

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: DAN HENNESSEY, DIRECTOR OF TRANSPORTATION
AND PUBLIC WORKS
SUBJECT: HEARN COMMUNITY HUB PHASE 1 CONTRACT AWARD,
BUDGET AMENDMENTS, CEQA FINDINGS AND ADOPTION,
DELEGATIONS OF AUTHORITY

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Fire Department, Finance Department, and Transportation and Public Works Department that Council, by resolution: 1) find pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15168 and 15162 that the Hearn Community Hub Project is within the scope of the previously certified 2016 Program Environmental Impact Report for the Roseland Area/Sebastopol Road and Roseland Area Annexation Projects Specific Plan and that no further environmental review is required as documented in the CEQA checklist prepared for the Hearn Community Hub Project; 2) award Design-Build Contract No. C02412, Hearn Community Hub Phase 1, in the amount of \$31,000,000 to the best value Design-Build entity, Swinerton Incorporated of Sacramento, California, approve a 6.4% contingency in the amount of \$2,000,000 for a total contract amount of \$33,000,000, and authorize the City Manager or designee to negotiate and execute the Design-Build Contract with Swinerton Incorporated and any amendments thereto and any related agreements pertaining to Additive Enhancements, Voluntary Enhancements and Additive Alternates; 3) amend the Fiscal Year 2024-25 budget to increase appropriations in the amount of \$3,000,000, from the Public Safety and Prevention fire fund reserves; and 4) approve the Agreement for Development and Construction of a Regional Library Branch in Southwest Santa Rosa with the Sonoma County Library and authorize the City Manager to execute such agreement and to negotiate, appropriate and execute all related agreements, documents and any amendments thereto with the Sonoma County Library required to receive any additional funding from the Sonoma County Library, including increasing appropriations for revenue, transfers and expenditures.

EXECUTIVE SUMMARY

This resolution will 1) find pursuant to State CEQA Guidelines Sections 15168 and 15162 that the Hearn Community Hub Project is within the scope of the previously certified 2016 Program Environmental Impact Report (EIR) for the Roseland Area/Sebastopol Road and Roseland Area Annexation Projects Specific Plan and that

no further environmental review is required as documented in the CEQA Checklist prepared for the Hearn Community Hub; 2) award Design-Build Contract No. C02412, Hearn Community Hub Phase 1 (Project), in the amount of \$31,000,000 to the best value Design-Build entity, Swinerton Incorporated (Swinerton Builders) of Sacramento, California, approve a 6.4% contingency in the amount of \$2,000,000 for a total contract amount of \$33,000,000, and authorize the City Manager or designee to negotiate and execute the Design-Build Contract with Swinerton Incorporated and any amendments thereto and any related agreements pertaining to Additive Enhancements, Voluntary Enhancements and Additive Alternates 3) amend the Fiscal Year (FY) 2024-25 budget to increase appropriations in the amount of \$3,000,000, from the Public Safety and Prevention (PSAP) Fire fund reserves; and 4) approve the Agreement for Development and Construction of a Regional Library Branch in Southwest Santa Rosa with the Sonoma County Library and authorize the City Manager to execute such agreement, to negotiate and execute all related agreements, documents and any amendments thereto with the Sonoma County Library required to receive any additional funding from the Sonoma County Library and to increase appropriations for revenue, transfers and expenditures related to such funding.

The Hearn Community Hub project is an investment in the Roseland area in collaboration with the Sonoma County Library to develop services comparable to those in other areas of the City. Using community input gathered in three separate community outreach events, the City has developed a plan for creating a “Hub” at Hearn Avenue.

The Project furthers Council Goals #3 to ensure a healthy and safe community for all, and #5 to build and maintain a sustainable infrastructure.

BACKGROUND

On January 12, 2022, Council voted unanimously to approve the purchase of an approximately six-acre site for the proposed Hearn Community Hub. The property was selected in part due to its proximity to neighborhood schools and projected residential growth in the area.

