



**MINUTES**  
**SPECIAL MEETING OF**  
**CITY COUNCIL/SAN DIMAS**  
**REDEVELOPMENT AGENCY**  
**TUESDAY, OCTOBER 13, 2009, 5:30 P. M.**  
**CITY COUNCIL CONFERENCE ROOM**  
**245 E. BONITA AVE.**

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**COUNCIL:**

Mayor Curtis W. Morris  
Mayor Pro Tem Denis Bertone  
Councilmember Emmett Badar  
Councilmember John Ebner  
Councilmember Jeff Templeman

City Manager Blaine Michaelis  
City Attorney J. Kenneth Brown  
City Clerk Ina Rios  
Assistant City Manager of Community Development Larry Stevens  
Assistant City Manager Ken Duran  
Director of Development Services Dan Coleman  
Director of Public Works Krishna Patel  
Director of Parks and Recreation Theresa Bruns

Stephen Gaffney, AIA, Nestor+Gaffney Architects  
Gary Chubb, Vice President, Griffin Structures Inc.

**1. CALL TO ORDER**

Mayor Morris called the special meeting to order at 5:34 p.m.

**2. ORAL COMMUNICATIONS**

(For anyone wishing to address the City Council on an item on this agenda. Under the provisions of the Brown Act, the legislative body is prohibited from taking or engaging in discussion on any item not appearing on the posted agenda. Speakers are limited to three minutes or as may be determined by the Chair.)

- a. Members of the Audience

There were no comments.

**3. STUDY SESSION**

- a. Receive presentation and provide direction on the Guaranteed Maximum Price for the City Hall, Civic Center Plaza and Plummer Community Building renovation and expansion project
- b. Program Management Agreement - Authorization to waive formal bid process and award to Griffin Structures, Inc., for professional services in an amount not to exceed \$775,000. Cost for this service is included in the guaranteed maximum price for the project.

City Manager Michaelis provided a brief background on the schedule for the renovation of the City Hall, Plummer Community Building and Civic Center Plaza and said the Architect and Project Manager were contracted to determine needs and cost estimates. He said the Guaranteed Maximum Price (GMP) for the project is \$13,034,000 and includes the total

construction cost for the renovation and expansion of the City Hall, Plummer Community Building, and Civic Center Plaza, however, it does not include architectural fees, temporary relocation of city hall, and furnishings. He outlined the detailed services and issues covered and said if the competitive bid results in lower construction costs than anticipated, the GMP will be adjusted accordingly.

Mr. Michaelis proposed including additional project elements also not included in the GMP. He said the City Council can decide whether or not to add them as part of the overall project after cost estimates and bid results are received. The additional project elements are:

- Installation of skylights to bring in outside light to interior areas.
- Automatic sliding doors at city hall entrances.
- Replace HVAC unit in the community center.
- Rehabilitation of the East and West parking lots.
- Installation of a new fire hydrant.
- Purchase of a moveable ADA lift for the stage in the community center.

Mr. Michaelis said if the Project Management Contract is approved, Griffin Structures, Inc. will manage the competitive bid process.

In response to Council, **Gary Chubb**, Vice President, Griffin Structures Inc., said change-orders and contingencies are included in the GMP, and unused funds all revert to the City. He said if estimated levels of contingency are lower than anticipated, he has the option of offering the City a discount on the GMP maintaining the contingency.

**Stephen Gaffney**, AIA, Nestor+Gaffney Architects responded to Council that three separate independent cost estimates were conducted to narrow the specific probable cost.

In response to Council, Mr. Michaelis replied that \$600,000 has been set aside in the budget to cover furniture and relocation costs.

Mr. Michaelis reported that approximately one-third of the costs contend with bringing up to current code standards and current energy requirements a 40-year old building with many challenges including outdated plumbing, heating and air conditioning, ADA compliance, sewer line issues, installing fire sprinklers, and miscellaneous deferred repairs to the city hall and plaza area.

