



AGENDA ITEM NO.

H-3

# COUNTY OF HUMBOLDT

For the meeting of: January 19, 2016

Date: January 11, 2016

To: Board of Supervisors

From:  Thomas K. Mattson, Public Works Director

Subject: County Office Space and Building Capital Projects Improvements

**RECOMMENDATION(S):** That the Board of Supervisors directs the County Treasurer/Tax Collector and County Administrative Officer to secure \$5,590,000 to perform the following:

Juvenile Hall Replacement - Project Budget Adjustment	\$2,100,000
Weights and Measures Building- Finalize Design and Construction	\$1,140,000
New Building, 1001 4 <sup>th</sup> Street - Architectural Engineering Services	\$1,200,000
Vacant areas of the Fifth floor of Courthouse - District Attorney Offices Remodel	\$900,000
Arcata/Eureka Airport Restaurant –County Upgrades	\$250,000

**SOURCE OF FUNDING:** General Fund and Aviation Fund

**DISCUSSION:** The County has two building projects in need of additional funding in order to complete the projects; the Juvenile Hall replacement and the Weights and Measures building. In addition to these two on-going projects, staff is recommended that financing be secured by the County Treasurer/Tax Collector in coordination with the County Administrative Officer for three new projects. The new projects would include the removal and replacement of the current County building housing the Public Defender's Office

Prepared by Thomas K. Mattson/

CAO Approval 

REVIEW:

Auditor 

County Counsel \_\_\_\_\_

Human Resources \_\_\_\_\_

Other 

TYPE OF ITEM:

- Consent
- Departmental
- Public Hearing
- Other \_\_\_\_\_

PREVIOUS ACTION/REFERRAL:

Board Order No. \_\_\_\_\_

Meeting of: \_\_\_\_\_

**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT**

Upon motion of Supervisor  Seconded by Supervisor 

- Ayes 
- Nays \_\_\_\_\_
- Abstain \_\_\_\_\_
- Absent \_\_\_\_\_

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: Jan 19, 2016  
By: 

Kathy Hayes, Clerk of the Board

at 1001 Fourth Street in Eureka, remodeling of the fifth floor of the Courthouse for the District Attorney's Office and the remodeling and upgrading at the restaurant at the California Redwood Coast Humboldt County Airport.

If the Board of Supervisors approves these recommendations, it will be the start of an approximately \$16,000,000 Capital Improvement program's path to completion, with staff returning for additional financing when the design of the new proposed building at 1001 Fourth Street in Eureka is complete and the project is ready to move into the construction phase.

The proposal for a new building at the 1001 Fourth Street, Eureka, site comes from the most recent Facilities Maintenance Plan (Plan) for the County. In 2007, Humboldt County (County) contracted with Donald C. Smith and Associates to develop a twenty (20) year Plan. The Plan was not accepted by the Board of Supervisors as numerous departments had concerns regarding the proposed Plan's recommendations. With the economic collapse in 2008, moving forward with the Plan's recommendations became secondary to maintaining County services. The Plan did have numerous recommendations that by themselves, have value for the County to move forward with. As the economy is starting to show recovery, County Staff is recommending moving forward with affordable portions of the Plan.

One of the best recommendations of the Plan is co-location of related departments to provide better service to the public. This will provide "One Stop" services to the public, and allow for more efficient operations of the co-located government agencies.

County staff organized a "Facilities Task Force" across all County Departments. The initial request of the task force was for each department to review the existing recommendations within the above referenced Facilities Master Plan and determine if the recommendations were valid. Subsequent to this review, a discussion was held across departments and consensus was reached on recommendations to the Board of Supervisors for funding to begin a Capital Improvement Program. The projects recommended will provide improved working environments for County employees and improve customer service to the citizens of Humboldt County.

The recommended first package of improvements to consider will require an estimated \$16,000,000 over a period of four (4) years. The timeline is due to phases over a period of several years as design and construction would proceed. It is recommended to phase the funding requests such that the County is not paying interest on funds it borrows for future phases of projects in subsequent years.

