

**OHLONE COMMUNITY COLLEGE DISTRICT**

**MEMORANDUM**

TO: Board of Trustees

FROM: Doug Treadway

DATE: November 28, 2005

SUBJECT Authorization to Increase the Ohlone College Newark Center Project Budget

On November 10, 2005 the District opened bids related to the main building construction trades for the Ohlone College Newark Center Project. The bids that were received amounted to approximately 10% above the cost estimates that were prepared last March. The District's construction management firm, Turner Construction, believes the bids received are reasonable given the market place impacts from heightened levels of construction activity both locally and worldwide. In addition, rebuilding activity related to Hurricane Katrina has significantly affected the current bidding market. In order to secure a sufficient number of bidders, the District's Construction Manager had to make numerous contacts to interest bidders because currently there are a multitude of hospital and education sector construction jobs available to local contractors.

In order to award bids this evening, the Board of Trustees must increase the Ohlone College Newark Center Project Budget. Staff is recommending that the Board of Trustees transfer to the Newark Center Project Budget the unallocated contingency of \$2,239,687. This augmentation to the project budget should be allocated to budget category, Building Construction(Trade Contracts) Code #56210. See summary below:

1) OCNC(current approved budget)	\$97,000,000
2) Transfer from Unallocated Contingency	\$2,239,687
3) Revised OCNC Budget	\$99,239,687

Upon approval of this transfer, there will be no remaining Unallocated Contingency funds in the Measure A Bond projects overall budget report. Attached is a budget summary for the Ohlone College Newark Center Project as well as overall budget summaries for other bond projects.

**RECOMMENDATION:**

The President/Superintendent recommends approval of a budget transfer from unallocated Measure A contingency funds in the amount of \$2,239,687 increasing the overall Ohlone College Newark Center Project budget to \$99,239,687.