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**DEPT.:** Public Works

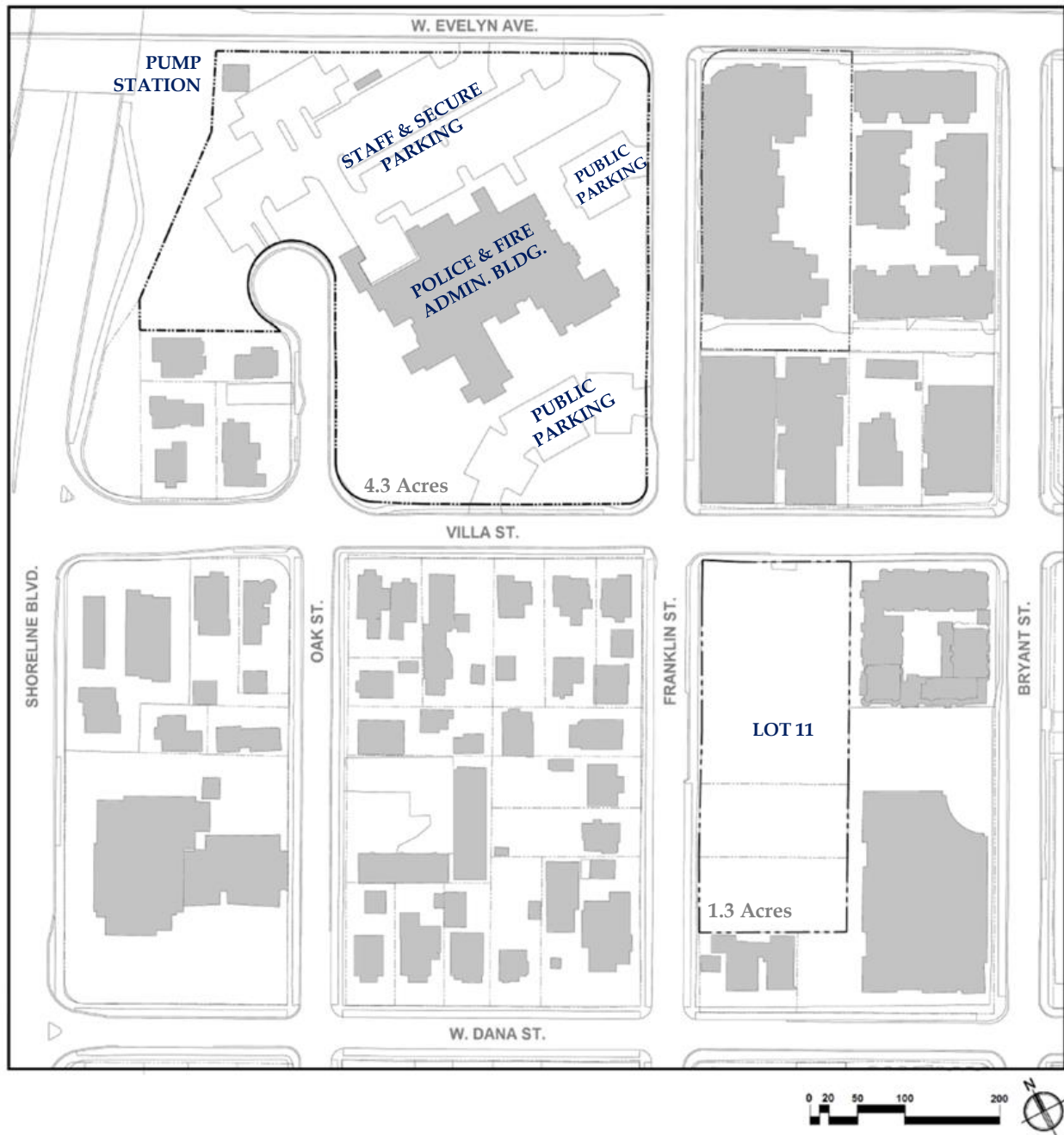
**TITLE:** **Public Safety Building, Design, Project 20-49 – Various Actions**

### **RECOMMENDATION**

1. Select Alternative B, New Building on Existing Site, for the new Public Safety Building.
2. Authorize the City Manager or designee to amend the existing design professional services agreement with SVA Architects, Inc., for an additional \$600,000 to provide architectural and engineering design services through the schematic design phase for Public Safety Building, Design, Project 20-49, in a total not-to-exceed amount of \$1,400,000.
3. Direct staff to develop options for funding the design and construction of the new Public Safety Building for Council consideration and approval.

