



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent Report
April 27, 2010

**Honorable Mayor and
Members of the City Council**

Title: Contract Award for Design Services for the Theater Renovation Project

Location/Council District: 1301 L Street, District 1

Recommendation: Adopt a **Resolution** 1) approving and authorizing the City Manager or his designee to execute an agreement with Westlake Reed Leskosky Architects for design services for the Community Center Theater Renovation for an amount not to exceed 3.52 million; and 2) reduce or eliminate funding by \$2.76 million in Community Center Fund (Fund 6010) Capital Improvement Projects (CIPs) to balance the Community Center Fund for Fiscal Year (FY)2009/10 due to shortfalls in Transient Occupancy Tax (TOT) receipts.

Contact: Judy Goldbar, General Manager, 808-5630; and Tina McCarty, Administrative Officer, Sacramento Convention Center Complex, 808-8220

Presenters: N/A

Department: Convention, Culture and Leisure

Division: Convention Center Complex

Organization No: 17001151

Description/Analysis

Issue: On October 20, 2009 Council directed staff to issue a Request for Qualifications (RFQ) for an architectural firm to complete the design services needed for the Community Center Theater Renovation project. The RFQ process has been completed and Westlake Reed Leskosky (WRL) was found to be the best firm to deliver the design services needed for the renovation project. Staff is

recommending that Westlake Reed Leskosky be awarded the contract for design services.

The City has a legal obligation to begin construction of the renovation project, in order to address accessibility issues, by the summer of 2011.

To balance the Community Center Fund for fiscal year 2009/10 caused by reduced TOT proceeds, it is recommended that multiple CIP's be defunded and/or closed and all funding be returned to the Community Center Fund (Fund 6010) fund balance.

Policy Considerations: This report is consistent with the City's Strategic Plan Goal of Promoting and Supporting Economic Vitality by allowing the Community Center Theater to remain competitive while providing a cultural venue for residents and visitors alike.

Environmental Considerations: See CEQA section, below.

California Environmental Quality Act (CEQA):

The Community Development Department, Environmental Planning Services Division, has reviewed the Theater Renovation project and has determined that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) under Class 2, Section 15302. The proposed project involves the replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced.

Sustainability Considerations: Leadership in Energy and Environmental Design (LEED and Title 24 Energy Compliance have been included in the requirements for the design firm selected. Energy efficiency and sustainability are included in the goals for the renovation project. The current systems such as heating, ventilating and air conditioning (HVAC), electrical, and fire safety systems, among others are original to the building (35+ years) and thus are subject to replacement through the renovation. Efficiency and functionality are the top priority in the systems replacements.

Other: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: The Community Center Theater (Theater) is a 35 year old facility that has not been renovated since its opening. Removing barriers to accessibility are among the top priorities of the renovation as well as additional restrooms, concessions and lobby space, to meet the expectations of today's audiences.

Infrastructure needs such as electrical, heating and air, sound, and life safety systems need updating and in some cases replacement. Lastly, the clients or promoters of the performances require some additional space and updating of current back of house areas, such as the rehearsal space and the loading dock. Westlake Reed Leskosky Architects have an intimate knowledge of the Theater as they completed the conceptual renovation design in 2007. In addition, WRL has extensive experience in renovating theaters, most notably the Phoenix Symphony Hall, which was a very similar project to the Sacramento Theater. The architect's deliverables include refining the concept and developing alternatives for Council consideration, including phased construction based on timeline and funds available for project.

Financial Considerations: The Community Center Theater operates as part of the Convention Center Complex and is supported by the Community Center Enterprise Fund. The renovation project can be supported by the Community Center Fund Capital Improvement Plan (CIP) budget by initially paying for the preliminary design work. The proposed design contract is for \$3.5 million, but is phased to allow for progress as funding is available. After defunding a portion of the Theater CIP (M17100100), there will be approximately \$1.4 million remaining in the project. The remaining Theater CIP funds (M17100100) together with the FY2009/10 and partial FY2010/11 Facility Fee revenue will fund the architect's contract through construction drawings, initial general contractor consulting contract, and facility staff labor. There will be approximately \$1.3 million of the total design contract for construction administration that will be funded with bond proceeds as they become available. The contract requires that Westlake receive notice-to-proceed documentation prior to commencing work on each phase to ensure that funding is available.

