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Board Report

Legistar File Number: 15-0860

August 19, 2015

Introduced: 7/23/2015

Version: 1

Current Status: Agenda Ready

Matter Type: General Agenda Item

Receive a presentation and provide recommendations on the East-West Wing Renovation Project.

RECOMMENDATION:

It is recommended that the Capital Improvement Committee receive a presentation and provide recommendations on the East-West Wing Renovation Project.

SUMMARY:

Although the East-West Wing Renovation Project (Project) was a component of the overall Facilities Master Plan approved by the Board of Supervisors in August 2001, and construction documents were produced and finalized in 2006, the Project was not publicly bid. Project funding was redirected and the Project was put on hold. In October 2010, the remaining tenants of the East-West Wing Building (E/W) moved to their assigned locations in the North Wing of the Courthouse. Since that time the E/W has remained vacant. Funding issues and competing capital project priorities since 2009 prevented the Project from moving forward until now.

DISCUSSION:

In January 2013, the Board of Supervisors approved the Fund 404 Financing Plan which included the Project. In September 2013, the Budget and Capital Improvement Committees supported moving forward with securing architectural programming and pre-design services to assist with determining how future tenants could be accommodated in the building. In 2014, architectural firm Wald, Ruhnke, and Dost (WRD) was hired to produce a design layout showing how the District Attorney, Law Library, Human Resources' Learning & Development Center, and a Snack Shop could be accommodated in the E/W. Concurrent efforts were also underway for acquisition of Schilling Place. Once the decision to purchase Schilling Place was made, the Project was put on hold while the ramifications of the new acquisition were clarified.

On November 4, 2014, the Board of Supervisors approved funding to finance the Facility Utilization Program (FUP) for master planning Schilling Place, the E/W, and the Monterey County Government Center Administration Building. FUP's effort concluded that the Project is necessary for housing the District Attorney, and ultimately, removing the modular buildings from the Salinas Government Center campus. With the Resource Management Agency as one of the major tenants moving to Schilling Place, FUP further established that the second floor of the Administration Building would be backfilled by the Human Resources Department, which includes the Learning & Development Center unit, and the Public Defender. A modification was required to WRD's June 2014 design layout for the E/W to be concurrent (consistent) with FUP's master planning. Tenants for the E/W include the District Attorney occupying all three floors in the West Wing and the second floor of the East Wing; a Snack Shop; Law Library; Grand Jury; auxiliary office for the Second District Supervisor; and some still unassigned space

on the first floor of the East Wing.

The presentation (attached) provides proposed organizational diagrams, floor plans, and square-foot allocation per tenant relocating to the E/W.

On May 5, 2015, the Board of Supervisors supported the Project and granted the Auditor-Controller the authority to execute documents to facilitate the issuance of Certificates of Participation (COP) to finance tenant improvements for the Project in the amount of \$36 Million, which includes a construction estimate of \$28.4M and all associated soft costs. The difference between the building's fair market appraised value of \$12 Million and the required Project Total funded through the COP, is an investment in the County's historic landmark building.

In 2009, the E/W was placed on the National Register of Historic Places, which required that a Supplemental Environmental Impact Report (SEIR) be prepared. On May 12, 2015, the Board of Supervisors certified the SEIR and on May 14, 2015, the required Notice of Determination was filed with the State.

The Project is scheduled to start in the first quarter of FY 2015-16, with completion anticipated in fall 2018. In a separate report, CIC's support is being sought regarding issuance of two Job Order Contracting job orders estimated to exceed \$1 Million for preliminary demolition work.

OTHER AGENCY INVOLVEMENT:

Resource Management Agency-Public Works (RMA-PW) continues to work closely with the County Administrative Office, Auditor-Controller, Board of Supervisors - District 2, District Attorney, the Office of the County Counsel, and Superior Court of California - Grand Jury to advance this project.

FINANCING:

On July 7, 2015, RMA-PW presented to the Board of Supervisors a five-year Capital Improvement Program financing plan, which includes the Project. Per the financing plan, the Project is anticipated to be funded with the issuance of \$16 Million in COP for Schilling Place Tenant Improvements and \$36 Million in COP for this Project. The exact amount of annual debt service obligation cannot be determined until final pricing and documents are executed in the first quarter of FY 2015-16. Sufficient appropriations exist in the FY 2015-16 Adopted Budget for Fund 404-3000-8174-RMA015 for the anticipated costs to be incurred in FY15-16.

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Approved by: Robert K. Murdoch, P.E., Director of Public Works

Approved by: Carl P. Holm, AICP, Acting RMA Director

Date: August 17, 2015

Attachment: East-West Wing Renovation Programming & Space Plans

