



## AGENDA SUMMARY EUREKA CITY COUNCIL

**TITLE:** Budget Allocation for Eureka Operations Complex

**DEPARTMENT:** Engineering

**PREPARED BY:** Katie Marsolan, Project Manager

**PRESENTED FOR:** Action       Information only       Discussion

### **RECOMMENDATION**

1. Authorize budget allocation in the amount of \$1,400,000.00 for fiscal year 24/25 to account 240-4700-7024 for the Eureka Operations Complex project.

### **FISCAL IMPACT**

No Fiscal Impact       Included in Budget      Additional Appropriation

### **COUNCIL GOALS/STRATEGIC VISION**

- **Strategic Vision Two Year Goal:** Construct Public Works Operations Complex
- **2040 General Plan Goal HS-1:** Protection of property, critical facilities, and human life from seismic and geological hazards.
- **2040 General Plan Goal HS-2:** Reduced risk of loss of life, injury, damage to property and economic and social dislocations resulting from flood hazards.
- **2040 General Plan Goal HS-4:** Adequate community response to effectively prepare for, respond to, recover from, and mitigate the effects of natural or technological disasters and emergencies.
- **2040 General Plan Policy HS-4.6 Critical Facilities:** Ensure the continued function of critical facilities such as hospitals, fire stations, police stations, and emergency command centers following a major disaster to facilitate post-disaster recovery. Locate such facilities outside of identified hazard areas.

### **SUMMARY**

The City of Eureka has acquired property, completed CEQA and related environmental studies, and facilitated a concept design and schematic design phase for the development of the Eureka Operations Complex. The Eureka City Council has provided incremental budget authorization at each stage of the project. Staff is returning to Council for the next phase of the project and related budget allocation.

## **BACKGROUND**

In November 2023 the Eureka City Council approved the acquisition of 5.6 acres at Ocean View Cemetery for the development of the Eureka Operations Complex. The City's existing corporation yard (corp yard), located at 945 W. 14<sup>th</sup> Street, is approximately 3.9 acres and serves as the public works headquarters, including storage and repair of City fleet vehicles, storage for public works heavy equipment and tools, crew workspace, materials, supplies, safety equipment, and communications equipment. All functions and operations of the City's existing corp yard will be relocated to the new location with the construction of the Eureka Operations Complex.

In September 2024 the Eureka City Council approved a contract award to Swinerton Builders for Project No. 2024-19 for Construction Manager at Risk Services at the Eureka Operations Complex. Council action also included a budget appropriation of \$520,000.00 for Swinerton Builders for Phase 1 pre-construction services (\$94,500.00) toward site development design, and Phase 2 pre-construction services (\$283,500.00) for the design of finished buildings through construction document development, and for Scott Edwards Architecture to facilitate production of the 100% Schematic Design drawings and basis of design documents (\$142,000.00).

The project is now entering the development of the construction documents in preparation for site work to occur in 2025.

## **DISCUSSION**

The next steps for the Eureka Operations Complex project include the production of construction documents to implement a two-season construction implementation. Phase 1 Construction Services for site development, grading, underground utilities, and building foundations would occur during the dry season of 2025. Phase 2 Construction Services for all finished buildings, auxiliary structures, hard-scape, fencing, security lighting, and landscaping would be constructed during 2026.

The OAC team, Owner-Architect-Contractor, have recently completed the production of the 100% schematic design (100% SD). The project will now advance into design development (100% DD phase), and then construction documents for Phase 1 Site Development (CD Phase 1). When the OAC team reach a preliminary CD Phase 1 drawing set, Swinerton Builders will conduct subcontractor bidding, and will then propose a Guaranteed Maximum Price (GMP). The City will then award a construction contract to Swinerton Builders for the agreed upon GMP, or potentially pursue other methods, such as hard-bid, for a construction bid and award. The recommended award of the GMP construction contract will be presented to the City Council for approval and authorization.

## **FINANCING**

In order to complete a project of this size the City will need to utilize debt financing. Staff are pursuing a financing package that would be amortized over 30 years. Due to the long list of deferred maintenance projects as identified in the Facilities Master Plan, staff plans to utilize the financing package to complete upgrades to City Hall and potentially other City facilities. To accommodate these facility needs the budget for the Eureka Operations Complex has been set at \$21 million for all phases of work beyond schematic design. The remaining funds secured through financing would be dedicated to the other facility projects.

The Operations Complex project timeline is at a critical point for completing construction documents ahead of the 2025 dry season. However, the financing package is still being assembled. Therefore, staff is returning to Council for a budget allocation. The major component of work between February and June 2025 will be the production of the construction documents. Similarly, looking ahead, the project team has identified specific items that will have long-lead times and require early coordination and budget such as electric transformer, generator, and other large utility infrastructure.

The proposed budget allocation of \$1.4 million would provide available budget to account 240-4700-7024 to address immediate items and readiness for the site development construction work to occur in 2025. Immediate items include early PG&E coordination, new PG&E service application fees, or related deposit on PG&E equipment, SWPPP document production, generator and large equipment coordination, and construction drawings produced by Scott Edwards Architecture.

### **REVIEWED AND APPROVED BY:**

- City Attorney  
City Clerk/Information Services
- Development Services  
Finance
- Fire
- Parks and Recreation
- Personnel
- Police  
Public Works

## **ATTACHMENTS**

None