The finance plan for the remaining project costs will require bonding funding up to \$37.5 million in late FY2010/11. The Community Center Fund has the means of sustaining future bond payments from a \$3.00 per theater ticket facility fee, which will account for approximately \$1 million of the annual bond payment. The remaining bond payment will be paid from TOT and Convention Center Complex User Fee proceeds. In FY2011/12 existing debt requirements for the 1991 Certificate of Participation (COP) Bonds will be retired, allowing approximately \$2.7 million of annual income to be applied toward future debt for the theater renovation.

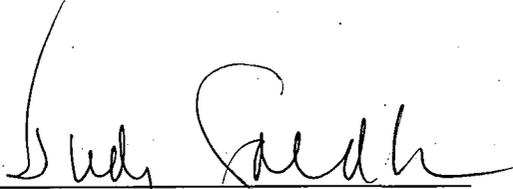
The following chart summarizes the CIP adjustments necessary to fill a gap in operating funding caused by a drop in TOT proceeds in Fund 6010:

CIP Name / Number	Current Budget	Budget Change
Orchestra Shell (M17101300)*	\$ 400,000	\$ (400,000)
Exhibit Hall Lighting (M17100900)*	\$ 300,000	\$ (290,000)
Theater Renovation (M17100100)	\$ 2,380,000	\$ (1,000,000)
Panatoni HVAC (M17100600)	\$ 220,000	\$ (170,000)
Memorial Auditorium Improvements (M17101000)	\$ 1,050,000	\$ (400,000)
Marquee (M17101100)	\$ 700,000	\$ (500,000)
	\$ 5,050,000	\$ (2,760,000)

* Projects to be closed without being completed.

Staff recommends that City Council authorize the above reductions or closures to the Community Center Capital Program and all funding shall be returned to the Community Center Fund (Fund 6010) fund balance.

Emerging Small Business Development (ESBD): Westlake Reed Leskosky is not an ESBE certified firm.

Respectfully Submitted by: 
 Judy Goldbar, General Manager
 Sacramento Convention Center Complex

Approved by:  FOR
 Barbara E. Bonebrake, Director
 Convention, Culture and Leisure Department

Recommendation Approved:

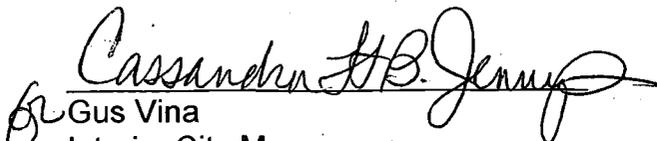

 Gus Vina
 Interim City Manager

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Attachments

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Attachment 1**Background****The following is a timeline of past events:**

- The Community Center Theater (Theater) was built in 1974 and has not had a major renovation since opening.
- In 2007 conceptual design for renovation of the existing theater was completed by architectural firm, Westlake Reed Leskosky Architects, Inc. given the critical needs of building system replacement, American Disability Act (ADA) accessibility, customer requirements, and back of house improvements.
- A concept design was created addressing the above priorities with an estimated cost of \$40 million.
- A funding strategy has been identified whereby the Community Center Fund will pay for the preliminary Design Phase of the project (\$2.5 million) over the next two fiscal years (FY2009/10 – FY2010/11), in order to request award of a construction contract in early 2011.
- The remainder of the project cost would need to be bonded under the current plan (\$37.5 million) in FY2010/11, with construction commencing in the summer of 2011 and a project completion date of late summer 2014.
- Council approved and staff implemented a not-to-exceed \$3.00 per ticket facility fee to support the Theater. The facility fee was implemented on July 1, 2008 at \$1.50 per ticket and was increased to \$3.00 per ticket on July 1, 2009.
- October 20, 2009, Council accepted the current conceptual design for renovating the Community Center Theater and directed staff to issue a request for qualifications (RFQ) to select the architectural firm to provide design services for the project.
- March 16, 2010, City Council approved the use of the design-assist alternative project delivery method based on Section 3.60.170 of the City Code, as this method has proven to be successful in delivering construction projects on schedule and within budget.
- The RFQ selection process was completed in February, 2010. The selection panel selected Westlake Reed Leskosky as the best suited firm to complete the design for the Theater renovation project.

