

MINUTES OF THE CALLED MEETING
OF THE BOARD OF REGENTS OF THE DEL MAR COLLEGE DISTRICT

October 1, 2019

The Called Meeting of the Board of Regents of the Del Mar College District convened in the Isensee Board Room, Del Mar College, Corpus Christi, Texas at 11:00 a.m. on Tuesday, October 1, 2019, with the following present:

From the Board:

Ms. Carol Scott, Dr. Nicholas Adame, Ms. Libby Averyt, Mr. Ed Bennett, Ms. Elva Estrada, Ms. Susan Hutchinson, Mr. Gabe Rivas, Mr. Hector Salinas, and Dr. Mary Sherwood.

From the College:

Dr. Mark Escamilla, President and CEO; Mr. Raul Garcia, Vice President and CFO; Dr. Beth Lewis, Executive Vice President and Chief Academic Officer; Ms. Lenora Keas, Vice President Workforce Development and Strategic Initiatives; Dr. Rito Silva, Vice President for Student Affairs; Ms. Tammy McDonald, Vice President of Administration and Human Resources; Mr. Augustin Rivera, Jr., General Counsel; Ms. Mary McQueen, Executive Director of Development; Mr. Jay Knoum, Interim Executive Director of Strategic Communication and Government Relations; Ms. Natalie Villarreal, Director of External and Board Relations; Ms. Delia Perez, Board Liaison, and other staff and faculty.

CALL TO ORDER/QUORUM CALL/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE/VISION STATEMENT

Ms. Scott called the meeting to order with a quorum present. She requested a moment of silence followed by the Pledge of Allegiance and reading of the DMC Vision Statement.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

Discussion regarding General Contractor for South Campus Phase 1A Project (Main, STEM, & Culinary Arts Site) Package 2.....Mr. August Alfonso

Dr. Escamilla introduced Mr. Alfonso to introduce the presentation of Package 2 of the 2016 Southside Bond.

Mr. Alfonso stated that on June 10, 2019, the College issued RFCSP (Request for Competitive Sealed Proposal) #2019-12 for construction of South Campus Phase 1A (Main, STEM, Culinary Arts, Site) Package 2 with a proposed construction budget of \$87,500,000.00. On August 1, 2019, the Evaluation Committee reviewed the Statement of Qualifications (SOQs) and interviewed the respondents in the Isensee Board Room. At 2:00 p.m. the same day, the

Competitive Sealed Proposals (CSP) were opened and read in public. The Evaluation Committee's selection ranking that offers the "best value" for the College is as follows:

1. Fulton * Coastcon
2. Spawglass
3. SUNDT

The Evaluation Committee members included Dr. Beth Lewis, Lenora Keas, Dr. Leonard Rivera, Dr. Jonda Halcomb, Robert Duffie, Regent Susan Hutchinson, Regent Libby Averyt, Regent Carol Scott, and August Alfonso.

The design of South Campus Phase 1A Project was done by Gensler Architects and Turner Ramirez Architects. Construction Management consulting was provided by AG/CM.

At each of the negotiation meetings in attendance were Gensler Architects and their subcontractors, Turner Ramirez Architects, AG/CM, Fulton * Coastcon staff, and DMC administrators and staff.

The Administration is seeking approval on two items:

1. Board approval to award a contract to Fulton*Coastcon for a negotiated price of \$106,742,500; and
2. Board designations of unexpended plant funds in the amount of \$9,850,000 for the acquisition of furniture, fixtures and equipment (FF&E) for the South Campus Package 2 project.

In support of the action items, Mr. Alfonso introduced Paul Wilhems and Alan Coyler of Gensler Architects, Phillip Ramirez of Turner Ramirez Architects, Nathan Swinney and Brett Flint of AG/CM, and Belinda Williams of Project Cost Resources.

Mr. Wilhelms provided a detailed presentation of the Project Budget to the Board.

The presentation included information on the following:

Project status

- Bid Package 1 – Central Plant and Utilities is permitted and under construction
- Building pads are in-place and prepared for construction of Bid Package 2 building foundations
- Foundations on Central Plant starting in October

Package 2 – Budget Reconciliation

Mr. Wilhelms further stated that on August 1, 2019, bids came in on Package 2 and they were 30% over the estimated construction cost. Mr. Wilhelms stated that there were a number of factors that combined and had an affect that added up to additional costs.

Some of the factors included:

- Schedule compression to finish construction in 24 months increased overhead and overtime by sub-contractors;
- Additional contingency allowance of \$3,500,000 held in contract;
- Steel Tariffs and Supplier cost instability at time of bidding, anxiety to hold costs over a longer construction period;
- Subcontractor Commitments greater than expected (had to bring in out of town subcontractor support, and larger subcontractors);
- Extra Specialty finishes and millwork included in the project;
- Additional masonry and metal cladding detailing; and
- Confidence in past estimates that were on target.

