



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 20-100

Board Meeting Date: 3/10/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Michael Callagy, County Manager
Adam Ely, Project Development Unit Director

Subject: Amendment to the Skanska Construction Manager at Risk Agreement for Part 1 of
Guaranteed Maximum Price Approval

RECOMMENDATION:

Adopt a resolution authorizing:

- A) The President of the Board of Supervisors to execute an amendment to the agreement with Skanska increasing the maximum fiscal obligation by \$2,541,398 for Part 1 of the Guaranteed Maximum Price Award; and
- B) The Director of the Project Development Unit or designee to execute additional contract amendments which modify terms or services within the Board authorized maximum fiscal obligation.

BACKGROUND:

On June 26, 2018, this Board approved the Skanska Agreement for the construction manager-at-risk services required for the Cordilleras Health Campus Project in the amount of \$11,383,105. Subsequently, the Project Development Unit has approved one Change Order in the amount of \$170,449 which increased the contract amount within authorized limits for an extension of preconstruction services.

The contract value is currently \$11,553,554.

The current Board authorized limit per Resolution 075975 is \$12,521,415.

DISCUSSION:

Skanska has provided excellent construction manager-at-risk services for the Cordilleras Health Campus Project. The project is currently proceeding in the Construction Documents design phase, which includes a design-build scope of work for Skanska to complete the soil nail wall portion of the

earthwork scope with a qualified design-build subcontractor. Soil nail walls will act as large retaining walls with subterranean structural nails stabilizing the soil.

This resolution requests Board authorization to increase the contract limit by the full amount of the Skanska request to accommodate the costs required for the soil nail wall scope of work. The agreement with Skanska anticipates these increases as the project progresses and Skanska is able to provide specific cost proposals for subsequent project phases. This change order represents Part 1 of the Guaranteed Maximum Price award for the Cordilleras Health Campus Project and requests an increase of \$2,541,398 to the Skanska agreement authorization limit, for a maximum fiscal obligation of \$15,062,813. This amendment has been reviewed and approved by the assigned project manager, the Director and Assistant Director of the Project Development Unit, and approved pending Board authorization.

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

FISCAL IMPACT:

The value of the amendment is \$2,541,398. Funding for this agreement is included within the current approved project budget for the Cordilleras Health Campus Project.