The following is a more detailed listing of items and issues that the current renovation plan will address:

Building Systems:

- HVAC renovation & replacement
- Electrical renovation
- Sound upgrades – house and lobby
- Fire/safety systems upgrades

ADA Improvements:

- Seating re-configuration for ADA access in front section including direct emergency exits
- Mobility path of travel created to front section of house seats
- Additional ADA restrooms
- Access path to stage for all patrons

House - Interior Seating Area:

- New seats and seating configuration with cross aisle and two additional entry aisles
- Minor acoustic improvement features

Technical- Back of House:

- Retro-fit existing entry doors to improve backstage utilization
- Sound and lighting system upgrades
- Additional show storage space and new space-efficient orchestra shell
- Updated lighting and sound instruments

New Multi-Purpose Room able to be used for:

- Performers rehearsals
- Black Box Theater
- Green room
- Mega Star dressing room
- Pre-function *meet & greet*, etc.

Lobby Area:

- Slightly Increased lobby space
- Slightly expanded box office
- Additional permanent concession area
- Addition of 2nd floor VIP pre-function space, including concession area and dedicated restrooms

Exterior:

- Add permanent, covered patio on 13th Street and L Street
- New grand entrances on 13th and L and 13th and K Streets
- New glass exterior on south side along L Street
- New loading dock increasing truck capacity from one truck to three
- New lighting landscape and potential for iconic exterior feature

Theater Renovation Details

The current renovation plan addresses all of the above concerns by re-configuring some existing spaces and adding approximately 15,000 new square feet to the building. The seating area, or *House*, will be brought up to today's building standards including integrated, accessible seating by creating a cross aisle (left to right) and two additional aisles (back to front). This will be a vast improvement over the existing seating configuration, which can only accommodate wheelchair seating in the last row. Aging facility systems will be replaced to allow increased energy efficiency and safety upgrades.

The plan calls for re-configuration of existing restrooms combined with additional square footage to accommodate ADA accessibility and a 50% increase over current commode counts. Increasing the restroom facilities and thereby decreasing the wait to use them will offer increased opportunities to provide patrons with concession items. Hence, upgrading and expanding points of sale for concessions and overall lobby space are other important features of the proposed plan.

Expanding the lobby and restroom areas presents an opportunity to add some interest to the exterior of the existing concrete building. Current concept plans call for a wall of glass on the southern side, which overlooks Capital Park on L Street. This will allow pedestrians to get a feel for the art that is going on inside the facility, a feature lacking in the current building. Additionally, there can be art opportunities of a more iconic flare in the expansion areas to emphasize the Theater's role as a downtown anchor.

Finally, expansion of the back stage area will provide accessible dressing rooms and more show storage and rehearsal space. A re-configured and expanded loading dock will provide cost savings to the promoters and allow for more efficient move in/out of shows. Also, by increasing rehearsal space for shows, the concept design includes a multi-use space which can accommodate a full-sized symphony for rehearsals and can be used as a black box theater, a pre-function space, a mega star dressing room, or a green room.

