

Better Health for All*County of Santa Clara Health System*

2325 Enborg Lane, Suite 320

San Jose, California 95128

Phone: (408) 885-6868

Fax: (408) 885-4051

DATE: 3/16/2021

TO: Honorable Members of the Board of Supervisors
Jeffrey V. Smith, M.D., J.D., County ExecutiveFROM: René G. Santiago, Deputy County Executive/Director, SCVHHS
Sherri Terao, Director of Behavioral Health Services
Jeff Draper, Director of Facilities and Fleet

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SUBJECT: BHSD –Updated Timeline and Schedule for the allcove Program Construction
Completion and Site Activation

This memorandum provides an update to Legislative File (LF) # 104941 regarding the timeline and schedule for the construction completion and site activation of the two physical locations for the allcove Program. The Facilities and Fleet Department (FAF) received additional information from the landlords at both sites since we filed that report that FAF estimates will result in additional delays to the construction completion dates that we reported in LF # 104941.¹ The Behavioral Health Services Department (BHSD) staff is working with FAF and the Technology Services and Solutions Department (TSS) to identify all available options to minimize the impact on the opening date for each site, described in more detail below.²

1. The Palo Alto Site

As indicated in Legislative File (LF) #104941, the general contractor for the allcove Palo Alto location provided FAF an updated estimated construction completion date of April 16, 2021 and based on that date, FAF estimated an activation/opening date of May 28, 2021.

On March 4, 2021, the general contractor provided an updated schedule to FAF and the Behavioral Health Services Department (BHSD) that reflected an additional two-week delay to the construction completion date, from April 16, 2021 to April 30, 2021. The general contractor explained that this additional two-week delay is due to the delay in manufacturing and delivery of the closed cable trays that are required to maintain safety and cleanliness in the medical and counseling rooms, which because of the condition of the building, had to be custom-built. The general contractor confirmed that they contacted the manufacturer about the possibility of expedited delivery, looked for these materials at other suppliers, and considered alternative materials or solutions, but expedited delivery was not available, and none of the alternative options will allow the general contractor to keep the previously estimated construction completion date.

¹ The County does not have a direct contract with the general contractor on either site. The County entered into a lease agreement with the respective landlord that describes the building improvements that will be performed by the landlord and references the respective construction schedules that were made part of the lease agreements.

² BHSD and FAF are also consulting with the County Counsel's Office to explore any legal remedies that may be available.



Additional Delays Estimated by FAF

On March 11, 2020, the Project Manager at FAF discovered additional potential delays caused by the general contractor's and landlord's failure to execute change orders that impact the construction's critical path. During the regular meeting with the general contractor on March 11, 2021, the general contractor confirmed that two change orders had not been completed but asserted that the construction completion date would not be impacted and reaffirmed his commitment to the April 30, 2021 construction completion date. The FAF project manager, however, anticipates that, based on her experience, this issue with the change orders will affect the general contractor's construction completion date and estimates the construction will now be completed on May 14, 2021. Based on this new estimated construction completion date and the 6-week activation period, the new estimated activation/opening date for the allcove Palo Alto location is June 25, 2021. (See **Attachment A**, "allcove Program Construction Schedule and Activation Timeline.")

Proposed Solutions

Upon receiving information regarding the additional two-week delay from the general contractor, BHSD worked with County Counsel to coordinate with FAF and TSS to identify a plan to attempt to keep the May 28, 2021 opening date for the allcove Palo Alto location. FAF and TSS attempted to identify tasks and activities that were scheduled during the 6-week activation period after the construction completion date, which may be completed after the construction work is done, but before the final building inspection. Unfortunately, the general contractor's schedule only included three days between the completion of the construction work and the final building inspection, so this option will not work. BHSD and FAF are currently working with TSS to develop a plan to determine whether FAF and TSS can coordinate to complete their tasks and activities within a 4-week activation period instead of the scheduled 6-week activation period, to attain an activation/opening date of June 11 instead of the current estimate of June 25. BHSD and FAF will have an update on this option during the Health and Hospital Committee meeting on March 17, 2021.

Options Identified to Avoid Further Delays

On March 11, 2021, the general contractor confirmed that they identified projects that they could complete ahead of schedule by adding 12 and 16-hour shifts and having subcontractors work on weekends to ensure that any other issues that may arise will not further delay the current construction completion date. The general contractor agreed to provide FAF with a detailed plan and schedule for these projects, including a detailed cost and expense report by March 19, 2021.

2. The San José Site

FAF sent a letter to the landlord after the landlord, and his general contractor failed to attend both the scheduled meeting with FAF and BHSD on February 22, 2021 and failed to respond to repeated requests for information on the status of the construction. The landlord and general contractor provided responses to all outstanding requests shortly thereafter and have not missed any of the scheduled meetings since.



