

MUNICIPAL FACILITIES COMMITTEE MINUTES

April 24, 1996, 3:00 p.m.

The meeting of the City of Des Moines Municipal Facilities Committee was called to order by Chair Terry Brazil at 3:00 p.m. Other committee members in attendance were Councilmembers Bob Sheckler and Don Wasson. Also in attendance were City Manager Bob Olander and Finance Director Jim Hathaway.

At the previous Municipal Facilities Committee meeting the committee reviewed with the architect, Steve Arai, the four major alternatives for remodeling the existing police wing at the City Services Center, and possibilities for additional expansion. The committee had previously concluded that minimal or even significant renovation of the existing building was not cost-effective. This is due to the age and condition of the HVAC, electrical, and plumbing facilities, as well as a significant cost of demolishing and reconstructing around the many internal load bearing walls in the structure. The committee determined that the most cost-effective solution would probably be demolition and construction of a new wing (Option A1). The committee had also requested that staff prepare cost alternatives for Option A1 as well as Option D. Option D included infilling a portion of the courtyard in order to provide additional space called for in the City's Facilities Master Plan.

Finance Director Hathaway presented financing alternatives for all four of the previously reviewed alternatives. Essentially, each alternative involves the issuance of councilmanic bonds (non-voted). Such bonds do not add to taxes since pay back must come from existing revenue sources. The prime source of recommended funding was from previously retired councilmanic debt and some debts soon to be retired. Previous councils had directed that as such debt retired, the revenue stream be reserved for this or similar projects. Upon review of the financial alternatives, the committee will recommend Option D to the full City Council. Option D was selected due to the more immediate needs for additional space and projected cost savings in combining the two projects as one. Additional financing is projected to come from one or two expiring projects in the CIP.

RO:sb

CM:MFC4-96

Des Moines City Hall Study Cost Summary

<u>OPTION</u>	<u>M.A.C.C.</u>	<u>PROJECT COST*</u>	
Option A - <u>Police Building</u> (4,704 sq. Ft.)			
1. Demolish and construct new building	\$602,112	\$812,851	(\$128 sq. ft.)
2. Renovate Existing Building (optimum)	\$517,440	\$698,544	(\$110 sq. ft.)
3. Renovate Existing Building (min.)	\$415,000	\$560,250	(\$88 sq. ft.)
Option B - <u>Existing Admin./Courts Rehab.</u> (6,480 sq. Ft.)			
New HVAC, paint, carpet, fire protection	\$192, 347	\$259,668	(\$30 sq. ft.)
Option C - <u>Courtyard Infill</u> (4,712 sq. Ft.)			
	\$593,712	\$801,511	(\$126 sq. ft.)
Option D - <u>Combine Option A-1 & C</u> (9,416 sq. Ft.)			
	\$1,115,824	\$1,506,362	(\$119 sq. Ft.)

(\$80,000 net savings is realized by constructing both projects concurrently. Efficiencies are gained in contractor overhead being spread over a shorter time period, and both owner and contractor having to mobilize and de-mobilize one time instead of twice.)

** Estimated project cost is inclusive of M.A.C.C., S.S.T., construction contingency, and fees (approximately 35% of M.A.C.C.).*