

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

DEPT: Chief Executive Office

BOARD AGENDA # *B-10

Urgent

Routine

AGENDA DATE October 4, 2011

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Award the Construction Contract for the Minor Renovations at the Health Services Agency Public Health Laboratory Polymerase Chain Reaction Project to BC Construction of Ceres, California

STAFF RECOMMENDATIONS:

1. Approve to award the construction contract for minor renovations at the Health Services Agency Public Health Laboratory to BC Construction General Contractor of Ceres, California, for the lump sum amount of \$64,947.00 base bid plus the three (3) additive alternates of \$20,492.00 for a total of \$85,439.00.
2. Authorize the Project Manager to issue a Notice to Proceed upon receipt of proper insurance and bonds.
3. Authorize the Project Manager to negotiate and sign contracts and work authorizations necessary to manage the construction phase including construction management, professional services, and other project related expenses as necessary to manage the project as long as the costs are within the approved project budget as approved by the Board of Supervisors.

(Continued on Page 2)

FISCAL IMPACT:

On August 2, 2011, the Board of Supervisors approved the plans and specifications for the minor renovations needed at the Public Health Laboratory to create an environment where staff can operate most efficiently and effectively and to make minor facility changes for new Polymerase Chain Reaction (PCR) equipment to be installed. The project costs were estimated not to exceed \$95,000. Funding for the project comes from Public Facility Fees and Health Services Agency Public Health Laboratory fund balance.

(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2011-565

On motion of Supervisor Chiesa, Seconded by Supervisor Withrow

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.

STAFF RECOMMENDATIONS: (Continued)

4. Direct the Auditor-Controller to increase appropriations and estimated revenue by \$25,000 for this effort as detailed in the attached Budget Journal form.

FISCAL IMPACT: (Continued)

On September 8, 2011, two bids were received from the following contractors: BC Construction of Ceres and Cheek Construction Management, Inc. of Ceres.

The bids ranged from \$64,947 to \$87,873. Also submitted were prices for the following three additive alternates: addition of upper and lower cabinets and counter tops, addition of sink and eye-wash station, and addition of a peninsula type cabinet and counter top in the main lab. The bid alternates ranged from \$3,500 to \$10,125.

The basis of the award selected by the evaluation team was the base bid only. The addition of the three alternate bid items, or any combination of them, does not change the order of the two bidders. BC Construction remains the low bidder with any combination of the additive alternate bids and the base bid.

The budget for award of construction was \$65,000, sufficient to award the base bid.

In addition to the basic facility changes needed to accommodate the new equipment, the Health Services Agency requested three elements to be added to the project, for which bid prices were obtained as "bid alternates". The three bid alternates are:

- Alternate No 1 Provide Upper and Lower Cabinets and Counter tops for work space and storage,
- Alternate No 2 Provide a sink and eye wash stations for emergencies,
- Alternate No 3 Provide a peninsular Cabinet and Counter top on which to place equipment.

The Agency has additional funding in the amount of \$25,000 for those project elements. Staff recommends awarding the base bid and all three additive bid alternates.

At this time, the Chief Executive Office is returning to the Board of Supervisors for approval to award a construction contract to BC Construction for the lump sum amount not to exceed \$85,439 for the minor renovations at the Health Services Agency Public Health Laboratory.

With the Board of Supervisors approval of the construction contract, the total project budget recommended is \$120,000. BC Construction is recommended by staff as the lowest responsible bidder for the project as a result of extensive due diligence process conducted since receiving the bids for this 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. Informal conversations with general contractors, subcontractors, and with the Architect indicated the decline in the available labor forces was a major contributor to higher costs.

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:

1. 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).
2. Eliminating the requirement to furnish a certification by the manufacturer of the roofing materials for patching the new roof vent.
3. Allowing a substitution to the mechanical control systems.
4. Eliminating the air balancing certification report.
5. Reusing existing doors hardware.
6. Allowing the new cabinets to be an additive alternate to reduce the base scope, but be added back in if funding allows.
7. Allowing the new sink and eyewash to be an additive alternate to reduce the base scope, but be added back in if funding allows.

On February 15, 2011, the Board of Supervisors approved to reject all bids and directed Staff to work with the Architect to redesign the project to reduce costs to ensure the project remained within the previously approved budget.

