

Traditional vs Hybrid Construction Approach

Palmyra Area School District

November 3, 2016



Feasibility Study Progression at PASD



- Ø PASD Administration and Board have worked with an Architect to complete a Feasibility Study
- Ø Tonight's Goal: Present Reynolds Hybrid Solution that can address both budget and schedule concerns

Presentation Agenda



1. Review Traditional Construction Approach Proposed at PASD Middle School
2. Demonstrate Hybrid Project Approach Proposed at PASD Middle School
3. Present Project Timelines/Schedules with Approach
4. Address Design Concerns
5. Next Steps
6. Why Reynolds?

Traditional Project Approach Proposal - MS

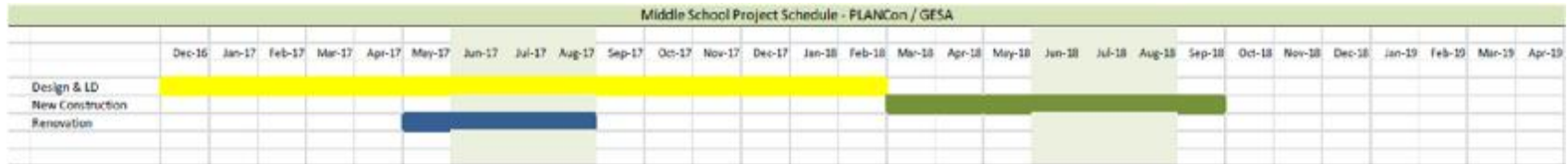


| Palmyra Area School District | | | | 11/1/2016 |
|--|---------|--------|-------------------|------------------------------------|
| Feasibility Study Cost Estimate - RLPS | | | | |
| MIDDLE SCHOOL | SF | \$/SF | Cost | Project Totals |
| Addition w/site work (12,000 sf) | 12,000 | \$ 220 | \$ 2,640,000 | |
| Major Renovations | 11,640 | \$ 88 | \$ 1,024,320 | |
| Renovations Minor Level 1 | 9,933 | \$ 62 | \$ 615,846 | |
| Renovations Minor Level 2 corridors | 19,592 | \$ 41 | \$ 803,272 | |
| Renovations Minor Level 3 cosmetic | 105,835 | \$ 15 | \$ 1,587,525 | |
| Renovations - MEP | 147,000 | \$ 57 | \$ 8,379,000 | |
| Bleachers | | | \$ 50,000 | |
| Exterior Restoration (allowance) | | | \$ 500,000 | |
| Roof | 95,100 | \$ 21 | \$ 1,997,100 | |
| | | | <i>hard cost</i> | \$ 17,597,063 |
| | | | <i>soft costs</i> | 20% \$ 3,519,413 |
| | | | TOTAL | \$ 21,116,476 \$ 21,116,476 |

Project Timeline Comparison - MS



∅ Traditional Project Approach
(Design - Bid - Build)



∅ Reynolds Hybrid Approach
(DBB/GESA)

Hybrid Project Approach Proposal - MS

Represents \$4.8M
in Savings and a
Full Academic
Year Preserved

Palmyra Area School District - Amendment 2

Energy Project Financial Overview

| EEM # | EEM Name | EEM Construction Cost | Annual Resource Savings |
|------------------------|----------------------------|-----------------------|-------------------------|
| Middle School | | | |
| 1 | Lighting Improvements | \$ 228,654 | \$ 6,998 |
| 2 | Mechanical Improvements | \$ 6,036,473 | \$ 3,516 |
| 3 | Controls Improvements | \$ 548,770 | \$ 3,153 |
| 4 | Electrical Improvements | \$ 1,097,540 | \$ 318 |
| 5 | Plumbing Improvements | \$ 548,770 | \$ 1,831 |
| 6 | Architectural Improvements | \$ 4,769,075 | \$ - |
| 7 | Addition (12,000sf) | \$ 3,168,000 | \$ - |
| Building Totals | | \$ 16,397,282 | \$ 15,816 |

Hybrid Project Approach Benefits

At Neshaminy School District - Reynolds completed a \$20.9M over the Summer Break

- Ø Significant amounts of renovation work can be completed in summers with little to no impact on educational environment.
- Ø NO change orders on performance contracts
- Ø Owner has more control over the process for design, equipment selection, schedule and costs of the project.
- Ø Increased Quality Control
- Ø Post project support

Hybrid Project Approach Benefits

Change Order Risk can be further reduced by utilizing PC in New Construction Phase



Design Concerns - Feasibility Study




Design Concerns - Reynolds Option



Design Concerns - Reynolds Option (Project Costs)

Design Benefits:

- Ø Natural Lighting 
- Ø Courtyard Preservation
- Ø Corridor Congestion

Cost Impact:

