



Memorandum

TO: TRANSPORTATION &
ENVIRONMENT COMMITTEE

FROM: Peter Jensen

SUBJECT: CITY HALL AND OTHER
FACILITY MAINTENANCE
ISSUES

DATE: March 22, 2007

Approved

Date

3/23/07

Council District: Citywide

RECOMMENDATION

Accept this staff report providing an update on the maintenance of City facilities.

OUTCOME

The purpose of this report is to inform and update the Committee and the Council on the accomplishments and challenges of the General Services Department in the area of City facility maintenance.

BACKGROUND

General Services provides facility management services to a majority of the City's building asset inventory. Included in this inventory are fire stations, libraries, community centers, the Police Administration and Communications Buildings, the old City Hall Complex and the new City Hall campus. This inventory is comprised of more than 450 buildings, totaling more than 3 million square feet of building space. In addition to providing direct facility management services, the department is also engaged in a maintenance oversight role of City-owned building assets that are operated and maintained by private and non-profit entities. This report provides information on facility management services for both citywide facilities and City Hall, as well as on the department's efforts to support the City's new Green Building Policy.

ANALYSIS

Through the "Decade of Investment" the square footage of the facility maintenance inventory of General Services has increased by 46%. At the same time, economic challenges facing the City

resulted in the need to reduce operating budgets to help address the General Fund shortfall. As a result, the maintenance budget for facility management was reduced but still reflects a net 30% increase due to the addition of City Hall. If City Hall is removed from the above percentages in order to show the trend for the rest of the City's building inventory (libraries, community centers, fire stations, etc.), the total square footage has grown 13% while the maintenance budget for this inventory was reduced by 24%.

These actions have impacted the General Services Department's ability to meet the non-critical but important maintenance and capital replacement needs of the building facility infrastructure. Preventive maintenance activities have also dropped from an 80% completion rate to 33%. This has long-term effects on the life of major pieces of equipment. System failures have continued to increase, resulting in unplanned facility closures.

The introduction of the new City Hall to the facility management inventory brought with it new responsibilities in event support and security – significant efforts that were not previously a part of the department's services. Based on industry standards, the City Hall maintenance budget is approximately 18% below the norm for a facility of its type. Over time, this funding level will lead to decreases in the life cycle of the building's critical assets.

These funding challenges also play a role in the implementation of the Green Building Policy, as some green building elements require more frequent maintenance or additional staff training because of the design changes in the systems.

During this time of declining operating and maintenance budgets, it is more important than ever for General Services to continue to look for ways to improve service delivery as well as the maintainability of future improvements.

Green Building

Accomplishments

In the design stage of new projects, General Services staff works with Public Works, architects, and owner departments to review potential Green Building credits that enhance facility performance or minimize the impacts on maintenance and operations costs. Some credits that General Services often recommends include enhanced commissioning, installation of energy management systems, and high-efficiency HVAC equipment.

A number of the City's newer facilities have significant green elements, including City Hall, the West Valley Library (the first library in the country to be Leadership in Energy and Environmental Design (LEED)-certified), the Alum Rock Youth Center (the first City facility to incorporate solar panels), and the Central Service Yard Phase II project (which is on track for LEED Silver certification).

Challenges

Some design elements that earn LEED points carry long-term maintenance or staff training implications. In addition, other LEED elements provide environmental benefits, but may not result in direct cost savings and may create other operational issues.

An example of a maintenance issue is the use of waterless urinals. While they are valuable in terms of water conservation, odor is best controlled by frequent cleaning. Adobe, for example, cleans their waterless urinals twice daily. Because of the budget challenges described below, the City cleans facilities once per day at most, and often less frequently than that. New ultra low flush technologies appear to offer significant water conservation opportunities, so that is the alternative the department currently recommends.

Another challenge is keeping staff current with new building systems that offer greater environmental benefits. The field is extremely active now, and new innovations are introduced frequently. The department is committed to supporting staff in obtaining the training and information they need to keep up with this rapidly changing field.

An operational issue has arisen with regard to Heating, Ventilation and Air Conditioning (HVAC) systems. Many systems produce energy savings by limiting capacity, which compromises the system's ability to cool the air when outdoor temperatures are high, and warm it when outdoor temperatures are low. Because public buildings are often seen as safe places during periods of extreme temperatures, we may face conflicts between two important goals, protecting the public's health and achieving energy efficiency. General Services is working closely with Public Works and others to devise solutions that meet both of these goals.

Current Efforts

A number of projects are underway to advance Green Building and energy efficiency goals. General Services has partnered with Environmental Services to develop an RFP for a consultant to assist the City with pursuing LEED-Existing Building (EB) certification for City buildings. The first building to undergo this process will be City Hall, which we are confident will qualify for certification with existing elements and some additional enhancements. This process will be used as a pilot to determine the feasibility of pursuing LEED-EB certification for other buildings in the City's existing inventory.

