

Board Office Use: Legislative File Info.	
File ID Number	24-1312
Introduction Date	05-22-2024
Enactment Number	
Enactment Date	



Memo

To Board of Education

From **Facilities Committee**
Valarie Bachelor, Chair
Clifford Thompson, Member
Jorge Lerma, Member

Staff

Kyla Johnson-Trammell, Superintendent
Preston Thomas, Chief Systems & Services Officer, Facilities Planning and Management
Kenya Chatman, Executive Director, Facilities Planning and Management

Meeting Date May 22, 2024

Subject Cole Administrative Center Budget Increase \$5 Million – May 22, 2024 – Division of Facilities Planning and Management

Action Adoption by the Board of Education, upon recommendation of the Facilities Committee, of Resolution No. 2324 -0214 Cole Administrative Center Project - Budget Increase \$5 Million (May 22, 2024).

Background Significant change orders and scope changes resulted from the following: Board funding deliberations delayed the project four years. There was an additional delay between the bid date 4/14/2021, the NTP (Notice to proceed) 11/1/21, and the actual start of Construction 1/23/2023. This was due to the contaminated soil that needed to be removed as part of the Remedial Action Workplan (RAW). This delay resulted in increased labor and material escalation costs that impacted all of the subcontractors and material suppliers. Additionally, there were impacts of COVID on the supply chain material shortages. Furthermore, Cole was changed from a fully built-out 2-storey building with a separate Multipurpose building on the site to a 2-storey building with the 1st floor remaining as shell space. This resulted in revisions to the egress/exiting requirements and the addition of a 3rd stairwell. Also, the Community requested that the Basketball court that was previously a mainstay of the site and frequently in use be replaced. Finally, there were updates to the building code requirements, OUSD standards, installation of future Solar conduits, building vandalism, and scope added by the City of Oakland, along with changes required by PG&E and EBMUD that resulted in additional unforeseen costs.

Recommendation Approval of the Cole Administrative Center Budget Increase of \$5 Million, May 22, 2024. This budget increase allows the project to be completed while incorporating additional scope mandated by the City of Oakland and absorbing the additional costs for soil remediation, extended schedule, and pandemic related escalation.

Fiscal Impact \$5 Million to be allocated and Cole Administrative Center project out of the Measure Y Bond Program Contingency Fund

Attachment(s)

- Resolution No. 2324-0214
- Exhibit A – Cole Administrative Center Budget Increase – May 22, 2024

Board Office Use: Legislative File Info.	
File ID Number	24-1312
Introduction Date	05-22-2024
Enactment Number	
Enactment Date	



Memo

To Measures B, J, and Y Independent Citizens’ School Facilities Bond Oversight Committee
Facilities Committee

From Kyla Johnson-Trammell, Superintendent
Preston Thomas, Chief Systems & Services Officer, Facilities Planning and Management
Kenya Chatman, Executive Director, Facilities Planning and Management

Meeting Date May 22, 2024

Subject Cole Administrative Center Budget Increase \$5 Million – May 22, 2024 – Division of Facilities Planning and Management

Action Presentation for Approval Cole Administrative Center Budget Increase of \$5 Million

Background Significant change orders and scope changes resulted from the following: Board funding deliberations delayed the project four years. There was an additional delay between the bid date 4/14/2021, the NTP (Notice to proceed) 11/1/21, and the actual start of Construction 1/23/2023. This was due to the contaminated soil that needed to be removed as part of the Remedial Action Workplan (RAW). This delay resulted in increased labor and material escalation costs that impacted all of the subcontractors and material suppliers. Additionally, there were impacts of COVID on the supply chain material shortages. Furthermore, Cole was changed from a fully built-out 2-storey building with a separate Multipurpose building on the site to a 2-storey building with the 1st floor remaining as shell space. This resulted in revisions to the egress/exiting requirements and the addition of a 3rd stairwell. Also, the Community requested that the Basketball court that was previously a mainstay of the site and frequently in use be replaced. Finally, there were updates to the building code requirements, OUSD standards, installation of future Solar conduits, building vandalism, and scope added by the City of Oakland, along with changes required by PG&E and EBMUD that resulted in additional unforeseen costs.

Recommendation Approval of the Cole Administrative Center Budget Increase of \$5 Million, May 22, 2024. This budget increase allows the project to be completed while incorporating additional scope mandated by the City of Oakland and absorbing the additional costs for soil remediation, extended schedule, and pandemic related escalation.

