



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 8/29/2017

Agenda Placement: 6X

NAPA COUNTY BOARD OF SUPERVISORS

Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Public Works

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

SUBJECT: Napa County Courthouse Earthquake Repair Project, PW 15-09 Award of Contract for Construction

RECOMMENDATION

Director of Public Works requests the following regarding the Napa County Historic Courthouse Earthquake Repair Project, "PW 15-09":

1. Approval of Budget Transfer No. DPW014 for the following (4/5 vote required):
 - a. Increase appropriation in the General Expenditures budget by \$700,000 offset by decrease in General Fund Appropriations for Contingencies;
 - b. Increase appropriation in the Capital Improvement Program Budget (Program Q0630) appropriating \$15,811,469 (which includes a \$2,911,620 contingency) with offsetting revenues from the transfer of remaining insurance advancement (General Fund Transfer), additional new insurance proceeds, and from transfer from General Fund General Expenditures of \$700,000 for County staff time and potential construction change order costs not eligible for insurance reimbursement; and
 - c. Authorize the County Executive Officer to use up to \$500,000 of the General Fund General Expenditure transfer (outlined in 1b) for the potential construction change order costs not eligible for insurance reimbursement.
2. Award the contract for the "Napa County Courthouse Earthquake Repair Project," PW 15-09, to Alten Construction, Inc. of Richmond, California, for their low base bid of \$11,646,478 and authorization for the Chair to sign the construction contract.

EXECUTIVE SUMMARY

The Historic Courthouse suffered significant damage during the August, 2014 South Napa Earthquake. The County contracted with a consulting team led by AECOM Technology Corporation (formerly URS Corporation) for professional services to assess the damage, design the repairs, and supervise construction of those repairs.

On June 20, 2017 the Board of Supervisors approved plans and specifications for the Napa County Courthouse Earthquake Repair Project, PW 15-09, and authorized Public Works to advertise the project. Bids were opened on August 17, 2017 with apparent low bidder being Alten Construction, Inc. of Richmond, California for their low base bid of \$11,646,478. Alten Construction Inc. is not local vendor.

Staff anticipates that all cost related to this project, except approximately \$200,000 in County staff costs, will be paid for by insurance proceeds.

FISCAL IMPACT

Is there a Fiscal Impact? Yes

Is it currently budgeted? No

What is the revenue source? Insurance proceeds is expected to pay for the construction cost of \$11,646,478, consulting cost of \$248,371, architect service of \$805,000. There is an additional \$2,911,620 of construction contingency and change orders. Those will need to be approved by the insurance company as they occur to be eligible for reimbursement.

County staff time of \$200,000 is not eligible for insurance reimbursement and therefore will be paid for by the County General Fund. An additional \$500,000 is requested to be transferred from the General Fund in case any of the cost of the construction contingency and change orders are not reimbursed by the insurance. The likelihood of using these funds is low but there may be instances where it would be more cost effective to make a repair while construction is occurring then bringing back a separate (more costly) new project. These changes orders will be approved by the Director of Public Works and CEO before being completed.

Is it Mandatory or Discretionary? Discretionary

Discretionary Justification: Construction services are required to implement repairs to the Historic Courthouse and return the building to full service.

Is the general fund affected? Yes

Future fiscal impact: Construction of the repairs is anticipated to be completed during the summer of 2018.

Consequences if not approved: If the project does not move forward, recovery and relocation efforts will be delayed, potentially resulting in higher costs to the County under the provisions of its agreement with the courts.

Additional Information: The County has earthquake insurance for this structure and it is anticipated that 100% of the construction costs will be covered by the current policy, less the deductible, and any possible non-earthquake related damage. Staff has previously negotiated with FEMA to pay the policy deductible.

ENVIRONMENTAL IMPACT

Consideration and possible adoption of a Statutory Exemption and Class 31 Categorical Exemption: The project consists of rehabilitation of a historic structure damaged a result of a natural disaster in an area in which a state of emergency has been proclaimed by the Governor pursuant to the California Emergency Services Act. 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 (CEQA). [See Statutory Exemption "Emergency Projects" at 14 CCR §15269(a) and Categorical Class 31 ("Historical Resource Restoration/Rehabilitation") at 14 CCR §15331.]

