

MEMORANDUM



City of Campbell
City Manager's Office

To: Honorable Mayor and City Council

Date: March 23, 2023

From: Brian Loventhal, City Manager

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Subject: Update on Measure O Projects

Since the passage of Measure O in 2018, substantial progress has been made on the Campbell Library Renovations Project and the Police Operations Building Project. At the request of the City Council, staff has scheduled a Council Study Session for Tuesday, April 4, 2023, to update the Council on the progress of the Measure O projects. This Study Session is intended to provide City Council with a brief overview of both projects – including their budgetary status, the evolution of funding allocations, progress to-date, and plans for subsequent construction staging and phasing. Along with staff, the City's Construction Management Firm, Griffin Structures, will also be in attendance to provide information and address any questions as they pertain to the information presented.

In preparation of this Study Session, this memo has been developed to provide information on the latest Measure O developments, followed by individual updates as they relate to each project and the anticipated timeline for those events leading up to their completion.

Pre-Qualification Process for Construction Contractors

In early 2022, staff prepared and advertised a Request for Qualifications (RFQ) for the Library Renovation and Police Operations Buildings projects (separately) to solicit applications from qualified contractors interested in submitting a bid for their respective construction contract. This effort was undertaken to ensure that only qualified contractors would be allowed to bid on the projects. Upon staff's evaluations of the applications received, all four of the Library Renovation applicants met the construction prerequisites for the project, while seven (out of eight) applicants met those for the Police Operations Building. One applicant for the Police Building project failed to meet the required qualifications and was disqualified upon staff's evaluation of the application received. In all, the following contractors met the required qualifications for the project(s) in which they applied for and will be considered for solicitation of their respective construction bid:

Library Renovations (Project No. 23-SS)

1. Gonsalves & Stronck Construction Company, Inc.
2. BHM Construction
3. Lathrop Construction Associates, Inc.
4. BOBO Construction, Inc.

Police Operations Building (Project No. 23-RR)

1. Gonsalves & Stronck Construction Company, Inc.
2. Lathrop Construction Associates, Inc.
3. Rodan Builders, Inc.
4. Swinerton Builders
5. BOBO Construction, Inc.
6. Zovich & Sons, Inc.
7. Midstate Construction Corporation

Staff anticipates a return to Council in the May/June timeframe to request approval for each projects' plans, specifications, and estimates (PS&E), and authorization to solicit bids from the list of pre-qualified contractors and allow the projects to go out to bid. However, prior to this, staff will be updating the Council with additional budget and schedule information, as well as construction details, during the Measure O Study Session on April 4th. As such, staff is targeting the May 16th Council meeting to present the PS&E to Council for approval and authorization to bid. However, this date could be deferred to June 6th pending the results of the constructability review of each project's plans and specifications and the associated permit reviews resulting from that.

Construction Management and Inspection Services

In early 2022, staff issued separate RFP's for qualified construction management firms to oversee the daily on-site operations and inspection services required during the construction phases for each Measure O project. One applicant in particular, Griffin Structures, submitted proposals for both projects and was ultimately selected upon staff's review of the applications received. The selection was based on Griffin's extensive experience and ability to provide comprehensive management and inspection services as required for the two projects. Furthermore, this also eliminated the need to hire two separate firms and would help ensure adequate management and industry safety standards are enforced between both project sites under the management of a single firm. It would also allow for a more unified approach to site management and construction staging.

In July 2022, the Council authorized the City Manager to execute a consultant services agreement with Griffin Structures for each Measure O project and directed Griffin Structures to perform a constructability review of their respective plans and specifications prior to approving the design for each project. Upon completion of the constructability review, staff would direct and consolidate any feedback from Griffin Structures to the project's design consultant for further review and adjustments as needed. Should an issue require the need for any re-design work, consultants will incorporate the proposed changes into the specifications and review with Griffin Structures before finalizing.

The consultant services contract was subsequently executed in October 2022 and authorized Griffin Structures to begin constructability reviews (when plans were finalized by consultants) and make other preparations as necessary in the time leading up to construction. In addition, Griffin Structures will also be responsible for reviewing (and coordinating) the construction staging and phasing prior to the commencement of work at each project site.

Campbell Library Renovations (Project No. 23-SS)

Award of State Library Grant

In early 2022, staff became aware of a grant program focused on providing financial assistance to locally serving libraries. The purpose of the grant program was to address safety and critical maintenance needs for public library facilities throughout the State. As such, staff from both the City and the Santa Clara County Library District, as well as the Library project design team, began discussions as to how the Library project could compete for these funds. Upon developing an appropriate scope, staff submitted the City's application to the California State Library's Building Forward Grant Program, requesting funds for qualifying design and/or construction-related services of the Campbell Library Renovation Project. In October 2022, the City received a confirmation letter with the State's intent to award a total amount of \$4,718,450 in grant funding to the City of Campbell for the Library Renovations project on behalf of the Building Forward Grant Program. Furthermore, the City would receive these funds upon the adoption of a resolution formally accepting the grant and its terms.