The initial recommendation from the Facilities Task Force is that the Board consider allocating funding for the current in-progress Juvenile Hall project, to finalize the design and construct a new Weights and Measures building, for architectural services for a new Financial Services building on County property at 1001 fourth street in Eureka, to remodel the fifth floor of the Courthouse for use by the District Attorney Office, and to fund improvements to the County owned restaurant facility at the Humboldt County Redwood Coast Airport to bring the restaurant up to code and make it available for rent to a private operator,

#### **Juvenile Hall Replacement Facility Construction Project:**

In 2011 the Board of Supervisors initiated the acceptance of a grant with the State of California for the SB-81 Juvenile Hall Replacement Project, Project #170212.

On December 8, 2015, the Board of Supervisors directed the County Administrative Officer, Treasurer Tax-Collector and Chief Probation Officer to identify additional funding up to \$2,100,000 for completion of the Project.

The additional funding will be needed for work associated with structural upgrades to the existing Probation Office building to meet current code requirements, work associated with increasing the soil bearing capacity per the current building codes and standards, and construction costs up to ten percent (10%) above the approved construction budget estimate.

If the bids are close to the estimated construction costs then something less than the full ten percent (10%) bid margin will be needed as a commitment to the project.

### **Weights and Measures Building**

Replacement of the existing Weights and Measures building located on South Broadway is a priority. The building was heavily damaged during a wind storm in December of 2014. Due to life safety precautions, a portion of the building was demolished, with the remainder "red-tagged." Temporary repairs were needed to stabilize the remaining portion of the building, but the building is not safe and no longer able to be used for the intended purpose. The damage to the Weights & Measures building from the storm and resulting loss of on-site storage for the large weight truck has resulted in increased costs for the Commissioner/Sealer's Office. The large weight truck is now stored in McKinleyville while the majority of devices (cattle scales) serviced by the truck are located south of the Humboldt Bay area, meaning on average that an additional hour of inspector and truck time are added to each inspection foray.

The Weights and Measures building is vital to County commerce. Any unplanned downtime due to emergency repairs will impact both County consumers and businesses.

### **Public Defender's Office:**

The County owned building at 1001 4<sup>th</sup> Street in Eureka was recently assessed for an accessibility upgrade project due to its poor accessibility. The building is currently occupied by the Public Defender's Office and the District Attorney's Child Abuse Services Team (CAST) program. The assessment and preliminary design work found the need for extensive and expensive American with Disabilities Act (ADA) improvements for a building that currently does not suit the needs of the programs using it, and requires a great deal of costly maintenance on an ongoing basis. Rather than invest over \$750,000 in an old and inefficient building, County staff is recommending that the Board of Supervisors consider funding design work for a new building at this location with the intention of relocating the Assessor, Auditor/Controller, Treasurer/Tax Collector, and Elections to the proposed new building on the Fourth Street site. With relocation of these departments, space in the Courthouse would be freed up for possible additional courtrooms, which are needed for the Superior Court. The proposal would start to move the County Courthouse towards becoming a centralized "Law and Justice" facility by allowing the Public Defender and District Attorney's functions to consolidate in the Courthouse. To begin the design and planning process, environmental studies will need to occur, and a design team will need to be retained to do the architectural programming and design studies; finally producing a complete set of construction documents for the proposed new building at 1001 4<sup>th</sup> Street. The design work and environmental studies are estimated to cost \$1,200,000, with an estimated time period of twelve (12) months, although the California Environmental Quality Act process may take longer.

When the design is finished, the Department of Public Works will return to the Board of Supervisors for a request to fund the construction of the project, currently estimated at approximately \$11,000,000.

