

BURBANK REDEVELOPMENT AGENCY
NOVEMBER 14, 2006

A regular meeting of the Burbank Redevelopment Agency was held in the City of Burbank Council Chamber, 275 East Olive Avenue, on the above date. The meeting was called to order at 6:34 p.m. by Mr. Campbell, Chairman.

Invocation The invocation was given by Dave Cameron, First Presbyterian Church.

Flag
Salute The pledge of allegiance to the flag was led by Eric Day.

ROLL CALL

Present- - - - Members Golonski, Gordon, Ramos (arrived at 6:41 p.m.), Vander Borght and Campbell.

Absent - - - - Members None.

Also Present - Ms. Alvord, Executive Director; Mr. Barlow, City Attorney; Mrs. Georgino, Assistant Executive Director; and, Mrs. Campos, Secretary.

7:07 P.M.
Jt. Meeting w/
City Council
RA 42
Construction of
Community Srvs
Building Project Mayor Campbell stated that "this is the time and place for the joint public hearing of the Council and the Redevelopment Agency of the City of Burbank on matters related to the Community Services Building. A public hearing is required before the Redevelopment Agency commits to pay all or part of a publicly-owned building and a hearing is required before the City considers the conditional vacation of two alleys, V-351, in the area bounded by Glenoaks Boulevard, Olive Avenue, Third Street and Orange Grove Avenue. In addition, the hearing is also providing the opportunity for oral communications as to a few other City actions related to the Community Services Building Project, specifically: approval of plans and specifications for Bid Schedule No. 1098; approval of a construction contract with Swinerton Builders, Inc.; approval of a Professional Services Agreement for architectural services with Leo A. Daly Company; and, approval of a Professional Services Agreement with Smith-Emery Laboratories."

Meeting
Disclosures There were no meeting disclosures.

Notice
Given The Secretary was asked if notices had been given as required by law. She replied in the affirmative and advised that no written communication had been received on the project.

Staff Report Ms. Teaford, Public Works Director, requested Council and

Redevelopment Agency (Agency) Board consideration of resolutions to proceed with construction of the Community Services Building (CSB) Project. She stated that the CSB Project replaces the former Municipal Services Building (MSB) that was damaged in the 1994 Northridge Earthquake. She noted that since demolition of the MSB in September 2001, staff has been housed in scattered, temporary facilities throughout the Civic Center. She added that the design of the new building began in November 2001 and in December 2002, the Council approved the schematic design; however, due to the uncertainties of the State's fiscal health, the project was placed on hold until January 2003. In November 2003, the project resumed with a new design team of Leo A. Daly and the Council directed that staff improve the building's efficiency and redesign the building in an effort to reduce the potential construction costs. She added that the redesign effort resulted in a 72,300-square foot building which was brought before the Council in November 2004 for design development approval and since that time, the project has gone through various reviews and plan checks and has received all approvals as well as completing the bidding process. She reported that the project is now ready to be built, noting that the building is energy-efficient, designed to better serve the public with its consolidated one-stop permit center, community room and conference rooms, and requested the Council take the necessary actions to begin its construction.

7:15 P.M.
Mrs. Ramos
Left the Chamber

Mrs. Ramos stated that she may have a conflict with the item regarding approving a Professional Services Agreement with Smith-Emery Laboratories as her business may have contracted with the company in the recent past. She stated she will verify the information and left the Chamber at this time.

Staff Report
Continued

Mr. Clifford, Capital Projects Manager, Public Works Department, elaborated on the project program elements and stated that the three-story building is approximately 72,000 square feet and will house the Park, Recreation and Community Services Department, Public Information Office, Public Works Department and Community Development Department, with an employee capacity of 189. He added that the project is Leadership in Energy and Environmental Design (LEED) certified with an Art In Public Places Program which includes interior and exterior art elements, and approximately 247 surface parking spaces after the temporary facilities have been removed. He added that other program features include: a one-stop permit center; a water feature located at the main entrance of Third Street and Orange Grove Avenue; a community room with a two-story ceiling, 120 theatre-style seating and storage capacity; a media control room; a traffic management center and, approximately 14 conference rooms. He also commented on several on-site and off-site improvements.

Mr. Douglas Keyes, architect with Leo A. Daly Company, commented on the project's design, noting that the project has been designed as a civic building with more of a classic than trendy design. He elaborated on the project features which are similar to City Hall and commented on the selection of materials which communicate the civic value of the building.

Mr. Clifford elaborated on the Guaranteed Maximum Price (GMP) method and approval process, and staff's value management effort to control cost to the extent possible without compromising the quality, aesthetics and functionality of the project.

Ms. Teaford reported that the total cost of the project, including the expenses incurred to date is \$38,100,000, \$14 million more than the previously-approved budget of \$24 million. She added that the Agency is proposing to fund \$33,802,716. Of this amount, \$14,072,827 will be funded from Golden State bond proceeds and \$19,729,889 from tax increment reserves from the Merged Project Area.

