



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** COUNTY MANAGER

**File #:** 21-189

Board Meeting Date: 3/9/2021

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**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 Truebeck Agreement to Incorporate Subcontract Awards and Related Costs for the San Mateo Health System Campus Project

**RECOMMENDATION:**

Adopt a resolution authorizing the President of the Board of Supervisors to execute an amendment to the agreement with Truebeck Construction, Inc. for construction of the San Mateo Health System Campus Project in the amount of \$24,725,280, for an adjusted contract value of \$92,588,396.

**BACKGROUND:**

The San Mateo Health Services building was built in 1952 and the adjacent Hospital Administration Building was built in 1954. To consider the future of these aging facilities and the campus where they sit, in February 2016, the County commissioned the Health System Master Plan Study.

Following the study, it was determined that the 1952 building had outlived its useful life and should be demolished, and it was also determined that the County should direct funds to the modernization and improvement of the Health System Campus, rather than to the state-mandated seismic retrofitting of the out-of-date 1954 building.

Following a March 28, 2017 Study Session, this Board authorized the construction of a new 70,000 square-foot non-OSHPD Hospital Administration Building, renovation of the Hospital Nursing Wing, and other campus improvements.

The Project will relocate approximately 300 County Staff from the heavily impacted Health System Campus to other locations. The Project will also create a prominent and easily navigable entrance for the modernized Health System Campus.

On April 24, 2018, this Board authorized the Project Development Unit (PDU) to enter into an agreement with Truebeck Construction, Inc. (Truebeck) to provide Construction Manager at Risk services for the San Mateo Health System Campus Project (Project).

On September 4, 2018, this Board adopted Resolution No. 076108 which authorized a maximum

Truebeck contract value of \$94,000,000 with an additional 10 percent (\$9,400,000) in additional change order authority within the Board authorized budget amount of \$145,000,000.

The Project is currently under construction and the Project Development Unit and Truebeck are nearing completion and establishment of the guaranteed maximum price (GMP).

**DISCUSSION:**

The agreement with Truebeck anticipates phased establishment of a guaranteed maximum price through a series of change orders and amendments as design progresses, scope is finalized, and trade contracts are based upon a competitive bid process.

The proposed amendment incorporates multiple subcontractor awards and related Truebeck costs for items including scaffolding, paneling, sunshades, flashing, sheet metal, fireproofing, skylights, framing/insulation/drywall, finish carpentry, doors/frames/hardware, flooring, painting, operable partitions, window treatments, concrete, concrete reinforcing, structural steel, and various necessary design changes approved for the project.

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

**FISCAL IMPACT:**

This amendment amount is within the prior authorized maximum contract amount and is budgeted for in the prior approved project budget of \$145,000,000 which has been accounted for in the approved FY2019-21 budget appropriations. There is no impact to Net County Cost.