

COUNTY OF SAN MATEO

Inter-Departmental Correspondence

Date: July 27, 2001

Board Meeting Date: August 14, 2001

TO: Honorable Board of Supervisors
FROM: Neil R. Cullen, Director of Public Works
SUBJECT: El Camino Box Culvert Project - Colma Creek Flood Control Zone

RECOMMENDATION

Adopt a resolution awarding and authorizing execution of a contract for the El Camino Box Culvert Project.

Previous Board Action

Adopted Resolution No. 64510 on June 5, 2001, adopting Plans and Specifications, determining prevailing wage scales, and calling for sealed proposals for the El Camino Box Culvert Project.

Discussion

On July 17, 2001, bids were accepted for this project and subsequently referred to this office for checking and recommendation. The bids have been checked and the bid of:

Homer J. Olsen, Inc.
2373 Lincoln Avenue
Hayward, CA 94545-1117

at \$9,744,955 was the lowest bid received. The Engineer's estimate was \$9,742,000. A summary of the bids received is as follows:

1.	Homer J. Olsen, Inc.	\$ 9,744,955.00
2.	Miller/Thompson Constructors, Inc.	\$ 9,915,180.00
3.	McGuire and Hester	\$11,379,931.50
4.	Ranger Pipelines, Inc.	\$11,516,534.00

The low bid amount is within \$2,955 (0.03%) of the Engineer's Estimate and we recommend awarding the contract to Homer J. Olsen, Inc.

A letter protesting the bid of Homer J. Olsen (HJO) was received in the office of the Clerk of the Board of Supervisors from Miller/Thompson Constructors, Inc., the second low bidder, and forwarded to the Department of Public Works for our review. HJO submitted a letter to the Director of Public Works responding to the bid protest and after careful consideration of both the protest and the response, we have concluded that the protest is without merit. Copies of the letters are attached to this report.

Honorable Board of Supervisors

Subject: El Camino Box Culvert Project - Colma Creek Flood Control Zone

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We have reviewed the contract documents and have determined the Affirmative Action Program and equal Benefits Compliance Declaration Form submitted by **Homer J. Olsen, Inc.** are in accordance with the current Affirmative Action Guidelines and the County Equal Benefits Ordinance.

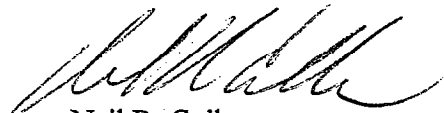
Fiscal Impact

The total estimated cost for construction including a 7.8% contingency is \$10,500,000 and funding is proposed as follows:

Colma Creek Flood Control Zone of the Flood Control District	\$ 5,186,000
State of California Department of Transportation	\$ 4,504,000
Federal Highways Administration	<u>\$ 810,000</u>
	\$10,500,000

There is no impact to the General Fund.

A form of resolution has been approved by County Counsel.



Neil R. Cullen
Director of Public Works

NRC:RLF:mmy

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G:\COLMA\FCD\ECRBOX\ECR_HJO_Award

File No.: F-149 (9U)

Attachments: Letters

cc: Homer J. Olsen, Inc.
Miller/Thompson Constructors, Inc.
Brad Donohue, Director of Public Works, Town of Colma
Mohinder Sharma, City Engineer, City of Daly City
John Gibbs, Director of Public Works, City of South San Francisco,
John Lau, Branch Chief, CALTRANS Design West
Michael Lim, Local Assistance Engineer, Calif. State Department of Transportation, District 4
Milt Mares, County Counsel



Homer J. Olsen, Inc.

GENERAL ENGINEERING CONTRACTORS
State License No. 201261

PO. Box 5993
Hayward, California 94540-5993
2373 Lincoln Avenue
Hayward, California 94545-1117
Phone: (510) 780-9040
FAX: (510) 782-7560

July 25, 2001

County of San Mateo
Director of Public Works
555 County Center
Redwood City, CA 94063-1665

RECEIVED
JUL 27 2001
DEPARTMENT OF PUBLIC WORKS
COUNTY OF SAN MATEO

Attn: Walt Calahan / Bob Frame

Ref: El Camino Box Culvert Installation in the of Colma and Daly City

Subject: Resonse to Miller/Thompson Constructors, Inc. Bid Protest

Ladies and Gentlemen:

Homer J. Olsen, Inc. (HJO) has received a copy of the bid protest (letter dated 7/23/01 to San Mateo County) made by Miller/Thompson Constructors, Inc. (MTC) on the referenced project which bid on July 17, 2001. This letter is a response for the record to issues raised in the MTC protest letter (copy attached).

