

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 6/21/2016	(3) CONTACT/PHONE Kathy MacNeill, Senior Project Coordinator (805) 781-5988	
(4) SUBJECT Request to authorize the Director of Public Works to approve change order expenditures to the professional services agreement with CCGC, Inc., dba Earth Systems Pacific for material testing services on the Juvenile Hall Expansion project near San Luis Obispo. District 2.			
(5) RECOMMENDED ACTION It is recommended that the Board authorize the Director of Public Works to approve a change order to the consultant services contract for testing and special inspection services with CCGC, Inc., dba Earth Systems Pacific with expenditures up to \$29,000 above the 25% of the awarded contract for a total change order limit of \$50,000 for the Juvenile Hall Expansion project.			
(6) FUNDING SOURCE(S) Juvenile Hall Building Designation, Facilities Planning Designation, State SB 81, General Government Building Replacement Designation, Capital Projects FC 230, Maintenance Projects FC 200; County Office of Education and In-Kind Match	(7) CURRENT YEAR FINANCIAL IMPACT \$110,000.00	(8) ANNUAL FINANCIAL IMPACT \$110,000.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 10/20/15, #17	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) District 2			

Reference: 16JUN21-C-6

County of San Luis Obispo



TO: Board of Supervisors
FROM: Public Works
Kathy MacNeill, Senior Project Coordinator
VIA: Dave Flynn, Deputy Director of Public Works
DATE: 6/21/2016

SUBJECT: Request to authorize the Director of Public Works to approve change order expenditures to the professional services agreement with CCGC, Inc., dba Earth Systems Pacific for material testing services on the Juvenile Hall Expansion project near San Luis Obispo. District 2.

RECOMMENDATION

It is recommended that the Board authorize the Director of Public Works to approve a change order to the consultant services contract for testing and special inspection services with CCGC, Inc., dba Earth Systems Pacific with expenditures up to \$29,000 above the 25% of the awarded contract for a total change order limit of \$50,000 for the Juvenile Hall Expansion project.

DISCUSSION

Background

The Juvenile Hall Expansion project includes the construction of classrooms, a housing unit for 20 youth, staff support space, recreational yards, a multipurpose/gymnasium building, and security fencing and other site improvements. The total building space is 24,300 square feet.

The Board awarded the construction contract to Diani Building, Inc. on August 12, 2014, and a notice to proceed was issued November 4, 2014 following the State's approval of the construction contract award.

The construction is 78% complete, and the general contractor, Diani Building Corporation anticipates they will meet the substantial completion date of July 5, 2016. The Juvenile Hall Expansion has completed construction of the exterior and interior walls, roofing, framing for ceilings, and the mechanical, plumbing, and electrical infrastructure within the wall and ceiling cavities. Construction is within the budget and funding approved by your Board.

The phasing of the construction was required to coordinate the work with a continuously occupied secured facility. Staggering the construction created the need for additional inspections over a longer period of time. The impact of the phasing was not fully known at the time the contract was negotiated with Earth Systems in 2014. Earth Systems Pacific, Diani Building, and the County have worked together to minimize these inspections and testing costs, and to avoid possible construction delays.

Testing and Inspection Contract for Services, CCGC, Inc. dba Earth Systems Pacific

Earth Systems Pacific was selected through the formal request for proposal (RFP) process under the Women's Jail Expansion project. The Juvenile Hall Expansion project was listed in the RFP process to consolidate staff time and administrative costs. A contract for testing and inspection services was awarded to Earth Systems Pacific in March 18, 2014 for \$124,911. There were two increases to Earth System Pacific's current contract within the change order limits of the Contracting for Services Policy totaling \$31,000.00. An additional change in the amount of \$20,000 would exceed the threshold limit for change orders under the Contracting for Services policy, Section 4.1.6 but is within the Board funded consultant contingency budget.

Currently, the demand for Earth Systems Pacific's services is nearing completion. Inspection services are expected to continue for special inspections, site compaction testing, and paving. Inspection and testing are critical activities required by the California Building Code and are significant means for the County to insure quality control and adherence to the Contract Documents. A delay in these critical activities would result in the County being responsible for project delays and significant extended project costs.

The project has not experienced significant construction delays. The contractor and the project team successfully worked together to minimize impacts to the schedule and budget. However, there were more inspection visits and testing than anticipated in part due to the continuous inspections needed on the helical pile foundation system, and in part due to the phasing of the construction work to stagger workforce crews to accomplish the construction within the 20-month schedule.

Contracting for Services Policy

The Contracting for Services policy, Section 4.1.6, limits change orders to an aggregate of \$25,000 or 25% of the original consulting contract, whichever is higher, without prior Board approval. The awarded contract for consulting services has come to the point of exceeding the limits established under existing policy for change order limits. An augmentation to their service contract is necessary. The Board approved budget for the Juvenile Hall Expansion project included contingency funding for consulting contracts.

The consultant services contingency balance is \$126,778 and will support these additional costs. Staff is requesting the Board to authorize the Director of Public Works to approve change orders for additional expenditures of testing and inspection services; and the authorization to use the remaining contingency for said expenditures being within the Board approved project budget for professional services contingency.

OTHER AGENCY INVOLVEMENT/IMPACT

An Executive Steering Committee has been established for this project, with participants from the Probation Department, Auditor-Controller-Treasurer-Tax Collector, County Administrative Office, County Counsel, and Public Works Department. The committee is actively involved in conducting project oversight.

The California Board of State and Community Corrections (BSCC), California Department of Corrections and Rehabilitation (CDCR), and the California Department of Finance have been involved from grant award and continue to be an integral part of the funding process.

County Counsel is providing legal guidance on all aspects of the Juvenile Hall Expansion project and reviewed the construction services contracts for form and legal effect.

FINANCIAL CONSIDERATIONS

The requested action requires no additional funding. The proposed change orders for consulting services contracts will be funded by the established Juvenile Hall Expansion construction management project contingency budget. This is an administrative request to authorize a waiver of change order limits established in the Contracting for Services Policy, Section 4.1.6, specifically for the Juvenile Hall Expansion project.

Please see "Exhibit A" for an estimated cost breakdown of the project.

RESULTS

Waiving the policy for Contracting Services change order limits, per Section 4.1.6, and delegation of authority to the Director of Public Works to authorize changes to the Earth Systems Pacific contract for \$20,000 over policy limits will allow the Juvenile Hall Expansion project to move forward without delay and within the established schedule and approved budget.

ATTACHMENTS

1. Vicinity Map
2. Exhibit A - Project Cost Estimate
3. Timeline of Board Actions

File: WBS 320032

Reference: 16JUN21-C-6

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