

# Council Business Meeting

October 15, 2019

<b>Agenda Item</b>	City Hall Direction	
<b>From</b>	Paula Brown, PE Kaylea Kathol, PMP	Public Works Director Public Works Project Manager
<b>Contact</b>	<a href="mailto:paula.brown@ashland.or.us">paula.brown@ashland.or.us</a> ; (541) 552-2411 <a href="mailto:kaylea.kathol@ashland.or.us">kaylea.kathol@ashland.or.us</a> ; (541) 552-2419	

## **SUMMARY**

Before the Council is a request to provide direction for the future of City Hall with the following options as presented at the study session on September 30, 2019:

1. Rebuild a new building at the current downtown City Hall location at 20 E. Main Street
2. Renovate Briscoe School to include Community Development/Engineering and City Hall personnel and functions
3. Build new at Council Chambers/Courts to include Community Development/Engineering, City Hall, and Courts personnel and functions
4. Seismic and internal systems retrofit of existing City Hall

The earthquake vulnerability of the building presents the most pressing concern. The interior of City Hall has been reconfigured multiple times since 1913 but has never had any structural improvements related to seismic mitigation. The current City Hall is vulnerable to earthquake activity, has deficient utility systems and inadequate accessibility.

## **POLICIES, PLANS & GOALS SUPPORTED**

City Council Goals (supported by this project):

- Maintain Essential Services
- Continue to leverage resources to develop and/or enhance Value Services

Department Goals:

- Maintain existing infrastructure to meet regulatory requirements and minimize life-cycle costs
- Deliver timely life cycle capital improvement projects
- Maintain and improve infrastructure that enhances the economic vitality of the community
- Evaluate all city infrastructure regarding planning management and financial resources

## **PREVIOUS COUNCIL ACTION**

Previous councils and the current council have seen multiple presentations on City Hall. The more recent discussions began in 1993 with the Planning Commission's approval for a new 10,000 square foot city office building at 1175 East Main Street near the current Council Chambers. On November 30, 1993, due to significant community opposition to moving the existing City offices from downtown, Council directed by resolution [93-41](#), the formation of an ad hoc space needs committee and withdrew the City's application for site review of the proposal at 1175 East Main Street. In April 1994, the ad hoc committee presented its [report](#) to the City Council. The committee concluded that additional space is needed for city offices located downtown and that the existing City Hall building should be rehabilitated as soon as possible to include at a minimum compliance with all current applicable codes, ordinances and energy conservation standards. The City began the acquisition of the Hillah Temple (51 Winburn) to alleviate the need for more space as Public Works administration and engineering division was in leased space across the plaza from City Hall. An additional outcome of the ad hoc space needs committee was the original seismic evaluation in [1994](#).

- The City acquired the Hillah Temple in October 1998, renovated/reconstructed the building in 2000, and it now houses the Community Development and Engineering staffs.
- In 2002, the City contracted with Architectural Design Works to evaluate long-term options for City Hall.
- In 2008, the City Council formed the Facilities Master Plan Committee and contracted with OgdenRoemerWilkerson (now ORW) to develop the long-term plan and vision. Council deferred action on the 2008 final report pending completion of Fire Station #2 and expansion of the Police Station.

More recently, the following actions regarding City Hall have been presented or taken:

