

COUNTY OF MONTEREY

SCHILLING PLACE UTILIZATION PROJECT UPDATE

December 2014



PROJECT MISSION

To lead, collaborate, and facilitate the safe, organized, and successful utilization of the designated County of Monterey programs and staff into the newly acquired Schilling Place buildings and property.

POSITIVE OUTCOME

The Schilling Place Utilization Project will have a number of goals and desired outcomes. Use of the Schilling property will reduce the number of leased facilities which is anticipated to have the positive outcome of lowering expenditures over time for the County of Monterey, and ultimately the local tax payers. Secondly, having programs centrally located is expected to lead to a multitude of economies of scale efficiencies regarding core operating costs. Additionally, having related programs/departments co-located will encourage greater collaboration and facilitate a consistent one-stop approach and location for the public to experience and access. Lastly, the public and employees will have access to sufficient parking reducing one area of frustration currently experienced at the downtown government complex. While the Schilling property will provide numerous benefits it is not without challenges, which will be discussed later in this document.

SCHILLING PLACE PROPERTY DESCRIPTION

The property consists of 3 buildings:

- 1441 Schilling Place. A two-story building built in 1984 with additions in 1989, 1990 and 1994. This office building is 202,358 gross square feet in size, and includes a “North Building” and a “South Building” around a shared entrance lobby. This building features a full service cafeteria and fitness area.
- 1488 Schilling Place. A single story building built in 1994 with an addition in 2004. This building is 81,574 gross square feet in size, and is a warehouse with office spaces.
- 1494 Schilling Place. A single story building built in 1999. This day care center building is 4,509 gross square feet.

Other features of the property:

- The property is 24.47 acres in size.
- Parking Spaces at 1441 are 803, at 1488 are 367, and at 1494 are 21.
- 1441 and 1488 buildings have diesel fueled generator systems capable of providing electricity to the entire building operations during an electrical power outage.
- 1441 Schilling Place is a 2011 LEED Gold Certified building.

PROJECT TEAM

With the overall vision and direction set by the County Board of Supervisors and implementation oversight delegated to the County Administrative Office (CAO), the Schilling Place Utilization Team currently consists of the following program/offices:

- Resource Management Agency (RMA) - Architectural Services
- RMA – Building & Facility Services
- Information Technology
- Contracts/Purchasing

The above list of the project team is not all inclusive, and will grow in size as the project requires.

CURRENT TOP PRIORITY

The current project priority is to develop a utilization plan of appropriate programs to utilize this property including staff. Both short-term and long-term impacts are under consideration at the following locations:

- 1441 Schilling Place “North” and “South”
- 1488 Schilling Place
- East and West Wing
- Government Building
- Modulares

This utilization plan is necessary to develop a cohesive, collaborative and successful understanding of best uses for Monterey County facilities. The acquisition of Schilling Place brings to the forefront the need for a comprehensive strategic study of space utilization. Creating this utilization plan is an effort to minimize costs and program disruptions while maximizing the best and highest use of County resources. One of the first priorities will be to fund the architectural design fees at a cost of \$491,238 for 1441 Schilling Place (both North and South) for the Job Order Contract (JOC) Architect that will be performing the Pre-design, Schematic Design, Design Development, Construction Drawing and Construction Administration for this project.

1488 Schilling Place “The Annex”



- The Contracts/Purchasing program consisting of nine staff members are on schedule to move into their new location at 1488 Schilling Place during the last two weeks of March 2015. Contracts/ Purchasing will also be responsible for the Expansion and Central Surplus Program storage and staging area in the annex.

- The Information Technology (IT) Records Retention program consisting of 18 staff members are on schedule to move into their expansion location at 1488 Schilling Place during the last two weeks of March 2015. IT Records Retention will also be responsible for the Expansion and Central Records Retention Program, which will consolidate records retention for the County. This move will enable the County to collapse the current lease of 1610 Moffet Street, which the County is currently paying \$239,328 (both sites) annually.
- Social Services will move their Copy Distribution Center, Main Stores, Records Retention, Forms, and Warehouse programs including 16 staff members into their new location at 1488 Schilling Place during the last two weeks of March 2015. This move will enable the County to collapse the current lease of 815 W. Market, which the County is currently paying \$159,168 annually.
- Enterprise Resource Program (ERP) will move into their new space at 1488 Schilling Place sometime between April 2015 and July 2015. This is a system upgrade project team anticipated to be located at this facility for the next year or two.