#### Pay Plan and Options:

Mr. Michaelis said the City is in a strong financial position with reserves that exceed the cost of the project, a source of funds within the existing annual budget, over \$1.1 million to control irregularities and budget uncertainties, and financial tools to help pay borrowed debt. He reviewed the City's annual budget to deal with State budget issues and economic challenges, and provided a plan on how to keep the City's reserves strong throughout the payment of debt. Mr. Michaelis provided the option and terms of borrowing \$12.5 million over a 20 year period or using cash reserves to pay for the project.

In response to Council, Mr. Michaelis said the Certificate of Deposit for the Senior Citizens/Community Center will be fully repaid in 2012 and \$6.4 million will be repaid over 20 years for the Walker House which will provide other sources of revenue to the general fund reserves.

Mayor Pro Tem Bertone expressed concern with the cost of borrowing funds over a 20 year period in addition to costs for furnishings and relocation, and felt the project should not be endorsed.

Councilmember Badar suggested borrowing less to reduce the amount of interest over the term.

Recommendation:

Staff recommended approving the Program Management at Risk Agreement and directing staff to prepare and submit a relocation budget for Council approval. The budget will include the need to make certain expenditures prior to the actual acceptance of the bid in order to be able to start and finish the project as soon as possible when the bids are ultimately approved on February 9, 2010.

**RECESS**

Mayor Morris recessed the study session at 6:55 p.m. to convene the regular City Council meeting in the City Council Chambers. The study session reconvened at 7:46 p.m.

Mr. Michaelis provided a project schedule that begins with accepting the GMP and authorizing the bid process at the October 27, 2009 City Council meeting, to completing the project in April 2011.

Councilmember Ebner said he will be out of town on October 27th and requested postponing the meeting until November 10, 2009 to allow him to participate.

In response to Councilmember Badar, City Manager Michaelis replied that it would cost approximately \$3.5 million to rehabilitate the existing Plummer Community Building, not including the City Hall expansion and Civic Center Plaza.

In response to Mayor Morris, Mr. Gaffney highlighted the deficiencies of the Plummer Community Building and the required structural improvements to bring the building up to current standards. He added that not moving out of city hall would require a complicated phasing program and it would take longer to complete the project and incrementally cost more money.

Assistant City Manager Stevens said another solution to the problem might be a reconfiguration of staff and counter spaces. However, this is an entirely different plan, and there would be additional expenses to find spaces to locate employees currently without work stations.

Mayor Morris invited members of the public to comment.

**Alta Skinner** said being on the Bond Oversight Committee for the School District, she was pleased to find out that construction costs are down in this economic climate. She inquired how the project would enhance community use.

**Alline Kranzer** suggested involving the public in the project.

**Ron Kranzer** was pleased that the plan retains the basic architectural design of the existing buildings.

Mayor Morris indicated that the City Manager has asked for direction. Mayor Morris said there is a need to renovate the building and he would be in favor of financing a portion of the debt as long as a prudent reserve is maintained. He is also willing to authorize the contractor to move forward with the bidding process.

Councilmember Templeman inquired about the schedule if the vote is delayed to the November 10, 2009 meeting.

Mr. Chubb replied that he and his team have a series of steps to administer to prepare bid documents prior to the holidays. If the project is delayed, he would have to wait for the final decision and then take action. He added that the pre-qualification determines the responsible contractor.

City Attorney Brown suggested that the existing contract with Griffin Structures, Inc. be amended to include the kind of services required to initiate the bid process.

It was moved by Councilmember Templeman, seconded by Councilmember Ebiner to direct staff to modify the existing contract to include bidder prequalification requirements until such time as the City Council can consider the new Program Management At Risk Contract.

City Manager Michaelis stated he would make the presentation for the benefit of the public at the October 27th meeting and the contract agreement would be considered at the November 10th meeting.

The motion carried 4.1; Mayor Pro Tem Bertone voted in opposition.

#### **4. ADJOURNMENT**

Mayor Morris adjourned the meeting at 8:40 p.m. The next City Council meeting is Tuesday, October 13, 2009, 7:00 p.m.

Respectfully submitted,

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Ina Rios, CMC, City Clerk