



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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March 18, 2004

IN REPLY PLEASE

REFER TO FILE: **PM-3**

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**FIRE STATION 72 – REPLACEMENT BUILDING PROJECT
AWARD AGREEMENT
WILLIAM LOYD JONES ARCHITECT
SPECS. 6582; C.P. 70747
SUPERVISORIAL DISTRICT 3
4 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND
FIRE CHIEF THAT YOUR BOARD, ACTING AS THE GOVERNING BODY OF THE
CONSOLIDATED FIRE PROTECTION DISTRICT:**

1. Approve the enclosed appropriation adjustment to transfer an appropriation in the amount of \$505,000 for Fire Station 72 - Replacement Building Project, C.P. 70747, from the cancellation of prior year commitments in the amount of \$505,000 in order to reappropriate the funds in Fiscal Year 2003-04.
2. Approve the revised total project budget of \$3,329,345 for construction of the Fire Station 72 - Replacement Building Project, C.P. 70747.
3. Authorize the Chief Administrative Officer, Fire Chief, and Director of Public Works to negotiate and execute an amendment to the Completion Agreement with Great American Insurance Company, with the assistance of County Counsel, to complete construction and cause the settlement of outstanding claims.

4. Award and authorize the Director of Public Works to execute an architect/engineer services agreement with William Loyd Jones, 723 Ocean Front Walk, Venice, California 90291, for a not to exceed fee of \$100,000 to be funded by the Consolidated Fire Protection District.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Your Board's approval of the above recommended actions will enable completion of construction for the Fire Station 72 - Replacement Building Project located in the unincorporated area of Malibu.

Background

In July 1997, your Board approved a construction contract to demolish and rebuild Fire Station 72. Construction began in 1997 and was suspended in 1999 when the general contractor, Global Construction, defaulted on the construction contract. The project scope completed as of October 1999 included earthwork to prepare the building site; installation of the foundation; exterior walls; interior wall framing and portions of the roof; and electrical, plumbing, and mechanical systems. Additionally, the original contractor overexcavated the site and removed natural soils in the vicinity of the proposed leach field area. The overexcavation rendered the site inadequate to support the leach field which resulted in the Department of Health Services revoking the sewage disposal permit for the septic system.

In November 1999, your Board authorized the Fire Chief to negotiate and execute a completion agreement with the surety, Great American Insurance Company, to complete the project. This action resulted in execution of a completion agreement among the District, GAIC, and Stuart Construction, the contractor obtained by GAIC to complete construction.

Between February 2000 and November 2002, the Chief Administrative Office, District, and Public Works explored and identified possible solutions to the septic system issue. Also, in August 2002, Stuart Construction informed the Fire Department that they were unwilling to continue as the contractor for the project due to various delays in restarting the work.

In January 2003, your Board authorized the District to acquire a portion of an adjacent, privately owned property through eminent domain to resolve the septic system issue. In addition, your Board delegated Public Works to act on behalf of the District to manage the remaining design services and complete construction of the project. On December 26, 2003, the District received title to the adjacent property identified as the

site for the leach field. In addition, your Board delegated Public Works to act on behalf of the District to manage the remaining design services and complete construction of the project.

In February 2003, Stuart Construction submitted a claim of \$110,719 for damages incurred due to delays. In addition, the surety has requested to be released of liability for latent defects stipulated in the executed completion agreement. The CAO, District, and Public Works are currently in negotiations to resolve these outstanding project issues.

Recommended Agreement

In order to determine the actions required to complete this project, it is recommended that the County enter into an architect/engineer services agreement with William Loyd Jones to assess the condition of the partially constructed facilities. The assessment would include changes required to meet the current Building Code and functional needs for the District's fire station prototype program including aesthetic enhancements to the building exterior. Implementation of accessibility features for disabled persons, as required by the State of California and Federal Americans with Disabilities Act will also be included in the assessment.

It is anticipated that upon completion of the architect's assessment, the CAO, District, and Public Works will negotiate with the surety to hire a new contractor and achieve substantial completion tentatively scheduled for January 2005.

Implementation of Strategic Plan Goals

Construction of Fire Station 72 meets the County's Strategic Plan Goal of Service Excellence as it will significantly enhance fire and emergency medical response services to the residents of the unincorporated area of Malibu.

FISCAL IMPACT/FINANCING

We are recommending an agreement with William Loyd Jones for \$100,000 to include \$77,790 for the assessment and required design changes and \$22,210 to address potential site issues. Public Works has reviewed the proposal and considers the fee reasonable for the scope of services.

The septic system redesign, land acquisition, and facility improvement, along with time driven escalation costs, have impacted the cost and time to complete the proposed project. The total project cost estimate of \$3,329,345 has increased by \$2,136,360,

which includes \$244,952 for land acquisition; \$1,072,873 for construction costs including \$179,000 in surety settlement costs; \$208,810 for design evaluation and revisions; \$3,000 in miscellaneous and consulting expenditures; and \$606,725 in County services including plan check fees, project management, inspection and contract administration. The Project Schedule and Budget Summary are included as Enclosure A.

The District allocated \$1,631,360 additional Consolidated Fire Protection District – Accumulated Capital Outlay funds toward this project over the past six years through the Capital Projects/Refurbishments Budget process. The enclosed appropriation adjustment will reallocate appropriation in the amount of \$505,000 to Fire Station 72 – Replacement Building Project (C.P. 70747). Following your Board's approval of the enclosed appropriation adjustment (Enclosure B), sufficient funds will be available in the FY 2003-04 Capital Projects/Refurbishment Budget to finance the requested actions and associated costs.