RMA Facilities is working on all necessary service contracts (landscaping, janitorial, HVAC, security, fire suppression systems, etc.) and expects these to be in place prior to March 2015. In addition, RMA Facilities is working swiftly to bring all of the facilities' systems (plumbing, electrical, security, building envelope, fire alarm, exterior grounds, generator, etc.) at 1488 Schilling Place back into full operation and meet safety compliance.

A general contractor, Thayer Construction, at the direction and leadership of the County Architect, and under the County Job Order Contract (JOC) Program, is performing the Tennant Improvements (TI) construction work (installing new walls and doors, replacing carpeting, relocating office cubicles, etc.). It is planned and on schedule to have this TI work complete before March 2015. The Contracts/Purchasing Office is working on establishing contracts with vendors to stock the 1488 Schilling Place break room.

The current projected estimated tenant improvement costs for 1488 Schilling Place is \$1,100,000. Attachment A provides a basic floor plan depicting location and layout of 1488 and 1441 Schilling Place.

1441 Schilling Place



- RMA is in the initial planning stage of understanding and developing their programmatic needs for moving all of the various programs that currently reside on the second floor of the

Government Building, to the new space at 1441 Schilling Place (all of the 1st floor of the South building, and about 33% of the floor space on the 2nd floor of the South building).

- WRA is in the initial planning stage of understanding and developing their programmatic needs for moving all of the various programs that currently reside at 893 Blanco Circle, Salinas, to the new space at 1441 Schilling Place (approximately 25% of the North building space in the southeast corner). This move is currently anticipated to happen in May/June of 2016 (WRA currently leases 893 Blanco Circle, and it is a year-to-year building lease that renews or ends in June of each year). This move will enable the County to collapse the current lease of 893 Blanco Circle, which the Water Resources Agency is currently paying \$242,916 annually.
- Health Services is in the initial planning stage of understanding and developing their programmatic needs for moving the various designated programs (Behavioral Health QI, Business Office, Administration, Call Center, Emergency Medical Services, CMS, Public Guardian, the Training Computer Lab, and the Records Retention and Surplus Storage) that currently reside at 1611 Bunker Hill (\$67,368 annual lease cost) & 1615 Bunker Hill (\$468,780 annual lease cost), Salinas, 2620 1st Street, Marina (County-owned facility), 1270 Natividad Road, Salinas (County-owned facility), 1200 Aguajito Road, Monterey (County-owned facility), and 1356 Dayton Street, Salinas (\$55,022 annual lease cost), to the new space at 1441 Schilling Place (approximately 67% of the floor space on the 2nd floor of the South building, and approximately 12% of the floor space on the 1st floor of the North building, in the southwest corner). This move will enable the County to collapse the current leases of 1611 & 1615 Bunker Hill, and 1356 Dayton Street, which the County is currently paying \$591,170 annually.
- Elections (with 12 full time staff, 60 additional staff on Election Day in this location, and 900 additional staff on Election Day throughout the County) is in the initial planning stage of understanding and developing their programmatic needs for moving the various programs (Registration, Vote by Mail, Precinct Services, Candidate, Filing, Copy Room, File Room, Records Retention and Multi-Purpose Room) that currently reside at 1370 B South Main Street, Salinas to the new space at 1441 Schilling Place (approximately 30% of the North building space in the northwest corner). Elections is currently slated to move out of their current location at 1370 B South Main Street, Salinas, and into their new location at 1441 Schilling Place in December of 2015 (when the current lease expires). This move will enable the County to collapse the current lease of 1370 B South Main Street, which the County is currently paying \$335,820 annually. Security, the Integrity of the program/process, and transparency are vital and mandatory within the Elections' program. The first step in this process with Elections is to fund the architectural design fees mentioned earlier at a cost of \$491,238 for 1441 Schilling Place both North and South, in an effort to immediately engage (the move-in date of December 2015 is coming quickly upon us) the architect and engineers on this project.
- District 3 is in the preliminary stage of planning for an office area in the North building located in the west corner of the southwest area.
- Other programs in consideration to move to Schilling Place are Learning and Development, Human Resources, EOO, IT, Economic Development, and the Grand Jury. In addition, there is designated "Shared Space" and space designated as "Swing Space" (space that will be used to temporarily house programs that need temporary workspace, for instance a program space that is slated to have TI/Renovation work done that needs to be evacuated during the

IT/Renovation period, and/or a space that needs to be evacuated from another location in an emergency).