Since that time, the Architect has worked with staff to redesign the project which includes the strategies outlined above and the addition of three additive bid alternates. The three additive alternate bid items are: (1) all upper and lower cabinets and counter tops, (2) sink and eye-wash station, and (3) peninsula cabinet and counter top in main lab.

On August 2, 2011, the Board of Supervisors approved the revised plans and specifications for the minor revisions. 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 September 8, 2011 at 2:00 p.m., and direct staff to return to the Board to recommend a contract award to the lowest responsible bidder.

POLICY ISSUES:

Approval of this matter supports the Board priorities of A Safe Community, A Healthy Community, and Efficient Delivery of Public Services by providing surveillance and monitoring activities at the County Public Health Department.

Approval to Award the Construction Contract for the Minor Renovations at the Health Services Agency Public Health Laboratory Polymerase Chain Reaction Project to BC Construction of Ceres, California
Page 5

STAFFING IMPACT:

Chief Executive Office, 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

County of Stanislaus: Auditor-Controller Legal Budget Journal

Database
Set of Books

FMSDBPRD.CO.STANISLAUS.CA.US.PROD
County of Stanislaus

Balance Type	Budget	
Category	* List - Text Budget - Upload	
Source	* List - Text CEO NJB	
Currency	* List - Text USD	
Budget Name	List - Text LEGAL BUDGET	
Batch Name	Text	
Journal Name	Text JV CEO CP000054	
Journal Description	Text BRING IN REVENUE TO PCR LAB PROJECT	
Journal Reference	Text	
Organization	List - Text Stanislaus Budget Org	

Upl	Fund	Org	Acc't	GL Proj	Loc	Misc	Other	Debit		Credit		Period	Line Description
								incr appropriations decr est revenue	decr appropriations incr est revenue	Upper case MMM-YY	Text		
								(format > number > general)					
4	7	5	7	6	6	5					Text		
	1402	1428600	85850	0000000	000000	000000	000000	25000			SEP-11	TRANSFERS OUT	
	2072	0061134	46600	0000000	000000	000000	000000		25000		SEP-11	REVENUE	
	2072	0061134	80300	0000000	000000	000000	000000	20492			SEP-11	STRUCTURES	
	2072	0061134	80570	0000000	000000	000000	000000	4508			SEP-11	CONTINGENCY	

Totals: 50000 25000

Explanation:
TRANSFER FUNDS INTO PCR LAB PROJECT

Requesting Department	CEO	Data Entry	Auditors Office Only
NORMA BAKER	<i>Paul E. Leasa</i>		<i>M. Elliot</i>
Signature	Signature	Keyed by	Prepared By
9/28/11	9/28/11		9/29/11
Date	Date	Date	Date

DOCUMENT 00520

AGREEMENT

THIS AGREEMENT, dated this ____ day of October, 2011, by and between Barham, Inc. dba BC Construction (“Contractor”), and the County of Stanislaus (“County”), acting under and by virtue of the authority vested in the County by the laws of the State of California.

WHEREAS, County, by its Resolution No. _____ adopted on the ____ day of October, 2011 awarded to Contractor the following Contract:

**STANISLAUS COUNTY HEALTH SERVICES AGENCY
PUBLIC HEALTH LAB TENANT IMPROVEMENTS
Bid Package 2, Construction Re-Bid**

at

**820 SCENIC DRIVE
MODESTO, CALIFORNIA 95350**

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, Contractor and County agree as follows:

Article 1. Work

- 1.1 Contractor shall complete all Work specified in the Contract Documents, in accordance with the Specifications, Drawings, and all other terms and conditions of the Contract Documents.

Article 2. Architect/Engineer and Project Manager

- 2.1 **Pacific Design Associates, Inc.** designed the Project and furnished the Plans and Specifications. **Pacific Design Associates, Inc.** shall have the rights assigned to Architect/Engineer in the Contract Documents.
- 2.2 County has designated **Patricia Hill Thomas** as its Project Manager to act as County’s Representative in all matters relating to the Contract Documents. The Project Manager shall have final authority over all matters pertaining to the Contract Documents and shall have sole authority to modify the Contract Documents on behalf of the County, to accept work, and to make decisions or actions binding on the County, and shall have sole signature authority on behalf of the County.
- 2.3 The County may assign all or part of the Project Manager’s rights, responsibilities and duties to a Construction Manager.

