



Board Agenda Item 46

DATE: May 20, 2025

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Award 24-S-14 Department of Public Health Basement Renovation

RECOMMENDED ACTION(S):

- 1. Adopt plans and specifications for Contract 24-S-14 Department of Public Health Basement Renovation and award to the lowest bidder Better Enterprises, Inc., 1148 N. Cypress Avenue, Fresno, CA 93727, in the total amount of \$6,763,000; and**
- 2. Authorize the Director to execute contract change orders for Contract 24-S-14, in the amount of \$210,000 for any one change order pursuant to Public Contract Code 20142 for contract change orders, and not to exceed a total change order limit of \$676,300, or approximately 10% of the total compensation payable under Contract 24-S-14.**

Approval of the first recommended action will authorize the award of an American Rescue Plan Act State Local Fiscal Recovery Funds (ARPA-SLFRF) and County-funded Capital project. Approval of the second recommended action will allow the Director to efficiently handle any change orders that are necessary. This item pertains to a location in District 3, but its impact is Countywide.

ALTERNATIVE ACTION(S):

If the first recommended action is not approved, the project will be delayed or will not be constructed. In that event, most likely, the ARPA-SLFRF funds committed for this project will be required to be returned to the County's ARPA-SLFRF program and reallocated to other eligible uses that were obligated before the U.S. Treasury's obligation deadline. If the second recommended action is not approved, some portions of construction could be delayed due to the time required to return to the Board for approval of individual change orders.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended actions. The maximum anticipated construction cost for the project, based on the low bid and including the Director's allowance for a maximum change order limit of \$676,300, is \$7,439,300. This project is funded through \$3 million in ARPA-SLFRF funds and \$7.4 million in Public Health Realignment funds. An insurance settlement associated with the basement flooding is pending. The amount of that settlement is currently unknown but will be used to offset the \$7.4 million in Public Health Realignment funds. Sufficient funds are included in the Department of Public Health - Org 5620 FY 2024-25 Adopted Budget.

DISCUSSION:

The Department of Public Health (DPH) Brix-Mercer Complex building is a 141,000 square foot office building located at 1221 Fulton Street, Fresno, CA 93721. On October 17, 2018, a City of Fresno water main broke outside the Brix-Mercer Complex on the west side of the building that caused extensive water damage. The Brix-Mercer Complex contains between 300-400 DPH employees who perform office work, specialty clinic operations, as well as other duties that promote the health and well-being of the community. The Brix-Mercer Complex basement was flooded by approximately 7-10 feet of water, which submerged the mechanical, public health laboratory equipment, cafeteria, and backup EMS systems in the building, rendering them inoperable. On November 6, 2018, the Board adopted a resolution acknowledging the emergency, suspending competition to make initial remediation and restoration, and as well as authorizing short-term leases for displaced DPH employees to continue operations. In June 2019, the DPH was able to reoccupy the first through sixth floors and DPH began the process of relocation and reconstruction of a Public Health Laboratory, now located at 4525 E. Hamilton Avenue and completed this in March 2021. The basement of the Brix-Mercer Complex building has not been functional since.

On November 5, 2024, the Board approved the Interdepartmental Agreement between Public Health, Public Works and Planning, and Internal Services as well as the obligation of \$3 million in ARPA-SLFRF funds, which was originally approved and allocated by the Board with a Budget Resolution on August 9, 2022, and \$7.4 million in Public Health Realignment funds for the project.

Construction for this project would include interior improvements including the assembly of meeting rooms, offices, and storage occupancies that will be made available, and shared with, other County departments.

The project was advertised on March 4, 2025, and a bid opening was held on April 3, 2025. Four bids were received. The low bid of \$6,763,000.00 from Better Enterprises, Inc. was \$2,037,000 or 23.15% lower than the architect's estimate of \$8,800,000.

A list of bidders and their respective bid amounts are shown below:

<u>Bidder</u>	<u>Bid Amount</u>
Better Enterprises, Inc.	\$6,763,000.00
Fortune-Ratliff General Contractors	\$7,800,000.00
Katch Environmental, Inc. dba Katch General	\$7,822,532.00
AMG & Associates, Inc.	\$8,268,000.00

Plans and Specifications were prepared by Muratore Associates and are on file with the Department. It is anticipated that construction will commence in Summer 2025 and will be completed in Fall 2026.

CEQA

Staff have determined that this project is exempt from the provisions of CEQA, therefore a Notice of Exemption (NOE) has been filed pursuant to CEQA Section 15301(a) & (d) - Existing Facilities.

REFERENCE MATERIAL:

BAI #60, November 5, 2024
BAI #47, August 9, 2022
BAI #38.1, November 6, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map
Bid Summary

CAO ANALYST:

George Uc