

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

September 14, 2021

Agenda Item: 6.7

**Subject:** Adoption of Resolution No. 01-2022 Authorizing use of the Lease/Leaseback Contracting Method for a project within the District; Chabot College STEM Building (Biology Phase 2) in accordance with California Education Code Section 81335

**Background:** In order to effectively and efficiently deliver the construction needed for the Chabot College STEM Building (Biology Phase 2) project in Hayward, CA. The Lease/Leaseback contracting method, which is authorized for use by a Community College District under the California Education Code Section 81335 is being recommended as it provides integration of the contractor with design professional service providers, construction planning and schedule planning in advance of the start of construction, provides more efficient schedules and reduces the risk of the District and exposure to changes during the construction phase.

A Lease/Leaseback entity is chosen based upon qualifications, experience and an overhead fee price proposal through a competitive process. A pre-construction contract is created with the successful firm providing collaboration with the design team during the design and construction document process and solicitation of competitively bid subcontractors.

The project is currently in the Schematic Design phase and has struggled with identification of appropriate laydown and material staging areas, site access and coordination of safe access path to adjacent buildings, and other impacts to the project budget and schedule that could best be solved by engaging a construction team under the lease-leaseback delivery method. The District has three other active lease-leaseback contacts and all have delivered project guaranteed maximum process that have been on time and on budget. Staff are recommending the use of lease-leaseback on this project to streamline the completion of the design and construction documents phase and to eliminate the uncertainties that have been placed on the project by the COVID-19 economy, material shortages, and delays in the delivery of materials, which all are impacting the anticipated project construction cost.

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Recommended Action: That the Board of Trustees adopts the proposed Resolution No 01-2022 Authorizing use of the Lease/Leaseback Contracting Method for Chabot College STEM Building (Biology Phase 2) project in accordance with Education Code Section 81335.

Funding Source: Measure A Bond Funds

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Submitted: Owen Letcher/Date

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Approved: Ronald P. Gerhard/Date

\_\_\_\_\_ APPROVED

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