Concern about sales tax in HJO's bid

HJO and its subcontractors and suppliers are all subject to State Law regarding payment of sales tax and certainly expect to properly abide by the law. It would appear to HJO that MTC's concern about whether HJO will be paying sales tax is inappropriate speculation and entirely unfounded as a basis for protest of our bid. We would expect that the County would share HJO's thinking regarding this point of protest and ignore it.

Concern about proper contractor's license for the project

MTC, quoting the County's licensing requirements for Contractors bidding to the County on this project, "The contractor shall possess either a Class A License or a combination of Class C Licenses which are applicable for the majority of the work at the time this contract is awarded", and states that they do not believe that our subcontractor, Mid-State Precast, L.P. meets this requirement. MTC has mistakenly applied the project licensing requirements for the Contractor to the Contractor's subcontractors. HJO is the prospective Contractor party and HJO does in fact have the requisite Class A contractors license and does fully meet the bidding criteria with regard to licensing.

San Mateo County

July 25, 2001

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MTC has taken represented excerpts from the State Contractor Licensing Laws and trys to present an argument that there exists in HJO's bid some conflict with State Law which renders HJO's bid non responsive. The State Contractors Licensing laws are written to protect the first party in a contract to perform work (the procuring/owner party) from the second party (the contracting/contractor party). Nowhere in the State Law is there a referenced concern about the contractual relationship between prime contractor and subcontractor other than setting out the potential reproussions of contracting without having a contractors license. Only where the prime contractor's license is not sufficient under the law to cover all of the work included in a bid to an owner should there by a concern by the Owner as to whether the listed subcontractor has the proper license to perform that portion of the work that the prime contractor's license(s) does not cover.

HJO is the contractor party in this bid and HJO has the proper license (Class A) to perform *all* of the work on the project. The County is not contracting with any of our subcontractors and in fact in the County's Standard Specifications Article 8-1.01 make it clear that the County does not recognize any subcontractor as such. The County should ignore this point of protest as not well founded.

Qualifications of bidding contractor (HJO)

HJO has over a 35 year history of constructing complicated heavy engineering public works projects and, as the County knows, HJO recently very successfully completed the Colma Box Culvert project on Mission Road which the referenced project will connect to. On that project precast concrete box components were used and placed using the same installation scheme that HJO anticipates being used on this new project. Our project management team will be fully knowledgeable of the type of work to be performed by its own forces and all of the subcontractor forces that would be employed to complete the project.

If the County has any specific concerns which we have not addressed in this letter or which it would like additional information on we welcome the inquiry and we will do all we can to provide the information needed.

Very truly yours,



Ronald M. Llewellyn
Vice President, Operations

enclosure

MILLER/THOMPSON CONSTRUCTORS, INC.

✓ FOR
WJC WC
BF RF

RICHMOND OFFICE
101 Parr Boulevard
Richmond, CA 94801-1117

Ph. (510) 215-5200 • Fax (510) 215-0515

RECEIVED
IN THE OFFICE OF

JUL 24 2001

CLERK OF THE
BOARD OF SUPERVISORS

SAN FRANCISCO OFFICE
Pier 54 Terry Francois Blvd.
San Francisco, CA 94107-2120

Ph.(415) 977-1435 • Fax (415) 905-8391

23 July 2001

County of San Mateo
Board of Supervisors
555 County Center
Redwood City, CA 94063-1665

RECEIVED

VIA FACSIMILE 650-363-1916
VIA GOLDEN STATE OVERNIGHT

JUL 25 2001

DEPARTMENT OF PUBLIC WORKS
COUNTY OF SAN MATEO

ALL SUPS REF

Attention: John L. Maltbie, County Manager/Clerk of the Board of Supervisors
Reference: El Camino Box Culvert Installation in the Town of Colma and Daly City
Subject: Protest of Bid Submitted by Homer J. Olsen, Inc. on 17 July 2001

+ JLM
Neil Co
Tom C

Gentlemen:

Miller/Thompson protests the bid submitted by the apparent low bidder for the above-referenced project that bid on Tuesday, 17 July 2001 on the grounds that the apparent low bidder listed an unqualified "subcontractor" in what appears to be an attempt to avoid paying approximately \$250,000 worth of sales tax.

The apparent low bidder, Homer J. Olsen, Inc. ("Olsen"), listed a supplier (Mid-State Precast LP) as a subcontractor. The motivation for this appears to be to avoid applying sales tax for the \$3,155,000 worth of precast box culvert to be installed for this project. The sales tax for the purchase of the precast material amounts to \$252,400. The bid by Miller/Thompson Constructors included the sales tax for the materials and was only \$170,225 more than that of Olsen. Had Olsen added the sales tax to their bid as required for this material supplier, Miller/Thompson would be the low bidder.

Attached please find a copy of Mid-State Precast's quote for the precast box culvert. On Page 1 of the quote please note the highlighted area that indicates "Taxes: Included for Work as a Subcontractor". Also please note the Terms and Conditions in the area above the "Taxes" line where it is stated "Buyer shall make payment in full without retention, within 30 days from date of seller's invoice. Buyer agrees to pay for material manufactured and in hand at seller's plant". This language is clearly written to portray Mid-State as a supplier.

The issue at hand is whether Mid-State is a qualified subcontractor to perform this work. The bid documents ("Notice to Contractors", page 7) state that "The contractor shall possess either a Class A License or a combination of Class C Licenses which are applicable for the majority of the work at the time the contract is awarded." Please see page 2, Line "4." of Mid-State's quote. Mid-State possesses neither of the required licenses to perform the work. In the absence of the required General Engineering "A" license, if Mid-State possessed a C-34 license for Pipeline Contractors (a description of which is attached), their tax-free proposal would most likely be valid.

Mid-State possesses a General Building Contractor's License, B-781838. Division 3, Chapter 9, Article 4 of the Business and Professions Code of the State of California (copy enclosed) provides the rules of classifications for contracting businesses in the "A", "B", and "C" categories. Paragraph 7057 (b) identifies the types of contracts that general building ("B") contractors are allowed to legally engage in. It states "A general building contractor shall not take a subcontract involving trades other than framing or carpentry, unless the subcontract requires at least two unrelated trades or crafts other than framing or carpentry, or unless the general building contractor holds the required specialty license." Mid-State does not possess the required specialty license, and the analysis of whether their proposed "subcontract" requires at least two unrelated crafts other than framing or carpentry is below.

Line 4 of Mid-State's Terms and Conditions continues to state that "MSP provides a site supervisor, for approximately 2 months (base bid) or for approximately 6 months for the extended bid, for supervision and assistance in erecting precast units." If Mid-State were truly intending to act as a subcontractor, would not there have been a price differential for the time onsite beyond the first two months? Line 5 states, among other things, that Mid-State excludes all "hoisting, placing, bracing... grouting... shoring". Please again refer to the description of a pipeline contractor as stated in the description of the C-34 license: "A pipeline contractor fabricates and installs pipelines for the conveyance of fluids... and the trenching, boring, shoring, backfilling, compacting, paving, and surfacing necessary to complete the installation of such pipelines." Aside from the fact that Mid-State does not hold a C-34 license that would qualify them to perform the work involved with installing the box culvert, it is very clear from the terms and conditions in their proposal that Mid-State has no intention of performing the work items (excavation, shoring, hoisting, placing, backfilling, and compacting) that are integral to the performance of a contractor that is actually performing this work. They appear to be willing only to fabricate and deliver the precast units, and provide "supervision" (even though they are not licensed to perform this work). They intend to provide no craftsmen on the site, therefore under the Business and Professions Code they cannot use their "B" license to qualify them to perform the work of installing the precast units that they have produced offsite.

The prospect of this unqualified, unlicensed "subcontractor" supervising the prime contractor in the installation of this culvert should make the County question the legitimacy of Mid-State's intent. Homer J. Olsen, Inc. is a highly qualified contractor that has built many jobs of this nature and could no doubt build this project to the highest standards - will they truly rely on an unqualified unlicensed subcontractor to "supervise"?

Miller/Thompson is not in the habit of filing bid protests and we are always willing to accept finishing second if we have been beaten "fair and square". In this instance, however, it appears that the rules of "fair and square" have not been applied. We are also aware that if the County acts as we request and awards this project to Miller/Thompson it will cost the County an additional \$170,225, although the County would recoup its share of the sales tax on the culvert pieces that Miller/Thompson has included in its bid. With apologies to our friends at Homer J. Olsen, Inc., we request that the County award this contract to Miller/Thompson Constructors. In the absence of an award to Miller/Thompson, we trust that the County will pursue the collection of sales tax on what is an obvious ploy to avoid paying sales tax.

Very truly yours,
Miller/Thompson Constructors, Inc.



Walt Schwartz
Vice President/Corporate Secretary

attachments

cc: Homer J. Olsen, Inc.

PROPOSAL

ESTIMATING DEPT.

Date: 07/17/01 Page: 1 of 2

Project Title: EL CAMINO BOX CULVERT

Owner or Agency: COUNTY OF SAN MATEO

Location: COLMA AND DALY CITY, CA

otation No. 01-004 Specification No. STPL-5935(015) Bid Date: 7/17/01

WE PROPOSE TO FURNISH ALL THE MATERIALS AND/OR SERVICES AS LISTED BELOW; FOR THE ABOVE NAMED PROJECT. THE FOLLOWING PRICES AND SUBJECT TO THE TERMS AND CONDITIONS STATED. ALL QUANTITIES ARE APPROXIMATELY AND ARE SHOWN FOR THE PURPOSE OF ESTABLISHING UNIT PRICES. THEY ARE NOT TO BE CONSIDERED AS A GUARANTEED BILL-OF-MATERIALS

ITEM NUMBER	APPROXIMATE QUANTITY	UNIT	SIZE	DESCRIPTION	UNIT PRICE	TOTAL PRICE
(S)	387.1	LF	2.4 x 1.5	PRECAST BOX CULVERT	\$294	\$114,000
(S)	223.1	LF	3.7 x 1.5	PRECAST BOX CULVERT	\$592	\$132,000
(S)	721.8	LF	3.7 x 1.8	PRECAST BOX CULVERT	\$623	\$450,000
(S)	403.5	LF	3.7 X 2.1	PRECAST BOX CULVERT	\$654	\$264,000
(S) 18	101	LF	3.7 X 2.1	PRECAST BY-PASS BOX CULVERT	\$654	\$66,100
SUBTOTAL	1,837	LF		SUBTOTAL BASE BID	\$559	\$1,026,100
(F)	4,657.8	LF	VARIES	PRECAST BOX CULVERT CONVERTED FROM C.I.P. INCLUDES TRANSITION PIECES	\$457	\$2,128,900
TOTAL	6,494	LF		TOTAL	\$486	\$3,155,000

THE TERMS & CONDITIONS OF THIS PROPOSAL ARE TO BECOME A PART OF ANY CONTRACT RESULTING FROM THIS PROPOSAL. BUYER SHALL MAKE PAYMENT IN FULL WITHOUT RETENTION, WITHIN 30 DAYS FROM DATE OF SELLER'S INVOICE. BUYER AGREES TO PAY FOR MATERIAL MANUFACTURED AND ON HAND AT SELLER'S PLANT.

JOBSITE: JOBSITE THIS PROPOSAL INCLUDES AND IS MADE SUBJECT TO THE ATTACHED GENERAL TERMS & CONDITIONS
TERMS: AS STATED ABOVE Submitted By:
DELIVERY/SHIPMENT: AS MUTUALLY AGREED
EXES: INCLUDED FOR WORK AS A SUBCONTRACTOR Jerry Luczency

IF YOU DESIRE TO ENTER INTO A CONTRACT WITH US ON THE BASIS SET FORTH ABOVE ATTACHED HERETO, PLEASE INDICATE BY SIGNING AND RETURNING TO US, WITHIN 30 DAYS FROM THE DATE HEREOF, THE ORIGINAL AND ONE COPY OF THIS PROPOSAL WHICH SHALL BECOME A CONTRACT UPON, BUT NOT BEFORE, ACCEPTANCE BY OUR FIRM. UPON SUCH ACCEPTANCE, A DULY EXECUTED COUNTERPART WILL BE RETURNED TO YOU.

ACCEPTED **ACCEPTED**
 Buyer: Seller:
 Date: By:
 Date: Date:



Mid-State Precast, L.P.

