

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

January 18, 2022

Agenda Item: 6.2

Subject: Approval of Modification to the existing Lease/Leaseback Contract with Rudolph & Sletten of San Carlos, CA, for Phase II of said contract for Guaranteed Maximum Pricing (GMP) for Construction Services, Site Lease and Facilities Lease for Increment 2: Construction of the Library & Learning Connections Building Project at Chabot College

Background: On May 19, 2020, the Board of Trustees approved the Lease/Leaseback Contract with Rudolph & Sletten for pre-construction services for the Library & Learning Connections Building Project at Chabot College. Per Article 2, Item 11 establishing GMP and Milestone Schedule of said Lease Leaseback Agreement, the Contractor has successfully negotiated the GMP and milestone schedule for Increment 2: Construction of the Library & Learning Connections Building at Chabot College with District Staff.

The Contractor's combined Guaranteed Maximum Pricing for Increment 1 and Increment 2 is within the construction budget utilizing Measure A funds.

Pursuant to the Pre-Construction contract, the District has issued a Notice to Proceed to the LLB Contractor and will enter into a separate Site Lease Agreement with Contractor (the "Site Lease"), under which it will lease the Project site described and depicted in Exhibit A1.

Upon completion of project the Contractor will lease the Site and the Project back to the District pursuant to a separate Facilities Lease Agreement (the "Facilities Lease"), under which the District will be required to make lease payments to Contractor for the use and occupancy of the Site, including the Project for a (12) twelve-month period.

The project is in final back-check review by the Division of the State Architect, based upon review with legal counsel it is recommended the District take advantage of the contractor's competitive bidding of the work to procure long lead items and complete the submittal process while DSA completes the review of the plans and specifications. To facilitate the early award legal counsel has recommended the District set aside an additional contingency for DSA approval of the documents and any cost impacts associated with the final approval. This contingency will be held outside the Guaranteed Maximum Price and presented to the Board as a Change Order in future meetings if necessary.

Pre-Construction Services Fee (prior approval	\$ 929,070.00
Increment 1: Soils Improvements (prior approval)	\$ 3,036,793.00
Increment 2: Construction	<u>\$68,549,244.00</u>
New Contract Amount	\$72,515,107.00

The following contingencies are held outside of the Guaranteed Maximum Price for unforeseen conditions, A/E Errors and Omissions, Owner Requested Changes and DSA Approval of Increment #2 drawings and specifications:

District Held Construction Contingency (5%)	\$ 3,579,302.00
District Held DSA Approval Contingency (2%)	\$ 1,206,012.00

Recommended Action: That the Board of Trustees approves the proposed Lease/Leaseback contract modification for Phase II, Guaranteed Maximum Pricing (GMP) for construction services, site lease and facilities lease for Increment 2: Construction of the Library & Learning Connections Building to Rudolph & Sletten, of San Carlos, CA for the Library & Learning Connections Building at Chabot College in the amount not to exceed \$ 68,549,244.00. It is also recommended that the Board authorize the Vice Chancellor of Business Services, to execute the agreement on behalf of the District.

Funding Source: Measure A Bond Funds

Submitted: Owen Letcher/Date

Approved: Ronald P. Gerhard/Date

_____ APPROVED

_____ DISAPPROVED

_____ TABLED