

***Collin County Community College District Board of Trustees***

2017-6-4

June 27, 2017

Resource: Neil Matkin  
District President

**AGENDA ITEM:**

Consideration of Approval of Change Order #003 Revised to Guaranteed Maximum Price Contract for Construction of the Central Park Health Sciences Center and Conference Center and Ratification of the Final Payment Agreement With Pogue Construction Co., LP.

**DISCUSSION:**

Pursuant to the Guaranteed Maximum Price Contract, and certification by PBK Architects, the College has previously approved payment applications submitted by Pogue Construction Co., LP ("Pogue") in the amount of \$43,481,797 on the above-referenced project.

On April 18, 2017, the College, in response to Pogue's request for final payment on pay application # 26, officially notified Pogue of concerns about expenditures claimed as job costs in the amount of \$932,428. Pogue subsequently requested a mediation process to attempt to resolve the cost concerns.

On June 5, 2017, the College, Pogue, legal counsel for both parties, and the College's forensic auditor attended a mediation wherein the parties discussed Pogue's request to be paid the additional \$932,428. At the conclusion of the mediation a compromise was reached, pending Board ratification, whereby the College would make a final payment of \$560,000 to Pogue in exchange for a final release and other consideration. The District President, counsel, and College staff believe this is a reasonable compromise and recommend ratification and approval of the Final Payment Agreement and amendment of the contract documents (including Change Order #3 Revised) to reflect this compromise.

**DISTRICT PRESIDENT'S RECOMMENDATION:**

The District President recommends approval of the execution of Change Order #003 Revised to the Guaranteed Maximum Price Contract for Construction of the Central Park Health Sciences Center and Conference Center, as well as the Ratification of the Final Payment Agreement With Pogue Construction Co., LP.

**SUGGESTED MOTION:**

“Mr. Chairman, I make a motion that the Board of Trustees of Collin County Community College District approves execution of Change Order #003 Revised to Guaranteed Maximum Price Contract for Construction of the Central Park Health Sciences Center and Conference Center, as well as the Ratification of the Final Payment Agreement With Pogue Construction Co., LP.”