



Legislation Text

File #: 22-1279, Version: 3

Health and Human Services Agency (HHS) recommending the Board:

- 1) Make findings in accordance with County Ordinance 3.13.030 that it is appropriate to contract with G&G Builders, Inc. for the provision of services to support the building and development of a congregate Navigation Center with an emergency shelter component, provided under Agreement 6775 because due to the limited timeframes, temporary or occasional nature, or schedule for the project or scope of work, the ongoing aggregate of work to be performed is not sufficient to warrant the addition of permanent staff;
- 2) **Find that the Navigation Center project is necessary to respond to an emergency to protect and enhance public health and safety and that the emergency will not permit a delay resulting from a competitive solicitation for bids, and** waive competitive bidding in accordance with Public Contract Code Section 22050 for **contracts associated with** ~~the design and construction of the~~ Navigation Center **Project** in order to address the emergency shelter crisis (4/5 vote required) [bold text is additions and ~~strikethrough~~ is deletions];
- 3) Approve and authorize the Chair to sign Agreement for Services 6775 with G&G Builders, Inc., in an amount not to exceed \$3,659,010.71;
- 4) Direct the Chief Administrative Officer to contact the City of Placerville requesting a City contribution of American Rescue Plan Act funding to cover a funding shortfall of approximately \$287,500, and return to Board with recommendations no later than August 23, 2022, on funding options; and
- 5) Authorize the HHS Director, or HHS Agency Chief Fiscal Officer, to administer said agreement, including plan set approvals, and subsequent amendments that do not increase the maximum dollar amount or term of the Agreement, contingent upon approval by County Counsel and Risk Management, and to further authorize the Director of HHS or the HHS Agency Chief Fiscal Officer to execute any required fiscal and programmatic reports. (Cont. 7/28/22, Item 1)

FUNDING: 80% State and Federal Homeless Grants; 11% Public Health American Rescue Plan Act Funding; and 9% County / City American Rescue Plan Act Funding.

DISCUSSION / BACKGROUND

On November 9, 2021, the Board of Supervisors directed the Health and Human Services Agency (HHS) to work with El Dorado Opportunity Knocks (EDOK) to assess potential sites for a Navigation Center with an emergency shelter component. HHS returned to the Board on April 19, 2022 (Item 22-0630) to provide a presentation regarding potential shorter and longer-term sites for a congregate Navigation Center with an emergency shelter component. Following the presentation, the Board adopted and authorized the Chair to sign Resolution 061-2022 for a Homeless Shelter Crisis Declaration which would allow for a shorter-term Navigation Center to be operational before Fall 2022. Additionally, the Board directed staff to:

- 1) pursue 2 short-term project sites, 1970/1940 Broadway for non-congregate shelter and Perks Court for a short-term congregate shelter site, and move towards negotiation of a lease and development of the sites prioritizing the placement of homeless individuals in encampments currently located inside city limits;

- 2) pursue Perks Court for a longer-term Navigation Center in addition to working with the City of Placerville to explore the feasibility of 471 Pierroz Road in order to move toward negotiation of a lease and/or purchase of one of the sites to operate as a longer-term Navigation Center in future years;
- 3) work with the City of Placerville and the Upper Room to explore the feasibility of relocating the Upper Room to one of the short-term project sites; and
- 4) the Board directed the Chief Administrative Office to work with the City of Placerville to secure additional law enforcement resources and come back with a Memorandum of Understanding if a short-term project at 1970/1940 Broadway is selected.

The purpose of this Agreement for Services 6775 is to specifically support number one above, the development of a short-term congregate Navigation Center site on the Perks Court property.

