



## Legislation Details (With Text)

**File #:** 2021-0761  
**Type:** Consent Calendar Item      **Status:** Agenda Ready  
**File created:** 9/14/2021      **In control:** General Services  
**On agenda:** 9/14/2021      **Final action:**  
**Title:** Proposed Capital Budget Priorities for Veterans Buildings  
**Sponsors:** General Services  
**Indexes:**  
**Attachments:** 1. Summary Report, 2. Att1-FY21 22 Veterans Buildings Capital Priorities.pdf, 3. Att2-Vets Buildings General Enhancements.pdf, 4. Att3-Completed Capital Projects Past 5 Years.pdf, 5. Att4-Resolution.pdf

Date	Ver.	Action By	Action	Result
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**To:** Sonoma County Board of Supervisors  
**Department or Agency Name(s):** General Services  
**Staff Name and Phone Number:** Caroline Judy 707.565.8058  
**Vote Requirement:** Majority  
**Supervisory District(s):** Countywide

**Title:**  
Proposed Capital Budget Priorities for Veterans Buildings

### Recommended Action:

- A) Accept the Proposed Budget Priorities for Veterans Buildings for Fiscal Year 2021-2022.
- B) Adopt budget resolution adjusting FY 2021-22 adopted budget to program \$160,000 of prior year unanticipated Measure L (Transient Occupancy Tax) to finance Guerneville Veterans building evaluation and planning work.

(4/5<sup>th</sup> Vote Required)

### Executive Summary:

Capital investment planning for the County's seven Veterans Buildings is a component of the annual Five Year Capital Improvement Planning effort. The Capital Improvement Program is presented to the Board of Supervisors in accordance with Sonoma County Code Section 2-8(l) pursuant to which the County Administrator recommends to the Board of Supervisors a long term capital project program including project priorities, costs and methods of financing. The Capital Improvement Plan for Fiscal Year 2021-2022 through Fiscal Year 2025-2026 was approved on June 8, 2021 and identified Veterans Buildings capital projects needs totaling \$15,747,183. Of the total need, \$1.8 million was included for programming in the FY 21/22 adopted budget. Although \$1.8 million was authorized by the Board during budget, an additional \$160,000 has become available in unanticipated Measure L funding, bringing the total available funding to \$1,960,000.

During the Budget Hearings on June 15, 2021 the Board of Supervisors requested additional detail regarding capital expenditures proposed for the County's Veterans Memorial Buildings. Staff subsequently re-examined

the list of identified capital projects described in the Capital Improvement Plan, evaluated high priority projects identified as part of deferred maintenance, re-prioritized projects, and discussed the resulting recommendations with the Veterans Memorial Building Advisory Committee. For FY 21-22, staff are recommending the following investments in the Veterans Buildings as described in Attachment 1:

Petaluma Seismic Upgrade and Roof: \$1,500,000

Cloverdale Pool Safety Upgrades: \$100,000

Parking lot/Pavement Rehabilitation: Santa Rosa and Petaluma: \$200,000

Guerneville Building Replacement Planning: \$160,000

Significant capital investments in older buildings such as the Veterans Memorial Buildings need to be weighed against the remaining useful life of the building, governmental and community needs, and the benefits derived from continued investment. Older buildings cost more to maintain and operate. A comprehensive list of potential capital investment projects is described in Attachment 2. Staff carefully consider each of the potential projects as part of the Capital Budget planning process each year using Administrative Policy 5-2.

During FY 20-21, Board-approved capital improvement projects totaling \$1.9 million were in process across the Veterans Buildings property portfolio. Projects totaling \$233,706 were completed. Projects completed in the last five fiscal years, totaling over \$5.7 million, are listed in Attachment 3.

With Board approval and acceptance of this report, staff will be able to progress work on the proposed specific Veterans building projects. This item describes the prioritization process, the scope of work of the recommended projects, and includes attachments listing completed and potential future projects.

**Discussion:**

The purpose of the Five Year Capital Improvement Plan (CIP) is to identify and plan the continued investment in County property assets. The annual Capital Budget authorizes expenditures in prioritized projects identified in the CIP. The CIP describes investment in Veterans Buildings as a program separate from other identified capital investment programs. Funding needs are identified in consultation with members of the Veterans Building Advisory Committee and are further evaluated and prioritized following Sonoma County's Administrative Policy 5-2.