- RMA Facilities is working on all necessary service contracts (landscaping, janitorial, HVAC, security, fire suppression systems, etc.) and expects these to be in place prior to December 2015. Also, RMA Facilities is working swiftly to bring all of the facilities systems (plumbing, electrical, security, building envelope, fire alarm, exterior grounds, generator, etc.) at 1441 Schilling Place back into full operation and meet safety compliance.

It is anticipated that a JOC general contractor will be contracted to perform the TI (Tennant Improvements) construction work (lighting improvements, HVAC modifications, carpet and paint, interior walls, window coverings, and furniture and equipment modification and/or replacement) to support the various programmatic needs of the departments moving to 1441 Schilling Place.

Upcoming, a Request For Proposal (RFP) will be written, a vendor selected, and the full service cafeteria will be placed in full operation to serve the Schilling Place County staff.

Upcoming, an RFP will be written, a vendor selected, and the fitness area will be placed in full operation to serve the Schilling Place County staff.

Attachment A are basic floor plans depicting in color which programs are going where in both the “South Building” (1st and 2nd floors) and the “North Building.”

During the acquisition due diligence period, RMA estimated tenant improvement costs for 1441 Schilling Place to be \$16 million (the estimated amount provided by RMA in the Schilling Place Due Diligence Report). Currently, RMA is working on refinement of these estimates. The CAO will be working with the RMA to understand these estimates and bring updated project specific estimates to both the Capital Improvement Committee and Budget Committee.

1494 Schilling Place



Upcoming, an RFP will be written, a vendor selected, and the 1494 Schilling Place Child Care Center will be opened and fully operational to serve the Schilling Place County staff and families. Due to the small size of the child care complex, the services may only be able to be offered to a limited number. It is anticipated there will be a mixed child care delivery system, which will consist of private pay, state funded and federally funded programs. The County will

collaborate with local leaders in the child care industry, such as First 5, to insure that the child care delivery program is of the highest quality and integrity. It is currently anticipated that there will be very minor tenant improvement work done on this building as it is 16 years new.

PENDING ISSUES

Phase I Environmental Site Assessment (PARTNER Engineering and Science, Inc.)

Conclusions, Opinions and Recommendations:

1. In reference to the 1441 Schilling Place 10,000 gallon underground storage tank (UST) that had been used to fuel the 1441 Schilling Place generator, and was abandoned in place in 2007, PARTNER (the engineering and science company that was hired to prepare the report/Phase I Environmental Site Assessment) states, *"The Underground Storage Tank Closure Report prepared by Hillman Group, LLC, should be submitted to the MCEHB (Monterey County Environmental Health Board) for review in order to obtain a formal closure letter for the UST abandonment"*.
2. In reference to the water well at 1441 Schilling Place that has not been used for over 20 years, PARTNER states, *"If the onsite water well is not planned for future use, it should be properly abandoned/destroyed in accordance with State and Local guidelines."*
3. In reference to the Schilling Place property, which was historically used for agricultural purposes from approximately 1956 through 1967, PARTNER states, *"If the onsite Day Care Center is planned for continued use for child care activities, sampling related to historical agricultural use is recommended within the unpaved areas around the Day Care Center."*
4. In reference to the Schilling Place buildings, which due to the age of the buildings, there is a potential that asbestos-containing materials (ACMs) are present, and PARTNER states, *"Prior to the disturbance of any suspect ACMs at the subject property, a comprehensive survey, designed to determine if the suspect materials are regulated, is recommended. If such materials are identified and need to be disturbed, repaired or removed, a licensed abatement contractor should be consulted. Suspect ACMs can also be managed under the auspices of an Operations and Maintenance (O&M) plan."*

Facility Assessment (RIM Architects, and GHD, PARTNERS, and Merrill Morris Engineers)

In reviewing the Facility Assessment (RIM Architects, and GHD, PARTNERS, and Merrill Morris Engineers) the following is a sampling of the overall physical condition of the facility, which includes some facility items that will need to be addressed as a condition of the preparation work for this important project, the Schilling Place Utilization Project:

