



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Public Works



Date: March 24, 2017
Board Meeting Date: April 11, 2017
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors, Acting as the Governing Board of the Burlingame Hills Sewer Maintenance District

From: James C. Porter, Director of Public Works

Subject: Amend the construction agreement with K.J. Woods Construction, Inc., for the Adeline Drive and Canyon Road Improvement Project – Burlingame Hills Sewer Maintenance District (Project No. SB004, File No. 1/4906)

RECOMMENDATION:

Acting as the Governing Board of the Burlingame Hills Sewer Maintenance District, adopt a resolution amending the construction agreement with K.J. Woods Construction, Inc., for the Adeline Drive and Canyon Road Sanitary Sewer Capacity Improvement Project, increasing the “Not-to-Exceed” amount by \$176,500, for a new not-to-exceed amount of \$1,692,500.

BACKGROUND:

On September 11, 2012, your Board adopted Resolution No. 072154A which authorized actions necessary to seek a loan for the Burlingame Hills Sewer Maintenance District (District) capital improvement projects. These actions included: submittal of a financial application to the State Water Resources Control Board (SWRCB) for a Clean Water State Revolving Fund (CWSRF) loan to fund the projects, authorization for the President of the Board or his/her designee to negotiate and execute Financial Assistance Agreements from the SWRCB, and dedication of the District’s net revenues collected through the sewer service charges for repayment of the CWSRF loan. The District was able to obtain a CWSRF loan for a maximum amount of \$2.3 million.

On November 19, 2013, your Board adopted Resolution No. 072890, which certified the Initial Study/Mitigated Negative Declaration for the Adeline Drive and Canyon Road Capacity Improvement Project (Project), authorized the Director of Public Works to proceed with preparing the plans and specifications for the Project, and authorized the Director of Public Works to proceed with advertising for bids for the Project and report back to your Board with recommendations on awarding a contract.

On January 26, 2016, your Board adopted Resolution No. 074310, which adopted the plans and specifications, including conformance with federal prevailing wage scale requirements, and authorized an agreement for construction of the Project by K.J. Woods Construction, Inc., with a not-to-exceed amount of \$1,516,000, based on the contractor's bid amount of \$1,378,000, and authorized the Director of Public Works to execute contract change orders in an amount not to exceed \$138,000.

DISCUSSION:

Unanticipated conditions discovered during construction have led to a determination that the original "not-to-exceed" amount may not be sufficient to complete the Project based on the following factors:

- 1) The City of Burlingame's (City) 24" Asbestos Cement Pipe (ACP) water line was found to be in closer proximity to the District's sewer line than shown on the water maps provided by the City during the design phase. Additional potholing to determine the exact location of the City's water line relative to the District's sewer line was required in selecting the appropriate method of sewer pipe replacement in specific locations. The cost of this additional work was approximately \$20,000.
- 2) After reviewing the pothole data, considering the potential delays in completing the Project, and other impacts to the residents if we were to wait for the City to relocate its water line, the District decided to relocate portions of its sewer line to avoid conflicts with and potential damage to the City's water line. This resulted in approximately 504 linear feet of sewer line being installed with an open trench method instead of the pipe bursting method originally anticipated. The new alignments required the construction of four new manholes and modifications to existing sewer lateral connections to adjust to the new sewer line locations. The cost of this additional work was approximately \$99,770.
- 3) Additional compensations to the Contractor is required for other items of work including: the removal of trees found to be on top of the existing sewer line, increased disposal costs due to paving fabric found under the existing pavement, and electronic traffic control signs required of the Contractor based on the City's encroachment permit. The cost of this additional work was approximately \$96,540.

The Department recommends that your Board consider these unanticipated conditions on the Project and approve the recommended contract increase amount to facilitate completion of the Project. Construction issues and utility conflicts often arise during underground construction projects as it is difficult to determine all existing conditions and underground facilities prior to construction. Although the District obtained utility information and performed specific potholing during the design phase, additional conflicts discovered during construction required modifications to the Project and increased the cost.

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

Approval of this action contributes to the Shared Vision 2025 outcome of a Healthy Community by maintaining the integrity of the sanitary sewer infrastructure and protecting the environment for the benefit of the public.

FISCAL IMPACT:

The new not-to-exceed amount of the K.J. Woods Construction, Inc. construction contract is \$1,692,500. The recommended increase of the Project contract by \$176,500 will allow for the payment to the Contractor for the above-described unanticipated additional work. There is sufficient funding from the CWSRF loan to support the increase.

There is no impact to the General Fund.