



Board Action Required X

No Action Required

To: Coppell ISD Board of Trustees
From: Sid Grant
Date: May 21, 2012
cc: Dr. Jeff Turner, Kelly Penny, Denise Sullivan, Louis Macias

Re: Approval of the Construction Manager-At-Risk Guaranteed Maximum Price

To: Coppell ISD Board of Trustees
From: Sid Grant
Date: May 21, 2012

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

Re: Construction Manager at Risk Guaranteed Maximum Price for Phase Six Bond Projects

As part of 2009 bond election projects, the request to use the Construction Manager at Risk process was approved by the Coppell ISD Board of Trustees on October 26, 2009. Subsequently, at the December 14, 2009 Board meeting, the Board approved Balfour Beatty Construction, formerly Charter Builders, LTD. as the Construction Manager at Risk for all Phase Four, Five, and Six bond projects that require a construction manager.

From December, 2011, through February, 2012, school district staff, SHW Architects, Estes McClure Engineers, and Balfour Beatty's project manager met regularly to develop the scope, specifications, and plans for all Phase 6 projects (A list of projects by campus is included at the end of this memo). In April, 2012, as part of the CM @ Risk requirement, Charter advertised and put all projects out to formal bid. A pre-bid conference was held with prospective sub-contractors at the actual CISD job sites. Bids were due and received at 2:00pm at the Balfour offices on May 1, 2012.

After careful review and analysis by SHW, Balfour Beatty, and CISD staff of all bids received, a final bid tabulation was prepared including all sub-contractor bids, contingencies, contractor fees, general conditions, and allowances. 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 Balfour Beatty has presented a GMP of **\$877,033** for the completion of all Phase Six projects listed with this memo. We have

Carefully reviewed all components of this number and concur with its accuracy. Balfour Beatty received five or more bids from most of the trades that are a significant part of this construction process.

It is important to note that the \$877,033 includes \$135,260 in contingency, reimbursables, and allowance dollars that will only be spent if absolutely necessary. All requests for contingency and allowance dollars will be reviewed by SHW, Balfour Beatty, and CISD staff on a weekly basis. After all parties review any request and make recommendations, I personally approve or disapprove each request. The GMP is approximately \$97,104 over our original estimates. However, I anticipate we will recapture most if not all of this in unspent contingency in allowance dollars.

Now that the actual Guaranteed Maximum Price for the Phase Six projects, to be managed by Balfour Beatty Construction, has been determined and presented, it is necessary for the Board of Trustees to approve this GMP so that the construction contract between Coppell ISD and Balfour can be amended to include the total GMP.

This is the final construction/renovation phase of the original 2009 bond project list.

I would encourage any Board member with questions to contact me prior to Monday night's meeting so that I can research and obtain any answer prior to the meeting.

Recommendation

That the Coppell ISD Board of Trustees approve at the May 21, 2012, Board meeting the amending of the construction contract between Coppell ISD and Balfour Beatty Construction to include the Guaranteed Maximum Price of \$877,033 as proposed by Balfour Beatty for the Phase Six Bond Projects as listed on the following project list, and that Sid Grant or Jeff Turner be authorized to sign the necessary documents.

Summer 2012 Project List to be Completed by Balfour Beatty Construction

- 1. Denton Creek total carpet and hand wash fountain replacement**
- 2. CHS replacement and weather proofing of all exterior expansion joints**
- 3. Pinkerton gymnasium roof and insulation replacement**
- 4. New Tech HVAC unit replacement 400 Hall**
- 5. CISD Administration building upstairs HVAC resizing and replacement**