Per the Board's adopted Administrative Policy 5-2, all projects must first serve to implement, or be consistent with, master plans for major County complexes and facilities, and with the County's overall long-range strategic goals. Policy 5-2 prioritizes project investments in safety improvements. Since the annual Capital budget funding allocation of \$3.9 million for the entire portfolio has remained flat for over ten years, investments in the aesthetic appearance of facilities, non-critical building systems, and other features associated with modern event facilities are by necessity prioritized lower than projects addressing safety concerns.

Attachment 1 lists FY21-22 Veteran Building Capital Priorities and their priority scoring. Detailed descriptions of each project are included in the Five Year Capital Improvement Plan.

Prioritization of Veterans Building capital investments follow the same process as other County-owned

facilities, emphasizing projects that address one or more of the following factors:

1. Required to meet compelling health, safety, legal or code compliance, a mandate of the Board of Supervisors, or a court order. (Projects with legal and urgent health/safety considerations are ranked highest of all).
2. Previously approved phases of a project, which are integral to completing its initial scope.
3. Required to keep an existing building, facility or complex operational. Provides measurable economic benefit or avoids economic loss to the County. Serves to maintain or improve infrastructure of the County as a general benefit to County operations and services (in some instances, the need to protect asset value is deemed urgent).
4. Alleviates constraints and impediments to effective public access and service such as improvements regarding space limitations or inefficient layout, provisions for expanded or changed programs or services, or improvements to heating, ventilation or other work environment conditions.
5. Improves the environmental quality or aesthetics of County facilities and complexes.

Additional factors used specifically for Veterans Buildings include:

1. Veteran Service Organization (VSO) priorities: Throughout the year, priorities for capital improvements for the Veterans Buildings are received from VSO's. Many requests coincide with staff recommendations for maintenance as these issues directly impact health, safety and usability of facilities.
2. Marketability: Operational costs of Veterans Buildings are partially offset by revenue generated by the use of the facility as rental venues for private events. Such events include weddings, birthdays, trade shows and other community events from private individuals. Investment of funds towards making the property more attractive as a private event venue would assist in revenue generation further offsetting operational costs. General enhancements that would aid in marketability are described in Attachment 2. Additional enhancements specific to each building are described below in Veteran Building Assets.

It is important to note that Veterans Building projects are potentially funded via three different discretionary County funding sources as these are available: annual capital general fund budget, Transit Occupancy Tax allocations, and the Deferred Maintenance Fund.

### **Veteran Building Assets Overview**

The total building area (square footage) of the Veterans buildings constitutes 5% of the total property assets managed by the County. The \$1.8M in funding recommended for the Veterans buildings in the FY 21-22 Capital Budget constitutes 46% of the annual general fund capital dollars dedicated to maintaining the property asset value of the entire 2 million square foot County property portfolio. The adopted budget further reflects the availability of General Fund, TOT, ADA, Deferred Maintenance, and Hazard Mitigation Grant Program funding. For example, staff have previously applied, albeit unsuccessfully, for HMPG funding to complete generator and seismic improvements at the Veterans buildings. Staff continue to identify and apply for funding opportunities to lessen the reliance upon general fund dollars. In addition to the specific projects described below energy efficient and aesthetically enhanced lighting is being investigated through utility company programs for utility on-bill financing at all of the Veterans buildings.

### **Santa Rosa**

The Santa Rosa Veterans Building is a 45,650 square foot facility constructed in 1950. The building is heavily used by Veteran Service Organizations as well as the general public for private events in addition to being used

extensively as a shelter during disasters.

Recent investments have focused on seismic safety, interior upgrades, and disaster resiliency. The building underwent a major seismic upgrade of the roof in 2018. Interior upgrades have been performed in certain areas including restrooms and refinishing the gymnasium/ballroom floors. The building recently received a new emergency generator and switchgear to aid in operations during emergency events and power shut offs.