### **Fifth floor of the Courthouse:**

Relocating the Elections Department to a new facility allows the currently vacant space on the fifth floor of the Courthouse, which has been reserved for the Elections Department, to be freed for other uses. This allows the vacant space to house two (2) divisions of the District Attorney's (DA) Office adjacent to the main DA's office on the floor below. It is proposed that the DA's CAST program be relocated to this space from the building at 1001 4<sup>th</sup> Street where it currently shares the building with the Public Defender's Office. The current arrangement is not ideal because it often places victims and accused perpetrators in close proximity to each other. It is also proposed to relocate the Victim/Witness Assistance program from a leased building to the 5<sup>th</sup> floor space allowing for better security for the program users. The co-location of these programs adjacent to the DA's office on the floor below will help create greater efficiencies within the department. The preliminary project budget for remodeling the existing space in order to house the two programs has been estimated at \$900,000.

### **Arcata-Eureka Airport Restaurant:**

The Arcata-Eureka Airport Passenger Terminal was originally constructed circa 1979. Subsequent to the original construction, various portions of the terminal have been remodeled, which included a significant addition in circa 2009 to accommodate the new federal requirements for airport security and safety. The restaurant area in the terminal has basically remained unchanged since its original construction. The restaurant lease space has endured a lot of use and activity over the years and many of the restaurant areas, finishes and equipment are worn and obsolete. The County, as the landlord, will need to participate in rehabilitating the restaurant lease space to a level that allows a restaurant tenant to finish out the lease area to their own specific wants and desires. For the County's side of the restaurant rehabilitation, several upgrades are necessary in the kitchen and adjacent areas to bring the existing kitchen into compliance with current building and health codes. Some of the improvements include the addition of floor sinks and a compliant grease interceptor, as well as grease hood and mechanical system improvements. The estimated cost for these improvements is \$250,000.

FINANCIAL IMPACT: The requested actions are the first stage in a comprehensive \$16 million package which will move the County in the direction of having campuses where like functions are grouped together for better public service. In the first quarter budget update for FY 2015-16, the Board of Supervisors approved an allocation of \$750,000 toward this suite of projects. Today's action authorizes an additional investment of \$5.59 million. However, the Board of Supervisors should be aware that staff intends to return in the future to seek authorization to finance the full \$16 million package. In addition, the Board should be aware that the \$5.59 million authorization today includes preparatory work for future phases that will be lost if the \$16 million is not subsequently authorized.

In order to provide funding for these projects the County would use interim/construction period financing that will be privately placed in the County Investment Pool (Pool). The interim financing will be drawn incrementally to fund project work leading to construction. To provide the interim financing, the Pool will purchase a Lease (or a Certificate of Participation in the Lease) from the Humboldt County Public Property Leasing Corporation (the "Corporation") to the County. As the County has done with previous lease financings, the County will lease certain real property assets to the Corporation and the Corporation will lease back the assets to the County pursuant to a Facility Lease. Under the Facility Lease, the County will agree to make lease payments from lawfully available funds which are anticipated to come from the General Fund. The Pool will purchase the Lease and will charge the County a fixed spread over the prevailing Pool investment rate, with the actual rate being determined in connection with each of the

“draws” over the next three years. When the projects are complete, or sooner, at the County’s option, the County will publicly issue tax-exempt Certificates of Participation or Lease Revenue Bonds to take out the interim financing and repay the Pool. If the County does not complete the public sale by the end of a five year period, then the interest rate will be readjusted to a long-term rate and the lease payments will be adjusted accordingly.

The full \$16 million suite of projects is recommended by the department heads and the County Facilities Task Force. The concept of campuses also works toward your Board’s key goal for 2015-16 of streamlining the inventory of County properties to levels that are easier to manage with current resources and additionally supports your Board’s strategic framework, core roles, by providing for and maintaining infrastructure.

OTHER AGENCY INVOLVEMENT: County offices of Agriculture, Assessor, Auditor/Controller, Aviation, District Attorney, Elections, Probation, Public Defender, and Treasurer/Tax Collector.

ALTERNATIVES TO STAFF RECOMMENDATIONS: The Board could choose to segregate and move forward with separate projects, however this is not recommended due to the ability and need for all the projects to move forward and the savings from one financing source for the multiple projects.

ATTACHMENTS: None