



Napa County

Board Agenda Letter

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Board of Supervisors

Agenda Date: 7/13/2021

File ID #: 21-401

TO: Board of Supervisors

FROM: Steve Lederer, Director, Public Works

REPORT BY: Sonja El-Wakil - (707)-259-8383

SUBJECT: South Napa Shelter Tenant Improvement Project, PW 20-16 Award of Contract and Budget Transfer

RECOMMENDATION

Director of Public Works requests the following:

1. Award of the contract for the South Napa Shelter Tenant Improvement Project, PW 20-16 to Art's Construction Company, Inc. of Fresno, California for their low base bid of \$614,000 with Additive Alternate No. 1 of \$118,200, and Alternate No. 2 of \$50,000, for a total contract cost of \$782,200 and authorization for the Chair to sign the construction contract; and
2. Approval of a Budget Transfer for the following (4/5 vote required):
 - a. Increase appropriations by \$218,253 in the Housing and Homeless Services budget (Fund 2030, Sub-Division 2030000) with offsetting increase to the revenue in Fund 2030, Division 2030000, by realizing unearned revenues from the Community Based Transitional Housing grant carried forward from prior year and to transfer to Program 20030;
 - b. Increase appropriations by \$288,937 in the Accumulated Capital Outlay budget (Fund 3000, Sub-Division 3000000) offset by use of its available fund balance to transfer to Program 20030; and
 - c. Increase appropriations by \$507,190 in Program 20030-Homeless Shelter Improvements budget (Fund 3000, Sub-Division 3000550) offset by an increase in revenue from the transfer from the Housing and Homeless Services budget and the Accumulated Capital Outlay budget.

EXECUTIVE SUMMARY

The South Napa Shelter Tenant Improvement Project, PW 20-16 (the Project) will include Americans with Disabilities Act (ADA) improvements and bathroom upgrades at the shelter located at 100 Hartle Court. The work will be phased in order to keep the shelter operational during construction, and is expected to be complete in winter 2022. On April 20, 2021 the Board of Supervisors (Board) approved the plans and specifications and authorized the advertisement of the project.

Bids were opened on May 20, 2021, with the successful low bidder being Art's Construction Company, Inc. of Fresno,

California. Therefore, Public Works is requesting the Board award a construction contract to Art’s Construction Company, Inc. of Fresno, California for their low bid of \$782,200 (Construction Base Bid \$614,000 + Additive Alternate #1 \$118,200 + Additive Alternate #2 \$50,000). Additionally, Public Works requests the Board approve the proposed budget transfer from the Housing and Homeless Services and the Accumulated Capital Outlay budget to fully fund the Project.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
Where is it budgeted?	On December 10, 2019, the Board approved a Budget Transfer from the Homeless Services Budget to \$250,000 in the Capital Improvement CIP budget - Fund 3000, Sub-Division 3000550, Program 20030. On June 16, 2020, the Board approved a Budget Transfer of an additional \$100,000 coming from the Community Based Transitional Housing Program and funds in the amount of \$524,550 coming from the Homeless, Housing, Assistance and Prevention Funds to fund the remaining design and some of construction services. Additional funds of \$507,190 are requested at this time from Housing and Homeless Services Budget, coming from the Community Based Transitional Housing Program (\$218,253) and the Accumulated Capital Outlay budget (\$288,937) to the Capital Improvement CIP budget - Fund 3000, Subdivision 3000550, Program 20030.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	This project is for improvements at the South Napa Shelter, including rehabilitation of the bathrooms and ADA improvements. The existing budget provided for the completion of the design team's initial scope for the project. Construction phase funding of the project is now required.
Is the general fund affected?	No
Future fiscal impact:	Remaining budget from Fiscal Year 2020-2021 will be carried over to the Fiscal Year 2021-2022 and Fiscal Year 2022-2023 budgets.
Consequences if not approved:	If not approved, the project will not be constructed, and the condition of the existing facility will continue to deteriorate.
County Strategic Plan pillar addressed:	Effective and Open Government
Additional Information:	Click or tap here to enter text.