On March 16, 2010, Council approved the use of the Design-Assist method for delivery of this project. The Design-Assist method will allow the General Contractor to join the design team in completing the design over the next twelve months and will ensure that the contractor has an intimate understanding of the design and approach to the construction and its timeline. Currently a Request for Qualifications (RFQ) is open with responses due to the City in mid-April for general contracting services. This process is consistent with the alternative delivery approaches recommended in the Smith-Culp Report, and adopted by City Council on December 2, 2003 (Resolution No. 2003-853).

If approved, the project's milestones are as follows:

- July 2010 Council asked to approve construction contractor selected for project and award a contract for the design assist (\$80,000).
- May 2010 – March 2011 Design development
- Fall 2010 Council to approve design concept and phased development
- January 2011 Council to receive updated project cost estimate
- March 2011 Council requested to award construction contract
- June 2011 – September 2011 Heavy construction while Theater is not in use.
- September 2011 – June 2012 Unobtrusive construction will continue while Theater is open.

Final project completion is expected at the end of summer 2013. The Theater will remain open for each arts season (Fall through early Summer), and will be closed for heavy construction during the off-season months of June – August of 2011, 2012, and 2013.

RESOLUTION NO. 2010-

Adopted by the Sacramento City Council

Contract Award for Design Services for the Theater Renovation Project

BACKGROUND

- A. The Community Center Theater (Theater) was built in 1974 and has not had a major renovation since opening.
- B. In 2007 conceptual design for renovation of the existing theater was completed by architectural firm, Westlake Reed Leskosky Architects, Inc. given the critical needs of building system replacement, ADA accessibility, customer requirements, and back of house improvements.
- C. A concept design was created addressing the above priorities with an estimated cost of \$40 million.
- D. A funding strategy has been identified whereby the Community Center Fund will pay for the preliminary Design Phase of the project (\$2.2 million) over two fiscal years (FY2009/10 – FY2010/11). The remainder of the project cost would need to be bonded under the current plan up to (\$37.5 million) in FY2010/11, with construction commencement in the summer of 2011 and a project completion date of late summer 2014.
- E. Council approved a not-to-exceed \$3.00 per ticket facility fee to support the Theater. The facility fee was implemented on July 1, 2008 at \$1.50 per ticket and was increased to \$3.00 per ticket on July 1, 2009.
- F. October 20, 2009 City Council directed staff to issue a request for qualifications (RFQ) to secure an architectural firm to provide design services for the project and granted authorization to move current and future collections of the ticket facility fee from the Community Center Fund (17000-6010-17001121-348010) revenue account and adjust the budget to the Theater Renovation CIP M17100100 for these receipts.
- G. March 16, 2010, City Council approved the use of the design-assist alternative project delivery method based on Section 3.60.170 of the City Code, as this method has proven to be successful in delivering construction projects on schedule and within budget.
- H. Through the use of an RFQ process, Westlake Reed Leskosky Architects was found to be the best firm to complete the design for the Theater renovation.

- I. City staff and Westlake Reed Leskosky have developed an alternate design-funding strategy that will protect the City from incurring design costs in excess of available funding by breaking design development into phases and issuing notice-to-proceed documentation as funds are available.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager or his designee is authorized to execute an agreement between the City and Westlake Reed Leskosky Architects for design services for the Community Center Theater Renovation Project for a not-to-exceed amount of \$3.52 million.
- Section 2. The following budget adjustments to the Community Center Capital Program are hereby approved and available resources shall be transferred back to Community Center Theater Fund (Fund 6010) balance:

CIP Name / Number	Current Budget	Budget Change
Orchestra Shell (M17101300) *	\$ 400,000	\$ (400,000)
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* Projects to be closed without being completed.

- Section 3. Capital Projects being completely defunded without being completed as identified in the above chart shall be closed.
- Section 4. Based on the determination and recommendation of the City's Environmental Planning Services Manager and the oral and documentary evidence received at the hearing on the Project, the City Council finds that the Project is exempt from review under Section 15302 (Replacement or Reconstruction) of the California Environmental Quality Act Guidelines as follows:

The Community Theater Renovation project consists of the replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced.