



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 1/26/2021

Agenda Placement: 7A

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors

**FROM:** Steven Lederer - Director of Public Works  
Public Works

**REPORT BY:** John Vicencio, Associate Engineer - 259-8369

**SUBJECT:** South Campus Bldgs 1A & 3 Reroofing Project, PW 20-13, 2731, 2747 Napa Valley Corporate Drive- Approval of Budget Transfer

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### **RECOMMENDATION**

Director of Public Works requests the following:

1. Approval and authorization for the Chair to sign Amendment No. 1 to Professional Services Agreement No. 200160B with TLCD Architecture increasing the amount by \$144,980 for a new maximum amount of \$408,020 to provide continued construction support and management for the South Campus Bldgs 1A & 3 Reroofing Project, PW 20-13, 2731, 2747 Napa Valley Corporate Drive; and
2. Approval of Budget Transfer No. DPW 036 for the following (4/5 vote required):
  - a. Increase appropriations by \$308,546 in the Accumulated Capital Outlay Fund (ACO) (Fund 3000, Subdivision 300000) with the use of its available fund balance to be transferred to South Campus Bldg. A, 1A & 3 Reroof Project (Fund 3000, Subdivision 3000504, Program 20023; and
  - b. Increase appropriations by \$308,546 in Program 20023 budget offset by an increase in revenue from the transfer from the ACO.

### **EXECUTIVE SUMMARY**

In October 2019, the Board of Supervisors (Board) awarded a professional service agreement for \$263,040 to TLCD Architecture for architectural, engineering, and associated services to evaluate, provide recommendations for reroofing South Campus buildings 1A and 3 located at 2747 and 2731 Napa Valley Corporate Drive and provide construction support. In July 2020, the Board awarded a contract for construction to Best Contracting Services, Inc. for \$1,622,766 for the installation of new roof systems on buildings 1A and 3.

At the time of contract award, a 10% construction contingency of \$162,277 was requested and approved to fund potential unforeseen costs that can arise during a construction project. A ten percent construction contingency

is typical for this size project, however since construction began in August 2020, there have been an atypical amount of unanticipated repairs and design modifications needed due to unforeseen conditions mainly related to dry rot and needed structural repairs as the roof members and curbs were exposed. The additional work needed, including extra work days, to address these unforeseen conditions has added expense that exceeds the approved budgeted contingency.

In addition, the County has experienced quality control issues by the contractor including, but not limited to: improper materials storage, improper installation of materials, lack of sufficient daily weatherproofing, etc. that have caused the need for additional construction oversight and materials testing and the need for additional working days for the contractor to rework all areas where improper materials or methods were noted and to address leaks and repairs due to lack of sufficient daily weatherproofing. Supplemental funds are needed to cover the additional construction oversight necessary to ensure the contractor installs the roofing systems in accordance with the manufacturer's requirements to obtain the contract required 20 year no dollar limit warranty. As a result of the contractor's quality control issues the project is beyond the contractual end date and Public Works has begun assessing liquidated damages to the contractor as of December 26, 2020.

Therefore, Public Works staff is proposing approval of a budget transfer of \$308,546 from the Accumulated Capital Outlay Fund in order to complete the South Campus Buildings 1A and 3 Reroofing Project. Staff also recommends approval of Amendment No. 1 to Professional Services Agreement No. 200160B with TLCD Architecture increasing the amount by \$144,980 for a new maximum amount \$408,020 in order to provide the much needed ongoing construction support to the extended project completion date of February 1, 2021.

### **FISCAL & STRATEGIC PLAN IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Accumulated Capital Outlay Fund (ACO) (Fund 3000, Subdivision 300000)
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Due to a combination of unknown conditions and contractor quality control issues the South Campus Buildings 1A and 3 Reroofing project require additional repairs and construction management and oversight to properly install the new roofing systems.
Is the general fund affected?	No
Future fiscal impact:	The roof construction is anticipated to to be completed in February 2021.
Consequences if not approved:	If additional repairs due to unforeseen conditions are not performed, installation of the new roofing system could be compromised likely jeopardizing the 20 year no dollar limit manufacturer's warranty on the roofing systems.
County Strategic Plan pillar addressed:	This agenda item supports the goals and actions identified in Napa County's Strategic Plan to foster an Effective and Open Government. The item implements action item 15F to plan for infrastructure maintenance (facility, equipment, and technology) growth, and modernization to support County services.

