



Board Action Required

No Action Required

To: Coppell ISD Board of Trustees

From: Sid Grant

Date: December 6, 2016

cc: Dr. Mike Waldrip, Kelly Penny, Louis Macias, and Larry Guerra

Re: Construction Manager at Risk Guaranteed Maximum Price for 9th Grade Center Demolition package (Bond Project #4)

As part of 2016 bond election projects, the request to use the Construction Manager at Risk process, as allowed under Section 44.038 of the Texas Education Code for the bond funded construction and renovation projects, was approved by the Coppell ISD Board of Trustees on January 21, 2016.

Subsequently, at the March 28, 2016, Board meeting, the Board approved Northstar Builders Group, LLC as the Construction Manager at Risk for the renovation of Coppell Middle School West into a 9th Grade Center.

In order to meet our timeline of opening the renovated school for the 2018-19 school year, our contractor and architect recommended we bid and start the demolition of the north gymnasium and locker rooms, the band and drama hall, and the old potables, and storage buildings to begin in February 2017. Therefore, our architects created a demolition plan that went out to bid as a separate and initial package from the actual building construction and renovation bid. The building construction/renovation bid will go out early in 2017.

Upon Board approval of the Guaranteed Maximum Price (GMP), Northstar Builders will commence with the demolition of the above mentioned buildings in preparation for the actual construction of the new buildings to begin early next year. We will bring to the Board of Trustees, early next year, the proposed Guaranteed Maximum Price for the actual construction/renovation of the school.

We are working closely with the administrators and staff at Coppell Middle School West to ensure as smooth a transition process as possible. Northstar Builders, Louis Macias, and I will be present at the Board meeting to explain to the Board the transition process, traffic plan, and safety plan. The transition plan will include approximately seven portable buildings to help house band, drama, athletics, and physical education.

After careful review and analysis by Northstar Builders, Corgan, and CISD staff of three (3) qualified bids received for the demolition package, a final bid tabulation was prepared including the sub-contractor price, contingencies, contractor fee, and general conditions. 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 Northstar Builders has presented for this demolition package is a total of **\$586,172**. We have carefully reviewed all components of this number and concur with its accuracy. I am pleased to report that this total GMP is within what was originally estimated by Northstar Builders for this portion of the work.

Now that the actual Guaranteed Maximum Price for the demolition package has been determined and presented, it is necessary for the Board of Trustees to consider approval of this GMP, so that the construction contract between Coppell ISD and Northstar can be amended to include the total GMP for this portion of the project.

Recommendation

That the Coppell ISD Board of Trustees approve at the December 12, 2016, Board meeting the amending of the construction contract between Coppell ISD and Northstar Builders Group, LLC to include the Guaranteed Maximum Price of \$586,172.00 as proposed by Northstar Builders Group, LLC for the 9h Grade Center demolition package, and that Sid Grant be authorized to sign the necessary documents.