In addition, seven energy efficiency projects for existing City facilities are now in the pipeline. These are funded by PG & E energy rebates the City has already received. The City and Redevelopment Agency continue to work with the Tech Museum of Innovation on a project to install solar panels, and City staff is studying the feasibility of installing solar panels on the new employee garage on 5th Street.

Citywide Facilities

Accomplishments

During the “Decade of Investment”, staff has partnered with Public Works and owner departments to develop facility infrastructure design standards. These design standards are necessary to ensure that new infrastructure can stand the test of time. The standards were based on products that have locally accessible replacement parts and manufacturers that have proven more reliable than others. Systems and standards that have been recommended for new design include the following:

- Heating, ventilation and air conditioning (HVAC) equipment, equipment accessibility, and controls
- Lighting controls
- Pump station controls
- Plumbing fixtures
- Graffiti coatings
- Roof systems
- Paint
- Lighting height
- Floor load requirements for scissors lift accessibility
- Restroom partitions

As new facilities are constructed or renovated, major maintenance and capital replacements need to be addressed to preserve the facility functionality. The department has developed a work unit to address these needs. This unit is comprised of building trades and project management personnel. Accomplishments include over \$500,000 of major maintenance and capital replacement completed in fiscal year 2005-2006. In the current fiscal year (2006-07), an additional \$1 million was allocated and programmed to address deferred maintenance.

Challenges

Since 1999, the City of San Jose has experienced significant growth in facility square footage. New libraries, community centers, police buildings and fire stations have been constructed. These new buildings integrate state-of-the-art systems that add building capability but, due to their complex nature, also require more maintenance to keep these systems functional.

During this period, as mentioned above, the facility management operating budget for these facilities has been reduced by approximately 24%. These reductions have resulted in increased deferred maintenance. System failures have been experienced throughout the citywide inventory and have taken some facilities out of service intermittently.

Even services that contribute to cleanliness, and health and safety have been reduced. For example, City custodial staff cleans the Police and Communications Buildings. Service reductions meant locker rooms, pre-processing areas and other Police facilities were left in less tidy conditions. Cultural facilities were also affected. At the San Jose Art Museum, custodial services were reduced by 33% (1.0 FTE). This resulted in less frequent cleaning in public areas, restrooms and exhibit space floors.

Contracted custodial services for facilities like community centers and libraries were impacted more significantly. With 25% reductions in the custodial services budget, services for many community facilities were significantly reduced or eliminated entirely. Currently, the highest level of custodial service includes restroom service and trash pick-up in public areas daily. Other routine custodial services (vacuuming, dusting, and polishing) in the public areas have been reduced to highly trafficked areas on approximately a weekly basis. Programmed funding for floor care, window washing and other similar custodial services that add to the aesthetics of the building interiors were eliminated completely or reduced to service on a "by request only" basis.

Current Efforts

In addition to design review and dedicating staff for major maintenance and capital replacements, other efforts are underway to assist in managing deferred maintenance and capital replacement. The development and implementation of our computerized maintenance management system (CMMS) has been key in managing and tracking the performance of facility assets. CMMS tracks costs and frequency of repairs for facility equipment in the City's building system infrastructure inventory. Having this data assists with making programming decisions with the City's valuable budget and staff resources. For example, an air conditioning unit may have had numerous service calls throughout the summer months. These repairs can be quantified and the piece of equipment flagged for replacement as funding becomes available. In addition, CMMS has the ability to store replacement data for facility equipment. For example, a roof system could have a serviceable life of 20 years. The installation date can be input into CMMS, and the system will forward a reminder that it is due for replacement on a prescribed replacement frequency.

Staff annually assesses the condition of building system assets and posts the results in the Adopted Budget each year. This condition assessment data is useful in identifying deferred maintenance items as well as opportunities to program available funding. This annual assessment is performed by trained City staff inspecting facilities and rating the infrastructure on a 5-point scale, from excellent to poor. Infrastructure in the lower rating range can be flagged as ready for replacement once funding becomes available.

In fiscal year 2006-2007, staff used both CMMS and condition assessment data as justification in securing \$1 million in one-time funding to address deferred maintenance and capital replacement needs citywide. The funding has been programmed to replace roofs, plumbing and mechanical systems, as well as repainting facilities which will both preserve the infrastructure and enhance the facility's and adjacent communities' aesthetics. Funding was devoted to buildings in all

Council Districts and focused on neighborhood-serving facilities. Using CMMS and condition assessment data has played an important role in identifying the City's deferred maintenance and capital replacement backlog.

City Hall

Accomplishments

As City Hall approaches its second anniversary, its operational systems have settled into a reliable routine and it has taken its place as a significant element of downtown. Staff has adjusted to working downtown and downtown activity has grown around the new facility, with many new restaurants opening in the area. City Hall has been active, with a wide variety of events taking place in and around its buildings, including Zero One, the Amgen Tour of California, the San Jose Grand Prix Drivers' Dinner, and numerous weddings.