### **BACKGROUND**

The current Police/Fire Administration Building at 1000 Villa Street was opened in 1980 and houses fixed Police Department operations, Emergency Dispatch, the Fire Chief, Deputy Fire Chief, support staff, and the Emergency Operations Center. For many years, the building has been undersized as the Public Safety operations have grown and changed. The construction type and layout, concrete block walls, and complex roof and skylights in the existing building have made interior layout adjustments challenging and costly during changes in operations and staffing arrangements. As the building was designed prior to the Essential Service Seismic Safety Act of 1986, it also does not meet current seismic standards. The existing site is shown in Figure 1.



**Figure 1: Existing Site and Lot 11**

The City has been studying a new or expanded and renovated Public Safety Building for approximately 20 years. Space needs studies were completed in 2002 and 2010, and each study provided useful programming information, new design criteria, and updated cost estimates for a major renovation/expansion of the existing building or construction of a new Public Safety Building. Both studies concluded the existing facilities required

significant seismic retrofit work and expansion or complete replacement to meet the long-term Public Safety mission of the City. On November 15, 2013, Council directed staff to begin evaluating alternatives for the project and at a Council Study Session on April 29, 2014, staff presented options ranging from retrofit and expansion to full replacement. At that time, the project was put on hold until a funding strategy could be developed.

On [December 11, 2018](#), Council authorized staff to reinstate the project and begin a Request for Proposal (RFP) process to secure professional architectural design and engineering services for the project. On [December 3, 2019](#), Council authorized staff to execute an agreement with SVA Architects, Inc. (SVA), to provide the necessary architectural and engineering design services to analyze the following three Public Safety Building alternative scope options:

- Project Alternative A: Retrofit and expand the existing facility to meet current programmatic and regulatory requirements while the current facility remains in operation or off-site temporary facilities are used.
- Project Alternative B: Construct a new replacement facility on the existing site while the current facility remains in operation or off-site temporary facilities are used.
- Project Alternative C: Construct a new replacement facility on Lot 11, an adjacent City parcel, while the existing facility remains operational.

The agreement with SVA was executed in February 2020 in the amount of \$800,000, which funded pre-design through conceptual design services.

## ANALYSIS

The SVA agreement included the following two primary pre-design tasks for the project:

1. Develop an updated space needs assessment for Police, Fire, and Emergency Services; and
2. Analyze the three scope alternatives for the project.

In performing this work, SVA provided project program verification, alternate project scope analysis, and conceptual design services. Tasks included preliminary architectural, structural, mechanical, plumbing, electrical, and civil engineering and landscape design as well as construction cost estimating.

## **Space Needs Assessment**

SVA developed an updated space needs assessment of the existing facility comparing current and projected 2030 requirements. Public Works and SVA conducted interviews with front-line personnel and command staff from Police, Fire, and Emergency Services to confirm current and future staffing, space utilization, adjacencies, and special programming needs for each group. The space needs assessment also considered the housing and employment growth planned for the City and the resultant increase in staffing of Public Safety personnel required to maintain service levels. This effort resulted in a detailed tally of the personnel counts, square footages, and support services needed as well as idealized diagrams of each type of space. The report also includes SVA's analysis of the site requirements for staff and public parking and other site amenities. The final report confirms that a larger Public Safety Building is needed to accommodate the City's Public Safety personnel and equipment for 2030 and beyond.

### *Fire and Environmental Protection Division*

The City's Fire and Environmental Protection Division is part of the Fire Department and is located on the fourth floor of City Hall. Staff recommends that this division be moved to the new Public Safety Building after it is constructed. This will centralize the Fire Department's offices in the Public Safety Building under the Fire Chief.

Moving the Fire and Environmental Protection Division out of City Hall will also provide relief for the significant space constraints in City Hall. City staffing needs have been increasing to keep pace with the population and employment growth in the City and to support City priority initiatives and priorities. The City has been continuously remodeling areas of City Hall for more than 10 years to create space for new staff by converting conference and storage rooms, installing more space-efficient cubicles, and doubling up staff in cubicles. A City Hall space needs study is currently under way as a priority project in the Fiscal Years 2021-22 and 2022-23 Strategic Roadmap Action Plan, which will take into account the current overcrowded areas, anticipated long-term needs of each department, and limited options for further remodeling. It is anticipated that the study will continue to show a significant deficiency in work space at City Hall over the long term.

