



Agenda Date: 12/5/2006
Agenda Placement: 6I

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Michael Stoltz for Robert Peterson - Director
Public Works
REPORT BY: Gladys Coil, Staff Services Analyst II, 259-8603
SUBJECT: Lease with GE Capital Modular at 2261 Elm Street, Napa, CA

RECOMMENDATION

Director of Public Works requests approval of the following actions:

1. Authorization for the Chair to sign a Lease Agreement with GE Modular Space for a maximum of \$65,358 for the term December 5, 2006 through June 30, 2007 for two modular units located at 2261 Elm Street to provide office space for Health and Human Services; and
2. Approval of Budget Transfer No. 28 transferring \$50,688 from Appropriations for Contingencies to the Public Works budget for setup, breakdown and modifications costs for the modular units described above. (4/5 vote required)

EXECUTIVE SUMMARY

In order to accommodate additional staff, Health and Human Services Agency (HHSA) is requesting to lease two modular units from GE Modular Space. The lease per month for both trailers is \$1,945 plus tax. The setup, breakdown and modifications costs total \$50,688 for the life of the lease.

The need for additional office space is being created by the increase in staff due to the implementation of the Mental Health Services Act. HHSA is also responding to space pressures in other buildings and anticipated growth.

Public Works is coordinating contractors to prepare the site with aggregate base, electric power, and sewer and water connections. Napa County Communications will provide the needed communication equipment and setup.

FISCAL IMPACT

Is there a Fiscal Impact? Yes

Is it currently budgeted?	No
What is the revenue source?	Lease costs will be funded by Mental Health Services Act revenues and salary savings in the HHSA budget. Setup, breakdown and modifications costs will be funded through County Contingencies.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Existing space is insufficient to house all HHSA staff.
Is the general fund affected?	Yes
Future fiscal impact:	HHSA anticipates using the trailers to house staff and that this will be an ongoing cost. Future renewal of the lease and appropriations will be budgeted on an annual basis.
Consequences if not approved:	HHSA will have to locate alternate space to house staff at a greater cost. HHSA conducted an analysis of the cost of leasing trailers versus office space and concluded that leasing additional trailers is the most economical option.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

In its current configuration HHSA has approximately 100,000 square feet of office and common space, and approximately 6,000 square feet of leased space. Based upon the Ross Drulis Facility Master Plan, HHSA is still lacking approximately 22,000 square feet of common and office space to meet current staffing levels. That shortfall manifests itself in the overcrowding of existing staff in certain program buildings and a lack of space for new staff.

The implementation of Proposition 63, the Mental Health Services Act (MHSA) has created the need for additional staff at HHSA. In response, HHSA recently completed a series of moves and reconfigurations to make maximum use of the space available in the two trailers originally secured for post-flood Federal Emergency Management Agency operations. Even with those moves and reconfigurations, HHSA does not have enough office space to meet the requirements of the MHSA plan. In order to provide this additional space in a timely fashion, and because of the successful working relationship with GE Modular Space, a request was made to provide an estimate for the lease of two additional trailer units to house additional staff related to the implementation of legislative and service priorities in several program areas. GE responded with a draft lease agreement which included monthly lease payments and associated modifications.

One of the two trailers proposed will provide office space for the Full Service Partnership Child and Family Behavioral Health staff members. This program is part of the MHSA plan. The second trailer will be used to relieve overcrowding in the most severely impacted program buildings such as the Public Health offices in Building G and/or the Child Welfare Services offices in Building H.

Fifty percent of the lease costs of the trailers will be funded by MHSA. The remaining lease costs will initially be funded by salary savings in the HHSA budget. Once HHSA has completed its space planning process, HHSA may

make adjustments in the funding source depending on the specific employees who are housed in the second trailer.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Andrew Carey