

**COUNTY OF SAN MATEO  
HUMAN SERVICES AGENCY  
OFFICE OF HOUSING**

**Date:** March 8, 2001  
**Hearing Date:** March 27, 2001

**TO:** Honorable Board of Supervisors

**FROM:** Maureen Borland, Director, Human Services Agency  
Steve Cervantes, Director, Office of Housing



**RE: RESOLUTION AUTHORIZING EXECUTION OF AN AMENDMENT TO AGREEMENT WITH RGM AND ASSOCIATES FOR CONSTRUCTION OF A NORTH COUNTY WINTER SHELTER**

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RECOMMENDATION

Execute a resolution authorizing an amendment to agreement with RGM and Associates for construction of a North County Winter Shelter.

Background

This project was approved by the Board of Supervisors on October 3, 2000, as per Resolution #63975, for construction funding not to exceed \$1,624,460 inclusive of contingencies. The actual amount necessary for completion of construction is \$1,724,432 with inclusion of contingencies.

Discussion

At the direction of this Board, through the County Manager's office the Human Services Agency Office of Housing was given the responsibility of designing and building a winter shelter for the purpose of housing 90 homeless persons to be operational from December 15, 2000 through the end of March, 2001 of the current winter season. Due to the limited time frame and the need to ensure such availability of shelter, the Office of Housing negotiated a bid for services with RGM and Associates to provide all necessary labor and materials to construct such winter shelter at a designated site. This bid was a "fast-track" response to address the December 15, 2000 opening date.

The accepted estimate of construction by RGM and Associates was based upon preliminary design schematics by Hagman Associates Architects working in conjunction with staff, perceived modifications that would possibly be incorporated in the final design, best estimates of costs of the industry as known, and the inclusion of a substantial contingency that was anticipated to cover the as yet unknown differences between the preliminary design and the final design.

By way of explanation and for purposes of clarity, the original agreement and additional funds required are as follows:

Bid Amount for Construction	\$1,353,716
Construction Contingency	<u>\$ 270,744</u>
Total Original Amount	\$1,624,460
Additional Amount Required	<u>\$ 99,972</u>
<b>Final Amount for Construction</b>	<b>\$1,724,432</b>

Identified below are materials, labor, items, tasks, and/or other requirements which constitute a justification for the additional funds as well as the use of the original contingency:

The concrete piers and foundation were redesigned and engineered 3 times due to the baylands type soil at the site. The third redesign came after the second redesign was substantially installed.

The "floating" perimeter walls of the structure were redesigned and engineered twice to allow for substantial grade changes due to tide and/or settlement.

Point of connection locations for the underground utilities were determined to be in substantially different locations from the original configurations on the SamTrans site

The electrical systems had to be redesigned and upgraded several times due to additional requirements of SamTrans inspectors, and other requirements.

Alarms, telephone, and data systems had to be redesigned and upgraded due to discovered needs and proposed uses of the structure.

The sewer system had to be redesigned engineered and specially constructed in order to meet SamTrans requirements of local switching, bi-passes, failure alarms, secondary backups, and complete disconnect from the structure.

The HVAC system had to be redesigned, engineered and substantially upgraded due to the final analysis, purpose and needs of the structure.

A substantial and costly generator had to be installed due to the needs of the electrical, sewer, and alarm systems. The generator was upgraded again in order to make the structure totally independent during catastrophes and/or during emergency use.

A substantial upgrade was made in order to change from the originally intended water heater system to a commercial sized boiler system for the structure.

The front entrance awning system had to be redesigned, engineered and upgraded due to the discovery of substantially high winds at that site location.

Perimeter fencing was installed at the request of SamTrans to provide separation from sites.

The bunkbeds in the dormitory were determined to be "tip-over hazards" by the engineer and inspectors, which required a substantial bolting system into and below the floor for each bed.

The addition of future kitchen and current laundry facilities required substantial upgrades in the plumbing, mechanical, and electrical systems

Building signage for internal doors and locations was overlooked.

Numerous and substantial additions to carpentry and other crafts due to the smaller but necessary modifications to the structure as construction progressed.

This shelter was literally designed and constructed from bare ground to completion in 72 days. The final invoices from suppliers, vendors and craftsmen took 60 days to ensure closure. All change orders and final billings are on hand and constitute a total of \$1,724,432 as designated above. Final inspections are completed and a Notice of Completion has been filed with the County Recorder's Office

Some events were simultaneous and often out of sequence because of the crucial timeline. The traditional process of written change orders being initiated and monies being allocated for such change orders prior to work being completed was facilitated by necessity and consensual agreement between the architect, engineer, inspectors, contractor and staff due to the race against inclement weather, the need for shelter, and the December 15, 2000 opening date.

