



STAFF REPORT

City Council

Meeting Date: 1/26/2016
Staff Report Number: 16-019-CC

Regular Business: **Appropriate \$565,000 from the General Fund 2014-15 Surplus and \$25,000 from the Water Fund for the City Hall Renovation Project; authorize the City Manager to enter into contracts for construction and materials purchases in an amount not to exceed the City Council Approved Budget for the City Hall Renovation Project**

Recommendation

Staff recommends that the City Council appropriate \$565,000 from the General Fund 2014-15 Surplus and \$25,000 from the Water Fund for the City Hall Renovation Project; and authorize the City Manager to enter into contracts for construction and materials purchases in an amount not to exceed the City Council Approved Budget for the City Hall Renovation Project.

Policy Issues

At the April 7, 2015 City Council meeting, the City Council requested staff to report on the project final design and budget for approval.

Background

Based on previous City Council direction at a series of meetings in 2014 and 2015, staff has been pursuing the City Hall Renovation Project. The project will improve and modernize work space for employees, provide space for new employees, relocate functions for better communication, and implement efficiencies for serving the public, all while maintaining future flexibility.

During the summer of 2015, staff implemented a pilot project involving 16 work spaces in the Engineering Division to test out the new open office floor plan to ensure that it would meet the needs of performing the work that is reflected in the Council work program and the City budget. During the pilot program, staff identified the need to make refinements to the layout while working within the Council directed "Option B". The primary observations of the pilot program were the need for more space to layout plans associated with development review and capital improvement projects and the need to divide some existing offices or conference rooms in half. The architect has incorporated this feedback and has prepared construction drawings in anticipation of building permit submittal.

Analysis

The final floor plan layouts are included as Attachment A. Based on the construction drawings, a more detailed construction cost estimate has been prepared by a professional construction cost estimator. The preliminary cost estimate resulted in a project budget of \$1,300,000. The revised cost estimate would result in a total budget of \$1,990,000. Of this difference, \$100,000 is attributable to upgrades related to the Technology Master Plan and Implementation Update. The remaining difference in the project cost estimate is the cost of construction, which reflects the overall construction environment of the market area. In particular, the cost estimate reflects higher costs for mechanical (e.g., HVAC), electrical, and fire suppression work than originally estimated. In addition, the cost estimate reflects the proposed phasing of construction and the need to set up temporary work spaces in other city facilities in order to continue operations during construction. The more detailed cost estimate has resulted in the need for additional funds to accomplish the project and meet City Council objectives.

The City's architect explored phasing alternatives as requested by the City Council. The primary factor is whether or not the work would be done during normal business hours or limited to nights and weekends to minimized disruptions. The feedback received indicated that nights and weekend work for any of the building trades (i.e., mechanical, electrical, sheetrock, etc.) would result in significantly higher costs. Therefore, staff and the architect have focused on a phased approach with temporary work spaces that would result in an overall construction timeframe of approximately 6 months. In addition, to reduce the cost of the project, staff will be purchasing the carpet and furniture directly from the manufactures and manage the coordination of the project to eliminate the general contractors overhead of purchasing and installing the carpet and furniture and managing these subcontractors.

The next steps in the process involve finalizing the construction drawings for building permit submittal and the specifications for the bid process, going out to bid, and awarding the contract(s). By the end of February the plans should be 95% complete. In order to expedite the process and accommodate the new employees approved in the City budget to accomplish the City Council work program, staff is requesting that the City Council authorize the City Manager to award the contracts without returning to the City Council. The construction is expected to start in June 2016.

Impact on City Resources

Staff is requesting the appropriation of an additional \$565,000 from the General Fund 2014-2015 Surplus and \$25,000 from the Water Fund.

Environmental Review

The project is categorically exempt under Class 1 of the current State of California Environmental Quality Act Guidelines, which allows minor alterations and replacement of existing facilities.