The proposed project is entirely funded by the Consolidated Fire Protection District.

Operating Budget Impact

Following completion of the station, the District does not anticipate incurring any start-up costs. Ongoing operating costs for the new Fire Station 72 – Replacement Building Project are estimated at \$1,359,000 for a three-person engine company and \$380,000 for a patrol unit, both of which will be transferred from another station.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard agreement, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses that provide for contract termination, renegotiation, and hiring qualified displaced County employees will be included in the contract.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for award of this agreement, William Loyd Jones is willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, about Board Policy 5.135, the Safely

Surrendered Baby Law, and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

William Loyd Jones is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

ENVIRONMENTAL DOCUMENTATION

On June 9, 1992, your Board approved a Mitigated Negative Declaration for demolishing the existing fire station and constructing a new facility on the site. In May 2003, the Coastal Commission approved an amendment to the project's original permit based on a report prepared by the District's Forestry Division identifying specific recommendations to rectify encroachments to the oak trees in the area and the oak tree protection zone. The report recommended removal of foreign debris and added soil burden from within the oak tree protection zone, through the use of hand tools and under the observation of a qualified arborist.

On January 14, 2003, your Board approved Addendum 1 to the Mitigated Negative Declaration addressing the environmental impact related to the effluent treatment disposal system being located on the newly acquired adjacent property.

CONTRACTING PROCESS

The County used the accelerated architect/engineer selection process. This process allows the Architectural Evaluation Board to provide the County with lists of qualified (architect/engineer) firms for specific types of building designs. Additionally, Public Works has developed new internal procedures intended to further accelerate the contract award process. Using this process, a single firm is chosen from the AEB's list and invited to submit a proposal. William Loyd Jones was selected to submit a proposal on this accelerated basis. The selection of William Loyd Jones to submit a proposal was solely based on its qualifications to perform the design work.

On February 3, 1998, your Board requested that contract opportunities be listed on the "Doing Business with the County" website. However, this contract opportunity was not listed on the website because an accelerated selection process was used. Public Works uses the "Doing Business with the County" website to offer general consultant opportunities.

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Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended agreement, as this agreement is for non-Proposition A services.

William Loyd Jones' Community Business Enterprise participation data and three-year contracting history with the County are on file with Public Works.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact on current County services or projects during the performance of the recommended services. A temporary fire station located at 1260 Encinal Canyon Road is currently used to provide services for this area of the County.

CONCLUSION

Please return one adopted copy of this letter to the Chief Administrative Office (Capital Project Division), Fire Department, and Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

P. MICHAEL FREEMAN
Fire Chief

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Enc. 2

cc: Department of Public Social Services (GAIN/GROW Program)
Office of Affirmative Action Compliance

March 18, 2004

ENCLOSURE A

**FIRE STATION 72 – REPLACEMENT BUILDING PROJECT
AWARD AGREEMENT
WILLIAM LOYD JONES ARCHITECT
SPECS. 6582; C.P. 70747**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date
Execution of Original Construction Contract with Global Construction	08/12/97*
Construction Suspended by Contractor Default	07/12/99*
Construction Agreement	02/24/00*
Completion of Required Design	01/08/03*
Completion of Soils/Geotechnical Investigation	09/03/03*
Completion of Design Revisions	006/22/04
Approve Completion Agreement	06/09/04
Construction	
Substantial Completion	02/20/05
Acceptance	05/13/05

* Indicates completed activities.

II. PROJECT BUDGET SUMMARY

Budget Category	Project Budget	Impact of this Action	Revised Project Budget
Land Acquisition	-0-	\$ 244,952	\$ 244,952
Construction			
(a) Construction	\$ 742,985	\$ 757,763	\$1,500,748
(b) Change Order	\$ 375,000	\$ 136,110	\$ 511,110
(c) Settlement of GAIC & Stuart Const. Claims	<u>N/A</u>	<u>\$ 179,000</u>	<u>\$ 179,000</u>
Subtotal	\$1,117,985	\$ 1,072,873	\$2,190,858
Equipment	-0-	-0-	-0-
Plans and Specifications			
(a) Initial Evaluation and Upgrades	-0-	\$ 108,810	\$ 108,810
(b) Design Revisions	-0-	\$ 75,700	\$ 75,700
(c) Construction Administration	-0-	<u>\$ 24,300</u>	<u>\$ 24,300</u>
Subtotal	-0-	\$ 208,810	\$ 208,810
Consultant Services	\$ 75,000	(\$ 34,000)	\$ 41,000
Miscellaneous Expenditures	-0-	\$ 37,000	\$ 37,000
Jurisdictional Review and Plan Check	-0-	\$ 5,000	\$ 5,000
County Services	-0-	\$ 601,725	\$ 601,725
Total	\$1,192,985	\$ 2,136,360	\$3,329,345

March 18, 2004

ENCLOSURE B

BUDGET ADJUSTMENT

4 - VOTES

FY 2003-04

FINANCIAL SOURCES

Fire District Accumulated Capital
Outlay Fund
Appropriation for Contingency – Cancelled
Commitments and A/P's
J13 – FR-
\$505,000

FINANCIAL USES

Fire District Accumulated Capital
Outlay Fund
FS 72 – New Station project
Building and Improvements
J13 – FR –
\$505,000

JUSTIFICATION:

The Budget Adjustment is necessary to cancel prior year commitments and reappropriate the funds in FY 2003-04 to fully fund Fire Station 72 – Replacement Building Project.