

May 16, 2013

13-092

AUTHORIZE AN INCREASE TO THE SPENDING
AUTHORITY FOR EXISTING CONTRACTS WITH
ABATEMENT CONTRACTORS: ROSE CITY
CONTRACTING AND NCM CONTRACTING GROUP

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FINANCIAL
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REPORT: On May 9, 2011 (BA 11-114), the Board of Directors approved contracts for hazardous materials abatement services to four (4) contractors, valid through 2016 and for a not to exceed amount of \$200,000 per contract. Rose City and NCM Contracting Group, two of the four approved contractors, will need an increase to their contract spending level to cover abatement work.

The former Legin Restaurant was demolished at Southeast Center as part of the 2008 bond program. Both Rose City and NCM were involved in the abatement work. Large amounts of unanticipated hazardous materials were found, including asbestos in the slab, which required disposing a significant amount of concrete as hazardous material. This work has put spending for NCM at \$183,000, near the maximum of the their contract. The Legin work, in addition to prior bond projects, and the FMS use of Rose City for non-bond work, has put total spending for Rose City at \$268,100.

With construction fully underway and renovation still to come at several of the campuses we anticipate further abatement work to be completed. This work may happen simultaneously at several of the campuses so we need to make sure we have the financial capacity within our contracts with our abatement contractors to schedule this work quickly. As we do not always know when or where we will need to do abatement, this work happens with a quick turnaround so it does not impact the construction schedule.

Both Rose City and NCM are in their 2nd year of the five (5) year contract term and will have additional work in the future, as needed for construction projects. The College requests an additional \$200,000 for each of their approved contract amounts. This request exceeds the \$150,000 threshold, which requires PCC Board of Directors approval (per Board Policy B505).

RECOMMENDATION: That the Board of Directors authorize an increase of \$200,000 (each) to the existing abatement contracts with Rose City Contracting, total authorized \$400,000 and NCM Contracting Group total authorized \$400,000 for the contract term through 2016. Expenditures for this contract will come from the 2008 Bond Fund, Capital Projects Fund and General Fund.