**FY 2021-22 staff recommendation for Santa Rosa Veterans Building: \$200,000 (portion to be shared with Petaluma approximately 50/50):**

Over the last twenty years, the parking lots surfaces at Santa Rosa and the Petaluma Veterans Buildings have deteriorated due to routine and emergency uses and events. Although full pavement replacement of both parking lots would be ideal, the current availability of funds limits the ability to accomplish a comprehensive project and therefore patch and repair is recommended. A full resurfacing is estimated to cost \$1.2 million each.

Priorities for future investments in the Santa Rosa Veterans Building include:

- Exterior Paint and stucco repair
- Interior Paint Refresh, public areas
- Parking lot: fill pot holes and resurface
- Bathroom Floor repairs needed due to settling
- Kitchen remodel; replace equipment
- Windows and doors
- Awning rebuild outside kitchen and club room

**Petaluma**

The Petaluma Veterans Building is a 26,800 square foot facility constructed in 1959. The building is used by Veteran Service Organizations as well as the general public for private events in addition to its extensive use as a shelter during disasters. Recent investments have focused on improving resiliency. The building received a new emergency generator and switchgear to aid in operations during emergency events and power safety shut offs. The generator project is on track for scheduled completion in August 2021.

**FY 2021-22 staff recommendation for Petaluma Veterans Building: \$1.5 million:**

The Petaluma Seismic Upgrade and Roof project is a high priority project that addresses safety, completes a project previously designed, improves access and functionality, and ensures that the facility will continue to be available during emergency events. This project has applied twice to the Hazard Mitigation Grant Program but has been unsuccessful in Benefit Cost Analysis evaluation phase due to the building's non-full time, transitory occupancy. Your Board has authorized design and permitting of the project and it is "shovel ready" to bid for construction. The estimated budget includes access improvements required by California Building Code in accordance with the Americans with Disabilities Act (ADA).

Priorities for future investments in the Petaluma Veterans Building include:

- Seismic upgrade construction per design (includes new roof)
- Interior paint
- Exterior paint
- Parking lot pothole repair and resurface
- Ceiling repair due to roof leaks

- Rebuild patio fencing
- New landscape at exterior entry (improves marketability)
- Install PA systems with exterior speakers for parking lot (improves marketability)

### **Sonoma**

The Sonoma Veterans Building is a 16,200 square foot facility constructed in 1952. The building is well-used by Veteran Service Organizations as well as the general public for private events in addition to use as a shelter in each of the declared emergencies in the last five years.

The building recently received a new emergency generator to aid in operations during emergency events and power shut offs and was operational as of June 2021. Recent improvements to the Sonoma building include a new roof, mold abatement and ceiling repair and the aforementioned generator and switchgear.

### **FY 2021-22 staff recommendation for Sonoma Veterans Building: \$0:**

No projects have been identified for FY 21-22 at the Sonoma Veterans Memorial building. The building has received 24% of the total \$5.4 million in funding over the past five years. Although there a number of projects identified for Sonoma, they are of lesser priority based upon the scoring criteria used in Administrative Policy 5-2.

Priorities for future investments in the Sonoma Veterans Building:

- Refinish wood floors
- Replace ducts and duct heaters at lobby and lounge
- Split duct air conditioning for lounge
- New landscape at exterior entry (improve marketability)
- New landscape in exterior patio (Improve marketability)
- Install acoustical treatments in Dining Room (improve marketability)
- Automatic gate at entrances for enhanced security (improve marketability)

### **Guerneville**

The Guerneville Veterans Building is a 9,296 square foot structure constructed in 1957. A seismic study was commissioned in 2019 to investigate multiple issues including cracked windows, sagging foundations, cracked walls and other structural issues that have appeared over the years. The study reviewed the building for continued use under general civil engineering standards and the California Building Code. The study recommended geotechnical and structural improvements. The building appears to have been constructed over vegetative matter that has created building maintenance challenges over time.

Costly improvements are needed to address the identified seismic deficiencies, including foundation and structural shoring work. Staff recommend developing a plan for replacement and future consideration by the Board.