HHSA returned to the Board on May 24, 2022 (Item 22-0893) to recommend approval for the first phase of a two-phase approach to the shorter-term Navigation Center project, with Agreement 6586. The Board authorized the Chair to sign the Agreement for Services for the first phase of the project, where G&G Builders, Inc (G&G) has since provided pre-construction services including, but not limited to, site studies, constructability, evaluations, estimating, and construction project schedule. Estimated cost data was gathered along with a timeline for site development. Since the Board's authorization, to ensure compliance with local permitting and use requirements specific to the Perks Court site, ongoing meetings and communications have been held between G&G, HHSA, County Facilities, Planning and Building, El Dorado Irrigation District (EID), County IT, Department of Transportation (DOT), Animal Services, and Diamond Springs Fire Protection District. Through these collaborative discussions, a feasible approach to completing the Navigation Center has been developed including notification of required permits, an approved site plan, estimated budget, and timeline for completion, all consistent and based upon feedback from the described list of local partners that have been involved in said discussions.

To comply with California Fire Code, some additional road widening may be required on Perks Ct. Due to the short turnaround from the May 24th item (Item 22-0893), and with the intent to continue making progress on the development of this site, that potential task and its subsequent options/solutions are still being resolved and therefore are not captured in this Agreement for Services 6775. As this last piece is finalized and approved over the coming weeks ahead, a subsequent agreement will be brought to the Board for approval of the last remaining task and work.

Given the Board's intent to establish a shorter-term Navigation Center as quickly as possible, HHSA is recommending the Board approve the attached agreement with G&G to support permitting, excavation, construction, and subcontracting activities required for the development of the congregate Navigation Center. County Counsel, County Facilities staff, as well as Planning and Building staff, have participated in meetings with both HHSA and G&G to develop the required terms of the proposed agreement. Through the discussions, it was determined that Agreement 6775 will not only be necessary to complete the project in its entirety, it will also allow for the Navigation Center's development work to not solely fall upon County Facilities and Planning and Building staff. As such, this will lessen the impact on County Departments. Agreement 6775 outlines the second and final phase of a two-phase approach to the shorter-term Navigation Center project, providing the necessary site development and construction. It is anticipated that the completion of the project will be within 180 days of execution. Upon the Board's approval, G&G would be responsible for coordination of all trades, building officials, and utilities installation, through final closeout and

delivery.

Public Contract Code Section 22050 provides that in the case of an emergency, a public agency by 4/5 vote of its governing body may "repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without notice for bids to let contracts." In addition, a well-recognized exception to the bidding requirement applies when competitive proposals would be unavailing or would not produce an advantage and the advertisement for competitive bids would thus be undesirable, impractical, or impossible. (Graydon v. Pasadena Redevelopment Agency (1980) 104 Cal.App.3d 631.) The Navigation Center is necessary to respond to the shelter crisis emergency to protect and enhance public health and safety. Complying with the competitive bidding process would be undesirable or impractical given the critical need to effectively address the emergency circumstances.

Perks Ct requires site specific work to ensure that utilities are brought to the site to service the Navigation Center. Additionally, Diamond Springs Fire Protection District has communicated some additional site requirements to ensure that the site complies with all relevant California Fire Code. Lastly, inflationary impacts have had an effect on the cost of materials and labor for this project. The combination of these factors have pushed the total cost beyond the available Homeless Grant Funding of approximately \$3 million. The City of Placerville has indicated that they have an American Rescue Plan Act (ARPA) reserve and therefore the staff should be directed to engage the City regarding the prospect of contributing funding to cover the \$287,500 of funding for the project that has not been identified from current HHS funding.

HHS will be providing \$400,000 from its Public Health allocation of ARPA funds to fund the remaining portion of this agreement. Since receiving its ARPA allocation, Public Health has been developing mitigation strategies for COVID and future infectious diseases, with an emphasis on serving populations that are disproportionately impacted by diseases. One of those populations are residents facing homelessness. In addition, the State of California has established expectations that Public Health Departments incorporate 'equitable access to underserved populations' as a clear priority for financial and programmatic investments. Because homeless residents were one of the most disproportionately impacted groups during the pandemic, and as the State is strongly encouraging that Public Health Departments enhance their emphasis on supporting underserved groups, Public Health has been exploring ways to invest in these populations. The Navigation Center is anticipated to have a profound impact on ensuring these residents have access to a range of 'whole person' services that will help prevent the spread of infectious disease, sickness, hospitalizations, and death, which were all priority areas within Public Health's request for ARPA funding. The use of \$400,000 in El Dorado County ARPA funds for this project will aid Public Health in meeting State expectations and is in alignment with the intention of the allocation of ARPA funding the Board provided to Public Health.

