October 19, 2009

MEMORANDUM

TO: District Board of Trustees

FROM: William D. Law, Jr., President

SUBJECT: Ghazvini Center for Healthcare Education
Sales Tax Savings Program - Purchase Order Submittal #1

Item Description:
This item requests that the Board approve the deductive change orders from the construction manager’s Guaranteed Maximum Price and authorize the College to issue purchase orders for construction materials for the project.

Overview:
The College has issued a purchase order to the construction manager for the construction of the Ghazvini Center in the amount of $22,597,642. This is the Guaranteed Maximum Price for the project. As part of the construction budget, the College plans to realize sales tax savings in the amount of $325,000. This is the result of the College reducing the amount of the GMP by an amount equal to the cost of certain materials for the project and issuing a TCC purchase order for those materials, thus saving the sales tax on the materials. This process is used throughout the State by colleges and universities alike to reduce the cost of construction projects.

Salient Facts:
The construction manager has submitted information on the amount of reinforcing steel, concrete and structural steel and requests the College issue a deductive change order in the amount of: (1) reinforcing steel - $46,629.00; (2) concrete - $360,190.00; and structural steel - $1,500,000. This total of $1,906,810.00 will result in a total sales tax savings of $114,633.00 or 35% of the $325,000.00 included in the GMP for the project.

Past Actions:
None.

Future Actions:
The Board will be requested to approve future sales tax savings to meet the $325,000 total.
Funding/Financial Matters:
The Guaranteed Maximum Price for the Ghazvini Center for Healthcare Education has been funded completely in the amount of $22,597,642.

Staff Resource:
Teresa Smith

Recommended Action:
Authorize the deductive change order submittal #1 in the amount of $1,906,810.00 for the sales tax savings program for the Ghazvini Center for Healthcare Education.
October 1, 2009

Tallahassee Community College
444 Appleyard Drive
Tallahassee, FL 32308
Attn: Tony Stallworth

Re: TCC – Ghazvini Center or Healthcare Education
Sales Tax Saving Program - Purchase Order Submittal #1
Reference ST-001

Dear Tony,

Enclosed are the following purchase orders for material on the references project that need to be written directly by Tallahassee Community College as a component of the project purchase sales tax saving program.

<table>
<thead>
<tr>
<th>PO #</th>
<th>Vendor/Material</th>
<th>Material Value</th>
<th>Sales Tax Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>733-3-200</td>
<td>Gerdau Ameristeel</td>
<td>$46,620.00</td>
<td>$2,872.00</td>
</tr>
<tr>
<td>733-3-001</td>
<td>Fl Rock</td>
<td>$360,190.00</td>
<td>$21,686.00</td>
</tr>
<tr>
<td>733-5-001</td>
<td>Jackson Cook</td>
<td>$1,500,000.00</td>
<td>$90,075.00</td>
</tr>
<tr>
<td>Totals:</td>
<td></td>
<td>$1,906,810.00</td>
<td>$114,633.00</td>
</tr>
</tbody>
</table>

Previous Purchase Orders: 0.00

Total To Date: $1,906,810.00

Pretax Credit in Contract: $325,000.00

Percent Achieved: 35%

Balance required: $210,367.00

These purchase orders have been incorporated into the enclosed Sales Tax Saving Log, providing the detailed tracking of the sales tax credit for this project. In so much as these purchase orders are being issued prior to execution of the GMP amendment for the project, the adjustment shall be tracked and incorporated with the final GMP proposal document.
Please ensure that a copy of Tallahassee Community College Purchase Orders are transmitted to our office for tracking and accounting purposes.

Very Truly Yours,

Culpepper Construction Company / Baycrest Corporation
A Joint Venture

Scott Knox
Project Manager

Cc: Bill Hunter – TCC
   Brian Peddie – Baycrest Corp
   Bill Graham – Baycrest Corp.
Order #: 733-3-200  
Date: 9/21/2009  
Job: 733  
TCC Ghazvini Center for Health

To: Gerdau Ameristeel  
Jacksonville Reinforcing Steel  
9625 Florida Mining Blvd East  
Jacksonville, FL 32257-1182

Ship To: 1528 Surgeons Drive  
Tallahassee, FL

Description: Reinforcing Steel

<table>
<thead>
<tr>
<th>Ordered By</th>
<th>Delivery Date</th>
<th>Ship Via</th>
<th>F.O.B.</th>
<th>Terms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scott Knox</td>
<td></td>
<td>truck</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Rate</th>
<th>Amount Including Tax</th>
<th>Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appr 82 tons with bar supports</td>
<td>82.00</td>
<td>588.64</td>
<td>46,620.28</td>
<td></td>
</tr>
</tbody>
</table>

