

## Review of Potential "Bundling Discount"

Summer 2015 CapEx work

Scope Item	Cap Ex Estimate (from DLA)	Cap Ex Extension for only (4) K-5 schools	<i>Estimated A/E fee Unbundled</i>	
Upgrade Fire Alarm System (4 schools)	\$531,188	\$531,188	8.75%	\$46,478.95
Replace Master Clock system (8 schools)	\$246,077	\$123,039 <i>see note 1 below</i>	12.00%	\$14,764.62
Replace Intercom System (8 schools)	\$964,911	\$482,456 <i>see note 1 below</i>	8.75%	\$42,214.86
Install Alarm System (8 schools)	\$243,041	\$121,521 <i>see note 1 below</i>	12.00%	\$14,582.46
Replace doors and frames and provide mag locks tied to fire alarm system	\$565,099	\$282,550 <i>see note 1 below</i>	12.00%	\$33,905.94
Construction Cost Total		\$1,540,752	<i>Total unbundled A/E fee</i> \$151,946.83	
A/E fee per contract at 8.5% (bundled)		\$130,964		
Contingency assumed at 10%		\$154,075		
Subtotal		\$1,825,791		
<b>Discounts</b>				
Discount for bundling - construction cost (assume 7.5% savings)		\$115,556		
Discount for reduced GC general conditions (assume 10% savings)		\$15,408 <i>See note 2 below</i>		
A/E fees		\$20,983		
<b>Total Estimated Discount</b>		<b>\$151,947</b>		

*All of these calculations assume that DLA's estimate includes the work to remove and replace the ceiling and other general trades activities necessary to complete the work*

*Note 1: Assumes that the work at each school is similar in cost. So we divided the Cap Ex estimate equally among the schools.*

*Note 2: Assuming that the GC general conditions is already included in the estimate shown on the Cap Ex report. Therefore, we assume that the general conditions is 10% of the construction cost and that we can save 10% of that*