



County of Santa Cruz 087

GENERAL SERVICES DEPARTMENT

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ROY HOLMBERG, DIRECTOR

March 1, 1999

Agenda: March 9, 1999

**Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, California 95060**

Status Report on Replacement Fire Station for County Fire Department (Loma Prieta Community)

Dear Members of the Board:

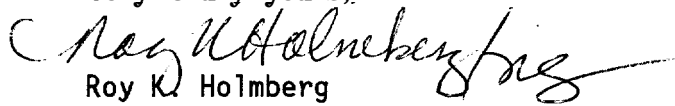
On February 9, 1999, your Board authorized the General Services Director to sign a contract for the construction of a replacement fire station servicing the Loma Prieta community. This authorization was contingent upon the County reaching final agreement with our insurance carrier for the losses suffered in the fire, and verification by the County Administrative Office and Auditor-Controller of sufficient funding resources for this project.

County Counsel successfully completed their negotiations with the insurance carrier during the week of February 16, and the County will receive a final payment in the amount of \$175,633 within the next few weeks. Project funds from prior insurance proceeds (\$82,180) and Measure E funds designated for emergency and disaster response purposes (\$58,144) are also available for commitment to this project. With the concurrence of the County Administrative Office and the Auditor-Controller, the necessary balance of funding to provide for the contract itself (\$19,150), an appropriate construction contingency amount (\$33,500) as well as inspection services (\$4,000) and public art (\$3,350), is available in the form of a \$60,000 loan made against one of the County's public facility retrofit funds. Whatever funds are actually utilized for the project (not to exceed \$60,000) will be paid back from the County Fire Fund over a fifteen year period with interest at the rate earned by the County Treasurer on pooled funds, thereby avoiding a negative impact on the fire department budget. The total construction budget is \$375,957.

Following the verification of the funding availability, a contract with the low bidder for the project, Watsonville Construction Company, in the amount of \$335,000 was signed by the General Services Director, and a Notice of Contract Award was issued the first week of March in order to expeditiously proceed with the work. In anticipation of receipt of the insurance funds, staff plan to return on or before April 13, with a resolution accepting and appropriating the insurance proceeds as unanticipated revenue for the project, as well as other necessary transfers of identified funding to the project's accounting index.

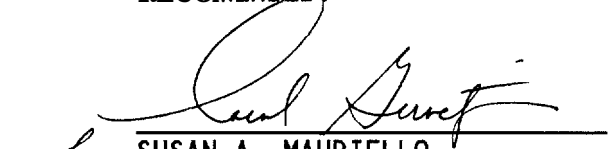
It is therefore recommended that your Board accept this status report on the outcome of the bid award for the replacement fire station for the Loma Prieta community, and direct the General Services Department to return on or before April 13, 1999 with the necessary fiscal documents.

Very truly yours,


Roy K. Holmberg
Director

RKH/NCG

RECOMENDED:


for SUSAN A. MAURIELLO
County Administrative Officer

cc: Auditor-Controller
County Counsel Ellen Lewis
County Fire Chief Wert

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