On December 6, 2022, the Council adopted a resolution authorizing the grant application, acceptance, and execution of grant funds, and the City Manager to execute the official Funding Agreement and any Amendments with the State of California Library. This created capacity within the project's existing budget for use of available City funds that were previously dedicated to cover safety and infrastructure improvements included in the project's original scope of work but later omitted due to budgetary constraints. These improvements included the conversion of the entire library building into an all-electric facility, with the addition of a new emergency generator, as well as other improvements that would improve the Library's ability to provide services. Over time, the improvements would reduce the City's long-term maintenance costs while greatly expanding citywide energy-conservation efforts.

Amendment to Design Consultant Services Agreement

Following Council's approval of the State Library Grant acceptance, staff requested a proposal from Jayson Architecture for additional design and engineering services required to incorporate (re-design) these elements back into the project's scope of work. Jayson Architecture responded with a proposal that included the re-design and modification of the project's plans and specifications, acquisition of the required building plan check, permit approval, and additional work improvements. The cost of the re-design work was estimated at \$134,000; however, sufficient funding was available through the project's increased budget capacity made possible by the \$4.7 million State Library Grant. Nevertheless, the re-design services required an amendment to the existing consultant services contract with Jayson Architecture and Council's approval to authorize the use of Measure O funds to cover the related cost.

Ultimately, on January 23, 2023, Council approved the authorization to amend the existing consultant services agreement with Jayson Architecture and the use of Measure O funds to cover the associated re-design costs. Currently, Jayson Architecture is working on the re-design of these additional features based on the proposed improvements as outlined in the contract amendment.

Award of SVCE Community Decarbonization Demonstration Grant Program

In addition to the State Library Grant, the City also applied to the Silicon Valley Clean Energy (SVCE) Community Decarbonization Demonstration Program in November 2022, requesting funds that would also be used for similar electrification improvements of the Campbell Library project. On February 8, 2023, the SVCE's Board of Directors approved Campbell's grant application with a subsequent award of \$500,000 in grant funds. These funds will contribute to the installation of two all-electric air handling units, two new air source heat pumps, and all the associated infrastructure and support systems. The building's existing electrical service system will also be upgraded to handle the additional electrical load.

Staff will be presenting a report for City Council consideration at the April 4, 2023, Regular Meeting, to request authorization for the execution of the related grant agreement and acceptance of \$500,000 in grant funds for the Library Renovations project. Should Council authorize the acceptance of this grant, the electrical features outlined in the Scope of Work approved by SVCE will be incorporated into the project's plans and specifications, and the project budget will be adjusted accordingly.

Library Design Progress and Constructability Review

In January 2023, Jayson Architecture began the re-resign work as outlined in the amended (and subsequently executed) contract for additional design and engineering services of the Library Renovation project. Shortly after the re-designs were completed, Griffin Structures began the constructability review of the associated plans and specifications (as earlier directed by Council). Upon completion, this information was conveyed to Jayson Architecture and will be reflected in the final plans and specifications that will be presented to Council for approval.

The following is an updated tentative schedule for the Library Renovations project:

Campbell Library Renovations	Date
City Council Measure O Study Session and Acceptance of SVCE grant funds	April 4, 2023
Jayson Architecture to re-design and modify the Library plans and specifications; and obtain building plan check approval and permit to include full electrification of the Library Building	May 5, 2023
City Council to approve project's plans, specifications, and cost estimates (PS&E); and authorize solicitation of bids from the list of pre-qualified contractors (Note: City Council may opt to authorize the City Manager to award and execute the construction contract).	May 16, 2023 (or June 6)

Invite the list of pre-qualified contractors to submit bid proposals for the Library Renovations project.	May 17, 2023*
Construction Bid Opening	June 18, 2023*
City Council to award Library Renovations Construction Contract to the lowest responsible, and responsive bidder (dependent on Council direction)	July 18, 2023*
Start of Library Renovations Construction	August/September*, 2023
Completion of Library Renovations Project	June, 2025, ±

*Date to be adjusted if Council approval of PS&E is moved to June 6th, 2023

Campbell Police Operations Building (Project No. 23-RR)

Award of State Resiliency Grant

In 2021, the City was awarded \$3.9 million in funding from the State’s Resiliency Grant Program for use on design and construction services of the Police Operations Building project. Staff’s initial allocation for these funds included approximately \$600,000 to cover the design, purchase, and installation of a new emergency generator, with the remaining \$3.3 million dedicated to similar costs for the furniture, fixtures and equipment (FF&E) that would be required throughout the new building. Around the same time, the project’s preliminary designs were also being reviewed by Council – and with the \$3.9 million in grant funding received – additional strategies were considered to allocate the funds as they related to the project’s design elements.

