

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

DEPT: Behavioral Health And Recovery Services BOARD AGENDA #: *B-3

AGENDA DATE: November 8, 2016

SUBJECT:

Approval to Award a Contract with Impact Construction Services, Inc. for a Lease with an Option to Purchase a Modular Building, to be Located at 820 Scenic Drive, Modesto, California for Behavioral Health and Recovery Services

BOARD ACTION AS FOLLOWS:

No. 2016-557

On motion of Supervisor Chiesa, Seconded by Supervisor O'Brien
and approved by the following vote,

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

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

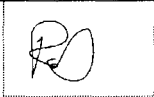
4) Other:

MOTION:

ATTEST: Elizabeth A. King
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Behavioral Health And Recovery Services BOARD AGENDA #: *B-3
Urgent Routine  AGENDA DATE: November 8, 2016

CEO CONCURRENCE:  4/5 Vote Required: Yes No

SUBJECT:

Approval to Award a Contract with Impact Construction Services, Inc. for a Lease with an Option to Purchase a Modular Building, to be Located at 820 Scenic Drive, Modesto, California for Behavioral Health and Recovery Services

STAFF RECOMMENDATIONS:

1. Authorize the General Services Agency to negotiate and enter into a contract with Impact Construction Services, Inc. for lease of a modular building, with an option to purchase, to be located at 820 Scenic Drive, Modesto

DISCUSSION:

Behavioral Health and Recovery Services (BHRS) is requesting authorization to lease, with an option to purchase, a triple-wide modular building to co-locate its two Prevention Services programs: Mental Health Services Act (MHSA) Prevention and Early Intervention (PEI) program and the federal Substance Use Disorder Education and Prevention (E&P) program. Until recently, staffing for the Prevention Services teams occupied joint space on the Stanislaus Recovery Center (SRC) site. In May, approximately 1940 square feet of the space was repurposed for the Co-Occurring Disorders Full Service Partnership (COD-FSP), an intensive treatment program. In order to vacate space for the COD-FSP, staff for E&P moved into a modular unit located across the SRC campus. The PEI program has remained at the site of the COD-FSP. This separation has created issues with the collaboration and economies of scale that previously existed between the two Prevention Services programs.

Neither Prevention Services team provides treatment services. Both programs provide community capacity building and training that enables residents of Stanislaus County to avoid entry into the Behavioral Health system. The majority of program attendees are from Modesto, or travel to Modesto via public transportation such as Stanislaus Regional Transit (START). The proposed location at 820 Scenic Drive is within walking distance from a bus stop located one block south on Scenic Drive.

At the request of BHRS, the Chief Executive Office and the General Services Agency-Purchasing Division (GSA) requested bids for a modular building, including supply of the building itself, delivery, and installation. The installation services included off-loading and placement, electrical and plumbing hook-ups, and the installation of ADA-compliant stairs and ramps.

GSA posted Invitation to Bid #16-57-BD "Modular Building, BHRS" (Bid) online at PublicPurchase.com on September 13, 2016. PublicPurchase.com sent notifications to 191

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entities (including contractors, vendors, and builder exchanges/plan-rooms), and 42 entities downloaded the bid documents.

A non-mandatory pre-bid conference was held at the installation site on September 22, 2016, which four contracting firms attended

When bidding closed on October 12, 2016, GSA received responses from two contractors:

- Impact Construction Services, Inc. (Atwater, CA); and
- Norwood Construction Services, Inc. (Rancho Cordova, CA);

The proposal from Impact Construction Services, Inc. was the lowest-priced responsive and responsible bid. If approved, Impact will lease the building to the County for an initial 6 month period. At the end of the first 6 months, the County will have the option to purchase the building, less one-time charges and the amount paid in rent through that date, or continue to lease the building for an additional 18 months.

POLICY ISSUE:

County policy requires Board of Supervisors authorization for all contracts and transactions exceeding \$100,000.

FISCAL IMPACT:

The all-inclusive cost of the lease, including delivery and set-up, is \$118,861 over a 24 month period. In addition, the Department will need to install additional data wires and re-stripe the parking lot once the modular is in place at an estimated cost of \$28,000. This brings the total cost of this request to \$146,861. BHRS included sufficient funding in the Fiscal Year 2016-2017 Final Budget for the cost of the lease and site preparation. There is no County General Fund cost associated with this request.

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Cost of recommended action:		\$	146,861
Source(s) of Funding:			
Mental Health Services Act	98,397		
Substance Abuse Prevention & Treatment Blk Grant	48,464		
Funding Total:		\$	146,861
Net Cost to County General Fund		\$	-

Fiscal Year:	2016-2017
Budget Adjustment/Appropriations needed:	No

Fund Balance as of 5/31/2016
 Behavioral Health Servces \$14,148,244

BOARD OF SUPERVISORS' PRIORITY:

The recommended action supports the Board's priorities of A Healthy Community, and Efficient Delivery of Public Services by providing easily accessible space for community residents.

STAFFING IMPACT:

Existing staff from Behavioral Health and Recovery Services are available to support this request.

CONTACT PERSON:

Richard DeGette, Behavioral Health Director	Telephone (209) 525-6205
Patricia Hill Thomas , Chief Operations Officer	Telephone (209) 525-6333

ATTACHMENT(S):


None

EQUIPMENT LEASE AGREEMENT COMMERCIAL MODULAR BUILDING

This Equipment Lease for a Commercial Modular Building (the "Agreement") is made and entered into by and between the County of Stanislaus as Lessee ("County") and Impact Construction Services, Inc., ("Lessor") on this 6 day of February, 2017.