The recommendation to move the Fire and Environmental Protection Division into the new Public Safety Building was recently developed and, therefore, was not included in the Public Safety Building's space needs assessment. The Fire and Environmental Protection Division currently consists of 13 staff and has 11 assigned City vehicles. Preliminary review indicates that adding this division to the Public Safety Building would require adding approximately 3,000 square feet.

*Public Safety Building Space Needs*

Table 1 summarizes the space needs for the Public Safety Building, including anticipated increases in number of personnel by 2030. A more complete summary of the space needs can be found in Attachment 1.

**Table 1: Public Safety Building Space Needs Summary**

	<b>Existing Facility</b>	<b>2030 Space Needs from Study</b>	<b>2030 Space Needs Plus Fire/Environmental Protection Division</b>
Gross Square Feet	45,000	64,000	67,000
Total Personnel	169	185	197
Total Parking Spaces	168	259	270*

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\* Adds the 11 City vehicles; it is anticipated that the additional staff parking can be absorbed within the space needs study's current estimate of 259 spaces.

Attachment 1 also shows an alternate to add a shooting range to the new Public Safety Building. Currently, Police personnel must travel out of town to maintain their firearm certifications and training. SVA has successfully incorporated shooting ranges into other Public Safety facilities with designs that ensure they do not create a noise issue for surrounding land uses. The project design alternatives and cost estimates described below do not include the shooting range at this time. However, staff recommends keeping it as an option to incorporate if it can be done without creating design challenges or significant cost increases.

**Project Alternatives Analysis**

After completing the space needs assessment, SVA developed and analyzed the three project scope alternatives for the City's consideration and compiled a Project Alternative Study. The analysis considered neighborhood, operational, and financial aspects of the proposed alternatives to aid the City in selecting the most feasible alternative. The results of the Project Alternative Study are summarized below and further detailed and illustrated in Attachment 2 to the Council report.

### *Project Alternative A – Retrofit, Modernize, and Expand*

This project alternative includes the complete retrofit and expansion of the existing facility to meet current programmatic and regulatory requirements while off-site temporary facilities are used. The original intent of this alternative was to limit the scope of the project to minimize funding needs while still achieving critical programmatic and operation improvements to the existing facility.

SVA analyzed subalternatives for Alternative A that ranged from partial to full expansion versions to meet the 2030 program needs and to determine if lower-cost versions of this alternative were feasible. The original Alternative A as shown in Attachment 2 focused on a seismic retrofit of the existing structure to meet current “Essential Services” standards with a partial build-out of 2030 space needs. It is estimated to cost \$100 million, including design, construction, and interim facilities. Alternative A1 includes adding square footage to be comparable to the operational functionality of Alternatives B and C. A larger square footage than Alternatives B and C is required due to inefficiencies in the current building design that would remain. The total estimated cost for Alternative A1 is \$118 million, including design, construction, and interim facilities.

Staff determined that the complexity and cost benefit of Alternative A or A1 make Alternative A an undesirable choice. The new facility under Alternative A would continue to have space limitations and be less flexible for meeting long-term Public Safety operational needs. Alternatives A and A1 would also have the greatest impact to ongoing operations. The existing facility would need to be completely vacated, and interim facilities would need to be established for all Police, Fire, and Emergency Services staff and functions, including the 9-1-1 call center. Although somewhat lower-cost than Alternatives B and C, the City would realize limited value from a project that would cost \$100 million to \$118 million.

### *Project Alternative B – New Building on Current Site*

Alternative B consists of constructing a new replacement facility on approximately 2.2 acres of the existing site while most of the current facility remains in operation with some utilization of off-site temporary facilities. The intent of this alternative was to build a completely new Public Safety Building that met all the 2030 program requirements while the majority of existing staff and operations remained on-site during construction. Alternative B is estimated to cost approximately \$134 million, including design, construction, and interim facilities.

