



Legislation Details (With Text)

File #: 18-0338 **Version:** 1

Type: Agenda Item **Status:** Approved

File created: 2/21/2018 **In control:** Board of Supervisors

On agenda: 3/13/2018 **Final action:** 3/13/2018

Title: Chief Administrative Office, Facilities Division, recommending the Board consider the following:
1) Approve and authorize the Chair to sign the Purchase and Sale Agreement and Joint Escrow Instructions 201-O1811/2640 with the owners of Assessor's Parcel 027-362-08-100 (commonly known as 3368 Sandy Way, South Lake Tahoe) for \$1,250,000 as related to the Health and Human Services Agency's El Dorado Center Project and direct staff to continue its due diligence concerning the potential renovation/reconstruction of the El Dorado Center and necessary tenant improvements of 3368 Sandy Way;
2) Authorize an escrow deposit of \$25,000;
3) Authorize the Facilities Manager to sign any subsequent escrow and related documents; and
4) Authorize the Chair to sign the attached budget transfer decreasing Public Health contingency and increasing operating transfers out and increasing operating transfers in and appropriations for fixed assets/buildings in the Accumulative Capital Outlay fund in the amount of \$1,500,000 for the purchase of 3368 Sandy Way and associated due diligence and staff costs (4/5 vote required). (Est. Time: 10 Min.)

FUNDING: Public Health Fund Balance.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - PSA 201-O1811_2640, 2. B - Sandy Way Budget Transfer, 3. Executed Agreement No. 2640, 4. Executed Budget Transfer Request

Date	Ver.	Action By	Action	Result
3/13/2018	1	Board of Supervisors	Approved	Pass

Chief Administrative Office, Facilities Division, recommending the Board consider the following:
1) Approve and authorize the Chair to sign the Purchase and Sale Agreement and Joint Escrow Instructions 201-O1811/2640 with the owners of Assessor's Parcel 027-362-08-100 (commonly known as 3368 Sandy Way, South Lake Tahoe) for \$1,250,000 as related to the Health and Human Services Agency's El Dorado Center Project and direct staff to continue its due diligence concerning the potential renovation/reconstruction of the El Dorado Center and necessary tenant improvements of 3368 Sandy Way;
2) Authorize an escrow deposit of \$25,000;
3) Authorize the Facilities Manager to sign any subsequent escrow and related documents; and
4) Authorize the Chair to sign the attached budget transfer decreasing Public Health contingency and increasing operating transfers out and increasing operating transfers in and appropriations for fixed assets/buildings in the Accumulative Capital Outlay fund in the amount of \$1,500,000 for the purchase of 3368 Sandy Way and associated due diligence and staff costs (4/5 vote required). (Est. Time: 10 Min.)

FUNDING: Public Health Fund Balance.

DEPARTMENT RECOMMENDATION

Chief Administrative Office, Facilities Division, recommending the Board consider the following:

- 1) Approve and authorize the Chair to sign the Purchase and Sale Agreement and Joint Escrow Instructions (PSA) No. 201-O1811/2640 with the owners of Assessor's Parcel No. 027-362-08-100 (commonly known as 3368 Sandy Way, South Lake Tahoe) for \$1,250,000 as related to the Health and Human Services Agency's (HHSA) El Dorado Center Project and direct staff to continue its due diligence concerning the potential renovation/reconstruction of the El Dorado Center and necessary tenant improvements of 3368 Sandy Way;
- 2) Authorize an escrow deposit of \$25,000;
- 3) Authorize the Facilities Manager to sign any subsequent escrow and related documents; and
- 4) Authorize the Chair to sign the attached budget transfer decreasing Public Health contingency and increasing operating transfers out and increasing operating transfers in and appropriations for fixed assets/buildings in the Accumulative Capital Outlay fund in the amount of \$1,500,000 for the purchase of 3368 Sandy Way and associated due diligence and staff costs (4/5 vote required).

DISCUSSION / BACKGROUND

In 2013 the Facilities Division commissioned a comprehensive facility assessment at the County's most frequented and staffed locations. Twenty locations were inspected and three were identified as at end-of-life to the point of being more costs effective to either find a new building or to rebuild in place entirely. Two of these three facilities have been addressed; the Placerville District Attorney's former location on Main Street and the Sheriff Department Building on Forni Road. The third of these locations is the El Dorado Center located at 3368 Lake Tahoe Boulevard.

The assessment finding regarding the El Dorado Center states in part "Building has too many costly deficiencies which would indicate that the relocation of the County Department to an appropriate building or replacement of the building would be more cost effective." The Division concurs with these findings and alternatives have been researched.

The potential purchase of the property on 3368 Sandy Way will assist to facilitate the significant renovation/reconstruction project regarding the El Dorado Center and, ultimately, will allow HHSA to consolidate their program functions as well as other similar public programs into a more centralized area. Parking at the El Dorado Center is very limited and the purchase of the Sandy Way facility will allow for adequate parking for the public and employees for both buildings. The Sandy Way facility will require some tenant improvements and then will be available to relocate staff out of the El Dorado Center to allow for renovations of the El Dorado Center to take place. Once renovations are completed, the Sandy Way facility will be utilized by Health and Human Services to consolidate program functions from the Johnson Center creating a consolidated Health and Human Services campus.

Should the Board choose to execute the PSA, the Division shall perform due diligence, including South Lake Tahoe City Planning Commission and/or Tahoe Regional Planning Agency (TRPA) approvals, and return to the Board for close of escrow and further direction.

ALTERNATIVES

The Board could decline to execute PSA No. 201-O1811/2640 and a new alternative plan will have to be formulated regarding the facility issues with the El Dorado Center.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Health and Human Services Agency

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board approve this item.

FINANCIAL IMPACT

The purchase price of the Sandy Way facility was not included in the FY 2017-18 budget due to the fact that options were still being reviewed. Public Health has sufficient fund balance set aside for this project. A budget transfer is attached decreasing use of contingency and increasing operating transfers out of Public Health and increasing revenue and appropriations in the Accumulative Capital Outlay fund for the purchase of the building of \$1,250,000 as well as an additional \$250,000 for any due diligence costs and facilities project management time. Future renovation costs will be included in the FY 2018-19 budget.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Return executed PSA to Division for processing.

STRATEGIC PLAN COMPONENT

Infrastructure

CONTACT

Russ Fackrell
Facilities Manager

Patricia Charles-Heathers
Director of HHSA