In 2022, staff from the City of Santa Rosa and the Sonoma County Library coordinated a block party, two project meetings, a town hall meeting, and community workshops to obtain input and to encourage public participation regarding the possibilities of the land uses at the site. This included a community needs assessment and engagement with community partners, public agencies, youth, and families to brainstorm and prioritize innovative and effective community investments that support positive, sustainable, and culturally relevant changes in the southwest Santa Rosa community.

Resulting from the public engagement, the following priorities of use of the 6-acre site were determined: 10,000 square foot (SF) Fire Station, 20,000SF Community Center, 28,000SF Aquatic Center, 20,000SF Library, and extension of Dutton Avenue.

In September 2022, a preliminary estimate of \$73,210,000 was provided by JLL Inc.; anticipated funding sources were \$47,259,131.

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In March 2023, the City of Santa Rosa procured the services of Kitchell Capital Expenditures Managers (Kitchell) in collaboration with Group 4 Architecture Research + Planning, Inc. A conceptual plan and program were developed to further refine the Project. Kitchell then developed a conceptual cost estimate with the total build out costs of \$135,116,886. Considering the anticipated funding, it was determined that a phased construction approach would best suit the project. Careful consideration of the community's necessities and desires led to the determination to develop an approximately 10,000SF Fire Station, an approximately 20,000SF Library, and the limited extension of Dutton Avenue along with site development as part of the Hearn Community Hub Phase I (Project). The future phases will include a multicultural community center-gymnasium along with development of the entire project site to include parking and further extension of Dutton Avenue.

As a result of the refined program, a Phase 1 revised conceptual estimate was developed by the project team. The revised budget estimate totaled \$50,775,972. Due to loss of anticipated funding from the Library and revisions to the general funds, the committed funding sources were then adjusted to a total of \$45,362,293.

As the program and site studies were developed, site specific factors contributing to a higher than typical project cost were identified. These factors included: 1) storm water considerations and 2) remediation of poor soil conditions. As a result, another conceptual cost estimate for the Project was developed by the project team totaling to \$61,801,854. The funding sources remained unchanged at this point.

In an effort to address the project budget deficit, the project management team completed the following actions: 1) performed a value engineering effort to identify potential cost savings 2) refined the project program 3) adjusted Library square footage to approximately 15,000SF 4) continued pursuing additional funding from the Sonoma County Library and 5) issued a Design-Build solicitation with a stipulated sum. The implementation of the stipulated sum with additive alternatives allows the project team to determine the best value utilizing the current budget as well as anticipated funding sources. As a result of these efforts the revised Project estimated budget was \$51,856,342 with committed funding sources increased to a total of \$46,362,293.

PRIOR CITY COUNCIL REVIEW

On July 13, December 7 and 21, 2021, in closed session, Council gave direction to staff on price and terms to negotiate the purchase of 976, 980 and 1004 Hearn Avenue.

On January 11, 2022, Council by Resolution No. RES-2022-010 approved the acquisition of 976 Hearn Avenue, APN 043-191-020; 980 Hearn Avenue, APN 043-191-019; and 1004 Hearn Avenue, APN 043-191-020.

On February 15, 2022, Council by Resolution No. RES-2022-029 amended the City Classification and Salary Plan for permanent budgeted positions as follows:

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- Add 1.0 Full Time Equivalent (FTE) Media Services Technician Limited Term, expiring June 30, 2025, Unit 7 Technical, in the Information Technology Department.

On February 15, 2022, Council by Resolution No. RES-2022-029 approved the spending plan for American Rescue Plan Act funds by increasing appropriations for various programs as defined in Exhibit A and Exhibit B of the Staff Report dated February 15, 2022.

On February 15, 2022, Council by Resolution No. RES 2022-029 authorized the City Manager to implement these changes consistent with the orderly and continual administration of the City's Classification and Salary Plan.

On June 21, 2022, Council by Resolution No. RES-2022-029 approved and authorized the City Manager or designee to negotiate and execute a Professional Services Agreement with RossDrulisCusenbery Architecture, Inc., a Sonoma, California firm, for the completion of the Hearn Community Hub – Needs Assessment and Collaboration Project, via Resolution No. RES-2022-123.

