Atascadero City Council  
Staff Report – Administrative Services Department

Historic City Hall Rehabilitation Project  
(Consideration of City Council Chambers Location and Award of Construction Management Contract)

RECOMMENDATIONS:

Council:

1. Direct staff to locate City Council Chambers to the upper rotunda area once the Historic City Hall rehabilitation is complete; and,

2. Authorize the City Manager to execute a contract with Bernards for Construction Management/Project Management of Historic City Hall; and approve the amount not to exceed $765,443 for Phase I of construction management activities.

DISCUSSION:

The Historic City Hall project has been continuously moving forward, and now the Council and the community will begin to see some more obvious signs of progress. It has been a long and detailed process, but it has also offered opportunities that were not previously available. One of these opportunities is a new look at the best location for the City Council Chamber.

The former location of the Council Chamber was on the fourth floor of the Historic City Hall building. At the time, it was the most efficient and perhaps the only available location. As the City proceeds through the renovation and interior design process, the opportunity has been presented to take a good look at all the available options to see if restoring the location of the Chamber to the fourth floor is really the best alternative. Along with the City’s architects, staff has brainstormed on locations and is presenting Council with the three most logical options for the location of the Chamber:
1) Historic City Hall - upper rotunda (fourth floor);
2) Historic City Hall - lower rotunda (first floor); and
3) Off-site at a location not in the Historic City Hall.

There are benefits and drawbacks to each of the options, and each must be appropriately weighed. Cost, convenience, location, and capacity are all considerations. A comparison of local Council Chamber capacities is below.

As the following chart indicates, the City of Atascadero’s current Council Chamber can seat many more people than Chambers in other local cities. While the occupancies of the three options considered in this report vary, most are greater than Chamber occupancies of other local agencies.

<table>
<thead>
<tr>
<th>Chamber</th>
<th>Capacity</th>
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<tbody>
<tr>
<td>Current Atascadero Chamber</td>
<td>299</td>
</tr>
<tr>
<td>City of San Luis Obispo</td>
<td>121</td>
</tr>
<tr>
<td>City of Santa Maria</td>
<td>120</td>
</tr>
<tr>
<td>City of Paso Robles</td>
<td>110</td>
</tr>
<tr>
<td>City of Pismo Beach</td>
<td>65</td>
</tr>
</tbody>
</table>

With all of the factors in mind, staff is recommending that Council Chamber return to its previous location in the upper rotunda.

**Option 1 – Upper Rotunda**

**Cost:** $1.3 million – 1.4 million *(this is already included in current project budget)*

**Capacity:** 200-210

The upper rotunda room has served for many years as the Council Chamber. It is both attractive and functional. It is familiar to the Community and will be similar to what the Chamber was prior to the earthquake. There will be sufficient space for typical meetings, and the meeting room adjacent to the main room will be available for closed sessions. This location is convenient for staff, as it is close to staff work stations. Meeting set up would be efficient since equipment, such as the dais, the projector, the projector screen, computers, and audio/video systems would remain in place. The elevator will continue to be a drawback; with only one elevator serving the fourth floor, and the wait times may get more extensive when there are larger meetings with higher attendance.

Additionally, there are building code issues that would be triggered by the assembly occupancy in the upper rotunda. The City’s project architects have indicated that the following improvements would be required:

- Emergency exiting
- Fire sprinklers
- ADA accessibility (elevator)
- Restroom expansions/upgrades
The architects have estimated that the costs to bring the room up to building code standards would be approximately $1.3 million to $1.4 million. These costs have already been included in the current project budget, and will not be funded by FEMA. Staff believes that when all of the options are weighed, locating the Chamber in the upper rotunda continues to be the optimum solution.

Option 2 – Lower Rotunda  
**Cost:** $200,000 *(reduces current project budget by $1.2 million)*  
**Capacity:** 158

The lower rotunda room in the historic City Hall building would be a second option. This is the only other space in the building that has sufficient capacity. The lower rotunda would have a slightly smaller capacity than the upper rotunda. It allows for easy public access, and does not require the community to ride the elevator or climb the stairs. Like the upper rotunda, the lower rotunda is also an attractive room, and its historical relevance is equally as significant. It does not require as many code upgrades as the upper rotunda would require, thereby saving City funds.