1. **Lease of Commercial Modular.** Lessor hereby agrees to lease to County, on the terms and conditions contained in this Agreement, the commercial modular, together with all improvements ("Equipment"), described in Exhibit A and Exhibit B, Exhibit C, Exhibit D, Exhibit E, Exhibit F and Exhibit G attached hereto and incorporated herein by reference. Lessor represents and warrants that it is the owner of the Equipment and that it has the authority and power to sell, lease or encumber the Equipment.
 - 1.1 **Equipment Specifications.** Lessor shall provide a licensed Commercial Modular Building, including decks and ramps, to be located at 820 Scenic Drive, Modesto, CA ("Site"), with Serial Number CM90-134, CM90-135 and CM90-136, in the dimension of 36 feet by 60 feet for a total of approximately 2,160 gross square feet. The Lessor shall improve the Equipment to the floor plan standards required by the County.
 - 1.2 **Prevailing Wages.** Some of the Work associated with this Lease may require prevailing wage. Lessor shall pay prevailing wages for all such work as required by law. Lessor is solely responsible to ensure it meets the requirement of State of California law for payment of prevailing wages. Pursuant to Labor Code section 1771, the work under this Agreement is subject to the provisions of Article 2 (commencing with section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code, and the Lessor shall pay all workers the general prevailing rate of per diem wages applicable to the work to be done for straight time, overtime, Saturday, Sunday and holiday work. These wage rates, which are set forth by the Director of the Department of Industrial Relations, and are a part of this Agreement. For current rates go to the California Department of Industrial Relations webpage at the following:

<http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm>

Registration with DIR. Lessor hereby attests that Lessor and all subcontractors are registered with the department of industrial relations ("DIR"). Senate bill 854 requires that all contractors performing work on any public works project valued at more than \$1,000.00 must be registered with the DIR, and that all said contractors submit certified payroll reports directly to the DIR, unless excused. Failure to comply with this section constitutes a material breach of this contract.
2. **Payments.** 
 - 2.1 **Lease Payments.** County shall pay Lessor a monthly rental payment in the amount of One Thousand Six Hundred Fifty-Two Dollars (\$1,652.00) per month for the rental of Equipment described in Paragraph 1, during the term of this Agreement, unless terminated as provided below or if County exercises the Option to Purchase. Monthly rental payment includes rental of the commercial modular building, decks, ramps and tax (\$122/mo. of this amount is tax). Lease payment amount shall apply to the term of the lease and any additional term upon renewal of the lease.
 - 2.2 **Tenant Improvements.** County shall pay Lessor a one-time payment of Twenty Seven Thousand Two Hundred and Forty-Five Dollars (\$27,245.00) for County specific Tenant Improvements, this amount includes tax, as more fully described in Exhibit G.
 - 2.3 **Delivery and Set Up:** County shall pay the Lessor a one-time payment of Thirty Eight Thousand One Hundred and Fifty Nine Dollars (\$38,159.00) for building set, delivery, this amount includes tax, as more fully described in Exhibit G.
 - 2.4 **Option to Purchase.** After the initial six (6) months of the Agreement term, the County has the option to purchase the building for One Hundred Fifty Four Thousand Seven Hundred and Thirty-

Six Dollars (\$154,736.00) less one-time charges totaling Sixty Four Thousand and Forty Dollars (\$64,040.00) and the amount paid in rent up until that date Nine Thousand One Hundred Eighty Dollars (\$9,180), plus sales tax of Six Thousand Five Hundred Twenty-One Dollars (\$6,521.00) on the adjusted purchase amount of Eighty One Thousand Five Hundred Sixteen (\$81,516.00) for a total of Eighty Eight Thousand Thirty-Seven Dollars (\$88,037.00), or continue leasing the building for remaining (18) months of the Lease.

2.5 Payment on Lease Termination. If the County does not elect to purchase the Equipment as specified in sub-paragraph 2.4 above, the County shall pay Lessor a one-time payment upon termination of the Lease in the amount of Thirteen Thousand Eight Hundred Dollars (\$13,800.00) for dismantling and return freight charges and includes electrical and plumbing site disconnects.

2.6 Payment Date: Payment shall be made by the County within 30 days of receipt of Equipment.

3. **Term of Lease.**

3.1 Maximum Term. The Maximum Term of this Agreement shall be no more than two (2) years, commencing when the County receives Ready to Occupy Notice from the Lessor with County Representative's signature agreeing to the satisfactory delivery of the Equipment to the Site and acceptance of the building, by the County, upon completion of installation.

3.2 Termination. County may terminate this Lease during the initial term of this Lease by giving sixty (60) days prior written notice to the Lessor. Lessor shall not have the option to terminate. County may terminate this Agreement as follows:

3.2.1 For Convenience. County may terminate this Lease without cause and for convenience with respect to all or part of the Leased Equipment upon written notice to Lessor as described hereinabove.

3.2.2 Default. Should Lessor default in the performance of its obligations under this Lease or materially breach any of provisions hereof County may, at its option, terminate this Lease by giving fifteen (15) days prior written notification to Lessor.

