



BOARD OF SCHOOL TRUSTEES

KELLER INDEPENDENT SCHOOL DISTRICT

4J. **Action** **Date:** April 24, 2006

SUBJECT: **GUARANTEED MAXIMUM PRICE – FIRE SUPPRESSION, CLASSROOM AND KITCHEN ADDITION FOR KELLER HIGH SCHOOL**

BOARD GOAL: Keller Independent School District facilities and services will be operated in a safe manner so that all students and employees may thrive in a secure and nurturing environment.

All systems in the Keller Independent School District will be effective, efficient, and accountable in support of the district's mission.

FISCAL NOTE: Bond Funds

Background Information:

- Keller High School Fire Suppression, Classroom/Kitchen Addition and Field house Repairs – Guaranteed Maximum Price
- Our Construction Manager at Risk for Keller High School fire suppression, classroom and kitchen addition has received bids and compiled a Guaranteed Maximum Price (GMP).
- Cost is within the budget for the bond portion of this project. The fire suppression exceeds the estimated cost. Bond funds are available to complete this project.
- The thought on funding the overage for the fire suppression system was to use interest income from the 2000 bond issue where the authorization for spending on Keller High School was contained in Proposition 2 ("updates to twelve existing Campus facilities and technology") and replace those funds needed for debt rate reduction with interest earned from the 2005 bond. The replacement interest would ensure that the 7-year program as outlined during the 2005 bond campaign would be completed. Using these funds in this way would be to "defease, redeem or otherwise pay any bonds issued" as originally intended through the order for the 2005 bond election.

Administrative Considerations:

- The Guaranteed Maximum Price (GMP) was discussed and approved at the March 30, 2006 Facilities Committee meeting.
- This project is scheduled for December, 2006 completion. The work required for the kitchen expansion/remodel will be completed in August.

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The administration recommends the approval of the Steele Freeman Inc. Guaranteed Maximum Price of \$4,425,565 for all work at Keller High School.

Respectfully submitted,

Mark A. Canterbury, AIA
District Architect