On March 15, 2021, the general contractor confirmed that PG&E installed the electrical meter on March 12, 2021, four weeks ahead of the originally anticipated timeline. On March 10, the general contractor also stated, however, that their fire alarm subcontractor did not submit the fire alarm plans and application to the City of San José on March 4, 2021 as they reported would happen during the meeting on March 3, 2021. The general contractor reported that they requested that the fire alarm subcontractor expedite the fire alarm plans and submit them to the City of San José as soon as possible. FAF requested an updated project timeline and schedule from the general contractor and landlord that includes details about the fire alarm plans and application but has not received this item as of March 16, 2021. FAF will follow up with the landlord and general contractor about this item during the scheduled weekly meeting on the morning of March 17.

Additional Delays Estimated by FAF

As of the date of this memorandum, the FAF project manager had not received the updated schedule from the landlord or general contractor, but based on her experience, she estimates that this failure to submit the fire alarm plans on March 4, 2021 will likely cause additional delays to the construction completion date. FAF estimates that the fire alarm review and inspection process will result in a new construction completion date of May 26, 2021, instead of April 21, 2021, as reported in LF # 104941.

Proposed Solutions and Options Identified to Avoid Further Delays

BHSD coordinated with FAF, TSS, and the County Counsel's Office to identify tasks and activities that were previously scheduled during the 6-week activation period after the construction completion date, which could be completed after the construction work is done but before the final building inspection. This option will decrease the activation period by two weeks to 4 weeks to attain an activation/opening date of June 25, 2021.

FAF staff will be contacting the fire alarm subcontractor to ensure that they understand the urgency of this project and request that they place a priority on this project. FAF staff will also be contacting the City of San José and the Fire Inspector to request that they place a priority on the review and processing of the fire alarm plans and all outstanding inspections until the project is completed.

FAF and BHSD will continue weekly meetings with the general contractors for both projects and increase construction monitoring activities by using daily logs in addition to the contractors' logs for outstanding tasks. BHSD has instituted weekly meetings with FAF and TSS to develop contingency plans to help avoid any further delays to the activation dates. BHSD is working with FAF and County Counsel to review each lease agreement to identify all available remedies available to the County for these continued delays.

cc: Miguel Márquez, Chief Operating Officer
James R. Williams, County Counsel
Megan Doyle, Clerk of the Board
Chief Board Aides
Debbie Dills-Thompson, OBA

Attachment A: allcove Program Construction Schedule and Activation Timeline

Palo Alto Project Timeline Update

<u>Milestone</u>	<u>Original Schedule</u>	<u>Updated Schedule</u> (September 28, 2020)	<u>Updated Schedule</u> (January 21, 2021)	<u>Updated Schedule</u> (February 26, 2021)	<u>Updated Schedule</u> (March 12, 2021)
Complete Tenant Improvement (TI) Designs	April 15, 2020	March 24, 2020	March 24, 2020	March 24, 2020	March 24, 2020
Complete Permit Process	June 15, 2020	October 15, 2020 (estimate)	November 20, 2020	November 20, 2020	November 20, 2020
Landlord to Complete Construction	September 15, 2020	January 30, 2021	April 2, 2021 (Per Landlord's schedule)	April 16, 2021 (Per GC's verbal statement on February 25, 2021 Construction meeting)	May 14, 2021 (Per FAF's estimate)
Activation	October 15, 2020	March 1, 2021	May 14, 2021	May 28, 2021	June 25, 2021 (Per FAF's estimate)

Attachment A: allcove Program Construction Schedule and Activation Timeline

San Jose Project Timeline Update

<u>Milestone</u>	<u>Original Schedule</u>	<u>Updated Schedule</u> (September 28, 2020)	<u>Updated Schedule</u> (January 21, 2021)	<u>Updated Schedule</u> (February 12, 2021)	<u>Updated Schedule</u> (March 12, 2021)
Complete Tenant Improvement (TI) Designs	February 18, 2020	February 18, 2020	February 18, 2020	February 18, 2020	February 18, 2020
Complete Permit Process	April 15, 2020	June 25, 2020	June 25, 2020	June 25, 2020	June 25, 2020
Landlord to Complete Construction	July 15, 2020	December 13, 2020 (per Landlord's schedule)	February 12, 2021 (estimate)	April 21, 2021 (Per FAF's estimate)	May 26, 2021 (Per FAF's estimate)
Activation	August 15, 2020	February 1, 2021	March 1, 2021 (estimate)	June 1, 2021 (Per FAF's estimate)	June 25, 2021 (Per FAF's estimate)