

\$66.5M POLICE+SEISMIC BOND MEASURE: MAY 2017

TO: Mayor and City Council
FROM: Geoffrey James A.I.A. Architect

SUBJECT:
POLICE+SEISMIC PUBLIC SAFETY BOND MEASURE, MAY 2017 (for February 6 Work Session)

ISSUE:

Shall the City Council refer to Salem voters at the May 16, 2017 election a question of issuing general bonded indebtedness to finance the construction of a new police facility and a civic center seismic retrofit?



Conceptual design by Mackenzie BEAVERTON POLICE FACILITY

RECOMMENDATION:

YES

Consider reducing the size and cost of a police facility and civic center seismic retrofit, and refer the Council-preferred option to the May 16, 2017 election. Establish the **115,000** sq.ft. size recommended by the police chief. Determine that the existing 210 surface parking, plus the adjacent Parkade (for staff), is adequate. Reduce the project unit costs (budget) to the average of other new police stations in Oregon, which is under \$400 / sq.ft. (all inclusive).

\$46M POLICE FACILITY 115,000 sq.ft. at **\$400** (the size recommended by the task force)

\$400 is the Beaverton cost per sq.ft. & is a state average. \$550 is what Salem previously assumed.

\$5.5M LAND PURCHASE: O'BRIEN SITE

Beaverton already owned the real estate, so the Salem project cost (above) is without land.

\$15M SEISMIC RETROFIT (as quoted to task force by city staff)

This is the number in the cost estimates for Mirror Pond & O'Brien Site studies, and is what the Task Force was told. It exceeds the actual engineer's estimates however, so allows for inflation.

\$66.5M PUBLIC SAFETY BOND MEASURE (in May 2017) \$46M+\$5.5M+\$15M

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Salem City Council

Dear Mayor, City Councilors, and other city officials:

There still needs to be a lot more discussion about the police facility plan. Salem Community Vision submitted a PLAN B which was a proposal for Police+Seismic, but time is getting short, and a solution needs to be determined, and this month.

Take a look at this post by the Salem Breakfast on Bikes column, who wrote about the City's two-pronged plan. It is very perceptive, and shows the flaws in the current system

<http://breakfastonbikes.blogspot.com/2017/02/city-council-february-6th-police-station-work-session.html>

The post correctly points out that there are a lot more choices that should be considered than the Option 1 and Option 2 in the City of Salem staff report and attachments that were released only yesterday. See:

<https://salem.legistar.com/LegislationDetail.aspx?ID=2953547&GUID=1464ADF0-288D-4FD5-A8C2-1B6FF8FA0FD3>

As another of my Salem Community Vision board members have told you, we have some problems and concerns with both how the new police facility plan is being rolled-out, and the specifics of the plan. For example...

(1) Way back in mid-November we presented our PLAN B for a new police facility. There was plenty of time to involve us, to have us seated at the table during the discussions of your planning group. But this didn't happen. So now we're having to scramble at the last minute to get our input considered and understand the rationale for the City's two options. This is our PLAN B:

<https://www.scribd.com/document/330806932/PLAN-B-for-Building-a-Salem-Police-Facility>

(2) The City staff report doesn't contain the Library seismic retrofit study. That was \$6.5M.

(3) The City staff report was included in the report to Council. However, it doesn't contain the City Hall seismic retrofit study cost estimate. That was \$5.5M, and was redacted from the report. That is outrageous. Instead city staff have substituted an artificial figure of \$29M. We are addressing seismic, not a total remodel and redo of City Hall.

(4) The City staff report erroneously refers to City Hall as the Civic Center. Maybe the report was written by new people. But we were around when the civic center was built. There are three buildings on the Civic Center: (A) Fire Station #1 has already been renovated and strengthened. (B) City Hall is in dangerous condition and the Building Official might order an evacuation, like he did to Courthouse Square: a 45 day notice to evacuate. Are you ready for that? (C) The Salem Public Library also needs a retrofit.

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(5) Staff are apparently quoting wrong figures. Council needs FACTS, not Alternative Facts. The **BMGP** Study on the City Hall estimated seismic as \$5.5M. Not \$29M as quoted by the Manager. The **BERGER** Study on the Library estimated seismic as \$6.5M. Not \$15M was quoted by the Manager.

The **MSC** Study on the City Hall is in the Council packet, but the cost estimate has been redacted. Instead the Manager has substituted a cost sheet (erroneously labelled “civic center” and has inflated the \$5.5M to a creative “\$29M”. Obviously wants to totally redo the facility. But we are talking seismic.

