

The County Connection

Inter Office Memo

To: Board of Directors
 From: *J. Scott Mitchell*
 J. Scott Mitchell
 Director of Maintenance

Date: September 7, 2010

Reviewed By: *[Signature]*

SUBJECT: Diablo Valley College (DVC) Transit Hub Budget

BACKGROUND:

At the June 17, 2010 Board Meeting, the Board of Directors authorized the General Manager to amend a contract, providing additional dollars to DKS, the designer of the DVC Transit Hub. This amendment to DKS brought concern from the Board on the fiscal handling of the overall project.

SUMMARY OF ISSUES:

As the DVC Transit Hub Project comes to a close, there has developed a need for the release of additional funds. The factors that brought this about come from a compilation of many unanticipated areas. These unexpected developments resulted in change orders and caused both an increase of expenses and a loss of time.

Three of the main reasons for change orders were not from the contactor, but due to requests from DVC, The City of Pleasant Hill, and an issue with the underground water table. These change order expenses have already been paid.

What we are facing now is a list of expenses that we do not have authorization to pay and subsequently properly close out this project. We have construction costs from past and present work that we currently do not have authorization to pay for. We have a promise to DVC for the repair of the perimeter of parking lot 8. In addition, a Manager's Contingency is a prerequisite for any final items.

I am recommending one final adjustment to the DVC project of \$250,000.00. Though we do not anticipate the expenditure of all of these funds and we will be diligent in our oversight, it is the authorization of these additional funds that will ensure that the project is fully funded to its completion and head off any possible litigation.

FINANCIAL IMPLICATIONS: The Authority has grant funds available for this project. Funds are available from Grant 04-0103-01 and Prop 1B in the amount of \$250,000.00.

RECOMMENDATIONS: The A&F Committee recommends that the Board of Directors authorize the General Manager to disperse funds not to exceed \$250,000.00 for the completion of the DVC Transit Hub Project.

ACTION REQUESTED: The A&F Committee recommends that the Board of Directors at its September 16, 2010 meeting, authorize the General Manager to disperse additional funds up to \$250,000.00 for the completion of the DVC Transit Hub Project.

ATTACHMENTS: None.

CHANGES FROM COMMITTEE:

ADDITIONAL BACKGROUND INFORMATION: