

OHLONE COMMUNITY COLLEGE DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Dr. Doug Treadway Consent Agenda Item

DATE: September 29, 2004

SUBJECT: Approval of Design Drawings for the Ohlone College Newark Center for Technology and the Health Sciences

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With the approval of design development drawings, MBT architects will be authorized to proceed with the construction drawing phase of the project.

Two independent cost estimators have estimated that the drawings presented at the Board workshop of September 8, 2004, at bid date early in 2005, will cost approximately \$8 million more than the current construction budget.

An extensive value engineering evaluation has been conducted to reduce costs while still maintaining all the goals of the educational programs to be located at the Newark Center. In addition, the quality, efficiency, and exterior ambiance of the building and its presence on Cherry Street have been preserved. Examples of value engineering are: the removing of two of the five elevators, reducing the amount of terrazzo flooring, down-sizing the food service operation, and deleting some wall partitions.

A presentation of the attached design drawings was made by MBT architects to the Facilities task force. The task force has recommended these designs and has affirmed their desire to have the Newark Center Project budget stay as close as possible to the current budget so there will be bond funds available for building Fremont campus projects.

To reduce projected construction costs, four bays of the building (1 bay consists of one section of a first and second level) needed to be eliminated and the corporation yard significantly reduced. By reducing the bays, the LRC is reduced by two sections and two small classrooms are deleted. Remaining programs in the four bays will be relocated to the shell space that will not be utilized by an outside partnership. Following is a chart that illustrates the proposed space reductions:

**CHANGE IN SQUARE FOOTAGE:**

Partnership allocation:	8,000
<u>Ohlone Programs:</u>	<u>142,000</u>
Original total square footage:	150,000
Partnership allocation:	0
<u>Ohlone Programs:</u>	<u>135,000</u>
Revised square footage:	135,000

Net reduction in Ohlone square footage is 7,000 square feet.

**ESTIMATED OVERALL PROJECT BUDGET ANALYSIS**

<u>September 8, 2004 Workshop</u> <u>Design Development Drawing</u>	<u>September 29, 2004</u> <u>Proposed Design Development Drawing*</u>
Cost to build            \$108,350,000	Cost to build            \$100,200,000
Partnership Revenue: <\$1,750,000>	Partnership Revenue:            0
PG&E/ Grants:        <\$3,000,000>	PG&E/ Grants:            <\$3,000,000>
<u>EPA Grant:</u> <\$200,000>	<u>EPA Grant:</u> <\$200,000>
Bond Funded:         \$103,400,000	Bond Funded:            \$97,000,000

\* After Value Engineering Reconfiguration

These estimates are the best available now. Included in these estimates are a design contingency allowance and an expected cost escalation allowance of five percent to address potential price increases for building materials from now to a bid date in early 2005. These costs will be recomputed at the end of the construction drawing phase. Should current estimates hold through the construction drawing phase, staff will request that the Board of Trustees approve a budget increase of \$2 million to the overall project budget. This augmentation could be allocated from funds previously diverted from the Newark Center Project budget and are currently unallocated in the overall bond budget.

**RECOMMENDATION**

The President/Superintendent recommends that the Board approve the attached Design Development Drawings for the Ohlone College Newark Center for Technology and Health Sciences and authorize MBT Architects to proceed to the working drawing phase of the project.

Attachments