



To: Coppell ISD Board of Trustees
From: Sid Grant
Date: July 18, 2018

cc: Brad Hunt, Kelly Penny, Louis Macias, Diana Sircar, and Justin Hill

Re: Construction Manager at Risk Guaranteed Maximum Price for Phase Two of CMS East and Coppell Middle School North Additions and Renovations (Bond Projects #6, #7, #30, #64)

As part of 2016 bond projects, the request to use the Construction Manager at Risk process, as allowed under Section 44.038 of the Texas Education Code for the bond funded construction and renovation projects, was approved by the Coppell ISD Board of Trustees on January 21, 2016.

Subsequently, at the March 28, 2016, Board meeting, the Board approved Northstar Builders Group, LLC as the Construction Manager at Risk for the additions and renovations of Coppell Middle School East and Coppell Middle School North.

In order to meet our timeline of completing the renovations and additions for the 2019-20 school year, our contractor and architect recommended we bid and start Phase One of the process at CMSE during the summer of 2018. Therefore, our architects created a Phase One plan that went out to bid as a separate and initial package from the actual main building and renovation bid. The Board of Trustees approved this Phase One at the June 4, 2018 Board meeting at a total cost of **\$3,554,510**. The remaining building construction/renovation for CMS East, CMS East main building additions and renovations (Bond Project #6), new concession stand and restrooms (Bond Project #30), and the CMS North Band Hall and locker rooms renovation (Bond Project #7) went out to bid in July and are ready for Board consideration.

Upon Board approval of the Guaranteed Maximum Price (GMP), Northstar Builders will continue with these projects with anticipated completion in the fall of 2019.

After careful review and analysis by Northstar Builders, Corgan, and CISD staff of multiple qualified bidders for each trade, a final bid tabulation was prepared including the sub-contractor pricing, contingencies, contractor fee, and general conditions. Under the CM @ Risk purchasing method, we utilize the "cost plus fee with a Guaranteed Maximum Price (GMP)" method of pricing. That is, Section 44.038(b) of the Education Code provides that the CM @ Risk assumes the contractual risk for completion and delivery of the projects at or under the Guaranteed Maximum Price. In this case, the GMPs Northstar Builders have presented for the Phase Two CMS East package is a total of **\$14,853,782**, and **\$2,989,569** for CMS North. We have carefully reviewed all components of these numbers and concur with their accuracy. Including Phase One cost of **\$3,554,510**, we are **\$254,048** under budget for all projects combined. The complete breakdown for the dollars available and actual GMPs are presented below in Exhibit A. As discussed in the past, when the cost of these CMS East

additions and renovations were estimated in 2015, all parties were unaware that the additions would trigger the construction of a storm shelter costing approximately an additional \$2,040,000 (\$150 x 13,600 sq ft). Also, as discussed as part of the Phase One GMP approval, soil tests indicated that we needed more expensive “cased” piers for the new construction. This added approximately \$200,000 to the Phase One cost that was not originally estimated or anticipated. However, we were very pleasantly surprised that we received multiple, very competitive bids from the various major trades. While we all believed we would be over budget for these combined projects, given a number of factors, we were able to obtain very competitive bids that actually allows us to propose combined GMPs that are under the anticipated total cost.

Now that the actual Guaranteed Maximum Prices for the Phase Two CMS East package and the CMS North package have been determined and presented, it is necessary for the Board of Trustees to consider approval of these GMPs, so that the construction contract between Coppell ISD and Northstar can be amended to include the total GMPs for these projects.

Recommendation

That the Coppell ISD Board of Trustees approve amending of the construction contract between Coppell ISD and Northstar Builders Group, LLC to include the Guaranteed Maximum Price of \$14,853,782 for Phase 2 of the Coppell Middle School East additions and renovations and the Guaranteed Maximum Price of \$2,989,569 for the Coppell Middle School North additions and renovations as proposed by Northstar Builders Group, LLC, and that Sid Grant be authorized to sign the necessary documents.

Exhibit A

CMSN and CMSE Renovation total GMP Analysis

\$2,020,738	Remaining bond dollars of CMSE turf/track budget for concession stand (Project #30)
\$15,200,000	CMSE renovation (Project #6)
\$3,040,000	CMSE renovation contingency (Project #6)
\$2,500,000	CMSN Renovation (Project #7)
\$500,000	CMSN renovation contingency (Project #7)
\$103,000	Bond kitchen dollars (CMSE) (Project #64)
\$23,363,738	Total Dollars Available

\$2,989,569	Proposed CMSN renovations and additions GMP
3,554,510	CMSE renovations and additions GMP (Phase One)
\$14,853,782	Proposed CMSE renovations and additions GMP (Phase Two) *
\$1,711,829	Architectural (6% + 2% materials testing)
\$23,109,690	Total GMP, Plus architectural and materials testing

\$254,048	Under Budgeted Dollars
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* Includes storm shelter at additional cost of \$2,040,000 (\$150x13,600)