

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

<p>(1) DEPARTMENT General Services Agency</p>	<p>(2) MEETING DATE 3/18/2014</p>	<p>(3) CONTACT/PHONE Janette Pell, General Services Agency Director, 781-5200, James Salio, Chief Probation Officer, 781-5500</p>	
<p>(4) SUBJECT Request to approve consultant contracts for construction management, inspector of record services, and testing and special inspection services; authorize a budget adjustment from previous Board allocated funds in the amount of \$1,035,104 from the Juvenile Hall Building Designation to the Juvenile Hall Expansion project; receive and file a project update for the Juvenile Hall Expansion project located at 1065 Kansas Avenue, San Luis Obispo. District 2.</p>			
<p>(5) RECOMMENDED ACTION It is recommended that the Board:</p> <ol style="list-style-type: none"> 1. Approve a contract for construction management services to Kitchell, in the amount of \$635,346; 2. Approve a contract for inspector of record services with 4LEAF, Inc., in the amount of \$274,847; 3. Approve a contract for testing and special inspection services with Earth Systems Pacific, in the amount of \$124,911; 4. Authorize a budget adjustment from previous Board allocated funds in the amount of \$1,035,104 from the Juvenile Hall Building Designation to Capital Projects - Fund Center 230 by 4/5 vote for the Juvenile Hall Expansion Project; and 5. Receive and file a report on the current status on the Juvenile Hall Expansion project. 			
<p>(6) FUNDING SOURCE(S) \$13.12 M SB81 Funding \$3.5 M General Government Building Replacement Reserves – Juvenile Hall Bldg. Designation \$0.4M Facilities Planning Designation \$1.38 M In-kind match</p>	<p>(7) CURRENT YEAR FINANCIAL IMPACT \$1,035,104 from previously allocated funds</p>	<p>(8) ANNUAL FINANCIAL IMPACT \$0.00</p>	<p>(9) BUDGETED? Yes</p>
<p>(10) AGENDA PLACEMENT { } Consent <input checked="" type="checkbox"/> Presentation { } Hearing (Time Est. ____) { } Board Business (Time Est. <u>30</u>)</p>			
<p>(11) EXECUTED DOCUMENTS { } Resolutions <input checked="" type="checkbox"/> Contracts { } Ordinances { } N/A</p>			
<p>(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001380, 19001381, 19001382</p>		<p>(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1314103 <input checked="" type="checkbox"/> 4/5 Vote Required { } N/A</p>	
<p>(14) LOCATION MAP Attached</p>	<p>(15) BUSINESS IMPACT STATEMENT? No</p>	<p>(16) AGENDA ITEM HISTORY { } N/A Date: 10/14/08, 12/06/08, 6/02/09, 9/21/10, 2/07/12, 4/02/13, 4/23/13, 6/04/13, 9/17/13, 10/22/13</p>	
<p>(17) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest, Administrative Analyst</p>			
<p>(18) SUPERVISOR DISTRICT(S) District 2 -</p>			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Janette Pell/ General Services Agency Director, 781-5200
James Salio/Chief Probation Officer, 781-5300

DATE: 3/18/2014

SUBJECT: Request to approve consultant contracts for construction management, inspector of record services, and testing and special inspection services; authorize a budget adjustment from previous Board allocated funds in the amount of \$1,035,104 from the Juvenile Hall Building Designation to the Juvenile Hall Expansion project; receive and file a project update for the Juvenile Hall Expansion project located at 1065 Kansas Avenue, San Luis Obispo. District 2.

RECOMMENDATION

It is recommended that the Board:

1. Approve a contract for construction management services to Kitchell, in the amount of \$635,346;
2. Approve a contract for inspector of record services with 4LEAF, Inc., in the amount of \$274,847;
3. Approve a contract for testing and special inspection services with Earth Systems Pacific, in the amount of \$124,911;
4. Authorize a budget adjustment from previous Board allocated funds in the amount of \$1,035,104 from the Juvenile Hall Building Designation to Capital Projects - Fund Center 230 by 4/5 vote for the Juvenile Hall Expansion Project; and
5. Receive and file a report on the current status on the Juvenile Hall Expansion project.

DISCUSSION

Background

In 2008 the Board authorized the Chief Probation Officer to apply for State Senate Bill 81 (SB 81) funding for expansion of the Juvenile Hall at a total estimated project cost of \$17,494,644. The Juvenile Hall Expansion project adds approximately 24,000 square feet to the existing facility, including a 20 bed housing unit for 24-hour housing and treatment of in-custody youth, three classrooms, a multipurpose/gymnasium, and exterior improvements. The current estimated total project cost of \$18,572,778 is funded by a combination of State and County funds which includes design, California Environmental Quality Act (CEQA) requirements, professional services, construction, County staff administration, and in-kind County match. The timeline of Board actions since 2008 is provided in Attachment A.

