

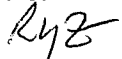
INDEPENDENT SCHOOL DISTRICT 271
Bloomington, MN

REQUEST FOR SCHOOL BOARD ACTION

DATE OF BOARD MEETING: January 14, 2019

SUBJECT: Construction Manager Services Agreement
Rate Increase


ORIGINATING DEPARTMENT: Business Office

APPROVAL OF ADMINISTRATIVE
CABINET MEMBER: Rod Zivkovich, Executive Director of
Finance and Support Services 

RESOLUTION FOR BOARD TO ADOPT:

RESOLVED, that the School Board of Independent School District 271 approves increasing the rate for Construction Manager Services between Kraus-Anderson Construction Company and Independent School District 271 from 2.00% to 2.25%.

RECOMMENDATION OF SUPERINTENDENT:

Approve: 

DETAILED BACKGROUND:

Since 2012, our Construction Manager has been Kraus-Anderson Construction Company (KAC). One of KAC's primary construction management responsibilities is to manage the annual major renovations of one of our schools.

KAC's compensation for this management:

- 2% of the Alternative Facility funds spent on the annual major renovations.

KAC is proposing an increase from 2% to 2.25% because:

- Our District annually spends about the same amount of Alternative Facility funds.
- Therefore, KAC compensation has not increased but their cost to provide the management has increased.