



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager



DATE: April 26, 2012
BOARD MEETING DATE: May 8, 2012
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: John L. Maltbie, County Manager

SUBJECT: Appropriation Transfer Request for Seismic Work to Upgrade Circle Star Plaza One to an Essential Services Building

RECOMMENDATION:

Approve an Appropriation Transfer Request for \$3.3 million from Non-Departmental ERAF Reserves to the Capital Projects Fund to upgrade One Circle Star Plaza to an essential services building.

BACKGROUND:

At the budget workshop on January 31, 2012, the Board decided to occupy One Circle Star Plaza and lease Two Circle Star Plaza. Public Safety Dispatch was specified as a One Circle Star tenant. In anticipation of that direction, the Department of Public Works (DPW) contracted with a structural engineering firm late in 2011 to clarify the seismic requirements for buildings occupied by dispatch centers. The consultants indicated that dispatch center facilities must meet essential services standards, which have the most stringent structural requirements. Office buildings must be safe for occupants to leave after an earthquake. Essential services buildings must be safe to continue to operate in after a seismic event.

The next step was contracting with a structural engineering firm to determine the work needed for One Circle Star Plaza to comply with the essential services requirements. The engineering consultant was asked if only the area occupied by dispatchers needed to be essential services. The answer was that the entire building needed to be retrofitted to meet essential services requirements. Results of the analysis of the entire building along with cost estimates were provided to DPW in late April. Staff developed a revised time line for occupancy of the building based on the seismic retrofit work. Staff also developed, for comparison purposes, a cost estimate for a stand-alone Dispatch Center on the new jail site. The estimated costs are \$3.3 million to make One Circle Star an essential services building compared to \$4.4 million for a new stand-alone dispatch center.

DISCUSSION:

The work required to make One Circle Star Plaza an essential services building is projected to take 13 months and delay occupancy of the upper stories of the building seven to eight months. The current schedule called for departments to move into Circle Star in October and November of 2012. With the seismic work, Housing, Behavioral Health First Five and Children and Family Services will move into Circle Star in mid-July 2013. The occupants of the fourth floor of One Circle Star, the Human Services Administration Division, will move after July 2013, as soon as they can exit their current lease at 1 Davis in Belmont. That lease expires in 2019. The landlord is aware of the County's interest in leaving sooner and Human Services is only occupying and paying for about half of the space we control, so the landlord is currently not getting a full return on his building.

The pre-construction work on the seismic retrofit will take six months. Work during that time will include development of construction plans, peer review of those plans which is required for seismic work, bidding the job and contract award by your Board. The construction is projected to take seven months. The majority of the seismic work will be done on the first floor, so the tenant improvements on the upper floors can proceed at the same time. The goal is to have the upper floors ready for occupancy soon after the seismic work is complete. Although the tenant improvements on the upper floors will not take 13 months, tenants cannot occupy the building until the seismic retrofit is complete and the first floor client areas have been built out.

This change in schedule will require current leases for Housing, Behavioral Health, First Five and Children and Family Services to be extended until August of 2013. The First Five lease expires October 31, 2012 and the other leases expire in April of 2013. We do not anticipate there will be any problems extending these leases to meet the new One Circle Star schedule.

Approval of this Appropriation Transfer Request contributes to the Shared Vision 2025 outcome of a Livable Community by providing a new essential services facility for San Mateo County. .

FISCAL IMPACT:

The cost of the making One Circle Star Plaza an essential services building is estimated to be \$3.3 million. This amount includes \$2.2 million for the seismic retrofit of the structure which was estimated by the structural engineering consultants and \$1.1 million for the back-up generators and heating and ventilation system that is required for the dispatch area. The \$3.3 million compares with a \$4.4 million estimate to construct a stand-alone essential services building on the new County jail site.

**COUNTY OF SAN MATEO
APPROPRIATION TRANSFER REQUEST**

REQUEST NO.
AIR 12-036

DEPARTMENT County Manager's Office / Non-Departmental Services

DATE 05/02/12

1. REQUEST TRANSFER OF APPROPRIATIONS AS LISTED BELOW:

	C O D E S		AMOUNT	DESCRIPTION
	FUND OR ORG.	ACCOUNT		
From	80120	8612	3,300,000 00	Non-Departmental ERAF Reserves
	85170	2731	3,300,000 00	Operating Transfers In
To	80110	7546	3,300,000 00	Operating Transfers Out-Capital Projects
	85170	7211	3,300,000 00	Fixed Assets-Structures/Improvements

Justification. (Attach Memo if Necessary)

To make seismic upgrades and improve heating and ventilation system at Circle Star South building. See Board memo dated April 26, 2012 for May 8, 2012 Board meeting.

DEPARTMENT HEAD

BY: *[Signature]*

DATE 5/2/12

2. Board Action Required

Four-Fifths Vote Required

Board Action Not Required

Remarks:

COUNTY CONTROLLER

TA BY: *[Signature]*

DATE 5/2/12

3. Approve as Requested

Approve as Revised

Disapprove

Remarks:

COUNTY MANAGER

BY: *[Signature]*

DATE 5-3-12

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BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA
RESOLUTION TRANSFERRING FUNDS

RESOLUTION NO. _____

RESOLVED, by the Board of Supervisors of the County of San Mateo, that

WHEREAS, the Department hereinabove named in the Request for Appropriation, Allotment or Transfer of Funds has requested the transfer of certain funds as described in said Request; and

WHEREAS, the County Controller has approved said Request as to accounting and available balances, and the County Manager has recommended the transfer of funds as set forth hereinabove:

NOW, THEREFORE, IT IS HEREBY ORDERED AND DETERMINED that the recommendations of the County Manager be approved and that the transfer of funds as set forth in said Request be effected.

Regularly passed and adopted this _____ day of _____, 19____.

Ayes and in favor of said resolution:

Noes and against said resolution:

Supervisors: _____

Supervisors: _____