Alternative B has flexibility to optimize the design and more opportunities to incorporate public spaces due to the larger existing site area. This alternative would require some

construction phasing to allow relocation of the 9-1-1 call center and completion of the new building prior to demolition of the existing facility to make way for a new parking structure. Lot 11 may be used temporarily for construction staging and interim offices. The benefits of Alternative B include future space flexibility of the new facility, low impact of existing operations during construction, consistency with the neighbors' familiarity with ongoing operations and expectations at the existing site, and use of less land area on the existing parcel.

*Project Alternative C – New Building on Lot 11*

Alternative C involves construction of a new replacement facility on Lot 11, an adjacent City parcel, while the existing facility remains fully operational. The intent of this option was to provide a completely new facility that met all the requirements identified in the space needs assessment while having negligible impacts to Public Safety operations on the current site during construction. Alternative C is estimated at \$157 million, including design, construction, and interim facilities.

The study shows that while Alternative C would have minimal to no impacts to Public Safety operations during construction, there are significant limitations to the development of Lot 11 that make this a less desirable alternative. This City-owned 1.3-acre project site is both small and relatively narrow, making development more challenging to fit all the Public Safety program elements. This site also resides in the Franklin Street Residential Transition planning area, which restricts the number of stories and overall height of new developments to ease the transition between the downtown mixed-use and adjacent residential areas. As a result, placing the new Public Safety Building project on this site would require almost three levels of underground parking. In addition, due to the narrow site and the massing and size of the proposed building, it would be difficult to mitigate potentially undesirable visual impacts to adjacent residential neighbors. From an operational perspective, the underground parking solution is not ideal as it limits emergency egress options for patrol and specialty vehicles.

Table 2 below provides a summary comparison of the three alternatives.

**Table 2: Project Alternative Comparison**

	<b>Alternative A Retrofit, Modernize, and Expand</b>	<b>Alternative B New Building on Existing Site</b>	<b>Alternative C New Building on Lot 11</b>
2030 Space Needs	Partial to Full Program	Full Program	Full Program
Operations During Construction	Full Interim Facilities Required	Partial Interim Facilities Required	No Interim Facilities Required
Estimated Project Costs*	\$100 million to \$118 million	\$134 million	\$157 million

\* All estimates assume construction commences on or about March 2024.

Adding 3,000 square feet for the Fire and Environmental Protection Division is anticipated to increase each alternative’s project cost by approximately \$5 million; however, more analysis will be required in the next design phase to confirm the cost impact.

*Staff Recommendation*

After reviewing the alternatives and their relative costs, benefits, and challenges, staff recommends that Council select Alternative B, New Building on Existing Site, to advance to the next phase of design for the following reasons:

- Meets all the Public Safety 2030 space needs requirements;
- Provides greater value and future flexibility;
- Allows most of the existing Public Safety operations to continue during construction;
- Maintains existing land use relationship with neighboring properties;
- Requires no excavation for underground parking for staff and City vehicles;
- Allows for potential redevelopment of up to two acres of the existing site for alternate City use or lease revenue; and



- Maintains availability of Lot 11 for possible future redevelopment for alternate City use or lease revenue after the new Public Safety Building is constructed.

This recommendation includes adding the 3,000 square feet required for the Fire and Environmental Protection Division for a total Alternative B cost estimate of \$139 million.

### **Continued Cost Rise and Funding Strategies**

In 2014, Council was presented similar options as Alternatives A and B with staff indicating preliminary planning level cost estimates of \$41 million and \$65 million, respectively. The current cost estimates, which are escalated to year of construction dollars, have more than doubled for the following reasons:

- The 2014 cost estimates for the previous Alternative A only included renovation of a small portion of the existing facility and largely left the existing building mechanical, electrical, and plumbing systems in place. The current Alternate A scope addresses the need to modernize and retrofit the entire facility to improve layout efficiency and replace building systems nearing the end of their useful lives.
- Development and construction costs (materials and labor) for capital projects are steadily rising at a rate much higher than inflation. Except for a brief period after the financial crisis began in 2008, construction costs have been consistently rising at an annual average of between 5% and 6% for more than 20 years.
- Changes to building codes (e.g., Reach Code) and State and local regulatory requirements have increased the cost of design and construction of capital projects.

Based on previous direction from Council, staff has planned for most of the revenues generated from the Ameswell development (750 Moffett Boulevard) to be earmarked for potential debt service for the new Public Safety Building. The estimated annual revenue generated from the Ameswell development was \$4 million once fully operational, and the City has earmarked \$3.3 million of that to pay for future debt service, which would yield approximately \$40 million in proceeds.