- The 2014 “[Ashland 2020](#)” strategic plan identified “Examine City Hall replacement and other facility needs” as a priority goal (see page 10).
- [June 15, 2015](#) Council study session; begin the replacement discussion and requested an updated seismic analysis for City Hall.
- [February 1, 2016](#) Council study session; heard updated findings of the 2015 seismic evaluation and provided a safe egress retrofit cost
- [January 17, 2017](#) Council business meeting; presented a consolidated report of actions to date
- April 4, 2017 Council business meeting; [appointed an ad hoc City Hall Advisory Committee](#) to review feasible alternatives for the replacement of City Hall.
- [October 3, 2017](#), Council heard a presentation from staff and received the ad hoc City Hall Advisory Committee’s Final Report and Recommendations for the replacement of City Hall.
- [December 4, 2017](#) study session; review Ad Hoc recommendations and develop next steps in selecting a consultant to develop conceptual plans based on the recommendations for City Hall at the current site, at the Civic Center site and to also look at the Briscoe School site.
- [July 3, 2018](#) business meeting: award contract to ORW for Phase 1 – Conceptual Design (\$97,085)
- [February 5, 2019](#) study session; conceptual site plans and estimates for the three alternatives including a [Power Point](#) presentation by ORW. Council did not support any of the alternatives and expressed dissatisfaction that a seismic retrofit of the existing City Hall had not been included as a fourth alternative.
- [June 3, 2019](#) study session to present a conceptual [design](#) and cost estimate to complete the seismic and systems upgrade to City Hall was cut short due to other items on the agenda
- [September 30, 2019](#) study session completed the review of all four options as shown in the summary on page 1 of this staff report, as well as the risks of not having an adequate plan and the costs relative to the current fiscal climate.

## **BACKGROUND AND ADDITIONAL INFORMATION**

The City has been discussing the reconstruction or relocation of City Hall for over 25 years. The building is seismically vulnerable, all of the systems (plumbing, electric, air) are old and in need of complete replacement, the layout has been reconfigured a number of times and lacks meeting space, the building is only moderately accessible, and has no room for even moderate growth. City Hall was originally built in 1891 as a fire station and expanded in 1913 to include the portion of the building that now houses Administration on the second floor and the Utility Billing lobby and City Recorder’s Office on the first floor. The current stucco veneer was added to the building at that time with the unreinforced brick masonry walls of the original building continue to form the skeleton of City Hall. A partial second story was added to this expansion at an unknown date. Two smaller additions were constructed out of concrete and concrete block at the south end of the building. The newer rear section of the building that now houses the Finance Department was built in two phases with the second floor completed in 1998. Historic photos are attached (see attachment 1).

## **FISCAL IMPACTS**

The cost estimate for seismic retrofit of City Hall is based on conceptual design. Cost summaries provided below include all four alternatives ORW has explored under their current contract with the City. Greater detail is

available in the attached cost estimate spreadsheet (Attachment 1). Notice that the cost summaries incorporate direct construction costs and soft costs.

Alternative	Total Cost (2019)	Area (Square Feet)	Cost per Square Foot
1. Rebuild at 20 E Main (adds a 3 <sup>rd</sup> / 4 <sup>th</sup> story)	\$12,317,001	15,500	\$781
2. Renovate Briscoe School*	\$15,254,001	32,000	\$477
3. Build new at Council Chambers/Courts*	\$18,918,001	32,000	\$591
4. Seismic and systems retrofit of existing City Hall	\$6,065,001	8,600	\$681

\* Estimates include offsets from selling the Community Development building, but not City Hall. City Hall has not been assigned a real market value, so an objective estimate is not readily available.

Note: total costs shown in 2019 dollars; anticipate 5.5% cost escalation each year

On [July 3, 2018](#), Council [awarded](#) ORW the contract for City Hall Phase 1 – Conceptual Design for an amount not to exceed \$97,085. The contract was modified to include the seismic and systems retrofit conceptual design requested by Council at the February 5, 2019 meeting for an additional \$15,767.75. The total spent to date is \$112,852.75 (100%). The 4 phases of the original request for proposals include the following:

- Phase 1: conceptual design renderings and conceptual costs for each of the selected alternatives to include risks associated with each alternative; pros and cons of each alternative, and a relative time line. As part of this phase, the contractor will propose a process for selecting a preferred alternative.
- Phase 2: preliminary engineering and refined costs of the selected alternative; detailed staff moves and property options (depending on the site selected)
- Phase 3: final engineering design and plans for the selected alternative and final cost analysis; easements and permitting
- Phase 4: construction management services to assist with any site changes and quality control

With council’s direction tonight, staff will move forward to negotiate a scope and fee for phase 2 and bring that back to Council for approval.