Total: $46,620.28
TO: OUR CUSTOMER FRIENDS

SUBJECT: Ghazvini Center for Health Education

I.O.C.: Tallahassee, FL

ARCH: CRA Architects

DRWGS: S0.1 Thru S0.8, S1.1 ThruS4,1 1/30/09

QUOTATION

SPECS: Through BP Supplement #4

ADDMS: 

SUBJECT TO THE TERMS AND CONDITIONS HEREIN AND THOSE PRINTED UNDER “TERMS AND CONDITIONS OF SALE,” which are hereby referred to and made a part of this quotation, Gerdaum America US, Inc. (the SELLER) proposes to furnish:

The necessary domestic reinforcing steel meeting the requirements of ASTM A615 Grade 60/A615M-95A Grade 420 (latest revision) steel cut, bent, bundled, and tagged, in accordance with plans and specifications as listed above, and the CRSI Manual of Standard Practice (latest revision), delivered in minimum 40,000# truckload quantities to the jobsite nearest accessible point, unloading not included.

**Base Bid:**
- Approximately 82 tons with bar supports for a lump sum of $46,620.00
- 7.5% Tax: $3,456.50
- Total: $50,116.50

**Unit Price Extras to Base Bid:**

- **Welded Wire Mesh (6x20 Plain Sheets)**: $10.15/CSF
  - Nec. 6x6 10/10 (w1.4) (71,840 sf pl. sheets) for a unit price of...
  - Nec. 6x6 8/8 (w2.1) (90,080 sf pl. sheets) for a unit price of...

**Price is firm for wire mesh delivered prior to 09/30/09. Due to the current wire mesh market, all mesh delivered after 10/01/09 price will be quoted at time of delivery and will be based on availability.

The following items are excluded:

1. Pre-cast, pre-stress work.
2. Supports for bars or wire mesh on grade; and/or decks.
3. Any reinforcing steel welded to miscellaneous or structural steel and/or welding of steel.
4. Reinforcing steel certified to be weldable and weldable A706 material.
5. Vendor review of shop drawings by a registered architect or a registered engineer.
6. Site-work reinforcing and site drainage structures.
7. Price is predicated upon receipt of electronic drawing files (CAD) for structural drawings.
8. Coating of any kind; wire mesh; spirals and spacers; smooth rounds; mechanical couplers and form savers; special end preparation; side form spacers; supports for PSI slabs and metal deck; and MMFX bars.
9. Additional tilt-up reinforcing for lifting requirements.

Jacksonville Reinforcing Steel
9625 Florida Mining Boulevard East • Jacksonville • FL • 32257-1182 Phone 904-262-9770 Fax 904-282-6404
PLEASE NOTE POLICY CHANGES BELOW:
ESCALATION POLICY FOR CONTRACT OF SALE:
The fabricated reinforcing steel price is firm for shipments until December 31, 2009. On January 1, 2010 the price will be subject to an escalation of $30.00 per ton per quarter until December 31, 2010. On January 1, 2011, prices will be subject to re-negotiation. Shipments are subject to a mutually acceptable written delivery schedule and will not be accelerated to avoid escalation.

ACCEPTANCE POLICY OF QUOTATION:
Acceptance of this quotation does not affect the escalation policy stated above. Price is firm for acceptance 30 days from date of quotation. After 30 days price is subject to change. This signed proposal must be returned within 30 days and shipments start within 30 days after receipt of signed proposal or price is subject to re-negotiation. Letters of intent are not considered to hold prices.

ALL STATE, COUNTY, AND LOCAL SALES TAXES EXCLUDED
TERMS: NET 30 DAYS FROM INVOICE DATE

This quotation is offered for acceptance within 30 days, after which it is subject to change. This quotation shall become a Contract of Sale when accepted by the Buyer and countersigned by the Seller below within 30 days of quotation date.

ACCEPTED BY BUYER

This day of 20
Buyer's name__________________________________________

By __________________________________________________
Name/Title _____________________________________________

Gerdau Ameristeel US Inc

By Jason M. Spranza Date 06-24-09
Name/Title Jason M. Spranza, Div. Sales Rep.
Office (904-886-2266) cell (904-571-5045)

Approved this day of 20
By __________________________________________________
Name/Title _____________________________________________

Gerdau Ameristeel US Inc

By Jason M. Spranza Date 06-24-09
Name/Title Jason M. Spranza, Div. Sales Rep.
Office (904-886-2266) cell (904-571-5045)

Approved this day of 20
By __________________________________________________
Name/Title _____________________________________________

Gerdau Ameristeel US Inc

By Jason M. Spranza Date 06-24-09
Name/Title Jason M. Spranza, Div. Sales Rep.
Office (904-886-2266) cell (904-571-5045)
1. AGREEMENT ACCEPTANCE/CONTRACT OF SALE.


