

**School Board Meeting/Workshop Date:**

April 12, 2010

**Subject:**

Montrose EC Center Closing

**Presenter:**

Chuck Klaassen  
Director of Finance and Operations

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**SUGGESTED SCHOOL BOARD ACTION:**

Approve Change Order for construction costs and purchase price of Montrose Early Childhood Center building from Bauer Design Build.

Approve resolution for Lease Purchase Agreement and also Title Assignment with Wells Fargo Public Finance for Montrose Early Childhood Center building.

**DESCRIPTION:**

We have a change order for \$26,366 for the Montrose EC Center construction. The changes reflect several minor additions and subtractions to the project, most of them our requests, and one major item that came up during the construction.

The one bigger change resulted from a determination by the structural engineering consultants that the roof should have some additional reinforcing beams. We negotiated the costs with Bauer Design Build and ended up agreeing to cover part of the additional costs. We agreed to cover \$24,000 of the additional \$57,613 cost for this change.

The total change order amounts to an increase of \$26,366. We need Board approval of this change order and I have attached those documents. This brings the total revised purchase price of the project to \$1,324,474.

We also need Board approval of a resolution approving the Lease Purchase Agreement and the Assignment of Title and Interest with/to Wells Fargo Public Finance for the project, and I have attached those documents also.

Our formal closing date for the project is Thursday, April 22. All that will be left at that point is some winter-delayed outside finishing work, and that should be completed by mid-May. We will hold payment for that in escrow. We will plan to tour the site as part of the May Board Workshop at Montrose Elementary.

Eric has done a great job on this project, working with a new construction model for him. This is the first design/build project for us/him and he has really done great work to see that this will be a tremendous asset to the district and community for many years to come. Kim Carlson has also been very involved in the project and has made sure that the facility will function very well to serve the needs of families in the Montrose community. She's done a great job and worked very well with Eric on the project.

**ATTACHMENT(S):** Change Order, Resolution, Assignment