee of \$30,240 was based on managing an estimated \$380,000 in construction contracts plus a \$50,000 General Conditions allowance. The actual value of construction contracts managed upon the conclusion of the project was \$270,938.90. See the Natural Gas Line Replacement at Price Middle School summary of construction contracts attached herein. Utilizing the sliding scale CM fee of the final construction contracts managed, the final fee is \$21,675.11 resulting in a required fee decrease of \$8,564.89 (all at the 8% scale). The general conditions allowance was originally contracted at \$50,000. Upon completion, the actual general conditions expenses totaled \$2,436.94 resulting in a required decrease of \$47,563.06. Therefore, the final reconciled contract would be \$24,112.05. The contract was billed out \$25,109.44 prior to reconciliation. Based on these figures, this contract has been billed out \$997.39 in excess of the intended reconciled contract amount. This contract shall be reconciled to the actual billed amount of \$25,109.44, and we will provide a credit of \$997.39 on our Program Support Services Contract to offset this difference. The final contract decrease is \$55,130.56. See the updated CSD Measure R fee schedule and Amendment #1 to the Natural Gas Line Replacement at Price Middle School attached herein. I will be happy to review these documents with you in detail at your convenience.

With your concurrence there will be no further invoices for the project, and the aforementioned credit shall be provided promptly. Please accept our sincere thanks for permitting us to provide these services.

Respectfully,

A handwritten signature in blue ink that reads "Richard Kramer".

