



County of El Dorado

330 Fair Lane, Building A
Placerville, California
530 621-5390
FAX 622-3645
www.edcgov.us/bos/

Legislation Details (With Text)

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On agenda: 10/10/2017 **Final action:** 10/10/2017

Title: District Attorney recommending the Board:
1) Approve and authorize the chair to sign Lease Agreement 171-L1811, for office space located at 778 Pacific Street, Placerville, CA, with Fausel Professional Center, LLC in the amount of \$8,808 for month three and \$27,102.90 (\$1.65 per square foot) per month for months 4-15, after the initial occupancy date. Rent will increase by 3% per rentable square foot annually, throughout the 123 month term; and
2) Approve and authorize the Chair to sign a budget transfer increasing revenues and appropriations through the use of Department of Justice Asset Forfeiture Funds by \$100,000 for the purchase of office furniture (4/5 vote required); and.
3) Approve and authorize the Chair to sign a budget transfer decreasing appropriations in Department 15 and increasing appropriations in the District Attorney's budget by \$196,147 (4/5 vote required).

FUNDING: General Fund and Department of Justice Asset Forfeiture Funds.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Lease Agreement 10-10-17, 2. A - Revised Lease Agreement 10-10-17 BOS Rcvd 10-6-17, 3. B - Department 15 Budget Transfer 10-10-17, 4. C - Budget Transfer FY 17-18 - Asset Forfeiture 09.12.17 BOS 10-10-17, 5. D - Summary of Lease Costs 09.12.17 BOS 10-10-17, 6. Executed Lease Agreement 171-L1811, 7. Executed Budget Transfer, 8. Executed Budget Transfer

Date	Ver.	Action By	Action	Result
10/10/2017	1	Board of Supervisors	Approved	Pass

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DEPARTMENT RECOMMENDATION

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DISCUSSION / BACKGROUND

Due to the deteriorating conditions of the county-owned facilities at 515 and 525 Main Street in Placerville, the District Attorney is requesting approval to relocate operations to a facility located at 778 Pacific Street in Placerville, also known as the Fausel Building.

A Conditions Assessment Report was completed on the 75 year old Main Street facilities in FY 2013/14 and shows substantial repairs are needed. The repairs include, but are not limited to, the following:

- Fire and safety modernization
- ADA enhancements
- Building integrity
- Finishes
- Mechanical, Electrical and Plumbing

As previously reported to the Board, the buildings have serious problems with infrastructure that cannot be remedied without major improvements that would have to be paid for by the County. Proceeding with any improvements would be costly and would significantly interrupt the Department's operations, which are vital to the functioning of the criminal justice system.

In addition to the 515 and 525 Main Street locations, the District Attorney occupies a third location, 532 Main Street, which is currently being leased for \$63,549/year. The planned facility move would allow for all staff to be relocated to one Placerville facility and the department would no longer need to maintain the lease at 532 Main Street. The early termination costs of \$25,000 for the 532 Main Street lease agreement will be paid from the existing FY 2017/18 Rent & Lease budget appropriations.

The 532 Main Street lease savings, estimated to be \$12,368, will reduce the total General Fund appropriations needed for the lease and improvements to the Fausel Building. It is estimated that the lease and related expenses will increase the department's Net County Cost by \$196,147. All tenant improvements will be constructed and paid for by the Lessor; however, an early termination fee applies after month four, to cover the unamortized cost of such improvements should the County terminate the lease before month 123. The termination fee schedule can be found on page 26 of the attached agreement.

Per Section 23.1 of Lease Agreement 171-L1811, all brokerage fees shall be the sole obligation of Fausel Professional Center, LLC. The approximate cost of the brokerage fees is \$109,105.

The benefits of this relocation include improved environmental working conditions for staff, an ADA compliant facility, a reduction in facilities maintenance requests and a significant increase in employee and visitor parking.

ALTERNATIVES

The Board could direct the Facilities Division to look into improvements at the current office location on Main Street. Due to the age of the current location, improvements would be significant and expensive. To bring the building in compliance with ADA requirements, to renovate the interior, to rebuild mechanical systems and infrastructure would require all employees to be relocated. There would be significant costs involved in a relocation and the Department's operations would certainly be disrupted. In addition, the facility is not large enough to house the entire District Attorney staff, so additional space would have to continue to be leased.

The Board could direct the Facilities Division to continue to identify additional locations for the Department. Due to the recent location of the Public Defender's Office an exhaustive search for alternative locations has already been performed, making it unlikely that additional locations would be identified. This would result in the Department remaining in a building which is not ADA compliant, in need of major repairs, and lacking in parking.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Chief Administrative Office, Facilities Division
Risk Management
County Counsel

CAO RECOMMENDATION

Approve as recommended.

FINANCIAL IMPACT

\$210,000 was included in the FY 2017-18 Addenda budget in Department 15. The attached budget transfer moves these funds out of Department 15 and into the District Attorney's budget. The lease and related expenses will increase the department's Net County Cost by \$196,147. In addition, the department is using \$100,000 in asset forfeiture funding for furniture expenses.

The lease includes an early termination fee of approximately \$210,860, which is amortized over ten years. The fee declines each month that the County continues to occupy the building. If the County exercises its right to terminate the lease prior to the end of the initial ten-year term, it will be obligated to pay the balance of the fee. Any term extensions beyond the first ten years will not be subject to any termination fee. An amortization schedule for the fee is included in the attached lease.

CLERK OF THE BOARD FOLLOW UP ACTIONS

1) Clerk of the Board to forward executed Budget Transfers to the Auditors Office for processing; and
2) Clerk of the Board to forward one fully-executed original of Lease Agreement #171-L1811 to the District Attorney's Office.

STRATEGIC PLAN COMPONENT

Public Safety:

- Integrated and balanced network of services
- Ensure fair and accessible adult and juvenile justice systems

CONTACT

Vern Pierson, District Attorney

Russell Fackrell, Facilities Manager