



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: General Services
Department No.: 063
For Agenda Of: July 3, 2018
Placement: Administrative
Estimated Tme: N/A
Continued Item:
If Yes, date from: N/A
Vote Required: 2/3

TO: Board of Supervisors
FROM: General Services Janette D. Pell, Director, (805) 560-1011
Contact Info: Skip Grey, Assistant Director, (805) 568-3083
SUBJECT: Northern Branch Jail Project, Approve, Authorize and Ratify Change Orders.
3rd District

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to Form: N/A

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Director of General Services or designee to execute a change order addressing the top of wall concrete masonry unit wall detail work in an amount not to exceed \$543,247.00 on the Northern Branch Jail Project Bid Package 1 (BP-1) contract to SJ Amoroso (BC16215);
- b) Approve and ratify issued change orders numbers three through six on the Northern Branch Jail Project Bid Package 2 (BP-2) Contract to Spiess Construction (BC16217);
- c) Re-authorize the General Services Director or designee to approve additional change orders to Spiess Construction (BC16217) for a contingency amount up to \$158,082.00 for the construction of the AB900 Northern Branch Jail Project Bid Package 2 (BP-2) for a total project authorization of \$3,385,891.00; and
- d) After considering the Final Subsequent Environmental Impact Report (SEIR), State Clearinghouse No. 2007111099, that the Board of Supervisors certified on March 11, 2008, the December 6, 2011 SEIR addendum, and the October 8, 2013 SEIR addendum, determine pursuant to 14 CCR §15162(a) that no subsequent EIR or Negative Declaration is required for this project because: i) No substantial changes are proposed in the project which require major revisions of the 2008 Final Subsequent EIR; ii) No substantial changes have occurred with respect to the circumstances under which the project is undertaken which require major revisions of the 2008 Final Subsequent EIR; and iii) No new information of substantial importance concerning the project's significant effects or mitigation measures, which was not known and could not have been known with the exercise

of reasonable diligence at the time that the Final Subsequent EIR was certified in 2008, has been received.

Summary Text:

On June 21, 2016, the Board awarded construction contracts for Bid Packages 1 and 2 (BP-1, BP-2) for construction of the Northern Branch Jail (NBJ). Subsequently on August 18, 2016, the State authorized the County to proceed with construction, and a Notice to Proceed was issued to both contractors with a start date of September 6, 2016. Construction is 54% complete on the onsite NBJ construction (BP-1), and the offsite utilities contract (BP-2) is nearing completion. At this time, in order to continue the work, General Services has determined it is necessary to seek approval of a change order on BP-1 in an amount not to exceed \$543,247.00. This amount exceeds the individual change order limit of \$210,000.00 established by the Board at the time of contract award.

On June 20, 2017, the Board received a report on the Northern Branch Jail Project, including a recommendation to ratify changes to date on BP-2 and reset the change order authority delegated to the Director of General Services or Designee to \$158,052. At this time, due to a necessity to issue changes to close out the project which will exceed the delegated authority, General Services is requesting the changes issued since the last reporting be ratified, and the change order authority delegated to the Director of General Services or Designee be reset to \$158,052.

The action today does not impact the overall project budget, as the change orders issued to date will be within the project contingency of \$4,033,000.00 included in the \$110,857,244.00 approved total project budget.

Background:

Change orders are the mechanism by which construction contracts are amended to include work added or deleted, and costs and time impacts associated with the proposed changes. The NBJ construction team is led by General Services' staff, and includes Construction Management firm Kitchell CEM, Inc. The team maintains a protocol to issue requests for proposals when required, reviews proposed additional work, and negotiate costs, with the goal of ensuring the scope and expenses are vetted prior to issuing change orders and authorizing the work to proceed. In June of 2017, General Services reported 2 change orders had been issued to date resulting in a net increase to the contract of \$5,869.00 and extending the contract completion by 29 calendar days. At the time this board letter was drafted, 6 additional finalized change orders had been issued on BP-1 totaling \$567,156.00, for a grand total in change orders of \$573,025.00, and 29 calendar days. The additional change orders cover a variety of issues ranging from value engineering credits associated with the deletion of unnecessary work, to a required change in concrete masonry unit (CMU) thickness in specified locations. The authority to execute an additional change order above the authorized limit associated with fire dampers was approved by the Board on June 20, 2017 in an amount not to exceed \$647,000.00; this change order has not yet been issued.

At this time, General Services is seeking authorization to execute an additional change order on BP-1 which will exceed the individual change order threshold approved by the Board on June 21, 2016. Although the Director of General Services or designee was authorized to issue aggregate changes totaling \$3,898,500.00, the limit for individual changes was set at \$210,000.00 in accordance with Public Contract Code section 20142(b). This change order will address details at the top of specified CMU walls and additional steel required to accomplish the work detailed by the engineers in response to a series of requests for information (RFI's). General Services has been in negotiations with SJ Amoroso and completed due diligence by having the Architect, Rosser International and Construction Management

firm, Kitchell, CEM, confirm the finalized costs are in accordance with their estimates, and commensurate with the additional work. The negotiations are concluding, and it is expected the change order will not exceed \$543,247.00 which will be accommodated by shifting funds from construction contingency already allocated for construction change orders. The NBJ team has worked extensively to ensure this change order has been fully vetted and is the most economical option possible. Not performing this change order would prevent the County from completing the construction and obtaining our certificate of occupancy at the completion of the project.

On BP-2, six change orders have been issued to date, including two previously ratified by the Board on June 20, 2017. Change orders three thru six encompass items including credits for deletions to the lift station scope, delays attributable to the red tailed hawk nest mitigation, and most notably the relocation of the water meter as required by the Golden State Water Company, in addition to a variety of construction coordination items. A pending change order in the amount of \$31,450 will reduce the remaining delegated authority to just over \$10,000. The project management team forecasts a final change order with an estimated value of \$25,000 will be necessary to complete project closeout, therefore General Services recommends the changes issued since the last reporting be ratified, and the change order authority delegated to the Director of General Services or Designee be reset to \$158,052 in accordance with Public Contract Code section 20142(b).

With approval of the recommended actions, construction completion is projected for spring of 2019.

Key Contract Risks

Approval of the recommendations will allow General Services to complete BP-1 in accordance with the State approved construction schedule, with the goal of occupancy in 2019.

Fiscal and Facilities Impacts:

Budgeted: Yes.

Fiscal Analysis:

The approved project budget of \$110,857,244.00 included construction contingency in the amount of \$4,031,582.00, thus the change orders issued to date thus far do not impact the overall project budget. The State approved project budget recognizes the construction contingency as County cash match.

Authored by:

Celeste Manolas, Capital Projects Manager, General Services Support Services