

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

DEPT: Chief Executive Office

BOARD AGENDA #: *B-6

AGENDA DATE: March 28, 2017

SUBJECT:

Accept the Seventeenth Update in Accordance with Public Contract Code Sections 20134 and 22050 for Emergency Remediation/Repairs at the Health Services Agency Central Unit, 830 Scenic Drive in Modesto, to Repair Water Damage and Restore Essential County Operations

BOARD ACTION AS FOLLOWS:

No. 2017-129

On motion of Supervisor Withrow, Seconded by Supervisor Olsen
and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa

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:


PAM VILLARREAL, Assistant Clerk

File No.

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

DEPT: Chief Executive Office

BOARD AGENDA #: *B-6

Urgent Routine

AGENDA DATE: March 28, 2017

CEO CONCURRENCE: *PKT*

4/5 Vote Required: Yes No

SUBJECT:

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STAFF RECOMMENDATIONS:

1. Accept the seventeenth update on the state of the emergency remediation and repairs at Health Services Agency Central Unit in accordance with Public Contract Code Sections 20134 and 22050 to repair water damage and restore essential County operations.

DISCUSSION:

On June 12, 2016, around 11 a.m., security staff at the Health Services Agency (HSA) Central Unit discovered flooding had occurred, caused by a failure of the heating circulation pump located in the mechanical equipment space above the 3rd floor of the Central Unit Building. Water flowed to parts of the 3rd, 2nd, 1st and basement floors. The incident occurred at the old Hospital building, which was fully used by the Agency for support and Specialty Clinics and some space for the Community Services Agency. County staff immediately secured the building and redirected all employees and impacted clinical operations to temporary locations as the scope of this damage became more clear.

On June 14, 2016, the Board of Supervisors in accordance with Public Contract Code Sections 20134 and 22050 approved the delegation of authority for the Chief Operations Officer or her designee to serve as Project Manager for all aspects of the HSA Central Unit water damage remediation/repair project. Further, the Board found that the remediation and repairs from water intrusion and damage at the HSA Central Unit is exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15269 (b), and directed staff to prepare and file a Notice of Exemption. Finally, the Board directed the County's Risk Manager or his designee to make the claims regarding the HSA Central Unit water intrusion incident and damages to all applicable insurers.

Abatement work has been completed and affected staff from the Health Services Agency and Community Services Agency (CSA) have been relocated temporarily to County Center III, previously used by the Stanislaus County of Education. The County Center III facility temporarily houses the HSA's California Children's Services, the Child Health and Disability Prevention Program, and Emergency Preparedness Program. The movement of these programs off the Scenic Campus has enabled the return of the CSA Eligibility and Intake, and Welfare-to-Work programs. The Contractor has also completed the build back on the 1st floor of the Central Unit to improve path of travel and accessibility of services for staff and clients.

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The Common Ground Café fully reopened for business on February 1, 2017, serving as both a cafeteria for onsite visitors and a caterer for various HSA and County functions.

POLICY ISSUE:

Public Contract Code Section 22050 (a)(1) states, “In the case of an emergency, a public agency, pursuant to a four-fifths vote of its governing body, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts.” Further, Public Contract Code Section 22050 (c)(1) requires staff to report on the emergency at its next regularly scheduled meeting and every 14 days thereafter until the emergency is terminated. Due to the fact there is no Board of Supervisors Meeting scheduled for April 11, 2017, the next update will occur on April 18, 2017 at the next regularly scheduled Board of Supervisors’ Meeting.

It is important to note that following emergency procedures will still require prevailing wage and the use of local subcontractors is anticipated.

FISCAL IMPACT:

The County maintains “all-risk” property and fire insurance on the Health Services Agency and improvements, with all standard coverage in an amount equal to their full insurable value, with a replacement cost endorsement, excluding the cost of excavation and of foundation below the level of the lowest basement floor. The County’s insurance coverage includes continuity of operations coverage.

The Project Manager executed a contract with Belfor to complete the emergency abatement, demolition and clean-up of the site. Belfor is an approved contractor of the County’s insurer which will ensure the initial demolition and clean-up phase can be procured efficiently and without any delays that may arise through a lengthy approval process.

Until the County formally settles a claim for the losses incurred, the project costs are being temporarily funded out of the Chief Executive Office – Plant Acquisition budget, out of existing appropriations previously approved by the Board. The Chief Operations Officer and project team met with the County’s Insurer on March 13, 2017 and have transmitted a summary of the County’s direct costs associated with the emergency as well as the required back up documentation. Once the Insurer has reviewed the direct costs transmitted by the County, along with previous costs transmitted by Belfor USA, staff will return to the Board of Supervisors to seek authorization and approval of final settlement negotiations with the insurer. The County anticipates receiving reimbursement in within 90 days after the Board of Supervisors approves the final settlement.

BOARD OF SUPERVISORS’ PRIORITY:

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.

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STAFFING IMPACT:

Existing Capital Projects Staff will manage this construction project in coordination and collaboration with Chief Executive Office Risk Management Division and Health Services Agency staff.

CONTACT PERSON:

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

ATTACHMENT(S):

None