



M E M O R A N D U M

Date: April 14, 2011

To: California State Lottery Commission

From: Linh Nguyen
Acting Director

Prepared By: Terry Murphy
Deputy Director, Operations

Subject: Item 8(b) – New Headquarters Project Management Contract
Amendment

ISSUE

Should the California State Lottery Commission (Commission) approve the extension of the Capital Program Management (CPM) contract from June 15, 2011 to December 31, 2011?

RECOMMENDATION

California State Lottery (Lottery) staff recommends that the Commission approve Amendment 2 of Contract 13151 that extends the term of the current contract but does not increase the amount of the contract.

BACKGROUND

The CPM contract had an original term from January 23, 2008 through December 31, 2010. Amendment 1 extended that term until June 15, 2011 with the anticipation that their services would be complete by that date. CPM is contracted with the Lottery to provide oversight of contracts the Lottery has with the architect, building contractor, inspectors, and plan checker.

DISCUSSION

With the Leadership in Energy and Environmental Design (LEED) commissioning that the new headquarters building will be achieving, it is anticipated that the contracts that CPM assists in managing will continue through the fall of 2011. All of those contracts are expected to be fully complete and will expire by December 31, 2011. The CPM contract contains adequate funds to cover the additional term.