3.2.3 Breach of Law. Both Parties' willful violation of any law or regulation shall constitute grounds for termination of the lease without compensation upon fifteen (15) days prior written notice.

4. **Use and Maintenance.** County has the right to quietly hold, use and enjoy the Equipment, subject to, the terms and condition of this Agreement. County agrees not to remove existing nameplates and decals affixed to Equipment. County shall solely use the Equipment in the conduct of its business and in a careful and lawful manner. County shall pay any and all fees, charges and expenses and comply with all laws related to the use, possession and operation of the Equipment during term of lease, including obtaining all approvals and permits related to the use and/or possession of the Equipment. Lessor shall exclusively procure and pay for the costs of permitting and licensing of the Equipment with the State of California Housing and Community Development Department. County shall keep the Equipment in good repair and operating condition during the term of this Agreement.

4.1 Primary Use. The Equipment will be used by the County for the Office Use.

4.2 Exclusive Use. County shall be entitled to the exclusive use, operation, possession and control of the Equipment during the term of this Agreement, provided either of the Parties is not in material default of any provision of the Agreement.

4.3 Maintenance. County shall provide maintenance and repair of the leased Equipment and

interior improvements excluding those exclusively maintained and repaired by Lessor in Section 4.4-Warranties. County shall provide Equipment to Lessor in good order and repair upon termination of the lease, excepting County's reasonable wear and tear from use. County shall not make any changes, alterations or improvements to the Equipment or remove any parts, accessories or attachments, without Lessor's written consent.

4.4 **Limited Warranties.** Lessor shall warranty and repair the essential components of the Equipment for any structural or mechanical defects including the roof, windows, HVAC, electrical and plumbing systems for a minimum of the three (3) years from the date of delivery of the Equipment to the Site. County shall maintain filters, extinguishers, fuses and breakers and light bulbs at its sole cost. Lessor shall have no liability for the repair and any defect or condition resulting from County's relocation of the Equipment, utility connections, any alterations of the Equipment, use of the Equipment for a purpose for which it was not intended, vandalism, misuse of the Equipment or excessive wear and tear. The repair of the Equipment by Lessor, resulting from any of the proceeding causes shall result in additional damage charges to County. Lessor shall have no liability for damages, costs or expenses except as specified herein.

5. **Loss and Damages.** County is responsible for damage to the Equipment from its exclusive use, excluding normal wear and tear upon termination of the Lease.

5.1 **Damage or Loss.** County assumes the risk of all loss and damage to the Equipment resulting from its exclusive use. Upon the occurrence of a total loss of the Equipment, to such an extent as to make repair uneconomical (50% of Equipment value or greater), Lessor shall declare the Equipment a Total Loss. In the event of a Total Loss, County shall pay Lessor up to the total value of all Equipment. Upon receipt of payment of Equipment Value, County's obligations as stated per Agreement shall terminate and Lessor shall transfer title of Equipment to County. In the event of loss or damage that does not constitute a Total Loss, County, at its sole expense, shall pay for the repair of such damage as directed by Lessor to the condition required by this Agreement. In the event of Loss, Lessor shall allow County adequate time to process a claim with its Insurer and Lessor shall fully cooperate with County representative, officials and agents in such event of Loss.

6. **Return of Equipment and Termination of Lease.** At the end of the lease term County shall make the Equipment available to Lessor, without impediment, at the Delivery Address. County shall provide Lessor a minimum of sixty (60) day written notice of return of the Equipment.

6. 1 **Lease Pre-Termination Inspection.** County reserves the right to a pre- termination of lease inspection of the Equipment by Lessor. Lessor shall provide County with a punch list of correctable items prior to making any claim for costs of repair or cleanliness.

The Equipment shall be clean and in the same condition as delivered, normal wear and tear excepted. Termination will become effective upon Lessor's disconnect and pick up of the equipment. County agrees, prior to return of Equipment to disconnect all utilities except those identified in Paragraph 2.4, remove all County property and vacate Equipment. County hereby authorizes Lessor, and its agents to enter and repossess the Equipment, Lessor shall be responsible for keeping or storage of any County personal property left in or on the Equipment. Such personal property shall be kept in an mutually accessible storage unit within Stanislaus County and costs thereof shall be reimbursed to Lessor for labor and storage, costs shall be reasonable. Any accessories and additions to the returned Equipment shall be deemed to be part of the Equipment and property of the Lessor. County shall reimburse Lessor for any and all costs incurred related to the Equipment and in repairing, cleaning or otherwise restoring the Equipment's condition to the condition when delivered, ordinary wear and tear excepted.

7. **Insurance.** County shall take out, and maintain during the term of this Agreement, insurance policies with coverage at least as broad as follows:

7.1 **General Liability.** Comprehensive general liability insurance covering bodily injury,

personal injury, property damage, products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per occurrence.

- 7.2 **Property Insurance.** A policy of insurance covering the loss or damage to the Equipment in an amount equal to 100% of the Equipment Value.

Within 10 days after delivery of Equipment, County shall provide Lessor with Certificates of insurance showing the required coverages are in effect and naming Lessor as additional insured and Loss Payee. In addition, certificates must provide Lessor with 20 days prior written notice of any cancellation. Any proceeds from insurance shall be paid to Lessor and applied towards replacement of Equipment and/or any monies due under this Agreement.

