

January 11, 2022

Ms. Amy K. McPartlin
Assistant Superintendent for Finance & Operations
Prospect Heights School District 23
700 N. Schoenbeck Road
Prospect Heights, IL 60070

RE: Proposed Construction Management Fee Structure
Early Learning Center and Capital Improvements

Dear Ms. Amy K. McPartlin,

Nicholas & Associates will provide Construction Management services for the Early Learning Center and Capital Improvements based on an estimated construction value of \$XXXXX and construction duration of 12 months. All Pre-Construction, Pre-Bid, Bidding, & Construction Phases are included in our C.M. Fee. Each bid package will be competitively bid and read aloud at a Bid Opening at the District Office. Our fees will be based on the following schedule:

Pre-Referendum Services: .25% of the Total Construction Costs

C.M. Fee (At Risk): 4.5% of the Total Construction Costs

Payment and Performance Bond Premium: 1% of Total Construction Costs

Fixed General Conditions (Based on 12-month schedule – Sept, 2023 thru Aug, 2024)

Breakdown:

Project Manager – 20 hrs/week for 12 months = \$110,400
Full Time Site Superintendent – 45 hrs/week for 12 months = \$226,800
General Superintendent – 6 hrs/week for 12 months = \$31,680
Safety Officer – 1 visit/week for 12 months = \$24,000
Director of Quality Assurance (Tony Rossi) = No Charge
Executive in Charge (Joe Papanicholas) = No Charge

Fixed General Conditions: Fixed General Condition expenses for the Project consist of the services provided by the Project Manager (\$115/hr), General Superintendent (\$110/hr) Site Superintendent (\$105/hr) & Safety Director (\$90/hr). The fixed General Conditions expenses are based on 12-month construction duration. In the event the construction of the Project exceeds or falls short of the 12 months, the General Conditions shall be renegotiated by the parties, in good faith, based on the above stated hourly rates.

Reimbursable General Conditions (Pass Thru Invoice w/o mark-up): On-Site Construction Trailer with reasonable Furnishings; Rubbish and Trash Removal; Temporary Partitions; Temporary Toilets; Temporary Fencing; Temporary Roads; Temporary Utilities, Surveying, Testing Services, Winter Protection, Street Cleaning; Daily Cleanup; Final Cleanup; and Insurance.

Liability Insurance: .69% of Total Construction Costs

Estimated Reimbursable General Conditions Breakdown:

Reimbursable placeholders to be established once scope of work is determined.

Not Included Above:

- Ad for Bid
- Utility Usage
 - Utility Usage
 - o Propane and/or Natural Gas Consumption Cost (See Above Winter)
 - o Energy & Water Consumption Cost
- ComEd, Nicor, SBC/AT&T, Fiber Services, etc.
- Permit Costs
- Builder's Risk Policy (District to Obtain)

Notes:

- No Fees are to be paid out by D23 until after the start of the New Fiscal Year (July 1, 2022)
- If Referendum passes and project moves forward, CM Fee will be reduced by .25%

Nicholas & Associates looks forward to a successful relationship with Prospect Heights School District 23. We trust you will find that this fee proposal clearly identifies our services; however, should you require any additional information, please feel free to contact our offices.

Sincerely,

Joe Papanicholas
Vice President
Nicholas & Associates, Inc.