+ \$300K

Palmyra Area School District

Project Financial Overview 2

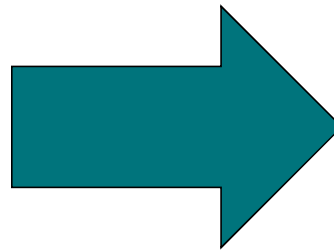
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| 4 | Electrical Improvements | \$ 1,097,540 | \$ 318 |
| 5 | Plumbing Improvements | \$ 548,770 | \$ 1,831 |
| 6 | Architectural Improvements | \$ 4,769,075 | \$ - |
| 7 | Addition (13,000sf) - Reynolds | \$ 3,432,000 | \$ - |
| Building Totals | | \$ 16,661,283 | \$ 15,816 |

Traditional Project Vs. Hybrid at Forge & Northside

| FORGE ROAD ELEM | SF | \$/SF | Cost |
|-------------------------------------|--------|-------|----------------------------------|
| Major Renovations | 1,500 | \$ 88 | \$ 132,000 |
| Renovations Minor Level 1 | 650 | \$ 62 | \$ 40,300 |
| Renovations Minor Level 2 corridors | 13,117 | \$ 41 | \$ 537,797 |
| Renovations Minor Level 3 cosmetic | 36,328 | \$ 15 | \$ 544,920 |
| Renovations - MEP | 51,595 | \$ 57 | \$ 2,940,915 |
| Bleachers | | | \$ 50,000 |
| Exterior Restoration | | | \$ 750,000 |
| <i>hard cost</i> | | | \$ 4,995,932 |
| <i>soft costs</i> | | 20% | \$ 999,186 |
| TOTAL | | | \$ 5,995,118 \$ 5,995,118 |

| NORTHSIDE ELEM | SF | \$/SF | Cost |
|----------------------------|-------|-------|------------------------------|
| Major Renovations - Office | 5,494 | \$ 88 | \$ 483,472 |
| Renovations - MEP | 5,494 | \$ 57 | \$ 313,158 |
| <i>hard cost</i> | | | \$ 796,630 |
| <i>soft costs</i> | | 20% | \$ 159,326 |
| TOTAL | | | \$ 955,956 \$ 955,956 |

Ø Traditional Project Approach



| Forge ES | | | |
|------------------------|----------------------------|---------------------|-----------------|
| 1 | Lighting Improvements | \$ 84,267 | \$ 3,243 |
| 2 | Mechanical Improvements | \$ 2,359,483 | \$ - |
| 3 | Controls Improvements | \$ 202,241 | \$ 1,101 |
| 4 | Electrical Improvements | \$ 1,213,449 | \$ - |
| 5 | Plumbing Improvements | \$ 202,241 | \$ - |
| 6 | Architectural Improvements | \$ 1,845,906 | \$ - |
| Building Totals | | \$ 5,907,587 | \$ 4,345 |

| Northside ES | | | |
|------------------------|----------------------------|-------------------|-------------|
| 2 | Mechanical Improvements | \$ 229,730 | \$ - |
| 3 | Controls Improvements | \$ 21,537 | \$ - |
| 4 | Electrical Improvements | \$ 64,612 | \$ - |
| 5 | Plumbing Improvements | \$ 19,601 | \$ - |
| 6 | Architectural Improvements | \$ 611,087 | \$ - |
| Building Totals | | \$ 946,566 | \$ - |

Ø Reynolds Hybrid Approach

Hybrid - Case Study - Hoover Elementary



Hybrid - Case Study - Patton MS



Reynolds Project Recommendation

Budget Impact:

+ \$4.6M in Savings

Palmyra Area School District

Reynolds Project Recommendation

Construction Cost

Middle School w/ Enhanced Design

Building Totals \$ 16,661,283

Forge ES

Building Totals \$ 5,907,587

Northside ES

Building Totals \$ 946,566

PROJECT TOTAL \$ 23,515,436

Why Reynolds?



- Ø Significant cost and schedule advantages
- Ø Quality Control
- Ø Reynolds will provide a full compliment of Construction Staff dedicated to PASD
- Ø PASD has the option for Reynolds to provided Construction Management services for the traditional/new construction phase

Next Steps



- Ø PASD executes Reynolds Investment Grade Audit Amendment
- Ø To Accomplish Major Renovation work in the Summer of 2017 - IGA amendment should be granted no later than December of 2016
- Ø Architect Selection by PASD and award of contract by January/February 2017
- Ø GESA Amendment Approval by February of 2017
- Ø Ends All Honeywell Commitments by July 1, 2017

Traditional vs. Hybrid Construction Approach

Questions and Answers