Building foundation concerns include:

- Deep ground improvements or the installation of new deep foundations to mitigate potential settlement or potential with future flooding or seismic events.
- Cracked finishes and uneven flooring - There is evidence of differential settlement throughout the building in the form of cracked finishes and uneven flooring. The floor survey indicates that differential settlement has occurred throughout the entire building.
- The site is located within a special flood hazard zone and is considered to have a high potential for



(Transient Occupancy Tax) unanticipated revenue. The measure allocates 9% of Measure L collected revenues towards Veterans Buildings operations, maintenance, and improvements. The final amount available will be included in the Q1 Consolidated Budget Adjustment and will be programmed into the Veterans Building budget at that time.

### **Cloverdale**

The Cloverdale Veterans Building is a 6,860 square foot facility constructed in 1961. Operations and minor maintenance is provided by American Legion Post with major maintenance provided by General Services Department. The building includes a swimming pool which is a frequently used community asset by the community serving both the City of Cloverdale and the Cloverdale School District.

Recent investments in this asset include a solar thermal pool heater system, jointly funded by the County, the City of Cloverdale and the Cloverdale School District. Installation of this system was delayed due to recent code requirements mandating additional safety measures including augmenting existing anti-entrapment devices, re-plumbing of pool water recirculation lines, and path of travel improvements. These requirements have triggered the need to demolish part of the pool deck. Funding has been identified, and design of the safety upgrades has commenced, with construction slated to begin following completion of the 2021 Swim Program offered by the City and their operator, YMCA. However, the uncertainty of unforeseen conditions during excavation of the pool deck requires additional funds to ensure timely completion of the pool improvements.

### **FY 2021-22 staff recommendation for Cotati Veterans Building: \$0:**

Staff is not recommending capital funds for FY 21-22 since higher priority safety related evaluation criteria exist in other buildings. The building is worn and would benefit from new finishes that would likely improve marketability. The kitchen is original construction and could better serve Veterans Services Organizations as well as attract private events if it were renovated and new equipment was provided.

Future investment priorities include:

- Refinish auditorium floor
- Paint exterior and seal windows
- Paint interior finishes
- Install drought tolerant landscaping
- Renovate kitchen and replace equipment
- New landscape at exterior entry (improve marketability)
- Gated parking lot entrances for enhanced security (improve marketability)

### **Completed Projects:**

During FY 20-21, Board approved capital investment projects totaling \$1.9 million were in process across the Veterans building property portfolio. During the same period projects totaling \$233,706 were completed. Projects completed in the last five fiscal years are listed in Attachment 3.

### **Prior Board Actions:**

June 18, 2021 - Board approved the Annual Capital Budget

June 8, 2021 - Board approved the Five Year Capital Improvement Plan

### **FISCAL SUMMARY**

<b>Expenditures</b>	<b>FY 21-22 Adopted</b>	<b>FY 22-23 Projected</b>	<b>FY 23-24 Projected</b>
Budgeted Expenses	\$1,800,000		
Additional Appropriation Requested	\$160,000		
<b>Total Expenditures</b>	<b>\$1,960,000</b>		
<b>Funding Sources</b>			
General Fund/WA GF	\$1,800,000		
State/Federal			
Fees/Other: Prior year unanticipated Measure L (Transient Occupancy Tax)	\$160,000		
Use of Fund Balance			
Contingencies			
<b>Total Sources</b>	<b>\$1,960,000</b>		

**Narrative Explanation of Fiscal Impacts:**

The recommended action accepts the Veterans Buildings budget priorities for the Fiscal Year 2021/22. The \$1,800,000 of funding described above was approved by the Board of Supervisors during the adoption of the Fiscal Year 2021/22 Capital Projects Budget. In addition, to begin the Guerneville site planning and evaluation work, staff recommends programming prior year Measure L unanticipated revenue.

<b>Staffing Impacts:</b>			
<b>Position Title (Payroll Classification)</b>	<b>Monthly Salary Range (A-I Step)</b>	<b>Additions (Number)</b>	<b>Deletions (Number)</b>

**Narrative Explanation of Staffing Impacts (If Required):**

None

**Attachments:**

- Attachment 1: FY 21 22 Recommended Veterans Buildings Capital Improvement Projects
- Attachment 2: Veterans Buildings Future Capital Improvements and Enhancements
- Attachment 3: Completed Capital Projects Past 5 Years
- Attachment 4: Budget Resolution

**Related Items "On File" with the Clerk of the Board:**

None