On July 12, 2022, Council by Resolution No. RES-2022-150 increased appropriations by \$10,000,000, using PG&E settlement funds assigned in the General Fund reserves, for the Roseland Library project.

On January 10, 2023, Council by Resolution No. RES-2023-003, 1) approved the use of the Design-Build procurement method as in the best interest of the City; 2) authorized issuance of a Design-Build Request for Proposals for Hearn Community Hub; and 3) approved a Professional Services Agreement with Group 4 Architecture Research + Planning, Inc. of South San Francisco, California, to provide preliminary architectural/engineering design and Design-Build bridging documents.

On February 28, 2023, Council by Resolution No. RES-2022-041 authorized the City Manager to negotiate and execute an agreement with Kitchell/CEM, Inc. using the City's Standard Professional Services Agreement, in a not to exceed amount of \$5,812,022 for technical advisory, project management, construction management and inspection services for the Hearn Community Hub, subject to approval as to form by the City Attorney.

On July 11, 2023, Council by Resolution No. RES-2023-116 1) accepted a grant award from the California State Library Targeted State Grants for construction of the new permanent library within the Hearn Community Hub in the amount of \$5,000,000; 2) authorized the Assistant City Manager, or designee, to execute all related documents required for receiving such funds; and 3) authorized the City Manager to increase appropriations to account number 17662 by the amount of the grant award.

ANALYSIS

The new Fire Station 8 for the Santa Rosa Fire Department is prioritized in the project and potentially includes conference rooms and multiuse emergency operations spaces above the fire operations. Fire Station operations, bedrooms and living areas are all to be on the first floor and efficiently adjacent to the apparatus bays. The core facilities of the station (kitchen, dining, dayroom, restrooms, fitness room and apparatus support spaces) shall be designed to accommodate six on-duty personnel for staff training.

The Sonoma County Library (Library) is a separate entity from the City and is a countywide system, encompassing all nine cities and the unincorporated areas. A Joint Powers Agreement, created in 1975 and revised in 2014, established the Library as a separate public agency. The Sonoma County Library Commission is an 11-person body responsible for governing the Library. Commissioners are appointed by the cities in Sonoma County and the County Board of Supervisors. Today, the Library serves half a million county residents at 12 regional libraries, two rural stations, three special collections, along with a wide variety of digital resources.

Both City of Santa Rosa and the Library aim to establish a new regional library as part of the Project that will strengthen the community by providing Roseland residents a reliable facility to serve as a destination where all ages can feel welcome, learn, and connect.

Due to budget constraints a Stipulated Sum approach has been utilized as the contracting method for this project. The Request for Proposals (RFP) was issued with a stipulated sum of \$33,000,000. To promote a competitive selection process, proposing Design-Build teams were encouraged to maximize value by identifying one or more enhancements, which are defined as: demonstrated benefits to the project that are beyond the minimum requirements as established in the RFP. Three enhancement types were suggested:

- Additive Enhancements are benefits to the project that have been identified by the City, Stakeholders and Project team. Design-Build proposers may elect to include additive enhancement within their Stipulated Sum to gain competitive advantage.
- Voluntary Enhancements are benefits to the project that have been provided by the Design-Build proposers. Design-Build proposers may elect to include additive enhancement within their Stipulated Sum to gain competitive advantage.
- Additive Alternates are benefits to the project that have been excluded from the Design-Build proposers Stipulated Sum but can be added to the Stipulated Sum total if elected by the City, Stakeholders or Project team.

