County of San Mateo

Inter-Departmental Correspondence

Department: PUBLIC WORKS
File #: 24-828

Board Meeting Date: 10/22/2024

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Ann M. Stillman, Director of Public Works

Subject: Increase the Not-to-Exceed Amount of the Agreement with Minerva Construction, Inc. for the 2023 Slip-Out Repair Near 2180 Higgins Canyon Road Project in the Half Moon Bay Area
[County Project No. 08H21, Project File No. E5083]

RECOMMENDATION:

Adopt a resolution increasing the Director of Public Works' authority to execute change orders to the construction agreement with Minerva Construction, Inc., for the 2023 Slip-Out Repair Near 2180 Higgins Canyon Road Project in the Half Moon Bay area, to increase the not-to-exceed amount of $2,060,823 by an additional amount of $141,259 to a new not-to-exceed amount of $2,202,082.

BACKGROUND:

On June 13, 2023, this Board adopted Resolution No. 079773, which "streamlined" the bid process for specific 2022-2023 winter storm damage projects by authorizing the preparation of plans and specifications and advertising for bids for construction during the 2023-2024 construction seasons.

On September 12, 2023, this Board adopted Resolution No. 079920, which adopted plans and specifications for the 2023 Slip-Out Repair Near 2180 Higgins Canyon Road Project (Project), including conformance with general prevailing requirements, authorized an agreement with Minerva Construction, Inc., with a not-to-exceed amount of $2,060,823, and authorized the Director of Public Works to execute change orders in an amount not to exceed $187,348.

DISCUSSION:

Unanticipated conditions encountered during construction of the Project have led to a determination that the original "not-to-exceed" amount of the agreement will not be sufficient to appropriately compensate Minerva Construction, Inc. for the Project.

Additional costs were incurred for exporting and importing materials to the Project, as well as, supplementary traffic control for passing vehicles. The Project operations involved removing more soil than anticipated due to the unsuitable soil strength characteristics of the existing materials, which

resulted in importing additional structural backfill to the site for construction of the roadway. The contract stipulated a full road closure during construction, however, the County directed the contractor to maintain traffic through the Project area until the roadway excavation work began, based on the needs of the community. This extra effort and duration of the traffic control was not included in the original Project. The cost of the additional work is approximately $141,259.

The Department of Public Works (Department) recommends that this Board consider these unanticipated conditions for this Project and approve the recommended contract increase amount to facilitate completion of the Project. Construction issues or conflicts arise during construction which must be addressed immediately to keep the Project moving forward. In some cases, these issues require additional compensation. The Department has worked diligently through construction of the Project to minimize additional costs and develop solutions that were timely, effective, and financially responsible.

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

FISCAL IMPACT:
The new not-to-exceed amount of Minerva Construction, Inc. construction contract is $2,202,082. The recommended increase of the Project contract by $141,259 will allow for payment to the Contractor for the above-described unanticipated work.