



COUNTY OF NEVADA
HEALTH & HUMAN SERVICES AGENCY
Housing & Community Services Division

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NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: August 24, 2021

TO: Board of Supervisors

FROM: **Mike Dent – Housing & Community Services**

SUBJECT: Resolution approving execution of Amendment No. 1 to the contract with REM Construction, Inc., for the Odyssey House Renovation Project in the amount of \$3,157,191 plus a contingency of \$269,831, for a total contract maximum of \$3,427,022, and authorizing the Chair of the Board of Supervisors to execute the contract Amendment and authorizing and directing the Auditor-Controller to amend the Housing and Community Services Department's Budget for Fiscal Year 21/22 (4/5 Affirmative Vote Required). (Res. 20-392)

RECOMMENDATION: Adopt the Resolution.

FUNDING: Funding for this project will be paid from the Housing and Community Services Fiscal Year 2021-22 budget in the maximum amount of \$2,133,326. A budget amendment is required and is included in this Resolution. There is no impact on the General Fund.

BACKGROUND: Per previous Board action, Resolution 18-488 authorized a Standard Agreement No. 17-CDBG-12025 between the County of Nevada and the State Department of Housing and Community Development for Community Development Block Grant funds for the renovation of the Odyssey House. The facility located at 995 Helling Way in Nevada City has been used by the County as a transitional housing facility for severely mentally ill adults since 1995. This renovation project will increase the facility by approximately 3341 square feet, replace the roof, siding, windows, and relocate current parking to allow for adequate staff parking and handicap parking, improve the entrance into the building and correct functional space deficiencies to include the addition of a commercial kitchen, laundry facilities, ADA compliant restrooms, therapy areas, office areas and patient living quarters.

Resolution 20-392, approved by the Board on September 1, 2020, authorized a contract for the construction of the project with REM Construction, Inc. in the amount of \$2,698,314 plus a contingency of \$269,831, for a total contract amount of \$2,968,145. This amendment is for additional services required due to unforeseen structural deficiencies along with unstable soil conditions which were discovered during the demolition phase of the project. The original design called for the repurposing of the existing floor structure. During the demolition of the facility it was discovered that inadequate foundational support existed and that the existing soil was compromised. These structural deficiencies required significant changes to the renovation project, including the complete demolition of the original structure, substantial soil remediation and installation of a new foundation system. Additionally, the Covid-19 pandemic has created challenges in obtaining supplies and materials which has affected the original scope of the contract. Due to these conditions the scope of work needed to complete the project has increased. REM Construction, Inc. has the experience and ability to provide these services in the most efficient and economical manner. The additional services require an increase of the maximum contract amount to of \$3,157,191(an increase of \$458,877) plus a contingency of \$269,831, for a total contract amount of \$3,427,022.

The Housing and Community Division recommends the approval of this resolution.

Item Initiated by: Rob Choate, Administrative Services Associate

Approved by: Mike Dent, MPA, Director of Child Support, Housing and Community Services