Additional Information:

### **ENVIRONMENTAL IMPACT**

**Consideration and possible adoption of a Categorical Exemption Class 1:** It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. [See Class 1 ("Existing Facilities") which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15301; see also Napa County's Local Procedures for Implementing the California Environmental Quality Act, Appendix B.]

### **BACKGROUND AND DISCUSSION**

In October 2019, the Board of Supervisors (Board) awarded a professional service agreement for \$263,040 to TLCD Architecture for architectural, engineering, and associated services to evaluate, provide recommendations for reroofing South Campus buildings 1A and 3 located at 2747 and 2731 Napa Valley Corporate Drive and provide construction support. In July 2020, the Board awarded a contract for construction to Best Contracting Services, Inc. for \$1,622,766 for the installation of new roof systems on buildings 1A and 3.

At the time of contract award, a ten percent construction contingency of \$162,277 was requested for and approved to fund unforeseen costs that can arise during the construction project. A ten percent construction contingency is typical for this size project, however since construction began in August 2020, there have been an atypical amount of unanticipated repairs and design modifications needed due to unforeseen conditions mainly related to dry rot and needed structural repairs as the roof members and skylight/equipment curbs were exposed. The additional work needed to address these unforeseen conditions has added expense that exceeds the ten percent budgeted contingency as well as additional working days needed for the contractor to address these unforeseen conditions. Additionally, the County has experienced quality control issues by the contractor including, but not limited to: improper materials storage, improper installation of materials, lack of sufficient daily weatherproofing, etc. that have caused the need for additional construction oversight and materials testing and the need for additional working days for the contractor to rework all areas where improper materials or methods were noted and to address leaks and repairs due to lack of sufficient daily weatherproofing. Supplemental funds are needed to cover the additional construction oversight necessary to ensure the contractor installs the roofing systems in accordance with the manufacturer's requirements to obtain the contract required 20 year no dollar limit warranty. As a result of the contractor's quality control issues, the project is beyond the contractual end date and Public Works has formally notified the contractor that they are accruing liquidated damages as of December 26, 2020.

Allana Buick & Bers, Inc (ABBAE). is a subconsultant of TLCD Architecture and has been performing the construction support, materials testing, oversight, and management function for the County of Napa on this project. ABBAE specializes in roofing and waterproofing systems and has done an invaluable job monitoring the contractor and noting deficiencies in material storage, plan and installation conformance, testing materials for meeting specifications, etc. to ensure the 20 year no dollar limit manufacturer's warranty does not get jeopardized. Originally the County had anticipated the need for ABBAE approximately 2-3 days a week, but when the quality control issues began with the contractor and continued to occur despite efforts to remediate, the County deemed it necessary to have every day oversight by ABBAE over the contractor's work to ensure the roof system warranty wasn't jeopardized and that the County was getting a quality roofing system at the end of the project. Due to the extended time of the project due to unforeseen conditions and the contractor quality control issues the County is requesting the Amendment No. 1 to the professional services agreement with TLCD Architecture in order to provide the much needed ongoing construction support and oversight to the extended project completion date of February 1, 2021.

While these additional funds are needed now to complete the project and secure the twenty year manufacturer's warranty, staff anticipates that project cost reductions will be experienced upon finalizing the details and the amount of assessed liquidated damages mentioned above. Additionally, the overall construction contract will be further reduced at project closeout due to an approved allowance that was included in the construction contract not being utilized and therefore subtracted from the contract amount. All funds remaining after project closeout will be returned to the Accumulated Capital Outlay Fund.

Public Works Staff is proposing approval of a budget transfer of \$308,546 from the Accumulated Capital Outlay Fund in order to complete the South Campus Buildings 1A and 3 Reroofing Project (program 20023). Staff also recommends approval of Amendment No. 1 to Professional Services Agreement No. 200160B with TLCD Architecture increasing the amount by \$144,980 for a new maximum amount \$408,020 in order to provide the much needed ongoing construction support and oversight to the extended project completion of February 1, 2021.

### **SUPPORTING DOCUMENTS**

A . South Campus Budget Sheet

CEO Recommendation: Approve

Reviewed By: Susan Kuss