



Midpeninsula Regional
Open Space District

R-18-17
Meeting 18-09
February 28, 2018

AGENDA ITEM 5

AGENDA ITEM

Contract Amendment with O.C. Jones and Sons, Inc., for an additional \$82,110.62 for the fabrication and installation of pre-cast concrete barriers for the Mount Umunhum Road Project

ACTING GENERAL MANAGER'S RECOMMENDATION

Amend a contract with O.C. Jones and Sons, Inc., for the Mount Umunhum Road Project in the amount of \$82,110.62, for a total not-to-exceed contract amount of \$5,846,782.62, for the fabrication and installation of 672 feet of pre-cast concrete barriers on Mount Umunhum Road.

SUMMARY

The General Manager recommends amending the contract with O.C. Jones and Sons, Inc., (OCJ) by an additional \$82,110.62 to pay an outstanding invoice for the fabrication and installation of 672 linear feet of pre-cast concrete barriers along Mount Umunhum Road. Sufficient funds are available in the Fiscal Year (FY) 2017-18 budget from unexpended capital project budgets. Payment is required for work completed by OCJ above the not-to-exceed contract. A careful audit revealed that this work remains unpaid and owed to the contractor. The invoice tracking issue is the result of a staff tabulation error, and the Engineering & Construction team has implemented review measures moving forward to prevent reoccurrence, including internal peer-review of invoice payment and tracking.

BACKGROUND

In August 2016, the Board awarded a contract to OCJ for \$5,012,758, with a contingency of \$751,914, for a total not-to-exceed contract amount of \$5,764,672, for the construction of the Mount Umunhum Road Rehabilitation Project at Sierra Azul Open Space Preserve (R-16-101). In September 2017, construction of the project was completed. In January 2018, OCJ submitted their final project invoice that includes \$82,110.62 for pre-cast concrete barriers. The Road Project completed the following major improvements, allowing for public vehicular and bicycle access to the summit of Mount Umunhum:

- Rehabilitation, grading, and paving of over 5 miles of roadway
- Installation of 6,300 feet of new guardrail
- Installation of 59 new roadside drainage inlet structures
- Installation of 16,851 feet of new roadside drainage ditches
- Installation of 73 new roadway traffic signs and 53 safety reflective paddles

DISCUSSION

The Mount Umunhum Road Project (Road Project) included fabrication and installation of 3,120 linear feet of pre-cast concrete barriers along Mount Umunhum Road. These concrete barriers serve as safety features to protect the road and vehicles from rocks and debris from the adjacent hillside. Near the end of the project, staff discovered that an additional 672 linear feet of pre-cast concrete barriers was necessary to enhance public safety. In order to finish the project in time for the September 2017 Mount Umunhum Summit Grand Opening, staff authorized the fabrication and installation of the additional concrete barriers.

The Road Project contract had \$751,914 in contingency available to address unexpected issues associated with construction. As part of the project, 26 different change orders were issued to address emerging issues and needs, of which 15 were issued in the final few months leading up to the grand opening event (note: project spanned 12 months). Prior to the submittal of the final invoice from OCJ, \$741,064.62 of the contingency had been spent for the various change orders to widen the roadway, excavate and remove landslide material on or adjacent to Mount Umunhum Road, complete a site cleanup of the former Rossetta property, and numerous miscellaneous road safety enhancements. The final invoice revealed an overage of \$82,110.62 related to the concrete barriers. An audit by staff confirmed that this payment is indeed owed to the contractor and that the remaining contingency funds are insufficient for payment. An error in tabulation during change order processing led staff to believe there were more funds remaining than was actually the case, which led to the change order approval for the additional barriers. To prevent this error from occurring again, staff has implemented new internal quality assurance/quality control procedures that include an additional level of oversight review over future project invoices and project budget tracking.

The following table is a breakdown of the approved contract and additional costs, with amounts rounded to the nearest dollar:

Contract Totals	Amount
Contract Amount	\$5,012,758
Contingency	*\$751,914
Total Approved Contract	\$5,764,672

Additional Tasks	Amount
Board approved contingency	\$751,914
Change orders related to road safety, landslide removal, cleanup, etc.	\$741,065
Remaining Contingency	*\$10,849
Change order for 672 linear feet of concrete barriers (final invoicing)	\$92,960
Additional Contingency Needed	(\$82,111)
Recommended New Contract Amendment Total	\$5,846,783

**To date, \$741,065 of the available contingency has been expended and \$10,849 remain from the total approved contract.*

FISCAL IMPACT

The 5-year Measure AA (MAA) Project List approved by the Board at their October 29, 2014 meeting includes the Road Project as part of Measure AA Portfolio #23, Mt. Umunhum Public

Access and Interpretation Projects, with a total funding allocation of \$27.972 Million. This contract amendment is well within the remaining funds and furthers the goals of Portfolio #23 by providing the necessary public safety infrastructure for the Mount Umunhum public access facilities. This project has spanned multiple fiscal years, with the majority of the contract with OCJ expended in prior fiscal years. A recent budget adjustment to transfer funds from under-expended capital projects brings the current Fiscal Year (FY) 2017-18 budget for the Mount Umunhum Road Project (MAA23-006) to a total amount of \$1,275,159. Approval of the OCJ contract amendment will therefore not result in an increase to the total Board-approved FY2017-18 budget. There are sufficient funds in the project budget to cover the recommended action and expenditures.

Remaining Budget for Mount Umunhum Road – Close Out	FY2017-18
MAA 23-006 Budget:	\$1,275,159
Spent to Date (as of 02/21/2018):	\$1,183,677
Encumbrances:	\$8,298
[Recommended Action – Costs]:	\$82,111
Budget Remaining (Proposed):	\$1,073

The following table outlines the Measure AA Portfolio #23 budget, costs-to-date, and the fiscal impact related to the proposed contract amendment.

MAA 23 Portfolio Allocation:	\$27,972,000
Life-to-Date Spent (as of 02/21/2018):	\$18,502,527
Total Encumbrances:	\$393,373
[Recommended Action– Costs]:	\$82,111
Balance Remaining (Proposed):	\$8,993,989

These costs are fully eligible for Measure AA reimbursement.

BOARD COMMITTEE REVIEW

No Committee review has occurred for the recommended contract amendment.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

The Project was evaluated as part of the Environmental Impact Report (EIR) and Mitigated Monitoring Plan (MMP) approved by the Board on October 17, 2012, for the Mount Umunhum Environmental Restoration and Public Access Project in Sierra Azul Open Space Preserve (R-12-104). Work completed under the approved contract for construction of the Mount Umunhum Radar Tower Exterior Remediation Project is consistent with the EIR for implementation of the Mount Umunhum Environmental Restoration and Public Access Plan. No new significant environmental effects or a substantial increase in the severity of previously identified significant effects would result from this project beyond what was analyzed in the EIR.

NEXT STEPS

Pending Board approval, the General Manager will direct staff to amend the contract with O.C. Jones and Sons Inc. and authorize payment for the fabrication and installation of additional pre-cast concrete barriers along the Mount Umunhum Summit Access Road.

Responsible Department Head:

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