

To: Board of Education

From: Tony Barron, executive director, facilities & operations

Re: Amendment to Construction Management Contract – KBS Constructors, Inc.

Date: May 24, 2018

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, facilities and operations office space along with renovation and demolition of existing buildings located at 711 E. 23rd Street.

At its February 26, 2018 meeting, the Board of Education approved a contract in the amount of \$5,403,517 (\$4,850,000 lease project fund plus \$553,517 capital outlay fund). As construction proceeds on this project, site plan modifications have been identified. Additional costs associated with the changes are listed below and coming to the Board for approval.

Current Contract Sum	\$5,403,517
Capital Outlay	<u>210,000</u>
<b>New GMP Amount</b>	<b>\$5,613,517</b>

Recommendation:

Administration 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 \$5,613,517 to be paid from the 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 \$5,613,517 to be paid from the Lease Project Fund and Capital Outlay Fund."