

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # \*B-4

Urgent  Routine

AGENDA DATE January 12, 2010

CEO Concurs with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Approval to Accept Update on Emergency Contract to Repair the 12th Street Office Building in Accordance with Public Contract Code Section 22050

STAFF RECOMMENDATIONS:

Accept the update on the status on the emergency repair to the 12th Street Office Building in Accordance with Public Contract Code Section 2250.

FISCAL IMPACT:

On November 3, 2009, the 12th Street Office Building suffered damage to the interior and exterior sections as a result of a vehicle driving into the building. On November 10, 2009, the Board authorized emergency repairs to be completed at the 12th Street Office Building.

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BOARD ACTION AS FOLLOWS:

No. 2010-010

On motion of Supervisor Monteith, Seconded by Supervisor DeMartini

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

**FISCAL IMPACT (Continued):**

The total project cost was originally estimated not to exceed \$100,000. The estimate provided by ACME Construction, Inc. for repairs was \$52,000 which was based on a time and materials basis. The estimate for the repair was for the common areas of the building and not interior damage, and included 15 percent to cover all profits and administration allowable under Public Contract Code Section 20134. Costs associated with the repairs are being temporarily funded out of existing appropriations in the Chief Executive Office Plant Acquisition budget.

The public area of the building that needs repair is being temporarily funded through the Chief Executive Office Plant Acquisition budget and reimbursed by offsetting revenue once the claim is settled. There is insurance coverage for the building, with a \$10,000 deductible for which all members of the 12<sup>th</sup> Street Condominium Association are responsible to pay their fair share. The responsible party who drove into the building is insured, but has a limit of \$10,000. The County's insurance carrier has agreed to pay the cost of the repairs less the deductible and will work with the Chief Executive Office - Risk Management Division to settle the claim with the responsible party. Additionally, the County's insurance carrier will complete a thorough investigation and complete an asset check before accepting policy limits and releasing the responsible party from liability. Staff has met on site with the Insurance Representative to review the damage and the insurance coverage. A cost reporting system has been established for reporting to the insurance company.

Public Contract Code Section 20134 provides that a contractor who provides equipment and materials on an emergency basis shall be paid the actual cost of the use of machinery and tools and of material, and labor and of workers' compensation insurance expended by him or her in doing the work, plus not more than 15 percent to cover all profits and administration.

The Chief Executive Office Risk Management Division has notified the County's carrier of the loss and has documented the damage to the building. Until the County formally settles a claim for the losses incurred, the project costs will be temporarily funded out of the Chief Executive Office - Plant Acquisition budget out of existing appropriations previously approved by the Board.

**DISCUSSION:**

The 12<sup>th</sup> Street Office Building is owned jointly by Stanislaus County, Stanislaus County Employees Retirement Association (StanCERA), and a private developer, Westland Development Corporation. The facility was completed and opened in 2006. On November 3, 2009, the building suffered damage to the structure of the building, as well as to the interior tenant improvements in leased space as a result of a vehicle driving into the building. The leased space that suffered damage to interior tenant improvements is occupied by Oak Valley Bank.

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A structural engineer conducted an assessment of the damage to the building. The initial findings of the engineer indicated there was no structural damage, but the engineer's report documented concern related to the damage incurred to the brick façade.

While the building is structurally sound, the brick façade posed a public safety risk and was removed. In addition, the roof drain has been temporarily repaired before the next rain storm to prevent water damage in the space.

Portions of the exterior façade of the building along 12<sup>th</sup> Street near I Street including the brick veneer wall, store front window system and the granite bay were destroyed and must be replaced. The light gage steel stud wall framing for the exterior column façade and the interior column furring located in the conference has been dislodged at the base and the overflow drain drop is no longer connected to the piping which drains to the sidewalk. Some utilities were also damaged, such as roof drains and possibility some electrical circuits.

On November 10, 2009, the Board authorized the Chief Executive Office to contract with ACME Construction, Inc. of Modesto, California. Acme Construction of Modesto, California constructed the 12<sup>th</sup> Street Office building as well the bank inside the first floor of the building.

On December 22, 2009, staff reported the contractor ordered aluminum framing and glass for the front of the building. At that time, it was anticipated the framing and new glass would be installed by the first week of January 2010.

Since that time, the aluminum framing and glass for the store of the building has been installed. The storefront system has been installed, and the temporary weather protection and security protection has been removed. The final item remaining is the installation of the granite base. The substrate has been prepared, and the granite has been found and is being cut and polished. The installation of the granite will complete the construction portion of the repair.

Staff has been in regular communication with the insurance company and will prepare the final request for reimbursement of costs associated with repairing the damage to the building.

The total project cost was originally estimated not to exceed \$100,000. The estimate provided by ACME Construction, Inc. for repairs was \$52,000 which was based on a time and materials basis. The estimate for the repair was for the common areas of the building and not interior damage, and included 15 percent to cover all profits and administration allowable under Public Contract Code Section 20134. Costs associated with the repairs are being temporarily funded out of existing appropriations in the Chief Executive Office Plant Acquisition budget.

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Public Contract Code Section 20134 and 22050 authorize the County to repair or replace facilities without adopting plans and specifications and without the necessity of going through the competitive bid process. Typically, it would take over 60-90 days to obtain design documents, and an additional 60 days to competitively bid and award a contract for this type of work.

**POLICY ISSUES:**

Approval of this action will address this unexpected situation and promote efficiency in the administration of the County's operations. Additionally, this action supports the Board's priorities of *A safe community, A healthy community, Effective partnerships, and Efficient delivery of public services.*

**STAFFING IMPACT:**

Existing Chief Executive Office - Capital Projects staff will manage this effort and coordinate with the Tenants of the 12<sup>th</sup> Street Office Building in the procurement of services and to permit the conduct of essential County operations and services.