Mid-State Precast, Inc., General Partner

Ref: EL CAMINO BOX CULVERT

Page: 2 of 2
Bid Date: July 17, 2001

Terms and Conditions of Proposal:

1. Price is based on mutually agreeable terms and conditions in your subcontract .
2. Schedule as mutually agreed, based on Contract Document schedule.
3. Quantities and details are based on Contract Specifications and Drawings for Federal Aid Project No. STPL-5935(015) (Project A) and (Project B) including Addendum 1 & 2.
4. Price is based on performing work as a Subcontractor (License No. 781838, Class B, Exp. 7/31/02) wherein MSP provides a site supervisor, for approximately 2 months (base bid) or for approximately 6 months for the extended bid, for supervision and assistance in erecting precast units.
5. Mid-State Precast excludes:
 - a) hoisting, placing, bracing, welding, grouting, and traffic control
 - b) furnishing or installing any expansion materials, external sealing band, polystyrene, shoring, grouting, caulking, epoxy, galvanizing, dry packing, or any other site erection material
 - c) any miscellaneous items or materials that are not cast into the Precast Units
 - d) testing and inspection
 - e) California sales tax is not included for a material supply contract only
6. Access: General Contractor shall provide free, firm, level, all weather access for delivery trucks at jobsite.
7. Transport: price is based on transporting Precast Units Monday thru Friday , excluding weekends and holidays, weather permitting.
8. Escalation : add 5 % to the price of products cast after one year from bid date
9. Price is based on Mid-State Precast, Inc. not participating in consequential, or actual damages to Owner/General Contractor.
10. Payment: Buyer agrees to make payment within 30 days from the date of Seller's invoice. Buyer agrees to pay for material manufactured and on hand at Mid-State Precast's plant.

Division 3, Chapter 9. Contractors, Article 4. Classifications

7055. For the purpose of classification, the contracting business includes any or all of the following branches:

(a) General engineering contracting.

(b) General building contracting.

(c) Specialty contracting.

General Engineering Contractor

7056. A general engineering contractor is a contractor whose principal contracting business is in connection with fixed works requiring specialized engineering knowledge and skill, including the following divisions or subjects: irrigation, drainage, power, water supply, flood control, inland waterways, harbors, docks and wharves, shipyards and ports, dams and hydroelectric projects, levees, river control and reclamation works, railroads, highways, streets and roads, tunnels, airports and airways, and sewage disposal plants and systems, waste reduction plants, bridges, overpasses, underpasses and other similar structures, pipelines and other systems for the transmission of petroleum and other liquid or gaseous substances, parks, playgrounds and other recreational works, refineries, chemical plants and similar industrial plants requiring specialized engineering knowledge and skill, powerhouses, power plants and other utility plants and installations, mines and metallurgical plants, land leveling and earthmoving projects, excavating, grading, trenching, paving and surfacing work and cement and concrete works in connection with the above mentioned fixed works.

General Building Contractor

7057. (a) Except as provided in this section, a general building contractor is a contractor whose principal contracting business is in connection with any structure built, being built, or to be built, for the support, shelter, and enclosure of persons, animals, or movable property of any kind, requiring in its construction the use of at least two unrelated building trades or crafts, or to superintend the whole or any part thereof.

This does not include anyone who merely furnishes materials or supplies under Section 7045 without fabricating them or consuming them in the performance of the work of the general building contractor.

(b) A general building contractor may take a prime contract or a subcontract for a framing or carpentry project. However, a general building contractor shall not take a prime contract for any project involving trades other than framing or carpentry unless the contract requires at least two unrelated building trades or crafts other than framing or carpentry, or unless the general building contractor holds the appropriate specialty license or subcontracts with an appropriately licensed specialty contractor to perform the work. A general building contractor shall not take a subcontract involving trades other than framing or carpentry, unless the subcontract requires at least two unrelated trades or crafts other than framing or carpentry, or unless the general building contractor holds the required specialty license. The general building contractor may not count framing or carpentry in calculating the two unrelated trades necessary in order for the general building contractor to be able to take a prime contract or subcontract for a project involving other trades.

(c) No general building contractor shall contract for any project that includes the "C-16" Fire Protection classification as provided for in Section 7026.12 or the "C-57" Well Drilling classification as provided for in Section 13750.5 of the Water Code, unless the general building contractor holds the specialty license, or subcontracts with the appropriately licensed specialty contractor.

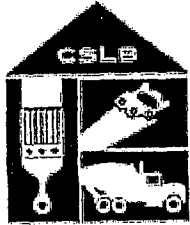
(Amended by Stats. 1997, Chapter 812 (SB 857).)

