REGULAR MEETING OF THE BOARD OF TRUSTEES

Wednesday, May 14, 2014

6:30 p.m. Public Session

Founders Hall
1100 North Grand Avenue
Walnut, CA 91789

ADDENDUM TO THE AGENDA

CONSENT AGENDA

37. Consideration of approval of the final reconciliation and notice of completion for the Facilities Plan Room and Emergency Operations Center project (Phase 1), and the Utility Infrastructure South of Temple Avenue project (Phase 1), using the Lease/Leaseback construction delivery method. (See attached backup information.)

DATE: May 14, 2014   **CONSENT**

SUBJECT: Lease/Leaseback Construction – Final Reconciliation and Notice of
             Completion – Facilities Plan Room and Emergency Operations Center
             Project (Phase 1), and the Utility Infrastructure South of Temple Avenue
             Project (Phase 1)

BACKGROUND

The Facilities Plan Room and Emergency Operations Center (Phase 1); and the Utility Infrastructure South of Temple Avenue (Phase 1) projects were approved under the Lease/Leaseback construction delivery method on April 24, 2013, with a combined Guaranteed Maximum Price of $3,407,969.   The construction activities began on May 22, 2013, and were substantially complete on December 13, 2013, on schedule. The contractor's performance was evaluated throughout the pre-construction and construction periods and deemed by staff to be satisfactory in all respects.

ANALYSIS AND FISCAL IMPACT

Projects completed under the Lease/Leaseback construction delivery method are approved with a Guaranteed Maximum Price (GMP). Under a GMP, the contractor bills for only the actual costs of the project. During construction, the GMP may be increased by action of the Board of Trustees to address costs associated with additional scope of work for unforeseen conditions not covered by the approved contingency or allowances. No change to the GMP was required during this project.

Contractor	Tilden-Coil Constructors (Contractor)	CO No.	2
Item	**Change and Justification:**	**Amount**	**Time**
	Provide credit back to the College after the final reconciliation of the project costs.	<$113,140.00>	0 days
	Original Contract Amount		$3,407,969.00
	Net Change by Previous Change Orders		<$527,500.00>
	Net Sum Prior to This Change Order		$2,880,469.00
	Amount of Change Order No. 2		<$113,140.00>
	New Contract Sum		$2,767,329.00
Percentage of Change to Contract, to Date			-18.80%

Prepared by: Gary L. Nellesen   Reviewed by: Michael D. Gregoryk

Recommended by: Bill Scroggins   Agenda Item: Consent #37

SUBJECT: Lease/Leaseback Construction – Financial Reconciliation and Notice of Completion

DATE: May 14, 2014

The Lease/Leaseback construction delivery method allows for the lease of the work by the College for a period to be determined at the time the agreement is approved. The lease period for this project was established at six months. In cases where the work is complete in all respects and the performance of the contractor is deemed to be satisfactory, it is in the best interest of the College to reduce the lease period to the minimum term of 35 days.

Ten relevant metrics have been selected to evaluate the performance of the Lease/Leaseback process over time.

Project Data for the Administration Building Site Improvement Project

Pre-Construction Phase

- Constructability Review Comments Incorporated Pre-Bid   23
- Standards/Code Compliance Review Comments Incorporated Pre-Bid   20
- Average Bids per Trade   5

Construction Phase

- Final Cost Over/Under Guaranteed Maximum Price   ($640,640)
- Percent Cost Over/Under Guaranteed Maximum Price   -18.80%
- Working Days Over/Under Contract Schedule   0
- Contract Change Orders   2

Post-Construction Phase

- Unresolved Contractor Claims   0
- Deviation Notices Issued by Inspector of Record   0
- Outstanding Close-Out Submittals   0

Funding Source

Measure RR Bond Anticipation Note funds.

RECOMMENDATION

It is recommended that the Board of Trustees approves the reduction of $113,140 to the contract amount, the reduction of the lease period to 35 days, and accepts the project as complete.