Public Notice

Public Notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

A. Final Layout Plans

Report prepared by:
Ruben Nino, Assistant Public Works Director

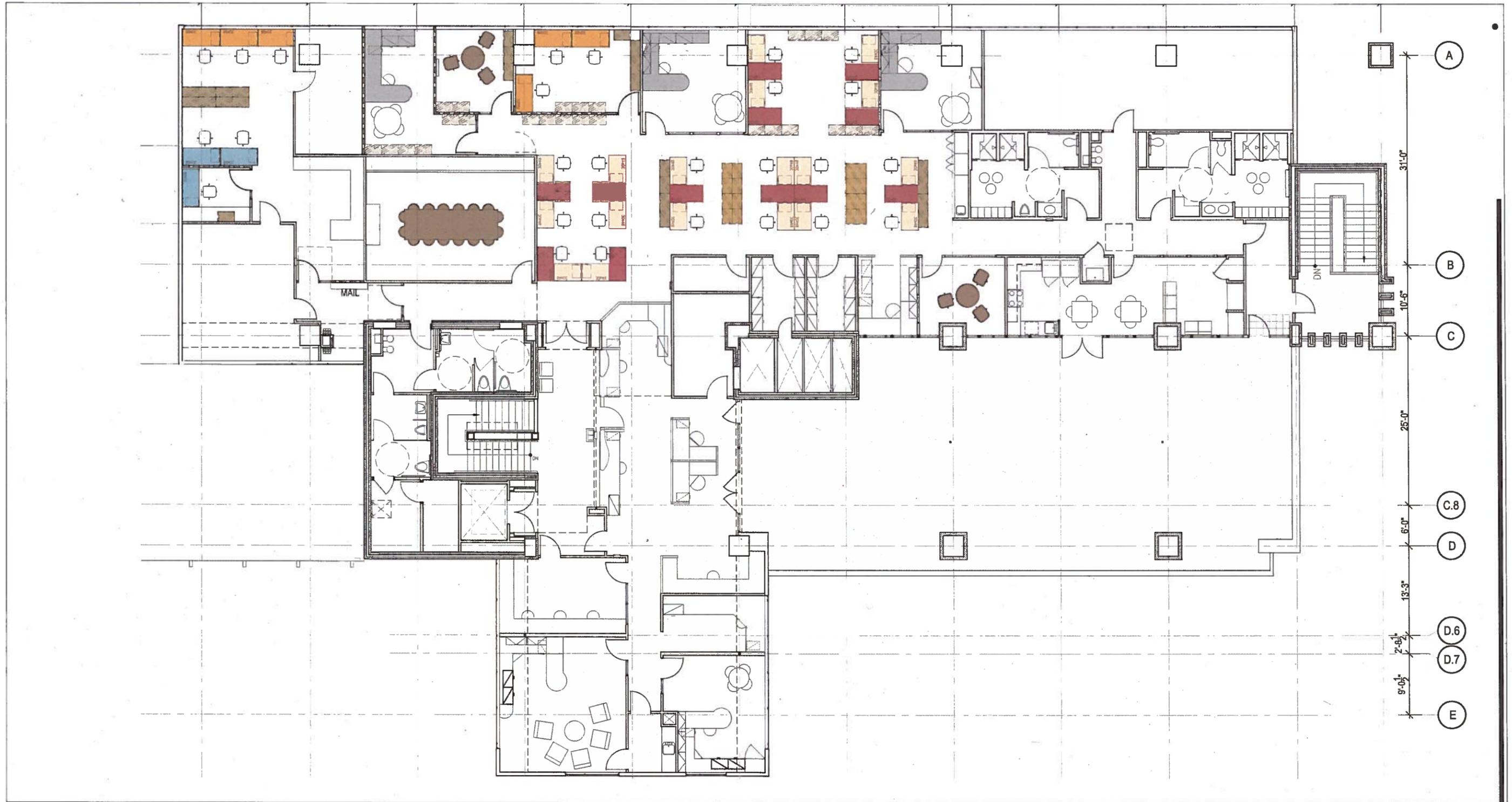
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Y:\Current CIP Projects\City Facilities\Civic Center Remodel 2015\Design\Correspondence from City\Seating Chart\Seating Chart CAD Files



MENLO PARK- CITY HALL RENOVATION

1st FLOOR LAYOUT



MENLO PARK- CITY HALL RENOVATION

2nd FLOOR LAYOUT