



REPORT TO COUNCIL

City of Sacramento

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

Consent Report
March 9, 2010

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

**Title: Community Center Theater Renovation (M17100100) Authorization to use
Design-Assist Project Delivery Method (Two-Thirds Vote Required)**

Location/Council District: 1301 L Street, District 1

Recommendation: Adopt a **Resolution:** 1) suspending competitive bidding for the construction of the Community Center Theater Renovation Project as it is in the best interests of the City; and 2) approving the Design Assist delivery method for this project.

Contact: Tina McCarty, Administrative Officer, Sacramento Convention Center Complex, 808-8220; Judy Goldbar, Sacramento Convention Center General Manager 808-5630; and Cynthia Kranc, Facilities Manager, 808-2258

Presenters: N/A

Department: Convention, Culture and Leisure and General Services

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. On December 4, 2009 staff issued an RFQ for the design services and staff is currently proceeding with the selection process. At this time, staff is requesting authorization to use 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. The

City has a legal obligation to begin construction of the renovation project by the Summer of 2011. Using the traditional, competitive bidding process could extend the project construction commencement beyond the required summer of 2011 start date.

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.

The recommendations in this report are in accordance with the provisions of City Code section 3.60.170, subdivision D, which states that competitive bidding is not required when, upon a two-thirds vote of the City Council, it is determined that it is in the best interests of the City to suspend competitive bidding for a contract.

Environmental Considerations:

California Environmental Quality Act (CEQA):

CEQA review of the project will be completed during project design.

Sustainability Considerations: LEED and Title 24 Energy Compliance have been included in the requirements for the design firm selection. Energy efficiency and sustainability are included in the goals for the renovation project. The current systems such as 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: N/A

Commission/Committee Action: None.

Rationale for Recommendation: Suspending competitive bidding is recommended in the best interest of the City to allow the use of the design-assist alternative project delivery method. This project delivery method has proven to be successful in delivering construction projects on schedule and within budget. The design-assist project delivery method is recommended for the use in delivering the Community Center Theater Renovation project for the following reasons:

- Faster delivery method than the traditional design-build method;
- Allows the contractor to work closely with the design team to determine the construction details and methods of construction, and complete the constructability reviews early in the process;

- Provides a more efficient construction environment and reduces the potential for change orders;
- Allows the City to select a contractor team through a competitive RFQ process, based on their unique qualifications and experience with performing arts facilities and phasing construction work around existing performance commitments; and
- Allows construction trades to be competitively bid.

The 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:

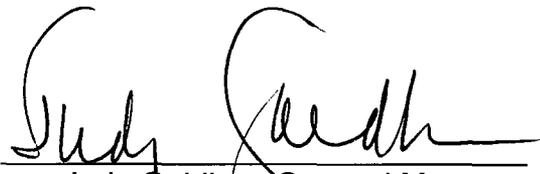
March 2010	RFQ issued for construction design-assist contract.
Spring 2010	Council Award of design services contract (including phased approach to design and build).
Spring 2010	Council selection of Construction Contractor for project and issuing small contract for the design assist (\$80,000).
Spring 2010 – March 2011	Design Development
Fall 2010	Council approval of design concept and phased development
January 2011	Council to receive updated project cost estimate
March 2011	Council Award of Construction Contract (or phase of 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 2014. 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, 2013, and 2014.

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 CIP budget by initially funding the preliminary design work, estimated at approximately \$2.5 million from available funds in the Theater Renovation CIP (M17100100). The finance plan for the remaining project costs may require bonding up to \$37.5 million in Fiscal Year (FY) 2010/11. Funding within the Community Center Fund will come from a \$3.00 per theater ticket facility fee, which will account for approximately \$1 million dollars of the annual bond payment. The remaining annual bond payment amount, anticipated to be approximately \$2.8 million, will come from Transient Occupancy Tax (TOT) and Convention Center Complex User Fee proceeds. In FY2011/12 existing debt requirements for the 1991 Certificate of Participation (COP) bond will be retired, allowing approximately \$2.7 million of annual income to be applied to the future bond for the theater Renovation. In the event funds are not available for entire project, a phased approach to project delivery may be presented.

Emerging Small Business Development (ESBD): Contractors will be required to commit to twenty percent participation of ESBE businesses for this project.

Respectfully Submitted by:



Judy Goldbar, General Manager
Sacramento Convention Center Complex



Cynthia Kranc
Facilities Manager

Approved by:

 FOR

Barbara E. Bonebrake, Director
Convention, Culture and Leisure Department

 FOR

Reina J. Schwartz
Director, Department of General Services

Recommendation Approved:

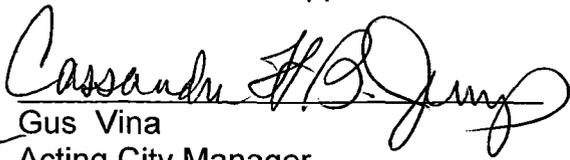

Gus Vina
Acting City Manager

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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 renovation of the existing theater was completed by architectural firm, Westlake Reed Leskowsky Architects, Inc. given the critical needs of building system replacement, 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 commencement in the summer of 2011 and a project completion date of late summer 2014.
- Council approved and staff implemented an up to \$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.

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

RESOLUTION NO. 2010-

Adopted by the Sacramento City Council

COMMUNITY CENTER 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 renovation of the existing theater was completed by architectural firm, Westlake Reed Leskowsky 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 (\$2.5 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 an up to \$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 Council directed staff to issue a request for qualifications (RFQ) to secure an architectural firm to provide design services for the project.
- G. Section 3.60.170 of the city Code allows the City Council to suspend competitive bidding when it finds, by a two-thirds vote, that suspension is in the best interest of the City. Suspending competitive bidding is recommended in the best interest of the City to allow the use of the design-assist alternative project delivery method. This project delivery method has proven to be successful in delivering construction projects on schedule and within budget.

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

- Section 1. Competitive bidding for the construction of the Community Center Theater Renovation Project is suspended as it is in the best interest of the City.
- Section 2. The Design Assist delivery method is approved for this project.