Over the last year, General Services has been successful in further developing City Hall through modifications to the facility. Many of these improvements were driven by requests and suggestions from building tenants. Building improvement requests continue to be tracked in our on-line City Hall Improvements database. The database is linked to both the City's intranet and the General Services web page. Some of the improvements implemented include amenities such as vending machines, plants in the lobbies, and furniture in the rotunda during times that it is not hosting events.

City Hall also underwent its first evacuation drill with phenomenal success. The preparation leading up to the drill and the implementation reflect the City's commitment to the safety of its employees.

Challenges

Although the large amount of activity at City Hall is a great indication of its usefulness for the community, the extreme numbers of meetings and events have proven difficult to support with current resources. City Hall saw 10,500 hours of booked meeting and event space in the 2006 calendar year. The result of this large number of events has been the re-deployment of staff from maintenance related work to support staff for these events and a significant amount of overtime staff hours to provide coverage for these events. This deployment strategy has produced numerous successful events gathering recognition from the Mayor's Office, the City Manager's Office, and numerous private clients. These successes have helped City Hall establish its reputation as a premier local event venue.

In the area of facility maintenance, General Services has also faced challenges. Several highly visible water leaks have proven difficult to remedy. We believe that the leaks have been fixed through warranty work, although monitoring will continue and work towards resolution of several less obvious leaks will continue.

Other areas of maintenance have also proven challenging, including HVAC and electrical maintenance. Work towards adjusting the building's operations to meet optimal needs and the correction of design deficiencies continues. These efforts combined with the requests for changes from building tenants and the need to provide a comprehensive maintenance program all compete for the limited resources available. The heavy use that the building experiences for prolonged hours (7 am to 11 pm) also contributes to the heavy maintenance needs.

Current Efforts

To further the success of City Hall, several projects have been identified to increase efficiencies for staff and the public. These projects were approved by Council on May 16, 2006 and are generally in various stages of design with construction due to begin prior to the end of the fiscal year. The projects include:

- **Signage** is an area in clear need of improvement. Design changes are underway, and most of the existing signage will be replaced with signs that are more visible, better placed, and more helpful to the public as they navigate through City Hall.
- **Ergonomic upgrades** will be made to the customer service area in the first floor of the tower. These upgrades will improve the space's efficiency for both staff and the public.
- In order to make the facility user friendly for all, **automatic doors** will be installed throughout many of the most heavily used areas. These automatic doors will allow staff and the public, especially those with disabilities, to move more easily through City Hall.
- The **railings** in the customer service area will be modified to improve their functionality and expected lifecycle.
- **Audio-visual equipment** will be added to conference rooms throughout the facility. In most conference rooms, basic equipment will be added to help facilitate meeting needs. In a few selected conference rooms with particularly high usage, more extensive equipment will be added.
- The **Travelers Information Center**, to be located in the tower lobby, will provide information on the latest transportation news, including airline schedules, traffic video, and driving routes.
- The **television production studio** was not brought to full functionality during the original construction project. Completion of this space will improve the ability of the City's Civic Center television program to create programming that helps keep residents informed about City operations.
- As a result of business structures and needs, City Hall is beginning to experience the need for **space moves**. The PBCE call center has moved from the fourth floor to the second

floor to be closer to those they support. Other planned moves include the relocation of the Office of Employee Relations to the third floor of the wing, and the consolidation of the Customer Service Call Center on the eleventh floor of the tower.

Conclusion

General Services continues to strive to meet the challenges of the City's aged infrastructures through the utilization of technology to identify and correct the greatest of needs. This technology also assists General Services in programming available resources to meet current needs in the most efficient means possible. However, the need continues to grow beyond the resources dedicated to address them.

The overall need of the City's infrastructure is further reflected in the efforts to continue to manage City Hall in a way that meets the needs of staff and the public. As the City Hall infrastructure itself begins to age, it will be important to address the facility's maintenance needs to insure that it continues to support City staff in providing the best service to their customers while maximizing the initial investment made to construct it.

Although many measures have been implemented to address deferred maintenance, including a \$1 million commitment in the current fiscal year, the fact remains that our City facility deferred maintenance backlog is an ongoing issue. The backlog currently stands at approximately \$12.8 million and will continue to increase due to the lack of ongoing funding available to support annual maintenance needs.

Over the next several months, General Services will be partnering with other City departments to review and begin the implementation of the infrastructure objectives identified during the recent Mayor, Council, and Senior Staff priority setting study session. Included in this initial review will be the development of a 2-year work plan to identify and prioritize infrastructure needs, as well as a review of potential funding mechanisms to address those needs.

COORDINATION

This report has been coordinated with the City Manager's Office and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

Implementation of capital replacement strategy to address deferred maintenance meets the Budget Strategy that emphasizes prevention and expenditures that reduce costs to the City and our community.

COST IMPLICATIONS

None.

CEQA

Not a project.



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Director of General Services

For questions, please contact Peter Jensen, Director of General Services at 938-2025