The solicitation of the Design-Build Contract was a two-step process reviewed by an experienced Selection Committee, in accordance with Santa Rosa City Code Section 3-60.120, consisting of the following:

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- One (1) representative from the City of Santa Rosa's Fire Department
- One (1) representative from the City of Santa Rosa, City Manager's Office
- One (1) representative from the City of Santa Rosa Facilities Department
- One (1) representative from the Sonoma County Library
- One (1) Director of Public Works for the City of Larkspur

On February 13, 2024, staff released step 1 of the solicitation with the Request for Qualifications (RFQ). The RFQ is intended to pre-qualify three Design-Builders to participate in the subsequent Request for Proposals (RFP) process. A total of 1496 vendors were notified through PlanetBids, the online bidding platform, and 129 vendors registered as prospective bidders.

On April 2, 2024, the City received ten (10) Statements of Qualifications (SOQ). The Selection Committee reviewed, and scored SOQs based on the following criteria:

- Responsiveness to the terms and conditions of the RFQ
- Design-Builder's organization and members
- Key Personnel qualifications and experience
- Relevant project experience
- Delivery capacity and approach
- Environmental health and safety
- Experience with and requirements for federal grants

Parallel to the Selection Committee's review, staff also checked references, licensing, and debarment databases for all five respondents and confirmed eligibility. The Selection Committee recommended the following three (3) Design-Builders be invited to participate in the RFP (in alphabetical order):

- Alten Construction Inc. and LCA Architects
- Overaa Construction & Noll & Tam Architects
- Swinerton Builders and SKA and Jayson Architecture

On June 12, 2024, staff released step 2 of the solicitation with the RFP to the three (3) shortlisted Design-Builders and on August 28, 2024, the City received three (3) proposals. Due to discrepancies within the proposals received, all 3 proposers were given the opportunity to revise their proposal and align their design with the stipulated sum of \$33,000,000. The revised proposals were received on September 11, 2024. The Selection Committee reviewed and scored proposals based on the following criteria:

- Responsiveness to the terms and conditions of the RFP
- Design-Builder's organization and members
- Proposed design
- Delivery capacity, approach, and scope of services
- Schedule
- Environmental Health and Safety
- Price proposal
- Proposal Interview

In addition, the Santa Rosa community was given the opportunity to provide input on a “Design Presentation Board” provided by the Design-Builders, consisting of a Site plan with total building square footages for phase 1, elevations for the Fire Station and Library and renderings of the proposed spaces.

The community review of the “Design Presentation Board” was an interactive process utilizing an online survey where community members could evaluate which designs best captured their desires for the future Hearn Community Hub. This then accounted for up to a 2% direct impact to the Proposer’s score. The results are as follows:

Design-Build team	Design Presentation Board	Votes	Ranking
Swinerton Builders and SKA and Jayson Architecture	Design presentation board B	101	1
Overaa Construction & Noll & Tam Architects	Design presentation board C	87	2
Alten Construction Inc. and LCA Architects	Design presentation board A	51	3

The survey additionally allowed for feedback in a comment section. City staff gathered these comments and provided them to the Selection Committee during the evaluation period.

All three (3) Design-Builders were invited to participate in interviews. The Selection Committee has made their final decision based on their evaluation of the proposals as well as interview scores. Interview scoring follows:

Design-Build team	Score (Rounded)	Ranking
Swinerton Builders and SKA and Jayson Architecture	85	1
Overaa Construction & Noll & Tam Architects	75	2
Alten Construction Inc. and LCA Architects	69	3

The Selection Committee’s averaged scores for each Design-Builder were as follows:

Design-Build Team	Total Score Rounded	Ranking
Swinerton Builders and Shah Kawasaki Architects and Jayson Architecture	415	1

Overaa Construction & Noll & Tam Architects	397	2
Alten Construction & LCA Architects	359	3

Following the proposal evaluation process, the Selection Committee recommends that the Council award a contract to Swinerton Builders of Sacramento, California for the Project.

Swinerton Builders' proposal is aligned with the Stipulated Sum amount of \$33,000,000 and has been determined to be the best value; staff therefore recommends awarding the contract to Swinerton.

