



Board Report

File #: A 12-068, **Version:** 1

- a. Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute an Agreement with Otto Construction for Seismic Upgrade Construction Services at NMC per Project No. 9600-27, Bid No. NMC-1001 in an amount not to exceed \$306,850 for the period July 1, 2012 to January 31, 2013, and
- b. Approve the Performance and Payment Bonds executed and provided by Otto Construction; and
- c. Authorize a contingency (not to exceed 20% of the contract amount) to provide funding for approved change orders, and
- d. Authorize the Purchasing Manager at NMC to execute the contract and subject to the terms of the Public Contract Code, approve change orders to the contract that do not exceed 20% of the original contract amount, and do not significantly change the scope of work.

RECOMMENDATION:

It is recommended the Board of Supervisors:

- a. Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute an Agreement with Otto Construction for Seismic Upgrade Construction Services at NMC per Project No. 9600-27, Bid No. NMC-1001 in an amount not to exceed \$306,850 for the period July 1, 2012 to January 31, 2013, and
- b. Approve the Performance and Payment Bonds executed and provided by Otto Construction; and
- c. Authorize a contingency (not to exceed 20% of the contract amount) to provide funding for approved change orders, and
- d. Authorize the Purchasing Manager at NMC to execute the contract and subject to the terms of the Public Contract Code, approve change orders to the contract that do not exceed 20% of the original contract amount, and do not significantly change the scope of work.

SUMMARY/DISCUSSION:

NMC selected Reel Grobman & Associates architectural firm from Monterey County's Master Agreement (MA*21) to conduct an assessment of the hospital's structural and non-structural seismic compliance with California Senate Bill (SB) 1953. The architect submitted an Evaluation and Seismic Compliance Plan on behalf of the hospital to OSHPD (Office of State Health Planning and Development). The Seismic Compliance Plan requirements were limited to a description of current compliance status and a time line to achieve full compliance. On July 12, 2011 Board of Supervisors approved the Plans and Special Provisions for the NMC Seismic Project No. 9600-27, Bid No. NMC-1001 and allowed NMC to advertise the "Notice to Contractors."

On November 21, 2011 NMC published the "Notice to Contractors" inviting formal bids for the Seismic Project. NMC provided interested contractors bid plans and specification in Bid Package No. NMC-1001, and followed the outlined steps in the works of public improvement process to properly select a contractor in conformance with State laws regarding construction contractor selection. At 2 p.m. on December 15, 2011 bids were opened and publicly read aloud by the Contracts/Purchasing Agent in the Clerk of the Board's Conference Room 1032. Tricorp Hearn Construction was revealed as the lowest bidder for this project. After evaluation of their proposal and subcontractors, NMC deemed them the lowest responsible and responsive bid and on January 24, 2012 tentatively awarded the project 9600-27 to Tricorp Hearn Construction, pending Board of Supervisor's approval.

On March 20, 2012 Tricorp Hearn pulled their bid for this project allowing NMC to award the next lowest bidder. NMC reviewed the next lowest responsible and responsive bid, and on March 23, 2012 tentatively awarded the project 9600-27 to Otto Construction, pending Board of Supervisor's approval.

Natividad Medical Center requests approval from the Board of Supervisors to award this project 9600-27 to Otto Construction. Otto Construction's bid of \$306,850 is under budget from NMC's projected budget of \$1,100,000 for construction. After Board of Supervisor's approval NMC will proceed with scheduling a start date and coordinating the project construction. Anticipated duration

of construction is 24 calendar weeks.

The attached Exhibit 1, "Natividad Medical Center Seismic Compliance," provides additional background detail as well as a cost breakdown and proposed schedule.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Agreement as to fiscal provisions. This Agreement was supported by the Capital Improvement Committee on April 2, 2012 and supported by the Budget Committee on April 25, 2012. The Agreement has also been reviewed and approved by Natividad Medical Center's Finance Committee.

FINANCING:

The total agreement cost including \$306,850, for construction, and \$61,370, for the 20% contingency, is \$368,220 and is included in the Fiscal Year 2012/2013 Recommended Capital Budget. Natividad Medical Center's Fiscal Year 2013 capital budget for Construction for Seismic Upgrade is \$1.1M (**Budget ID 2011-2**). There is no impact to the General Fund.

Prepared by: Brian Griffin, Project Manager, 783-2605

Approved by: Harry Weis, Chief Executive Officer, 783-2124

Attachments: Agreement, Exhibit 1- Natividad Medical Center Seismic Compliance

Appendix 2 - Non-Structural Performance Categories

Appendix 3 - Natividad Medical Center Site Map

Appendix 4 - Natividad Medical Center Seismic Compliance Status