- 7.3 Lessor shall take out, and maintain during the term of this Agreement, insurance policies with coverage at least as broad as described in Exhibit B.

8. **Indemnity.** The Lessor shall indemnify and hold County, its agents and employees harmless from and against all loss, liability, and expense for personal injury caused by the negligent installation, placement and delivery of the Equipment to the Site.
9. **Assignment.** This Agreement may not be assigned without the prior written consent of the other party.
10. **Encumbrances.** The County shall not pledge, encumber or permit any lien to become effective on the Equipment.
11. **Notices.** Any notice, communication, amendment, addition, or deletion to this Agreement, may be personally served or, alternatively, sent by prepaid first class mailed to the respective parties as follows:

To County:
Stanislaus County
Attn: Susan M. Garcia
1010 10th Street, Suite 5400,
Modesto, CA 95354

To Lessor:
Impact Construction Services, Inc.
Attn: Yvette Martin
1200 Airport Drive
Chowchilla, CA 93610

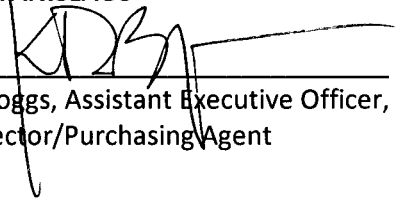
12. **Severability.** If any portion of this Agreement shall be declared invalid by a court of competent jurisdiction, or if it is found in contravention of any federal, state or county statute, ordinance or regulation the remaining provisions of this Agreement or the application thereto shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.
13. **Waiver of Default.** Waiver of any default by either party to this Agreement shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.
14. **Amendment.** This Agreement may be modified, amended, changed, added to or subtracted from by the

mutual consent of the parties hereto if such amendment or change is in written form and executed with the same formalities as this Agreement and attached to the original Agreement to maintain continuity.

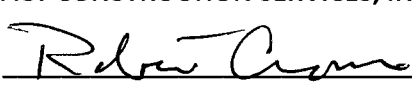
- 15. **Entire Agreement.** This Agreement supersedes any and all other agreements, either oral or written, between any of the parties hereto, with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party acknowledges that no representations, inducements, promises or agreements, oral or written, have been made by any party or any one acting on behalf of any party which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.
- 16. **Advice of Attorney.** Each party warrants and represents that in executing this Agreement it has received independent legal advice from its attorneys or the opportunity to seek such advice.
- 17. **Construction.** Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.
- 18. **Governing Law and Venue.** This Agreement shall be deemed to be made under and shall be governed by and construed in accordance with the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

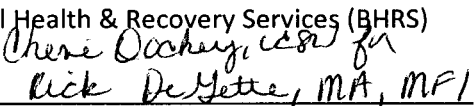
In witness whereof, the parties or their duly authorized representatives have executed this Agreement in duplicate on the day and year first above written.

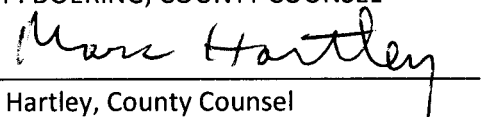
LESSEE
COUNTY OF STANISLAUS

By: 
Keith D. Boggs, Assistant Executive Officer,
GSA Director/Purchasing Agent

LESSOR
IMPACT CONSTRUCTION SERVICES, INC.

By: 
Robert Cronin
Operations Manager

APPROVED AS TO CONTENT:
COUNTY OF STANISLAUS
Behavioral Health & Recovery Services (BHRS)

By: *Rick DeGette, MA, MFT*
Rick DeGette, MA, MFT
Director

APPROVED AS TO FORM
JOHN P. DOERING, COUNTY COUNSEL
By: 
Marc Hartley, County Counsel

**EXHIBIT A
SCOPE OF WORK**

A. OVERVIEW

The Lessor shall supply, deliver, install and lease a Commercial Modular Building, including decks and ramps, (the "Equipment"), as identified in this Scope of Work, at 820 Scenic Drive, Modesto, CA 95350.

B. General Requirements

Lessor shall understand the overall basic design requirements of the project. This Scope of Work is not intended to identify each specific design component related to code and construction items. The Lessor shall ensure all details of the project are in compliance with all applicable codes, regulating authorities, and the guidelines established herein. It shall be the Lessor's responsibility to provide all of the design elements for this project.