Estimated project schedule milestones:

Notice to Proceed for Design Services: Winter 2024

Design complete/permits obtained: Fall 2025

Notice to Proceed for Construction Services: Fall 2025

Construction begins: Fall 2025

Project complete: Spring 2027

CEQA FINDINGS AND ADOPTION

As noted below, the City conducted an environmental review for the Project. Specifically, the City prepared a 2024 CEQA Checklist which demonstrates that the Project is within the scope of the 2016 Program EIR prepared for the Roseland Area/Sebastopol Road and Roseland Area Annexation Projects Specific Plan pursuant to State CEQA Guidelines Section 15168 and that no further CEQA review is required pursuant to State CEQA Guidelines Section 15162. No new environmental effects have been identified and no new mitigation measures are required beyond those identified in the 2016 Program EIR. Mitigation measures from the 2016 Program EIR are applicable, as well as environmental protection actions which are typically required for projects subject to approvals by the City of Santa Rosa. These are identified in the 2024 CEQA Checklist.

PROJECT FUNDING ANALYSIS

The total cost for the project is estimated to be \$48,223,963 which consists of land acquisition, site development, and construction of a fire station and library. The site additionally allows space for a future community center should funding become available.

To date, the City has received funding from multiple sources including the American Rescue Plan Act (ARPA), PG&E settlement funds, as well as various state grants. In addition, the City will use funds received by the Sonoma County Library (\$10,954,000), and fund balance from the PSAP-Fire (formally Measure O) (\$3,000,000). Additional funding continues to be pursued.

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The City of Santa Rosa and Sonoma County Library have negotiated a Cooperative Funding Agreement. Under the Cooperative Funding Agreement, the funds from Sonoma County Library will be paid to the City in the following manner: forty percent (40%) upon full execution of a design-build contract with the awarded Design-Build Entity; thirty percent (30%) upon issuance of the Notice to Proceed with construction of the Roseland Library; ten percent (10%) upon execution of the Lease Agreement; and twenty percent (20%) upon issuance of a Temporary Certificate of Occupancy for the Library's portion of the Project.

The table below identifies the four project accounts that make up the total Hearn Community Hub Phase 1 Project, including the total appropriations, the amount spent to date, and the amount available.

JL Key	Project budget	Exp. + Encumbrance	Available
17660	\$10,000,000.00	\$4,251,761.51	\$5,748,238.49
17667	\$2,000,000.00	\$0.00	\$2,000,000.00
05094	\$11,259,131.25	\$4,823,565.98	\$6,435,565.27
17662	\$15,000,000.00	\$4,532,713.04	\$10,467,286.96
Total	\$38,259,131.25	\$13,608,040.53	\$24,651,090.72

The table below lists the total estimated cost for the project.

Estimated Project Costs:

Task	Budget
Property Acquisition	\$ 4,862,293
Demolition	\$ 160,000
Pre-design tasks (Criteria design, CEQA, RFQ/RFP, Municipal and building permit fees, project management, construction management and inspection services) (estimated)	\$ 8,401,670
Design-Build contract including contingency	\$ 33,000,000
Project soft costs (City staff, environmental/utility applications, public outreach, stipends, city inspections) (Estimated)	\$ 1,800,000
Total Project Budget	\$ 48,223,963

Funding Plan

The funding plan for this Project totals \$51,816,341 as follows:

Funding Plan

Funding Source	JL Key	Amount	Note
ARPA	17660	\$ 10,000,000	
ARPA- Site	17677	\$ 2,000,000	
PG&E Settlement Funds	17662	\$ 10,000,000	

CA. State Library- Targeted State Grant	17662	\$ 5,000,000	
McGuire Funds-Fire Station-CalOES	05094	\$ 5,000,000	
CFF,SWADIF, General Fund	05094	\$ 4,862,293	
Levine Funds-Fire Station-CalOES	05094	\$ 1,000,000	
Library-California State Library Grant	17662	\$ 1,000,000	Library COOP Funding Agreement
Library Foundation Funds/Graton Rancheria	17662	\$ 4,500,000	Library COOP Funding Agreement
Sonoma County Library	17662	\$ 5,454,048	Library COOP Funding Agreement
Measure O- Fire Station	05094	\$ 3,000,000	
Total Funding		\$ 51,816,341	

FISCAL IMPACT

Approval of this item does not result in an ongoing fiscal impact to the General Fund. The project consists of funding from multiple sources including the American Rescue Plan Act (ARPA), PG&E Settlement funds, fund balance from the PSAP-Fire fund (1206), various State grants and funding passed through to the City from the Sonoma County Library from grants and donations they have received.

