



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 4/21/2020

To: Sonoma County Board of Supervisors
Department or Agency Name(s): General Services
Staff Name and Phone Number: John Brencic, 707-565-2847
Vote Requirement: Majority
Supervisorial District(s): All

Title:

Agreement for Bridging Architect and Construction Management Services for the Adult Behavioral Health Housing Unit project.

Recommended Action:

Authorize the Chair of the Board to execute an agreement for consulting services with Kitchell in the amount of \$1,773,066 for bridging architect and construction management services relating to construction of the Sonoma County Behavioral Health Housing Unit (BHHU) project.

Executive Summary:

Project:

The Board of Supervisors previously authorized the Adult Behavioral Health Housing Unit (BHHU) project consisting of the design and construction of a new mental health, secured facility adjacent and attached to the Main Adult Detention Facility (MADF). The project will provide security, treatment, and competency restoration services for the mentally ill inmate population. In 2016, the Board authorized the consulting team of Kitchell Construction Management and DLR Architecture to support the County throughout the entire project from preliminary design to construction completion. Final selection of the design-build contractor, construction and final occupancy of the BHHU has been delayed by a series of natural disasters, utility blackouts, land title exception constraints, and the time and resources necessary to complete and comply with the State grant program submittal requirements. This lapse of time has exceeded the original time frame and the agreed time period for the Kitchell/DLR contract services, and has now increased contract costs. As a result the contract term has now expired. Funds are encumbered and not fully expended. Therefore the requested action will enable execution of a new agreement for the remaining contract work plus the increased contract costs associated with the extended timeframe.

Discussion:

Background & State Requirements:

As part of the 2014-15 State Budget Package, \$500 million in lease revenue bonds was authorized through Senate Bill 863 (Senate Budget and Fiscal Review Committee) to address local jail construction and programming space needs.

The County of Sonoma was successful in its application for SB-863 funding and in November, 2015 was conditionally awarded \$40 million dollars to augment its criminal justice facilities. A team consisting of members of the Sheriff's Department, General Services, and the County Administrator's Office organized the

effort to solicit and select a Bridging-Design-Build team to complete the conceptual drawings and specifications and provide construction management services during the construction of the project. Your Board authorized the contract award to Kitchell/DLR on March 15, 2016 for \$3,170,000 with an expiration date of November 2019.

Delays to the project are the result of two sources. First, the project Real Estate Due Diligence process and staff resources were impacted by the EOC activations and support for the fires of October 2017, the flood of 2018, the PG&E power shut off events of 2019 with the subsequent fire of October 2019, and the Rodota Trail Emergency project. All of these events have impacted the project teams' continuity of services for the timely execution of the project.

Second, the property identified for the project has had a long and varied development history and numerous property exceptions were discovered during the title search process which required removal or mitigation for the State's Ground Lease process. Several of these items required coordination with other local government agencies who were also impacted by the events listed in the first item. The team was able to address the 34 identified property exceptions and move the process forward with the California State General Services Office and received the Real Estate Due Diligence (REDD) letter on June 12, 2019. This is one of the documents necessary to enter in to the Ground Lease with the State of California Department of Finance.

Parallel to the title report mitigation efforts by the General Services Real Estate group, and the California State Department of General Services preparation of the REDD letter, the California State Courts and the County have been negotiating and clarifying parking allocations and agreements. A portion of the designated lot for the Behavioral Health Housing Unit includes a parking lot identified as Lot 21. This lot is described in the MADF Joint Occupancy Agreement as set aside and designated for Court parking. This parking obligation was identified November 2019 by the State Department of Finance (DOF) as an exception to the submittal, causing the DOF to not approve the identified project site. The County subsequently worked diligently to address this issue.

To account for the problematic parking obligation, design modifications were undertaken and the project site was revised to exclude the boundaries of Lot 21. The team, with Kitchell's team support, has successfully implemented the necessary design changes to accomplish these changes and have revised the documents necessary to resolve the identified problems. These revised documents were submitted on February 20, 2020 for review and we are awaiting final approval from DGS and DOF.