1. Lessor shall review the design and construction administration responsibilities and the submission requirements identified in this Agreement and this Scope of Work. These items include, but are not limited to, the following: contract deliverables, special sequencing or phased construction requirements, special hours for construction based on the County's Client Agency programs or building occupancy, security needs, delivery dates of critical and long lead items, utility interruptions or shut down constraints for tie-ins, weather restrictions, and coordination with other project construction activities at the site shall be addressed.
2. The County does not attest to the accuracy of the information provided and accepts no responsibility for the consequences of errors by the use of any information and material contained in the documentation provided. It shall be the Lessor's responsibility to verify the contents and assume full responsibility for any determination or conclusion drawn from the material used. If the information provided is insufficient, the Lessor shall take the appropriate actions necessary to obtain the additional information required.
3. Where reference to an established industry standard is made, it shall be understood to mean the most recent edition of the standard, unless otherwise noted. If an industry standard is found to be revoked, or should the standard have undergone substantial change or revision from the time that the Scope of Work was developed, the Lessor shall comply with the most recent edition of the standard.
4. Lessor shall be fully qualified to perform all aspects of moving and placing Equipment.
5. Lessor shall provide all transportation of Equipment, installation, and connection of Equipment to existing County water, sewer and electrical services at the site. Lessor shall provide finishing, de-installation, removal, and site restoration for the Equipment upon termination of lease.
6. Lessor shall provide all necessary tie-downs, anchors and supports to properly secure the Equipment on an existing asphalt surface. When removing building tie-downs from existing asphalt area, it is acceptable for the Lessor to use asphalt patch at each location.
7. Lessor shall provide all design and engineering work necessary to fully complete the project.
8. Lessor shall provide licensing of the Equipment.
9. Lessor shall be responsible for all insurance requirements typically called for in the transportation, erection and installation of the Equipment. The County's minimum insurance requirements are specified within Exhibit B of this Agreement.
10. Lessor shall provide sound principles of quality assurance, inspection, and testing.
11. Lessor shall be responsible for the quality of the services provided, and shall warranty the necessary facilities and equipment for a period of no less than two (2) years. Throughout the term of the lease, Lessor shall repair structural and mechanical defects in the modular building, HVAC system and all equipment included in the lease in a timely manner.

12. Lessor shall request a clarification from the Project Manager for missing or ambiguous information or requirements. The County's Capital Projects Dept. contact for this Project is:

Name: Pete Duenas
Address: 1010 10th Street Suite 6800
Phone No: (209) 652 - 8909
E-Mail: duenasp@stancounty.com

13. All work must comply with federal, state and local codes, regulations, laws and ordinances and conform to California Title 24 and Title 25 requirements, including applicable federal and California Americans with Disabilities (ADA) requirements.
14. Lessor shall review and become familiar with any current projects at the site that may impact the design, construction, and scheduling requirements of this Project.
15. The County will handle any necessary parking lot restriping and stall reassignment. The County will also remove the existing "County Parking" signs from the intended installation area.
16. The County does not intend to have bollards installed, and the County will handle such installation if needed.
17. Lessor shall provide a minimum two-year warranty covering utility connections and any Equipment installation defects.

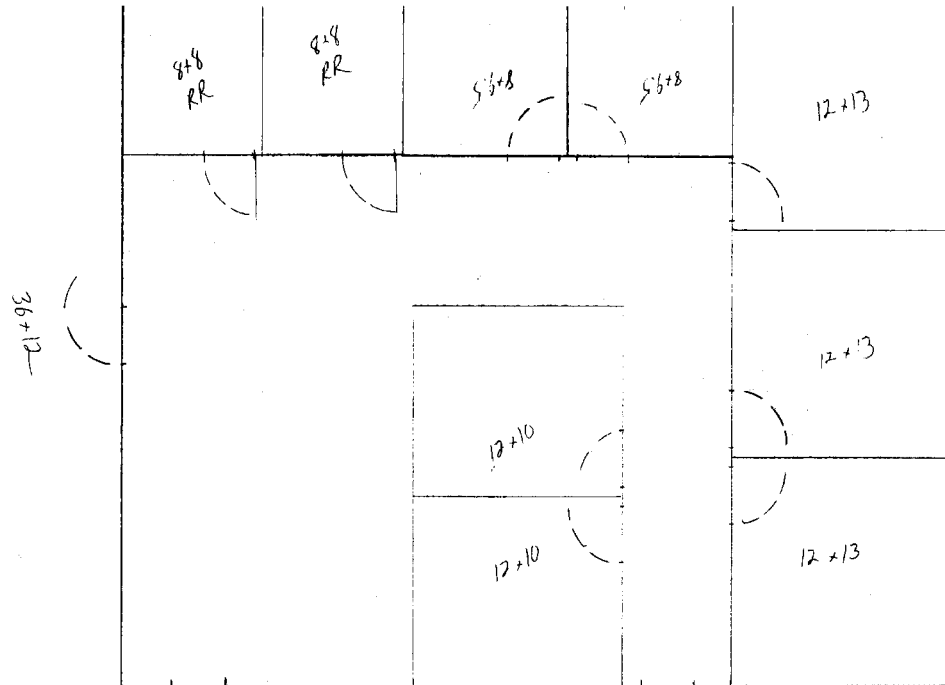
C. TIME

1. Time is of the essence. Services shall start upon execution of the Agreement and issuance of the first request. The County anticipates delivery and installation of the Equipment shall be completed within 37 days of contract award, or with an official notice to proceed. Placed in service date shall commence term of lease. Lessor shall inform the County of any delays to this planned use date.
2. The Lessor's project design and construction schedule is in Exhibit E. The schedule developed by the Lessor shall reflect their recommended project phases, phase activities, activity durations.
3. The Lessor shall be responsible for preparing a coordinating progress with any sub-contractors.

