

To: Board of Education

From: Tony Barron, executive director, facilities & operations, ext.1643

Re: GMP for New Facilities & Operations Site (Amendment to Construction Management Contract – KBS Constructors, Inc.)

Date: September 7, 2017

Background:

At its May 5, 2017 meeting, the Board of Education approved a resolution authorizing the District to enter into a Lease Purchase Agreement for the purpose of financing the acquisition, construction, installation, extension, remodeling/improvements and equipping of new and existing facilities up to the amount of \$5,979,600 (4,850,000 estimated principal plus \$1,129,600 estimated interest). At its June 12, 2017 meeting, the Board of Education approved a Construction Manager At-Risk (CMAR) services agreement with KBS Constructors, Inc. for construction of a warehouse and facilities and operations office space along with renovation and demolition of existing buildings located at 711 E. 23rd Street. At its June 26, 2017 meeting, the Board of Education approved an early demolition package with KBS Constructors, Inc. in the amount of \$277,758. Bids were received by KBS Constructors, Inc. on July 11, 2017 for the construction of a warehouse and Facilities and Operations building along with site work and renovations to existing buildings. After bid review, the proposed GMP total is \$5,344,165. A construction contingency of 4% is included. The lease/loan for this project is \$4,850,000. The difference will be funded through Capital Outlay Funds.

Current Contract Sum	277,758
Remaining Lease Project Fund	4,572,242
Capital Outlay	<u>484,165</u>
<b>New GMP Amount</b>	<b>\$5,334,165</b>

Recommendation:

The Facility Planning Committee recommends board approval of the amended construction management at-risk services contract with KBS Constructors, Inc. for construction of a warehouse and facilities and operations building located at 711 E. 23<sup>rd</sup> Street in the amount of \$5,056,407 to be paid from Lease Project Fund and Capital Outlay Fund.

Motion:

"I move the Board of Education approve of the amended construction management at-risk services contract with KBS Constructors, Inc. for construction of a warehouse and facilities and operations building located at 711 E. 23<sup>rd</sup> Street in the amount of \$5,056,407."