May 9, 2017

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, California, 94903

SUBJECT: Construction Funding Fiscal Action
          Civic Center Drive Improvement Project
          Project No. 41CAP13001 / CAP 13-001

Dear Board Members:

RECOMMENDATION: Authorize the Department of Finance to approve budget adjustments in the amount of $175,000 to fund additional contingency for the Civic Center Drive Improvement Project.

SUMMARY: On June 30, 2015, your Board approved plans and specifications and authorized the Director of Public Works to award the construction contract for the referenced project. On May 24, 2016, the Public Works Director awarded the contract to Ghilotti Bros., Inc., of San Rafael, CA, for $3,544,866.40 and authorized a construction contingency of $77,810 for a total cost of $3,622,676.40. The Engineer’s estimate for this project was $3.9 million.

At the time of award, the project contingency represented only 2.2% of the contract total rather than the typical 10-12% for a project of this size and complexity. On November 15, 2016, your Board approved an additional $112,125 to the project contingency to increase it from 2.2% to approximately 6%.

Construction is now substantially complete. During the final phases of the project, unknown subsurface conditions were encountered and additional pavement quantities were required. Extreme weather conditions throughout the fall and winter seasons also created project phasing impacts. As a condition of the National Environmental Protection Act (NEPA), all work within 315 feet of the Las Gallinas Watershed was required to be completed by January 31, 2017, creating additional complexity. The weather conditions also contributed to extending the project schedule, requiring additional construction management.

Final project construction change orders (CCOs) and quantity adjustments have been made and staff will be conducting project close-out in early May 2017. Based on the final construction adjustments, an additional $175,000 is required.
Staff recommends that funds be appropriated from the Capital Contingency Fund as described in the Fiscal Impact section below.

**FISCAL IMPACT:** The cost associated with this request is $175,000 for a total construction amount of $4,109,821. It is requested that your Board increase the Civic Center Drive Project (Org 14225653-41CAP13001) by $175,000 and reduce the Capital Contingency (Org 14225651-41CAP96991) to offset the impact to the Capital Project Fund (1420). There are no impacts to the General Fund by this action.

**REVIEWED BY:**
- [X] County Administrator  
- [X] Department of Finance  
- [ ] County Counsel  
- [ ] Human Resources

[ ] N/A

Respectfully submitted,

[Signature]

Patrick Zurose
Facilities Planning & Development Manager
Capital Projects Division

cc: Qiana Davis, Accounting

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