



CITY COUNCIL AND COMMUNITY DEVELOPMENT AGENCY MINUTES

Tuesday, April 29, 2008
7:00 p.m.

701 Laurel Street, Menlo Park, CA 94025
Menlo Park City Council Chambers

ROLL CALL – Cohen, Robinson, Boyle, Cline, Fergusson

Staff present: City Manager Rojas, City Attorney McClure, City Clerk Kelly, and Public Works Director Steffens. Other staff were present in the audience.

PLEDGE OF ALLEGIANCE

A. PUBLIC COMMENT

Jim Lewis thanked several City staff members and citizens who were instrumental in getting a sign removed from the corner of El Camino Real and Menlo Avenue that has been a public eyesore for over seven years.

Ann Moser reported that Kite Day was a big success.

B. STUDY SESSION ITEMS

1. **Update on the Burgess Gymnasium and Gymnastics Center Project.** ([Staff Report #08-056](#))

Public Works Director Kent Steffens presented the history for this project. He stated that in 2001 the voters approved Measure T to issue general obligation bonds totaling \$38 million for the renovation and expansion of City parks and recreation facilities and that the Cultural and Recreational Facilities Master Plan has been used as the guide to prioritize park and recreation projects for Measure T funding. Mr. Steffens reported that the Burgess Gymnasium/Gymnastics Center was established by the Parks and Recreation Commission as a priority project in January 2007 and that as a result of community meetings, the consensus was that modernization and expanding the Burgess Gymnasium and Gymnastics Center should be the next major project undertaken using Measure T funds.

Mr. Steffens stated that in December 2007 the City Council authorized a contract with Field Paoli Architects to develop conceptual designs for the expansion of the Gymnasium and the Gymnastics Center and that the contract included a programming study that evaluated operations, physical conditions, and space needs for the current and future uses of the facilities. The Public Works Director introduced representatives from Field Paoli.

Avery Moore, Principal-in-Charge with Field Paoli, reviewed the process that they used to work with City staff, the Parks and Recreation Commission, the Steering Committee, and meetings with focus groups, user groups, the neighborhood, and other community meetings.

She stated that as a result of the focus groups, they identified a number of opportunities and constraints with the current building. She reported that people were appreciative of

the programs and staff; wanted more adult programming; identified operational deficiencies in the building and a need for more security; expressed an interest in improving group exercise and dance programs; noted conflicts with the gymnastic users using the rest room area; expressed a desire for covered outside space; and a desire for better access to the facility.

Kim Fisher, Project Manager with Field Paoli, informed the Council that they prepared a Building Assessment Report, which evaluated existing conditions of the building. She stated that while the 34-year old building is in fair condition and well maintained for its age, most of its mechanical, electrical and plumbing equipment is at the end of its useful life and it is in need of both accessibility and seismic upgrades. She also pointed out that program needs have outgrown the building's space and configuration.

Based on information derived from the five focus groups, Ms. Fisher said that they have prepared a Preliminary Space Program and based on this programming they developed conceptual designs. She noted that the existing facility is 17,466 square feet and that 42,530 square feet are needed based on programming needs. She also reported that they looked at three different sites and initially came up with nine different schemes, which were narrowed down to three schemes.

Ms. Fisher also informed the Council that it is their intent to use the LEED checklist and to consider sustainability in both design and construction.

Mike Schatz, Design Principal-in-Charge with Field Paoli, referred to drawings and reviewed the three schemes. He pointed out that Scheme 1, which is the most affordable, sets the Gymnastics Center within the framework of the existing gym building, requiring renovations to the building to adapt it for gymnastic uses, and includes construction of a new, but smaller Gymnasium at a site behind the Recreation Center. He noted that the basketball courts would be down-sized to junior high standards and that no additional parking is planned under this scheme.

Mr. Schatz reviewed Scheme 2, which requires the tearing down of the existing gym building and replacing it with a comprehensive Gymnasium and Gymnastics Center next to the Aquatics Center and increasing parking by 23 spaces. He pointed out the gym would be full sized and that there would be operational efficiencies under this scheme, but that there was a sense from people that the size of the Center might be too large for the site.

Mr. Schatz reviewed Scheme 3, which proposes building a new Gymnastics Center behind the Recreation Center and building a new Gymnasium next to the Aquatics Center. He noted that these buildings fit more comfortably on the sites, but that this plan does result in some inefficiencies in construction and operations, requiring duplicate reception areas and restrooms.

Mr. Schatz informed the Council that the Parks and Recreation Commission and the Steering Committee preferred Scheme 3, with some support for Scheme 2, and no support for Scheme 1 because of the smaller gym court size proposed under this scheme. He also pointed out that there would be the potential for phasing the construction and allowing program operations during construction with both Schemes 1 and 3, but not with Scheme 2. Mr. Schatz estimated construction costs, if construction starts by the middle of next year, at: 1) Scheme 1 - \$20.0 million; 2) Scheme 2 - \$23.8 million; and 3) Scheme 3 - \$25.7 million.

Public Works Director Kent Steffens informed the Council that the day after the April 16, 2008 Parks and Recreation Commission's meeting, a potential donor, who desires to remain anonymous, met with City staff and presented an offer to construct a new Gymnasium. He stated that the donor offered to further develop the gym concept and construct the gym on the site behind the Recreation Center, but with more court area. Mr. Steffens presented rough drawings of this proposal, labeled Scheme A. He said the new Gymnasium would be larger than the 20,800 square feet proposed in Scheme 1, by an amount to be determined by the donor and limited by the site.

He reported that the donor has offered to finance all but \$5 million of the design, architectural, engineering and construction costs for a new gym. The offer is contingent upon the donor selecting the contractor and taking an active role in managing the construction. It is also contingent upon the donor remaining anonymous until after the project has been completed.

