



County of Santa Cruz

COUNTY ADMINISTRATIVE OFFICE

701 OCEAN STREET, SUITE 520, SANTA CRUZ, CA 95060-4073

(831) 454-2100 FAX: (831) 454-3420 TDD: (831) 454-2123

SUSAN A. MAURIELLO, J.D., COUNTY ADMINISTRATIVE OFFICER

August 5, 2002

Agenda: August 13, 2002

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

WATSONVILLE COURT FACILITY- 200 MAIN STREET PROJECT

Dear Members of the Board:

As part of the Last Day Reports during the 2002-03 Budget Hearings, your Board approved various recommendations related to the Courts facility project at 200 Main Street in the City of Watsonville, including design issues, architectural services, and financial accounting. At that time we anticipated returning on this date with a revised Memorandum of Understanding (MOU) with the City of Watsonville incorporating those changes to the building and financing plan for the 200 Main Street project.

Work is still underway by the various architects to refine the concept plans and integrate the various programs within the overall context of the building. As your Board is aware, the early stage of building design - especially one of this complexity - is a critical phase. Once the concept plans are finalized, we will be incorporating the final square footage and other modifications in a revised MOU. In addition, we are also working on the terms of a Cooperation Agreement and Lease with the City of Watsonville that will detail various operational issues for our tenancy in the building that are part of the overall project development. We anticipate that the revised MOU will be completed for consideration by your Board on August 27, 2002. The target dates for completion of the other documents are contingent upon the completion of further design work on the building.

We are also in the process of reviewing various approaches for the overall project management of the County's tenant improvements for the Courts. As previously reported, the City of Watsonville has hired a private developer with a construction management firm to provide pre-development services and a Guaranteed Maximum Price for the core and shell of the entire building and the Library's and City Council/Administration's tenant improvements. The developer has submitted a proposal to the County for similar pre-development services for the County's tenant improvements. Under this approach, the

WATSONVILLE COURTS PROJECT
Page 2

Agenda: August 13, 2002

developer would provide the County with cost estimating and value engineering services during the pre-construction phase of the project. If the County elects to retain the developer at a later time for overall construction management services for the Guaranteed Maximum Price, the developer would ensure the Guaranteed Maximum Price with any savings from the public bid process accruing to the County. The County would retain our current architect for design services, which is the model used by the Library. We are currently in the process of evaluating this approach and will be returning to your Board with a recommendation in the very near future.

It is therefore Recommended that your Board:

- 1) Accept and file this status report on the Watsonville Courts project at 200 Main Street;
- 2) Direct the County Administrative Office to report back on or before August 27, 2002 with a revised Memorandum of Understanding (MOU) with the City of Watsonville and a recommendation regarding project management services for the County's tenant improvements; and,
- 3) Direct the County Administrative Office to report back on or before October 22, 2002 with recommendations regarding subsequent development agreements with the City of Watsonville for the 200 Main Street project.

Very truly yours,



Susan A. Mauriello
County Administrative Officer

- cc. Superior Court
Carlos Palacios, City Manager, City of Watsonville
Jan Davison, Director, City of Watsonville Housing and Economic Development
Sheriff-Coroner
District Attorney
Public Defender
Probation
General Services
Criminal Justice Council
Peter Kasavan, Architect
Robert Wetmore, Keyser Marston, Inc.
Griffin Structures, Inc.

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