

May 16, 2002

02-108

APPROVE ADDITIONAL EXPENDITURE
AUTHORITY - REAL ESTATE CONSULTANT
SERVICES

PREPARED BY: Roger Cardinal, Manager, Procurement & Risk
Services

FINANCIAL
RESPONSIBILITY: Randy McEwen, Vice President, Administrative
Services

APPROVED BY: Jesus "Jess" Carreon, President

REPORT: At the March 15, 2001 Board Meeting, contracts were awarded to CB Richard Ellis (CBRE) and Right-of-Way Associates (ROWA) to provide Real Estate Consultant Services for the College's current Bond Construction Program (per Resolution 01-067). Contracts were awarded to both firms because CBRE was the best suited to handle the purchase and sale of large properties, whereas ROWA had significant experience dealing with the purchase and relocation issues of housing properties. Both contracts were for a maximum period of three (3) years, and total contract expenditures were estimated at that time to not exceed \$750,000 total through the complete contract.

The cost of \$750,000 was based on preliminary estimates of the real estate acquisition cost at Cascade and without Board approval at that time for acquisition of the new SE site. With more actual prices that we are paying for the houses and the expanded scope of acquisition activity, the revised estimates are as follows:

CBRE - \$835,000 (commissions based on sales prices expected)

ROWA -\$330,000 (based on work to date and still yet to do) *

* ROWA is a certified M/W/ESB firm

RECOMMENDATION:

That the Board of Directors approve additional expenditure authority for the Real Estate Consultant Services contracts with CBRE and ROWA, up to a revised not-to-exceed total amount of \$1,165,000. All funding for these contracts will be from bond proceeds.

Resolutions 02-106 through 02-109 were moved for approval by Director McKinney and it passed unanimously.