SOUTH WASHINGTON COUNTY SCHOOLS
SCHOOL BOARD
7362 East Point Douglas Rd S.
Cottage Grove, MN 55016

# ADMINISTRATIVE REPORT

**DATE:** December 16, 2021

**TOPIC:** 8.5 – Approval of Letter of Agreement – Kraus Anderson for Construction Planning and Management Services

**PRESENTER:** Dan Pyan – Director of Finance and Operations

**REFERENCE TO POLICY/STATUTE:** 701 School District Budget

A. **PURPOSE OF REPORT**

a. South Washington County Schools Long Range Facility Planning Process (LRFP) has progressed to the point where more precise construction expertise is needed.
b. A relationship with a construction management should be established to further progress in the plan.
c. Kraus Anderson has been working with South Washington County Schools for over 15 years and has many successful building projects here (on time and under budget)
d. Kraus Anderson will perform all work before the referendum free of charge.
e. Kraus Anderson has national purchasing influence.
f. Kraus Anderson has local knowledge of the district's buildings and history.
g. Kraus Anderson will work with the District through Five phases of the LRFP:
    i. Study
    ii. Pre-Construction/Design
    iii. Bid
    iv. Construction
    v. Project Close-out/Commissioning

B. **RECOMMENDATION**

a. Administration recommends approval of the letter of agreement with Kraus Anderson Company for Planning and Management Services.

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December 3, 2021

Director of Finance and Operations - Dan Pyan

South Washington County Schools

7362 East Point Douglas Rd S.

Cottage Grove, MN

Re: Kraus-Anderson Company Letter of Agreement Planning and Management services

Dear Mr. Pyan

Thank you for the opportunity to send this additional information. As mentioned in our meeting, our team is very passionate and excited to continue our success with So. Washington Co. School District. Following is additional information per your request:

**PHASE 1 – STUDY PHASE (no cost for this phase based on our long relationship)**

Our team has a proven performance assisting school districts with referendum planning efforts.

- Attend weekly planning session with administration
- Create a educational programs for all schools to verify new or remodel square footages
- Constructability reviews of each option / plan
- Detailed cost estimates
- Create phasing plans to implement approved projects
- Strategize on building system that is the most cost effective and strategic in terms of construction schedules (long lead items)
- Assist in land search and analyze each property (via land matrixes) to determine what area or property best works for the District
- Write the Review and Comment on behalf of the District
- Assist in a community campaign and support your efforts as needed or requested
    - This can include social media support, multi-media information, tag boards, etc.

**PRECONSTRUCTION / DESIGN PHASE (post referendum)**

Following is a bullet point summary of tasks to be performed after a positive referendum:

- Project planning
- Life cycle engineering and costing
- Overall budget tracking / estimating
- Phasing plan that works for the staff, students and community
- Safety plan
- Detailed plan review or page turn with Owner
- Quality review
- Administrations reports as needed

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## BID PHASE

Kraus-Anderson will competitively bid all categories of the work (multiple primes), review bids with you the owner, and accept the bids of the lowest qualified bidders.

- Create detailed construction schedule
- Conduct walk-thru
- Permitting process
- Plan review
- Organize bid day operations
- Review bids with Owner
- Write trade contracts
- Meet with potential low bidders and make recommendations
- Assist in Board meetings or staff updates as needed
- Collect front-end paper work (shop drawings, insurances, bonds, etc.)
- Tax exempt accounting for the Owner

## CONSTRUCTION PHASE

Our construction service approach will provide a textbook delivery from start to finish. Following is a bullet point review during this phase:

- Host job meeting/project manager meetings
- Full-time on site supervision and management as needed
- Conduct foreman meetings
- Three week look ahead schedules
- Create meeting minutes
- Track contract information (contract status, insurances, submittals, etc)
- Monitor overall budget
- Monitor overall quality
- Monitor overall schedule
- Collect and process all pay applications on behalf of the owner
- Safety

## PROJECT CLOSE-OUT/COMMISSIONING

Our team has developed a method of establishing expectations, and getting an early start on the close-out process, that has proven to be highly effective. Following is a list of close-out requirements:

- Collect as-built drawings
- Monitor punch-list completion
- Collect Consent of Sureties
- Collect warranty information
- Organize substantial completion requirements
- Monitor and recommend release of contractors' retainage only when close-out documents are completed

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**ACKNOLWEDGMENT / AGREEMENT**

Kraus-Anderson will be happy to honor our previously negotiated fee and contract arrangements we have had with the District in years past. After a successful referendum, the Districts intent will be to negotiate a legal AIA C 132 contract for construction management services

To the fullest extent permitted by law, the Owner shall indemnify and hold harmless Kraus-Anderson from and against all claims, damages, losses, and expenses, including but not limited to, attorneys' fees, arising out of or resulting from the use or reuse of such planning documents by the Owner, or its affiliates, successors and assigns, other than in accordance with this letter agreement.

I hope you will find this information useful. We are confident our team will provide a successful that brings value to users, staff, and the community. If you have any questions regarding the enclosed information, please feel free to call me at (612)-747-6258

If the School District agrees to these provisions as set forth above, please execute the enclosed copy of this letter where provided below and return the fully executed copy.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY

H. John Huenink
Vice President, Director of Education

Accepted and agreed to this date _____.

By:_____

Its:_____