Richard Kramer
President



Program & Construction
Management

*RE: FINAL RECONCILIATION – CONSTRUCTION MANAGEMENT SERVICES FOR
NATURAL GAS LINE REPLACEMENT AT PRICE MIDDLE SCHOOL*

Final Summary of Construction Contracts

MBS Engineering	\$270,938.90
Total	\$270,938.90

**CAMBRIAN SCHOOL DISTRICT
MEASURE R
CONSTRUCTION MANAGEMENT FEE SCHEDULE**

Item	Rate	Price MS Gasline Replacement	Price Middle School Phase 1 Modernization	Bagby Elementary School Phase 1 Modernization	Fammatre Elementary School Phase 1 Modernization	Farnham Elementary School Phase 1 Modernization	Sartorette Elementary School Phase 1 Modernization	Price Middle School Phase 2/3 Modernization	Bagby Elementary School Phase 2/3 Modernization	Fammatre Elementary School Phase 2/3 Modernization	Farnham Elementary School Phase 2/3 Modernization	Sartorette Elementary School Phase 2/3 Modernization	Price Middle School New Classrooms	Fammatre Elementary School New Classrooms	Farnham Elementary School New Classrooms	Sartorette Elementary School New Classrooms	District Office Fire Alarm	Next Project	TOTALS	
Construction Manager		RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK	RGMK		
Contract Number		C21-008	C21-009	C21-010	C21-011	C21-012	C21-013	C22-011	C22-012	C22-013	C22-014	C22-015	C22-016	C22-017	C22-018	C22-019	C22-020			
Contract Date		3/18/2021	3/18/2021	3/18/2021	3/18/2021	3/18/2021	3/18/2021	8/19/2021	8/19/2021	8/19/2021	8/19/2021	8/19/2021	8/19/2021	8/19/2021	8/19/2021	8/19/2021	8/19/2021			
Original Project Budget		\$ 525,000	\$ 4,000,000	\$ 3,120,000	\$ 2,270,000	\$ 1,880,000	\$ 1,670,000	\$ 5,800,000	\$ 4,900,000	\$ 3,950,000	\$ 3,320,000	\$ 3,320,000	\$ 4,800,000	\$ 4,800,000	\$ 4,800,000	\$ 4,800,000	\$ 1,350,000	\$ 0.001	\$ 55,305.001	
Construction Contracts estimate	72.00%	\$ 378,000	\$ 2,880,000	\$ 2,246,400	\$ 1,634,400	\$ 1,353,600	\$ 1,202,400	\$ 4,176,000	\$ 3,528,000	\$ 2,844,000	\$ 2,390,400	\$ 2,390,400	\$ 3,456,000	\$ 3,456,000	\$ 3,456,000	\$ 3,456,000	\$ 972,000	\$ 0.001	\$ 39,819.601	
Adjustments		\$ (107,061)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (107,061)
Adjustments		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Contracts Revised		\$ 270,939	\$ 2,880,000	\$ 2,246,400	\$ 1,634,400	\$ 1,353,600	\$ 1,202,400	\$ 4,176,000	\$ 3,528,000	\$ 2,844,000	\$ 2,390,400	\$ 2,390,400	\$ 3,456,000	\$ 3,456,000	\$ 3,456,000	\$ 3,456,000	\$ 972,000	\$ 0.001	\$ 39,712.540	
Percentage Fee of Construction Managed																				
8% of first \$500K	8.00%	21.675	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	0.000	\$ 621.675
7.5% of second \$500K	7.50%	0.000	37.500	37.500	37.500	37.500	37.500	37.500	37.500	37.500	37.500	37.500	37.500	37.500	37.500	37.500	37.500	35.400	0.000	\$ 560.400
7% of next \$1000K	7.00%	0.000	70.000	70.000	44.408	24.752	14.168	70.000	70.000	70.000	70.000	70.000	70.000	70.000	70.000	70.000	70.000	0.000	0.000	\$ 853.328
6% of next \$4000K	6.00%	0.000	52.800	14.784	0.000	0.000	0.000	130.560	91.680	50.640	23.424	23.424	87.360	87.360	87.360	87.360	87.360	0.000	0.000	\$ 736.752
5% of next \$4000K	5.00%	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	\$ -
4% of next \$10,000K	4.00%	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	\$ -
Total Base Fee		\$ 21.675	\$ 200.300	\$ 162.284	\$ 121.908	\$ 102.252	\$ 91.668	\$ 278.060	\$ 239.180	\$ 198.140	\$ 170.924	\$ 170.924	\$ 234.860	\$ 234.860	\$ 234.860	\$ 234.860	\$ 75.400	\$ 0.000	\$ 2,772.155	
Fee Breakdown																				
Pre-construction Services	30.00%	\$ 6.503	\$ 60.090	\$ 48.685	\$ 36.572	\$ 30.676	\$ 27.500	\$ 83.418	\$ 71.754	\$ 59.442	\$ 51.277	\$ 51.277	\$ 70.458	\$ 70.458	\$ 70.458	\$ 70.458	\$ 22.620	\$ 0.000	\$ 831.647	
Bidding	5.00%	\$ 1.084	\$ 10.015	\$ 8.114	\$ 6.095	\$ 5.113	\$ 4.583	\$ 13.903	\$ 11.959	\$ 9.907	\$ 8.546	\$ 8.546	\$ 11.743	\$ 11.743	\$ 11.743	\$ 11.743	\$ 3.770	\$ 0.000	\$ 138.608	
Construction Phase Fee	65.00%	\$ 14.089	\$ 130.195	\$ 105.485	\$ 79.240	\$ 66.464	\$ 59.584	\$ 180.739	\$ 155.467	\$ 128.791	\$ 111.101	\$ 111.101	\$ 152.659	\$ 152.659	\$ 152.659	\$ 152.659	\$ 49.010	\$ 0.000	\$ 1,801.901	
Total Fee	100.00%	\$ 21.675	\$ 200.300	\$ 162.284	\$ 121.908	\$ 102.252	\$ 91.668	\$ 278.060	\$ 239.180	\$ 198.140	\$ 170.924	\$ 170.924	\$ 234.860	\$ 234.860	\$ 234.860	\$ 234.860	\$ 75.400	\$ 0.000	\$ 2,772.155	
Extra Services																				
Construction General Conditions Allowance		50.000	175.000	175.000	175.000	175.000	175.000	450.000	450.000	400.000	325.000	325.000	500.000	500.000	500.000	500.000	50.000	0.001	4,925.001	
General Conditions Adjustments		(46.566)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(46.566)	
General Conditions Revised		3.434	175.000	175.000	175.000	175.000	175.000	450.000	450.000	400.000	325.000	325.000	500.000	500.000	500.000	500.000	50.000	0.001	4,878.435	
Total Contract Amount		\$ 25.109	\$ 375.300	\$ 337.284	\$ 296.908	\$ 277.252	\$ 266.668	\$ 728.060	\$ 689.180	\$ 598.140	\$ 495.924	\$ 495.924	\$ 734.860	\$ 734.860	\$ 734.860	\$ 734.860	\$ 125.400	\$ 0.001	7,650.591	
Percentage of Construction Contracts		9.27%	13.03%	15.01%	18.17%	20.48%	22.18%	17.43%	19.53%	21.03%	20.75%	20.75%	21.26%	21.26%	21.26%	21.26%	12.90%	108.00%	19.26%	
Percentage of Project Budget		4.78%	9.38%	10.81%	13.08%	14.75%	15.97%	12.55%	14.06%	15.14%	14.94%	14.94%	15.31%	15.31%	15.31%	15.31%	9.29%	108.00%	13.83%	
Original Fee		\$ 30.240	\$ 200.300	\$ 162.284	\$ 121.908	\$ 102.252	\$ 91.668	\$ 278.060	\$ 239.180	\$ 198.140	\$ 170.924	\$ 170.924	\$ 234.860	\$ 234.860	\$ 234.860	\$ 234.860	\$ 75.400	\$ 0.000	2,780.720	
Original General Conditions		\$ 50.000	\$ 175.000	\$ 175.000	\$ 175.000	\$ 175.000	\$ 175.000	\$ 450.000	\$ 450.000	\$ 400.000	\$ 325.000	\$ 325.000	\$ 500.000	\$ 500.000	\$ 500.000	\$ 500.000	\$ 50.000	\$ 0.001	4,925.001	
Original Total		\$ 80.240	\$ 375.300	\$ 337.284	\$ 296.908	\$ 277.252	\$ 266.668	\$ 728.060	\$ 689.180	\$ 598.140	\$ 495.924	\$ 495.924	\$ 734.860	\$ 734.860	\$ 734.860	\$ 734.860	\$ 125.400	\$ 0.001	7,705.721	
Revised Fee		21.675	200.300	162.284	121.908	102.252	91.668	278.060	239.180	198.140	170.924	170.924	234.860	234.860	234.860	234.860	75.400	0.000	2,772.155	
Revised General Conditions		3.434	175.000	175.000	175.000	175.000	175.000	450.000	450.000	400.000	325.000	325.000	500.000	500.000	500.000	500.000	50.000	0.001	4,878.435	
Revised Total		25.109	375.300	337.284	296.908	277.252	266.668	728.060	689.180	598.140	495.924	495.924	734.860	734.860	734.860	734.860	125.400	0.001	7,650.591	
Net Fee Change		-8.565	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(8.565)	
Net General Conditions Change		-46.566	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(46.566)	
Net Contract Total Change		-55.131	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(55.131)	