BACKGROUND AND DISCUSSION

The Historic Courthouse suffered significant damage during the August, 2014 South Napa Earthquake. The structure consists of three sections: the Historic Courthouse is the eastern end, constructed in 1878; the Hall of Records is the western end, constructed in 1916; and the Administrative Addition connected the other two, built in 1977. The County retained ownership of the structure when the courts transitioned to the State, and is obligated under the Joint Operating Agreement to repair it and find suitable space for the courts to operate in the interim.

Minor damage occurred to the Hall of Records and the Administrative Addition, primarily water damage from broken fire sprinkler lines, which was addressed and the Court now occupies those portions of the building. The Historic Courthouse experienced substantial structural damage, as well as water damage similar to the other building areas. It was necessary to obtain professional consultants in structural engineering and historic preservation to undertake the stabilization, evaluation and repair of this structure, due to limited County staff resources to take on a project of this magnitude and specialized expertise.

A Professional Service Agreement with AECOM Technology (formally URS Corporation) was approved by the Board of Supervisors on September 26, 2014 for Phase 1 of the project which included stabilizing and protecting the site while completing a damage assessment of the structure. Phase 1 of the project was completed during the summer of 2016 and the information collected was used to design the necessary repairs. The total contract with AECOM for Phase 1 was \$2,499,726.

A Professional Service Agreement with AECOM Technology for Phase 2 was approved by the Board of Supervisors on August 9, 2016 to develop design documents for the repairs and to provide construction administration services which will include bid/award support, construction management/inspection, contract administration, commissioning, project close-out, and occupancy. The current contract with AECOM for services included in Phase 2 is \$3,344,782.

Construction activities will include, but not be limited to, selective deconstruction of interior un-reinforced masonry (URM) walls, abatement of hazardous materials, in-place structural repairs to interior/exterior walls, repairs and re-commissioning of mechanical, electrical, fire protection systems, and repairs and replacement of interior finishes/fixtures. Once construction is complete office furniture and equipment will be moved back in under a separate contract and the building will be re-occupied.

On June 20, 2017, the Board of Supervisors approved plans and specifications for the "Napa County Courthouse Earthquake Repair Project", PW 15-09, and authorized Public Works to advertise for sealed bids. Bids were opened on August 17, 2017 and when examined in accordance with the procedures set forth in the County's proposal form, it was determined that the apparent low bidder was Alten Construction, Inc. of Richmond, California for their low base bid of \$11,646,478.

The following bids were received:

Contractor	Total Base Bid
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Alten Construction, Inc. Richmond, CA	\$11,646,478
BHM Construction, Inc. Napa, CA	\$12,095,752
Thompson Builders, Inc. Novato, CA	\$12,481,000
Diede Construction, Inc. Woodbridge, CA	\$13,774,000

Alten Construction, Inc. is not a local vendor. Public Contract Code requires that the construction contract be awarded to the lowest responsible and responsive bidder regardless of whether the low bidder is local or not. Staff outreach to the local construction contractor community included advertising the request for bids in the Napa Valley Register, the Solano-Napa Builders Exchange and posting on the County website. Staff also sent a "Notice to Contractors" to local contractors to inform them about this bidding opportunity. Once the construction contract is awarded the County will contact the Napa County Workforce Investment Board (WIB) and will require the successful contractor to contact the WIB to let them know of its hiring needs.

The County has earthquake insurance for this structure and it is anticipated that 100% of the construction costs will be covered by the current policy, less the deductible, and any possible non-earthquake related damage. Staff has previously negotiated with FEMA to pay the policy deductible. Insurance will not pay for County staff time of \$200,000. Staff is requesting that cost be paid for by the County General Fund. An additional \$500,000 is requested to be transferred from the General Fund in case any of the cost of the construction contingency and change orders are not reimbursed by the insurance. The likelihood of using these funds is low but there may be instances where it would be more cost effective to make a repair while construction is occurring then bringing back a separate (more costly) new project. These changes orders will be approved by the Director of Public Works and CEO before being completed.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Bret Prebula