However, because the room will be used as the formal meeting place of Council, the use of this space will be limited to an average of five meetings per month. This use would preclude any other daily use of the room. The regular City operations would not be able to effectively use this space to meet the needs of the public, and its use as a meeting room could have an impact on customer service. If this space was not used for the Council Chamber, it could be used for direct public access for Central Reception and Community Development. In this manner, the room would be more extensively used on a daily basis. The location of the lower rotunda with an entrance facing the Sunken Gardens would be a convenient access point for daily public interaction for the community and visitors. Like the upper rotunda, the lower rotunda also makes effective use of staff resources in setting up and attending Council meetings.

Option 3 – Off-Site  
**Cost:** various  
**Capacity:** various

The third option is locate the Council Chambers off site at an alternated location. There are various options for the location, including an existing City facility, rental of a local meeting room, purchase of a building, or construction of a new building. Each of these off-site options also carries with it pros and cons, some of which were identified when meetings were held at the Lake Pavilion. The cost, convenience, location and capacity would vary. Further details can be explored and presented at a later date if the Council is interested in pursuing the off-site option.
Construction Management

The Construction Management (CM) / Project Management (PM) company hired will be an important piece of the project. Simply stated, the CM is in charge of making sure the rehabilitation occurs in the manner expected, and within the budget and the timeframe allowed. Experienced companies can often identify time and money savings opportunities during the rehabilitation process, and may be able to anticipate and mitigate issues.

The selection process was of particular importance for this project. On October 13, 2009, the RFQ for the CM/PM for Historic City Hall was advertised in 11 plan rooms, covering the following counties:

- Atascadero
- Ventura
- Santa Maria
- Fresno
- San Luis Obispo
- San Diego
- Salinas
- Los Angeles

A mandatory job walk was conducted on November 5th with 20 firms in attendance. The City received five RFQ submittals on November 19th. All five firms were interviewed on December 10th. A final working interview was conducted on February 23rd.

Bernards was selected due to their experience with like-sized historic projects and their FEMA project history. Bernards fully understands the critical nature of separate documentation needed for FEMA-funded repairs, hazard mitigation work, and City-funded code compliance work, and offers a comprehensive approach to cost control through value engineering.

Staff recommends that Phase I in the amount of $765,443 be awarded at this time. It is anticipated that Phase I will take approximately 8 months to complete. Future phases will come to Council separately for approval. Phase I will include pre-construction and construction management services.

- Pre-construction services include primarily tasks such as planning, coordinating, reviewing, evaluating, and assistance with hiring contractors.
- The construction services encompass such tasks as on site management, progress review and reporting, and generally ensuring the work is going as planned for both deconstruction and hazardous materials abatement.

Council can expect many update reports in the upcoming months.

- In May, Council will hear a report on the proposed bond financing kickoff.
- In June, Staff will bring to Council a contract with Pfiiffer Partners, the Project Architect, for Architecture and Engineering Services for the City-related work (Package 3)
  - In July of 2008, the Council approved a contract with Pfiiffer Partners for Architecture and Engineering Services associated with the FEMA funded
portion of the project (Package 1 - Deconstruction and Package 2 - Construction).

- In July, Bernards will present a detailed plan that includes a refined construction budget, a bidding strategy, and comprehensive construction schedule.

FISCAL IMPACT:

The fiscal impact of locating the Council Chambers on the fourth floor of the Historic City Hall is expected to be $1.3 - $1.4 million of currently budgeted funds.

The fiscal impact for Phase 1 of the construction contract with Bernards will be $765,443 of budgeted funds. Funding for this contract is included in the $43 million budget presented to Council on February 23, 2010. In accordance with funding requirements and the project budget as presented to Council on February 23, 2010, the work performed by Bernards will be billed and charged based on the categories/scopes of work as defined by FEMA. The estimated funding breakdown for the contract is as follows:

<table>
<thead>
<tr>
<th>Repairs (FEMA)</th>
<th>Mitigation (FEMA)</th>
<th>Other (Redevelopment)</th>
<th>FEMA Admin. (Previously rec'vd from FEMA)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bernards Phase 1</td>
<td>$328,700</td>
<td>$312,560</td>
<td>$54,200</td>
<td>$69,980</td>
</tr>
</tbody>
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ALTERNATIVES:

1. Direct staff to perform in-depth cost analysis of option #3 that would include payback period.
2. Re-evaluate portion of contract to award to Bernards or re-issue RFQs for Construction Management firms.

ATTACHMENT:

1. Draft Contract with Bernards