Fiscal Impact \$5 Million to be allocated and Cole Administrative Center project out of the Measure Y Bond Program Contingency Fund

Attachment(s)

- Resolution No. 2324-0214
- Exhibit A – Cole Administrative Center Budget Increase – May 22, 2024

**RESOLUTION
OF THE
BOARD OF EDUCATION
OF THE OAKLAND UNIFIED SCHOOL DISTRICT**

Resolution No. 2324 -0214

**Cole Administrative Center Project - Budget Increase \$5 Million
(May 22, 2024)**

WHEREAS, overview: three Bids were received, this indicates a competitive, market value bid;

WHEREAS, an extraordinary spike in construction costs over the past year has resulted in bids that exceed the Measure Y allocation for this project;

WHEREAS, the Inflation Rates for construction have increased costs over 25% of the 2019 rates;

WHEREAS, Staff have analyzed the options for rebidding and scope reduction and recommend proceeding with the project by increasing the budget by \$5 million out of the Measure Y Bond Program Contingency;

NOW, THEREFORE, BE IT RESOLVED the Board hereby approves a budget increase, from the Measure Y Bond Program Contingency, of \$5 million for the Cole Administrative Center Project.

PASSED AND ADOPTED by the Board of Education of the Oakland Unified School District this 22nd day of May, 2024; by the following vote, to wit:

PREFERENTIAL AYE:

PREFERENTIAL NAY:

PREFERENTIAL ABSTAINED:

AYES:

NAYS:

ABSTAINED:

RECUSED:

ABSENT:

CERTIFICATION

We hereby certify that the foregoing is a full, true and correct copy of a Resolution passed at a Regular Meeting of the Board of Education of the Oakland Unified School District held on May 22, 2024.

OAKLAND UNIFIED SCHOOL DISTRICT

Benjamin Davis, President, Board of Education

Kyla Johnson-Trammell
Superintendent and Secretary, Board of Education

Exhibit "A" – Exhibit A – Cole Administrative Center Budget Increase – May 22, 2024

Exhibit A

Measure J/Y Bond Project Update: Central Administrative Center Update

Citizens Bond Oversight Committee - May 13, 2024

OUSD Facilities Committee Meeting - May 16, 2024



**OAKLAND UNIFIED
SCHOOL DISTRICT**

Community Schools, Thriving Students

Ask of the Board

Provide OUSD CBOC/Facilities Committee/Board members with an update on Bond Project Central Administrative Center (“Cole”)

Request approval to allocate **\$5M** Program Contingency to the Cole Project Budget as previously referenced in the presentations on 11/14/22 and 10/5/2023 (CBOC), 12/1/22 and 11/16/23(Facilities Committee)

Cole Project - Historical Challenges

Schedule Impacts

- Board deliberations over funding delayed project
- Utility/Permitting/Environmental Abatement

Budget Impacts

- Pandemic – COVID Reality
- Premium material and labor costs (i.e. escalation, supply chain, etc.) Municipal & code changes, Property watch
- Environmental / Hazardous Material Impacts

Cole Project - Estimated Schedule

Schedule	Activities
Q3 2022	Environmental Hazards Approval of Removal Action Work Plan - done
Q3 2022	Contractor Re-Mobilization on Site/Assess HazMat Approved Plan- done
Q3 2022	Cafeteria Foundation Demolition/Remediation- done
Q3 2022	RAW Phase 1/Offsite Fill- done
Q4 2022	Final Site Grading for Bldg Pad- done

Schedule	Activities
Q4 2022	Building Construction begins - done
Q1 2023	Foundation - done
Q3 2023	Building Envelope/Elevator Install/Roof
Q2 2024	Server Move/IT
Q2 2024	Substantial Completion - Staff moves into Cole-Hybrid working

Cole Project - Current Reality

Budget

- Approved Budget as of November 2020
 - Measure J-\$7.0M
 - Measure Y-\$50M
- New Proposed Budget - \$62M
- **\$5M** delta was already anticipated and will not impact any current project
(Program Contingency, as of 6/21/23 = \$70M)

Schedule

- Anticipated Substantial Completion Date – Q2 2024

Cole Project - Current Photos



Cole Project - Exposure

Budget Exposure - \$5M Program Contingency Re-allocation

Impacts

- **Builder Projected Change Orders** – extended general conditions, material escalation, labor increases, unforeseen conditions.
Environmental/Utilities, additional testing and inspections, DSA fees, etc.
- **City Improvements** – including upgrades to Sidewalk, street, curb cuts, SS lines.
- **Remedial Action Work Plan (RAW)** – removal & replacement of contaminated soil at varying depths 1', 2.5', & 4'.
- **Includes \$1.6M Project Contingency**