7:46 P.M.
Hearing Closed

There being no response to the Mayor's invitation for oral comment, the hearing was declared closed.

Board
Deliberations

Dr. Gordon expressed concerns with regard to: the City's recourse in the event of building defects and the length of the warranty; the project's change in scope and square footage; excluding flood testing and roof protection; the process and cost of the LEED certification; the price adjustments due to considerable escalation in prices; the potential of change orders; the GMP; and, the funding sources and making the findings for use of Redevelopment Agency funds.

Mr. Golonski also requested clarification regarding the one-year warranty with Swinerton Builders, Inc. and requested an overview of the warranty programs in place for the project. He also expressed concern with the increase in costs between the June 2004 estimate and the current estimated cost. He acknowledged that the Council's previous decision to delay the project resulted in cost escalation but inquired as to whether some of the costs are attributed to a considerable change in scope or in elements such as landscaping and irrigation.

Mr. Vander Borcht gave his perspective on the project as a member of the CSB Subcommittee and noted that the cost increases could not have been foreseen. He added that if the project is cut back any further it will be rendered useless. He noted that the Subcommittee conducted its due diligence and decided not

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to compromise the quality of the building to ensure that it lasts. He also added that the GMP is the best system available and commented on the Council's decision to pursue a LEED-certified project

Mr. Campbell requested staff's opinion with regard to the reasonable amount that can be assessed to the general contractor in the event the project is not LEED certified. He also inquired as to the length of time it would take to recoup the certification costs. He expressed concern with the potential impact of the State infrastructure bonds passed on the November 2006 ballot and commented on the efforts of the Subcommittee to reduce the project's cost.

- Motion It was moved by Mr. Vander Borcht and seconded by Mr. Golonski that "the following resolutions be passed and adopted:"
- Council Reso. Council Resolution Amending the Fiscal Year 2006-07 Budget by Appropriating \$20,043,855 to the Capital Holding Fund for Future Infrastructure Projects.
- Council Reso. Council Resolution Consenting to the Redevelopment Agency Payment of a Portion of the Construction Costs of the Community Services Building, Amending Fiscal Year 2006-07 Budget in the Amount of \$33,802,716 and Approving a Cooperation Agreement Related Thereto.
- Council Reso. Council Resolution Ordering the Conditional Vacation of Two Alleys and Reserving a Public Utility Easement (V-351).
- Council Reso. Council Resolution Approving and Adopting the Plans and Specifications, and Authorizing Execution of a Guaranteed Maximum Price Construction (GMP) Agreement for the Community Services Building (CSB) (Bid Schedule 1098) Between the City of Burbank and Swinerton Builders, Inc.
- Council Reso. Council Resolution Approving Amendment No. 5 to Agreement for Architectural Services Between the City of Burbank and Leo A. Daly Company.
- Council Reso. Council Resolution Approving the Professional Services Agreement

Between the City of Burbank and Smith-Emery Laboratories.

Council Reso. Council Resolution Amending Fiscal Year 2006-2007 Budget in the amount of \$33,802,716 for the Community Services Building, and Approving a Cooperation Agreement Related Thereto.

Substitute Motion A substitute motion was moved by Mr. Golonski, seconded by Mr. Vander Borght and carried with Mrs. Ramos absent that the hearing be continued to November 21, 2006.

Motion It was moved by Mr. Golonski, seconded by Mr. Vander Borght and carried with Dr. Gordon voting no and Mrs. Ramos absent that "the following resolution be passed and adopted:"

Council Reso. Adopted Council Resolution No. 27,354 Ordering the Conditional Vacation of Two Alleys and Reserving a Public Utility Easement (V-351) was adopted.

Motion It was moved by Mr. Golonski, seconded by Mr. Vander Borght and carried with Dr. Gordon voting no and Mrs. Ramos absent that "the following resolution be passed and adopted:"

Council Reso. Adopted Council Resolution No. 27,355 Approving Amendment No. 5 to Agreement for Architectural Services Between the City of Burbank and Leo A. Daly Company was adopted.

Motion It was moved by Mr. Golonski and seconded by Mr. Vander Borght that "the following resolution be passed and adopted:"

RA 42 Amend FY 06-07 for CSB & Approved Coop. Agrmt. RESOLUTION NO. R-2169
A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK AMENDING FISCAL YEAR 2006-2007 BUDGET IN THE AMOUNT OF \$33,802,716 FOR THE COMMUNITY SERVICES BUILDING, AND APPROVING A COOPERATION AGREEMENT RELATED THERETO.

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Adopted

The resolution was adopted by the following vote:

Ayes: Members Golonski, Vander Borght and Campbell.

Noes: Member Gordon.

Absent: Member Ramos.

9:03 P.M.
Recess

The Agency recessed at this time to permit the City Council to continue its meeting. The Agency reconvened at 11:30 p.m. for public comment with all members present.

11:30 P.M.
Adjournment

There being no further business to come before the Agency Board, the meeting was adjourned at 11:30 p.m.

Margarita Campos, CMC
Secretary

APPROVED MARCH 6, 2007

Chairperson