The previous project update on April 23, 2013 presented the construction scope, financial status, and the project schedule. The Board has since reviewed and approved several actions to process SB 81 agreements and documents as shown on the attached Timeline of Board Actions.

Status of Project Schedule and Future Board Actions

The County has completed four of the six stages in the State's approval process including the approval of the project scope, site legal boundaries, and the construction and ground lease agreements.

The Juvenile Hall Expansion project construction documents are in the final review process. Modifications and corrections are anticipated to finalize the construction documents. Following the County's final acceptance of the construction documents, construction estimates and schedule, the State will proceed to approve the project to bid through the Department of Finance. The completion of this stage is anticipated in April and will enable the County to move forward with the next steps as follows:

Anticipated Date	Next Steps
April	Construction pre-solicitation.
April	Receive the State Department of Finance approval to bid.
April - June	Board authorization to Bid and receive construction bids.
July	Board conditional award of construction contract.
August	State agencies review and approval construction award.
August/September	Notice to proceed with construction.

The project schedule continues to be a forecasted estimate impacted by State Agency approvals and the increased level of oversight for a project of this complexity. The next anticipated step is the construction pre-solicitation which provides contractors an opportunity to review the construction documents prior to the minimum thirty day formal bidding process. This process provides the time needed to address questions and receive competitive bids.

Review of Project Funding

Of the total estimated project cost of \$18,572,778, the State has committed \$13,120,983 for construction costs through SB 81. The balance of the project is funded by the County with cash and in-kind match. Funding from General Government Building Replacement Reserves – Juvenile Hall Building Designation provides the cash match for construction costs exceeding the State commitment, and for all other project related costs including consultant services and County project administration. The in-kind match is primarily for staff services budgeted under County operations, and a portion is for the value of the land for the expansion.

On June 2, 2009, the Board approved and accepted State funding under SB 81 for the expansion of the County’s Juvenile Hall facility, and designated \$3,500,000 from General Government Building Replacement Reserves – Juvenile Hall Building Designation for the County’s local share. Of the \$3,500,000, a total of \$2,138,400 was appropriated to Capital Projects Fund for project costs through bidding. The remainder of the funding was intended to be appropriated to the project after consultant contracts relating to construction services were negotiated.

GSA-General Services has completed negotiations for consultant services contracts and recommends the award of the construction management, inspector of record, and testing and special inspection services described below. Details of the project budget are presented below in the Financial Considerations section.

Consultant Service Contracts

November 2013, General Services Agency Requested Statement of Qualifications from construction management firms. Two firms submitted proposals and no interviews were conducted.

- **Construction Management Services**

Of the two proposals, Kitchell was selected by a committee made up of representatives from Probation, County Administration, General Services, and a local architectural firm as the best qualified to meet the project requirements. Construction management services provide a comprehensive project support, documentation, and coordination between the general contractor, the architectural team, and other consultants participating in monitoring or constructing the project. The construction manager acts as the County’s project facilitator of correspondence and facilitator of project information including tracking the construction schedule, and the project budget. A negotiated contract in the amount of \$635,346 is recommended for award.

Staff leveraged the procurement process from another County project, the Women’s Jail Expansion project, which is in the vicinity of Juvenile Hall, to select the firms for inspector of record and special testing and inspection. For the Women’s Jail Expansion project, the County issued Requests for Statement of Qualifications in 2013. Firms which were qualified and

selected for the Women’s Jail Expansion project were also qualified for the Juvenile Hall Expansion project. The shared consultant selection and RFP process for both projects resulted in effective use of staff and project time, and provided cost savings in consultant services contracts. The selection committee was comprised of County representatives from both projects and jointly evaluated consultant proposals based on their experience with detention facilities and large scale complex projects.

- **Inspector of Record**

Seven firms submitted proposals, three were selected for interviews, and 4LEAF, Inc. was selected as the inspector of record for the Juvenile Hall Expansion project. The inspector of record has the daily responsibility of inspecting the construction for compliance with codes, plans, and specifications, and quality assurance. The inspector of record reports daily on the project’s progress and on-site activity, issues correction notices, and notifies the construction management firm of discrepancies in the work. A negotiated contract in the amount of \$274,847 is recommended for award.

- **Testing and Special Inspection**

Two firms submitted proposals, and Earth Systems Pacific was selected for the construction testing and special inspection services. The testing and special inspection includes sampling and testing construction materials; and inspection and testing of welding, on and off site fabricated materials; and other inspections for concrete, foundation pile installation, masonry, grading, and paving. A negotiated contract in the amount of \$124,911 is recommended for award.

The consultant services contracts for construction management, inspector of record, and special testing and inspection are ready for award, and require funding in the amount of \$1,035,104 as shown in in Table 1. The funding for these contracts requires a budget adjustment request from previous allocated funds as shown in Table 3.

