



Board Action Required

No Action Required

To: Coppell ISD Board of Trustees

From: Sid Grant

Date: November 12, 2013

cc: Dr. Jeff Turner, Kelly Penny, Denise Sullivan, and Louis Macias

Re: Amendment to Construction Manager at Risk Guaranteed Maximum Price for Lee Elementary Construction

On August 22, 2013, the Board of Trustees approved a Guaranteed Maximum Price of \$20,210,082 for the Construction of Richard J. Lee Elementary school by Balfour Beatty Construction. At that time, we did not have detailed information regarding installing solar panels to make the building a true “net-zero” school. The base bid approved in the Guaranteed Maximum price included a minimal “one percent” solar power generation at the campus.

We have conducted a comprehensive financial analysis as to whether installing a 100% solution makes financial sense from an investment standpoint. In fact, we conducted two independent analyses calculating project net present value, internal rate of return, and payback period. The findings are very interesting and positive. These findings are apart and aside from the educational, green, and societal benefits of solar power generation.

Should the Board choose to fund this project, we propose using Fund 197 dollars. This is the Fund whereas we have accumulated \$1.8 million in revenue that was not subject to recapture. The two primary funding mechanisms for this Fund were Coca-Cola contractual dollars, and oil and gas lease revenue.

SHW will be present at the Board meeting for a brief presentation and to answer any questions as they relate to the solar panel project. I will be providing information, and explaining in detail, the financial components and analysis (including net present value, internal rate of return, and payback period) for the solar project.

Recommendation:

That the Coppell ISD Board of Trustees consider amending the Construction Manager at Risk Guaranteed Maximum Price for the construction of Richard J. Lee elementary school to include a 100% solar power generation solution , and that Sid Grant or Dr. Jeff Turner be authorized to sign the necessary documents.