D. BUILDING DESCRIPTION AND TENANT IMPROVEMENTS

1. Lessor shall provide all work, design, permits, and engineering necessary to supply and install of one (1) each 36' x 60' (approximately 2,160 square feet) Commercial Modular Building with skirting.
2. Lessor shall furnish either a new, or like-new pre-owned unit, reconditioned and remodeled to conform similarly to the floor plan provided by the County. Lessor shall provide clean and appear like new finishes within the building.
3. The Equipment shall be constructed of modular steel and wood and contain: vinyl composition tile flooring for restrooms and carpet throughout modular, vinyl clad wall surfaces and ceilings, office partitions, sliding windows, doors, frames and hardware, plumbing fixtures and associated piping, integral heating ventilation and air conditioning (HVAC), electrical panels, power and lighting, exit and emergency lighting, and a stand-alone fire/burglar alarm system. Fire sprinklers are not required in the Equipment.
4. The Equipment shall contain new carpet throughout.
5. Lessor's floor plan layouts of the Equipment, Exhibit D, shall accommodate tenant improvements (the "Work") to the Equipment, which shall include seven (7) offices, two (2) uni-sex restrooms, one (1) large

conference room, and ADA-compliant ramps and steps. Steel or aluminum stairs and ramps are acceptable as long as they meet applicable ADA accessibility requirements. Below is the County's suggested floorplan for this Equipment:



6. Lessor shall include treatments for each window on the Equipment.
7. County reserves the right to visit Lessor's facility to walk through the Equipment prior to the start of Work, during the Work and after the completion of the Work.
8. Lessor agrees that it may be necessary for the County to drill holes for wiring and to add lighting to the Equipment to accommodate County staff. Lessor approves of County making necessary holes in the Equipment.
9. Lessor shall provide and install a combination entry setup that includes a stair and ADA accessible ramp entry access to the Equipment. All landings, stairs, ramps, and guardrails shall be fabricated from steel with pressure treated wood footings. Lessor shall provide an awning to cover the landing pad of the entryway into the Equipment. Awning material and construction shall be sufficiently durable to meet or exceed the minimum 2-year warranty period.

E. BUILDING LAYOUT AND TENANT IMPROVEMENTS

1. Lessor shall install the Equipment in the parking lot behind the County's Behavioral Health and Recovery Services department located at 820 Scenic Drive, Modesto, CA, on an existing asphalt and dirt surface.
2. The Equipment shall be placed on an existing pad and extend beyond the curb outlining the existing pad, and onto the adjacent grassy area. The Lessor and County shall work together to determine the distance of the installation of the Equipment from any tree. The County will trim existing trees as needed to accommodate the Equipment.
3. Lessor shall provide and install wood pad/footings and steel piers for the Equipment in paved and unpaved area as agreed to by the County.

Lease # E33010 (BHRS)

4. County and Lessor shall coordinate and outline placement of Equipment at location to meet ADA and applicable building codes. The County requires ADA accessible steps and ramps be placed on the Equipment entry ways. All entry ways to the Equipment must meet fire codes and be ADA compliant.
5. Lessor shall ensure the Equipment is completely barrier free at accessible ramps, and steps.
6. Lessor shall ensure the Equipment is elevated above base flood elevation, with final height determined as part of the site investigation. The County will accept placement of the building with a level floor height between 20"-30" above grade, as measured from the flooring surface to the ground.
7. Aerial View of Site:



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BUILDING UTILITIES

1. Lessor shall connect the Equipment to existing on-site electric, domestic water, and domestic sewer services. Water and sanitary sewer are to be field verified by the Lessor.
2. Lessor is fed power from an existing on-site transformer. Over 100 Amps of service are presently available, and this existing power source was sufficient to provide service to a triple-wide modular building that previously existed on the site.

3. Lessor has determined that the existing three phase transformer will provide an adequate supply of power to the building as noted above. The County is responsible to obtain additional power should additional power be required.
4. The existing sewer connections were sufficient for a triple-wide modular building previously installed at the site. Lessor shall be responsible to establish a proper fall to the sewer line and installation shall adhere to Uniform Plumbing Code requirements for modular buildings.
5. County shall perform all telephone and data cabling after the Equipment is set in place. County will coordinate utility disconnects.
6. Lessor shall prepare Housing and Community Development approved plans and submit to the County's Capital Project who will then coordinate with the County building officials and the City Fire Marshal. Lessor shall coordinate the construction schedules with the County's Capital Project for electric, water and sewer company connection.

F. CONSTRUCTION SITE ADMINISTRATION SERVICES

1. The Lessor shall provide construction site administration services during the duration of the project. The Lessor does not necessarily have to be on site concurrently if there are no critical activities taking place that require the Lessor's participation.
2. The required services shall include, but are not limited to; field observations sufficient to verify the quality and progress of construction work, conformance and compliance with the contract documents, and to attend/chair meetings as may be required by the County to resolve special issues.
3. Lessor shall establish and maintain procedures to ensure that persons performing work are skilled in methods and practices needed to assure required quality levels. Lessor shall remove and replace (at no additional cost to the County) personnel who do not possess the required skills or who are not efficiently and effectively performing their assignments.
4. Lessor shall assure compliance with "call 811" if any excavation is to occur at the project site.
5. Lessor shall return all original documentation to the County at the completion of the Project.

G. PERMITS & APPROVALS

1. The Lessor shall provide two (2) sets of electrical and plumbing plans to the County's Capital Projects Department in a timely manner.
2. All necessary transportation permits shall be obtained by the Lessor, and these costs are included in this Agreement. County's inspector will evaluate the installation and work with the County's Capital Projects Department.
3. **Uniform Building Code and California Building Code.** The Lessor shall contact the County Capital Projects to coordinate any required inspections required by the Permit Application. Lessor shall complete all Work in accordance to the latest adopted California Building Code.
4. **Other Regulatory Agency Permits, Certificates, and Approvals:** The Lessor shall identify and obtain all other County Regulatory Agency permits, certificates, and approvals that will govern and affect the work described in this Scope of Work. The cost of these permits, certificates, and approvals are included in this Agreement.

