



County of San Mateo

Inter-Departmental Correspondence

Department: GOVERNING BOARD

File #: 18-329

Board Meeting Date: 4/24/2018

Special Notice / Hearing: None
Vote Required: 4/5ths

To: Honorable Board of Supervisors, Acting as the Governing Board of County Service Area No. 11

From: James C. Porter, Director of Public Works

Subject: **Measure K:** Amend the Construction Agreement with Fort Bragg Electric, Inc., and Approve an Appropriation Transfer Request for the County Service Area No. 11 Water Supply and Sustainability Project

RECOMMENDATION:

Measure K: Acting as the Governing Board of County Service Area No. 11, adopt resolutions:

- A) Amending the construction agreement with Fort Bragg Electric, Inc., for the County Service Area No. 11 Water Supply and Sustainability Project, increasing the "not-to-exceed" amount by \$135,000, for a new, not-to-exceed amount of \$1,392,000; and
- B) Authorizing an Appropriation Transfer Request in the amount of \$155,000 (\$135,000 for amendment and \$20,000 in additional costs) in appropriated **Measure K** revenue and expenditures from County Service Area No. (CSA) 11 Pescadero Aquifer Study in the capital projects budget to the CSA No. 11 Water Supply and Sustainability Project.

BACKGROUND:

Proposition 84 (Prop. 84), the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act, which was approved by California voters in November 2006, contains a total of \$5.39 billion for water and natural resource projects and programs. This included \$1 billion for Integrated Regional Water Management (IRWM) Plans with \$138 million specifically allocated to the San Francisco Bay Area. Projects funded by Prop. 84 grant funds must be consistent with (i.e. included in) an IRWM Plan.

On December 11, 2012, your Board adopted Resolution No. 072314, which approved \$150,000 to fund work required to submit a project proposal package for Prop. 84 funding to improve the County Service Area No. 11 (CSA 11) Pescadero Community Water System.

On November 4, 2014, your Board adopted Resolution No. 073484 authorizing the execution of a

Local Project Sponsor Agreement with the Association of Bay Area Governments (ABAG) for the Pescadero Water Supply and Sustainability Project (Project) in the amount of \$700,000 under the Grant Agreement.

On February 14, 2017, your Board adopted Resolution No. 075018, adopting the plans and specifications for this Project and on April 11, 2017, Resolution No. 075124, your Board authorized an agreement with Fort Bragg Electric, Inc., for construction in the amount of \$1,142,890.

DISCUSSION:

The Pescadero (CSA 11) Aquifer Study (Aquifer Study) in the capital projects list has an allocation of \$300,000 in **Measure K** revenue to update the previous study (conducted in 2002), which estimated the remaining life of the existing aquifer. The consultant, Todd Groundwater (formerly known as Todd Engineering - 2002 study), has been selected to conduct the current study. The total budget for the current study is not anticipated to exceed \$145,000. The Department proposes to reallocate \$155,000 from the Aquifer Study project as an additional appropriation for the Project. If your Board approves the transfer, there will still be sufficient funding budgeted for the Aquifer Study.

Unanticipated conditions discovered during construction of the Water Supply and Sustainability Project have led to a determination that the original “not-to-exceed” amount of the agreement and Project allocation will not be sufficient to complete the Project based on the following factors:

- 1) The well drilled and developed at the primary location was not able to produce water at the rates necessary to make it a viable water source for CSA 11. The initial findings from the pilot hole drilled at this location indicated the potential for adequate water supply. However, results at that preliminary stage of the work were not conclusive without expending additional effort to develop the well further. At that point, the Department directed the Contractor to complete the well and perform pump tests to determine the well's water production rate. This work determined that the well would not produce the minimum flow rate required or specified in the design. The Department consulted with engineering firms with expertise in well design and construction (HydroScience and Todd Groundwater) through the well development process. Additionally, the preliminary water quality tests from the well indicated the iron and arsenic levels exceeded Federal and State standards. The cost of the additional well development work after the pilot hole was drilled was approximately \$162,310. Some of these costs have been paid from the contingencies in the original not-to-exceed amount of the construction agreement.
- 2) The construction agreement provides for the Contractor to construct a well at an alternate site (closer to the existing CSA 11 wells) if the well site developed first does not prove to be viable. Due to the low quantity of water and the water quality conditions, the Department, on October 31, 2017, directed the Contractor to stop work on the well at the first location and move to the alternate well location. Based on the initial results of the pilot hole, it was anticipated that work at the alternate location would not be necessary. Unfortunately, it is necessary to drill at a second location, which has caused the project to move into a second construction season.
- 3) To comply with conditions of the Coastal Development Permit issued for the Project, the Contractor cannot start the work at the alternate well location until April 1, 2018. This has resulted in additional Project costs, which include: remobilization of the Contractor's

drilling equipment, installation of additional Environmental Sensitive Area fencing, and preparation of a Storm Water Pollution Prevention Plan (SWPPP) per State regulations. This additional work has been estimated to cost approximately \$26,000. The \$26,000 referred to is included in the recommended contract amendment.

- 4) Additional staff time for contract administration and construction management by consultants will also be needed for completion of the Project. The additional budget for these tasks has been estimated at approximately \$20,000.

The Department recommends that your Board consider these unanticipated conditions for this Project and authorize the Appropriation Transfer Request to fund the additional expenses to complete the Project.

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

Approval of this action contributes to the Shared Vision 2025 outcome of an Environmental Conscious Community by enabling the County to implement projects that would improve water supply reliability, protect water quality, maintain public health standards, and protect habitat and watershed resources.

FISCAL IMPACT:

The new, not-to-exceed amount of the Fort Bragg Electric, Inc. construction contract is \$1,392,000, an increase of \$135,000. The recommended increase of the Project contract by \$135,000 and \$20,000 required for contract administration, for a total of \$155,000, will allow for payments to the Contractor and staff/consultant costs, respectively, for the above-described unanticipated additional work.

There is no additional impact to **Measure K** or the General Fund.