

May 16, 2013

13-091

AUTHORIZATION TO ADD AN OWNER'S
CONTINGENCY TO THE HOFFMAN CONSTRUCTION
CONTRACT FOR CONSTRUCTION SERVICES FOR
THE CASCADE CAMPUS BOND CONSTRUCTION
PROJECT

PREPARED BY: Kathy Kiaunis, Manager, Bond Finance

FINANCIAL
RESPONSIBILITY: Linda Degman, Director, Bond Program

APPROVED BY: Wing-Kit Chung, Vice President, Administrative Services
Randy McEwen, District Vice President
Dr. Preston Pulliams, District President

REPORT: With Board Resolution 12-060, the Board of Directors adopted the findings and approved the exemption to authorize the use of the CM/GC alternative contracting method for Cascade Campus.

After a formal Request for Proposals process, per Resolution 12-087, the Board awarded the Construction Manager/General Contractor contract for the Cascade Campus 2008 bond program to Hoffman Construction, for an initial amount of \$500,000.

Resolutions authorized to date include 13-028 (\$2,798,824), and 13-058 (\$4,322,332), for the underground parking structure, and Resolutions 13-054 (\$641,637), for the Paragon project, 13-067 (\$1,200,446) for security improvements and surface parking and 13-077 (\$29,264,830) for the balance of the underground parking structure, academic building and Student Center projects, bringing the total authorization to date to \$38,728,069.

Concrete has been poured for the lid for the parking garage, which will also serve as the foundation for the academic building and Student Center. The projects are on schedule. The College has a need to add an owner's contingency to the contract amount to cover any changes required by the owner or regulatory authorities. Bond staff will manage this contingency and the contractor will

not be allowed to use without written authorization. The amount requested at this time for an owner contingency is approximately 3% of the contract value for these projects, or \$1,100,000. This resolution plus the earlier authorizations, totals \$39,928,069.

RECOMMENDATION: That the Board of Directors authorize the addition of an owner's contingency to Hoffman Construction contract of \$1,100,000. The funds are from the 2008 Bond Program.