Mr. Wilhelms stated that the project is still within the original 2016 Bond amount.

Mr. Wilhelms reported that the Board previously approved them to proceed with negotiations with Fulton * Coastcon and they did so. There were 250 items that were evaluated by the College, Fulton, staff and administration. During negotiations, it was determined that their negotiated bid price was \$106,742.00. Mr. Wilhelms noted that one of the costs moved out of the Bond was the furniture and equipment funding.

Mr. Wilhelms also discussed the changes regarding designs. The priority was to keep the programmatic spaces intact. There was no square footage eliminated in the culinary building or the STEM building. There were two buildings changed, the Main building and the Library on the fourth floor overlook and the glass bridge.

The remainder was developed from review of 250 items, including project procedures, site work items, MEP elements, custom millwork, specialty finish items that would not impact the quality of the project. After a thorough discussion and process, they arrived at the \$106,000,000. \$5,100,000 was from project schedule and contingency overlap.

If the adjusted negotiated Bid Package 2 is approved by the Board, the schedule will proceed as follows:

- The Design Team recommends acceptance of the adjusted, negotiated Bid Package 2 in the amount of \$106,742,500;
- October 1, 2019, BOR accepts the negotiated bid cost and scope from Fulton*Coastcon Construction and proceeds to contract;
- Weeks of October 7 - 14, Gensler to revise base documents and issue to consultants and file building permits for STEM and Culinary Buildings;
- From October 14 - November 18, Design team revision of documents;
- From November 19 to December 10, Fulton re-confirm pricing of changes;
- December 11 - change order for final contract amount;
- Substantial Completion of Central Plant, Parking Lot and STEM building for Spring Semester II-April 1, 2022 (29 months); and
- Completion of all buildings and site, July 15, 2022 (32 months).

Mr. Wilhelms stated that one of the items discussed was the compression of the schedule, it was negotiated that the Central Plant Parking lot and STEM Building would be available for the Spring Semester with six weeks for move in so classes can start March of 2022. The remainder of the buildings on the site will then be completed on July 15th in time for the Fall Semester in 2022.

Dr. Escamilla, Mr. Alfonso, and the design team responded to questions from the Board of Regents.

PUBLIC COMMENTS ON THIS AGENDA ITEM:

Jack Gordy; Karen Lindsay; Shaun Flannigan; John Wilson; and Susie Luna Saldaña made public comments related to the South Campus Phase 1A Project (Main, STEM, & Culinary Arts Site) Package 2.

1. Dr. Adame made a motion to award a contract to Fulton * Coastcon General Contractor with a guaranteed maximum price of \$106,742,500. Ms. Averyt seconded the motion. There was no further discussion from the Board. A voice vote was taken and motion was carried, 8-1 amongst the Regents present with Regents Adame, Averyt, Estrada, Hutchinson, Rivas, Salinas, Scott, and Sherwood in favor of the motion and Regent Bennett against.
2. Ms. Estrada made a motion to designate \$9,850,000 for the acquisition of furniture, fixtures, and equipment from unexpended Plant Funds. Dr. Sherwood seconded the motion. Regents Rivas and Bennett asked follow-up questions regarding this motion and Dr. Escamilla and Raul Garcia responded to his questions. A voice vote was taken and the motion carried 8-1 amongst the Regents present with Regents Adame,

Averyt, Estrada, Hutchinson, Rivas Salinas, Scott, and Sherwood in favor of the motion and Regent Bennet against.

At 12:00 p.m., the Chair announced that the Board was going into Closed Session pursuant to:

CLOSED SESSION:

- A. **TEX. GOV'T CODE § 551.071:** (Consultation with legal counsel), regarding pending or contemplated litigation, or a settlement offer with possible discussion and action in open session, and, the seeking of legal advice from counsel on pending or contemplated legal matters or claims, with possible discussion and action in open session.
- B. **TEX. GOV'T CODE § 551.072:** (Deliberation of Real Property), regarding the purchase, exchange, lease, or value of real property, with possible discussion and action in open session; and,
- C. **TEX. GOV'T CODE § 551.073.** (Deliberation of Prospective Gift), regarding the deliberation of a prospective gift or donation, with possible discussion or action in open session.

The Board reconvened in Open Session at 12:29 p.m. with no action taken.

GENERAL PUBLIC COMMENTS (Non-Agenda Items) – 3-minute time limit

There were no general public comments.

ADJOURNMENT: The meeting was adjourned at 12:29 p.m.