

**RESOLUTION NO. \_\_\_\_\_**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

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**RESOLUTION AUTHORIZING: A) THE PRESIDENT OF THE BOARD OF SUPERVISORS TO EXECUTE A CHANGE ORDER TO THE AGREEMENT WITH SKANSKA USA, INC FOR CONSTRUCTION OF THE CORDILLERAS HEALTH CAMPUS PROJECT ESTABLISHING A GUARANTEED MAXIMUM PRICE OF \$104,822,470; B) THE DIRECTOR OF THE PROJECT DEVELOPMENT UNIT OR DESIGNEE TO ISSUE FURTHER CHANGE ORDERS THAT WILL INCREASE THE COUNTY'S MAXIMUM FISCAL OBLIGATION NO MORE THAN 10% IN AGGREGATE FOR A TOTAL NOT TO EXCEED CONTRACT VALUE OF \$115,304,717; C) A TOTAL BUDGET FOR THE CORDILLERAS HEALTH CAMPUS PROJECT OF \$155,000,000**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, in January 2017, the County Manager's Project Development Unit (PDU) was formed to manage ground up construction performed by the County of San Mateo; and

**WHEREAS**, the existing Cordilleras Mental Health Facility, located at 200 Edmonds Road, was originally constructed in 1952 as a tuberculosis hospital, has outlived its useful life, is deteriorating, expensive to maintain, in need of substantial repairs and upgrades, and poorly suited to current best behavioral health treatment practices; and

**WHEREAS**, in March of 2017, this Board held a Study Session to consider the recommendations for capital improvements made in the Feasibility Studies and Master Plans and directed the PDU to move forward with the Cordilleras Health System Replacement Project (Project); and

**WHEREAS**, on June 26, 2018, following a competitive RFP process, this Board approved a construction manager at risk agreement with Skanska USA Inc. (Skanska) for the Project in the amount of \$11,383,105; and

**WHEREAS**, the initial agreement value covered only pre-construction services and certain anticipated indirect project costs and through subsequent actions, this Board increased the agreement value to \$14,598,872 for, among other things, extended preconstruction and the design-build soil nail wall scope; and

**WHEREAS**, the Project consists of replacement of the existing facility with multiple new residential facilities that create a smaller scale, homelike setting that will be more conducive to patient treatment and recovery, while allowing the existing building to remain in operation throughout construction, followed by demolition of the existing building and final site improvements; and

**WHEREAS**, the agreement anticipates phased establishment of a guaranteed maximum price ("GMP") through a change order as design progresses, scope is finalized, and trade contracts are competitively bid-out; and

**WHEREAS**, programming, construction documents, and competitive sub-contractor bidding for the Project has, with limited exceptions, been completed; and

**WHEREAS**, based on the award of trade subcontracts, preconstruction work completed, project general conditions, project general requirements, bonds, insurance, taxes, and allowances, the GMP for construction of the Cordilleras Health System Replacement Project is \$104,822,470; and

**WHEREAS**, the PDU, in collaboration with the Health System, County partners, the architect of record, and Skanska preconstruction, have worked diligently through development of the design, permitting, programming, and bidding to minimize additional costs and develop solutions and strategies that are timely, effective, and financially responsible, PDU recommends that this Board authorize the requested GMP for construction of the Project and the requested overall project budget; and

**WHEREAS**, the change order establishing the GMP has been reviewed and approved by the assigned project manager and the Director and Assistant Director of the Project Development Unit.

**NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the Board of Supervisors adopts a resolution authorizing A) the President of the Board of Supervisors to execute a change order to the agreement with Skanska USA, Inc for construction of the Cordilleras Health Campus Project establishing the Guaranteed Maximum Price of \$104,822,470; and B) the Director of the Project Development Unit or designee to issue change orders to the agreement that increase the maximum fiscal obligation by no more than 10% in aggregate for a total not to exceed contract value of \$114,892,217; and C) a total budget for the Cordilleras Health Campus Project of \$155,000,000.

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