



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Public Works



**Date:** December 18, 2015  
**Board Meeting Date:** January 26, 2016  
**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:** Adeline Drive and Canyon Road Capacity 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:

- A) Adopting the plans and specifications, including conformance with Federal prevailing wage scale requirements, for the Adeline Drive and Canyon Road Capacity Improvement Project; and
- B) Authorizing the President of the Board to execute an agreement with K.J. Woods Construction, Inc., in the amount of \$1,378,000 for the Adeline Drive and Canyon Road Capacity Improvement Project; and
- C) Authorizing the Director of Public Works to execute subsequent change orders to grant time extensions for project completion and payment up to a maximum aggregate amount not to exceed \$138,000, or approximately 10% of the agreement amount.

**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.

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 on the Project and reporting back to your Board with recommendations on awarding a contract.

**DISCUSSION:**

The proposed Project, totaling approximately 0.91 miles in length, consists of replacing existing sanitary sewer pipes and manholes with capacity deficiencies, reconnecting existing sewer laterals to the new District pipes, and restoring existing surfaces (pavement and landscaping) affected by the work. Project construction will occur within the road right-of-ways operated and maintained by the County of San Mateo and within sewer or public utility easements that are on private properties. The District has worked with specific property owners on unique issues within the easement areas and has provided and will continue to provide notice of the Project to all affected property owners.

Projects funded by the CWSRF loans require that a project specific Underutilized Disadvantaged Business Enterprise (UDBE) participation goal be established based on the type of work to be performed. The Department established the UDBE goal of 26.6% for this Project. The bidding contractors were required to meet the goal through their work or their subcontractors' work. Contractors were also required to complete forms and submit supporting documentation with their bid to demonstrate their UDBE commitment.

On Tuesday, December 22, 2015, bids were accepted for this Project and subsequently referred to this office for checking and recommendation. The bid of:

K.J. Woods Construction, Inc.  
1485 Bayshore Blvd., #149  
San Francisco, CA 94124

at \$1,378,000 was the lowest responsible bid received for the work. The Engineer's Estimate was \$1,394,000. A summary of the bids received is attached as Exhibit "A".

The District and SWRCB entered into an Installment Sale Agreement effective January 13, 2015. The District will submit an Approval of Award (AOA) package to the SWRCB with the bid results and final plans and specifications. The SWRCB will review the AOA package and amend the existing CWSRF Installment Sale Agreement to be consistent with the final eligibility determination. The SWRCB has agreed to provide project funds up to \$2,300,000.

Significant portions of the Project are within existing sewer or public utility easements. However, depending on the construction methods proposed by K.J. Woods Construction, Inc. and work areas impacted to complete the Project in the most efficient

manner, the District has the option of entering into Right of Entry and Release Agreements (Agreements) with property owners to gain access to the easements and perform the work. The County Manager holds authority to execute Agreements materially of the form attached hereto as Exhibit "B", subject to County Counsel review and approval, and to accept or execute on behalf of the County any and all notices, amendments, consents, termination, and documents associated with the Agreements (which do not require the District to pay for the entry rights being granted). Where the Agreements are required for Project construction, the District will provide the attached form to the County Manager or his duly authorized representative for execution and approval, which will allow the District to immediately begin work when weather permits, and ensures the ability to address unforeseen changes in configuration in a timely manner.

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

Approval of these actions 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 total estimated construction cost is \$1,516,000, which includes authorization for up to \$138,000 in change orders as the work is bid on a unit price basis. The contingency is used to pay the Contractor for any unforeseen conditions not anticipated in the contract agreement documents. The Project is proposed to be financed initially by District funds and reimbursed by a CWSRF loan at an estimated annual interest rate of 1.5% over 30 years. The actual annual loan payments will be calculated after all disbursements have been paid and construction of the Project has been completed. Loan payments based on the anticipated maximum loan amount have been included as a portion of the District's annual sewer service charges.

There is no impact to the General Fund.

