

STAFF REPORT



MEETING DATE:	October 20, 2020
SUBJECT:	Receive SRTA Building Repair Update and Report of Executive Director Actions Taken Under Delegated Emergency Authority (Resolution 20-14) and Affirm Continuation of Emergency Declaration (<i>Six Affirmative Votes Required</i>)
AGENDA ITEM:	11
STAFF CONTACT:	Daniel S. Little, AICP, Executive Director

STAFF RECOMMENDATION:

It is recommended that the board of directors:

1. Receive an update regarding repairs to the SRTA building at 1255 East Street, Redding; and
2. Continue the emergency finding of Resolution No. 20-14 approved September 30, 2020.

Six affirmative votes are required.

DISCUSSION:

At a special meeting on September 30, 2020, the board of directors received detailed information about water damage to the SRTA building and made an emergency finding authorizing the executive director to take all needed actions to protect and repair the building (see [staff report on SRTA website](#)). Removal of mold and dry rot has made the building vulnerable to further water damage during a typical wet weather season.

The scope of repairs includes replacing dry wall, framing, and other damaged materials, and eliminating the causes of water intrusion to prevent additional damage. This requires complete removal of all but one balcony; reframing, resealing, and replacing windows; removal of the architectural walls and monument sign attached to the building; a new roof with redesigned drainage; new stucco, paint and light fixtures; and a free-standing monument sign.

Public Contract Code Sections 1102 and 22050 provide for the finding of an emergency and waiver of competitive bidding requirements which the board approved September 30. Accordingly, any actions taken are reported to the board of directors at each regular meeting, and the emergency finding must be continued until no longer needed.

No action has occurred to date that falls within the delegated authority to the executive director. Progress to date includes the following:

1. As reported at the September 30, 2020, special board of directors meeting, negotiations were initiated with a reputable local firm – G & S Construction. They demonstrated capacity and interest in making the repairs. A preliminary cost estimate has been received and all line items reviewed.

2. The SRTA Fiscal Committee met October 6, 2020, to receive an update on contract negotiations and provide additional input.
3. The building permit through the city of Redding has been approved.
4. SRTA is pursuing appeal options for the denied insurance claim for repairs.
5. A meeting occurred on October 14, 2020, which included the SRTA Chair, Vice Chair, Executive Director, the SRTA architect, and contractor. Negotiated costs were reviewed and options considered. A final scope of work and cost proposal was recommended for approval.

The total costs, excluding contingencies, is \$696,119.21. The scope will include all new energy efficient windows and a new commercial-grade, three-coat stucco over all exterior walls. Less costly alternatives were considered that were ultimately ruled out. Keeping the old windows and portions of the stucco would reduce some costs initially but would leave areas of the building subject to further issues that would be more costly to repair later than now, and they lacked warranty protection for the entire building. Based on information from the architect; other contractors, and a review of subcontractor bids, the cost was determined fair and reasonable. A contract is being prepared and should be executed by October 23, 2020. Further updates will be provided at the December board of directors meeting.

ALTERNATIVES

The board may decline to continue the emergency finding. More detailed plans and specifications would be prepared and circulated at least 21 days for competitive bidding. The project would be delayed by three to four months putting the building at further risk of damage.

FISCAL IMPACT

The \$696,119.21 cost is below the staff estimate. SRTA can be reimbursed for the repairs over a period of about 20 years as part of depreciation for the entire building through the indirect cost allocation plan. Cash to immediately pay for repairs will come from SRTA's Transportation Development Act (TDA) allocations and the SRTA TDA loan fund.



Daniel S. Little, AICP, Executive Director