

**TOWN COUNCIL
MINUTES**

CALL TO ORDER

Mayor Slavitz called the special meeting of the Tiburon Town Council to order at 7:30 p.m. on Wednesday, March 9, 2011 in the Town Council Chambers, 1505 Tiburon Boulevard, Tiburon, California.

ROLL CALL

PRESENT: COUNCILMEMBERS: Collins, Fraser, Fredericks, O'Donnell, Slavitz

PRESENT: EX OFFICIO: Town Manager Curran, Town Attorney Danforth, Director of Administrative Services Bigall, Director of Community Development Anderson, Director of Public Works/Town Engineer Nguyen, Minutes Clerk Levison

ORAL COMMUNICATIONS: None

CONSENT CALENDAR

1. **Restroom Facilities at Blackie's Pasture** – Accept project as complete and authorize filing of Notice of Completion (Director of Public Works/Town Engineer Nguyen)

Vice Mayor Fraser acknowledged the hard work of the Public Works Department in putting together such a great project on behalf of the community.

Mayor Slavitz echoed his comments.

MOTION: To approve Consent Calendar Item No. 1, as written.

Moved: Fredericks, seconded by Collins.

Vote: AYES: Unanimous

ACTION ITEMS

1. **600 Ned's Way Recreation Facility** – Discussion of project and consideration of authorization to bid project construction (Town Manager Curran & Director of Public Works/Town Engineer Nguyen)

Town Manager Curran gave the report. She discussed the current project, which envisions a 4,800 square foot facility with space for Belvedere Tiburon Joint Recreation Committee (BTJR) offices, three classrooms, and parking for 22 cars. A trail leading from the Reed Elementary School would also cut through from Kleinert Way. She said that as the project vision has evolved over the initial concept, so has the cost. The more refined project estimate of \$1.675 million is

significantly steeper than the \$250,000-\$300,000 originally thought, primarily due to challenges associated with the site itself. On the other hand, Curran said the Town has little other land to press into this or any other productive use, and these costs are incumbent to using this land.

Ms. Curran discussed funding, stating that only \$250,000 is currently appropriated for the project, although this money was to have come from sources that did not materialize. It was originally believed that the City of Belvedere would provide an up-front capital contribution, but it will instead provide \$30,000 per year with a capped CPI adjustment for so long as the facility is used for BTJR purposes. Additionally, the Town would realize modest savings from elimination of the storage container at Town Hall and currently held parking passes, for an initial annual net benefit of roughly \$33,000.

Ms. Curran stated that because site work is a critical component of any use of this site, staff has looked carefully at alternatives to shrink the building. She stated that doing so does little to alter the cost and amount of site work needed, but potentially decreases the amount of utility in a very significant way. Staff recommends putting the project out to bid, with an array of possible alternatives and anticipated the project would return at the Council's June 1, 2011 meeting for consideration regarding the award of bid. She said the Council should be mindful of the notion that it will have to determine at that time whether to select from among the submitted bids, modify the project further, or eliminate the project altogether.

Councilmember Fredericks requested more information on the project alternatives. Following the Town Manager's explanation of bid scenarios, she asked if the project could be reduced in a way that would concurrently reduce the amount of site preparation needed. Specifically, she said trimming the project to meet only the needs of the afterschool program would reduce the square footage and number of parking spaces required, which might also reduce the level of site work needed.

Public Works Director Nguyen said this is possible, although not in a way that would support the programmatic activities that were envisioned for the site and factored into the CEQA document. He said the bids would not include such a scenario, but the Council could decide at that time to reject all bids and return to the drawing board to tweak the overall program further. He noted the smaller project involving only replacement of the lost space the BTJR currently occupies was never fully engineered. While a considerable amount of the information learned thus far could be used to that end, he estimated another \$20,000 to engineer the project for bidding purposes. He estimated that reducing the project scope in that way would reduce costs 25% to 30%.

Ms. Curran said the general feeling of staff and the subcommittee was that the site should be used to the greatest possible advantage, given the costs associated with its preparation. The advantage envisioned by staff, and heretofore the Council, is the opportunity to transcend the afterschool program and provide BTJR offices, community space, and a de facto expansion of Town Hall as part of the complex. The funds spent to date, while not geared towards a less encompassing project, have proffered considerably more information than was previously available. And, should the Council wish to scale back to a much smaller project, they would be well ahead of square one with respect to site engineering.

Council and staff discussed costs incurred to date. Councilmember O'Donnell noted the project's ad hoc committee was provided with more detailed cost assumptions prepared by both the cost estimator and civil engineer that were not made available to the Council. He also noted the cost estimates include contingency funds, which is not necessarily reflected in the staff report.

Council and staff discussed the bid alternates further. Councilmember Fredericks asked staff to consider an additional alternative that delays the installation of infrastructure for uses that do not serve the primary and immediate objective. Councilmember O'Donnell said the ad hoc committee discussed this and its findings are incorporated into the proposed project.

