



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: June 20, 2017
Placement: Administrative
Estimated Tme: N/A
Continued Item:
If Yes, date from: N/A
Vote Required: 4/5ths

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, Receive a Report on Construction Phase, Approve, Authorize and Ratify Changes. Third 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) Receive and file a report on the Northern Branch Jail construction phase;
- b) Approve, ratify, and authorize the Director of General Services or designee to execute a change order addressing the fire protection system and associated work in an amount not to exceed \$647,000.00 on the Northern Branch Jail Project Bid Package 1 (BP-1) contract to SJ Amoroso (BC16215);
- c) Approve and ratify the change orders issued to date on the Northern Branch Jail Project Bid Package 2 (BP-2) Contract to Spiess Construction (BC16217);
- d) 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 \$3,227,809.00; and
- e) 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:

One 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 has progressed on both the onsite NBJ construction (BP-1), and the offsite utilities contract (BP-2). Accordingly, General Services has been reporting on progress as well as the status of change orders on both contracts. 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 \$647,000. This amount exceeds the individual change order limit established by the Board at the time of contract award. Additionally, it is requested the change order authority on BP-2 be reset to \$158,082 to allow the Director of General Services or designee's change order authority on BP-2 to enable additional change order work through completion of the project.

None of the actions today impact the overall project budget as the change orders, both those issued to date as well as those projected to be issued, will be within the project contingency of \$4,033,000 included in the \$110,857,244 approved total project budget.

Background:

Project Report

Both SJ Amoroso (BP-1) and Spiess Construction (BP-2) mobilized shortly after the notice to proceed date of September 6, 2016. Despite a rainy winter season, site work and the offsite utility work continued albeit with approximately a 30 day delay to both contracts.

Onsite, the grading and excavation was completed. Structural concrete placement has commenced with concrete slabs being poured. Site improvements include: parking areas, onsite driveways, onsite utilities and fire protection infrastructure. Webcams track the construction progress and can be viewed at <http://video-monitoring.com/construction/sja/>.

Offsite, the contractor began significant efforts with the offsite utilities work near the Tanglewood development and worked northward, bringing water, sewer, and recycled water infrastructure up Black Road. In addition, work associated with the sewer force main lift station located in the southeast corner of the project site has been progressing and nearing completion.

A recent development affecting both contracts is the presence of a red tailed hawk and nest containing three chicks along Black Road in the southeast quadrant of the County owned parcel. General Services, in conjunction with Planning and Development and Rincon Consultants (the County's Biological Monitor on the project), and in consultation with the California Department of Fish and Wildlife, established a construction buffer to minimize impacts to the nesting birds. Although the birds have since fledged, staff expects some level of delays and possible costs in remobilizing tasks now that the buffer zone is cleared for construction.

Financially, invoicing has been consistent and tracking lower than projections due primarily to the wet weather slowing progress, while State reimbursements have been received well within the expected turnaround time. In addition to regular update meetings with the County CEO and Counsel, General Services heads the NBJ Finance Committee, with representatives from the Auditor Controller and Budget office attending for regular updates on financial items including: actual expenditures vs approved fiscal year budget, amounts expended to date within the State reimbursable, County match, additional cost categories as designated by the State, State reimbursement submissions and funds received, and projected cash flow through project completion.

Bid Package 1 (BP-1)

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. At the time this board letter was drafted, two finalized change orders had been issued on BP-1 resulting in a net increase to the contract of \$5,869, and extending the contract completion by 29 calendar days. The changes addressed a significant value engineering credit for a simplification of the concrete masonry unit (CMU) type on the building façade, incorporating necessary alternates found to be cost effective to award via the low bid pricing included in the bid, as well as utility modifications allowing coordination of equipment and requirements of local utility purveyors.

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, the limit for individual changes was set at \$210,000. This change order will modify certain elements of the fire protection system to correct deviations noted by the State Fire Marshal as non-compliant during submittal and shop drawing reviews. General Services is in negotiations with SJ Amoroso and is completing 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 State Fire Marshal has authority over the project as part of the AB900 conditional award, and ultimate approval by the Board of State and Community Corrections (BSCC) is contingent upon State Fire Marshal approval and acceptance of the facility. Although price negotiations are continuing with the contractor, it is expected the change order will not exceed \$647,000 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 obtaining our certificate of occupancy at the completion of the project.

Bid Package 2 (BP-2)

Two change orders have been issued on BP-2. Change Order #1 (CO-1) in the amount of \$13,956 and a 101 day time extension, addressed utility items required by Golden State Water, who is supplying the potable water for the facility, along with sewer bypasses required by Laguna Sanitary District. Change Order #2 (CO-2) in the amount of \$145,000 addressed a construction method known as jack and bore in order to abide by requirements set forth by the California Department of Water Resources (DWR) whose waterline extends along the eastern edge of the parcel and must be traversed by utilities entering the site as well as the Jail street access roadways.

Changes on BP-2, required by Department of Water Resources, pushed the total amount of changes issued to date to the limit of the Director's authority. General Services is requesting the Board ratify those changes and reset the change order authority delegated to the Director of General Services or Designee to \$158,052. This increases the total project authorization for BP-2 to \$3,227,809.

The issued and projected change orders for both bid packages are funded via construction contingency that was originally included in the approved \$110,857,244 project budget, thus they do not impact total project budget. With approval of the recommended actions, construction completion is projected for 2018 with occupancy in early 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 completing construction in 2018 and occupancy in 2019. It will also allow BP-2 to be completed. BP-2 is a County required match component of the AB900 conditional award, thus any changes necessary to allow the project to be completed are critical to the NBJ being supplied with potable water, recycled water for fire service, and sewer service prior to the deadline for occupancy.

Fiscal and Facilities Impacts:

Budgeted: Yes.

Fiscal Analysis:

The approved project budget of \$110,857,244 included construction contingency in the amount of \$4,033,000, thus the change orders issued to date and those projected thus far do not impact the overall project budget. The State approved project budget recognizes the construction contingency as County cash match.

Change Order Totals:

- BP1 = Not to exceed \$647,000
- BP2 = \$158,956

Authored by:

Celeste Manolas, Capital Projects Manager, General Services Support Services