



March 23, 2022

Mr. Mike Casey  
Sundt Construction, Inc.  
1660 Hotel Circle N., Suite 400  
San Diego, CA 92108

VIA EMAIL  
mjcasey@sundt.com

Dear Mr. Casey:

**Subject: Contract No. CZ20-0641-42.A2 Construction Services for Morse High School  
New Admin Building & Theater Phase III (Lease-Leaseback)**

**NOTICE TO PROCEED - REVISION 2**

Project Manager: Cora Cervantes  
Construction Manager: Leonardo Flores

On March 22, 2022, the Board of Education of the San Diego Unified School District awarded your firm the above-mentioned project.

You are hereby authorized to commence work on March 28, 2022 as referenced in *Revised* Exhibit "M": Construction Schedule. This date will constitute the beginning date under the time limits provided in the contract; in accordance with the plans, specifications, and the pre-construction meeting set up by the Construction Manager; as well as the contract documents.

<b>TOTAL NOT TO EXCEED VALUE APPROVED BY THE BOARD OF EDUCATION:</b>	
Preliminary Tenant Improvements	\$514,144,514.70
Allowances	\$950,000.00
Contractor Contingency	\$1,729,807.00
Lease Payments	\$2,849,711.30
Interest due on lease payments	\$30,966.12
<b>Total Not to Exceed</b>	<del>\$59,074,999.12</del>
	<b>\$59,704,999.12</b>

<b>ALLOWANCES:</b>	
<b>Morse HS PH III New Admin Building &amp; Theater:</b>	
Allowance No. 1: Unforeseen Demo Conditions	\$175,000.00
Allowance No. 2: Not Used	\$0.00
Allowance No. 3: Vapor Reduction System	\$20,000.00
Allowance No. 4: Unforeseen Architectural Components	\$25,000.00
Allowance No. 5: Unforeseen MEP	\$75,000.00
Allowance No. 6: Unforeseen Sitework	\$140,000.00
Allowance No. 7: Unforeseen Unmarked Utilities	\$200,000.00
Allowance No. 8: Unforeseen Irrigation Control Wiring	\$50,000.00
Allowance No. 9: Unforeseen Associated with Moving Furnishings	\$40,000.00

Allowance No. 10: Unforeseen Right of Way Improvements	\$30,000.00
Allowance No. 11: Unforeseen Exporting/Importing Landscape Soil	\$140,000.00
<b>Total Allowances for Admin Bldg. &amp; Theater:</b>	<b>\$895,000.00</b>
<b>Morse HS Building 1800 and Portable B-34 Renovation:</b>	
Allowance No. 1: Unforeseen Demo and Hazmat Conditions	\$15,000.00
Allowance No. 2: Unforeseen Underground Utilities	\$10,000.00
Allowance No. 3: Unforeseen Vapor Reduction System	\$5,000.00
Allowance No. 4: Unforeseen Architectural Components	\$5,000.00
Allowance No. 5: Unforeseen MEP	\$10,000.00
Allowance No. 6: Unforeseen Sitework and Soils	\$5,000.00
Allowance No. 7: Unforeseen Moving	\$5,000.00
<b>Total Allowances for Bldg 1800 and Portable B-34 Renovation:</b>	<b>\$55,000.00</b>
<b>Total Allowances GMP No. 1</b>	<b>\$950,000.00</b>

*Note: the total not to exceed value approved by the BOE will not change. The breakdown dollar values are subject to change up or down by a few dollars due to SDUSD accounting software.*

Construction Services for the project shall start per this Notice to Proceed and be substantially completed no later than **July 2, 2024**.

Furthermore, per Item 6. Payment of the Master Site Lease Agreement: “Contractor shall pay One Dollar (\$1.00) per year, prepaid for the duration of the Site Lease and the Facilities Lease for the parties’ administrative convenience, to the District upon execution of this Master Site Lease, but before payment of the first Tenant Improvement.”

Please remit payment by sending a check or money order in the amount of \$4.00 to:

Phuong Bailey  
SDUSD, Facilities Planning & Construction  
4860 Ruffner Street, Room 7  
San Diego, CA 92111

District representatives are required to investigate periodically and report whether the work is progressing satisfactorily or is being unduly delayed. We are interested in the progress and quality of this project. The District will provide reasonable cooperation in order to work efficiently and without delay.

Sincerely,



Digitally signed by Ashley  
Mains  
Date: 2022.03.23  
14:01:12 -07'00'

Ashley Mains  
Senior Contract Specialist, Construction

c: Phuong Bailey, Cora Cervantes, Graham Champion, Wendy Engram, Leonardo Flores, Mayra Flores, Monica Melero

AM:mh