Specialty Contractor

7058. (a) A specialty contractor is a contractor whose operations as such are the performance of construction work requiring special skill and whose principal contracting business involves the use of specialized building trades or crafts.

(b) A specialty contractor includes a contractor whose operations include the business of servicing or testing fire extinguishing systems.

(c) A specialty contractor includes a contractor whose operations are concerned with the installation and laying of carpeting, linoleum, and resilient floor covering.



License Classifications

California Code of Regulations Division 8, Title 16, Article 3. Classification

C34 – Pipeline Contractor

A pipeline contractor fabricates and installs pipelines for the conveyance of fluids, such as water, gas, or petroleum, or for the containment or protection of any other material, including the application of protective coatings or systems and the trenching, boring, shoring, backfilling, compacting, paving and surfacing necessary to complete the installation of such pipelines.

Authority cited: Sections 7008 and 7059, Reference: Sections 7058 and 7059 (Business and Professions Code)

CALIFORNIA CONTRACTORS STATE LICENSE BOARD



Article 4. Classifications

A. General Engineering Contractor

B. General Building Contractor

C. Specialty Contractor

C-2 Insulation and Acoustical Contractor

C-4 Boiler, Hot Water Heating and Steam Fitting Contractor

C-5 Carpentry, Cabinet and Mill Work Contractor

C-6 Cabinet and Mill Work Contractors (No longer being issued.)

C-7 Low Voltage Systems Contractor

C-8 Concrete Contractor

C-9 Drywall Contractor

C10 Electrical Contractor

C11 Elevator Contractor

C12 Earthwork and Paving Contractors

C13 Fencing Contractor

C14 Metal Roofing Contractor (No longer being issued.)

C15 Flooring and Floor Covering Contractors

C16 Fire Protection Contractor

C17 Glazing Contractor

C20 Warm-Air Heating



Resolution No. _____

Board of Supervisors, County of San Mateo, State of California

**Resolution Awarding and Authorizing Execution of a Contract
for the El Camino Box Culvert Project**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, this Board of Supervisors did, on June 5, 2001 adopt Resolution No. 64510, which resolution adopted the Plans and approved the Specifications, determined the prevailing wage scales and called for sealed proposals for the El Camino Box Culvert Project; and

WHEREAS, the Clerk of this Board of Supervisors did, in public on July 17, 2001, open and examine all sealed proposals that were received in the specified time for the doing of the work referred to in said Resolution No. 64510; and

WHEREAS, this Board of Supervisors has caused an analysis of said sealed proposals to be made by the Director of Public Works of the County of San Mateo, and has, in open session, fully reviewed and considered said proposals and the analysis thereof; and

WHEREAS, the lowest responsible bid was submitted by **Homer J. Olsen, Inc.**, in the amount of **Nine Million Seven Hundred Forty-Four Thousand Nine Hundred Fifty-Five and 00/100 Dollars (\$9,744,955.00)** based on an estimate of the amount of work to be done:

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED as follows:

1. That it is to the best interest of the County of San Mateo to award the contract for the El Camino Box Culvert Project to:

**Homer J. Olsen, Inc.
2372 Lincoln Avenue
Hayward, CA 94545-1117**

2. That the County of San Mateo shall enter into a written contract with **Homer J. Olsen, Inc.** for the doing of said work as required by the Plans and Specifications therefore adopted and approved by this Board of Supervisors, as hereinbefore mentioned, said Plans and Specifications being on file in the office of the Director of Public Works of the County of San Mateo.

3. That the President of this Board of Supervisors shall be, and is hereby, authorized and directed, for and on behalf of the County of San Mateo, to enter into said written contract with **Homer J. Olsen, Inc.** for the doing of said work, as hereinbefore mentioned and County Counsel is authorized to receive and approve the Faithful Performance Surety Bond and the Labor and Material Surety Bond required to be posted by the said Contractor, with the County of San Mateo in connection therewith.

4. That all payments to the Contractor be in accordance with the Plans, Specifications, and other contract documents, based on the Director of Public Works' written estimates of work actually done.

5. That, Paragraph 4 above notwithstanding, aggregate payments to Contractor shall not exceed the sum of **Ten Million Five Hundred Thousand and 00/100 Dollars (\$10,500,000.00)** without this Board's approval.

6. That the Clerk of the Board of Supervisors, County of San Mateo, shall be, and is hereby, authorized and directed to attest the signature of the President of this Board of Supervisors to said written contract.

* * * * *