(6) Since we’ll be fortunate to get this erroneous information straightened out, and get the missing **MSC** cost estimate of city hall seismic on Monday, obviously there won’t be enough time for us, or any other citizens, to review it adequately. So, another work session (or more) needs to be scheduled for further public comments.

(7) Some lay people, like an insurance salesman or a non-profit administrator, have made observations regarding the police facility cost per square foot. Specifically, the Cost Per Square Foot comparison chart early on, at the City Club debate between Brian Hines and T.J. Sullivan. These cost comparison figures are indeed accurate and are apples and apples, i.e. a comparison the complete and finished project numbers for several new police facilities in Oregon. These numbers include everything, furnishings, solar collectors, 1% for art, contingency, A&E fees, and the cost of the real estate. These numbers show that this proposal was \$550/sq.ft. and others in the State are \$350 to \$450/sq.ft. Beaverton is about the average at \$400 per sq.ft. (actually it is \$389) and their bond measure passed in November 2016, so they are a good example to look at, and model ours after.

(8) We talked by phone with the Canby police chief. He said that all relevant costs were included in their \$220 per square foot total development cost figure. So, it does appear that a direct comparison between Salem and Canby can be made. Likewise, I see no reason why we can’t accept that the \$35 million police facility bond approved by Beaverton voters last November doesn’t include the total cost of development. Beaverton is using city-owned land for the new police facility; but when we take out the land acquisition cost for Salem, the total development cost per square foot, which seemingly is comparable to Beaverton, turns out to be \$500 per square foot, while Beaverton is spending \$389. We just need to get the total cost per sq.ft. down to a state average for new police stations. It looks like Beaverton is about the average, and we should use this \$400 per sq.ft. total project cost, plus land.

(9) So the cost per square foot of a new Salem police facility certainly needs to be on the discussion table. Just saying this will be addressed by “value engineering” isn’t good enough. Any bond measure presented to citizens must be defensible as reflecting the City’s best efforts to get the most bang for the buck. If the total development cost per square foot remains virtually the same as the initial \$82 million plan (which was \$555, vs. \$548 for the new 115,000 square foot option), it will be much harder to sell to voters. Value engineering is indeed important, but the actual Procurement Method is more effective. A Design-Build contract will result in a lower price. The GC general contractor leads a team of architects, engineers, and builders, working together to find the best way to build this, at the highest quality, and at the lowest price. A good example is Courthouse Square repairs, where the estimate (by the out of town consultant) was \$65M. I challenged that, and spent a few hundred hours, at the invitation of Sam and Janet (of Marion County), and of Jerry Thompson (of Cherriots) demonstrating it could be repaired to as-new condition for \$20M. With new carpet & upgraded

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interiors the cost was \$22.8M. The City's own cost estimate for the Police Facility on the O'Brien site was \$29M in 2013, plus \$15M for civic center seismic. \$55.8M for everything.

(10) Regarding Beaverton, we have confirmed their \$35 million bond measure included the same types of costs included in the \$82 million Salem police facility plan, except they already owned the land. A fair comparison will be \$35M Beaverton and \$42M Salem (plus land). We have all the public documents associated with the Salem planning effort, so naturally I and others in Salem Community Vision are aware of the cost breakdown for the police facility. We know the difference between construction costs and total project costs. I have been estimating these large projects around the world for 50 years, and in 7 states, and 7 countries, since my architect's license in 1966, so know more about this than an insurance person.

(11) My colleagues in SCV are still optimistic that there can be a community consensus on a PLAN B for a new police facility. But as I told you, this depends on several things happening:

- (A) Seismic retrofitting of the Library and City Hall is a must, not a maybe. I can understand why City Hall retrofitting might be put off for a few years. But there needs to be an iron-clad commitment by the City of Salem that this will happen by a certain date. Ironclad. And City staff should stop conflating "Civic Center" and "City Hall." City Hall is one of three buildings on the Civic Center campus. In Steve Powers' staff report he says, "The estimated cost for seismic work and associated expenses for the civic center is \$29.2 million. (attachment 3). An executive summary of the civic center seismic evaluation is included as attachment 4." But "civic center" just means "City Hall."
- (B) This seismic retrofitting should be part of the police facility bond measure, not separated from it. This will increase the chance of the bond measure passing. It also guarantees that proponents of the police facility will advocate equally strongly for the seismic retrofitting.
- (C) Citizens need to have a decent opportunity to weigh in on options for a new police facility plan. Look, my associates led the fight against Measure 24-399. I know which arguments they used that went over best with people. One of the arguments on the Salem Can Do Better web site, which has gotten more than 10,000 views, was this.
See: <https://spark.adobe.com/page/l3TZG/>

(12) So far, and once again, citizens have been shut out of the police facility planning process. As noted above, there was time to collaborate with Salem Community Vision and Salem Can Do Better after the release of our PLAN B document on November 12, 2016.

