



Board Action Required X

No Action Required

To: Coppell ISD Board of Trustees
From: Sid Grant
Date: September 24, 2012
cc: Dr. Jeff Turner, Kelly Penny, Denise Sullivan, Louis Macias

Re: Construction Manager at Risk RFQ Recommendation

As part of the proposed 2013 bond election, the request to use the Construction Manager at Risk purchasing method for future construction and renovation projects was approved by the Coppell ISD Board of Trustees on July 23, 2012. The Request for Qualifications (RFQ) responses meeting the construction manager specifications designed by SHW Group were received and opened on August 29, 2012, from eleven (11) qualified construction companies including:

1. Adolfsen & Peterson Construction
2. Balfour Beatty Construction
3. Buford Thompson
4. Cadence McShane
5. Gallagher Construction Company, L.P.
6. Joeris General Contractors
7. Lee Lewis Construction
8. Northstar Builders Group
9. Paul Pogue, L.P.
10. Turner Construction
11. W.B. Kibler Construction

After careful review and ranking of the above eleven proposals by a committee consisting of Louis Macias and Sid Grant of Coppell ISD, and Terry Hoyle and Mike Elmore of SHW Group, the following four vendors were unanimously chosen for personal interviews that were held on September 11, 2012:

1. Northstar Builders Group
2. Lee Lewis Construction
3. Balfour Beatty Construction
4. Cadence McShane

Great care and consideration were taken by the evaluation committee consisting of Terry Hoyle, Mike Elmore, Louis Macias, Denise Sullivan, and Sid Grant to make certain that the fee proposals submitted by each contractor were based on the same specifications. While this contract will encompass renovation and construction projects beyond the construction of a new elementary school, the RFQ was based on bidding for the award of constructing a \$16 million elementary school in order to ensure a true “apples-to-apples” comparison. The result of the fee comparison is as follows:

	Balfour	Northstar	Lee Lewis	Cadence McShane
Construction Fee %	1.2%	1.35%	1.0%	0.95%
Pre-Construction Fee	\$0	\$32,000	\$10,000	\$2,500
Construction Fee Total	\$192,000	\$216,000	\$160,000	\$152,000
Field & Office Staff	\$155,976	\$209,450	\$257,000	\$180,386
General Conditions	\$374,000	\$178,580	\$301,000	\$463,721
Total Three Year Fee	\$721,976	\$636,030*	\$728,000	\$798,607

*Northstar bid did not include subcontractor bonding costs at an estimated \$96,000. To include this bonding estimated at \$96,000 would increase their total three year fee to \$732,030.

While all four contractors were very well qualified and capable of providing excellent construction management services, the evaluation committee was unanimous in their belief that Balfour Beatty Construction provided the RFQ response that offers the “best overall value” to the district. It should also be noted that Balfour Beatty’s fee structure is less than the other three companies. The committee believes Balfour Beatty will provide a service that is an overall better value than Cadence McShane, Lee Lewis, and Northstar for the following reasons:

1. Belief that Balfour Beatty will bring more competitive sub-contractor bids to the table given their size, strength, and exposure in the D/FW metroplex, thus ultimately providing better pricing and better value to the district.
2. 79 years in business (40 years in education construction) with a very strong financial statement.
3. Extensive experience with “net zero” sustainable school construction and K-12 renovations with 95% of their business being conducted as CM@Risk.
4. Balfour Beatty’s management team, project manager, and job superintendents were very professional and impressive in their presentation and in their ability to answer the committee’s questions.
5. Terry Hoyle and Mike Elmore of SHW Group have had extensive, long-term experience with this contractor and highly recommend them.
6. Have had extensive renovation experience with Coppell ISD over the last two years, whereas they have always finished on time and have come in under budget with each phase of construction.

Upon Board approval, Balfour Beatty will soon commence working closely with SHW Group and Coppell ISD in the design phase of the proposed new elementary school. They will be releasing the elementary school bids to numerous qualified sub-contractors immediately upon passage of the May, 2013 bond election. Upon receipt of the sub-contractor bid responses, they will supply the district with

a Guaranteed Maximum Price (GMP) to be approved by the Coppell ISD Board of Trustees in June of 2013.

Recommendation: That the Coppell ISD Board of Trustees approve Balfour Beatty Construction as the Construction Manager for the proposed 2013 bond election construction projects.