In the end, Council concurred with the allocation of \$600,000 to a new generator and \$3.3 million for the project’s FF&E. However, staff and the design team have recommended to further allocate the \$3.3 million amount to funding as follows: \$1.8 million dedicated towards the cost of the equipment to be purchased and installed during the construction process, and the remaining \$1.5 million allocated to FF&E that will be purchased and installed separately (after construction is complete).

Staff incorporated these allocations into the project’s budget adjustments for FY 2023. Per the approved CIP Budget for FY 2023, the \$3.9 million grant received from the State was listed as a new line item under the funding revenue sources for the Measure O project (titled ‘State Grant (CalOES)’). Of the \$3.3 million allocated to the project’s purchase and installation of furniture and equipment, \$1.8 million was added to the balance of available funds for the Police Operations Building project (for the purchase and installation of equipment). Lastly, a new line item was created as a separate ‘project’ to reflect the \$1.5 million in grant funding allocated for the purchase of the project’s fixed furniture and equipment that will be purchased and installed separately (‘Civic Center Impr – Police FF&E,’ Project No. 22-JJ).

Award of SVCE Community Energy Resilience Program Grant

In 2021, the SVCE JPA announced it would be accepting applications on behalf of its Community Energy Resilience Program – a non-competitive grant open to all member agencies under the jurisdiction of SVCE. This program allocates funding to member agencies for projects that support critical facilities and/or community services during a power outage by enabling access to power during an outage and decreasing the risk of power outages by way of zero carbon emissions. Energy resilience is defined as the ability to mitigate, withstand, or recover quickly from disruptions in the availability of energy via a centralized energy infrastructure. In addition, SVCE had identified two project types that are eligible by default: 1) solar/storage systems designed to increase energy resilience; and 2) portable battery systems used to support critical services or support vulnerable communities (such as medically fragile customers) during a power outage. If a project qualifies, the maximum amount(s) awarded to an agency are based on their proportion of electrical usage (load) as determined by SVCE.

As a member agency of SVCE, the City of Campbell applied for the program with a request of funding to be used on the planning and development costs of energy-resilient improvement features of the Measure O projects. Shortly thereafter, the City was notified that it was allocated \$237,566 in funding from SVCE to be allocated for use on an energy-resilient project. While several sites were evaluated for these improvements, the Police Operations Building project was ultimately determined to be the most appropriate site. This determination was based on the level of critical services the Police Operations Building provides to members of the community, and the need to ensure operations are always maintained and available on both a daily and emergency basis.

The allocation of SVCE funds were broken down into two sub-categories: Planning/Design (\$39,594) and Capital Improvements (\$197,972). The planning and design funds were allocated to the evaluation of various sites and were paid to a third-party consultant through SVCE. With the recommendation of the Police Operations Building site, the Capital Improvement funds will be fully allocated to the project.

Staff will present City Council with a request to accept the funds and authorize staff to execute the SVCE Energy Resilience grant agreement during its Regular Meeting on April 4, 2023. Should the Council authorize acceptance of this grant, the funds will be applied toward the installation of a stand-alone EV charging station at the new Police Operations Building and the funding will be reflected in the FY 2024 CIP.

Police Operations Building Design Progress and Constructability Review

Since 2021, LPA, Inc. has led the engineering and design efforts behind the City's new Police Operations Building by developing the scope of work that will serve as the blueprint for its construction. By late 2022, the complete project plans were under review by various permitting agencies for compliance of specifications as related to their agency's regulatory requirements. During that time, conflicting comments received from different agencies were consolidated by staff and forwarded to LPA for further review and identification of the appropriate re-design solution(s). LPA worked with staff to facilitate solutions that would mitigate these inter-agency discrepancies with minimal impact on the project's overall design and the cost to implement such changes.

As of March 2023, LPA has completed all re-design work associated with the Police Operations Building and the project is currently in the final plan check stages of a Santa Clara County Fire Department review. However, the project's plans and specifications, as well as authorization to solicit bids from its list of pre-qualified construction contractors, will be presented to Council once the plan check is completed and any necessary design changes are made.

The following is an updated tentative schedule for the Police Operations Building project:

Police Operations Building Project	Date
City Council Measure O Study Session and Acceptance of SVCE grant funds	April 4, 2023
City Council to approve project's plans, specifications, and cost estimates (PS&E); and authorize solicitation of bids from the list of pre-qualified contractors (Note: City Council may opt to authorize the City Manager to award and execute the construction contract).	May 16, 2023 (or June 6)
Invite the list of pre-qualified contractors to submit bid proposals for the Police Operations Building project.	May 17, 2023*
Construction Bid Opening	June 21, 2023*
City Council to award Library Renovations Construction Contract to the lowest responsible, and responsive bidder (dependent on Council direction)	July 18, 2023*
Start of Police Operations Building Construction	August/September*, 2023
Completion of Police Operations Building Project	September, 2025, ±

*Date to be adjusted if Council approval of PS&E is moved to June 6th, 2023