



Monterey County

Board of Supervisors
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Capital Improvement Committee

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Receive a Monthly Status Report on the New Juvenile Hall, Project 8811 (Project), for period ending May 2019.

RECOMMENDATION:

It is recommended that the Capital Improvement Committee receive a Monthly Status Report on the New Juvenile Hall, Project 8811 (Project), for period ending May 2019.

SUMMARY/DISCUSSION:

Zovich Construction, contractor, was issued a Notice to Proceed on April 24, 2017 for construction of the Juvenile Hall at a cost of \$43,175,000. The project was designed for construction in two phases with Phase II beginning after completion of Phase I.

Phase I was anticipated to be completed by July 2018; however, due to unforeseen conditions and issues during construction, the project completion date was extended to October 2019. Phase II is expected to be completed one year following completion of Phase I. The contractor is behind schedule for Phase I and Phase II does not begin until Phase I is complete. In the next 30 days the contractor expects the following:

- Bldgs. #4, 1A, 1B, 4, 6, 7 commence the Fire Alarm System installation. Complete the sealing of concrete floors.
- Bldg. #7 Continue with interior finishes inclusive of taping, sanding and painting new walls. Install detention doors and hardware. Install detention furnishings, beds, storage units and bathroom fixtures. Prep vestibule for the transition from Phase I to Phase II.

Due, in part, Contractor's failure to prosecute the work in accordance with the schedule, it is expected that the Project will exceed the budget. Staff is assessing the total funding needed to complete both phases of the Project based on known information at this time and working with the County Administrative Office on financing sources for anticipated project overrun.

The County will utilize Job Order Contracting (JOC) to complete repairs outside of the scope of the Zovich construction contract. The repairs are necessary to ensure properly operating mechanical equipment serving Building 7, an existing dormitory housing unit. The repairs were not included in the scope of the Zovich Construction contract because it was improperly assumed that the equipment was functioning in good working order. As a result, there has been an unplanned increase of \$72,000 to the Project and the repair will be performed using a separate JOC contractor and coordinating the work to avoid any impacts to Zovich's progress on the Project.

The contractor is currently in the process of developing a Time Impact Analysis (TIA), which is due to the project team by June 14, 2019. This will allow staff to identify a more accurate estimate of costs for the project as well as determine a revised project completion date. The project team continues to work with the Contractor to provide a recovery schedule, and responsibilities for such delays have not been fully evaluated. However, the contractor has been put on notice that these delays may result in the assessment of liquidated damages as provided for in the contract.

OTHER AGENCY INVOLVEMENT:

RMA-Facilities and Probation continue to work jointly with Board of State and Community Corrections (BSCC) to meet all State requirements to maintain the conditional award by helping the Project move forward during construction.

Probation staff will be provided transition training prior to occupancy of the new buildings in Phase I. The attached milestone schedule will be updated upon BSCC approval.

State Water Resources Control Board and State Fire Marshal construction phase inspection will begin and continue throughout the construction duration.

RMA will present the updated project budget and additional needs to the Budget Committee and the Board of Supervisors for consideration and direction.

FINANCING:

Total Project cost was budgeted at \$58,671,291, of which \$23,671,291 was approved by the Board of Supervisors as the County's match. Expenditures through April 2019 total \$41,271,550, including construction costs of \$33,224,605 (includes change orders) as well as contracts with Kitchell CEM for project management services (\$1,892,279 to date), APSI/Sixth Dimension for project management services (\$1,690,330 to date), and DLR, Inc. for architectural services (\$3,259,318 to date). Change Orders approved to date total \$4,313,232, which has reduced the contingency balance to \$4,268.

An additional 91 Change Orders totaling approximately \$3,273,564 are pending resolution. The project team continues to negotiate contractor submitted change order requests. Final negotiated amounts, to the extent any amount is due, are not known at this time.

Based on known information at this time, RMA estimates project cost overruns at \$1.6 million for Fiscal Year (FY) 2018/19, \$4.0 million for FY 2019/20 and \$1.2 million for FY 2020/21. These estimates are to cover additional costs (hard costs and soft costs) to complete the project. The project team continues to negotiate these costs, so actual final amounts are not fully known at this time.

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Attachments:

Attachment A - Project Milestone Schedule (Please note the completion dates will be updated once

approved by BSCC)

cc: Marcia Parsons, Chief Probation Officer