

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

DEPT: Chief Executive Office

BOARD AGENDA # *B-8

Urgent

Routine

AGENDA DATE January 6, 2015

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Accept the Final 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:

1. Accept the final 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.
2. Authorize the Project Manager to complete the remaining insurance close-out activities required for this emergency repair project with the County's Insurer.

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.

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BOARD ACTION AS FOLLOWS:

No. 2015-15

On motion of Supervisor Monteith, Seconded by Supervisor De Martini
and approved by the following vote,

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

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.

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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 was extensive water damage to the ceilings, walls and floors, as well as to equipment and furniture caused by the flooding. 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 Officer 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. Project expenses incurred to date were temporarily funded out of the Chief Executive Office Plant Acquisition budget and were completely offset by an advance from the County's Insurer. Staff anticipates reviewing the final invoices submitted by the Insurer in the upcoming weeks.

At this time, the Project Manager is requesting Board of Supervisors approval to accept the final 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, and to complete the remaining insurance close-out activities required for this emergency repair project with the County's Insurer.

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.

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.

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.

Closeout

The County's Insurer is responsible to directly pay the Remediation and Restoration Contractor. The County's direct expenses for County staff, the Architect Steven Gaffney, the local contractor who served as Construction Manager Acme Construction of Modesto, and other related expenses were funded by the insurance funds advanced to the County to restore the Center. The County's Insurer is currently conducting final closeout auditing of all expenses beyond the funds advanced to the County and the Project Manager will review and approval all final expenses incurred as a result of this loss.

The Emergency work has been completed and as a result it is recommended that the Emergency be declared complete and that final review and approval of matters related to Insurance Coverage be delegated to the Project Manager.

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 Chief Executive Office Capital Projects Staff lead this construction project in coordination and collaboration with Chief Executive Office Risk Management Division.

CONTACT PERSON:

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