The City will receive \$10,954,000 from the Sonoma County Library. The payment structure is set forth in a Cooperative Agreement between the City and the Sonoma County Library, and in the Project Funding Analysis section of this report. The City may request payments when certain milestones are complete, including 40% after the first milestone, 30% after the second, 10% after the third and 20% upon occupancy. The Library payments are to be appropriated to JL Key 17662.

In addition, \$3,000,000 will be appropriated from Fund 1206, PSAP-Fire into JL key 05094, Relocation of Fire Station 8.

ENVIRONMENTAL IMPACT

A programmatic-level Environmental Impact Report, the 2016 Program EIR, was certified for the Roseland Area/Sebastopol Road Specific Plan and Roseland Area Annexation Projects, which analyzed a variety of contemplated land uses within the boundary of the Specific Plan. When the City of Santa Rosa acquired the Project site in 2022, the City prepared a CEQA Checklist that confirmed that the acquisition elements were within the scope of the 2016 Program EIR. The CEQA Checklist for the acquisition elements noted that the intensity, magnitude, and extent of potential public uses for the

properties were not yet then sufficiently known to have enabled meaningful site-specific environmental review, and that further project-level environmental review would be required at the eventual time of approval of public improvements and uses.

The City has now prepared a 2024 CEQA Checklist, attached to the Resolution as Attachment 2, which demonstrates that the Project is within the scope of the 2016 Program EIR prepared for the Roseland Area/Sebastopol Road and Roseland Area Annexation Projects Specific Plan pursuant to State CEQA Guidelines Section 15168 and that no further CEQA review is required for the Project, pursuant to State CEQA Guidelines Section 15162.

No new environmental effects have been identified and no new mitigation measures are required beyond those identified in the 2016 Program EIR. Mitigation measures from the 2016 Program EIR that are applicable to the Project are identified in the 2024 CEQA Checklist.

The Project will need additional agency approvals. The City has begun the process of coordinating with the applicable agencies and initiating permitting applications to streamline the process in the event that the Project is awarded. The following are anticipated to be required:

- U.S. Army Corps of Engineers: Section 404 Permit under the Clean Water Act for filling of wetlands or other waters of the U.S.
- U.S. Fish and Wildlife Service: Section 7 Consultation with the U.S. Fish and Wildlife Service for processing of the Section 404 Permit.
- North Coast Regional Water Quality Control Board: Water Quality Certification under the Clean Water Act for filling of wetlands or other waters of the State or a Waste Discharge Permit for filling State-only wetlands.
- California Department of Fish and Wildlife: Consistency Determination or a Section 2081 Incidental Take Permit for potential impacts on California Tiger Salamander habitat.
- State Water Resources Control Board: General Construction Permit for disturbance of one or more acres of soil.
- Bay Area Air Quality Management District: Authority to Construct/Permit to Operate for operation and maintenance of emergency backup generators.
- Sonoma County Permit Sonoma: permit for installation of a petroleum storage tank at the proposed fire station.

As noted in the 2024 CEQA Checklist, the Project will adhere to applicable mitigation measures from the 2016 Program EIR, as well as environmental protection actions which are typically required for projects subject to approvals by the City of Santa Rosa.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 - CEQA Checklist
- Attachment 2 – Mitigation Monitoring and Reporting Program (MMRP)
- Resolution / Exhibit A - Cooperative Funding Agreement with Library

PRESENTER

George Dyckes, Project Director – Kitchell CEM
Brian Anastacio, Program Manager – Kitchell CEM
Lisa Welsh, Supervising Engineer