Council [approved](#) the 2019-2038 Capital Improvements Program (CIP) on [April 2, 2019](#), which includes a 6+ year total of \$6,700,000 for City Hall Improvements (see attachment 2 for the single project sheet for City Hall). In the current 2019-21 biennium budget, there is \$400,000 included for design and miscellaneous construction for City Hall. The expenses incurred with ORW are primarily in the prior biennium, so that the majority of the \$400,000 is available this biennium.

**STAFF RECOMMENDATION**

Staff is very aware of the current fiscal climate and is cognizant of what could be viewed as an extravagant expense. Staff is also mindful of the need to adequately address seismic concerns, correct deficient utility systems and provide a facility that will at a minimum meet the needs for City staff and community for the next at least 40 years if not the hoped for 100-year future.

As such, staff is recommending Council move forward with option 4 which will make all necessary seismic improvements, rebuild the interior of City Hall with improvements to not only systems but the functional layout to allow for purposeful use of the facility for a minimum of 40 years.

With Council’s direction tonight, staff will bring back phase 2 of the contract and will also bring a separate item to council on the overall City facilities needs and excess property for disposal.

### **ACTIONS, OPTIONS & POTENTIAL MOTIONS**

1. I move approval of staff's recommendation to move forward with option 4 which will make all necessary seismic improvements, rebuild the interior of City Hall. I further direct staff to bring back phase 2 of the design contract and to bring back an additional staff report of City facilities and properties.
2. I move approval of option \_\_\_; and further direct staff to bring back phase 2 of the design contract and to bring back an additional staff report of City facilities and properties.
3. I move staff take different actions regarding City Hall and [\*\* state action required \*\*].

### **REFERENCES & ATTACHMENTS**

All referenced items are linked in this document.

Attachment 1: Historic Photos of City Hall

Attachment 2: 2019-39 CIP City Hall page 81

The image below was taken prior to the 1913 additions. The exterior staircase is still in the same location.



The image below shows the 1913 addition to the north.



The one story building to the east is the area where Utility Billing is located. The image below shows a building in that location. That building was removed; City Hall was expanded towards the street and to the left. The window in the picture with the hardware sign above is now the location of the angled window at Martoli's.



The small addition at the south end of the building, now a portion of the Finance Department, is visible behind the parked cars



After the 1994 seismic report, a second story was added [1997-98] above the south addition and is now part of Finance and the upstairs corner conference room.



# facilities fund (CIF)

## City Hall Improvements and Renovations

Total Project Cost: **\$6,700,000**

Proj #: 2016-14

Duration: 6+ years

Prior Yr	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Expenses:						
Design	\$97,100	\$100,000	\$650,000			
Construction		\$100,000	\$200,000	\$2,000,000	\$3,000,000	\$550,000
Revenues:						
Fees	\$97,100	\$200,000	\$200,000			
SDCs						
Grant						
Other			\$650,000	\$2,000,000	\$3,000,000	\$550,000

“Other”: Bond issue. Total costs will be determined on Council direction in April 2019. Staff will update this sheet.

Anticipated Long Term Expenses: City facilities must be adequately maintained and have funds set aside and protected for future major expenses and capital repair items (roof, HVAC, electric, security, etc.).

### Description:

The City has been discussing the reconstruction or relocation of City Hall for more than 20 years. The building is seismically vulnerable, lacks meeting space and has no room for growth. However, it is the earthquake vulnerability of the building that presents the most pressing problem. The interior of City Hall has been reconfigured several times since 1913 but has never had any structural improvements related to seismic mitigation. This initial project is for immediate repairs and seismic and system upgrades at the existing site.

