



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 20-551

Board Meeting Date: 7/21/2020

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

RECOMMENDATION:

Adopt a resolution authorizing the Director of the Project Development Unit or designee to execute:

- A) An amendment to the Skanska Construction Manager at Risk Agreement for the Cordilleras Project increasing the maximum fiscal obligation by \$355,660 for a new not to exceed amount of \$14,598,872; and
- B) Change orders that will increase the County's maximum fiscal obligation by no more than 10% additional in aggregate and/or modify terms or services.

BACKGROUND:

On June 26, 2018, this Board approved the Skanska USA Building Inc. (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 (PDU) approved a Change Order in the amount of \$170,449 for an extension of preconstruction services.

On March 10, 2020, this Board approved Part 1 of the Guaranteed Maximum Price incorporating design-build soil nail wall scope and increasing the maximum fiscal obligation by \$2,541,398 for a new contract amount of \$14,094,952. Subsequently, PDU approved a Change Order in the amount of \$148,260 which increased the contract amount within authorized limits for an extension of preconstruction services.

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 act as large retaining walls

with subterranean structural nails stabilizing the soil.

This resolution requests this Board to authorize an increase to the contract limit to accommodate the costs required for a debris-catchment fence and fall protection rail into the design which safeguards the facility and its occupants.

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 \$355,660 to the Skanska agreement for a maximum fiscal obligation of \$14,598,872.

This amendment has been reviewed and approved by the assigned project manager and the Director of the Project Development Unit and will be approved pending Board authorization.

The Resolution contains a provision authorizing the PDU Director or designee to approve amendments to the Agreement increasing the County fiscal obligations by a maximum of 10% additional in aggregate, as well as to modify the agreement term, conditions, and scope of work, within the fiscal limits established by this Board.

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

FISCAL IMPACT:

The value of the amendment is \$355,660. Funding for this agreement is included within the current approved project budget for the Cordilleras Health Campus Project. There is not impact to Net County Cost.