



Staff Report

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Date: 12/7/2020

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TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Peter Fernandez, PE, Public Works Director

SUBJECT:

Salem Police Station Status Report

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Safe Community; Safe, Reliable, and Efficient Infrastructure

ISSUE:

Status report on Salem Police Station

RECOMMENDATION:

Information Only

SUMMARY:

Construction of the Salem Police Station is substantially complete. This report provides remaining actions that will occur over the next several months, the status of the project budget, and details of the project's progress over the past three years.

FACTS AND FINDINGS:

Remaining Actions

Although construction work is substantially complete and the Police Department has occupied the building, there are several items that will continue onsite through the first half of 2021. Commissioning of building systems, such as heating, ventilation, and air conditioning will continue over the next few weeks. User training for Police and Facilities staff is also ongoing. JE Dunn and

their subcontractors will continue working onsite to complete outstanding items and make corrections identified during inspections. The project team will also continue to assist Police to assess and implement any adjustments necessary to meet the intended function of the facility. When the contract is completely closed out, staff will return to Council in 2021 to provide a full report on the CM/GC method as required by ORS 279.

Project Budget Status

The total project budget is \$79.4M including bond proceeds and premium, projected interest earnings, urban renewal funds, utility project funding, and search and seizure funds from the Police Department. As of November 18, 2020, \$56.3M had been spent on construction and \$16.3M had been spent on soft costs such as property acquisition, design fees, project management, permits, furniture, fixtures, and equipment. A conservative estimate of remaining expenditures required for unbilled completed work, outstanding construction items, and soft costs through the project warranty period is \$6.2M, leaving approximately \$600,000 in projected bond savings. Staff will present options for using these remaining funds at a future Council meeting

Project Progress

On May 16, 2017, Salem voters passed a bond measure for the construction of a new Salem Police Station. Work began immediately in order to meet a move-in date planned for fall 2020. The architect design team, led by CB|Two Architects of Salem, was hired in September 2017. The CB|Two Architects team, supplemented by DLR Group, provided specific expertise for Police Station design. The two firms had previously worked together with the City to provide conceptual design assistance prior to passage of the bond measure.

In December 2017, the City closed on the purchase of property at the project site, a former car dealership located on the north side of Division Street NE between Liberty and Commercial Streets NE. After taking advantage of the vacated buildings onsite for Police and Fire Department operations training, demolition of the buildings and remediation of contaminated soils got underway in spring of 2018.

Following demolition, a substantial archaeological investigation and mitigation effort was carried out through the summer of 2018. The project site is in a culturally significant area for the history of native people and the early settlement of Salem. Local volunteers assisted greatly in this effort and the results of the investigation were shared during a public event, known as Salem Police Station Project Archaeology Day. Artifacts discovered during the investigation were exhibited at the Willamette Heritage Center and Salem Public Library.

While early design and site preparation were ongoing, the City also worked to bring a construction contractor onboard. In December 2017, City Council authorized use of the Construction Manager/General Contractor (CM/GC) alternate contracting method for the project. This method allowed the contractor, JE Dunn Construction, to join the project team during the design process to collaborate on the most efficient ways to design and construct the facility while still meeting scope, schedule, and budget targets. The project team worked continuously to overcome budgetary

challenges throughout the design process as the booming local and regional construction market continued to increase costs at rates higher than estimated in the original bond measure.

Site construction got underway with a groundbreaking ceremony held on November 9, 2018. A relatively dry November, and quick work by JE Dunn and their subcontractors, allowed construction to occur throughout the winter months, saving valuable time in the overall project schedule. In addition to the building and parking garage, the project also included utility relocations, street and signal improvements, and construction of a new pedestrian path along the south bank of Mill Creek. As the project neared completion in 2020, the project team had to adapt to new challenges as additional Oregon Health Authority and Oregon Occupational Safety and Health procedures were adopted to preserve personnel health and safety during the COVID-19 pandemic. Even though the team continued working uninterrupted at the project site under the new procedures, there were schedule impacts due to shutdowns within the material supply chain, especially the precast concrete beams and columns for the parking structure. Those unexpected circumstances led to a separation of the scheduled completion dates for the Police Station building itself, and the parking structure and surrounding site improvements. In addition, hazardous air quality due to wildfire smoke caused construction activities to shut down for nearly two weeks in September, pushing back construction completion and move-in accordingly.

Despite these challenges, a ribbon-cutting ceremony was held on October 10, 2020, and move-in began the following week. On November 23, all moving was complete and the entire Police Department began operating in one building for the first time in decades.

The use of the CM/GC contracting method was instrumental in overcoming challenges throughout the project. The process created the framework for effective collaboration and the teamwork necessary to successfully deliver the project.

Brian D. Martin, PE
City Engineer

Attachment:

1. Project Photos