

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

DEPT: Chief Executive Office

BOARD AGENDA # *B-4

Urgent

Routine

pkx

AGENDA DATE September 9, 2014

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Accept an Update on the Status of the Emergency Repairs at the Gallo Center for the Arts, Inc. in Accordance with Public Contract Code Sections 20134 and 22050 to Repair Water Damage and Restore Essential Operations

STAFF RECOMMENDATIONS:

Accept the seventh update on the emergency repairs at the Gallo Center for the Arts, Inc. in accordance with Public Contract Code Sections 20134 and 22050 to repair water damage and restore essential operations.

FISCAL IMPACT:

The Gallo Center for the Arts is owned by Stanislaus County. The Gallo Center for the Arts Inc. is a nonprofit corporation that is the exclusive Operator of the Center under the Operating Agreement. The final budget for the construction of the Gallo Center for the Arts, Inc. was \$34,889,799. The County's total contribution to the project was \$15 million, which included \$2.5 million in land value from the selected site at 10th and I Streets in downtown Modesto. The CVCA donated funding of \$19,728,799.

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BOARD ACTION AS FOLLOWS:

No. 2014-460

On motion of Supervisor Withrow, Seconded by Supervisor O'Brien

and approved by the following vote,

Ayes: Supervisors: O'Brien, Withrow, Monteith, and Chairman De Martini

Noes: Supervisors: None

Excused or Absent: Supervisors: Chiesa

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST:

Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

File No.

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FISCAL IMPACT: (Continued)

On June 9, 2014, Gallo Center for the Arts staff arrived at the center at approximately 6:30 a.m. and discovered that major flooding had occurred over the weekend. There has been extensive water damage to the ceilings, walls and floors, as well as to equipment and furniture caused by the flooding. The immediate response to the flooding was handled efficiently by Coit Services, Inc. of Modesto, California.

On June 10, 2014, the Board of Supervisors in accordance with Public Contract Code Sections 20134 and 22050, approved the delegation of authority for the Chief Operations Office to serve as the Project Manager for all aspects of Gallo Center Emergency Repair Project; authorized the Project Manager to negotiate and execute an Agreement with Belfor USA Group, Inc., an approved contractor of the County's Insurer, to complete the emergency abatement, demolition and clean-up of the site completely at the expense of the County's Insurer.

The Board of Supervisors also authorized the Project Manager to order any action appropriate to repair the water damage, and to take any directly related and immediate action required by that emergency, and to procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let a contract.

The demolition, abatement and restoration activities have been completed on schedule with minimal interruption of the scheduled performances at the Gallo Center for the Arts.

All expenses incurred as a result of the flood damage are recoverable by the County's and the Gallo Center's insurance after the \$10,000 deductible is met by the County. Project expenses incurred to date have been temporarily funded out of the Chief Executive Office Plant Acquisition budget. The County will authorize the Insurer to pay Belfor USA Group, Inc. directly once the County reviews and approves the final invoice submitted.

DISCUSSION:

The Gallo Center for the Arts is widely recognized as a world class performing arts center. The quality of construction and design of the facility is extraordinary and well regarded by the patrons, the public and the community.

On June 9, 2014 extensive water damage occurred at the Gallo Center for Arts, Inc. Staff is recommending a series of actions to address the damage and to keep the Center operational during construction.

On June 10, 2014, the Board of Supervisors unanimously authorized a series of actions to address the damage and to keep the Center operational during the demolition, restoration and construction.

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The specific Board of Supervisors approved actions were:

1. Approve to declare an Emergency in accordance with Public Contract Code Section 22050 to contract for emergency repairs at the Gallo Center for the Arts, Inc.
2. Approve Staff's recommendation to act in accordance with Public Contract Code Section 20134 and 22050 in order to make the immediate repairs required at the Gallo Center for the Arts, Inc.

