



**MEMORANDUM
FACILITIES MANAGEMENT
CAPITAL IMPROVEMENTS DIVISION**
County of Placer

TO: Honorable Board of Supervisors **DATE:** August 23, 2022
FROM: Steve Newsom, Director of Facilities Management
BY: Genevieve Vargas, Senior Architect
SUBJECT: Capital Improvements Division / Change Order Approval and Authorization /
Turner Construction Company / New Health and Human Services Center / Placer
County Government Center, Auburn, CA

ACTION REQUESTED

Approve Change Order No. 2 to Construction Contract, SCN103790, with Turner Construction Company for the Health and Human Services Center project, PJ00113, in the amount of \$473,338.00 resulting in a new total contract amount of \$80,263,115.00 to address unforeseen conditions and delegate authority to the Director of Facilities Management, or designee, to approve any necessary additional change orders in an amount not to exceed \$210,000.00 consistent with Section 20142 of the Public Contract Code.

BACKGROUND

On May 11, 2021, your Board authorized the Director of Facilities Management, or designee, to execute a construction contract (SCN103790) not to exceed \$79,789,777.00 with Turner Construction Company (Turner) for the Health and Human Services Center (HHSC) project located at the Placer County Government Center (PCGC) and authorized additional change order authority in the amount of \$210,000.00. The new facility broke ground in the Spring of 2022 and is projected to be complete Fall of 2023.

Since starting the construction of the HHSC project and while performing initial site construction, Turner has encountered several unforeseen site conditions not anticipated in Turner's contract. The following issues have resulted in the need to authorize a Change Order to Turner's contract that exceeds the Director's current Change Order authority of \$210,000:

- Remnant construction from previously demolished 80-year-old DeWitt Hospital buildings required removal.
- Large concrete vaults with steam pipes required removal.
- Undocumented Pacific Gas and Electric (PG&E) and AT&T lines required either removal or relocation.
- Onsite water accumulation stemming from deteriorated 80-year-old water pipes and broken valves required pumping and dewatering.
- Old clay-pipe sewer lines running through the site originally not slated for replacement have been deemed compromised and require replacement.

To allow the HHSC project to continue in accordance with the construction schedule and avoid costly delays, it is necessary that your Board authorize Change Order No. 2 as well as an additional \$210,000.00 to provide for other potential future unforeseen conditions. Change Order No. 1 was a zero-cost change to the contract wording.

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The original cost of the Turner contract was \$79,789,777.00. As requested, Change Order No. 2 of \$473,338.00 would result in an updated contract amount of \$80,263,115.00. Staff is also requesting your Board's authorization for the Director of Facilities Management, or designee, to approve potential future change orders in the amount of \$210,000.00 resulting in a potential not-to-exceed construction contract amount of \$80,473,115.00.

Separately, the PCGC Campus Tier 1 Infrastructure improvements project will provide much-needed upgrades to the 80-year-old water and sewer infrastructure serving the future HHSC. Plans and Specifications for solicitation of bids for construction of these improvements will be brought to the Board at a future date.

ENVIRONMENTAL IMPACT

On April 23, 2019, by Resolution No. 2019-077, the Final Environmental Impact Report (EIR) for the PCGC Master Plan Update project which covered the HHS Center project (SCH#2017092020), prepared pursuant to the California Environmental Quality Act (CEQA) was certified by your Board; and the Mitigation Monitoring Reporting Program supported by and incorporated by reference in its entirety the Findings of Fact and Statement of Overriding Considerations was adopted by your Board (collectively "Related Approvals"). The actions before your Board today are consistent with the Final EIR and the Related Approvals.

FISCAL IMPACT

The estimated total project cost of \$90,480,000.00 is funded in the Capital Projects Fund (CC12018), Project No. PJ00113 Health and Human Services Center, and budgeted each fiscal year based on the anticipated costs to be expended for that year. This project is also included in the FY 2022-23 Five-Year Capital Improvement Plan for Facilities. The requested Change Order No. 2 of \$473,338.00 results in an increased not-to-exceed contract amount of \$80,263,115.00. The total cost of the Change Order (\$473,338.00) plus potential future change orders (\$210,000) in the amount of \$683,338.00 are within the contingencies portion of the project budget with no impact to the General Fund. The total project cost remains estimated at \$90,480,000.00.

ATTACHMENTS

None