

**San Benito County
MEASURE A AUTHORITY
MEETING**

February 18, 2010 2:30 P.M.

FINAL MINUTES

MEMBERS PRESENT:

Chair Gomez, Director De La Cruz, Director Bilich, Director Botelho, and Director Emerson

STAFF PRESENT:

Deputy County Counsel, Shirley Murphy; Executive Director, Lisa Rheinheimer; Administrative Services Specialist, Kathy Postigo; Transportation Planner, Veronica Lezama; Transportation Planner, Betty LiOwen; Secretary, Monica Gomez

OTHERS PRESENT:

Carla Vincent, Parsons Transportation Group; Jeff Bingham, Parsons Transportation Group

CALL TO ORDER:

Chair Gomez called the meeting to order at 4:56 P.M.

A. Certificate of Posting

Upon a motion duly made by Director Botelho, and seconded by Director De La Cruz, the Directors unanimously acknowledged the Certificate of Posting.

B. Public Comment: None

CONSENT AGENDA:

- 1. Approve** MEA Transactions Report (Financial Claims) dated January 2010 – Postigo
- 2. Approve** MEA Draft Meeting Minutes dated January 21, 2010 – Gomez
- 3. Receive** Measure A Authority FY 09/10 Budget Report – Postigo

Upon a motion duly made by Director De La Cruz, and seconded by Director Botelho, the Directors approved Items 1-3 from the Consent Agenda.

REGULAR AGENDA:

- 4. Deny** Final Payment of Retention in the Amount of \$32,898.92 to Parsons Transportation Group Due to Losses Incurred from Construction of the Highway 25 Bypass Project – Rheinheimer

Ms. Rheinheimer reported that the Measure A Authority entered into contract with De Leuw, Cather & Company and then Parson Transportation Group for design services for the Highway 25 Bypass Project. Final payment of retention has been requested by Parsons Transportation Group.

Ms. Rheinheimer stated that during the construction, the Authority was required to pay several contract change orders for issues associated with design work by Parsons Transportation Group and its sub-consultants. These issues were associated with survey work that had to be redone during construction to make the new roadway match existing city streets and original ground. The error in elevations cost the Authority approximately \$500,000 in contract change orders. In some instances, if the plans had included

the correct elevations and survey information, the construction bid price would have been higher. However, at least \$221,000 would likely have been saved if the survey work was done correctly. Specifically at Hillcrest and Meridian, change orders were approved so that the design matched the existing topography.

Ms. Rheinheimer closed by saying that the original contract between the Measure A Authority and De Leuw, Cather & Company under Section C-1 of the General Terms and Conditions holds that the contractor would “agree to indemnify, defend and save harmless the other party.” This clause allows the Authority to hold Parsons liable to compensate or reimburse the Authority for incurred hurt, loss, or damage.

PUBLIC COMMENT

Jeff Bingham, Vice President Parsons Transportation Group

Mr. Bingham stated that Parsons Corporation is a National firm, but they have been in the area for about 60 years. They take a lot of pride in their work and stand 100% behind their engineering designs.

Mr. Bingham stated that they emphatically disagree with the staff report’s characterization of the discrepancies in the survey as design errors. They were not given an opportunity to review the total change order costs cited and the individual changes in the contract that are claimed to have risen because of the design survey errors. There were differences in the existing elevations reported on the plans prepared by Parsons based on design surveys by their sub-consultant and the elevations that were surveyed by the construction contractor’s surveyor. Attempts by the construction manager’s surveyor to replicate either the contractor’s elevations or the plan elevations yielded yet another set of elevations, suggesting that there may be other reasons for the discrepancies. There could have been some inaccurate surveying on the part of the surveyor’s contractor, however they would not know because they were never allowed the opportunity to review the plans. Mr. Bingham also mentioned that Hollister is a very active seismic region, and at the very least the accuracy that can be obtained and the method of surveys that was used would account for almost 2 inches of the differences in elevation.

Mr. Bingham stated that typically retention on design services contracts are held by the owner to ensure completion of the project. Parsons, in particular Carla Vincent, has continually been available to staff throughout the project even one year after completion of the contract. Mr. Bingham closed by asking that the Board release the full retention amount of \$32,898.92.

Director Botelho stated that he has been on the COG Board since the blueprint plans of the project to the opening of the project. Director Botelho stated that he remembers this surveying error in particular because it cost everyone time and money. Director Botelho stated that it was his understanding that the surveying work wasn’t done correctly initially. Director Botelho stated that it would have been appropriate to ask for this review at the time the change order was brought up to the Board, but not at this time. Director Botelho stated that the contractor, the City and County, and the surveyor, all “had to take it on the chin”, it was a mistake that everyone had to pay for.

Upon a motion duly made by Director Botelho, and seconded by Director De La Cruz, the Director’s unanimously voted to deny final payment of retention in the amount of \$32,898.92 to Parsons Transportation Group.

5. Approve Amendment No. 6 to Contract with Quincy Engineering, Inc. for an Additional Amount Not to Exceed \$19,582 – Rheinheimer

Ms. Rheinheimer stated that In 2004, the Measure A Authority entered into a contract with Quincy Engineering, Inc. for construction management services for the Highway 25 Bypass project. The current contract expires June 30, 2010. Due to the lengthy list of contractor exceptions to the final estimate,

Quincy Engineering has assisted staff with additional review of disputed items.

Staff recommends that the Board approve Amendment #6 to the contract with Quincy Engineering, Inc. to finalize the project as follows:

- Final Pay Estimate: compensation is limited to no more than \$5,875 (no more than 30 hours plus expenses).
- Final Report: compensation is limited to no more than \$5,875 (no more than 30 hours plus expenses).
- Finalization and delivery of the Project Records: compensation is limited to no more than \$3,916 (no more than 20 hours plus expenses).
- Marked up Set of Plans: compensation is limited to no more than \$3,916 (no more than 20 hours plus expenses).

Completion of these items is necessary for the route transfer to Caltrans and to receive final payment from State and Federal funding sources. The amendment will increase the total amount not to exceed by \$19,582 and will continue the contract through June 2010.

Director Botelho wanted to ensure that the final closeout figure with Pavex has been completed; otherwise, he would not support the amendment.

Ms. Rheinheimer ensured that this was the complete end of the final closeout with Quincy Engineering, Inc.

Upon a motion duly made by Director Bilich, and seconded by Director Emerson, the Director's unanimously voted to approve Amendment No. 6 to Contract with Quincy Engineering, Inc. for an additional amount not to exceed \$19,582.

Upon a motion duly made by Director De La Cruz, and seconded by Director Emerson, the Director's voted to adjourn the MEA Meeting.

ADJOURN TO MEETING OF THURSDAY, MARCH 18, 2010. AGENDA DEADLINE IS MARCH 9, 2010.