By a 4/5 vote, make the following findings:

- a) that the damages occurred at the Gallo Center for the Arts, Inc. as a result of a water leak that occurred in the concession area adjacent to the Mary Stewart Rogers Theater;
 - b) that the repair is necessary to permit the continued conduct of essential County operations or services; and
 - c) that the emergency will not allow for a delay that would result if the project were competitively bid, and that the action to immediately repair the building on an emergency basis is necessary.
3. Acknowledge and ratify the immediate restoration actions already taken to mitigate the flooding that occurred performed by Coit Restoration Services of Modesto, California and Belfor USA Group, Inc. of Modesto, California.
 4. Direct the Chief Operations Officer to serve as Project Manager for all aspects of this construction project.
 5. Authorize the Project Manager to negotiate and execute an Agreement with Belfor USA Group, Inc. to complete the emergency abatement, demolition and clean-up of the site completely at the expense of the County's Insurer, an approved contractor of the County's insurer.
 6. Authorize the Project Manager to order any action appropriate to repair the water damage, and to take any directly related and immediate action required by that emergency, and to procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let a contract.
 7. Require the Chief Executive Office to report to the Board on the status of the emergency project at its next regularly scheduled meeting and every 14 days thereafter, as required by the Public Contract Code until the repairs are completed.
 8. Direct the Chief Executive Officer or his designee to make the claims regarding the Gallo Center for the Arts incident and damages to all applicable insurers.

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9. Acknowledge that time is of the essence, as the Gallo Center for the Arts, Inc. has several major events calendared that require immediate action be taken to mitigate the damage and perform the required repairs, and minimize business interruption to the non-profit operator of the Center.

Phase I Abatement, Demolition and Clean-Up

The County contracted with Belfor USA Group, Inc. to complete Phase I abatement, demolition and clean-up of the site. Phase I activities were completed on June 20, 2014, efficiently and on schedule to ensure performances could resume at the Center with limited interruption. The work was conducted on a 24/7 basis.

Procurement for the Restoration and Construction Phase

The Project Manager contracted with Steven Gaffney Architecture, Inc., the original Architect who designed the Gallo Center for the Arts. Steven Gaffney has extensive knowledge of the facility design, and has assisted the County with defining the scope of the needed repairs. The Project Manager has also contracted with ACME Construction, Inc. of Modesto, California to provide construction management services and oversee the delivery of the project, and Stewart and Stewart Inspection Services of Denair, California for quality control and inspection. The cost for these services has been approved by the County's Insurer and will be reimbursed.

Consistent with the Board of Supervisors authority, the Project Manager contracted with Belfor USA Group, Inc. for the restoration and re-construction of the Center. Belfor hired at the County's request primarily local sub-contractors who include the following:

Subcontractor	Name
Drywall	Aderholt, Modesto, California
Insulation	Aderholt, Modesto, California
Electrical	Collins Electric, Modesto, California
Signage	Fluoresco, Fresno, California
Flooring	House of Carpets, Modesto, California
Suppression/Fire	Cen Cal, Stockton, California
Alarm/Fire	Tri Signal, Fresno, California
Fire Proofing	Bay City, Murphys, California
Plaster	Vient, Modesto, California
Paint	Vient, Modesto, California
Elevator	Thyssenkrupp, Modesto, California
HVAC	Modern Air, Merced, California
Cabinetry	Wood Colony, Modesto, California
Finish Hardware	Wood Colony, Modesto, California

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Restoration and Construction Phase

The contractor has now completed 100% of the restoration activities. The Project Manager conducted a site walk of the facility and the quality of work performed by the Belfor USA Group, Inc. and the local subcontractor team was exceptional. Staff anticipates reviewing the final invoice from the contractor in the upcoming weeks. The Project Manager will then move forward to complete all close-out activities required and seek final approval from the Board of Supervisors to recognize the completion of this emergency repair project.

Public Contract Code Section 22050 requires staff to report on the emergency action every 14 days until the action is terminated.

POLICY ISSUES:

Approval of this action is consistent with the Board's goal of promoting A Safe Community and Efficient Delivery of Public Services.

STAFFING IMPACT:

Existing Capital Projects Staff is managing this construction project in coordination and collaboration with Chief Executive Office Risk Management Division and Gallo Center for the Arts, Inc. staff.

CONTACT PERSON:

Patricia Hill Thomas, Chief Operations Officer. Telephone: (209) 525-6333