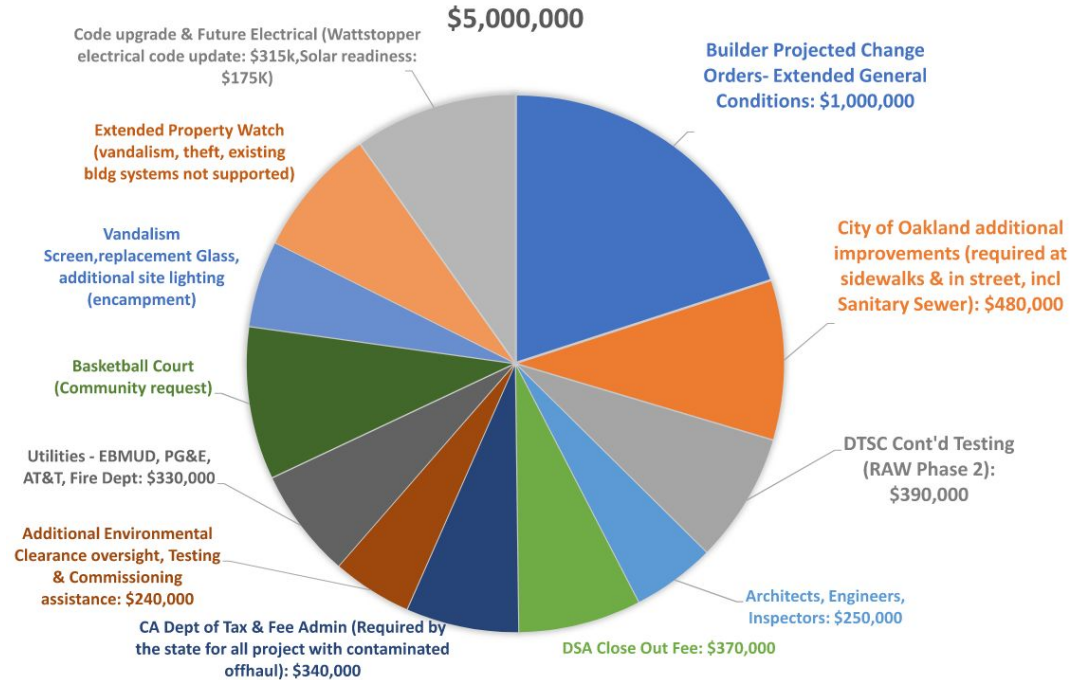
Cole Project - Cost Impacts

Potential Change Orders & Extended Project Costs

Builder Projected Change Orders - Extended General Conditions	\$ 1,000,000
City of Oakland additional improvements (required at sidewalks & in street, including Sanitary Sewer)	\$ 480,000
DTSC Cont'd Testing (RAW Phase 2)	\$ 390,000
Architects, Engineers, Inspectors	\$ 250,000
DSA Close Out Fee	\$ 370,000
CA Dept of Tax & Fee Admin (Required by the state for all project with contaminated offhaul)	\$ 340,000
Additional Environmental Clearance oversight, Testing & Commissioning assistance	\$ 240,000
Utilities: EBMUD, PG&E, AT&T, Fire Dept	\$ 330,000
Anticipated Contingency Cost: \$1,600,000	
Basketball Court (Community request)	\$ 460,000
Vandalism Screen, Replacement Glass, Additional Site Lighting (Encampment)	\$ 260,000
Extended Property Watch (vandalism, theft, existing bldg. systems not supported)	\$ 390,000
Code Upgrade & Future Electrical (Wattstoppper electrical code update: \$315K; Solar readiness: \$175K)	\$ 490,000

Total: \$ 5,000,000.00

PROJECTED CHANGE ORDERS & EXTENDED PROJECT COSTS:



Cole Project - Closing Remarks

- \$5M impact is budgeted in overall Bond Program Contingency
- Will not impact current projects
- Includes Project Contingency to avoid additional changes



Community Schools, Thriving Students



**OAKLAND UNIFIED
SCHOOL DISTRICT**
Community Schools, Thriving Students

www.ousd.org



@OUSDnews

1000 Broadway, Suite 300, Oakland, CA 94607