Article 3. Contract Time and Liquidated Damages

3.1 Contract Time

Contractor shall commence Work on the date established in the Notice to Proceed. County reserves the right to modify or alter the Commencement Date of the Work.

Contractor shall achieve Substantial Completion of the entire Work within 45 Calendar Days from the date when the Contract Time commences to run as provided in Document 00700 (General Conditions). Contractor shall achieve Final Completion of the entire Work and be ready for Final Payment in accordance with Section 01770 (Contract Closeout) 60 Calendar Days from the date when the Contract Time commences to run as provided in Document 00700 (General Conditions).

3.2 Liquidated Damages

County and Contractor recognize that time is of the essence of this Agreement and that County will suffer financial loss in the form of Contract administration expenses (such as Project management and consultant expenses), if all or any part of the Work is not completed within the times specified above, plus any extensions thereof allowed in accordance with the Contract Documents. Contractor and County agree that because of the nature of the Project, it would be impractical or extremely difficult to fix the amount of actual damages incurred by County because of a delay in completion of all or any part of the Work. Accordingly, County and Contractor agree that as liquidated damages for delay Contractor shall pay County:

- 3.2.1 One Thousand dollars (\$1,000.00) for each Day that expires after the time specified herein for Contractor to achieve Substantial Completion of the entire Work, until achieved.
- 3.2.2 One Thousand dollars (\$1,000.00) for each Day that expires after the time specified herein for Contractor to achieve Final Completion of the entire Work, until achieved.

These measures of liquidated damages shall apply cumulatively and except as provided below, shall be presumed to be the damages suffered by County resulting from delay in completion of the Work.

- 3.3 Liquidated damages for delay shall only cover administrative, overhead, interest on bonds, and general loss of public use damages suffered by County as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from Defective Work, lost revenues or costs of substitute facilities, or damages suffered by others who then seek to recover their damages from County (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties), and defense costs thereof.

Article 4. Contract Sum

- 4.1 County shall pay Contractor the Lump Sum for completion of Work in accordance with Contract Documents as follows: **Eighty-Five Thousand, Four Hundred Thirty-Nine Dollars and No/100 (\$85,439.00)**. This includes:

Base Bid	\$64,947.00
Alternate 1	\$7,624.00
Alternate 2	\$6,221.00
Alternate 3	<u>\$6,647.00</u>
Total	\$85,439.00

Article 5. Contractor's Representations

In order to induce County to enter into this Agreement, Contractor makes the following representations and warranties:

- 5.1 Contractor has visited the Site and has examined thoroughly and understood the nature and extent of the Contract Documents, Work, Site, locality, actual conditions, as-built conditions, and all local conditions, and federal, state and local laws and regulations that in any manner may affect cost, progress, performance or furnishing of Work or which relate to any aspect of the means, methods, techniques, sequences or procedures of construction to be employed by Contractor and safety precautions and programs incident thereto.
- 5.2 Contractor has examined thoroughly and understood all reports of exploration and tests of subsurface conditions, as-built drawings, drawings, products specifications or reports, available for Bidding purposes, of physical conditions, including Underground Facilities, which have been made available for Bidders or which may appear in the Drawings. Contractor accepts the determination set forth in these Documents and Document 00700 (General Conditions) of the limited extent of the information contained in such materials upon which Contractor may be entitled to rely. Contractor agrees that except for the information so

identified, Contractor does not and shall not rely on any other information contained in such reports and drawings.

- 5.3 Contractor has conducted or obtained and has understood all such examinations, investigations, explorations, tests, reports and studies (in addition to or to supplement those referred to in Section 5.2 of this Document 00520) that pertain to the subsurface conditions, as-built conditions, Underground Facilities and all other physical conditions at or contiguous to the Site or otherwise that may affect the cost, progress, performance or furnishing of Work, as Contractor considers necessary for the performance or furnishing of Work at the Contract Sum, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of Document 00700 (General Conditions); and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are or will be required by Contractor for such purposes.
- 5.4 Contractor has correlated its knowledge and the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.