EXHIBIT B

INSURANCE PROVISIONS

(Intentionally left blank. See Exhibit B Attachment)

EXHIBIT B

Insurance Required for Most Contracts

(Not for Professional Services or Construction Contracts)

Contractor shall procure and maintain for the duration of the contract, and for 5 years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than One Million Dollars (\$1,000,000) per incident or occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** If the Contractor or the Contractor's officers, employees, agents, representatives or subcontractors utilize a motor vehicle in performing any of the work or services under the Agreement Insurance Services Office (ISO) Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than One Million Dollars (\$1,000,000) per accident for bodily injury and property damage and transportation related pollution liability.
3. **Workers' Compensation** Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

Application of Excess Liability Coverage: Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The County, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used).

Primary Coverage

For any claims related to this contract, the Contractor's insurance coverage shall be primary coverage at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Reporting

Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials, employees, agents or volunteers.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the County.

Waiver of Subrogation

Contractor hereby grants to County a waiver of any right to subrogation which any insurer of said Contractor may acquire against the County by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the County. The County may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County.

Acceptability of Insurers

Insurance is to be placed with California admitted insurers (licensed to do business in California) with a current A.M. Best's rating of no less than A-VII, however, if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Approved Surplus Line Insurers (LASLI) maintained by the California Department of Insurance.

Claims Made Policies

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of work.

Verification of Coverage

Contractor shall furnish the County with a copy of the policy declaration and endorsement page(s), original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All **certificates and endorsements are to be received and approved by the County before work commences**. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances

County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Insurance Limits

The limits of insurance described herein shall not limit the liability of the Contractor and Contractor's officers, employees, agents, representatives or subcontractors. Contractor's obligation to defend, indemnify and hold the County and its officers, officials, employees, agents and volunteers harmless under the provisions of this paragraph is not limited to or restricted by any requirement in the Agreement for Contractor to procure and maintain a policy of insurance.

[SIGNATURES SET FORTH ON THE FOLLOWING PAGE]

APPROVED AS TO INSURANCE CONTENT:

Stanislaus County

Chief Executive Office – Risk Management Division

By: Kevin Watson

Name: Kevin Watson

Title: Liability & Insurance Manager

Date: 01/11/2017

Vendor: Impact Construction Services, Inc

EXHIBIT C
FEE SCHEDULE

A. The following are the Fees set forth for this Agreement

1. Monthly Lease Payment (May be purchased after 6 mos.)	\$ 1,652.00 (includes tax)
2. One Time Tenant Improvement	\$ 27,245.00 (includes tax)
3. One Time Delivery and Building Set up	\$ 38,159.00 (includes tax)
4. Option to Purchase after initial 6 months:	\$154,736.00
a. Less one-time charges (TI's and Delivery and Set up):	\$ 64,040.00 (not including tax)
b. Less amount paid in rent up until that date:	\$ 9,180.00 (@ 6 mos., not including tax)
	<u>SUBTOTAL:</u> \$ 81,516.00
c. Plus sales tax on the adjusted Purchase Price	\$ 6,521.00
	ADJUSTED PURCHASE PRICE: \$88,037.00
5. One time dismantling, return freight charges, electrical and plumbing site disconnects on Lease termination, if purchase option is not exercised:	\$13,800.00

**EXHIBIT D
MODULAR BUILDING DRAWING**

(Intentionally left blank)

