



COPPELL
INDEPENDENT SCHOOL DISTRICT
Empowering Educational Excellence

Board Action Required ☒

No Action Required ☐

To: Coppell ISD Board of Trustees

From: Sid Grant

Date: May 30, 2018

cc: Brad Hunt, Kelly Penny, Louis Macias, Diana Sircar, and Justin Hill

Re: Construction Manager at Risk Guaranteed Maximum Price for Phase One of CMS East Additions and Renovations (Bond Project #6)

As part of 2016 bond 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 additions and renovations of Coppell Middle School East.

In order to meet our timeline of completing the renovations and additions for the 2019-20 school year, our contractor and architect recommended we bid and start Phase One of the process during the summer of 2018. Therefore, our architects created a Phase One plan that went out to bid as a separate and initial package from the actual main building and renovation bid. The remaining building construction/renovation bid will go out in the next couple of months.

Upon Board approval of the Guaranteed Maximum Price (GMP), Northstar Builders will commence this summer with moving utilities, dirt work, pouring piers and foundations for the eight classrooms, cafeteria, and gymnasium additions, as well as, pouring the parking lot addition.

After careful review and analysis by Northstar Builders, Corgan, and CISD staff of multiple qualified bidders for each trade (e.g. excavation, concrete, electrical, plumbing, etc.), a final bid tabulation was prepared including the sub-contractor pricing, 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 Phase One package is a total of **\$3,554,510**. We have carefully reviewed all components of this number and concur with its accuracy. This total GMP for Phase One is approximately \$200,000 or about 6 percent greater than what was originally estimated by Northstar Builders for this portion of the work. The

reason for the increase is entirely due to the soil tests indicating that we will need more expensive “cased” piers than was originally believed and estimated. Excluding the concession stand/restrooms, we have a total of \$18,240,000 budgeted for this complete CMSE project.

Now that the actual Guaranteed Maximum Price for the Phase One 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 June 4, 2018, Board meeting the amending of the construction contract between Coppell ISD and Northstar Builders Group, LLC to include the Guaranteed Maximum Price of \$3,554,510 as proposed by Northstar Builders Group, LLC for the Phase One Package of the renovations and additions at Coppell Middle School East, and that Sid Grant be authorized to sign the necessary documents.