(b) SELLER’S SOLE REMEDY AND SELLER’S SOLE OBLIGATION UNDER THIS CONTRACT OF SALE IS EXPRESSLY LIMITED TO REPAIR OR REPLACEMENT, AT SELLER’S OPTION, OF ANY PRODUCTS DISPUTED BY BUYER TO BE DEFECTIVE UNDER THE TERMS OF THIS PURCHASE ORDER. IF SELLER’S REMEDY IS TO REPLACE ANY PRODUCT, SELLER, AT ITS DISCRETION, WILL PROVIDE A REPAIR OR REPLACEMENT, AT SELLER’S OPTION, OF ANY PRODUCTS DISPUTED BY BUYER TO BE DEFECTIVE UNDER THE TERMS OF THIS PURCHASE ORDER. IN NO EVENT WILL SELLER BE LIABLE FOR ANY CONSEQUENTIAL DAMAGES OR INCIDENTAL DAMAGES ARISING FROM ANY MALFUNCTION OR NON-DISCRIMINATORY UNITS OF THE PRODUCT.

2. SPECIFICATIONS

(a) SELLER SHALL PROVIDE THE BUYER WITH A COMPLETE SET OF SPECIFICATIONS FOR THE PRODUCTS INCLUDED IN THIS CONTRACT OF SALE. THE SPECIFICATIONS WILL BE PROVIDED IN WRITING AND WILL BE DEEMED ACCEPTED BY THE BUYER.

(b) SELLER SHALL PROVIDE THE BUYER WITH A COMPLETE SET OF DRAWINGS FOR THE PRODUCTS INCLUDED IN THIS CONTRACT OF SALE. THE DRAWINGS WILL BE PROVIDED IN WRITING AND WILL BE DEEMED ACCEPTED BY THE BUYER.

3. LIMITATION OF LIABILITY

(a) SELLER SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL DAMAGES, EMERGENCY OF ANY NATURE, WHETHER OR NOT CAUSED BY THE PRODUCTS, OR FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, EXCESSIVE, OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATING TO THE PRODUCTS OR THE USE THEREOF.

(b) SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES INCURRED IN THE HANDLING, INSTALLATION, OR USE OF THE PRODUCTS, INCLUDING, BUT NOT LIMITED TO, DAMAGES ARISING FROM THE FAILURE OF ANY PART OF THE PRODUCTS TO PERFORM AS SPECIFIED.

4. PAYMENT AND TAXES

(a) UNLESS OTHERWISE EXPRESSLY STATED, ALL PAYMENTS AND TAXES ARE NET AND NON-REFUNDABLE.

(b) UNLESS OTHERWISE EXPRESSLY STATED, ALL PAYMENTS AND TAXES ARE NET AND NON-REFUNDABLE.

5. WARRANTY AND EXCLUSIVE REMEDY

(a) SELLER WARRANTS THAT THE PRODUCTS SHALL COMPLY WITH THE SPECIFICATIONS AND WILL BE Free FROM DEFECTS IN MATERIAL OR WORKMANSHIP. IN THE EVENT OF A CLAIM FOR NON-COMPLIANCE, THE BUYER SHALL NOT BE ENTITLED TO ANY REMEDY OTHER THAN REPLACEMENT OR REPAIR OF THE PRODUCTS.

6. TERMINATION OF SALE

(a) SELLER MAY TERMINATE THIS CONTRACT OF SALE FOR ANY REASON, INCLUDING BUT NOT LIMITED TO, THE FAILURE OF THE PRODUCTS TO COMPLY WITH THE SPECIFICATIONS OR THE FAILURE OF THE PRODUCTS TO COMPLY WITH THE LAWS OF THE STATE OF FLORIDA.

(b) IN THE EVENT OF TERMINATION, SELLER SHALL BE ENTITLED TO RECEIVE A COMPENSATION FOR THE PRODUCTS SHIPPED AND ACCEPTED, LESS ANY COMMISSIONS, FEES, OR OTHER CHARGES INCURRED BY SELLER IN CONNECTION WITH THE DESIGN, MANUFACTURE, OR SHIPMENT OF THE PRODUCTS.

