



Board Action Required ☒ X

No Action Required ☐

To: Coppell ISD Board of Trustees
From: Sid Grant
Date: March 22, 2011
cc: Dr. Jeff Turner, Kelly Penny, Denise Sullivan, and Louis Macias

Re: Construction Manager at Risk Guaranteed Maximum Price for Phase Five 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 Charter Builders, LTD. as the Construction Manager at Risk for all Phase Four, Five, and Six bond projects that require a construction manager.

From November, 2010 through January, 2011, school district staff, SHW Architects and Engineers, Estes McClure Engineers, and Charter's project manager met weekly to develop the scope, specifications, and plans for all Phase 5 projects (A list of projects by campus is attached to this memo). In February, 2011, as part of the CM @ Risk requirement, Charter advertised and put all projects out to formal bid. Two pre-bid conferences were held with prospective sub-contractors at the actual CISD job sites. Bids were due and received at 2:00pm at the Charter offices on March 10, 2011.

After careful review and analysis by SHW, Charter, 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 GMP Charter has presented is **\$4,093,372** for the completion of all Phase Five projects listed with this memo. We have carefully reviewed all components of this number and concur with its accuracy.

I am pleased to report that the total GMP is \$1,262,648 under what was originally budgeted in 2009 for these projects (\$901,342 under the recently revised budget). Charter Builders 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 \$4,093,372 number includes \$201,546 in contingency and allowance dollars that will only be spent if absolutely necessary. All requests for contingency and allowance dollars will be reviewed by SHW, Charter, and CISD staff on a weekly basis. After all parties review any request and make recommendations, I will personally approve or disapprove each request.

Now that the actual Guaranteed Maximum Price for the Phase Five projects to be managed by Charter Builders, LTD. 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 Charter can be amended to include the total GMP.

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 March 28, 2011, Board meeting the amending of the construction contract between Coppell ISD and Charter Builder, LTD to include the Guaranteed Maximum Price of \$4,093,372 as proposed by Charter Builders, LTD. for the Phase Five Bond Projects as listed on the attached project list, and that Sid Grant or Jeff Turner be authorized to sign the necessary documents.

Coppell ISD – Phase 5 - Charter/SHW Managed Projects

Cottonwood Creek Elementary

- HVAC Replacement
- Low Slope Roof Replacement
- Carpet and Stair Tread Replacement

Valley Ranch Elementary

- HVAC Replacement
- Low Slope Roof Replacement
- Carpet and Stair Tread Replacement

Pinkerton Elementary

- HVAC Replacement
- Carpet and Stair Tread Replacement (Alternate Item for \$99,052-Included in GMP)

Coppell Middle School West

- Stage Sound Upgrade
- Domestic Water Line Replacement (North Campus)

Coppell Middle School East

- Stage Lighting Upgrade

Administration Building

- Board Room Renovation and Technology Upgrade

Coppell High School

- Scoreboard Replacement at Buddy Echols Field (GMP includes \$600,000 allowance until final bids are received and accepted)