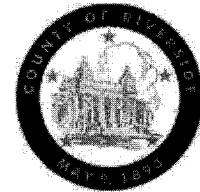


SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM
3.14
(ID # 5264)

MEETING DATE:

Tuesday, January 23, 2018

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Riverside Public Defender/Probation Building Project - Approval of Project Budget Adjustment, District 2. [\$3,913,089 – Contractual Redevelopment Pass-Thru Revenue - 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve a project budget adjustment of \$3,913,089 for the Riverside Public Defender/Probation (RPD/Probation) Building Project for a revised project budget of \$35,015,654;
2. Authorize the use of the RDA Capital Improvement Fund for the project, including reimbursement to the Economic Development Agency (EDA) for incurred project related expenses; and
3. Approve and direct the Auditor-Controller to make corresponding budget adjustments as shown in Schedule A.

ACTION: (4/5 Vote Required) CIP, Policy, 4/5 Vote Required

Robert Field, Assistant County Executive Officer/EDA

11/22/2017

Gregory L. Priamos, Director County Counsel

11/27/2017

Mark A. Hake, Chief Probation Officer

11/28/2017

Steven Harmon, Director Public Defender

11/29/2017

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: January 23, 2018
xc: EDA, Public Defender, Probation, Auditor

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 3,913,089	\$ 0	\$ 3,913,089	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Contractual Redevelopment Pass-Thru Revenue – 100%			Budget Adjustment: Yes	
			For Fiscal Year: 2017/18	

C.E.O. RECOMMENDATION: Approved

BACKGROUND:

Summary

On October 6, 2015, Item 3-13, the Board of Supervisors (Board) approved a revised project budget of \$31,102,565 for the RPD/Probation Building project and authorized the Chairman of the Board to execute the construction contracts to the lowest responsive and responsible bidder for each bid package. These construction contracts have been bonded in accordance with the public contract code. The release of the bid packages were fast tracked over the course of several months to commence construction work as early as design for their respective portion of work was completed.

The revised project budget reflected a relatively low contingency as a result of the extensive pre-construction due-diligence performed such as utilizing Building Information Modeling (BIM) to detect conflicts in building systems. However, existing as-built conditions differed, the building was found not to be uniform needing framing dimensioning to be redone, the small ceiling space exacerbated utility conflicts from being easily resolved, during demolition of the roof top mechanical enclosure it was revealed that the existing deck was improperly loaded and needed to be structurally reinforced. These examples, among many other unforeseen conditions, strained the low contingency and are partially the cause of project delays and cost overruns.

During the course of the project, the national and regional economy have been strong and the contracting industry has benefited by seemingly reaching full employment. Specialized construction trades are in high demand placing small capital contractors in a situation where they are unable to meet the project's performance requirements. EDA is conferring with County Counsel in potentially pursuing contractual remedies, which may include bonding claims, to augment performance and possibly recover damages. Non-performance extends the construction duration and adds to the costs of general conditions needed to complete the project.

(Continued)

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

BACKGROUND:

Summary (Continued)

The current budget adjustment also reflects a revision in the City of Riverside energy rebate which was reduced from its original committed amount, the relocation of the building's generator to make way for the "Chow Alley" project, the inclusion of a distributive antenna system and other communications equipment, and the extension of time to manage the project and perform inspections.

Notwithstanding the various challenges that has faced this project, it is still a worthwhile cost effective capital investment to provide market rate office space.

On October 6, 2015, Item 3-13, the Board approved the professional services agreement between the County and ProWest in the amount of \$1,401,342, plus a reimbursable allowance of \$65,000 for construction management services. On May 23, 2017, Item 3.26, the Board approved Amendment No. 1 to ProWest in the amount of \$600,000.

Impact on Residents and Businesses

The Project will accommodate the Law Offices of the Public Defender and Probation Departments and will provide the necessary office space to account for the long term growth of both departments. The Public Defender will have the space to consolidate all operations enhancing communication, efficiencies and resulting in an environment that will effectively serve the community. The Probation Department will house court officers and pre-sentence investigators in close proximity to the courts with the goal of reducing Failure to Appear rates.

Additional Fiscal Information

(Commences on Page 4)

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

Additional Fiscal Information

The approximate allocation of the project budget adjustment is as follows:

PROJECT BUDGET LINE ITEMS	BUDGET CATEGORY	PROJECT BUDGET	PROJECT BUDGET ADJUSTMENT	REVISED PROJECT BUDGET
Architectural Design	1	2,074,825	0	2,074,825
Construction Management	2	1,365,860	1,327,181	2,693,041
Construction Contracts – AWI, Angeles Contractor, ProWest GC's and Multi- Prime Construction	3	24,756,965	1,743,209	26,500,174
Offsite Construction	4	45,222	50,544	95,766
Project Management	5	993,778	(79,386)	914,392
Fixtures, Furnishings, Equipment	6	656,560	80,162	736,722
Other Soft Costs / Specialty Consultants	7	908,697	362,416	1,271,113
Project Contingency	8	100,000	100,000	200,000
Riverside County Information Technology (RCIT)	9	200,658	328,963	529,621
Project Budget Adjustment		\$ 31,102,565	\$ 3,913,089	\$ 35,015,654

All costs associated with this Board action will be 100% funded by Contractual Redevelopment Pass-Thru Revenue. Schedule A for FY 2017-18 shown below:



(Continued on Page 5)

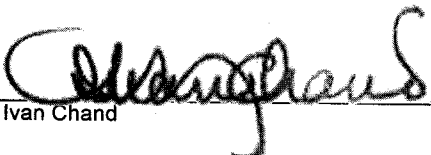

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

Schedule A

Increase Estimate Revenue:		
30100-7200800000-790600	Contributions from other county funds	\$ 3,913,089
Increase appropriations:		
30100-7200800000-542040	Buildings - Capital Projects	\$ 3,913,089
31540-1100100000-551100	Contributions to other county funds	\$ 3,913,089
Anticipated use of fund balance:		
31540-1100100000-321158	Restricted for RDA Capital Improvements	\$ 873,065
31541-1100100000-321158	Restricted for RDA Capital Improvements	<u>\$ 3,040,024</u>
		\$ 3,913,089

RF:VC:SP:JA:DL:tv FM08240003992 5264 - 13690
S:\Project Management Office\FORM 11'S\FORM 11's in Process\5264 - 13690_D9 - 003992 - Riv Pub Def-Prob Bldg Proj -
Budget Adj_012318.doc


Mistry Wang 1/16/2018 
Rohini Dasika, Principal Management Analyst 1/16/2018


Ivan Chand 1/16/2018 
Mistry Wang 1/16/2018


Gregory V. Priarios, Director County Counsel 11/27/2017