

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

DEPT: Chief Executive Office

BOARD AGENDA # \*B-1

Urgent  Routine

AGENDA DATE February 15, 2011

CEO Concurs with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Approval to Reject All Bids Received for the Minor Renovations at the Health Services Agency Public Health Laboratory

STAFF RECOMMENDATIONS:

1. Approve to reject all bids for the minor renovations at the Health Services Agency Public Health Laboratory Polymerase Chain Reaction (PCR) Project.
2. Direct Staff to identify cost savings and possible additional funding to bring the project within the project budget; redesign elements of the project; and direct staff to return to the Board of Supervisors for approval of the redesigned project.

FISCAL IMPACT:

The total estimated cost of the Polymerase Chain Reaction (PCR) Project previously approved by the Board is \$376,585, which includes equipment costs of \$281,585, and construction costs estimated not to exceed \$95,000. Homeland Security Grant funding of \$281,585 previously approved by the Board on November 3, 2009 will fund equipment costs, while Public Facility Fees (PFF) of \$66,431 and Health Services Agency Public Health laboratory fund balance of \$28,569 will fund construction costs associated with the minor renovations required at the Health Services Agency Public Health Laboratory for the PCR Project.  
(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2011-101

On motion of Supervisor Withrow Seconded by Supervisor Chiesa  
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

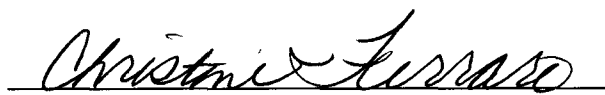
1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other: \_\_\_\_\_

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

**FISCAL IMPACT: (Continued)**

Staff's recommendation is to reject all bids and direct the Architect to redesign the project to reduce costs. Under the County's agreement with the Architect, the Architect will be responsible for redesign costs. The project budget will fund costs associated with rebidding the project.

**DISCUSSION:**

The construction of the Stanislaus County Health Services Agency Public Health Laboratory was completed in 1962. The public's health depends upon the rapid, reliable transmission of test results and other vital health data. Elected officials, policy makers, public health, clinicians and emergency responders rely on this data to diagnose, treat and control health threats. Public health laboratories play an essential role in public health and safety. They function to generate critical data used to make informed decisions regarding the implementation of preventative measures and development of effective policies that protect the public from unforeseen conditions, hazards, and threats.

The Health Services Agency's Public Health Department identified the need for a polymerase chain reaction (PCR) system as a critical piece of laboratory infrastructure that will be key in the surveillance and monitoring activities of the County Public Health Department. Laboratory applications for this equipment include confirmation of bioterrorism, the H1N1 virus and norovirus.

On December 22, 2009, the Board approved minor renovations needed at the Public Health Laboratory to create an environment where staff can operate most efficiently and effectively and space where the new PCR equipment could be accommodated. At that time, the Board approved a project budget of \$376,585 which included equipment costs of \$281,585, and construction costs estimated not to exceed \$95,000.

On September 21, 2010, the Board of Supervisors approved a contract for professional architectural design services for the development of plans and specifications for the minor renovations at the Health Services Agency Public Health Laboratory to Pacific Design Associates, Inc. of Modesto, California, for the lump sum amount not to exceed \$9,950.

On December 14, 2010, the Board of Supervisors approved the plans and specifications for the minor renovations. The Board also authorized the Project Manager to issue a notice inviting bids for the construction phase of the project, authorized staff to accept and open bids on January 19, 2011 at 2:00 p.m., and directed staff to return to the Board to recommend a contract award to the lowest responsible bidder.

On January 19, 2011, at 2:00 pm, Staff received and opened five proposals for the minor renovations at the Health Services Agency Public Health Laboratory from

Barham, Inc. dba BC Construction of Ceres, California, JHK Construction, Inc. of Escalon, California, Haskell & Haskell Engineering & Construction Services, Inc. of Knights Ferry, California, Menghetti Construction, Inc. of Modesto, California, and Cheek Construction Management, Inc. of Ceres, California. The low bid of \$84,500 from JHK Construction, Inc. exceeded funds available of \$65,000 for construction.