Mr. Steffens stated that the City would be required to fund \$5 million of the construction costs plus normal City plan-check, building permit and inspection fees, and utility connection fees. He said the City would also need to do environmental review.

Mr. Steffens reported that if the donor's offer is accepted, the cost to the City for the building of a new Gymnasium is estimated at \$6.2 million, which would include the \$5 million toward construction and another \$1.2 million for other related expenses. He also pointed out that the City would be responsible for any renovations to, or new construction of, a Gymnastics Center. The Public Works Director stated that these are all of the terms of this offer and that this proposal is not based on exchange for other rights that have not been disclosed.

The Public Works Director reported that the costs of the City building and renovating the Gymnasium and Gymnastics Center under Schemes 1 through 3 ranges between \$20 million to \$26 million and that the cost to the City for a new Gymnasium under the donor option, Scheme A, would be \$6.2 million. Mr. Steffens stated that the cost of the City building a new Gymnastics Center at the location of the old building is estimated at \$11.5 million. Mr. Steffens informed the Council that Measure T bond sales will bring in approximately \$9 million and that the Recreation-In-Lieu Funds balance, along with projections for next year's funds are estimated at \$15.8 million.

Mr. Steffens noted that that Scheme A would allow for continuation of programs during construction and would give the City the option of looking at renovation or new construction of a Gymnastics Center at a later date. He said that staff recommends continuing to look at the donor option, and working with the Parks and Recreation Commission and the Steering Committee to refine it. Mr. Steffens said that without this option, the City would be faced with scaling back this project and cutting back on programs due to the costs.

Mr. Steffens stated that the next steps are for staff to proceed with the environmental review process, starting with a traffic study, and this would need to be done before the Council could consider action on the donor's offer and any of the schemes.

Members of the Council asked staff to comment on issues of donor anonymity. City Attorney Bill McClure responded that there is precedent, with private/public partnerships, for not going through the public bidding process.

Members of the public commented as follows:

Michael Taylor, a member of the Steering Committee, informed the Council that he was very involved with Measure T and believes it is time to move forward on this project. He said he is excited with the possibility of a public/private partnership that could result in designing and building facilities that will meet the needs of the programs and the community.

Nick Naclerio, Chair of the Parks and Recreation Commission, informed the Council that programs have been cut to contain costs and that they don't want to cut anymore. He pointed out the main reason they are not supportive of Scheme 1 is that the gym courts are being undersized. Mr. Naclerio expressed excitement with the latest proposal, Scheme A, and that a donor is willing to assist with the building of a new gymnasium. He stated his desire to assist in making this happen.

Cedy Fisher stated that the donor offer sounds very promising. She informed the Council that children have been turned away from programs because there is more demand that can be accommodated because of space constraints. She encouraged the Council to consider the building of a new gym because the old building is inadequate.

Council Member Cline expressed his belief that there is a need for two facilities and he has hopes that the donor's offer will allow the City to move forward to meet the needs of the community.

Vice Mayor Robinson acknowledged everyone's hard work in getting to this point. He expressed concern that without funding the project would not move forward. Vice Mayor Robinson hoped that the project might actually become a reality because of the donor offer. He also expressed support for splitting the facilities to two sites.

Council Member Boyle agreed that it would be desirable to have two buildings on two separate sites. He asked that information regarding operational costs be available as soon as possible. Council Member Boyle said he is not bothered by the size of the proposed gym under Scheme A, because it will be facing railroad tracks, and not neighbors, and his preference is to have the larger court size. He agreed that the public/private model is the model of the future and expressed his gratitude that the City has an opportunity to explore this option.

Council Member Fergusson stated that she is leaning toward supporting Scheme A and is hopeful that the City will be able to work with the donor through any legal issues and also move forward with the public process. She also expressed her desire to see the building environmentally friendly.

Mayor Cohen stated that he believes the City is fortunate to have someone come forward who thinks enough of the City and its programs to help the City out and make this work. He praised everyone that has participated on this, including all the community members and the staff.

2. Debrief on Study Session format.

City Manger Glen Rojas said that study sessions should provide the Council with sufficient information to assist with their decision making. He asked the Council for feedback on whether the written information provided was sufficient and for future sessions if they would prefer more of an overview or more detail. Mr. Rojas also asked the Council for their preference regarding the number of study session items at a meeting.

Council Member Fergusson responded that she would have preferred to have received the drawings in advance. She expressed appreciation that all the right people were available to speak to tonight's topic, including the consultant, and representatives from the Parks and Recreation Commission and the Steering Committee. Council Member Fergusson said she would prefer to have two topics at each meeting.

Council Member Boyle stated that whether or not he would like just an overview or more detail really depends on the topic of study session. He agreed that is important to have all of the stakeholders and the experts regarding a topic at a study session.

Vice Mayor Robinson said that he believes it is helpful if staff lays out what staff needs from the Council as a result of the study session. He said he liked being provided a cost savings option and would like to see that when given alternatives. The Vice Mayor suggested that the Mayor and Vice Mayor continue to work with the City Manager on establishing the number of topics at any given study session.

Council Member Cline acknowledged that you can't always get everything accomplished in a study session, but that the Council should receive the information it needs to go forward.

Mayor Cohen felt that every question had substance and accomplished something and the presentations and responses were thorough. He pointed out that this topic took over two hours. He expressed his belief that members of the Council could speak more economically.

C. ADJOURNMENT – Adjourned at 9:30 p.m.

Respectfully submitted,

Sherry M. Kelly
City Clerk

Approved at the Council meeting of May 20, 2008.