- Site Accessibility= accessibility deficiencies were observed in Exterior Routes of Travel, Accessible Parking, Signage, Walks & Sidewalks, Entrances/Vestibules, Elevators, Stairways, Cafeteria at 1441, Break Rooms at 1441, Public Toilets, Showers/Toilets/Mother's Room in the Fitness Area at 1441, Public Telephones, and Drinking Fountains.
- Building Condition= Sidewalks: Concrete= "Very Good", Ramps, Steps & Railings= "Very Good", Exterior Walls= "Very Good", Paint ("The buildings will be due for re-painting in the near future")= "Fair-Good", Exterior Doors= "Very Good", Exterior Window Coverings ("The open office areas have vertical blinds which are very difficult to operate")= "Fair", Roof at

1441 and 1488 ("The cap sheet roof may have another year or two of useful life and should be replaced soon, at which time it will be prudent to replace the entire roof membrane because much of it is probably 25 to 30 years old based on the ages of the buildings")= "Fair", Roof at Daycare Building= "Good", Warehouse Shelves= "Very Good", Cabinets & Millwork, Building 1441 Cafeteria= "Very Good", Cabinets & Millwork, Building 1441 Cafeteria Kitchen (Mainly Stainless Steel Equipment)= "Very Good", Cabinets & Millwork, Building 1441 Break-rooms= "Good", Toilet Facilities (Ceramic tile walls and floors, solid surface countertops, plastic laminate partitions, stainless steel accessories)= "Good", Daycare Building= "Very Good", Maintenance (No maintenance records were provided to the Survey Team)= "Very Good".

- Landscape Condition= "In general the landscape is healthy with a few missing or declining trees and hedges", Irrigation Condition= "The irrigation system is functional, but is not entirely operational as an automatic system.", "The irrigation back flow prevention is not to code and needs to be updated", "None of the controllers have rain shut off devices."
- Electrical Power= "The major electrical equipment and infrastructure are indicative of premium quality for the time of design and installation, most of which was performed in the mid-1990's."
- Backup Power= "The UPS (Uninterruptible Power Supply...battery back-up) system inverters and distribution equipment appear to be in very good condition." "There is no back-up power systems present at the Day Care Center."
- Interior Lighting= "The interior lighting is deemed to be of good quality and design for the time period of installation. However, it is outdated by current standards and is not compliant with current energy codes. Modification of the lighting system in any area will require the lighting fixtures and controls in that area to be brought up to current standards. It is anticipated that lighting fixtures and controls within a remodeled area would have to be replaced entirely to meet current standards. It should be noted that the lighting system is outdated by current standards and is not compliant with current energy codes."
- Telecom= "Some elements of the original telephone system are still intact, but will likely need to be demolished and removed to make way for a modern PBX or voice-over-IP (VoIP) system. Although we understand that in some cases Avaya may still support the Nortel SL-1 (for instance if the equipment is less than ten years old Release 3.0) it is considered functionally obsolete by today's standards.", "Fiber optic (FO) backbone cabling is typically 62.5 micron multi-mode (MM). This is typical for a telecom cabling plant installed in the late 1990's through 2010 and while portions of the Cat 5E data cabling and FO backbone may be serviceable, the Cat 3 telephone cabling will be problematic with regard to deploying a modern VoIP network." "A number of data intermediate distribution frame (IDF) racks were observed that did not meet EIA/TIA and BICSI standards with regard to equipment access space, cable management, and termination methods." "The Day Care Center lacks a telecom MPOE (Main Point Of Entry). A new MPOE must be established if this building is to be leased separately from the building which hosts (1441 or 1488?) the telecom services."
- Fire Protection= "Class ABC type fire extinguishers are provided throughout all areas (with the exception of the Kitchen) of the Schilling Place Buildings (1441, 1488, and 1494). The fire sprinkler systems observed to be in good physical condition.", "Site Fire Hydrants= Clear space is maintained around all hydrants and hydrants were observed to be spaced properly around the buildings. They were observed to be in good physical condition."