In accordance with Board of Supervisors Procurement Policy C-17, Section 7.11, the contractor selection process for service contracts in excess of \$100,000 must include a review of the scope of services and contractor's professional qualifications by a group of individuals (including at least one representative from outside the department requesting the services) qualified to judge the contractor's ability to perform the services. HHS has documentation on file that such a review was performed for Agreement 6775 with G & G Builders, Inc.

ALTERNATIVES

The Board may choose not to approve this agreement, however, doing so would not allow a Navigation Center project to be developed as quickly as possible, per the Board's direction.

PRIOR BOARD ACTION

- 1) 21-1668, November 9, 2021, Board Direction to HHSA to assess potential sites for a congregate Navigation Center with an emergency shelter component, or a pallet community run by a professional service provider.
- 2) 22-0294, February 22, 2022, Board receive and file of EDOK presentation on the first draft of the 5-Year Countywide Homeless Strategic Plan.
- 3) 22-0630, April 19, 2022, Board direction of HHSA to pursue site locations and develop a Navigation Center at Perks Court.
- 4) 22-0893, May 24, 2022, Board approval Agreement for Services 6586 for Phase I of the short-term Navigation Center project.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel, CAO Facilities, CAO Procurements, Planning and Building, Information Technology, El Dorado Irrigation District, Department of Transportation, Animal Services, and Diamond Springs Fire District.

CAO RECOMMENDATION / COMMENTS

The recommendations are consistent with prior Board direction and essential to move forward with the implementation of a congregate Navigation Center. However, the Board should note the project costs currently identified exceed the amount of available Homeless Grant Funding, requiring additional contributions from other funding sources close to \$687,000, in addition to roadway improvement costs that have not yet been identified, all of which are for a project that at this time is considered to be a short-term project.

Recognizing the Board's priority in establishing a congregate Navigation Center, due to higher than anticipated costs that exceed available Homeless Grant funding, the Board should consider if this is still the best use of funds.

FINANCIAL IMPACT

Funding for the proposed project is generated through various homeless grant programs, including but may not be limited to Homeless Housing, Assistance and Prevention (HHAP) and Permanent Local Housing Allocation (PLHA). These grants have been included in the Fiscal Year 2022-23 Budget. In addition, the project will be funded with ARPA funding from the County and seek City of Placerville ARPA funding for the project. HHSA will continue to explore all funding and update the Board if additional funding becomes available.

The cost of this project will utilize nearly all County grant funding for homelessness, as well as a majority of El Dorado Opportunity Knocks (EDOK) Continuum of Care grant allocations. All other available homeless grant funding that would remain cannot not be utilized for a longer-term navigation center project as an eligible activity. Those remaining funds are also earmarked for other year-one activities within the EDOK 5-Year Strategic Plan on Homelessness. As such, by developing this project as presented, the County and EDOK would not have any funding in-hand for pursuing a longer-term site as a navigation center, at an alternate location. Perks Ct is currently being presented as a shorter-term solution, as there is funding to operate it for approximately two years. Given these

described dynamics, should the Board decide within two years that an alternate site will be necessary for a longer-term navigation center, state grants or other revenues will need to be pursued and considered by the County and EDOK in order to fund any additional effort at an alternate location.

CLERK OF THE BOARD FOLLOW UP ACTIONS

1) Clerk of the Board to obtain Chair signature on one (1) original Agreement for Services 6775.

STRATEGIC PLAN COMPONENT

County Strategic Plan:

- 1) Goal #1 - "Public Safety: Protects the community, prevents crime, enforces the law, administers justice, provides rehabilitative services, and promptly responds to emergency and calls for service;" and
- 2) Goal #5 - "Healthy Communities: Improved health, well-being and self-sufficiency of El Dorado County communities, residents and visitors."

CONTACT

Daniel Del Monte, Interim HHSA Director