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: Consideration and possible adoption of a Categorical Exemption Class 1: It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. [See Class 1 (“Existing Facilities”) which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15301; see also Napa County’s Local Procedures for Implementing the California Environmental Quality Act, Appendix B.]

BACKGROUND AND DISCUSSION

The South Napa Shelter Project is intended to provide needed maintenance and modernization to the Napa County homeless shelter facility at 100 Hartle Court, Napa, CA. The facility improvements include ADA, bathroom updates, and safety improvements. The South Napa Shelter is an existing facility for persons 18 years and older and is operated by Abode Services under contract from the County. The shelter's primary goals for its residents are increasing their ability to earn income and to secure sustainable housing, and was originally constructed in 2005. The shelter has been converted to the Day Use Center (Hope Center) which has increased the daily use of the facility, particularly the use of the restrooms, shower facilities, common use areas and the internal office spaces for meeting with clients. The shelter currently accommodates 69 individuals on an overnight basis.

On November 18, 2019, as a result of a competitive RFQ process, The KPA Group was chosen by staff to complete a feasibility study for the South Napa Shelter improvements. The agreement with The KPA Group was signed by the Purchasing Agent on December 18, 2019. The project feasibility study was completed March 2, 2020, and clarified the scope of the Project design and construction phases. On June 16, 2020, the Board of Supervisors (Board) approved additional project budget to fund the remaining design services and a portion of the construction. On April 20, 2021 the Board approved advertisement of plans and specifications for the project.

On May 20, 2021 the following bids were received and opened:

Bidder:	<u>Art's Construction of Fresno, CA</u>
Base Bid:	\$614,000
Additive Alternate #1:	\$118,200
Additive Alternate #2:	\$50,000
<i>Grand Total:</i>	<i>\$782,200</i>
Bidder:	<u>S & H Construction, Inc. of Fremont, CA</u>
Base Bid:	\$668,000
Additive Alternate #1:	\$90,000
Additive Alternate #2:	\$80,000
<i>Grand Total:</i>	<i>\$838,000</i>
Bidder:	<u>Murray Building, Inc. of Sonoma, CA</u>
Base Bid:	\$1,009,999
Additive Alternate #1:	\$77,146
Additive Alternate #2:	\$67,402
<i>Grand Total:</i>	<i>\$1,154,547</i>

In reviewing the bidders' proposals, staff found that the low bidder, Art's Construction Company, Inc., was not in compliance with Section 1771.1 of the California Labor Code because they had a subcontractor that was not registered with the Department of Industrial Relations, as required by Napa County adopted legislation. Art's Construction Company, Inc. had the opportunity to secure a registered subcontractor and meet the requirements of Section 1771.(c). Pursuant to related Public Contract Code Section 4107, a substitution request was made. A bid protest from one of the other contractors was also made, but the protest was resolved in the favor of Art's Construction Company, Inc., because the subcontractor substitution was determined to be responsive and in accordance with Code.

The lowest responsive base bid of \$614,000 is from Art's Construction Company, Inc. of Fresno, CA. In addition, staff recommends award of Additive Alternate #1 for \$118,200 and Additive Alternate #2 for \$50,000, for a total contract of \$782,200. Additive Alternate #1 is to convert the open lobby near the front door to an office space where County staff may meet with shelter clients, including relocating the client public computer terminals to the main passage in the building. Additive Alternate #2 is to replace all existing bunk beds with new, and dispose of the existing. The total project budget, with the addition of construction management and contingency, is \$1,381,741. Approval of the requested actions today will initiate construction. It is anticipated that this project will extend multiple fiscal years. Construction is estimated to begin in June, 2021, and extend into the winter of 2022.

Art's Construction Company, Inc. is not a local vendor however, the Public Contract Code requires that the construction contract be awarded to the lowest responsible bidder regardless of whether the low bidder is local or not. Staff reached out to the local construction contractor community by advertising the request for bids in the Napa Valley Register and the Solano-Napa Builder's Exchange, and by posting on the County website. Staff also sent "Notices to Contractors" to the local construction community. Once the construction contract is awarded the County will contact the Napa County Workforce Investment Board (WIB) and require the successful contractor to contact the WIB and let the WIB know of its hiring needs.