Vice Mayor Fraser concurred that reducing the footprint in any significant way would be a considerable challenge. He asked staff how else they would look to reduce costs in a significant way, for example, by approximately \$100,000. The Public Works Director said staff had considered several options, none of which produced savings on that level, and would continue to look for opportunities. To Councilmember Frederick's suggestions, he said they would sit down with the BTJR to identify any possible potential for streamlining current programs in a way that would facilitate reducing the site's footprint in a meaningful way.

Public Comment:

Miles Berger, architect, said the proposed building costs only \$115 per square foot even at its highest estimate, whereas to add the same amount of space to Town Hall would cost \$600 per square foot. He said the greatest cost is in site preparation no matter the building size, and the low cost per square foot makes this a very valuable and equitable project for the entire community. He estimated that even if cutting the project by 50% were to reduce the number of parking spaces and site preparation needed, it would cost \$20,000 to re-engineer and save only \$40,000.

Mr. Berger said the bid specifications contain a series of alternates that define performance parameters, but allows bidders to put forth the most competitive options they can without decreasing the utility of the building. Berger said the alternates relate to everything from interior finishing to HVAC systems.

The Council asked questions relating to the useful life, seismic safety, and foundation construction of prefabricated buildings. Mr. Berger stated that the useful life is technically 25 years, although experience has shown that to be much longer. He said prefabricated structures meet the same seismic and safety standards as any other building. Regarding the foundation, Berger explained that the bid document would specify the eventual soil condition, which bidders could then evaluate and decide what would be the most efficient footing.

Councilmember Fredericks asked why the Town was not better prepared to identify the difficulties associated with developing this site. Public Works Director Nguyen said staff was aware of the general limitations of the site, but full engineering was necessary to flesh out exactly what preparation would be needed to take on the project. He noted the site is actually no more complex than perhaps any other virgin "hilly" site located in Town. Mr. Berger concurred.

Councilmember Collins referred to the staff report and suggested cost per square foot numbers that are very different than those stated by Mr. Berger. Mr. Berger clarified that his quote includes the foundation, but not site preparation. He noted that Councilmember Collins' estimates include the parking lot, which is not typical.

Mayor Slavitz asked if any consideration was given to solar panel installation. Mr. Berger said the performance specifications still contain a small allocation for roof runners that would allow installation of panels at a later date, but anything more than that is not in the budget.

Mayor Slavitz closed the public comment period.

Councilmember O'Donnell said he is a great proponent of the project. Even at the high estimate of \$1.6 million, he thinks the Town will have created a tremendous asset for itself. He said he views this project in concert with the library expansion as a "generational" opportunity to create a true community center that will allow the Town to do more for its youth and senior population.

Councilmember Collins concurred. He stated that while the project is important to the Town for a variety of reasons, the question of affordability still remains. He said he would support moving forward with the project bid, which the Council could then consider in relation to the Town's finances.

Councilmember Fredericks cited similar concerns. She said she would like 1) reassurances that this would not diminish the Town's emergency unallocated reserves to less than 25% of the operating budget, 2) information on replenishing the allocated reserves that would finance the project, and 3) to know how this changes the priority of other allocated reserves. She said the proposed project is extraordinarily attractive and incredibly functional and should be put out to bid, although she continued to have serious concerns with the increased cost estimates.

Town Manager Curran reiterated that staff proposes returning to the Council June 1, 2011, during the budget process, which will allow consideration of the project in that context.

Vice Mayor Fraser echoed the comments of Councilmembers Collins and O'Donnell. He said he views this as a strategic decision for the Town; he stated that Tiburon has not built many structures for the community in the past, yet the influx of families continues to increase. He said the BTJR is an excellent and self-funded community asset which he has every confidence in and will be able to expand its programs in a way that makes great sense for the community. He echoed concerns relating to cost and said he would like to see staff continue to identify savings opportunities, but that ultimately, any money invested in children is money well spent.

Mayor Slavitz concurred with all the above comments. Slavitz said that he appreciated the vision expressed by the Vice Mayor, and that he also supported Councilmember Fredericks' request to look at a smaller project so that the Council, as a public agency, can say it considered all responsible options.

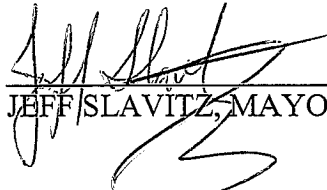
The Council deliberated further, primarily on whether to bid the project as is or with a re-engineered smaller project alternative. The Council ultimately concluded to proceed with bidding the project, as currently stated.

MOTION: To authorize staff to conclude development of the bid package and bid the project.
Moved: O'Donnell, seconded by Fraser.
Vote: AYES: Unanimous

Town Manager Curran thanked everyone involved in the project for their hard work. She said that while cost estimates are significantly higher than anticipated, staff would not have come forward with an unfeasible project. Curran said that staff will propose delaying the Lyford project until the Ned's Way project is completed, but she added that she thinks the Council will ultimately be comfortable with building both projects and still maintaining appropriate reserve fund balances.

ADJOURNMENT

There being no further business before the Town Council of the Town of Tiburon, Mayor Slavitz adjourned the meeting at 8:47 p.m.



JEFF SLAVITZ, MAYOR

ATTEST:



DIANE CRANE IACOPI, TOWN CLERK