



# Board Agenda Item 49.1

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DATE: May 1, 2018

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director  
Department of Public Works and Planning

SUBJECT: Substitution of McGuire Construction, Inc with Largo Concrete, Inc., for Concrete Construction Associated with Contract No. 16-S-04, West Annex Jail

RECOMMENDED ACTION(S):

**Approve the substitution of McGuire Contracting, Inc. with Largo Concrete, Inc., for concrete construction associated with Contract No. 16-S-04, West Annex Jail.**

Approval of the recommended action would allow substitution of a subcontractor for the West Annex Jail project. The request is made in accordance with Section 4107(a)(1) of the Public Contract Code, as the subcontractor originally listed in the bid proposal has refused to enter into a written contract with the prime contractor consistent with its bid for the subcontracted concrete construction work.

ALTERNATIVE ACTION(S):

No viable alternative action is available. If this request for substitution is not approved, further delay will be incurred in construction of the West Annex Jail due to the time necessary to select and obtain approval of another proposed concrete subcontractor.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. The contracted amount of the project will not change. Any additional costs due to the substitution will be borne by the prime contractor. Sufficient appropriations are included in the FY 2017-18 Adopted Budget Capital Projects Orgs 8845 and 8846.

DISCUSSION:

On November 14, 2017, the Board conditionally awarded Contract No. 16-S-04 to Bernard Bros., Inc. (Bernards) for the construction of the West Annex Jail, subject to approval of the award by the California Department of Finance. Following notification to the County of receipt of the requisite State approval, a Notice of Award Letter was issued on December 19, 2017. Notice to proceed was issued January 12, 2018, with an allowable start date of January 23, 2018, to be on the job site. Mobilization on the West Annex Jail project began on January 29, 2018.

Public Contract Code, Section 4104 requires the prime contractor to submit with its bid a list of its subcontractors whose work on the project constitutes more than one-half of one percent of the prime contractor's total bid. McGuire Contracting, Inc. (McGuire) was specified in Bernards' subcontractor list for the concrete construction work on the project.

Bernards has now requested that they be allowed to substitute McGuire Contracting, Inc. with Largo Concrete, Inc., (Largo), due to McGuire refusing to enter into a written subcontract with Bernards. In accordance with Section 4107(a)(1), Bernards sent a certified letter notifying McGuire that they had five working days within which to file an objection to the proposed substitution, see Attachment A. No response was received within the time allotted, which by statute constitutes the listed subcontractor's consent to the substitution.

Based upon the above, it is recommended that your Board approve the substitution of McGuire Contracting, Inc. with Largo Concrete, Inc., as the concrete subcontractor for the West Annex Jail project. There is no penalty associated with substitution of subcontractors when approved pursuant to the provisions of Public Contract Code, Section 4107(a).

REFERENCE MATERIAL:

BAI #10, November 14, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachment A

CAO ANALYST:

Sonia M. De La Rosa