Article 6. Contract Documents

- 6.1 Contract Documents consist of the following documents, including all changes, Addenda, and Modifications thereto:

Document 00510	Notice of Award
Document 00520	Agreement
Document 00550	Notice to Proceed
Document 00610	Construction Performance Bond
Document 00620	Construction Labor and Material Payment Bond
Document 00700	General Conditions
Document 00821	Supplementary Conditions -- Insurance
Document 00822	Apprenticeship Program
Document 00910	Addenda
Specifications	Divisions 1 through 16
Drawings listed in Document 00015,	List of Drawings

- 6.2 There are no Contract Documents other than those listed in this Document 00520, Article 6. The Contract Documents may only be amended, modified or supplemented as provided in Document 00700 (General Conditions).

Article 7. Miscellaneous

- 7.1 Terms and abbreviations used in this Agreement are defined in Document 00700 (General Conditions) and Section 01420 (References and Definitions) and will have the meaning indicated therein.
- 7.2 It is understood and agreed that in no instance are the persons signing this Agreement for or on behalf of County or acting as an employee, agent, or representative of County, liable on this Agreement or any of the Contract Documents, or upon any warranty of authority, or otherwise, and it is further understood and agreed that liability of the County is limited and confined to such liability as authorized or imposed by the Contract Documents or applicable law.
- 7.3 Contractor shall not assign any portion of the Contract Documents, and may subcontract portions of the Contract Documents only in compliance with the Subcontractor Listing Law, California Public Contract Code §4100 *et seq.*
- 7.4 The Contract Sum includes all allowances (if any).

- 7.5 In entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, Contractor or Subcontractor offers and agrees to assign to the awarding body all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. §15) or under the Cartwright Act (Chapter 2 (commencing with §16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time County tenders final payment to Contractor, without further acknowledgment by the parties.
- 7.6 Copies of the general prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Contract, as determined by Director of the State of California Department of Industrial Relations, are deemed included in the Contract Documents and on file at County's Office, and shall be made available to any interested party on request. Pursuant to California Labor Code §1861, Contractor represents that it is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and Contractor shall comply with such provisions before commencing the performance of the Work of the Contract Documents.
- 7.7 Should any part, term or provision of this Agreement or any of the Contract Documents, or any document required herein or therein to be executed or delivered, be declared invalid, void or unenforceable, all remaining parts, terms and provisions shall remain in full force and effect and shall in no way be invalidated, impaired or affected thereby. If the provisions of any law causing such invalidity, illegality or unenforceability may be waived, they are hereby waived to the end that this Agreement and the Contract Documents may be deemed valid and binding agreements, enforceable in accordance with their terms to the greatest extent permitted by applicable law. In the event any provision not otherwise included in the Contract Documents is required to be included by any applicable law, that provision is deemed included herein by this reference (or, if such provision is required to be included in any particular portion of the Contract Documents, that provision is deemed included in that portion).
- 7.8 This Agreement and the Contract Documents shall be deemed to have been entered into in the County of Stanislaus, State of California, and governed in all respects by California law (excluding choice of law rules). The exclusive venue for all disputes or litigation hereunder shall be in Stanislaus County Superior Court. Contractor accepts the Claims Procedure in Document 00700, Article 12, as a claims procedure by agreement under the California Government Code, Title 1, Division 3.6, Part 3, Chapter 5.

IN WITNESS WHEREOF the parties have executed this Agreement in quadruplicate the day and year first above written.

CONTRACTOR:

Barham, Inc. dba BC Construction
2204 Fairview Drive
Ceres, California 95305
Phone: (209) 531-1252
Fax: (209) 531-1254

By: 
(Signature)

Its: President
Title (If Corporation: Chairman, President
or Vice President)

By: _____
(Signature)

Its: _____
Title (If Corporation: Secretary, Assistant
Secretary, Chief Financial Officer or
Assistant Treasurer)

COUNTY:

County of Stanislaus
Capital Projects
1010 10th Street, Suite 2300
Modesto, California 95354
Phone: (209) 525-4380
Fax: (209) 525-4384

By: _____
(Signature)

(Print Name)

(Title)

Attest: _____
Secretary

(Print Name)

APPROVED AS TO FORM AND LEGALITY
THIS 28th DAY OF September, 2011

By: 
John P. Doering, County Counsel

END OF DOCUMENT