Attachment A: Summary of Bids Received

Attachment B: Right of Entry and Release Agreement

# EXHIBIT "A"

## SUMMARY OF BIDS RECEIVED

### **ADELINE DRIVE AND CANYON ROAD CAPACITY IMPROVEMENT PROJECT BURLINGAME HILLS SEWER MAINTENANCE DISTRICT**

**COUNTY PROJECT NO. SB004  
CWSRF PROJECT NO. 7810-110**

<b>Contractor Name</b>	<b>Bid Amount</b>
1. K.J. Woods Construction, Inc.	\$ 1,378,000.00
2. D'Arcy & Harty Construction, Inc.	\$ 1,734,845.00

## AGREEMENT FOR RIGHT OF ENTRY AND RELEASE

This Right of Entry and Release ("Agreement") is made and entered on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between **PROPERTY OWNER 1 and PROPERTY OWNER 2** ("Owner") and the BURLINGAME HILLS SEWER MAINTENANCE DISTRICT ("District").

### RECITALS

1. Owner is the owner of that certain real property identified as Assessor's Parcel **0XX-XXX-XXX** together with any improvements thereon, and commonly known as **Address**, Burlingame, California ("Property").
2. District is commencing a sanitary sewer capacity improvement project (Project) along Adeline Drive that includes work on the Property.
3. District and Owner mutually desire that District enter onto the Property to access existing **sewer lines and manholes** within existing easement for replacing of the existing **sewer lines and manholes**.

### NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Owner hereby grants to the District, its contractors, agents and assigns, the right to enter Owner's property for the purpose of performing all pertinent work related to replacing a sewer line, installing manhole(s) and other facilities (the "Work"), as shown on the Project plans, attached hereto and made a part hereof by reference.
2. This Agreement shall commence on **Month Day**, 2016, and shall extend through the completion of the Work described herein and a Notice of Completion is filed for the Project.
3. District agrees that it shall give written or verbal notice to the Owner not less than three (3) business days before commencing any Work on the Property pursuant to this Agreement.
4. To the extent reasonable, the District shall restore or repair any portions of the Property to pre-construction condition that may be physically damaged by the District, its agents or contractors in the act of performing the Work. It is understood that the District, its agents or contractors shall exercise reasonable care to avoid damage to the Property during the Work.
5. Owner acknowledges that there is risk associated with District's use of the Property. The Owner promises and covenants by this Agreement to fully, finally and forever remise, discharge and release the District and its respective officers, employees, agents or servants from and against any and all claims, demands, liabilities, obligations, or damages, whether legal or equitable, of whatever kind or nature, in which the Owner, or successors in interest, heirs, estates or personal representatives, now may have or assert, or may have had in the past or may have in the future against the District, as the result of, based upon, arising out of or connected with any act, deed, conduct, operation, incident, omission, occurrence, matter or thing relating to the Work that District will be doing on the Property as agreed to herein.
6. Owner acknowledges in executing this Agreement having had the opportunity to consult independent legal counsel, and that Owner is relying solely upon the legal advice of such attorney, and further acknowledges that Owner has not relied on statements of any attorneys or other persons acting on behalf of the District.
7. The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, and the interpretation and performance of this Agreement shall be governed by the laws of the State of California.
8. In the event that the Owner sells or otherwise transfers any or all of the Owner's interest in the Property, said transfer shall also include a transfer of all obligations, rights,

responsibilities, releases and indemnities set forth in this Agreement, pursuant to California Civil Code §§1457 et seq.

9. This Agreement constitutes the sole agreement of the parties hereto with respect to the matters herein contained and accurately states the rights, duties, and obligations of each party as of the date on which the document is signed. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the parties.

**BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK**

IN WITNESS WHEREOF the parties hereby execute this Agreement:

**OWNER**

Dated: \_\_\_\_\_

\_\_\_\_\_  
**PROPERTY OWNER 1**

Dated: \_\_\_\_\_

\_\_\_\_\_  
**PROPERTY OWNER 2**

**BURLINGAME HILLS SEWER MAINTENANCE DISTRICT**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Deputy County Manager