The total budget allocated by this Board for the North County Winter Shelter, now known as Safe Harbor, is \$2,100,000, which constitutes projected costs per bed as follows:

Initial costs for structure, inclusive	\$2,100,000
Estimated costs for services annually (inclusive of : lease Samaritan House maintenance security etc.)	\$ 200,000
Length of Lease with SamTrans	10 years
Length of Winter Shelter season	135 days (November 15 - March 31)
Number of beds per day	90

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Estimated total shelter costs duration	\$4,100,000
Total length of Winter Shelter season duration	1,350 days
Total number of beds duration	121,500

**Actual costs for providing shelter, heat, electricity, bed and linens, hot showers, hot dinner meal, coffee, drinks, breakfast, telephones, bus service, medical referrals, etc.**

**\$33.75 per bed\***

\*Note : This figure does not consider any offset costs which may be derived from other structure uses throughout the year.

The original agreement was approved by the County Counsel's Office, and meets HUD regulations. Risk Management has reviewed and approved the contractor's insurance coverage.

#### Fiscal Impact

The budget for the North County Winter Shelter project was set and approved by this Board at \$2.1 million in total. The additional construction expense will not create an overrun in the total project cost. Not all invoices for project-related costs have been received to date; however, we do not anticipate spending over the \$2.1 million allocated for the Winter Shelter.

The total County obligation under this Amendment to Agreement is \$1,724,432. Sources of funding include CDBG funds from all entitlement entities, state funds, contributions from cities, and County of San Mateo general funds.

**RESOLUTION NO. \_\_\_\_\_**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

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**RESOLUTION AUTHORIZING EXECUTION OF AN AMENDMENT TO  
AGREEMENT WITH RGM AND ASSOCIATES  
FOR CONSTRUCTION OF A NORTH COUNTY WINTER SHELTER**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that  
**WHEREAS**, the Board has previously approved an Agreement dated October 3, 2000, Resolution  
#63975; and

**WHEREAS**, the Board recognizes that the construction of a shelter at a designated site with a  
crucial date of operation was imperative; and

**WHEREAS**, such shelter has been modified, upgraded, and enhanced from original design and  
intent; and

**WHEREAS**, the Contractor has presented justification for additional funds; and

**WHEREAS**, there has been presented to this Board of Supervisors for its consideration and  
acceptance, an Amendment to Agreement between the County of San Mateo and R. G. M. Associates,  
reference to which is hereby made for further particulars, and the Board of Supervisors has examined and  
approved the same as to form and content and desires to enter into the same;

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED**, that the President  
of this Board of Supervisors be, and the President is hereby authorized and directed to execute said  
agreement for and on behalf of the County of San Mateo, and the Clerk of this Board shall attest the  
President's signature thereto.

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**AMENDMENT TO AGREEMENT BETWEEN  
COUNTY OF SAN MATEO  
HUMAN SERVICES AGENCY  
OFFICE OF HOUSING  
AND  
RGM and ASSOCIATES**

**Agency Contact Person:  
LDJohnson  
HCD Specialist III  
(650) 802-5008**

**AMENDMENT TO AGREEMENT BETWEEN COUNTY OF SAN MATEO  
HUMAN SERVICES AGENCY OFFICE OF HOUSING  
AND  
RGM and ASSOCIATES FOR CONSTRUCTION OF A  
NORTH COUNTY WINTER SHELTER**

THIS AMENDMENT TO AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2001, by and between the COUNTY OF SAN MATEO, a political subdivision of the State of California, hereinafter referred to as "County", and RGM and Associates, hereinafter referred to as "Contractor .

WITNESSETH

**WHEREAS**, County and Contractor entered into an Agreement dated October 3, 2000, Resolution # 63975, and

**WHEREAS**, County and Contractor desire to amend said Agreement;

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Section 4.A. will be replaced and shall now read as follows:

A. **Maximum Amount.** In full consideration of Contractor's performance of the services described in Exhibit A, the amount that the County shall be obligated to pay under this Agreement shall not exceed \$1,724,432.00 for the contract term.

2. Exhibit B, Method and Rate of Payment, shall now read as follows:

Contractor shall provide County with invoices for all payment requests. Invoices shall be detailed in such fashion as to designate specific reason for payment. In no event shall invoice request be for more than 85% of any completed task or portion thereof.

All invoices shall be accompanied by required Federal Wage documentation, lien releases, purchase orders, material or service invoices, or other documentation as requested by County.

Contractor shall invoice County on a cost plus basis, with a 15% fixed fee, in accordance with figures as shown on Bid Summary dated and received September 18, 2000. In no event, shall contract exceed \$1,724,432.00, inclusive of contingencies.

**All other terms and conditions of the above said agreement shall remain in full force and effect.**


IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: \_\_\_\_\_  
Michael D. Nevin, President  
Board of Supervisors, County of San Mateo

Date: \_\_\_\_\_

RGM and ASSOCIATES

By:   
\_\_\_\_\_  
Ralph J. Caputo

\_\_\_\_\_  
President  
\_\_\_\_\_  
Position or Title

\_\_\_\_\_  
Ralph J. Caputo  
\_\_\_\_\_  
Printed Name

Date: March 9, 2001

Tax ID #: ~~94-3321885~~ 94-3027280