(c) IN THE EVENT OF TERMINATION, SELLER SHALL BE ENTITLED TO RECEIVE A COMPENSATION FOR THE PRODUCTS SHIPPED AND ACCEPTED, LESS ANY COMMISSIONS, FEES, OR OTHER CHARGES INCURRED BY SELLER IN CONNECTION WITH THE DESIGN, MANUFACTURE, OR SHIPMENT OF THE PRODUCTS.
To: Florida Rock Industries  
P.O. Box 2251  
Tallahassee, FL 32310  
Attn: Sam Pickenpaugh

Ship To: 1528 Surgeons Drive  
Scott Knox  
Tallahassee, FL 32308

Order #: 733-3-001  
Date: 9/21/2009  
Job: 733 TCC Ghazvini Center for Health

Description: Concrete

<table>
<thead>
<tr>
<th>Ordered By</th>
<th>Delivery Date</th>
<th>Ship Via</th>
<th>F.O.B.</th>
<th>Terms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scott Knox</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Rate</th>
<th>Amount Including Tax</th>
<th>Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>3000psl Regular Mix</td>
<td>2,565.00</td>
<td>72.00</td>
<td>184,680.00</td>
<td></td>
</tr>
<tr>
<td>3500psl Regular Mix</td>
<td>1,343.00</td>
<td>74.00</td>
<td>99,382.00</td>
<td></td>
</tr>
<tr>
<td>4000psl Pump Mix PG</td>
<td>976.00</td>
<td>78.00</td>
<td>76,128.00</td>
<td></td>
</tr>
</tbody>
</table>

Total: $360,180.00

Culpepper Construction Company  
Date  
FLA ROCK INDUSTRIES, INC.  
Date
March 18, 2009

ATTN: SCOTT KNOX

We appreciate the opportunity to quote the following concrete, block, and building products for this project:

3000 PSI REG. ................................................. $ 72.00 PER YARD
3500 PSI REG. ................................................. 74.00 PER YARD
4000 PSI Reg. ................................................. 76.00 PER YARD
4000 PSI PUMFMIX PG ...................................... 78.00 PER YARD
VERMICULITE/PERLITE SPECIAL MIX ................. 89.00 PER YARD

Prices firm until 12/31/2009

MINIMUM LOAD ........................................... Loads under 6 YARDS
FUEL SURCHARGE R/M .................................. .00/EA
FUEL SURCHARGE BLDG MA .............................. .00/EA
ENVIRONMENTAL FEE ................................... .00/YARD
FUEL SURCHARGE BLOCK ............................... .00/EA

State and local taxes are not included. The above prices are subject to a 1.09% discount if payment is made in accordance with Florida Rock Industries general terms and conditions of sale. This quotation expires 30 days from the date of proposal, but may be made a contract by mutual agreement of the parties involved. Finance charges will be applied to all past due balances in accordance with our Credit Sales Agreement.

By

Sam Pickenpaugh, General Manager
**PURCHASE ORDER**

**To:**
JACKSON-COOK, INC  
P O BOX 2763  
TALLAHASSEE, FL 32316

**Ship To:**  
1528 Surgeons Drive  
Tallahassee, FL 32308

**Description:** Structural Steel

<table>
<thead>
<tr>
<th>Ordered By</th>
<th>Delivery Date</th>
<th>Ship Via</th>
<th>F.O.B.</th>
<th>Terms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scott Knox</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Rate</th>
<th>Amount Including Tax</th>
<th>Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>BP 05000-10 Strct &amp; Misc Steel</td>
<td></td>
<td></td>
<td>1,500,000.00</td>
<td></td>
</tr>
</tbody>
</table>

**Total:** $1,500,000.00

Culpepper Construction Company  
Date  

JACKSON-COOK, INC  
Date
TO: SCOTT KNOX
FROM: BLAIR WILLIAMS
COMPANY: CULPEPPER
DATE: 5/28/09
PAX NUMBER: 
TOTAL NO. OF PAGES INCLUDING COVER: 1
PHONE NUMBER: 
SENDER'S REFERENCE NUMBER: 
RE: TCC GHAZVINI CENTER

PLEASE CALL IF YOU HAVE ANY QUESTIONS.

MATERIAL PURCHASE ORDER BREAKDOWN:
FABRICATED STRUCTURAL STEEL: $1,250,000.00
FABRICATED STAIRS AND RAILS: $100,000.00
FABRICATED DECK: $150,000.00

THE FOLLOWING BREAKDOWN SHOULD SEPARATE THE SALES TAX CREDIT FROM THE OWNER PROVIDED PURCHASE ORDER AND YOUR SUBCONTRACT TOTAL.

BID TOTAL: $2,152,050.00
SALES TAX CREDIT (if applicable): <$ 90,075.00>
MATERIAL PURCHASE ORDER TOTAL: $1,500,000.00
SUBCONTRACT TOTAL: $561,975.00