



# Monterey County Board of Supervisors

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## Board Report

Legistar File Number: 14-1209

November 04, 2014

Introduced: 10/22/2014

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Approve Fiscal Year (FY) 2014-15 budget for a Facility Utilization Program related to Schilling Place and County Administration Building in the amount of \$336,439.
- b. Approve FY 2014-15 budget for tenant improvements and relocation expenses for Schilling Place #1488 in the amount of \$1 million.
- c. Approve increasing Fund 404 appropriations (404-3000-8174-7551) and operating transfer in (404-3000-8174-7614) by \$1.1 million to finance the Facility Utilization Program and #1488 tenant improvements. (4/5th vote required.)

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve Fiscal Year (FY) 2014-15 budget for a Facility Utilization Program related to Schilling Place and County Administration Building in the amount of \$336,439.
- b. Approve FY 2014-15 budget for tenant improvements and relocation expenses for Schilling Place #1488 in the amount of \$1 million.
- c. Approve increasing Fund 404 appropriations (404-3000-8174-7551) and operating transfer in (404-3000-8174-7614) by \$1.1 million to finance the Facility Utilization Program and #1488 tenant improvements. (4/5th vote required.)

### SUMMARY/DISCUSSION:

On September 26, 2014 the Schilling Place property acquisition closed. The Schilling Place property has two main facilities: #1441 and #1488. The availability of this property necessitates that the County develop a Facility Utilization Plan in order to address current space requirements at both Schilling Place and the County's Administration Building. Given the County's spatial needs, the Schilling Place property offers the opportunity to consolidate a number of functions at one site. The Due Diligence Report prepared as part of the acquisition process presented preliminary spatial concepts and possible tenants in support of the financial analysis. Both the Schilling Place facilities and the Administration Building will need construction improvements to accommodate new tenants and their required functions, the planning of which is the subject of the Facility Utilization Program.

In April 2014, the Board of Supervisors adopted a revised Five-Year Capital Improvement Financing Plan to accommodate major facility space needs for County services. The three projects presented today were not identified as approved projects in the FY 2014-15 Capital Improvement Program.

The schedule for tenant improvements at Schilling Place #1488 is tentative for completion by the end of the FY 2014-15, because only minimal interior improvements will be done. The preliminary budget of \$1 million is the estimated amount required to construct necessary improvements at Schilling Place #1488, which includes the moving and equipment

requirements for Records Retention, collapsing of two existing storage leases, and improvements to tenant office spaces.

Schilling Place #1441 and the Administration Building tenant improvements project schedules are still under review as they are very complex due to the number of possible tenants, the design work required to produce permit documents, and the time required to bid both sites. Future funding sources and amounts to finalize the Schilling Place #1441 and the Administration Building tenant improvements will be brought before the committees and Board of Supervisors as well as included in the annual Capital Improvement Projects Fund 404 budgets.

We have been advised that the acquisition of the Schilling property was not subject to the California Environmental Quality Act (CEQA) pursuant to Section 15004(b)(2)(A) of CEQA Guidelines. A Traffic Analysis Report will be prepared to determine impacts of possibly more intensive use. The results of this analysis will determine if the project can be categorically exempt or if a Supplemental Environmental Impact Report will need to be conducted. The Administration Building Project will also be reviewed to determine if it can be categorically exempt (Class I) as it involves only tenant improvements to an existing public facility and involves no expansion of an existing use. (CEQA Section 15301, Existing Facilities). Approving the funding of the Facility Utilization Program is a planning activity to assist in this analysis.

OTHER AGENCY INVOLVEMENT:

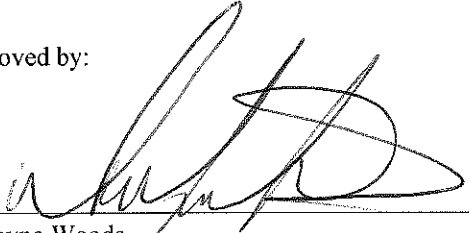
The County Administrative Office is working closely with the Department of Public Works, Department Heads, elected officials, and other prospective tenants to determine program requirements for all projects. The Budget Committee and Capital Improvement Committee will receive this report at their meeting in October and November.

FINANCING:

In the FY 2014-15 Budget \$1,336,439 was appropriated from unbudgeted/unassigned fund balance to reimburse the Workers' Compensation Program for costs related to a settlement in a different matter. The Workers' Compensation Program was repaid in FY 2013-14 and therefore these appropriations are recommended to be utilized to fund the above described purposes. Use of one-time funds for one-time purpose is in accordance with County policy and will provide funding for these expenses without requiring additional debt. Taking additional debt would constrain the County's ability to fund future ongoing costs increases, especially in the areas related to personnel.

Prepared by: Judy Jeska (831) 755-8964

Approved by:

  
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Dewayne Woods  
Assistant County Administrative Officer

Attachments: Schilling Place #1488 - TI Budget  
Schilling Place #1488 - Project Schedule  
Location Map