See plan attached

EXHIBIT D TO LEASE # E33010

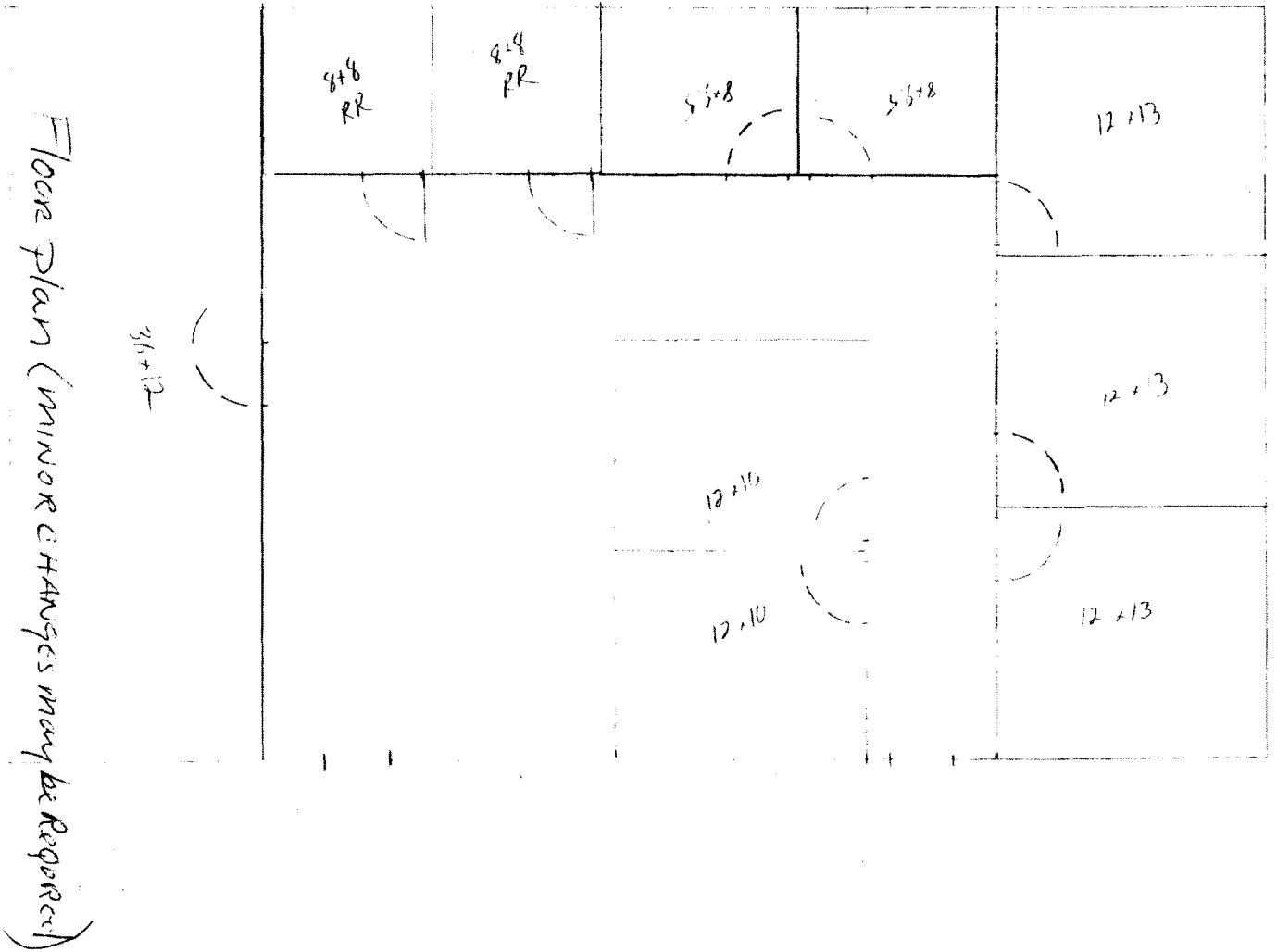


EXHIBIT E

TIMELINE

1. Engineering and T &I work

- a. Engineering, submittals and contract administration Duration 7 days
- Engineering fees
 - Contract administration
 - Bonds and insurance
- b. Completion of the building tenant improvements Duration 19 days

2. Delivery and Building. Set

- a. Completion of delivery and set Duration 11 days
- Delivery of buildings to project site
 - Building set (labor @ prevailing wage rate)
 - Foundation materials piers, pads and tie downs
 - Connection of power to building from existing transformer
 - Connection of water and sewer to existing site POC's
 - Perimeter skirting frame and face, including labor and materials

EXHIBIT F

SCHEDULE OF VALUES

Impact Modular Leasing Inc.

1120 Commerce Avenue # 9 * Atwater, California 95301

Project Schedule of values

Date: 11/28/2016

Project Scenic Avenue 36x60 modular building

Estimated start date (TBD), work to be completed in 37 working days from this date
(Schedule excludes Saturdays, Sundays and Holidays)

Schedule of values for engineering and T & I work

Engineering, submittals and contract administration Duration 7 days (Dates to be determined)

Amount invoiced upon contract execution \$6,200.00 (no sales tax required)

Engineering fees

Contract administration

Bonds and insurance

Completion of the building tenant improvements Duration 19 days (Dates to be determined)

\$20,331.00 + sales tax on materials \$714.00 Total \$21,045.00

Schedule of values for delivery and bldg. set

Completion of delivery and set Duration 11 days (Dates to be determined)

One time chargers \$37,509.00 + sales tax on materials \$650.00 total \$38,159.00

Delivery of buildings to project site

Building set (labor @ prevailing wage rate)

Foundation materials piers, pads and tie downs

Connection of power to building from existing transformer

Connection of water and sewer to existing site POC's

Perimeter skirting frame and face, including labor and materials

Schedule of values for building lease

Monthly lease payments for 24 consecutive months Duration 24 months (TBD thru TBD)

monthly lease amount 1,530.00 x24 = \$36,720.00 + sales tax \$2,937.00 total \$39,657.00

Schedule of values for building return at lease end

Dismantle and return units, return site to its existing condition Duration 10 days (TBD thru TBD)

Amount \$13,800.00 (no sales tax required)

Lease # E33010 (BHRS)

Reconcile totals above

Engineering, management, bonds and T&I work	\$26,531.00	Tax applied	\$714.00
Delivery and set costs, including utility connections	\$37,509.00	Tax applied	\$650.00
Total monthly rental fees	\$36,720.00	Tax applied	\$2,937.00
Dismantle and return (deferred to end of lease)	\$13,800.00	Not applicable	<u>00.00</u>
Total of tax applied	<u>\$ 4,301.00</u>		
	\$118,861.00		

EXHIBIT G

TENANT IMPROVEMENTS

- A. Lessor shall provide the following Tenant Improvements of which the costs are identified in Exhibit F, Section titled Schedule of Values for Engineering and TI work – Completion of the Building Tenant Improvements.
- a. Rearrange walls to accommodate County's specified floor plan.
 - b. Add interior doors to accommodate County's specified floor plan.
 - c. Installation of new flooring per County's color selection.