Need for Additional Time

The Kitchell/DLR team have been an integral part of the County's efforts to meet the requirements of the State, prepare and update the bridging documents, maintain communication with the waiting Design-Build contractors, and support the overall effort as required by the County. They are a key team member and provide the liaison necessary with the various departments at the State level. The increased costs will cover escalation of consultant staff rates that occurred over the period of the delay and increased overhead costs from market conditions impacting areas such as utilities, equipment used in their office operations and facilities expenses. Additional effort is required of the Kitchell/DLR team to update bridging documents reflecting the revised timeline and minor adjustments to the design.

The unforeseen circumstances and events of the last thirty months have all inhibited the County's ability to

deliver the project for construction in a timelier manner. While Kitchell's contribution to the project to date has been key, their primary value as owners-representative for the County will be during the construction phase coordinating with the Design-Build Contractor. Their project knowledge and continuity will be invaluable for the final and timely success of the project. Kitchell has earned a valued position among the project team with both the Sheriff's Office and General Services. The additional funding associated with the additional time is reasonable given current industry rates and for the effort still required for the project and will not require additional project funds for approval and implementation of the Services Contract.

The current plan for completing the project is to resume the procurement with the pre-qualified design builders. Design Build contractors qualified as part of earlier efforts have been kept apprised during the delay. Of the three firms qualified, two have expressed continued interest in submitting cost proposals, the third firm withdrawing from the procurement. Upon approval by your Board to execute the requested action, the bridging document will be completed and pre-qualified design builders will be engaged to proceed to the design build cost proposal phase. As such award of a design build contract would be anticipated in the fourth quarter of FY20/21 with completion in the first quarter FY22/23.

In the event that the pre-qualified design builders withdraw from completion or if the qualifications presented in their proposals are no longer valid, a contingency plan is available. Qualifications of proposed staff members were required as part of the proposal submission. Should those staff members be no longer available and the proposer is not able to find equal to or better substitutions, the procurement would be cancelled. A new procurement would be issued starting with Request for Qualifications followed with Request for Proposals. At that time, procurement vehicles could be considered such as design-bid-build or remaining with design-build. Resoliciting the procurement is anticipated include Second quarter FY21/22 award with completion first quarter FY24/25.

In either plan, in accordance with Policy and Template Agreement for the use of Project Labor Agreements on future significant County construction projects dated January 14, 2014, the Request for Proposals will include provisions for a Project Labor Agreement since a project of this magnitude warrants such an agreement and in full partnership with labor.

Prior Board Actions:

January 10, 2017: Board authorization of Schematic Design Package and Design Build Request for Qualifications.

June 21, 2016: Board authorization of County application to the Board of State and Community Corrections formally establishing project.

March 15, 2016: Authorize Agreement for Bridging Architect and Construction Management Services for Behavioral Health Housing Unit Project.

December 8, 2015: Adopt the Sonoma County Criminal Justice Master Plan, 2015 update.

August 18, 2015: Behavioral Health Housing Unit- Adopt Resolution authorizing SB863 funding application.

July 22, 2015: Approve project for filing of California Environmental Quality Act Notice of Exemption.

FISCAL SUMMARY

Expenditures	FY 19-20 Adopted	FY20-21 Projected	FY 21-22 Projected
Budgeted Expenses	\$1,773,066		
Additional Appropriation Requested			
Total Expenditures	\$1,773,066		
Funding Sources			
General Fund/WA GF	\$1,773,066		
State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$1,773,066		

Narrative Explanation of Fiscal Impacts:

The original Kitchell bridging architect and construction management services agreement for the BHHU was in the amount of \$3,170,000 and costs expended to date total \$1,878,662, leaving a remaining budget balance of \$1,291,338. Additional \$481,728 in existing State grant funds for the BHHU project will be used to complete the necessary services to be provided by Kitchell.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

None

Related Items "On File" with the Clerk of the Board:

4 copies of Professional Services Agreement - Kitchell Corporation