<https://www.scribd.com/document/330806932/PLAN-B-for-Building-a-Salem-Police-Facility>

(13) Our timeline included:

November-December 2016. City officials and concerned citizens collaborate on coming up with a consensus PLAN B for a new police facility and seismic upgrades to City Hall and the Library. Cost estimates are refined.

This didn't happen. We were prepared to collaborate on a consensus PLAN B, but City officials and proponents of Measure 24-399 decided to convene the group of mayors and first citizens and chamber, and have that group come up with a new plan without us being at the table. Yes, some of us were spoken to individually, but we weren't part of the decision-making process that resulted in the two (costly) options that are discussed in the City staff report. I was finally invited to the last meeting

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of that group, but this was after the options had been decided on, in collusion with the police dept. and the architects, to my understanding.

Anyway, all that is water under the bridge, as the saying goes. I mention it simply to help you understand why it now is more difficult to get a community consensus in the brief time remaining before a possible replacement bond measure is put on the May ballot. I'm hopeful this consensus can happen if the City of Salem utilizes as much time as possible in February to engage citizens in a discussion of what a smaller, less costly police facility should look like and cost.

(14) As noted before, I know for a fact that failing to make the Library and City Hall earthquake-safe in the original police facility plan was a big concern for many voters. Therefore, I say it needs to be a must, not a maybe, in a new police facility plan. This issue is complicated by the City of Salem wanting to spend a bunch of money on what essentially is deferred maintenance/renovations, in addition to seismic retrofitting.

(15) This inflation of "seismic to a complete refurbishment would increase the bond measure cost considerably, whether seismically retrofitting just the Library or both the Library and City Hall are included in the next bond measure. Maybe there is a way to fund the non-seismically related costs by another way, leaving the bond measure a true "Public Safety" bond, rather than partly a "we haven't been maintaining the Civic Center buildings properly and now we're asking for money to do this" bond.

I recommend you include the seismic, i.e. structural work, and defer the other needed deferred maintenance items. Seismic is to save lives. Maintenance is to fix roofs, hvac systems, décor, interior remodeling, and even an exterior coat of paint. All that can wait. Let's get the police facility cost down to Canby or Beaverton levels of say \$300 to \$400 per sq.ft. complete (development costs). Let's include the lifesaving seismic the public are demanding, but use the engineer's numbers of \$5.5M City Hall plus \$6.5M Library, and inflate it to the \$15M budget that the City Engineer told the Task Force it will cost.

(16) The 106,000 sq.ft. Police Station recommended by the Task Force, or the 115,000 sq.ft. recommended by the Police Chief, at under \$400/sq.ft. will be under \$50M

The Seismic Retrofit of the two buildings at the Civic Center will be under \$15M (staff's numbers).

Total Public Safety Bond Measure will be \$66.5M.

I believe we can all support that.

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APPENDIX A

THE NEW BEAVERTON POLICE FACILITY: a cost model for Salem



Conceptual design by Mackenzie

A Success Story:

BEAVERTON POLICE FACILITY

Bond Measure passed in November 2016

90,000 sq.ft.

\$35M (not including land)

\$400 per sq.ft.

compares to:

A Failure Story:

SALEM POLICE FACILITY

Bond Measure FAILED in November 2016

148,000 sq.ft.

\$77M (not including land) \$82M (with land).

\$500 per sq.ft. + land

The average total development cost for new police facilities in Oregon is the **\$400 / sq.ft.**

It is recommended that Salem re-compute the cost estimate and use the state average.

SALEM POLICE FACILITY: scaled down to 115,000 sq.ft.

Bond Measure on the ballot once again in May 2017

115,000 sq.ft.

\$46M (not including land)

\$400 per sq.ft.

\$5.5M land

\$15M Seismic (city hall + library)

\$66.5M bond measure

BEAVERTON POLICE FACILITY:

Here's a description of the police facility, including a video presentation. It says that the facility will meet residents' needs for the next 30 years.

<http://www.beavertonoregon.gov/1757/Public-Safety-Center>

2014 FBI statistics show that Beaverton had 137 officers, and Salem had 181 officers. This translates into 657 square feet per officer for Beaverton (90,000 square feet in new facility) and 635 square feet for Salem at 115,000 square feet. So this is an argument for 115,000 square feet or thereabouts.

But as noted before, the cost per square foot is \$389 for Beaverton, excluding land costs (which were zero), and \$500 for Salem, excluding \$5,473,000 in land costs. So Salem (as currently proposed in February 2017) would cost 129% of the Beaverton comparable cost per square foot.