With an increased cost estimate of \$139 million for Alternative B, an additional \$4 million in annual funding will be needed based on a 30-year term at an assumed average interest rate of 3%. Although interest rates are historically low right now, it is possible they could rise over the next couple years, increasing the annual funding requirement.

Staff is researching options to address this funding gap. Possible options at this time include the following:

- Use of the Shoreline Regional Park Community Fund in proportion to the level of services provided by Public Safety operations for the benefit of the North Bayshore Area;
- Issuance of general obligation bonds backed by secured property tax;
- Increasing the Transient Occupancy Tax; and/or
- Adopting a sales tax override (a.k.a. transactions and use tax).

Staff recommends that Council direct staff to explore the feasibility of these and other funding options and how they may impact the project timeline. Funding recommendations would be presented to Council prior to or at the same time that Council is requested to approve the budget and consultant services for final design of the project.

### **Consultant Fees**

To keep the project moving forward, especially in light of continual construction cost increases, staff recommends that Council approve moving forward with the conceptual and schematic design for Alternative B.

The RFP process used to select SVA as the project's consultant required consultants to submit their qualifications and fee proposals for all phases of project design, including predesign, design, bid and award, and construction administration. As noted in the December 3, 2019 Council report, SVA was selected from a field of five consultants because SVA was the most qualified for the project. The existing agreement with SVA includes predesign services through conceptual design, including site visits, reimbursable expenses, and additional services, for a total agreement amount of \$800,000. The proposed amendment to this agreement will add \$589,300 for schematic design and increased additional services allowance and \$10,700 in additional reimbursable expenses for a new total not-to-exceed amount of \$1,400,000.

It is anticipated that, when there is funding for final design and construction, the agreement with SVA will be further amended to add budget to complete design and provide construction administration.

## **Project Schedule**

If the recommended actions are approved, the conceptual and schematic design phases will commence in November 2021. Schematic design options as well as related cost estimates and funding options would be brought back to Council by early fall 2022.

## **FISCAL IMPACT**

Public Safety Building, Design, Project 20-49, is funded with a total of \$2 million from the Construction/Conveyance Tax Fund. The proposed contract amendment of \$600,000 includes basic services, reimbursable expenses, and an allowance for potential additional services through the schematic design phase, for a total not-to-exceed amount of \$1.4 million. There are sufficient funds in the project budget for the proposed amendment to this agreement.

Final design and construction of the project are not currently funded, but it has been planned for \$40 million, to be financed with projected revenue from the Ameswell development agreement and ground lease at 750 Moffett Boulevard. The preliminary estimate for the recommended Alternative B scope is approximately \$134 million. Staff will return to Council with updated estimates and funding options as part of the conceptual and schematic design process.

## **CONCLUSION**

Project Alternative B, consisting of a new Public Safety Building and site improvements on the existing site at 1000 Villa Street, is the most viable option to advance to the conceptual design phase of this project. It is generally consistent with the current General Plan and zoning requirements and would result in a project which furthers the Public Safety mission and goals for City. This alternative would provide all of the programmed Public Safety program elements identified to meet the needs of the City in 2030 and beyond. Alternative B would allow most of the Police, Fire, and Emergency Services to remain in operation during construction while requiring some interim facilities and phasing. The current planned funding for this project from the Ameswell development agreement is \$40 million, while the estimated cost to implement Alternative B is approximately \$139 million for design and construction. Staff will return to Council by fall 2022 with a recommended conceptual design of Alternative B along with strategies to close the funding gap.

## **ALTERNATIVES**

1. Direct staff to develop either Alternative A or Alternative C.
2. Provide other direction.

## **PUBLIC NOTICING**

In addition to the standard agenda posting, all neighborhood associations and property owners and residents within 750' of 1000 Villa Street and Lot 11 received notices of the Council meeting in English, Russian, and Spanish. A notice was also listed on Express MV (*Mountain View Voice*), on *NextDoor.com*, and the City's website.

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Attachments: 1. Space Needs Summary  
2. Alternative Analysis Summary

cc: PC, DPC, FC, DFC, APWD – Arango, PCE – Gonzales, SPM – Printy, SMA – Goedicke, PA – Li, SMA – Doan, File (20-49)