

# Facilities Committee Report Out: Not to Move Forward With The Approved FPP Gymnasium Replacement

April 23, 2025

Detailed update and conversations that ensued on the project's status, scope, and timeline:

## 1. State Funding and Scoring Criteria

The Facilities Committee reported out the approval of the Gymnasium Replacement on December 4, 2024. The project was fully funded with a state contribution of \$11,218,047 and a district match of \$10,931,463. The project's rough cost total came in at about \$24m, which included additional SOW (Scope of Work) totaling \$30m, such as moving the custodial program that is attached to Bldg 43 and swinging the programs of Bldg 42 and 43.

## 2. What Has Changed

The total project cost is now estimated at \$55m

- The state contribution only increased to a total of \$15m
- The College is to bear the remaining cost of \$40m

## 3. Why The Increase in Cost?

- Escalating construction costs
  1. Projected construction costs, including labor, materials, project management, and market competition
  2. World economy and the market and industry rising costs and trends (LA Fires, Olympics, local competition)

## 4. Efforts Taken

- The District committed \$5m, leaving the college with \$35m
- Grossmont College conducted a budget and plan analysis
  1. College would be left with a financial commitment it does not have the capacity or resources to meet, which may impact future final project proposals and allocations
  2. College has other competing infrastructure and safety needs
  3. The college is responsible for the inflationary burden. The state will not adjust the amount they committed to with the FPP

## 5. Next Steps

- State deadline to inform the state by May 1 of our decision not to move forward with accepting \$15 million in state funds
- Passing on this current allocation by May 1 preserves the college's opportunity to seek future state FPP dollars
- Recommend to the College Council on April 24, 2025
- Continue to use Bldg 42 & 43 as intended. Bldg 42's life has been extended with the recent repairs and upgrades of the lower gym floor, ceiling, and HVAC