May 20, 2021

<u>21-169</u> <u>AUTHORIZATION TO ISSUE GUARANTEED MAXIMUM</u>

PRICE TO PENCE CONSTRUCTION FOR THE ROCK

CREEK CAMPUS BUILDING SEVEN ORGANIC CHEMISTRY LABS MODERNIZATION PROJECT

PREPARED BY: John MacLean, Finance and Procurement Manager,

Planning and Capital Construction

FINANCIAL

RESPONSIBILITY: Linda Degman, Director, Planning and Capital

Construction

APPROVED BY: Sylvia Kelley, Executive Vice President

Mark Mitsui, President

REPORT: On October 24, 2019, through BA 20-060 the Board

adopted the finding, granted an exemption, and

authorized the use of the CM/GC alternative contracting

method for the Rock Creek Campus projects.

One of projects that was anticipated as part of this contract was the modernization and upgrade of the

Organic Chemistry Labs in Building 7.

On March 18, 2021, through BA 21-132 the Board approved an Early Work Amendment for up to \$286,000 to allow for procurement of equipment with a long lead

time.

Pence Construction have now submitted the Guaranteed

Maximum Price for the total project. The GMP is \$1,024,749 and replaces the Early Work Amendment. P&CC staff have reviewed and recommend acceptance.

Pence Construction have competitively bid the subcontracts and awarded to the responsible proposers

whose proposal is determined to be the most

advantageous to the College.

The contract requires Pence Construction to make good

faith efforts to achieve PCC goals for COBID

participation, use of apprentices, and workforce diversity.

The proposed GMP has the following projections;

COBID – Target 20%

Pence Construction are projecting that \$469,104 of the GMP will go to COBID firms representing 45.8% of the value. The breakdown is shown below.

Certification	Amount
Women Owned Enterprise	\$420,075
Emerging Small Business	\$31,170
Minority Business Enterprise	\$24,159
Disadvantaged Business Enterprise	\$24,159

Some firms have multiple certifications and are shown in each.

Apprenticeship Hours – Target 20%

Workforce Diversity – Target 20% Minority, 15% Women,

P&CC staff will engage with Pence Construction to ensure progress is made to meeting all PCC goals

RECOMMENDATION: That the Board of Directors approve the Guaranteed Maximum Price presented by Pence Construction in the amount of \$1,024,749 plus 10% contingency for a total of \$1,127,224. Funding is from the 2017 Bond Program