

**PERALTA COMMUNITY COLLEGE DISTRICT
Board of Trustees Agenda Report
For the Trustee Meeting Date of February 26, 2013**

ITEM TITLE:

Consider Approval of Amendment No. 2 for a Lease Extension with Continental Can Building LLC for Interim Storage Needs for Laney College

SPECIFIC BOARD ACTION REQUESTED:

Approval is requested for Amendment No. 2 for a lease extension with Continental Can Building LLC for interim storage space located at 5601 San Leandro Street in Oakland, in the not-to-exceed amount of \$48,000.

ITEM SUMMARY:

Under this Amendment No. 2, the lease term for Continental Can Building LLC is for a period of 8 months, from February 1, 2013 through September 30, 2013, at a cost of \$6,000 per month. The leased space will continue to be used for storage of books and other usable furniture, fixtures, and equipment during the construction work of the Laney College Administrative Tower Building. Phase 2 of the Laney Tower project is anticipated to be complete by June 30, 2013. The storage space will be needed until the project is complete and the furniture and equipment will be moved back to the Tower. Under the original contract, an additional \$8,000 deposit was approved for first and last months' rent. The \$8,000 deposit will be refunded at the lease termination.

SOURCE OF FUNDS (AND FISCAL/BUDGETARY IMPACT):

Measure A, as approved by the voters in Peralta's constituency and authorized under Resolution 05/06-45, Exhibit A-1, Berkeley City College, "Science Lab upgrades," "Remodeling classroom space," and "Equipment, technology upgrades and facility and classroom improvements for the college's following programs and proposed programs: American Sign Language, Biotechnology, Business, Computer Information Systems, Disaster Preparedness, Fine and Applied Arts, Global Studies, International Trade, Multimedia Arts, Social Services Paraprofessional, Travel and Tourism Industry, Foundations (Basic Skills), Network Administration, Teacher Preparation, and International Studies and High School Honor's Courses (Advanced Placement).

BACKGROUND/ANALYSIS:

On February 15, 2011, the Board of Trustees approved an amount of \$54,000 for the original lease cost for the period of March 1, 2011 and ended February 29, 2012. An additional \$55,000 was approved at the June 12, 2012 Board Meeting for an extension. This lease provided a storage space for the Merritt Learning Resource Center (LRC) and Library, and the Laney Tower Project Phase I and II. Including this Amendment No. 2, the total contract amount will be \$157,000 for all contracts. Staff conducted price quotes and moving cost analysis for this space rental with other landlords, and it was determined that it is more financially advantageous to continue to rent from Continental Can Building LLC.

DELIVERABLES AND SCOPE OF WORK:

The deliverable by the vendor is an existing lease for 20,000 square feet of ground floor storage space located at 5601 San Leandro Street, Oakland, for an eight (8) month term leased from

Continental Can LLC for the storage of furniture and equipment removed from Laney Tower during the course of renovation of that space.

ANTICIPATED COMPLETION DATE:

The lease term will end on September 30, 2013.

ALTERNATIVES/OPTIONS:

Not Applicable

EVALUATION AND RECOMMENDED ACTION:

Approval is recommended for this amendment to the lease between the District and Continental Can Building LLC for interim storage space located at 5601 San Leandro Street in Oakland, in the not-to-exceed amount of \$48,000.

OTHER DEPARTMENTS IMPACTED BY THIS ACTION (E.G. INFORMATION TECHNOLOGY):

YES _____ NO X

COMMENTS:

None

WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING?

Vice Chancellor Ikhara

(*****Board contract approval is subject to negotiation and execution by the Chancellor.)

DOCUMENT PREPARED BY:

Prepared by: Dr. Sadiq B. Ikharo Date: February 13, 2013
Vice Chancellor of General Services

DOCUMENT PRESENTED AND APPROVED BY:

Presented and approved by: Dr. Sadiq B. Ikharo Date: February 13, 2013
Vice Chancellor of General Services

FINANCE DEPARTMENT REVIEW

Finance review required Finance review *not* required

If Finance review is required, determination is: Approved Not Approved

If not approved, please give reason: _____

Signature: Ronald Gerhard Date: 2-22-13
Ronald Gerhard, Vice Chancellor of Finance

GENERAL COUNSEL (Legality and Format/adherence to Education Codes):

Legal review required Legal review *not* required

If Legal review is required, determination is: Approved Not Approved

Signature: Thuy Thi Nguyen Date: 2-22-13
General Counsel

CHANCELLOR'S OFFICE APPROVAL

Approved, and Place on Agenda Not Approved, but Place on Agenda

Signature: José M. Ortiz Date: 2-19-13
José M. Ortiz, Chancellor