Table #1

Contract	Vendor Name	Contract Award
Construction Management	Kitchell	\$ 635,346
Inspector of Record	4LEAF, Inc.	\$ 274,847
Testing and Special Inspection	Earth Systems Pacific	\$ 124,911
Subtotal: requested adjustment		\$ 1,035,104
Estimate of Other Consultant Services	Commissioning and State Monitoring Fees	\$ 72,802
Total		\$ 1,107,906

OTHER AGENCY INVOLVEMENT/IMPACT

Representatives from Probation, Administration, General Services Agency, and County Counsel participate in the project steering committee. The Auditor is involved at various stages of the project including the contractor pre-qualification process. The office of the Environmental Coordinator has filed an environmental determination for the project and continues to be consulted on environmental requirements.

Several State agencies are involved in the SB81 funding approval processes including the Board of State Community Corrections, the California Department of Corrections and Rehabilitation, the Department of Finance, the Pooled Money Investment Board, the State Fire Marshal, and the State Department of Public Works.

FINANCIAL CONSIDERATIONS

The Juvenile Hall project update to the Board in April 2013 identified the potential project cost increases for consultant services, architectural services, and staff administration. The increase in consultant services previously reported was based on the Women’s Jail Expansion project costs for similar services. The consultant service contracts presented today are approximately \$29,000 less than the April 2013 estimate as shown in Table 2. This savings partially offsets the increase in the estimated construction costs. The increases for Architectural engineering services and construction were mitigated to the extent possible without reducing the scope of the project.

Table 2: Funding Components and Cost

Table #2

Revised Project Costs			
Funding Components	Est. Cost Apr 2013	Est. Cost Feb 2014	Change
Construction	\$ 13,207,745	\$ 13,262,248	\$ 54,503
Architectural & Design	\$ 1,472,848	\$ 1,480,224	\$ 7,376
CEQA	\$ 175,000	\$ 175,000	\$ 0
Consultant Services	\$ 1,137,000	\$ 1,107,906	\$ (29,094)
County Administration	\$ 871,100	\$ 871,100	\$ 0
Soft Cost Contingency	\$ 300,000	\$ 300,000	\$ 0
Total Project Estimate	\$ 17,163,693	\$ 17,196,478	\$ 32,785

The construction estimate updated in February 2014 identified increased construction costs to incorporate State Fire Marshal requirements, and added costs for inflation over the past year. Increases in State fees for review of lease documents, and additional construction documents reviews increased architectural and design costs. Despite savings in the consultant services contracts, there is an estimated increase of the total project costs in the amount of \$32,785.

Since the initial project estimate in 2008 of \$17,494,644, the State funding commitment from SB 81 has remained consistent. Funding for the project is based on a State commitment of funding for 75% of total project costs which are to be used strictly for construction, with a maximum total of \$13,120,983.

The Board appropriated \$3,125,000 in June 2009 as the estimated local cash match for the project. In addition to the estimated cash match, the Board also appropriated \$375,000 of funding for potential unforeseen impacts to the project, for a total of \$3.5 million. As shown in Table 3, below, the local cash match is currently estimated to be \$4,075,495. This increase is offset by the \$375,000 appropriated in 2009, and an additional \$400,000 that was set aside in the Facilities Planning Designation from FY 2012-13 excess fund balances. The additional funding that will be required for the project is currently estimated to be \$175,495. The actual funding required will be revised and presented to the Board after construction bids are received. Construction bids are expected to be within a 10% variation from the construction estimate, which is an accepted industry standard.

The County 25% local match includes credit for in-kind match of land value, Probation Department operations, and initial project studies for original grant application. Lease bond revenue requires a minimum 25% local share match made up of a combination of \$4,075,495 cash match and \$1,376,300 of in-kind match.

The State SB 81 funding, County funding, and in-kind match bring the current total funding requirement to \$18,572,778.

Table 3: Funding Sources

Table #3

Funding Sources			
	State Funding	County Funding	Total Project Funding
SB 81 Construction	\$ 13,120,983		\$ 13,120,983
County – General Government Bldg. Replacement Reserve		\$ 3,500,000	\$ 3,500,000
County – Facilities Planning Designation		\$ 400,000	\$ 400,000
Estimated additional funding required		\$ 175,495	\$ 175,495
Subtotal – Project Funding	\$ 13,120,983	\$ 4,075,495	\$ 17,196,478
In-Kind Match		\$ 1,376,300	\$ 1,376,300
Total Project Funding	\$ 13,120,983	\$ 5,451,795	\$ 18,572,778

RESULTS

The continued commitment to provide funding for the project and consultant service contracts will allow the project to move forward to bidding and provide the services necessary to manage the construction to provide a quality built facility and comply with Codes and State funding requirements.

ATTACHMENTS

1. Chronology of Board Actions
2. JHE Vicinity Map
3. Consultant Services Contract for Construction Management
4. Consultant Services Contract for Inspection Services
5. Consultant Services Contract for Testing and Special Inspection