Staff discussed the cost overrun with the Architect and developed the following strategies for reducing the cost of the project without impacting the functionality of the project:

- Eliminating some items that although desirable, were not absolutely necessary for the functionality of the project (I.E. interior signage, additional voice and data wiring).
- Eliminating the requirement to furnish a certification by the manufacturer of the roofing materials for patching the new roof vent.
- Allowing a substitution to the mechanical control systems.
- Eliminating the air balancing certification report.
- Reusing existing doors hardware.
- Allowing one new cabinet to be a deductive alternate in case bids again are higher than expected.
- Allowing the new sink and eyewash to be a deductive alternate in case bids are again higher than expected.

It is anticipated that when the project is completed, the new PCR equipment will enable the Health Services Agency Public Health Laboratory in identifying viral diseases inclusive of bioterrorism, influenza, and norovirus. This is extremely important as longer wait times reduce Public Health's ability to respond to and mitigate H1N1 infections. As longer turnaround times occur due to an ever increasing number of sick people emerging, the ever-widening sphere of infection could ultimately result in an "outbreak".

**POLICY ISSUES:**

Approval of this matter supports the Board priorities of A Safe Community, A Healthy Community, and Efficient Delivery of Public Services and will ensure the project proceeds within the approved project budget.

**STAFFING IMPACT:**

Chief Executive Office Capital Projects, Health Services Agency Public Health, and Office of Emergency Services staff will collaborate to ensure the project is implemented.

**CONTACT PERSON:**

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

# Approval to Reject All Bids Received for the Minor Renovations at the Health Services Agency Public Health Laboratory



## BOARD OF SUPERVISORS

### February 15, 2011

**PowerPoint Presentation**

# Project Description

- Purchase and install a Polymerase Chain Reaction (PCR) system at the Health Services Agency Public Health Laboratory that will provide biological, chemical and genetic testing capacities and increase public health surveillance and response to emerging threats

# Project Description

- Complete minor renovations within existing office space for the operation of the PCR system

# PCR Public Health Lab Project

## Sources of Funding

<b>Public Health Lab PCR Revenue Sources</b>	<b><i>Amount</i></b>
<b>Homeland Security Grant Funding</b>	\$281,585
<b>Public Facility Fees</b>	\$66,431
<b>Department Fund Balance</b>	\$28,569
<b>Total</b>	<b>\$376,585</b>

# PCR Public Health Lab Project Uses

<b>Public Health Lab PCR Uses</b>	<b><i>Amount</i></b>
<b>Salaries: Project Oversight and Support</b>	\$8,412
<b>Services and Supplies: Construction Management, Architectural Services, Inspection Services, Printing, and Publications</b>	\$13,833
<b>Other Charges: Government Interfund Charges</b>	\$200
<b>Fixed Assets: Alarm System, Data Communications, and Change Order Contingency</b>	\$7,555
<b>Construction Contractor</b>	\$65,000
<b>PCR Equipment</b>	\$281,585
<b>Total</b>	<b>\$376,585</b>



Previous Actions  
by the Board of Supervisors  
December 14, 2010

- Approved the plans and specifications for the minor renovations prepared by Pacific Design Associates, Inc. of Modesto, California

# Previous Actions by the Board of Supervisors December 14, 2010

- Authorized the Project Manager to issue a Notice Inviting Bids for the construction phase of the project; and accept and open bids on January 19, 2011
- Directed staff to return to the Board of Supervisors to recommend an award

# Bidding on the Project

- January 19, 2011 five proposals were received and opened
- The original construction contractor budget approved was \$65,000
- The low bid received was \$84,500
- The low bid exceeded the construction contractor budget by \$19,500

# Cost Reduction Strategies May Exist

- Eliminate non-essential items that won't impair the functionality of the Public Health Laboratory and operation of the PCR equipment
- Allow for deductive alternates in case bids come in again higher than expected

# Staff Recommendations

1. Approve to reject all bids for the minor renovations at the Health Services Agency Public Health Laboratory Polymerase Chain Reaction (PCR) Project

# Staff Recommendations

2. Direct Staff to identify cost savings and possible additional funding to bring the project within the project budget; redesign elements of the project; and direct Staff to return to the Board of Supervisors for approval of the redesigned project.