- Seismic Risk Assessment= “The PML is defined as the Scenario Expected Loss (SEL) based on the 2010 USGS database, 475-year probabilistic ground motion (10% in 50-year chance of exceedance). The site meets the site stability requirements and the buildings meet the building stability requirements as determined by the methods noted above.” “Based on our review of active regional earthquake faults and the hazard maps published by the California Geological Survey (CGS), the subject property IS NOT located within a documented Alquist-Priolo Special Study Zone or at risk of damage due to surface fault rupture.” “Liquefaction Susceptibility= LOW”, “Landslide Susceptibility= LOW”, Tsunami and Seiche=LOW”, Site Stability Assessment= LOW risk”, “Building Stability Assessment= Based on our assessment of the subject property it is determined that the buildings WILL remain stable in-whole and in-part when subject to a future, 2012 IBC design-basis seismic ground motion.”
 “Recommendations=Based on a review of the structural drawings and limited on-site assessment, the roof structures of both the north and south wings of the A-4 addition of 1441 Schilling Place are not adequately connected to the common concrete tilt-up panel shared with A-1 for out-of-plane loading. Refer to section 2.6.2 for further discussion. PARTNER recommends performing a conventional wall tie retrofit along this elevation consisting of perimeter wall ties and interior cross ties at joist/beam splices.”, “A review of the original structural drawings or invasive testing/investigation is recommended to complete the full Tier 1 evaluation. A Tier 1 evaluation of building A-2 revealed several non-compliant items. These items are listed above. Partner recommends a Tier 2 analysis for this building to further identify or rule out any seismic deficiencies.”, “During future re-roofing projects, PARTNER recommends investigating the existing roof framing structure once the roofing is temporarily removed to identify whether wall ties are present.”

PENDING ISSUES

Other important items cited in the Facility Assessment:

1. “The day care facility has play structures and play surfacing. The play areas should be reviewed by a California Playground Safety Inspector to ensure that the play facilities meet current code requirements.”
2. “The Day Care Center lacks a telecom MPOE (Main Point Of Entry). A new MPOE must be established if this building is to be leased separately from the building which hosts (1441 or 1488?) the telecom services.”
3. “If the roofing will be replaced, it would be most economical to perform the seismic strengthening work at the same time”
4. “All irrigation controllers should have rain sensors installed”
5. “The water service back flow preventers for the irrigation system needs to be replaced with back-flow preventers that are to code”
6. “The asphalt concrete is cracked throughout and needs to have cracks sealed. The pavement area needs to be slurry sealed to prevent water intrusion and extend the life of the parking lot surface. All parking lot stalls should be respired as well as all curbs should be repainted. The gate entry controller to parking lot Area C has been removed and will need to be totally replaced with a new unit.”
7. “Modification of the lighting system (currently T8 lamps and ballasts) in any area will require the lighting fixtures and controls in that area to be brought up to current standards.

It is anticipated that lighting fixtures and controls within a remodeled area would have to be replaced entirely to meet current standards. It should be noted that the lighting system is outdated by current standards and is not compliant with current energy codes.”

8. “Even if the PBX is determined to be functional, it will likely need to be demolished and removed to make way for a modern PBX or voice-over-IP (VoIP) system. Although we understand that in some cases Avaya may still support the Nortel SL-1 (for instance if the equipment is less than ten years old Release 3.0) it is considered functionally obsolete by today’s standards.”
9. “Fiber optic (FO) backbone cabling is typically 62.5 micron multi-mode (MM). This is typical for a telecom cabling plant installed in the late 1990’s through 2010 and while portions of the Cat 5E data cabling and FO backbone may be serviceable, the Cat 3 telephone cabling will be problematic with regard to deploying a modern VoIP network.”
10. “Maintenance and test records are available which show the monthly testing of the generators (1441 & 1488). However, it is anticipated that these generators (1441 & 1488) have not been able to operate under significant load given the unoccupied state of the buildings for the past several years. Therefore it is recommended that a local generator manufacturer service representative be contracted to perform a load bank test and complete the inspection and service of the generator systems.”
11. Seismic Risk Assessment “Recommendations=Based on a review of the structural drawings and limited on-site assessment, the roof structures of both the north and south wings of the A-4 addition of 1441 Schilling Place are not adequately connected to the common concrete tilt-up panel shared with A-1 for out-of-plane loading. Refer to section 2.6.2 for further discussion. PARTNER recommends performing a conventional wall tie retrofit along this elevation consisting of perimeter wall ties and interior cross ties at joist/beam splices.”, “A review of the original structural drawings or invasive testing/investigation is recommended to complete the full Tier 1 evaluation. A Tier 1 evaluation of building A-2 revealed several non-compliant items. These items are listed above. Partner recommends a Tier 2 analysis for this building to further identify or rule out any seismic deficiencies.”, “During future re-roofing projects, PARTNER recommends investigating the existing roof framing structure once the roofing is temporarily removed to identify whether wall ties are present.”

SALINAS NORTH BLDG: 1ST FLOOR

10/20/14





