



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Sheriff's Office



Date: September 24, 2014
Board Meeting Date: October 21, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Sheriff Greg Munks

Subject: Amendment Two to the Construction Management Service Agreement with Sundt Layton, A Joint Venture.

RECOMMENDATION:

Resolution authorizing the County Manager or his/her designee to execute Amendment Two to the Construction Management Service Agreement with Sundt Layton, A Joint Venture (Sundt Layton) and change orders not to exceed 3% of the Agreement amount.

BACKGROUND:

In December 2010, the County acquired 4.85 acres of land in Redwood City, east of Highway 101, on Maple Street at Blomquist Street, and approved the scope and size of the jail project at that site in October 2011. On May 8, 2012, the Board approved contracts for jail design, engineering, and construction management services. On November 5, 2013, the Board approved Amendment One to set a Guaranteed Maximum Price (GMP) in the amount of \$125,996,677 plus \$250,000 for preconstruction work already completed.

DISCUSSION:

The overall project cost for the Maple Street Correctional Center was determined to be \$165,000,000 which includes design, construction, equipping of the facility, and site remediation. Site remediation successfully met the stringent Environmental Screening Levels established by the California Water Board for residential use.

On May 9, 2012, the County entered into a Construction Management Services Agreement with Sundt Layton, A Joint Venture, in the amount of \$7,387,929 to be Construction Manager for the Maple Street Correctional Center. On November 5, 2013, the parties executed Contract Amendment One to set a GMP for the Agreement in the amount of \$125,996,677 plus \$250,000 for Preconstruction Services. Due to unforeseen conditions, safety related scope changes, and the accompanying schedule extensions, the parties agree that an amendment is appropriate to complete

construction in a timely manner while maintaining the scope and design of the facility and ensuring its' safety, security, functionality, and appearance.

Unforeseen conditions encountered include, the rerouting of PG&E utilities under Blomquist Street, the waterproofing of the elevator pits due to the hydrostatic environment discovered, and necessary modifications to the sub-slab vent system. Scope changes include fire proofing using Intumescent Paint on beam penetrations, the addition of a centralized Uninterrupted Power Supply (UPS), the addition of a paging system, and re-design of the mechanical chases. An extensive value engineering (VE) exercise occurred in August and September 2013 identifying a re-design and savings to the project. The design builders and architect incorporated the approved modifications to the set of drawings that were 80% completed. This VE re-design, scope changes, and the required design modifications by our local jurisdiction (Fire Department and Redwood City Planning), warranted an extension to the project's schedule and an adjustment to the NTE cost.

County Counsel has reviewed and approved the resolution and agreement as to form.

Approval of this resolution contributes to the Shared Vision 2025 Outcome of a Collaborative Community, by ensuring a safe and cost effective Maple Street Correctional Center construction project.

FISCAL IMPACT:

The Agreement's Not To Exceed amount for construction hard costs of the Maple Street Correctional Center is set at \$136,549,687. Funds were appropriated in the FY 2013-14 Recommended Budget to cover these costs through April 2014. The County issued Lease Revenue Bonds in April 2014 to fund the Maple Street Correctional Center Project. The maximum amount for change orders is set at \$4,096,490. The updated Not To Exceed amount and change order authority is within the established project budget of \$165,000,000.